

AGRICULTURE POLICY AND THE WTO

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Introduction to the WTO

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WTO

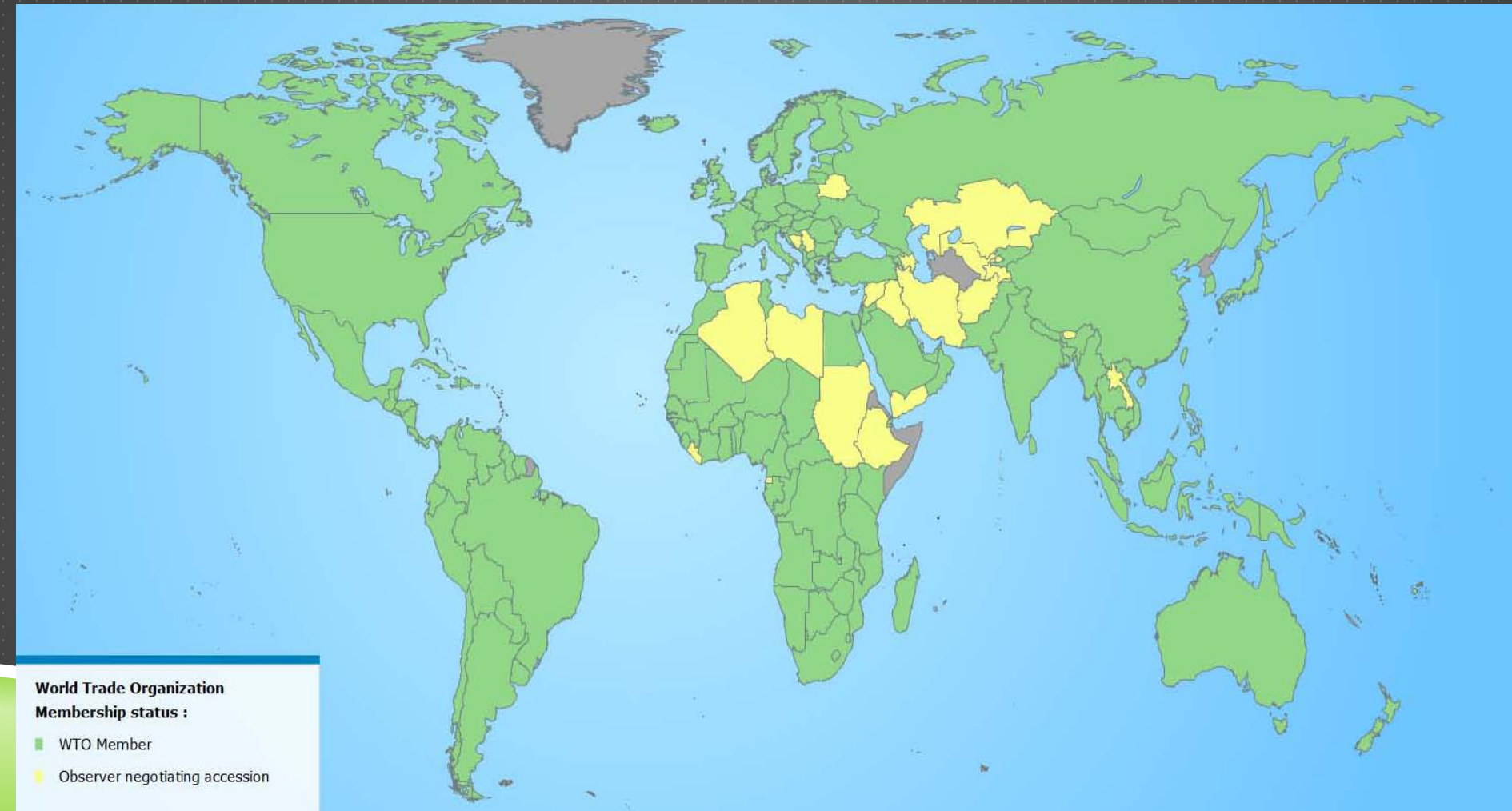
Objective

Improve living standards and efficient use of resources through trade

- Predictable trade policies
- Gradually reduce trade barriers through negotiations
- Monitor through committees, councils and Ministerial Conferences
- Resolve disputes



