

WTO NEGOTIATIONS AND INDIA

6.129 The year 2008-09 saw an intensive process of negotiation following the resumption of the Doha Round of talks in February 2007. To facilitate the process, the Chair of the WTO's Committee on Agriculture and the Chair of the Negotiating Group on Market Access, brought out four draft proposals so far beginning with a first version on July 17, 2007. The fourth revision of the draft was issued on December 6, 2008. A mini-Ministerial meeting was held from July 21-29, 2008 in the WTO to discuss the modalities in agriculture and non-agricultural market access (NAMA). In agriculture, the issues discussed included reductions in overall trade-distorting domestic support by developed countries, tariff cuts, designation of sensitive products, special products, the special safeguard mechanism (SSM) for developing countries, etc. While in the end, discussion focused almost exclusively on the SSM which could not be resolved, this was not the only contentious issue. Several issues in agriculture and NAMA were not discussed at all and remained unresolved. Multilateral discussions on agriculture resumed at the WTO in October 2008. The Chair of the WTO Agriculture Negotiating Group has specifically identified certain elements in the Fourth Revised Draft Modalities Text of December 6, 2008, as areas where large negotiating gaps remain to be bridged. These are Sensitive Products (SEPs), tariff quota creation, non-SEPs with tariffs higher than 100 per cent, tropical and diversification products,

preference erosion and the SSM, proposals for reduction in subsidies for cotton and tariff simplification.

6.130 The Doha Round of WTO negotiation is a Development Round and development concerns are at the core of the Round. The major issues for negotiations are related to agricultural negotiations, NAMA, services negotiations and rules negotiations. In the context of recent developments, self-designation of an appropriate number of special products (SPs) to take care of India's food security, livelihood security, and rural development needs were considered in the revised draft text of December 6, 2008. It proposes an average tariff cut of 11 per cent for a 12 per cent of total tariff lines to be designated as SPs with 5 per cent of tariff lines taking zero or no tariff cuts. Although the issue was discussed during the mini-Ministerial meeting, there are a number of elements yet to be resolved to the full satisfaction of India and its coalition partners in the G-33. The revised text of December 6, 2008, on NAMA incorporates some of the numbers proposed on formula coefficients, flexibilities and anti-concentration by the Director General of the WTO on July 25, 2008 during the Mini Ministerial meeting.

6.131 India has been working closely with her coalition partners in developing country groupings such as the G-20 and the G-33 in order to achieve an outcome in the agricultural negotiations that would reflect the level of ambition of the Doha mandate and the interests of developing countries.