

Doha Round: Progress in sight?

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India played host to about 40 trade ministers in New Delhi on 3-4 September, 2009 to discuss ways to bring the ongoing WTO Doha Round negotiations to an early conclusion. There is considerable excitement and speculation amongst WTO watchers of India taking the lead in the preparation for the post summer-break work programme of the WTO in Geneva.

The Delhi meet goes beyond earlier events of this nature organised by India, which were mostly an attempt at coalition building amongst like-minded developing countries, like the SAARC Trade Ministers meet in 2001 before the Doha Ministerial Conference, a meeting of G-20 grouping on agriculture negotiations in 2005 and an international conference titled 'Saving Doha' in 2006. In Delhi, India has chosen to play host to all shades of opinion in the WTO to take an incremental step to the conclusion of the Doha Round by the end of 2010.

In order to successfully conclude the Doha Round, the most important outstanding agenda is to complete the negotiation on modalities for tariff reduction on agriculture and industrial goods and to discipline the trade distorting subsidies in agriculture.

The Delhi deliberations focused on how such modalities could be concluded within the 2010 deadline for concluding the negotiations. There were also discussions regarding how to take services negotiations forward and whether any new deadline need to be set for revised offers in services.

The deliberations also focused on the need to achieve commensurate progress in other areas of negotiations, which typically include subjects like anti-dumping, subsidies including fishery subsidies, TRIPS, trade facilitation, etc.

Does this event, seen in conjunction with several recent statements of the new Indian commerce minister underlining the need for early conclusion of the Doha Round, signify India's willingness to take a more conciliatory position on some core issues of its concern like Special Safeguard Mechanism for agriculture products and preserving adequate flexibilities in tariff reduction for industrial products?

Drawing any conclusion regarding India's changing approach to WTO talks on the basis of these signals will be hasty. The Doha Round started in 2001 and India was the last country to fall in line to agree to the starting of a new round. Since then, India has been engaging constructively in the negotiations, though it has often been seen as a 'spoiler'.

India is emerging as a key global player in more ways than one. A more immediate context is India's involvement with G-8 process. Since 2007, G-8 has initiated dialogue with Brazil, China, India, Mexico and South Africa to build a common understanding on key issues on the global agenda.

In the L'Aquila summit of July 2009, the Heads of States agreed that "time is ripe to unblock negotiations in order to reach an ambitious and balanced conclusion in 2010 on the basis of the progress already made, including with regard to modalities."

This new emerging role of India carries with it a responsibility to take initiatives in taking the global trade talks forward. However, it would be short-sighted to infer that this proactiveness signals a dilution of India's stand.

However, India should be cautious not to be seen to have joined the high table at the WTO to subserve its own interests or to strike side deals and in the process, sacrifice inclusiveness and transparency in WTO which it has always championed.

India has to use its growing clout to continue to give constructive leadership to the developing and least developed countries in the WTO negotiations. These negotiations are highly complex and technical and missions of smaller countries in Geneva often look up to India to take a position which will protect the larger interest of developing

countries.

In all this, the central fact that cannot be lost sight of is that some issues in WTO are not negotiable for India. This includes a provision for sufficient flexibilities to safeguard the interests of resource-poor and marginal farmers and the interests of vulnerable sectors of industry.

At the same time, India also needs to push for a more ambitious outcome on services negotiations by locking in the Mode 1 services regime in developed economies and a more meaningful market access in Mode 4.

It may be premature to call the Delhi Meet as the beginning of the end game, but it definitely signals a new readiness of the WTO members to give a big push to the goal of early conclusion of the Doha negotiations, where India should play a role suitable to its new stature.

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