WTO 157 customs territories



Background

Bretton Woods Institutions

- World Bank (IBRD)
- International Monetary Fund
- International Trade Organization and the Havana Charter (signed 1948 but not ratified)

GATT 1947 - Interim agreement between 23 parties
(including Turkey)





Basic Principles

Most favoured nation

- one treatment for all

National treatment

- once inside its all the same

Could add

Nullification and impairment

- *even if legal, can't cancel obligations*

Bindings and renegotiation

- *max import duties*

Special and differential

- *exceptions for developing countries*

Regional trade agreements

- *if result is more liberal trade*

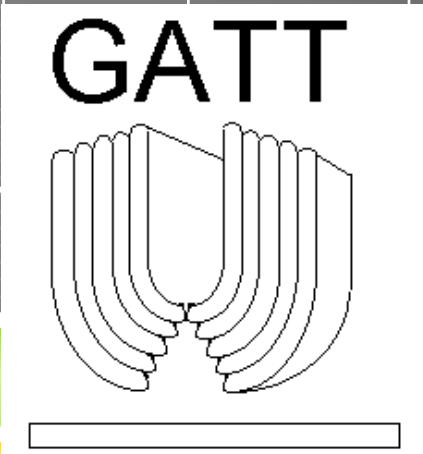
Preferences for developing

- *no discrimination between countries at same level of development*



From GATT to WTO

Year	1947	1949	1951	1956	1960-61	1964-67	1973-79	1986-94
Round	Geneva	Annecy	Torquay	Geneva	Dillon	Kennedy	Tokyo	Uruguay
Contracting parties	23	13	38	26	26	62	102	123
Issues	Tariffs	Tariffs	Tariffs	Tariffs	Tariffs	Tariffs Dumping	Tariffs NTM Codes	Tariffs SPS TBT TRIPS Services Disputes Agriculture



