Winners and losers
Another look at the potential impacts of a Doha Round agreement on agriculture

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Contributed presentation at the 60th AARES Annual Conference,
Canberra, ACT, 2-5 February 2016

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* Funded by UNCTAD
Can Doha be revived?

• WTO Doha Round unresolved since 2008
• Much is agreed
• Obstacles remain
• Renewed interest, new proposals
Trading environment has changed since 2008

- Rising prices
- Food security
- Domestic support
- Public stockholding
- RTAs (TTP, RCEP, TTIP)
- Emerging markets (BRICS)
Look at two proposals

- Revision 4 Draft Modalities (2008)
- Paraguay proposal (2015)
  - average cut 54% with minimum of 20%.
  - 5% Sensitive Products with cut of 10%
  - Developing 36/15%, 12% SP
  - LDCs no change

Assess impact on 77 ACP countries
• Tariff cuts are unweighted
• To get 54% average, cut 42.5% by 100%
• Remainder by 20%
• Larger cut could be on low tariffs
Little better than minimum.
Tariff peaks untouched.
Request and offer difficult to quantify.
Global general equilibrium model

- GTAP
- Version 9, base 2011
- Bilateral trade and tariffs
- Includes preferential tariffs
Gap between bound vs applied tariffs

West Africa

Source: GTAP v9
ACP applied tariffs under alternative proposals

Source: Calculations with TASTE.
Applied tariffs facing ACP

Source: Calculations with TASTE.
Applied tariffs facing ACP exports to EU

Preference erosion.

Source: Calculations with TASTE.
Welfare impacts

Source: GTAP simulations.
Implications for ACP

• Preference erosion a problem
• Rising prices of temperate product imports
• Less ambitious outcome would suit
• Not much difference between Rev. 4 and PF
• But PF not harmonising, not transparent
• Industrial tariffs (NAMA) also important. Less ambitious favours ACP
• Export subsidies not significant for ACP
Limitations

- Would tariff cuts be implemented as modelled here?
- NTBs, AD ignored
- Ignore R&O approach
- Aggregation into six ACP groups from 77.
- Static not dynamic.
The End