

US warns of two-week window for WTO breakthrough

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LIMA (AFP) — The United States has warned that a small two-week "window" was left to revive the Doha Round of global trade talks as officials tried to devise a formula to tear down tariff barriers before the end of the year.

Asia-Pacific ministers were meeting in Lima Wednesday ahead of a regional summit this week to break a deadlock on how to break down tariffs in key agriculture and manufacturing areas that could lead to a successful conclusion to talks.

In Geneva, the headquarters of the global trade watchdog, senior officials were scheduled to meet from the weekend in a new push to find agreement since the collapse of the WTO's last attempt to broker an accord in July.

The meetings take place after leaders of 20 developing and industrialized nations made a strong call last week for a breakthrough on the "modalities" to revive global trade talks launched in the Qatari capital Doha in November 2001.

"It is going to be a very small window to see whether the actions of trade ministers and senior officials in Geneva actually reflect the very strong language in the (Group of 20) leaders declaration," said US Trade Representative Susan Schwab.

She spoke after attending three hours of talks in Lima among ministers of 21 economies of the Asia-Pacific Economic Cooperation (APEC) forum "about how do we get this elusive breakthrough on Doha" ahead of a weekend leaders' summit.

Trade ministers, who saw talks collapse in Geneva in July when India and the United States clashed over protection of poor farmers, were prepared to return to the Swiss city to salvage the round if countries were willing to show a compromise, Schwab said.

"If we are to have a modalities agreement among ministers by the end of this year, work in Geneva -- and I mean serious engagement with the countries moving away from positions that they were locked themselves into in July -- needs to progress very rapidly," she said.

"At that point, I hope (there is) a sense of whether countries are going to move off from some of the strongly held views that brought down the round in July."

On the mood in the Lima meetings, Schwab said there was a sense among ministers she talked to "that we stand ready to go up to Geneva but not if the outcome is going to be the same as it was in July.

"And so we are really talking about a maybe two-week period where you either see some real substantive movement where the leaders' mandate gets translated into negotiating positions or you don't and and so far, in my conversations today, I am hearing the right noises," she said.

On whether India would be flexible in the upcoming Geneva talks, Schwab pointed out that Indian Prime Minister Manmohan Singh was among the Group of 20 leaders who called last week for a breakthrough.

"We will know within the next week or two whether those strong sentiments expressed by the leaders are implemented by their trade ministers and senior officials," she said.

Indian Commerce Minister Kamal Nath said this week that the conclusion of a WTO deal by the end of the year would depend on whether the concerns of India can be met.

"Timelines are not important -- content is more important," Nath said.

India has consistently said it is willing to return to the negotiating table to work out a new trade deal but has warned it will not make any compromises that could hurt poor farmers.

Developing countries have been pressing for greater access to agricultural markets in the industrialized world. Developed nations are in return seeking a better deal for their manufactured products on developing country markets.