



Agricultural and Food Policy
(4201-410)

“WTO Ministerial Conference in Hohenheim”
- Role Playing Project -

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Winter Term 2007/08, November 08th – November 30th, 2007
Daily, 14.15 – 17.30, HS 23

Lecture notes and further information:
<http://www.uni-hohenheim.de/apo>



World Trade Organization (WTO)



- = International organization dealing with global rules of trade between nations.**
- Headquarters: Geneva, Switzerland
- Established: 1 January 1995
- Created by: Uruguay Round Negotiations (1986-94)
- Membership: 151 countries (as of July 2007)
- **Main function:** Ensure that trade flows as smoothly, predictably and freely as possible.
- Multilateral trading system
- WTO agreements are lengthy and complex because they are legal texts covering a wide range of activities.
- They deal with: agriculture, textiles and clothing, banking, telecommunications, government purchases, industrial standards and product safety, food sanitation regulations, intellectual property, and much more.

Source: www.wto.org



World Trade Organization (WTO)



Principles of the Multilateral Trading System

A trading system should...

1. *be free of discrimination* in the sense that one country cannot privilege a particular trading partner above others within the system, nor can it discriminate against foreign products and services;
2. *tend toward more freedom*, that is, toward fewer trade barriers (tariffs and non-tariff barriers);
3. *be predictable*, with foreign companies and governments reassured that trade barriers will not be raised arbitrarily and that markets will remain open;
4. *tend toward greater competition*;
5. *be more accommodating for less developed countries*, giving them more time to adjust, greater flexibility, and more privileges.

Source: www.wto.org

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“WTO Ministerial Conference in Hohenheim” - Guidelines for the Role Playing Project



⇒ **Students will act as representatives of selected countries in a WTO Ministerial Conference held in Hohenheim.**

- **Therefore the class will be divided into teams of 3-4 members** (based on personal preferences and on the need to cover important countries or trade negotiation blocks).
- **For the team oral presentation and discussion, the teams have to prepare a PowerPoint presentation:**
 - ⇒ The front page of the presentation has to indicate the represented country and the names of the representatives.
 - ⇒ The Presentation has to include relevant graphs, charts, tables, economic analyses, etc.
 - ⇒ Last page: References

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⇒ The following questions must be addressed in the presentation:

- How does the **structure of the A-F Sector** look like?
- Note: you have to be careful with averages, i.e. have a closer look at the statistics).
- Which **economical** importance does the A-F Sector have?
- Which **political** importance does the A-F Sector have?

Note: Apart from GATT, don't forget to consider GATS and TRIPS.

⇒ Addressing these questions should lead to a **bargaining position** that each team will have to defend in the “WTO Ministerial Conference in Hohenheim”.

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“WTO Ministerial Conference in Hohenheim” - Guidelines for the Role Playing Project



⇒ The role playing project has 4 parts:

1. Students will look for data sources and economic analyses to support their position.
2. Students have to prepare and present a PowerPoint-Presentation. After the presentation there will be a short discussion with the audience.
3. After the students have heard all presentations, some teams might need to reconsider their bargaining position and look for (further) alliances, strengthening their position and making a favourable outcome of the negotiation more likely.
4. Closing WTO Ministerial Conference in Hohenheim.
Are we able to bring Doha to an end? How could a compromise that everyone accepts look like? Why?

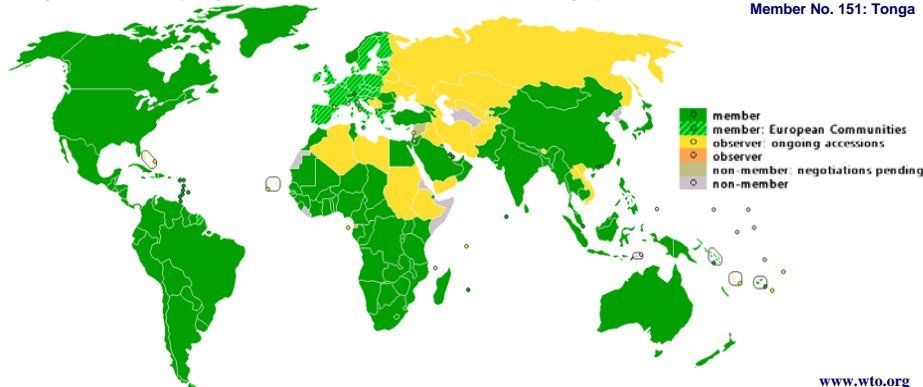
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World Trade Organization (WTO) - Members



