

# WTO seeks breakthrough on trade talks

Time is running out for ministers from some 50 World Trade Organisation states to reach a framework deal to reduce poverty and boost global output. Without a breakthrough in Geneva, the five-year Doha round of free trade negotiations could end in failure

WTO chief **Pascal Lamy** (right) says the U.S. must make concessions in farm subsidies, the EU in farm tariffs and the G20 group of developing nations in industrial tariffs



**FARM SUBSIDIES:** U.S. offering to cut trade-distorting domestic subsidies by 60%, but only if other countries slash tariffs on farm and manufactured goods

EU has already agreed cut in subsidies of 70% as well as complete elimination of all export subsidies by 2013



**TARIFF REDUCTIONS:** EU has promised average cut of 39% but says it will increase this “significantly” if both U.S. and G20 improve offers in other areas

U.S. wants average 66% reduction for rich states. G20, led by Brazil and India, calls for 54% cut by developed states

**Exceptions:** WTO to agree on number of “sensitive products”, e.g. sugar, subject to reduced tariff cuts, but for which market access will still increase significantly



**INDUSTRIAL TARIFFS:** Developing countries reject new formula giving them tariff ceilings no more than 5% higher than those of industrialised nations

Proposal sets maximum tariff ceiling of 10% for developed countries and 15% for developing ones. Brazil wants 30%