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EU HOLDS MEETINGS WITH TRADING PARTNERS: U.S., MEXICO, EGYPT

Trade observers will keep a keen eye on Rio de Janeiro this week as EU and Southern Cone Common Market (Mercosur) officials meet on 28-29 June. The two sides are expected to launch bilateral free trade talks when they meet.

Meanwhile, EU and U.S. officials met at an EU-U.S. summit in Bonn last week. Environmental and consumer groups criticised the summit for giving more access to representatives of business interests than consumer and environmental interests, despite the setting up - at the behest of the U.S. and EU - of the Transatlantic Environment Dialogue (TAED) intended to take a role in EU-U.S. summits (see *BRIDGES* Weekly Trade News Digest, Vol. 3, No 18 May 10, 1999).

The EU and the U.S. last week side-stepped ongoing trade disputes over beef and bananas, opting for a more co-operative tone on issues such as food safety and ways to avert future trade wars. EU and U.S. officials said they would create an "early warning system" that could help avert future trade battles. Officials left details vague but said the intent is "to improve the capacity of each side to take the other side's interests into account at an early stage when formulating policy."

An EU-U.S. joint statement said however that, "Both sides re-affirm that the processes proposed hereafter are without prejudice to the parties' rights and obligations relating to international dispute settlement, notably under the rules of the WTO." The two sides also agreed to pursue a pilot

programme for simultaneous regulatory approval of genetically modified organisms as a way to head off what U.S. officials say could be the source of "major trade disputes of the next century."

The EU and Mexico met earlier this month for their sixth round of talks toward a bilateral free trade agreement. The two sides made progress toward concluding an agreement by year's end. The EU agreed to eliminate tariffs on 80 percent of Mexican manufactured goods immediately with tariffs on the remaining 20 percent phased out by 2003. Mexico agreed to eliminate tariffs on 47 percent of EU manufactured goods immediately, and to eventually extend duty-free access to all EU manufactured goods by 2007. The two sides will meet again next month to discuss agriculture and rules of origin.

The EU and Egypt earlier this month reached a provisional trade and association agreement. Environmentalists in both the EU and the Middle East worry that the agreement could have adverse environmental effects for Egypt, if European industries locate in Egypt and possibly overwhelm Egypt's scarce natural resources. The EU is Egypt's largest trading partner, accounting for over 40 percent of Egyptian exports.

"EU and U.S. pledge trade co-operation," INTERNATIONAL HERALD TRIBUNE, 22 June 1999; "US and EU promise to make a new start," "Consumer groups attack G8 'bias'", FINANCIAL TIMES, 22 June 1999; "U.S.-EU summit outlines early warning system, falls short on services," INSIDE US TRADE, 25 June 1999; "Les Etats-Unis et l'Europe veulent prévenir les conflits," LE FIGARO, 22 June 1999; "EU, U.S. pilot project would offer simultaneous regulatory approval of GMOs," INTERNATIONAL ENVIRONMENT REPORTER, 23 June 1999; "E.U. accepts more gradual drop in Mexican tariffs," DOW JONES NEWSWIRE, 23 June 1999; "Recent EU-Egyptian trade and association agreement: setting the stage to pollute the pyramids," FRIENDS OF THE EARTH PRESS RELEASE, 24 June 1999; ICTSD Internal Files.

GM CROP (DIS)APPROVALS: EU, BRAZIL, ANDEAN COUNTRIES

EU environment ministers last week approved revisions to the EU's regulatory scheme for approving genetically modified organisms (GMOs). (See *BRIDGES Weekly Trade News Digest* Vol.3, No.15-16, 26 April 1999.) The revised 1990 Directive on the Deliberate Release of Genetically Modified Organisms (90/220) calls for a 10-year (renewable) licensing period for each GMO seed authorisation, requires labelling of products containing GMOs above a certain threshold, calls for expanded public consultations on licensing decisions, phases out the use of antibiotic genes in GMO products, and calls for post-marketing monitoring of GMO products. The environment ministers also asked the European Commission to study further the issue of liability in the event that a GMO product causes environmental or health damage.

Greece, France, Italy, Denmark and Luxembourg expressed strong support for a suspension of GMO approvals until changes to the existing GMO legislation are implemented, a process likely to take several years as the legislation makes its way through the European Commission and Parliament for approval. While ministers ultimately rejected the formal moratorium proposal, one is effectively in place, since no new authorisations have been delivered for a long time, nor are likely to be in the near future.

