Road to Bali

Quest for Possible Common Positions of South Asian Countries

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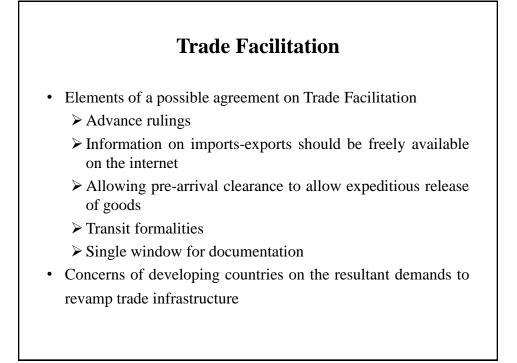
Issues to be considered at Bali

• Issues tabled for an 'Early Harvest'

- Issues of interest to developing countries
 - Trade Facilitation
 - Agriculture
 - LDC Issues
- Other issues
 - Environmental Goods and Services
 - Expansion of the Information Technology Agreement
- Significance of the Bali Ministerial
 - *Reinvigorate faith in the multilateral trading system why trade multilateralism is better?*

Agriculture

- G20 Proposal: Tariff rate quotas in agricultural trade
- G33 Proposal: Public stockholding for domestic food security and domestic food aid
 - ➢ Food prices to support "low-income or resource-poor producers" should not be included in the AMS
 - Exempt ceilings on subsidies for farm support programmes for rural development and rural livelihood by classifying them under Green Box support
 - Food security, land reform, drought management, flood control programs should be exempted from subsidy reduction commitments.
- Consensus seems distant: US does not support the G33 proposal on public stockholding for food but ...?



LDC Issues

- Duty-Free, Quota-Free Market Access
- > Special and Differential Treatment in different agreements
- Intellectual Property Rights: Extension of transition period for LDCs
- Cotton: Substantial reduction in subsidies to cotton production in the US

Issues vis-à-vis Possible Common Positions

- LDCs (NFIDCs)
 - Future of food security at stake
 - Domestic food aid and public stockholding critical to address food shortage
- Developing Countries (India, Pakistan, Sri Lanka)
 - Future of the G33 proposal: Hopes abound that certain farm subsidy programmes could be termed 'minimally trade distorting' programmes
 - Also, food stockholding and domestic food aid may fall under a *peace clause*
 - Concern over the future of export subsidy cuts in Bali for key food exporters
 - The search for 'Balance' in the negotiations in ubiquitous
 - Trade Facilitation should be balanced by other gains for developing countries
 - > TF and Agriculture are being weighed against each other in negotiations

Questions for Discussion

- Agriculture
 - What will be the implications of the Bali package on the question of 'food security' in the region?
 - ➤ Could there be a 'post-Bali' work programme?
- LDC Issues
 - Will the Bali Ministerial enable better integration of LDCs within the trading system?
- Trade Facilitation
 ➤ Is the final draft likely to be limited to 'best endeavour'?