Doha Round: 2001

143-157 Members



WTO Activities and Agreements

Activities

Monitoring

Resolving disputes

Negotiations

Agreements

General Agreement

Agriculture

SPS

TBT

Subsidies

Safeguards

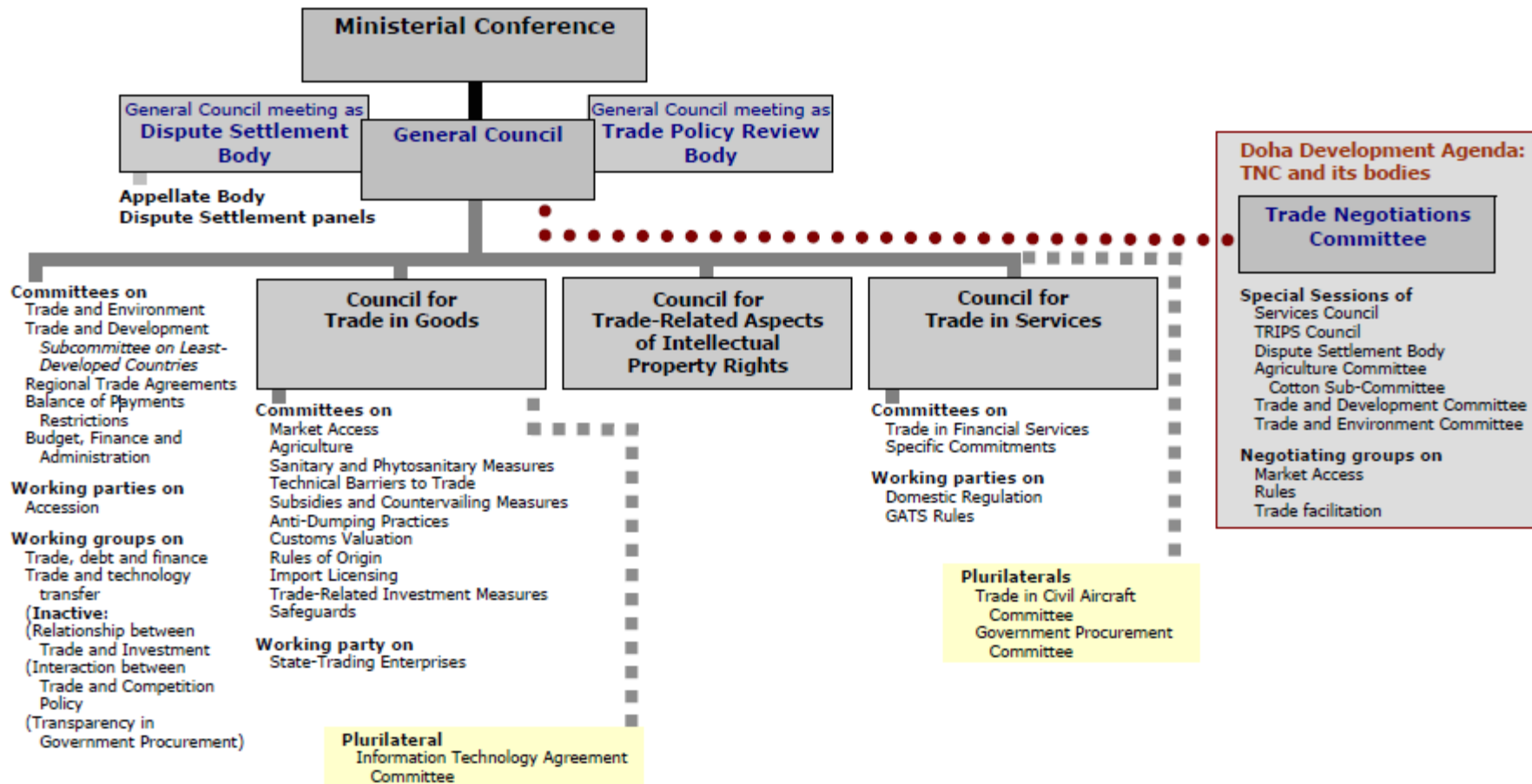
Services

Intellectual property

etc

WTO structure

All WTO members may participate in all councils, committees, etc, except Appellate Body, Dispute Settlement panels, and plurilateral committees.



Key

- Reporting to General Council (or a subsidiary)
- Reporting to Dispute Settlement Body
- Plurilateral committees inform the General Council or Goods Council of their activities, although these agreements are not signed by all WTO members
- Trade Negotiations Committee reports to General Council

The General Council also meets as the Trade Policy Review Body and Dispute Settlement Body



Activities: Monitoring

- Regular committees, including Agriculture and SPS
 - Notifications
 - Discussions

- Monitoring reports by the Director General
 - Reports to the G-20
 - Reports to the Trade Policy Review Body

- Trade Policy Review Body
 - Review each Member
 - 2 year cycle for the United States, EU, China, Japan
 - 4 year cycle for the next 16 in world trade (including Turkey)
 - 6 year for the rest (can be longer for least-developed)

