

## Table of Contents

- Countries Vote to Allow Trade in Endangered Species
- EU Blasts U.S. on Greenhouse Gasses at G-8 and  
UN Special Session
- Mercosur Meeting Highlights Growth
- Developing Countries oppose formal trade-labor linkage
- EU Thick-Skinned in Banana Appeal
- Cairns Group Looks Forward To 1999
- Events/Resources

## **COUNTRIES VOTE TO ALLOW TRADE IN ENDANGERED SPECIES**

After nearly two weeks of heated debate, the Convention on International Trade in Endangered Species (CITES) voted to allow the relaxation of the 1989 ban on worldwide trade in ivory. In a secret ballot, CITES members agreed to allow Zimbabwe, Namibia and Botswana to engage in "experimental" sales of its ivory stockpiles. Trade will be allowed only to Japan, and will not resume for 18 months-until sufficient monitoring mechanisms are in place. "It is a victory for African sovereignty and their right to utilization of their natural resources in a sustainable manner without dictation from the industrialized countries," said Chen Chimutengwende, Zimbabwe's minister of environment and tourism.

The United States, France, Australia and Israel were among those that spoke out against trade in ivory. The sale of ivory stockpiles will raise revenue for the three countries' conservation and community development programs.

South Africa did not fare as well in its attempt to relax the ban on trade in rhino product. South Africa proposed to the convention that it be allowed to trade in white rhino parts and explore possibilities around trading in white rhino horn. CITES delegates voted 60-32 against relaxing the ban. Opposed members said that South Africa did not have adequate measures in place to control trade.

Other decisions taken at the 138-member CITES convention included a proposal by Japan and Norway to relax an 11-year ban on commercial whaling failed to win a two-thirds majority in a secret ballot, resulting in the rejection of the proposal. Failure to achieve a two-thirds majority also resulted in the rejection of a proposal by the U.S. and Bolivia to list big leaf mahogany as an endangered species requiring controlled trade. CITES did, however, accept a proposal by Germany and the U.S. to place sturgeon fish on a list of animals facing extinction which can be traded only under strict control.

"Les Nations Unies allegent l'embargo sur le commerce de l'ivoire," TRIBUNE DE GENEVE, June 20, 1997; "UN panel eases ban on ivory trade," INTERNATIONAL HERALD TRIBUNE, June 20, 1997; "CITES decision on trade in endangered species," REUTERS, June 19, 1997.

## **EU BLASTS U.S. ON GREENHOUSE GASSES AT G-8 AND UN SPECIAL SESSION**

Failing to get resolution on pollution control at the Group of Eight (formerly G-7 and Russia) Summit in Denver last week, the EU continued its crusade for cutting greenhouse gasses at the first day of the United Nations "Earth Summit," June 23 in New York. The European Union pushed its G-8 partners in Denver to endorse the EU target to reduce carbon dioxide emissions to 15 per cent below their 1990 levels by 2010. But U.S. President Clinton blocked any commitment to the initiative as part of the summit communique, saying the issue is a very sensitive political issue.

At the opening day of the UN Special Session on Earth Summit follow-up in New York, the EU again tried to get the U.S. to commit to its target. British Prime Minister Tony Blair said, "We are all in this together. No country can opt out of global warming or fence in its own private climate." U.N. General Assembly President Razali Ismael of Malaysia issued a dire warning at the start of the summit. "We as a species, as a planet, are teetering on the edge, living unsustainably and perpetuating inequity, and may soon pass the point of no return," he warned.

The U.S. is the world's largest polluter, accounting for almost a quarter of all green house gasses emitted from the burning of fossil fuels. Last year, worldwide carbon emissions totaled approximately 6.25 billion tons. U.S. congressional Republicans refuse to sign a treaty on emissions reductions which excludes China - the world's second largest polluter, and other developing nations. Japan and Canada have yet to agree to the EU target as well.

"Greenhouse gas row hits Denver summit," FINANCIAL TIMES, June 23, 1997; "U.N. Summit Opens With Warnings, Confrontation," REUTERS, June 23, 1997.

