SUMMARY

...clearly a critical (and as yet unpredictable) upcoming week in Geneva...

With critical WTO negotiations entering their final week, the difficulty of reaching consensus on a package of framework arrangements is demonstrated by the fact that only about a third of negotiators, policy-makers and trade analysts were prepared to predict that agreement would be reached by the end of the coming week. Although positive movement in the agriculture talks and the atmosphere fostered by high-level meetings since our last poll have clearly improved the chances for agreement this week, a successful outcome is not seen as assured at this stage.

As always, agriculture remains the key, and while survey respondents generally give considerable credit to the “Five Interested Parties” (FIPs) discussions for having moved the talks forward, most agree that the politically difficult market access element of the agriculture negotiations will need to be addressed through a complicated formula where it is likely to be difficult to accommodate all interests.

There is considerable support for the notion that trade facilitation negotiations will be launched as part of the package; however, participants are slightly less optimistic than they were in May – perhaps due to a continued cloudy picture on how the other “Singapore Issues” will be dealt with in the package.

For industrial market access, most survey participants hold the view that last September’s “Derbez Text” approach is the best way to get through the current discussions even if many respondents offered their view that the text is less than ideal.

Most of those polled disagreed with the suggestion that a Sixth Ministerial Conference would be set for December 2005 and that this would be the target for completing the Doha Round. Finally, despite recent reports of progress with the EU and other key partners, Russia was given little chance of becoming a WTO Member by the early part of 2005.

The poll was conducted in early- to mid-July and included more than 100 respondents comprised of negotiators, policy-makers and experts located in Geneva and key capital cities around the world. The Institute’s next poll will be conducted in September.

RESULTS

Consensus on Framework Package: Respondents are hedging their bets as the Geneva process heads into the final week, with just about one-third predicting that consensus will be reached on a package of framework decisions by the end of the month. A larger number (40%) predict failure and slightly less than 30 percent give consensus a fifty-fifty chance.
“Five Interested Parties” Productive: Overall, fifty-five percent of those polled felt that the “five interested parties” (FIPs) discussions on agriculture issues had been instrumental in moving the negotiations forward. The FIPs discussions were more highly valued by capitals-based respondents (68%) than by Geneva participants (48%).

Agriculture Market Access Complicated: In a poll conducted about one year ago, respondents already identified the market access aspect of the agriculture negotiations as the most difficult and this is confirmed by the current survey where more than seventy percent of all respondents and over 80 percent of Geneva-based respondents hold the view that a successful agriculture framework will need to incorporate a tiered approach using different liberalisation techniques within the bands.

Ambitions for Domestic Support Results: Fifty-five percent of poll participants believe that it would be appropriate to aim for elimination of the de minimis provision in the negotiations on domestic supports for agriculture. About 18 percent believe this is not in the cards and a large number of respondents indicated no opinion on the topic.

Trade Facilitation Negotiations: Those who believe trade facilitation negotiations will be launched this month outnumber doubters by a large margin (66% to 14%), however, the level of optimism is down from our May survey when 83% of respondents predicted the negotiating phase would start with agreement on a framework package.

Market Access for Industrial Products: The “Derbez text” is seen by 55 percent of poll respondents as the likely outcome in the framework package for non-agriculture market access (NAMA). Just 21 percent believe another approach to NAMA will be adopted in the package.

Services Negotiations: Slightly over one-half of those polled favoured using the planned framework package to set new target dates for the GATS negotiations (for example, to submit improved offers).

Other “Singapore Issues”: People are still unclear on the fate of the three other “Singapore Issues” (Competition, Investment and Transparency in Government Procurement). While a plurality (43%) feels that the issues will remain on the WTO work program for study and discussion (not negotiation), 32 percent of respondents doubt that work will continue on these subjects in the WTO.

Sixth Ministerial Meeting / Doha Round End: Most respondents did not agree that the Sixth WTO Ministerial Conference would be used to end the Doha Round and that the meeting would be set for December 2005. Only about one quarter of those polled agreed with this proposition. Capitals-based participants were considerably more negative on this point than were Geneva respondents.

Russia Not Close to Membership: Almost two-thirds of those polled thought it was unlikely that Russia would be a Member of the WTO by the end of the first quarter of 2005. Just 18 percent of respondents thought early Russian membership is likely.

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Andrew L. Stoler  
Executive Director, IIBE&L

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