

Multilateral Consultation

'A united front in international negotiations'



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Status

Worldwide consultation is conducted on an ongoing basis. The further liberalisation of world trade is currently being reviewed. Once this review has been completed towards the end of 2006, new trade conditions will be established in 2007.

Facts and figures

- The Netherlands is a distribution country and a point of access to an internal European market of 450 million consumers.
- The General Agreement on Tariffs and Trade (GATT) was replaced by the WTO in 1995, the year in which international trade disciplines were applied to agricultural products and foods.
- When it was established in 1947 GATT had 23 members. The WTO currently has 148 members.

Period

Ongoing.

Parties involved

The Department of International Affairs is ultimately responsible, Trade and Industry is involved specifically from the point of view of agribusiness, the Ministry of Economic Affairs, the Ministry for Foreign Affairs (Development Cooperation), LEI.

More information

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The Dutch market is governed by EU (agricultural) policy and worldwide trade agreements. Relevant reforms and agreements in the agro sector are closely followed with a view to monitoring commercial trade interests in multilateral negotiations. WTO consultations focus on three cornerstones in the liberalisation of world trade: the phasing out of export support, making internal support less disruptive to trade and the improvement of market access.

Context

The WTO establishes the conditions for the world trade of tomorrow. Export subsidies and import tariffs affect the competitiveness and the export position of the processing industry. In the Netherlands the processing sector is now growing more rapidly than the primary sector. It is therefore important to promote the interests of the Dutch food industry in international trade consultations. Together with the further liberalisation of world trade, other priorities include the creation of a level playing field ('people, planet, profit'), making use of the possibilities for innovation within the Lisbon process, the use of structural funds for the chain as a whole, and getting the internal market to operate more effectively.

Effects

Agribusinesses are informed of the developments and encouraged to offer their own input in the business sector consultation on multilateral negotiation. As a result of this collaboration, Brussels and Geneva are informed of the Dutch agribusinesses' standpoint on reduced tariffs on poultry products, pork products and bioethanol for WTO and EU Mercosur negotiations. Studies relevant to agribusiness (such as the Agriculture Economic Institute (LEI) study on barriers to trade for selected export products and a market study) are conducted.

Particular aspects

Trade and Industry is often involved in the Netherlands' negotiations within the EU, OECD and the WTO. A milestone was reached, now all of the sugar interests of the primary sector and the processing sector – first grade and second grade – are taken into account.

Challenges

There needs to be even more interaction with the business sector. Internal harmonisation of collaborative relations is important, so too is raising awareness of multilateral affairs in terms of trade. International trade needs to be made more sustainable as a point of principle: the WTO is profit-oriented. Besides being concerned with working conditions and protection of the environment, the Ministry also regards animal welfare as a key objective.

Compatibility with Ministry policy

LNV and the Department of Trade and Industry have both devoted increasing attention to multilateral collaboration in recent years. Trade & Industry is good at identifying 'offensive interests' in multilateral contexts. This strengthens the competitive position of Dutch agribusiness and prevents the Department from focusing purely on 'defensive interests'.

Benefits

The business sector is kept informed and can also contribute information. Knowledge of the forces at play helps to strengthen the sector's competitive position. LEI analyses the threats and/or opportunities posed by reduced tariffs.