## **MERCOSUR MEETING HIGHLIGHTS GROWTH**

Presidents from the Mercosur trade bloc met in Asuncion last week to discuss the Free Trade Area of the Americas (FTAA) as well as possible partnerships with other regional trade groups. The Mercosur bloc includes Brazil, Argentina, Uruguay and Paraguay with Chile and Bolivia as partners. The group has announced that within six months it hopes to secure a free trade agreement with Mexico and complete negotiations with the EU and the Andean pact nations -Venezuela, Colombia, Ecuador, and until recently, Peru. The heads of state ratified a commitment to improve their customs union, and also put into motion a process of liberalization of services and negotiations on government procurement. A working group on the FTAA was set up, and will begin work next month in anticipation of the February 1998 start date for negotiations.

World Trade Organization Director-General Renato Ruggiero addressed the presidents in Asuncion, praising Mercosur's remarkable achievement and commenting on their role in trade globalization. "More and more, Mercosur's success will be measured by your ability to help design and build this new economic order-both in terms of your own interest, and in the interests of the global economy as a whole," Ruggiero said.

"Mexico-Mercosur se firma en Diciembre," LA NACION (Mexico), June 13,1997; "Mercosur quiere priorizar consolidacion del bloque," COLOR ABC (Paraguay), June 18, 1997; "Mercosur leaders look to firm up common stance on trade," REUTERS, June 17, 1997; "WTO head urges Mercosur to push for global trade," REUTERS, June 19, 1997.

## **DEVELOPING COUNTRIES OPPOSE FORMAL TRADE-LABOR LINKAGE**

Despite strong opposition from 113 developing nations, the International Labor Organization (ILO) intends to move forward with its plan to strengthen the agency's role in setting international labor standards. The ILO wants all member countries to sign a declaration of commitment to its core conventions on workers' rights. The ILO is also seeking to establish a supervisory mechanism to monitor member-and non-member nations'-compliance to its core conventions. These include the outlawing of forced and child labor, the right to organize and to bargain collectively.

ILO Director-General Michel Hansenne said that the U.N. agency would most likely drop its social label initiative from its plans. The social labeling program received sharp criticism from 113 developing nations at its annual conference last week. The non-aligned movement (NAM) of developing countries vehemently opposed the initiative, calling it "inherently flawed." NAM nations oppose formal linkage of trade to labor standards via the ILO, saying the organization should instead be helping developing nations as they face "protectionist pressures in the context of labor standards."

Developing countries were quite vocal at the WTO Singapore ministerial against trade and labor linkage within the WTO. At that time, the issue was referred to the ILO as the appropriate agency to address trade and labor linkages. Recent reports by the World Confederation of Labor and the International Confederation of Free Trade Unions say that economic globalization has brought an increase in violations of workers rights in developing nations. NAM argues that rather than branding them as abusers of workers rights, commitments to the core conventions should conform to the countries' level of development.

"ILO to boost its role in setting standards," FINANCIAL TIMES, June 20, 1997; "Le SUD s'oppose aux normes sociales," LIBERATION, June 19, 1997; "Non-aligned reject ILO bid for tougher job role," REUTERS, June 11, 1997.

## **EU THICK-SKINNED IN BANANA APPEAL**

The European Union appealed against a WTO panel which had ruled that its banana import policies violated global rules. The EU cited 19 key issues in its notification, most significantly a challenge to the dispute panel's finding that all bananas must be treated under the same trade rules. The EU also takes issue with the panel's ruling on the General Agreement in Trade in Services (GATS) in relation to the General Agreement on Tariffs and Trade (GATT). "The panel erred in law in accepting that GATT and GATS are two mutually overlapping agreements and in finding that the measures complained of in the present case fall simultaneously under GATT and GATS," the EU notification states. The EU is contesting a number of other points related to GATS, saying that the ruling sets bad precedent for future cases.

Ecuador, which joined the U.S. in its case against the EU, urged the EU to implement the WTO ruling immediately. "We want better access to the EU market, to make them aware of the importance of bananas to Ecuador's export earnings," Ecuador's Foreign Trade Minister said. Ecuador maintains that since the EU imposed tariff quotas against Latin American bananas in 1993, more than 65,000 people have lost banana-related jobs.

