

Posted on Tue, Sep. 12, 2006

TRADE

WTO talks remain on hold

The EU trade commissioner does not foresee talks on a global trade agreement happening until late this year or early next year.

By Alan Clendenning

Associated Press

SAO PAULO - High-level talks to jump-start negotiations on a global trade agreement won't be possible until the end of the year or early next year, European Union Trade Commissioner Peter Mandelson said Monday.

Mandelson said he didn't believe a ministerial meeting of the World Trade Organization can be scheduled until after the November midterm U.S. congressional elections.

Only then will trade ministers of the 149-nation WTO be able to decide "if a resumption is possible of something at the turn of the year or the beginning of next year," Mandelson said.

Mandelson reiterated the EU's stance that the United States blocked the trade talks through reluctance to slash subsidies for American farmers -- charges hotly denied by U.S. officials who say the EU hasn't gone far enough on farm subsidies.

"We haven't heard anything new since July that would enable us to break the deadlock in these negotiations," Mandelson said.

Later, Mandelson said in a speech that emerging-market nations such as Brazil, China and India must also do more to open up their economies in order for the so-called Doha Round of trade talks to move forward.

His comments came after spending two days with international trade officials discussing world commerce at a weekend meeting in Rio de Janeiro hosted by the G-20 group of developing nations.

WTO director general Pascal Lamy on Sunday called the collapse of the trade negotiations a "serious accident" and said all parties at the Rio meeting supported continuing talks but that he was not sure elements were in place for them to go forward.

The entire process is rapidly running out of time because President Bush's authority to "fast track" the trade deal runs out in mid-2007.