

US hits back at EU over Doha collapse

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By Alan Beattie, World Trade Editor

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Transatlantic hostility over the collapse of the Doha round of trade talks reached previously unseen levels on Tuesday as Susan Schwab, the US trade representative, accused her European counterparts of spreading lies to divert the blame.

Her statement was the latest in an increasingly acrimonious attempt by the European Union and the US to blame each other for the indefinite suspension of the talks from last Monday.

Ms Schwab said the US had so far "refrained from responding to the finger-pointing by some", in order to preserve prospects for reviving the Doha round. But she said the EU's claim that the US had doomed the talks by failing to show flexibility in the negotiations was "false and misleading", and made with the intention of "attempting to divert blame for the stalemate".

The US said it had been prepared to make concessions on farm subsidies and had been ready to offer deeper cuts but that the access the EU and advanced developing countries – represented in the core negotiating group by India and Brazil – had offered to their agricultural markets was too low to be meaningful. "Indeed, during recent discussions it became clear that the EU was in fact offering even less market access than originally thought," Ms Schwab said.

On Monday night Ms Schwab and Mike Johanns, the US agriculture secretary, went into some detail about the minimal access exporters were being offered to European markets in heavily protected products such as beef.

Peter Mandelson, EU trade commissioner, sought on Tuesday to portray the EU as the friend of poor countries, saying that seven development issues should be rescued from the rubble of the negotiations and carried forward.

He said plans should continue for "aid-for-trade" to help poor countries take advantage of trading opportunities, new agreements on streamlining customs facilities and giving the poorest countries completely free access to rich markets for 97 per cent of possible exports.

The EU already offers almost 100 per cent access to European markets for the least-developed countries, although in reality these exports are constrained by Europe's stringent hygiene standards on food and by complex rules about the countries' freedom to use imports from other countries. Mr Mandelson said such "rules of origin" should be examined.

There were suggestions that negotiators could reconvene after November's mid-term elections for the US Congress. European and some developing country officials see the elections as one of the key reasons for what they saw as the US's intransigence in reforming its farm subsidies.

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