

Brazil's Positions on Various Doha Files

1. Agriculture

Brazil generally has an offensive interest in negotiations. It is more interested about the outcome of modalities on its agriculture exports. Therefore, with respect to the outstanding issues on modalities, it focuses more on discussions of substantive issue for developed countries with a view to limiting flexibilities allowed for them. Yet, for issues of developing countries flexibilities, it does not show strong opposition due to political sensitivity not due to its defensive interest.

Brazil as well as the G20 asserts that the following are the principles for Agriculture negotiations:

- The December 2008 draft modalities text is the basis for negotiations. Requests for marginal adjustments to the text can be assessed in the context of the overall balance of trade-offs, as Agriculture is the benchmark for ambition of the round.
- Selective re-opening of issues in the text is not accepted because it affects the general equilibrium.

Brazil is of the view that there is some progress in technical discussions. Yet, the key political issues have not been addressed so far. According to Brazil, if there is no political engagement to resolve the key issues, then the 2010 deadline cannot be met.

With regard to Substantive Issues for Developed Countries in the Agriculture Negotiations:

1. Domestic support - Blue Box Headroom for the US

This issue relates to the maximum amount of blue box support which the US is allowed to provide for each product. The draft modalities text proposes that the landing zone will be between 110-120% the amount allowed under the Farm Bill 2002 for each product.

Brazil, as well as the G20 is of the view that the current modalities text provides too much flexibility for the US. Yet, it is prepared to work on the basis of the modalities text under the assumption that the principles mentioned above are observed.

2. Extra- Number of Sensitive Products for Developed Countries

Brazil may accommodate the needs of the countries requesting extra tariff lines on condition that they present compensation through additional tariff rate quota expansion.

3. New TRQ Creation:

Since the designation of sensitive products by developed countries is associated with compensation through expansion of tariff rate quotas, there is

a point of difference among members as to whether (1) sensitive products should only be selected from tariff lines where there are tariff rate quotas or (2) new tariff rate quotas can be created for sensitive tariff lines.

In the view of the G20 and Brazil, the general principle is that no new TRQs can be created, and sensitive tariff lines can be only selected among TRQ tariff lines. Yet, some flexibility can be shown and new TRQs can be created under some conditions including the new TRQs should not exceed 1% of tariff lines and all new TRQs must be MFN.

On Substantive Issues for Developing Countries in Agriculture Negotiations:

1. Cotton:

The December 2008 draft modalities text reflects the original C4 proposal regarding ambitious reductions of amber box support at higher rates than other products, at one third the implementation period of other products. The text also adds the concept of reducing the domestic support provided to cotton by 50% when transferred from the amber box to blue box (A transfer rate of two to one).

Brazil supports the C4 proposal and the draft modalities text.

2. Special Products:

Although Brazil is concerned about the impacts of the flexibility allowed in the draft modalities text on its exports, it does not declare strong opposition to it due to its sensitivity for other developing countries including members in the G20 who are main proponents of the Special Products like India and Indonesia.

3. Special Safeguard Mechanism (SSM):

Brazil welcomes the recent engagement in technical discussions, as it is of the view that technical analysis will help resolve the divergences. Like Special Products, Brazil is concerned about the impacts of such mechanism on its exports, but it does not show strong opposition it due to its sensitivity for other developing countries including members in the G20 who are main proponents of the SSM like India and Indonesia.

2. Non-agricultural Market access Negotiations

1. Formula and Flexibilities:

Brazil has not expressed its objections to the numbers of the coefficients for developing countries. However, it emphasizes that the level of ambition needs to be comparable to that achieved in Agriculture in conformity with para. 24 of the Hong Kong Ministerial Declaration.

2. Sectorals:

Despite the fact that US and the EU insist on the participation of Brazil in a number of sectorals, Brazil has consistently reiterated the voluntary nature of sectoral initiatives and has expressed the fact that its participation will be dependent on the willingness of its private sector.