The WTO is due to hear the EU case July 11, with a ruling expected in September. African, Caribbean and Pacific countries fear that if the ruling is upheld, their banana-dependent economies will be devastated.

The U.S. has been heavily criticized for bringing the case to the WTO on behalf of Chiquita and Dole Brands.

"EU notice of appeal fights every point of WTO banana panel ruling," INSIDE U.S. TRADE, June 20, 1997; "OMC: peau de banane americaine," TRIBUNE DE GENEVE, June 20, 1997; "Ecuador urges EU to play fair on bananas," REUTERS, June 12, 1997.

### **CAIRNS GROUP LOOKS FORWARD TO 1999**

Ministers from the Cairns Group of 15 agricultural exporting nations met June 5-6 in Rio de Janeiro, Brazil. The group agreed that "far reaching and ambitious reform of world agriculture trade" was needed, and that the group will seek such reform when the next round of WTO trade liberalization talks commence in 1999. According to the ministerial communique, the next round of WTO talks must provide the framework "for an outcome in the three areas of export subsidies, domestic support and market access which would bring the treatment of agriculture in line with other sectors."

A Cairns official also expressed concern that the current 28 applicants for accession to the WTO control about 10 per cent of world agricultural trade, saying the group is worried that the decision to admit new members may be skewed by the political imperatives of more powerful members. The Cairns group includes Australia, New Zealand, Fiji, Argentina, Brazil, Uruguay, Chile, Colombia, Canada, Hungary, Indonesia, Malaysia, Philippines, Thailand, and Paraguay.

"Ministerial Statement and Communique from June 5-6 Meeting of the Cairns Group;" "Cairns Group in bid for new talks," BUSINESS POST, June 12, 1997.

### **EVENTS/RESOURCES**

June 23-27 - A special Session of UN General Assembly on the Rio Earth Summit (UNCED) follow-up will be held in New York. For information contact: Andrej Vasilyev, UNDSO, tel: (1 212) 963 5949, fax: 963-4260, email: <vasilyev@un.org>. The International Institute for Sustainable Development has detailed background and information on the Event at: <http://www.iisd.ca/linkage/> or through ICTSD.

June 26 - WTO and UNCTAD Special Review Meeting on the High Level Meeting on LLDC Trade (scheduled for October). For information contact: WTO External Relations Division, 739-5254; fax: 739 5777.

WTO Website: A new and vastly improved version of the WTO website is now available at <http://www.wto.org>

Why The World Trade Organization Needs Environmental NGOs, by Daniel Cesty. Published by the International Center for Trade and Sustainable Development, as part of its Public Participation in the International Trading System series. For more information, contact ICTSD, 13, chemin des Anemones, 1219 Geneva, Switzerland. Ph: +41/22/979/9492; Fax: +41/22/979/9093; E-mail: <ictsd@iprolink.ch>; Web: <http://www.ictsd.org>.

ECONOMIQUITY: Newsletter of the Consumer Unity and Trade Society (CUTS). For more information contact CITEE, 3-B, Camac Street, Calcutta 700 016, India. Ph: +91/33/29/7391; Fax: +91/33/29/7665; E-mail: <cuts@lwbbs.com>.

-----  
----  
BRIDGES Weekly Trade News Digest is published by the International Centre for Trade and Sustainable Development and edited by the Institute for Agriculture and Trade Policy. We encourage the reproduction of BRIDGES. Comments and suggestions are welcome and should be directed to: Ricardo Melendez-Ortiz, Executive Director, ICTSD, Geneva Executive Center, 13 chemin des Anemones, 1219 Chatelaine, Geneva, Switzerland; email: [ictsd@iprolink.ch](mailto:ictsd@iprolink.ch); voice: (41-22) 979-9492; fax: (41-22) 979-9093.

BRIDGES Weekly Trade News Digest can be found at the ICTSD web page: <http://www.ictsd.org>

To subscribe to BRIDGES, send email to: [Majordomo@igc.apc.org](mailto:Majordomo@igc.apc.org). Leave the subject line blank. In the body of the message say: subscribe tradedev. Follow the same steps to unsubscribe, but instead, in the body of the message say: unsubscribe tradedev.