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## PRESS RELEASE

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### **WTO's Empty Framework Allows Agricultural Dumping to Continue**

#### **Scandalous Negotiation Process Fails All Countries**

The World Trade Organization (WTO) framework text released today continues to be unbalanced to the detriment of developing countries because it would continue widespread dumping of agricultural commodities at below their cost of production, said the Institute for Agriculture and Trade Policy (IATP). The text does not live up to the promises of the Doha Development Round and would demand more concessions of developing countries at this stage of the negotiations.

"This text fails to make any progress towards a fair and market-oriented agricultural trading system because it doesn't tackle the structural causes of market distortions by agricultural dumping," said Alexandra Strickner, of IATP's Trade Information Project in Geneva. "While developing countries have been thrown a few carrots, the framework sets up wrong parameters for negotiations to lead towards a fair trade system."

Despite language in the framework to reduce agricultural subsidies, it is more sleight of hand than meaningful reform. Changes within the Blue Box of allowable areas of domestic support, pushed by the U.S., point more toward a shift in allowable subsidies, rather than a reduction. In addition, the text leaves room for developed countries to protect sensitive products while not providing enough options for developing countries to protect sectors of their agriculture system essential for food security.

"By expanding the Blue Box and insisting on increased market access for most products without sufficient protection for crops necessary for food security, this framework only enhances the system of dumping which has caused significant damage to farmers around the world," said Steve Suppan, IATP's Director of Research. IATP issued a report earlier this year on widespread agricultural dumping of major commodities from U.S. based companies. (See [tradeobservatory.org](http://tradeobservatory.org))

"The complete chaos of the negotiating process at the WTO continues to hinder the ability to develop consensus and move talks forward," said Alexandra Strickner. "It is scandalous for WTO members to have only 24 hours to evaluate a very complicated trade text and get meaningful feedback from their national capitals. In addition, the Chair of the General Council Ambassador Oshima, said yesterday evening that he will not accept changes to this revised text. When will the WTO Secretariat organize negotiations so as to ensure transparency, inclusiveness and effective participation?"

Ten years after the founding of the WTO, the Secretariat has been unable to develop a negotiating structure and practice that enables the effective participation of the majority of its members. Both WTO Members and NGOs have made numerous proposals to create a more transparent and accountable negotiating structure. The collapse of talks in Cancun and the chaotic nature of the current framework negotiations argue for immediate reform of the WTO's negotiating system.

*The Institute for Agriculture and Trade Policy promotes resilient family farms, rural communities and ecosystems around the world through research and education, science and technology, and advocacy.*