3. Non-tariff Barriers :

Brazil is currently working on a paper to address the crosscutting issues in all NTB proposals.

Furthermore, Brazil is a proponent of the NTB Horizontal Mechanism.

4. Preference erosion:

Brazil believes that the text reflects a delicate balance and should not be re-opened.

5. Country Specific flexibilities:

Brazil supports the demands of South Africa, Argentina, and Venezuela with regards to their need for extra flexibility, and believes that there is no need to differentiate between the demands of these countries.

3. Trade in Services

General position:

Brazil stresses that it doesn't want to move forward in GATS negotiations, unless a meaningful progress is achieved in the negotiations on agriculture and NAMA.

Specific Commitments:

Requests and Offers: Brazil submitted its initial and revised offers which include both adding new commitments in new sectors in addition to improvements in its original commitments.

Concerning the Plurilateral requests, Brazil, like Egypt, was a cosponsor of the Plurilateral request on mode 4. Meanwhile, Egypt was not a recipient country to any of the other plurilateral requests that Brazil cosponsored.

With reference to the Signaling conference, Brazil has indicated that any commitment in services will be linked to the progress achieved in the negotiations on agriculture and NAMA, and developed countries' revised offer in services especially on mode 4 and service sectors of export interest to developing countries. Brazil's main request was concentrated on liberalizing service sectors that directly related to infrastructure.

4. Development Issues

I. Cross Cutting Issues:

1. Monitoring Mechanism (MM)

- Structure should be simple, practical and efficient and allow for a regular high level review of issues related to special and differential treatment in the WTO and a bottom—up , horizontal and transparent process.
- The monitoring mechanism will function at two broad levels: (i) monitoring process will take place in dedicated session of the CTD (CDT-DS); and (ii) General Council would review and take decisions based on recommendations made by the CTD-DS.
- The WTO secretariat shall compile a report on the implementation of S&D provisions.

5. Trade and Environment

I. Trade barriers on environmental goods and services

Brazil lunched a new proposal in 2009, the proposal focuses on the request and offer approach . Brazil didn't submit it officially but described its intention through a non paper circulated in the CTE meeting in 2009. This approach started to gain support from different countries especially the developing countries as it is seen as another alternative to the list approach which didn't take into consideration the development aspects of the developing countries.

Egypt is not really supportive of this Brazilian approach since it does not have any requests from any country regarding the environmental products.

6. Rules

I. Annex A: Anti-Dumping

1. Zeroing:

- Strongly oppose zeroing.

2. Substantive requirements:

- Great number of proposals modifying principles and conditions.

3. Procedural requirements:

- Very supportive of new procedural requirements.

4. Special and differential treatment:

- Special and differential treatment provisions should be limited and conditional, doubts on the proposed language and implementation of some of the proposals of the African and ACP Groups.

II. Annex C: Fisheries Subsidies:

- Supportive of strict definition of prohibited subsidies.

7. Dispute Settlement

- Considers that the basic concept is that whenever a Member considers it is being affected by a measure that has already been declared inconsistent by an adopted panel or Appellate Body Report, it would have the right to request the establishment of a “fast track panel”.
- When requested, the panel would announce its decision on the basic question of “same measure or not” in a limited period of [10-15] days after receipt of the rebuttal submission of the party complained against.

8. Intellectual Property Rights

- Brazil, EU, Switzerland and India: Submitted the position TN/C/W/52, which states that text based negotiations need to take place, in Special Sessions of the TRIPS Council and as an integral part of the Single Undertaking, to amend the TRIPS Agreement to (i) establish a register of geographical indications (GIs) for wines and spirits protected by any of the WTO Members; (ii) include a mandatory requirement for the disclosure of the country providing/source of genetic resources, and/or associated traditional knowledge for which a definition will be agreed, in patent applications; (iii) extend the additional level of GI protection currently granted to wines and spirits to all products, including the extension of the Register; and (iv) include CBD and GI issues in the Horizontal Modalities as part of the Single Undertaking through text based negotiations.