Despite EU-U.S. pledges of increased co-operation around biotechnology (see related story in this issue) the U.S. warned last week that the EU's stance toward GMOs would be the "make or break" issue in the new round of global trade talks.

The U.S. warned it would complain to the WTO if it could not work out an alternative solution with the EU. The European Commission said last week that its revised approval process for GM crops was WTO-compatible.

Europe's biotech industry warns the EU delay in approving licences for GMOs will essentially paralyse the industry there. Farm observers warn that Europe's farmers could be left behind as well, as U.S. and other farmers benefit from increased yields and potentially lower production costs as a result of utilising GMO crops.

In related news, a Brazilian court issued an 18 June ruling prohibiting the planting and/or marketing of genetically modified Roundup-Ready soy, overturning a prior decision (reported on in *BRIDGES Weekly Trade News Digest*, Vol. 3, Number 20 May 24, 1999). In a suit brought by the Brazilian Institute for Consumer Defence, the court required the Monsanto and Monsay corporations to submit an environmental impact study prior to any commercial-scale release of Roundup-Ready soy into the environment. Monsanto, which had expected to start planting the beans in September for harvesting early in the year 2000, said it would contest the ruling.

A meeting of experts in biosafety from Andean countries and UNESCO, meeting in Ecuador earlier this month, warned that the countries of the Andean Community trade bloc must agree on safety mechanisms against the risks posed by transgenic products, also pointing out that many of those making decisions on GM products in the region lacked the necessary training to do so.

"GM food rules linger in political limbo," *FINANCIAL TIMES*, 24 June 1999; "EU set for moratorium on new modified food products," *FINANCIAL TIMES*, 26 June 1999; "U.S. warns that biotechnology will "make or break" new trade round," *AGENCE FRANCE PRESSE*, 24 June 1999; "La bataille des OGM: les européens sont divisés face aux américains," *LE MONDE*, 24 June 1999; "Les OGM, prochaine source de conflit Europe/Etats-Unis?" *LE TEMPS*, 25 June 1999; "EU ministers agree on stricter labeling of biotech crops," *INTERNATIONAL HERALD TRIBUNE*, 26 June 1999; "Brazilian Courts Suspend Release of Biotech Soy," *USUARIO UNIVERSO ONLINE*, 22 June 1999; "EU says its GM crop approval system WTO-compliant," *REUTERS*, 25 June 1999; Andean meet sounds alert on transgenics," *IPS*, 11 June 1999.

WTO AGRICULTURE COMMITTEE ADDRESSES DEVELOPING COUNTRY CONCERNS

The WTO Committee on Agriculture met last week, both in formal and informal sessions. A number of issues of interest to the sustainable development community were discussed, including non-trade concerns of developing countries; market access; and whether or not the due restraint provision ("peace clause") should be prolonged beyond the current date of 2003 at which it is due to expire.

New positions beyond the prior opposition between the agricultural "liberalisers" (mainly members of the Cairns group and U.S.) and the "protectionists" (EU, Japan, et al.) seem to be emerging.

Mauritius submitted a paper to the Agriculture Committee's informal session last week, on "Multifunctional Role of Agriculture in Small Island Developing States" which raises the issue of dependency on a single crop (sugar), environmental protection, development and living standards. This paper was supported by the EU, Norway, Japan and Korea, who found some of their concerns reflected in Mauritius' paper. Several Caribbean countries also supported the paper. Argentina (a Cairns group member) warned Mauritius against joining the "protectionists", pointing out that it was EU subsidies and protectionism that enabled it to become a major sugar exporter, harming Mauritius' and other LDCs' economies by depressing prices. The U.S. and some Cairns group members expressed some sympathy with Mauritius' paper, but did not agree with Mauritius' proposed solution, saying that either existing and WTO-compatible non-distorting ("green box") subsidies should be adequate, or small developing countries should be given special treatment. India expressed doubt as to whether the present "green box" approach covered the problems faced by the developing countries.

In the area of market access, the EU submitted a paper on Special Safeguards in Agriculture and the discussion reflected the familiar split between those wanting to keep special safeguards provisions (EU, Japan, Korea, Poland, Mauritius, etc) and the U.S. and the Cairns group who said that regular GATT safeguards are adequate. Cuba, Dominican Republic, El Salvador, Honduras, Nicaragua and Pakistan submitted a paper on developing countries' problems in accessing developed countries' markets, which mentions inter alia, high tariffs on sensitive products, tariff escalation and SPS regulations. The U.S., Cairns group and other developing countries supported this paper. Japan argued that tariffs and quotas in this sector were the result of negotiations and balance had to be maintained. The EU made a similar case.