Agreement on Agriculture

A. Market Access

- Tariffs
- Tariff Quotas
- Special Safeguard

B. Domestic Support

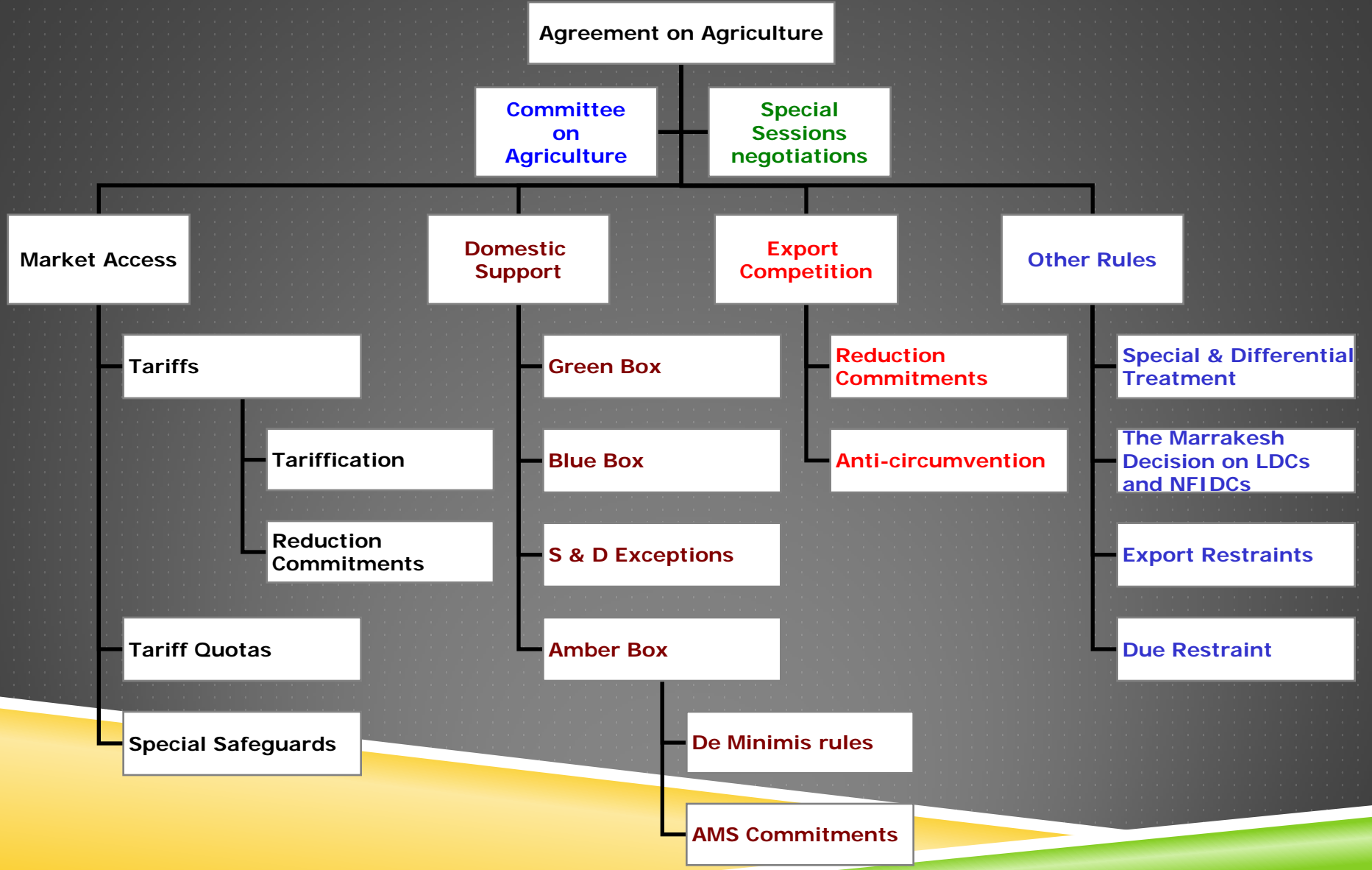
- Amber Box
Reduction Commitments
- Blue Box
Production Limiting
- Green Box
Non Trade Distorting
- S & D Box
Investment & input

C. Export Competition

- Quantity Reductions
- Value Reductions
- Anti-Circumvention

Other Rules

Special and Differential Treatment, Export restrictions, Implementation





Sanitary and Phytosanitary Measures

SPS

- **Protect people, animals and plants from disease and illness**
- **Protect environment from pests**
- **All Members can choose their own Appropriate Level of Protection**

Technical Barriers to Trade

TBT

- **Quality regulations**
- **Protect people, animals and plants from injury**
- **Ensure imports meet national technical regulations**
- **Permit voluntary and compulsory labelling**

Sanitary and Phytosanitary Measures

Choice: I

Adopt a measure that conforms to international standards

- **Codex Alimentarius for food safety**
- **OIE (World Org for Animal Health)**
- **IPPC (International Plant Protection Convention)**





