



INTERNATIONAL CENTRE FOR  
TRADE AND SUSTAINABLE  
DEVELOPMENT

BRIDGES

# Weekly Trade News Digest

15 December 1999

ISSN 1563-003X

Volume 3, N°48

## TABLE OF CONTENTS

• Note To Subscribers .....	1
• Basel Ministers Agree To Liability Protocol .....	1
• UK Broils Over French Beef Ban; GMO News Around the World .....	3
• Lomé Talks: EU, ACP Meet .....	4
• The Aftermath of Seattle: A Summary of Competing Claims .....	5
• Ford Motors Quits Anti-Kyoto Group .....	10
• ATC Update .....	11
• In Brief .....	12
• WTO In Brief .....	13
• On The Move .....	13
• Events & Resources .....	13

## NOTE TO SUBSCRIBERS

Please note that that this is the last issue of ICTSD's *BRIDGES* Weekly Trade News Digest for 1999. The Weekly Digest will resume on on Monday, 10 January 2000.

## BASEL MINISTERS AGREE TO LIABILITY PROTOCOL

Delegates from 130 countries met from 6-10 December in Basel, Switzerland for the Fifth Session of the Conference of the Parties (COP-5) to the Basel Convention on Hazardous Wastes. *Inter alia*, Ministers took up the issues of adopting a Protocol for Liability and Compensation for Damage Resulting from Transboundary Movements of Hazardous Wastes and their Disposal; technical assistance; partnerships with non-governmental organisations and industry; and various technical issues.

Ministers did indeed adopt the long awaited Protocol for Liability and Compensation for Damage Resulting from Transboundary Movements of Hazardous Wastes and their Disposal. The Protocol is meant to stem so-called "environmental colonialism", or the dumping of toxic materials in poor

countries by rich industrialised nations. The Protocol covers damage "due to an incident occurring during a transboundary movement of hazardous wastes and other wastes and their disposal, including illegal traffic, from the point where the wastes are loaded on the means of transport in an area under national jurisdiction of a state of export."

"For the first time, we have a mechanism for assigning responsibility for damage caused by accidental spills of hazardous waste during export or import," said Klaus Töpfer, Executive Director of the United Nations Environment Programme (UNEP). "The adoption of the Protocol is a major breakthrough."

A number of environmental groups were less optimistic. "The liability protocol is the sad result of 10 years of effort by the industrial lobby to reduce the original intention to a text with as many holes and exclusions as Swiss cheese", argued Kevin Stairs, political adviser with Greenpeace International. "The protocol is a dangerous precedent and is unlikely to ever, ever provide adequate relief for victims of toxic waste or serve as an incentive to avoid hazardous waste trafficking."

Delegates also agreed to expand the scope of financial mechanisms, establishing an emergency and compensatory fund for assisting developing countries in cases of emergency and compensation for damage resulting from the transboundary movements of wastes and their disposal. The funds may also be used for capacity building and technology transfer in developing countries towards implementing measures to prevent accidents and damage to the environment caused by transboundary waste movement and disposal. Delegates debated whether the contributions to the fund should be mandatory or voluntary, with a number of developing countries calling for mandatory contributions to ensure adequate funding, while some developed countries argued for "voluntary" contributions. The Protocol calls for voluntary contributions.

The agreement on financial mechanisms is an interim one, to be reviewed during later negotiations. African countries were amongst other developing countries arguing that the financial mechanisms agreed to do not adequately ensure developing countries would be equipped to deal with potential emergencies. However, they agreed to the Protocol in the spirit of compromise. Zambian Environment Minister Benjamin Mwila said on behalf of the African group of countries that "Africa will adopt the draft protocol with the understanding that we are in an interim period during which parties will review the financial mechanism to be established." Ministers also agreed to a Ministerial Declaration in which environmentally sound management of hazardous wastes would constitute the Basel Convention agenda for the next decade, including the need to focus on building "a sound financial basis and development of strategies to harness market forces to promote environmentally sound management."

"Agreement on liability protocol reached at Basel Conference of Parties," INTERNATIONAL ENVIRONMENT REPORTER, 8 December 1999; "Summary of the Fifth Conference of the Parties to the Basel Convention on the control of transboundary movements of hazardous wastes and their disposal: 6-10 December 1999" EARTH NEGOTIATIONS BULLETIN (IISD), 13 December 1999; "Compensation and Liability Protocol adopted by Basel Convention on Hazardous Wastes," UNEP PRESS RELEASE, 10 December 1999.