The formal session of the Agriculture Committee heard replies to over 200 written questions on some 36 notifications and on seven other implementation issues. By far the most attention was paid to domestic subsidy notifications, in particular from the EU and Norway. Brazil also expressed its concern about U.S. subsidies for soybeans.

There was also a discussion about derestriction of factual Secretariat paper prepared for the informal Analysis and Information Exchange sessions. Mexico again vehemently opposed releasing these papers, although they contain only factual data and are compiled from unrestricted notifications. All other speakers, including Colombia, Canada and Frank Wolter, Director of WTO's Agriculture Division, urged Mexico to change its mind, pointing out that these documents can be useful, including to developing country governments and organisations such as FAO and UNCTAD which have programmes for assisting developing countries.

"Trade: Agriculture talks about talks," SUNS, 25 June 1999; ICTSD Internal Files.

U.S. OUTLINES AGRICULTURAL TRADE AGENDA

U.S. Secretary of Agriculture Dan Glickman last week outlined U.S. agricultural trade objectives for the upcoming round of WTO farm talks. Among these, the U.S. said it would seek expanded market access for agricultural goods by raising the ceiling on minimum farm import quotas - a policy directed at Japan's rice market. Earlier this year, Japan adopted a rice tariffication scheme which allowed Japan to slow its mandatory increase in foreign rice imports to 0.4 percent per year, while

applying tariffs on rice imports within a WTO prescribed range. (See *BRIDGES Weekly Trade News Digest* Vol. 3, No. 1-2, 18 January 1999.)

The U.S. criticised Japan for its tariffication plan, arguing it would unfairly shut out U.S. rice from the Japanese market. The U.S. vowed to address this issue in the next round of trade talks. Australia and Thailand - also rice exporters to Japan, are likely to press this issue as well. Japanese smaller farmers unions and some non-governmental organisations argued against tariffication when it was adopted earlier this year, fearful that it would indeed pave the way for elimination of rice tariffs altogether as pressure mounts on Japan in WTO trade talks. These opponents argue that the policy would ultimately undermine Japanese food self-sufficiency, and ignores the importance of protecting and enhancing self-reliance of small farmers in Japan and other countries.

Mr. Glickman said also that the U.S. would work to reduce tariffs on agricultural imports and push for elimination of export subsidies. He criticised the EU for maintaining export subsidies. Developing countries, joined by the Cairns Group and Mercosur among others, will also take aim at EU export subsidies, as the subsidisation of EU agribusiness and other large-scale farmers puts smaller farmers in developing countries at an unfair competitive disadvantage.

Also last week, an editorial in *THE AUSTRALIAN* called on the EU and U.S. to open their markets to agricultural exports from the world's poorest countries. Since agriculture is the main source of export revenue for these countries, increased trade would be an important complement to debt forgiveness as a way for countries to lift themselves up from poverty. The comments were made in response to the Group of Seven (G-7) highly industrialised nations (Britain, France, Italy, Japan, Germany, Canada and the U.S.) decision to expand by US\$90 billion debt forgiveness for heavily indebted poor countries.

"U.S. releases farm policy goals under new round," DOW JONES NEWSWIRE, 23 June 1999; "U.S. farm policy under new round targeted at rice," KYODO NEWS INTERNATIONAL, 23 June 1999; "Rich nations must accept the poor's farm exports," *THE AUSTRALIAN*, 24 June 1999.

AUSTRALIA PROPOSES JOBSHARE FOR HEADLESS WTO

Nearly a year into the process of selecting a new WTO Director-General (D-G), WTO Members remain far apart on choosing between the two remaining candidates: former New Zealand premier Mike Moore and Thailand's Deputy Prime Minister Supachai Panitchpakdi. A new proposal has been put forward by Australia at the APEC meeting in Auckland this week that the two candidates share the post for three years each. The WTO General Council (WTO's governing body between Ministerial Meetings) will next meet early in July to decide on a new Director-General. Meanwhile in Geneva rumour has it that the issue will be left to Ministers when they meet at the end of the year at Seattle for the Third WTO Ministerial Meeting.