Sanitary and Phytosanitary Measures

Choice: 2

Adopt higher standard

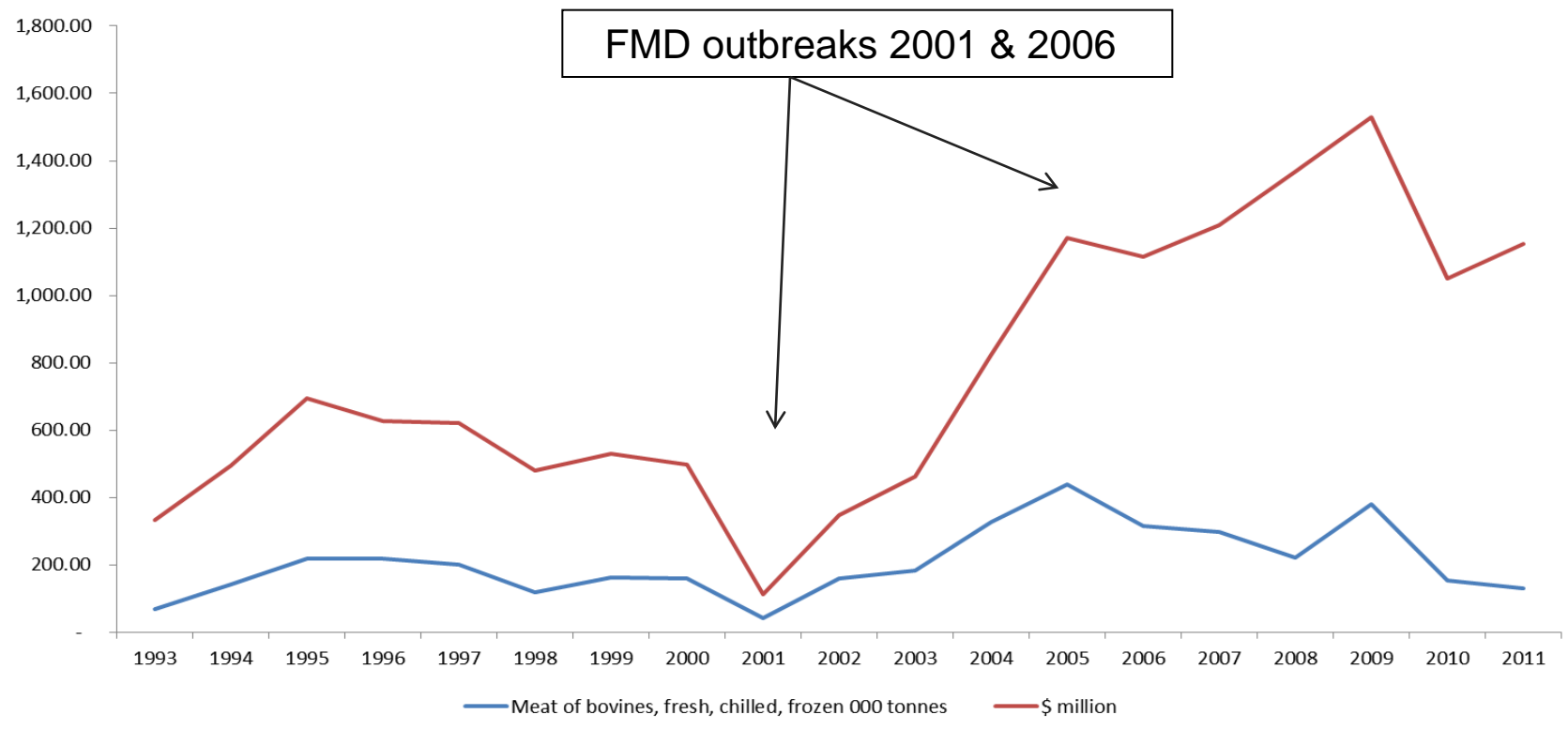
- Risk assessment
 - Identify disease, pest, contaminant
 - Evaluate likelihood of entry
 - Evaluate likelihood of entry based on SPS measure
- Measure must be no more than necessary to appropriate level of protection
- Consistent – no unjustified discrimination

If scientific evidence is insufficient

- Adopt provisional measure while trying to get evidence and review measure

Border measures reduce trade – SPS measures can stop it.....

Argentina: Exports of fresh, chilled, and frozen meat of bovine animals
 US\$ million, and '000 tonnes



Source: UNSD Comtrade