

Pressure grows for WTO ministerial meeting

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By Laura MacInnis

GENEVA (Reuters) - Pressure is growing for the World Trade Organization to hold a ministerial meeting on the Doha round next month, despite scant progress in recent talks over the global accord, diplomats said on Sunday.

In the past week, the Group of 20 leading economies and the APEC forum have said a breakthrough in the long-frustrated global free trade talks could help the world economy by encouraging cross-border flows and improving confidence.

Trade officials at the WTO said that although the WTO's 153 member states remain at odds in several parts of the Doha talks, there was growing consensus over the need for ministers to meet and seek a deal in the key areas of agriculture and industry.

"I think there is a very high probability," U.S. ambassador to the WTO Peter Allgeier told journalists when asked about the likelihood of a ministerial being called. "We have to wait and see a few more days."

WTO Director-General Pascal Lamy did not recommend a date for a ministerial meeting in his Sunday discussions with about 30 key ambassadors, participants in those talks said.

But trade officials said the high-level meeting would almost definitely occur in mid-December, after WTO talks mediators have the chance to revise negotiating texts that would form the basis of a deal on cuts to trade-hampering tariffs and subsidies.

"The window we have is not that big," one official said.

Last weekend, the G20 industrialized and developing nations called at a financial crisis summit in Washington for an outline Doha deal to be reached by the end of the year.

And the 21 member countries of the Asia-Pacific Economic Cooperation -- including the United States, China, Japan, and Australia -- were even clearer on Saturday, saying their top officials were ready to negotiate a core agreement.

"We direct our ministers to meet in Geneva in December to achieve that objective," they said in a statement. "We and our ministers are intensifying our engagement with WTO counterparts to create the convergence necessary to achieve this outcome."

WTO chief Lamy has signaled he would not bring ministers to Geneva if there are still wide gaps in technical areas of the talks, which began seven years ago in Qatar and have struggled since to overcome many countries' resistance to expose their key industries to foreign competition.

New Zealand's ambassador to the WTO, Crawford Falconer, said on Friday there had been virtually no movement in the farming talks that he mediates in spite of the G20 call for an accord, raising questions about whether a deal is in sight.

Negotiations will continue this week on a range of issues, including the workings of a safeguard for subsistence farmers that torpedoed a July meeting of ministers. A new ministerial could be called by Friday if the talks advance, officials said.

But some warned it could be too early to seek a Doha deal.

The U.S. business lobbies for farming, industry and services sent a joint letter to President George W. Bush last week warning against calling in trade ministers too soon.

"Holding a ministerial meeting prematurely carries a high risk of failure that would cause harm to the credibility of the WTO and to global economic confidence," the National Association of Manufacturers, American Farm Bureau Federation and Coalition of Service Industries said.

Estimates of the benefits of the Doha round vary widely. A recent International Food Policy Research Institute study said more than \$1 trillion of trade was at risk if the deal failed.