The selection process has deeply divided WTO Members, and they have missed numerous deadlines for reaching consensus on a new leader. At the heart of the division is the WTO consensus process which critics charge allows larger trading powers to yield undue influence over WTO affairs. Indeed, a number of WTO Members warn that the consensus process, as it has played out in the D-G selection, has aggravated the perception that the WTO is non-transparent and undemocratic, and thus lacking legitimacy.

In the D-G case, the Chair of the WTO General Council must gauge Member's positions regarding candidates and advise WTO Members as to which candidate has the "most" support, proposing that candidate be appointed as the next D-G. WTO Members agreed last year to the following criteria for selecting a candidate for the post. The candidate must 1) be the preference of a majority of Members; 2) gather support from a broad geographic spectrum of the membership; and, 3) be acceptable to every Member of the organisation.

WTO Members, particularly Mr. Supachai's supporters, have argued that the D-G appointment process has been riddled by lack of transparency and fairness. In April, General Council Chair Ambassador Ali Mchumo of Tanzania said that by a margin of 62-59 Mr. Moore enjoyed a lead among D-G candidates and called on Mr. Supachai to bow out of the race. Supporters of Mr. Supachai disagreed, arguing that the race was too close to call. Kenya then put forward its own proposal calling for consensus to be reached around Mr. Supachai. (See *BRIDGES Weekly Trade News Digest* Vol. 3, No. 17, 3 May 1999.)

The Kenyan proposal was opposed by a number of WTO Members, most notably the U.S., and Mr. Mchumo, who argued the Kenyan proposal could not be considered as the proposal for reaching consensus around Mr. Moore was made first and was still alive, and to consider the Kenyan proposal would violate the selection process agreed to by Members last year.

Supporters of Mr. Supachai said that equity and fairness demanded that the Kenyan proposal be given equal consideration as Mr. Mchumo's proposal around Mr. Moore. Further, the Association of Southeast Asian Nations (ASEAN) chastised Mr. Mchumo, noting that his job was to manage the selection process and not to advocate on any one candidate's behalf.

In May, Australia tried to break the impasse by proposing an informal ballot initiative through which Members could "vote" (in a kind of secret ballot straw poll) for one of the two candidates, and the one who gained the most votes would then be appointed by consensus. This met with objections from the U.S. and other supporters of Mr. Moore that voting would violate WTO rules. Since developing/smaller countries make up the majority of the WTO's 134 Members, larger Members worry that voting in the WTO could lead to a number of smaller countries outweighing the major players on an issue, observers note. Another, earlier, controversial suggestion was that since on a trade-weighted basis, Members supporting Mr. Moore carried more weight than those supporting Mr. Supachai, that weight should be given consideration.

At a WTO General Council meeting on 16 June, General Council Chairman Ali Mchumo of Tanzania said an informal poll now showed as many as 80 WTO members supported Mr. Moore for D-G. Supporters for Mr. Supachai immediately questioned the figures. By 18 June, Mr. Mchumo announced that it was not possible to reach consensus on either Mr. Moore or Mr. Supachai, and thus took the decision to postpone the decision until early July for Members to consult on how to end the impasse.

Mr. Supachai said he would not withdraw from the D-G race as a matter of principle. "The point is there is now a debate on the transparency and fairness of the selection process," Mr. Supachai said. His supporters called again for a transparent process of informal balloting or "quantitative verification" in the D-G selection as a way to quickly bring the selection process to a close.

Observers warn that the deadlock around a new D-G threatened the WTO's credibility and could jeopardise the important agenda-building process in the months before the Third WTO Ministerial scheduled for 30 November- 3 December in Seattle, Washington. The D-G impasse could also affect the launch of the proposed Millennium Round of global trade talks.

Meanwhile, Geneva diplomats joke that the WTO is now more than ever a "Member-driven organisation" since it has no head, or that while it may be embarrassing for the WTO to be headless, what would be even more embarrassing would be for the organisation to function well without a head for several months, indicating that the D-G post may be superfluous anyway.

"End it now or start again, says Supachai," BANGKOK POST, 20 June 1999; "Will the WTO ever be the same?" FOCUS-ON-TRADE (FOCUS), June 1999; "Trade: WTO looking for a hoodiny?" SUNS, 28 May 1999; "WTO: Members pause leadership talks," FINANCIAL TIMES, 19 June 1999; "Poll shows growing support for Moore as WTO head, stalemate remains," INSIDE US TRADE, 18 June 1999; "Trade: Membership remains deeply divided on WTO head," SUNS, 17 June 1999; "Enough is enough," THE ECONOMIST, 12 June 1999. "Ruggiero calls for new world forum to address global challenges," INSIDE US TRADE, 16 April 1999.

