WTO members aim to finish Doha talks next year

By Jonathan Lynn
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GENEVA - World Trade Organisation (WTO) members agreed on Friday to aim to finish the marathon Doha round of trade talks next year.

WTO Director-General Pascal Lamy -- himself a keen marathon runner who is taking part in an annual Geneva long-distance race on Saturday -- told WTO ambassadors that it was possible to complete the negotiations by the end of 2008.

The delegation heads agreed with a roadmap for the talks laid out by Lamy, but there were differences between countries over the treatment of talks on services such as telecoms and banking, trade officials said.

The next major stage in the talks, launched six years ago in the Qatari capital, is for the chairmen of the key agriculture and industry talks to issue revisions of the negotiating texts they produced in July.

These revised texts, reflecting the intense negotiations that have taken place over the past three months, would form the basis for outline agreements in farming and industry, known as modalities in WTO-speak, setting out the principles for cutting tariffs and subsidies, and the exceptions to those rules.

REVISED TEXTS

Lamy said the revised texts could now appear in late January or early February, with the modalities agreed a month later after further talks.

"If we agree on the modalities early next year, I believe we could be able to conclude the Round before the end of 2008," he told the ambassadors according to a copy of his remarks.

The revised texts were previously planned to come out this month.

But New Zealand's WTO ambassador Crawford Falconer, who chairs the farm talks, asked for more time for negotiators to work on technical issues such as consumption data of politically sensitive foods that will receive special tariff treatment.

Agriculture accounts for only a small proportion of world trade -- in 2006 it made up only 8 percent of total exports -- but it is the key to the whole Doha round, launched to boost the world economy and help poor countries export their way out of poverty.
The Doha round was given a special development mandate, and agriculture is important to developing countries either because so many poor people depend on it for their livelihood, or because many developing countries such as Brazil have the potential to be major food exporters.

And after 60 years of trade negotiations that have concentrated on industry, the biggest distortions remain in politically sensitive agriculture.

So many countries are waiting to see what happens in the agriculture talks before making commitments in other areas.

Once the agriculture and industry packages are agreed, there follows the long hard grind of translating the outline deal into specific tariff cuts. That would take to the end of the year.

Meanwhile countries would start to negotiate between farming, industry and other areas, making trade-offs between different sectors.

At the same time countries will start to negotiate in earnest on services, in a series of bilateral talks about opening markets in different sectors.

Nations interested in services, from the United States to India, want at least a statement of ambition soon after the new agriculture paper comes out, so that they can sell an outline deal back home. But some developing countries such as Bolivia are resisting a statement of principle like that.

Lastly work will get underway in earnest in a whole range of other trade areas. Officials said a negotiating text on one of them -- rules, encompassing trade measures ranging from dumping to fishing subsidies -- was likely to appear later on Friday.

(Editing by Dominic Evans)