Albania • Angola • Antigua and Barbuda • Argentina • Armenia • Australia • Bahrain • Bangladesh • Barbados • Belize • Benin • **Bolivia** • Botswana • Brazil • Brunei • Bulgaria • Burkina Faso • Burundi • Cambodia • Cameroon • Canada • Central African Republic • Chad • Chile • People's Republic of China (PRC) • Colombia • Congo • Costa Rica • Cote d'Ivoire • Croatia • Cuba • Democratic Republic of the Congo • Djibouti • Dominica • Dominican Republic • Ecuador • Egypt • El Salvador • European Communities • Fiji • Gabon • The Gambia • Georgia • Ghana • Grenada • Guatemala • Guinea • Guinea Bissau • Guyana • Haiti • Honduras • Hong Kong (PRC) • Iceland • India • Indonesia • Israel • Jamaica • Japan • Jordan • Kenya • Kuwait • Kyrgyzstan • Lesotho • Liechtenstein • Macau (PRC) • Madagascar • Malawi • Malaysia • Maldives • Mali • Malta • Mauritania • Mauritius • Mexico • Moldova • Mongolia • Morocco • Mozambique • Myanmar • Namibia • Nepal • New Zealand • Nicaragua • Niger • Nigeria • Norway • Oman • Pakistan • Panama • Papua New Guinea • Paraguay • Peru • Philippines • Qatar • Republic of Macedonia • Romania • Rwanda • Saint Kitts and Nevis • Saint Lucia • Saint Vincent & the Grenadines • Saudi Arabia • Senegal • Sierra Leone • Singapore • Solomon Islands • South Africa • South Korea • Sri Lanka • Suriname • Swaziland • Switzerland • Separate Customs Territory of Taiwan, Penghu, Kinmen, and Matsu • Tanzania • Thailand • Togo • Trinidad and Tobago • Tunisia • Turkey • Uganda • United Arab Emirates • United States • Uruguay • Viet Nam • Venezuela • Zambia • Zimbabwe
Member No. 151: Tonga



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World Trade Negotiations



Important countries or trade negotiation blocks that have to be covered

EUROPEAN UNION:

Could be divided, e.g. between

⇒ Old Member States and

⇒ New Member States

USA

JAPAN

CAIRNS GROUP:

⇒ interest group of 18 agricultural exporting countries, composed of

Argentina, Australia, Bolivia, Brazil, Canada, Chile, Colombia, Costa Rica, Guatemala, Indonesia, Malaysia, New Zealand, Pakistan, Paraguay, the Philippines, South Africa, Thailand, and Uruguay.

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World Trade Negotiations



G20 DEVELOPING NATIONS:

⇒ The G20 (Group of 20, also variously G21, G22 and G20+) is a bloc of developing nations. The group emerged at the 5th Ministerial WTO Conference, held in Cancún 2003.

- Core leadership of the G20: China, India, Brazil, and South Africa.

In March 2006, the group consisted of 21 nations:



Fluctuating members:

1. Colombia
2. Costa Rica
3. Ecuador
4. El Salvador
5. Peru
6. Turkey

<http://www.g-20.mre.gov.br>

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World Trade Negotiations



LEAST DEVELOPED COUNTRIES (LDCs)

Eurasia (10 Countries)

- Afghanistan
- Bangladesh
- Bhutan
- Cambodia
- Lao People's D
- Maldives
- Myanmar
- Nepal
- Timor-Leste
- Yemen

Oceania (5 Countries)

- Kiribati
- Samoa
- Solomon Island
- Tuvalu
- Vanuatu

North America

- Haiti

Africa (34 Countries)

- Angola
- Benin
- Burkina Faso
- Burundi
- Cape Verde
- Central African Republic
- Chad
- Comoros
- Democratic Republic of the Congo
- Djibouti
- Equatorial Guinea
- Eritrea
- Ethiopia
- Gambia
- Guinea
- Guinea-Bissau
- Lesotho
- Liberia
- Madagascar
- Malawi
- Mali
- Mauritania
- Mozambique
- Niger
- Rwanda
- Sao Tome and Principe
- Senegal
- Sierra Leone
- Somalia
- Sudan
- Togo
- Uganda
- United Republic of Tanzania
- Zambia

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Options for the WTO Modalities for Agriculture

⇒ we have to focus on the key operational issues that remain to be addressed in the agricultural modalities.

▪ DOMESTIC SUPPORT

- Overall reduction
- De Minimis
- Blue Box
- Green Box

▪ EXPORT COMPETITION

- Export Subsidies
- [Export Credits and Credit Guarantees (Short term)]
- [Exporting State Trading Enterprises]
- Food Aid

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▪ MARKET ACCESS

- Tiered formula for tariff reductions
- Sensitive products
- Special Products
- Special Safeguard Mechanism
- Preferences

▪ OTHER ISSUES

e.g. Geographical Indications

▪ What about the SPS Agreement

= Agr. on Application of Sanitary and Phytosanitary Measures
(e.g. SPS & Genetically Modified Organisms (GMOs))

⇒ Also of interest:

TRIPS = Trade Related Aspects of Intellectual Property Rights

GATS = General Agreement on Trade in Services

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