EU SAYS FREER SERVICES GOOD FOR DEVELOPING COUNTRIES

U.S. Trade Representative Charlene Barshefsky earlier this month said the U.S. would push for increased liberalisation in global trade in services in the proposed Millennium Round of global trade talks expected to launch later this year. Ms. Barshefsky said the U.S. would push for deeper liberalisation commitments in finance, telecommunications, distribution, audio-visual services, construction, tourism, education and health. Ms. Barshefsky said also that before the new round begins the U.S. wants to forge an agreement on transparency in government procurement - relevant because governments are large buyers of services.

At a WTO-sponsored meeting held in Bangkok earlier this month, Thai officials expressed concern that developed countries were pressuring developing countries to liberalise services in sectors in which developed countries have a comparative advantage, e.g. in the telecommunications and financial services sectors. Thailand's Deputy Prime Minister Supachai Panitchpakdi warned that this could aggravate economic turmoil in Asia. An EU trade official disagreed with the Thai analysis. "Services which are imported create an infrastructure for the country," Michel Servoz, head of the EU trade in services unit, said. "To be liberal in services is something which is equally good for developing and developed countries," he said.

Developing countries are reported to want to protect services in certain industries, including tourism, maritime transport and construction.

"Sector fears talks won't include them," JOURNAL OF COMMERCE, 24 June 1999; "Barshefsky reveals U.S. push to broaden WTO services talks," INSIDE US TRADE, 4 June 1999; "WTO liberalisation of services to benefit all-EU official," DOW JONES NEWSWIRE, 18 June 1999; "Developing nations to get WTO say," AGENCE FRANCE-PRESSE, 18 June 1999.

TENSION BUILDING IN SOUTHERN AFRICAN TRADE RELATIONSHIPS

The South African Development Community (SADC) will meet this week to break an impasse in trade negotiations between its 14-members. SADC had hoped to conclude free-trade talks by month's end toward a January 2000 launch for a SADC free trade area. The key issue between members is over market access to the Southern African Customs Union (SACU), of which SADC members South Africa, Swaziland, Namibia, Lesotho and Botswana are also part.

Zimbabwe proposed zero-tariffs on most products within the SADC region. SACU members of SADC are counter-proposing tariffs of 30-50 percent on SADC clothing exports to SACU, which Zimbabwe argues would effectively block clothing exports to the SACU region. SACU rules-of-origin proposals for SADC exports have also met with strong opposition from non-SACU SADC members. SACU members argue that strict rules-of-origin rules are necessary, most notably in the textiles and automotive sectors, to prevent transshipment of products from Asia. A regional trade imbalance is also aggravating tensions. Regional economic giant South Africa last year exported US\$3.4 billion to SADC countries, while its imports from SADC countries totalled only about US\$600 million.

Meanwhile, a report released earlier this month by the UN Conference on Trade and Development (UNCTAD) said the free trade agreement recently concluded between the EU and South Africa is likely to benefit the EU more than South Africa. The UNCTAD report ("Free Trade Between South Africa and the European Union: A Quantitative Analysis") said the agreement will "have a negative impact on both the balance of payments and on government revenue [of South Africa]." The report estimates that EU exports to South Africa could increase by between 2.3 percent and 12.3 percent over 1996 figures as a result of the agreement, while South African exports to the EU will only increase by 1.3 percent. The report notes that the EU excludes nearly half of South Africa's agricultural exports from the free trade agreement.

The EU-South Africa agreement could also aggravate trade relations between South Africa and its SACU, SADC and Eastern and Southern African Common Market (COMESA) trade partners. Critics within these groupings worry that the seemingly lopsided market access deal struck in the agricultural sector would allow cheap, subsidised EU agricultural exports to flow into the SACU markets - posing a serious threat to agricultural sectors in SACU countries and to COMESA and SADC, to which SACU countries belong. (See *BRIDGES Weekly Trade News Digest* Vol. 3, No. 18, 10 May 1999, and Vol. 3, No. 22, 7 June 1999.)

"Africa politics: Squabbles delay negotiations on SADC free-trade area," *ECONOMIST INTELLIGENCE UNIT*, 24 June 1999; "Africa economy: SADC trade protocol delays," *ECONOMIST INTELLIGENCE UNIT*, 21 June 1999; "EU-South Africa trade agreement to benefit EU, UN report claims," *INTERNATIONAL TRADE REPORTER*, 16 June 1999.