## **UK BROILS OVER FRENCH BEEF BAN; GMO NEWS AROUND THE WORLD**

As BRIDGES Weekly Trade News Digest went to press, France and Britain continued to lock horns over France's refusal to lift its ban on British beef.

France has balked over lifting a ban on imports of British (UK) beef as mandated by the European Commission in August 1999. The ban was implemented in March 1996 after British scientists discovered a link between UK beef and bovine spongiform encephalopathy (BSE), or "mad cow disease". Since then, the UK has slaughtered nearly three million heads of cattle and implemented tight controls on cattle feed.

"We have science and the law on our side and it is regrettable that the French have ignored the science and defied the law," said a spokesman for British Prime Minister Tony Blair. "It now means we have to go through the courts, a process that everyone had hoped to avoid," the spokesman said.

The European Commission is expected to move forward with legal action against France, possibly as early as this week. France justified its decision citing health safety concerns and concerns around traceability and adequacy of testing for BSE.

The UK-French dispute highlights the use of the so-called precautionary principle. The principle, often used in environmental policy, holds that where there are threats of serious or irreversible damage, lack of scientific certainty should not be used as a reason for postponing action. In a trade sense, the principle could be employed to allow preventive measures -- such as an import ban -- to be used when scientific evidence is lacking. The internal EU debate that has arisen out of the French use of the principle could prove awkward as the precautionary principle is at the centre of an EU-US dispute over an EU ban on US hormone treated beef. The EU has called for the recognition of the precautionary principle in WTO agreements in defence of its trade embargo.

Also in the news, UK environment minister Michael Meacher announced in November that no genetically modified crops would be grown commercially in Britain until at least the spring of 2003. The interim period is to be used to allow time for a panel of independent scientists to assess trial plantings and see whether they damage the biodiversity of the wider countryside.

As BRIDGES went to press, the Japanese Ministry of Agriculture, Forestry and Fisheries was expected to announce its decision not to set a numerical ceiling on the percentage of genetically modified ingredients (GMOs) a food product may contain and still be labelled GMO-free. Japan announced in August that it would require mandatory labelling of products from spring 2001 showing whether they contain GMOs. The Japanese list of products requiring labelling includes corn snacks, tofu, soybean milk and miso. The advisory panel that put together the list recommended those products for which GMOs are among the top three raw materials and/or account for more than five percent of the total weight. Consumer groups are sure to be outraged by the decision that the government will not set a numerical ceiling; these groups had called for products containing any level of GMOs to be included on the labelling list.

Korea is preparing to label GMOs on soybeans, corn, and bean sprouts. Labelling will be enforced by April 2001. Meanwhile, Thailand has recently prohibited imports of genetically modified seeds or plants used for local or commercial purposes.

McCain Foods, the Canadian potato processor, announced in November that it would stop buying and/or processing genetically modified potatoes beginning in January 2000. The company said it took the action in response to consumer concerns over health and environment safety relating to GMOs.

In response to the GMO controversy, the Consultative Group on International Agricultural Research (CGIAR), an international organisation co-sponsored by the World Bank, UN Food and Agriculture Organisation, UN Development Program, and UN Environment Program, cautioned GMO opponents that biotechnology could be a highly effective weapon in the fight against a global food crisis. CGIAR recently released a report entitled "Food and Science in the 20th Century: Science to Sustainable Agriculture", in which the case for "safe and responsible use" of biotechnology is outlined. Regarding the report, one researcher noted that "we need to detach ourselves from the absurd notion that biotechnology is only equal to Monsanto, a company that uses 'terminator'-like genes to sterilise seeds. We need to widen our horizons to see that biological sciences innovation has always come and will continue to come from the knowledge of the gene."

"France to keep ban on UK beef," FINANCIAL TIMES, 9 December 1999; "France keeps British beef ban, angers London," REUTERS, 10 December 1999; "Three year pause to assess effects of GM crops," THE GUARDIAN, 6 November 1999; "Japan shifts on genetically modified food labelling-Nikkei," DOW JONES NEWSWIRE, 24 November 1999; "Island potato official dislikes McCain ban," CANADIAN PRESS, 29 November 1999; "Food: the case for genetic modification," IPS, 5 December 1999; "Asia swept by global storm over genetically modified food," REUTERS NEWS SERVICE, 18 November 1999.

### **LOMÉ TALKS: EU, ACP MEET**

EU and African, Pacific and Caribbean (ACP) negotiators meeting from 7-8 December made some progress toward resolving differences between the EU and ACP over a new Lomé Convention.

