

UN GA High Level Dialogue
October 28, 2003

Trade) and the WTO. Key issues are the subsidies and tariff regimes in the EU, the U.S. and Japan that protect their agricultural sector and undercut farmers in the developing countries by selling products on global and local markets at prices under the cost of production (dumping). The African Cotton Initiative was also addressing cotton subsidies, especially in the U.S. A pro-development resolution on these issues would have protected local agriculture, rural employment, rural development and food sovereignty in the developing world. However, the draft Declaration offer only small concessions on these issues.

While the NAMA (non-agricultural market access) negotiations did not play as critical a role as agriculture and the Singapore issues at Cancun, the draft Declaration posed significant areas of disagreement among nation states relative to development concerns. Developing countries wanting to move forward with tariff reductions which were consistent with their capacities and their development objectives, while developed countries were seeking across the board tariff reductions.

The unresolved dispute on the meaning of the Doha Declaration relative to the launch of negotiations on the four Singapore issues, and the “explicit consensus” required, carried over into Cancun. The EU insisted that negotiations on the Singapore issues had been launched and many of the countries of the South did not agree. Moreover, many member states had clearly stated their position against beginning negotiations on the issues before and during the Cancun Ministerial. The arguments against the issues concerned their development value and countries’ capacity for an enlarged WTO agenda. When the final draft Declaration was issued on September 13 with starting times for three of the four issues, the final impasse was reached.

Many Caribbean and other developing countries took the position that “No deal was better than a bad deal.” From the point of view of a true development agenda, the Cancun draft Declaration was a bad deal for many of the countries. The text of the draft clearly reflected the positions of the powerful countries in the WTO, particularly the U.S. and the EU. Development concerns were not at the Center of the draft document.

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publically, that the alliances would break apart under political and economic pressure. They did not and the Ministerial faltered.

These alliances are important because they address the imbalance in the negotiating leverage of developing countries in putting forth their trade agendas. But a serious question on their future viability at the WTO remains. At a recent meeting of representatives of the G20 (now the G17) in Geneva, the group asserted its cohesion and said that it would be flexible, reaching out to other member states and taking into consideration the needs of LDCs.

NGOs continue to be an important voice in trade discourse and at the Cancun Ministerial. Many of them supporting the efforts of the developing countries to advance their development agendas.

meetings excludes too many countries and in effect makes a few countries an unelected “steering committee” for the Ministerial. The mini-ministerials mirror the now infamous “green rooms” used during trade negotiations and Ministerials. Green rooms are by-invitation-only informal and undocumented meetings of key member states that undermine transparency and democracy in decision-making. It is important to note that the U.S. and the EU are always part of both the mini-ministerial and the green room meetings, giving them undue power and advantage over the trade negotiations.¹

In conclusion, despite its apparent failure, the Cancun Ministerial was a qualified success in that the formation of new and effective alliances kept the development focus in the negotiations. The developing countries came to the Ministerial with a clear agenda and political alliances and were not dissuaded. That the Secretariat, the U.S. and the EU either did not notice the new dynamic or chose to ignore it does not diminish the significant expertise the developing countries now bring to the negotiating process. If this trend continues, trade talks in the future might actually lead to

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Participation in the WTO, available at <http://www.igtn.org/WTO/WTOResources.htm>. See Memo on WTO Transparency.