SEEING THE FOREST FOR THE TREES: FOREST LABELS AND CONCERNS IN CENTRAL AFRICA

The Worldwide Fund for Nature (WWF) has forged an alliance with the World Bank tying World Bank financial assistance to central African countries to the adoption of sustainable forestry practices, as monitored by the WWF. As part of this initiative, regional African leaders agreed

earlier this year to move toward sustainable forest management and to protect large areas of the forest. Gabon, Cameroon, both Congos and Guinea have one-fifth of the world's tropical forest. Logging results in a loss of 10,000 acres (4,000 hectares) a year, a rate which could result in complete deforestation and loss of forest-dwelling animal species by 2020.

Environmental groups argue that deforestation leads to greater poverty, as former forestland remains idle. However, critics note, protecting forest areas from harvesting leads to job loss and relocation of people from towns near forests. Many voices in the region take umbrage at the western environmentalists' meddling.

In related news, environmental ministers from the Democratic Republic of Congo (DRC) and the Republic of Congo met earlier this month for consultations on the two countries' forestry policies, including the African Timber Organisation. The two countries agreed on the need to exchange information and learnings regarding forestry and fisheries management, and agreed to explore a common strategy to combat timber theft in the Congo and Ubangui river regions.

Earlier this month, producers and users of British forest products launched the UK Woodland Assurance Scheme (UKWAS). UKWAS is a forest management audit scheme designed to qualify forest owners for various certifications and eco-labels, such as the Forest Stewardship Council (FSC) or the alternative Pan-European Forest Certification Scheme. UKWAS is expected to assist a group of more than 95 UK retailers that have pledged to source 100 percent of timber products from FSC-certified sources by 2000.

"Forest fears," THE ECONOMIST, 26 June 1999; "Environment ministers consult over forests," PANAFRICAN NEWS AGENCY, 14 June 1999; "Consensual UK forest certificate launched," ENVIRONMENT DAILY, 3 June 1999.

IN BRIEF

A grouping of Canadian and European business earlier this month launched a roundtable around which common positions on bilateral trade issues will be discussed. The grouping hopes to head off future EU-Canada trade disputes. Towards that, the roundtable will urge EU and Canadian officials to pool research on GMO safety and to construct a workable biosafety protocol. "Firms from Canada, Europe to launch talks about trade," WALL STREET JOURNAL, 16 June 1999.

The U.S. Senate last week rejected a bill that would have imposed quotas on foreign steel imports. U.S. steel producers have accused foreign producers of illegally dumping steel on the U.S. market. (See *BRIDGES Weekly Trade News Digest* Vol. 3, No. 23, 14 June 1999.) "U.S. gets it right for steel, now for lamb," DOW JONES NEWSWIRE, 22 June 1999.

Trade data from Asian countries released this month indicate that Asian intra-regional trade is on the rise, pointing to an economic recovery in a region struggling since its economic crisis started in 1997. "Intra-regional trade is picking up in Asia," WALL STREET JOURNAL, 23 June 1999.

The International Institute for Sustainable Development (IISD) in collaboration with the World Wildlife Fund (WWF-US) have released a report examining NAFTA Chapter 11 (which deals with

investors' rights and expropriations), from the perspective of sustainable development. "NAFTA: Barrage of environment-related lawsuits forecast," IISD PRESS RELEASE, 22 June 1999.

Leaders from Kazakhstan, Kyrgyzstan, Uzbekistan and Tajikistan last week postponed the creation of the long-anticipated Central Asian Economic Community. The four countries are unable to agree on tariffs and currency controls. "World Trade: Free trade zone postponed," FINANCIAL TIMES, 25 June 1999.

WTO IN BRIEF

On 22 June the European Commission met with civil society organisations, members of the European Parliament and EU Member State representatives in its process of engagement with civil society in the build up to the WTO new round of negotiations. Issues covered included the EU's proposed measures for developing countries, and the EU's proposal for greater coherence of trade and financial policies through better co-operation between the WTO and International Financial Institutions. At the meeting, NGOs expressed dissatisfaction at how the EC's process of engagement with them has been managed, saying inter alia that there is a lack of clarity in the EC's objectives in the process and that information provided at the meetings is often selective and unreliable. "Commission meeting with civil society organisations to discuss EU proposals for WTO round," EUROSTEP NEWS UPDATE, 25 June 1999.

