

## **U.S. TO HOST PRE-TNC INFORMAL, LIKELY TO TAKE UP HOT WTO ISSUES**

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An informal meeting of select senior officials sponsored by the U.S. in advance of the July 18-19 gathering of the Trade Negotiations Committee will likely focus on efforts to get agreement on a timeline for agricultural market access negotiations and on two key aspects of developing countries' demands for more benefits under existing trade agreements that are to be decided by the end of the month.

The implementation items are developing countries' demands for increased textiles market access and for more concrete implementation of special and differential treatment provisions in a number of existing trade agreements, trade officials said. Reports on these contentious issues are due at the end of the month.

Those two issues are listed under a general agenda item for the July 17 meeting that looks to develop a "roadmap" for the Cancun ministerial to be held in September 2003, trade officials said. The agenda for the U.S. meeting starts off with a general assessment of the progress made in the negotiations so far, moves on to a discussion of how to develop a roadmap, then moves to a discussion for preparations for the Cancun meeting.

The last item is likely to involve discussion of mini-ministerials that the U.S. and other have advocated as an effective way to prepare the Cancun meeting. But even proponents concede that it is important to time the participation of ministers in order to ensure that they can be effective. For example, a senior Mexican official said that some officials want a mini-ministerial in November, but if negotiations are going well at that point, it may not be a good time to involve ministers. It may make more sense to see how the process unfolds before deciding when to have a mini-ministerial, he said.

The official also held open the possibility that the informal meeting may address some of the most difficult substantive issues such as the fight over establishing a registry protecting products that have a geographical name.

Representatives from some 25 countries, representing a geographic cross-section and various points of view are invited to the meeting, where the U.S. will be represented by Deputy U.S. Trade Representative Peter Allgeier. Among the trading partners attending are the European Union, Canada, Japan, Korea, Mexico, Switzerland, India, China, Hungary, Brazil, Hong Kong, Kenya and Nigeria.

Separately, Canada's WTO Ambassador Sergio Marchi, the current chair of the General Council is hosting an informal dinner with about 10 senior representatives and incoming Director-General Supachai Panitchpakdi, trade officials said.

Current DG Mike Moore is hosting an informal meeting July 16 open to all countries that will discuss progress in providing technical assistance and capacity building to developing countries in the negotiations, trade officials said.

The TNC itself has two agenda items, reports of the negotiating groups-- agriculture, services, rules, environment, intellectual property rights, market access for non-agricultural products, dispute settlement rules--and future work.

The chairman of the negotiating group on market access for non-agricultural products has already submitted a report, which outlines the deadlock facing the group on a target date for deciding modalities for the negotiations. The EU has blocked consensus on a May 31 deadline, arguing the decision should coincide with similar dates for the agriculture and services negotiations in late March (see related story).

The discussion of future work will be done on the basis of a report prepared by Moore that sets out the timelines for negotiations in all the areas, as well as timelines for decisions and reports by committees taking up developing countries' implementation demands. Two of these key deadlines come at the end of July, when reports are due on special and differential treatment provisions and on talks on boosting textile quotas (see related story).

Trade officials remain uncertain whether the TNC meeting will actually involve substantive debate on how to proceed with the next year's work, including the market access deadlines. Officials are looking for more from the TNC meeting than the abbreviated half-hour session held in February, when a failure to agree on the industrial market access issue also cut short the meeting. At the same time, officials want an interactive meeting, rather than a series of speeches in which countries talk past each other.