

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:914

ANSWERED ON:28.11.2006

MINISTERIAL LEVEL MEETING ON THE TALKS OF DOHA ROUND

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Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether Ministerial level meeting held at Geneva to ease the deadlock on Doha round of talks under WTO, proved to be a failure;
- (b) if so, the details thereof and reasons therefor;
- (c) India's policy stand on Doha round of talk with regard to subsidy being provided to farmers by developing countries;
- (d) whether the Government is aware about the repercussion of subsidies, being provided to the farmers of developed countries, on the farmers of developing countries;
- (e) whether any strong steps have been taken to safeguard the interests of the Indian agriculture and farmers; and
- (f) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY(SHRI JAIRAM RAMESH)

(a) and (b): An informal meeting of 31 Trade Ministers, including of India, was convened by the Director General (DG), WTO between 29th June and 1st July 2006. Domestic Support and Market Access in Agriculture and Non-Agricultural Market Access (NAMA) were discussed by the Ministers. Convergence could not be achieved. A meeting of the Trade Negotiations Committee (TNC) of the WTO was also held on 1st July 2006 wherein the DG, WTO was requested to conduct intensive and wide-ranging consultations with a view to facilitating the establishment of modalities in Agriculture and NAMA. These consultations were to be based on the draft texts prepared by the Chairs of the respective Negotiating Groups. The DG was requested to report back to the TNC as soon as possible.

A meeting of the Trade Ministers from G-6 countries of the WTO (Australia, Brazil, the European Communities, India, Japan and the United States of America) was held at Geneva on 23rd and 24th July 2006 and there was no convergence on the core issues of substantial reduction of trade distorting support in agriculture and other development issues. At the informal meeting of the TNC held on 24th July 2006, the Director General who is its Chairman, reported that 'it remained clear that the gaps remain too wide', and recommended that the only course of action would be to suspend the negotiations across the Round as a whole to enable the serious reflection by participants which was clearly necessary and time-out to review the situation, examine available options and review positions, particularly in respect of divergences in agricultural domestic support and market access issues. The Members, therefore, agreed to suspend the negotiations across all areas of the Doha Work Programme

The WTO General Council, at its meeting held on 27th July 2006, took note of the report of the TNC Chairman, and supported the suspension of the negotiations.

Subsequent to the suspension of negotiations under the Doha Work Programme, the WTO Members have been holding informal consultations on how to resume the negotiations. At the informal meeting of the Trade Negotiations Committee (TNC) held on 16th November 2006, a consensus has emerged on resumption of the negotiation process in the Negotiating Groups of the TNC, with the Chairs of the Groups having the responsibility to determine the rhythm of their work in consultation with the WTO Member delegations.

(c) to (f): The G-20 and the G-33 alliances on negotiations in Agriculture, of which India is a Member, have been emphasising that the livelihood and standards of living of the poor farmers in developing countries are seriously jeopardised by the subsidies and market access barriers prevailing in international agricultural trade and that any Round that would be faithful to its development dimension must urgently redress this situation.

Towards safeguarding the interests of Indian agriculture and farmers, India has also been playing a key role in further strengthening the developing country coalitions by bringing together the G-20, the G-33, the African Group, Africa-Caribbean-Pacific countries and the Least Developed Countries to reinforce each others' positions on issues of mutual interest. India has been emphasizing that the specific and detailed proposals that have been made in domestic support and market access by the G-20, and on Special Products (SPs) and the Special Safeguard Mechanism (SSM) by the G-33, should ensure a final outcome that is consistent with the agreed negotiating mandate for substantial and effective reductions in trade-distorting domestic support, and substantial improvements in market access particularly for products of export interest to developing countries. India has taken the position that the self-designation of an appropriate number of SPs and an effective and operable SSM

for safeguarding the vulnerable farm communities and proportionately lower tariff reduction commitments should be integral to the final outcome on agriculture. The Government has also been holding stakeholder consultations to protect and pursue our national interest, in particular the interests of our farmers.

Government is committed to intervene in a WTO-compatible manner, including by calibrating the applied tariffs within the bound duties, to protect their interests. The Government has introduced a number of initiatives and interventions, for enhancement of production and productivity of agricultural products so as to increase the competitiveness of Indian agriculture. The schemes implemented by the Government in this regard, inter alia, include the Integrated Scheme for Oilseeds, Pulses, Oilpalm and Maize (ISOPOM), National Horticulture Mission and Integrated Cereal Development Programmes. Further, to provide a level playing field for exports of agricultural products, the Government implements schemes such as the Transport Assistance Scheme and Vishesh Krishi Upaj Yojana to ensure that the farmers get remunerative prices for their exports as well as increased access to the international market.