Australia last week said it would request a WTO dispute settlement panel to consider its complaint that South Korea is illegally obstructing imports of Australian beef. The U.S. filed a similar complaint against S. Korea earlier this year. "Australia to take S. Korea to WTO over beef import limits," DOW JONES NEWSWIRE, 23 June 1999.

The International Council of Chemical Associations (ICCA), representing companies accounting for about 80 percent of world chemical production, last week called for the complete elimination of tariffs on chemicals by all WTO Members by 2010. "Elimination of tariffs by WTO Members sought," FINANCIAL TIMES, 25 June 1999.

ON THE MOVE

The Commission for Environmental Co-operation (CEC) last week announced the appointment of Ms. Janine Ferretti to a three-year term as the new Executive Director of the Secretariat of the CEC. Ms. Ferretti, a Canadian, has served as the CEC's Interim Executive Director since 1998. "CEC announces executive director," CEC PRESS RELEASE, 22 June 1999.

U.S. Agriculture Secretary Dan Glickman last week appointed Kathleen Ann Merrigan as the new administrator of the U.S. Department of Agriculture's Agricultural Marketing Service. Since 1994, Ms. Merrigan has worked as a senior analyst with the Henry A. Wallace Institute for Alternative Agriculture. Agriculture specialists in the U.S. have referred to her as an "organic agriculture leader." "Merrigan named administrator of USDA's agricultural marketing service," USDA PRESS RELEASE, 25 June 1999.

EVENTS & RESOURCES**▪ EVENTS**

For a more complete list of events, please refer to ICTSD's web calendar at <http://www.ictsd.org/html/calendar.htm>

WTO Meetings

An updated list of forthcoming WTO meetings is posted at <http://www.wto.org/wto/about/meets.htm>. Please bear in mind that dates and times of WTO meetings are often changed, and that the WTO does not always announce the important informal meetings of different WTO bodies.

30 June: WTO SEMINAR ON REGIONAL TRADE AGREEMENTS, organised by the WTO Secretariat with participation from staff of the International Monetary Fund and the World Bank. This seminar takes place in the context of consultations between the three bodies to achieve greater coherence in global economic policy-making. For information contact WTO, (41-22) 739-5111, web: <http://www.wto.org/wto/develop/rtasem.htm>

1 July: DISPUTE SETTLEMENT BODY; followed by INFORMAL MEETING OF THE DISPUTE SETTLEMENT BODY - on Review of the Dispute Settlement Understanding. For information contact Nuch Nazeer, WTO, (41-22) 739-5393.

1-2 July: COMMITTEE ON REGIONAL TRADE AGREEMENTS. Members will discuss systemic implications of regional trade agreements for the multilateral trading system and free trade agreements between a number of Eastern European and Middle Eastern states, including Turkey, Israel, Hungary, Estonia, the Czech Republic, and the Slovak Republic. For information contact Lucie Giraud, WTO, (41-22) 739-5075.

2 July: COUNCIL FOR TRADE IN GOODS - on availability and management of integrated database on market access, and on trade facilitation informal meetings. For information contact Luis Ople, WTO, (41-22) 739- 5374.

7 July: WTO GENERAL COUNCIL SPECIAL SESSION - preparations for 3rd Ministerial Meeting. For information contact Peter Pedersen, WTO, (41- 22) 739-5848.

7-8 July: COMMITTEE ON TRADE AND DEVELOPMENT. Members will discuss concerns and problems of small economies; review of the application of special provisions in favour of developing country and LDC Members; possible inputs by the CTD to the 3rd WTO Ministerial Meeting; recent developments in trade of developing and least-developed countries; and technical co-operation. For information contact Lucie Giraud, as above.

7-8 July: COMMITTEE ON SANITARY AND PHYTOSANITARY MEASURES. Inter alia, Members will discuss the operation of transparency provisions; a US complaint on an EC ban on antibiotics in feed; SPS Agreement and developing countries; monitoring the use of international standards; technical assistance and co-operation; and work of observer organisations such as CODEX. For information contact Peter Ungphakorn, WTO, (41-22) 739-5412.

7-8 July: COUNCIL FOR TRIPs. Members will conduct a review of the provisions of article 27.3(b) and will discuss, inter alia, observer status for international intergovernmental organisations, review of legislation of the Kyrgyz Republic and Latvia, and technical co-operation. For information contact Peter Ungphakorn, as above.