The Lomé IV Convention is a trade and aid agreement between the EU and ACP countries, and is set to expire in February 2000. On 19 October 1999, the EU and the 71 ACP member countries reached an informal agreement extending the current Lomé Convention for another eight years. The October agreement calls for the current Lomé accord to be extended at least through 2002, at which time a so-called preparatory period would begin during which ACP countries will build their capacities to withstand freer trade. Commencing 2008, the EU and ACP will begin two-way free trade arrangements conforming to WTO rules.

EU and ACP negotiators worked toward agreeing on final details of the extension agreement. EU member-states failed to reach agreement in advance of the EU-ACP meeting on the size of the aid component for the accord, resulting in a compromise aid figure of about US\$14.1 billion for the period 2000 to 2005 being proposed to ACP countries. ACP negotiators are pressing for a higher level of funding. Negotiators will take this issue up again when they meet in January.

Other sticking point in negotiations remain, particularly the EU demand for so-called good governance provisions with Lomé, that links trade and aid to good governance on the part of ACP countries. ACP leaders say they do not take issue with the philosophy of good governance, but are unhappy with EU attempts to impose European social and political standards as a prerequisite for Lomé benefits. According to the EC statement issued at the end of the meeting, negotiators agreed

on a "common approach aimed at promoting good governance and fighting corruption." However, the EC statement contains language stating that the good governance issue will be a "fundamental part" of any Lomé agreement, which may not entirely reflect the ACP position.

EU officials reportedly have shown more flexibility than during previous negotiating sessions regarding the good governance issue, indicating that the EU would agree to make serious corruption the only grounds for suspending aid to ACP countries. Regarding corruption, the EU and ACP negotiators "adopted a specific procedure for application in serious cases of corruption, placing the emphasis on the primary responsibility of the state concerned to take measures to rectify the situation. This innovative step is proof of the vitality of the dialogue between the ACP States and the European Union and their shared determination to tackle these problems frankly and find effective solutions", according to the EC statement.

EU and ACP negotiators agreed to incorporate participation of non-governmental organisations (NGOs) in future EU-ACP relations. "This participatory approach will be promoted in four ways: information and consultation on development strategies and policies; access to some of the financing; involvement in the implementation of development projects and programmes; and capacity building", the EC paper stated.

In addition to securing European Commission agreement on the Lomé accord, the agreement is contingent on the EU and ACP securing a waiver from the WTO under which the Lomé accord could continue to operate outside WTO rules. The WTO has previously ruled that the favourable trade terms the EU affords ACP countries under Lomé are not in line with international trade rules, but the WTO has allowed the current Lomé Convention to operate under a temporary waiver. WTO Members took no decision on an extension of the Lomé Convention waiver when they met in Seattle from 30 November - 3 December.

"Conclusions of the Brussels Ministerial Conference, 7-8 December 1999," EUROPEAN COMMISSION (IWP998372), 8 December 1999; "ACP talks deadlocked over level of Lomé aid," HERALD (St. Vincent-Grenadines), 9 December 1999; "Trinidad's PM calls for 'reasonable' agreement," HERALD (St. Vincent-Grenadines), 28 November 1999; "ACP countries close to deal on aid-and-trade," FINANCIAL TIMES, 10 December 1999; "ACP countries seek extension of duty-free privilege," THE NATION (Nairobi), 2 December 1999; "WTO impasse worries Zacci," TIMES OF ZAMBIA, 7 December 1999.

## **THE AFTERMATH OF SEATTLE: A SUMMARY OF COMPETING CLAIMS**

### **The Aftermath of Seattle: A Summary of Views**

Almost two weeks after the Third WTO Ministerial talks collapsed, delegates, trade ministers, civil society groups, protesters, and the general public still cannot agree on what, if anything, was achieved in Seattle. In the aftermath, parties are finger-pointing, claiming victory, or licking wounds. Almost as many post-mortems on the Ministerial have been written as governmental and non-governmental delegates who attended the conference. The following attempts to summarise some of the views set forth.

### **Laying Blame for the Stalemate**

There is no one clear reason for the demise of the Seattle talks. Fingers have been pointed at both individuals and groups, whether directly or indirectly involved in the Ministerial process. Inside the meetings, the complexity of the issues, lack of preparation, the stalemate over agriculture, the WTO process, the heightened strategic participation of developing countries, and the lack of transparency played a part in the collapse of the talks. See: "WTO Ends Conference Well Short Of Goals" [http://www.wtowatch.org/news/detail.cfm?News\\_ID=1076](http://www.wtowatch.org/news/detail.cfm?News_ID=1076); "WTO Summit Ends In Failure" [http://www.wtowatch.org/news/detail.cfm?News\\_ID=1074](http://www.wtowatch.org/news/detail.cfm?News_ID=1074)