Other Events

28-30 June, Montreal: CONVENTION ON BIOLOGICAL DIVERSITY: Intersessional Meeting on the operations of the Convention. For information contact the CBD Secretariat, World Trade Centre, 393 St Jacques Street, Office 300, Montréal, Québec, Canada, H2Y 1N9, tel: (1- 514) 288-2220, fax: (1-514) 288-6588, email: secretariat@biodiv.org, web: <http://www.biodiv.org>

23-24 July, Singapore: 32nd ASEAN Ministerial Meeting. For information contact the ASEAN Secretariat, 70A Jl. Sisingamangaraja, Jakarta 12110, Indonesia, tel: (62-21) 726-2991/724-3372, fax: 739-8234/724-3504, web: <http://www.aseansec.org/>

13-17 September, Maastricht, the Netherlands: FAO/NETHERLANDS CONFERENCE ON THE MULTIFUNCTIONAL CHARACTER OF AGRICULTURE AND LAND. The overall objective of the conference is to develop practical ways for society, at different scales, to promote sustainability by increasing the awareness of the multiple functions of agriculture and land in its diverse and interdependent social, economic, biological and physical environments. For information contact Lucas Janssen, FAO/SDRN, Viale delle Terme di Caracalla, 00100 Rome, Italy, fax: (39- 6) 57053369 or 57055246, email: agr99-conference@fao.org, web: <http://www.fao.org/waicent/faoinfo/sustdev/agr99/>

22-24 September, Hampshire, UK: DOWN TO EARTH - AN INTERNATIONAL CONFERENCE ON CONSUMPTION AND THE CONSUMER. This conference will be hosted by the Project Integra and supported by the United Nations Environment and Development-UK Committee, Onyx Aurora - Integrated Waste Management, and Hampshire County Council. For information contact Conference Administration, Index Communications Meeting Services, tel: (44-1794) 511331/511332, email: icms@dial.pipex.com

28-29 October Miami, Florida: MEETING OF TECHNICAL SPECIALISTS AND POLICY EXPERTS ON ENVIRONMENTALLY-SOUND TRADE EXPANSION IN THE AMERICAS. Sponsored by: The Dante B. Fascell North-South Centre, University of Miami Unit for Sustainable Development and Environment, Organisation of American States, and ICTSD. Supported by the United States Agency for International Development. For information contact Sherry Tross, Program Director, North-South Centre, University of Miami, 1500 Monza Ave., Coral Gables, FL 33146, US, tel: (1-305) 284- 8974, fax: 284-6370, email: Stross@miami.edu

▪ RESOURCES

WOMEN COPING WITH CRISIS: SOCIAL CONSEQUENCES OF EXPORT-LED INDUSTRIALIZATION IN THE DOMINICAN REPUBLIC. By Helen I. Safa. The North-South Agenda (Paper Thirty-Six), April 1999. By examining the link between export-led industrialisation, the feminisation of labour, and the growth of female-headed households in the Dominican Republic,

this paper explores the social consequences of export-led industrialisation and whether they act as a deterrent to sustainable development. To order contact the Dante B. Fascell North-South Centre, P.O. Box 248205, Coral Gables, Florida 33124-3027, tel: (1-305) 284- 6868, fax: 284-6370, web: <http://www.miami.edu/nsc/>

ENVIRONMENTAL AGENCIES ON THE NET. This site provides highlights of what environmental agencies around the globe are putting online. The World Bank has also compiled lists of the agencies in most countries primarily responsible for environmental issues at the national level. As the list shows, different countries organise their environmental monitoring and regulatory systems differently. Some create a separate environmental agency while others house environment in a Ministry or Sub-Ministry. To view, please visit <http://www.worldbank.org/nipr/epas.htm>

NAFTA'S CHAPTER 11 AND THE ENVIRONMENT: ADDRESSING THE IMPACTS OF THE INVESTOR-STATE PROCES ON THE ENVIRONMENT, (see In Brief above) is available via the Internet at <http://iisd1.iisd.ca/trade/chapter11.htm>, or may be ordered from IISD, tel (1-204) 958-7710, fax: (1-204) 958- 7710, email: info@iisdpost.iisd.ca

OTHER INFORMATION

The Seattle Host Committee (SHO) is offering NGO meeting space reservations for the Seattle WTO meeting. If you are interested in reserving space and using their service visit their website at <http://www.wtoseattle.org> and click on the "NGO" link. The website also allows visitors to follow some of the SHO agenda.

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