A recent article in the Economist placed the blame on President Clinton and his administration: Clinton for his statement on America's negotiating objective involving a WTO working party on trade and labour rights with the WTO enforcing core labour standards with trade sanctions; Charlene Barshefsky, for her abrasive negotiating style and lack of political savvy; and Al Gore for his using Seattle to further his presidential campaign. See: "A Global Disaster" <http://www.economist.com/editorial/freeforall/current/sa6900.html>

Others blamed US domestic politics. The upcoming presidential election meant that the US position was dominated by electioneering. See: "Seattle Primer: How not to hold WTO talks" <http://www.washingtonpost.com/wp-srv/WPlate/1999-12/12/2021-121299-idx.html>

Not even the key players at the talks identified the same causes for the failure. Pascal Lamy stated that, "The fundamental point is that there is a gap between...the need to have a rules-based system governing multilateral trade and...the capacity of this system - of the WTO- to make decisions...As to circumstantial reasons: many have commented about the influence of the American electoral campaign on the conference's work. I do not blame anyone but I recognise the difficulty for any country to make concessions under these circumstances." See: "Pascal Lamy" [http://europa.eu.int/comm/trade/2000\\_round/index\\_en.htm](http://europa.eu.int/comm/trade/2000_round/index_en.htm)

Charlene Barshefsky cited the diversity and complexity of the issues, the difficulty in managing negotiations (including the fact that established procedures were inadequate), and the fact that countries were not prepared to make political decisions for the failure of the talks. See "US Tactics Lead To Collapse Of Talks" [http://www.wtowatch.org/news/detail.cfm?news\\_ID=1116](http://www.wtowatch.org/news/detail.cfm?news_ID=1116); "USA: Trade Talks Collapse Amid Rancour" <http://www.corpwatch.org/trac/corner/worldnews/other/516.html>

Meanwhile, a Swiss minister singled out the Cairns Group approach, stating that Cairns countries were at fault for demanding too many concessions on agriculture at the expense of other issues. See: "Swiss Minister Says Cairns Group May Be To Blame For Seattle Failure" [http://www.wtowatch.org/news/detail.cfm?news\\_id=1153](http://www.wtowatch.org/news/detail.cfm?news_id=1153)

Developing Countries, for the most part, blamed the Developed Countries, a biased political agenda for the trade regime and the lack of transparent and inclusive procedures in the Ministerial process. More specifically, the chief Caribbean negotiator blamed the US and the WTO for the failure of the conference. See: "Talks Collapse Amid Rancour" <http://ips.org/wto/index.html>. Malaysia claimed that the WTO tried to tackle too many controversial topics all at once. See: "WTO Talks End in Failure" [http://biz.yahoo.com/apf/991204/world\\_trad\\_7.html](http://biz.yahoo.com/apf/991204/world_trad_7.html)

One reporter noted that at the core of Seattle's failure lay the fact that the "demands of international trade are outrunning the demands of domestic politics in 135 countries...many countries are being

pushed into the global economy faster than their citizens or their political cultures can adapt." See: "WTO Talk Failure: Count the Causes" <http://www.weattlep-i.com/opinion/traded.shtml>

Civil society has also offered its two bits on Seattle's failure. The World Development Movement cited the WTO and US's mismanagement of the talks and the fact that developing countries lacked the capacity to embark on a comprehensive round of trade negotiations. See: "Suspended in Seattle" [http://www.wdm.org.uk/news/wto\\_Seattlends.htm](http://www.wdm.org.uk/news/wto_Seattlends.htm)

CAFOD, the UK-based Catholic Fund for Overseas Development, noted that three main political fault lines caused the collapse: the divergent EU and US positions on agriculture; the US and the South's division over labour standards and the environment; and differing views on globalisation. See: "The Battle in Seattle" <http://www.cafod.org.uk/seattle99.htm>

The Third World Network, a Malaysia-based group, cites the key cause of the talk's demise as the "non-transparent and undemocratic nature of the WTO system, the blatant manipulation of that system by the major powers and the refusal of many developing countries to continue to be on the receiving end." Contributory causes included the US's attempt to use the protests to have its view on labour and the environment accepted, and the ineptness of the secretariat and the Director-General. See: "The Revolt of the Developing Nations" <http://www.twinside.org.sg/souths/twn/title/revolt-cn.htm>; "US, More Rebuffed, WTO Ministerial Ends in Failure" <http://www.twinside.org.sg/souths/twn/title/rebuff-cn.htm>.

### **“Victories”**

Although Seattle failed to launch a new round of talks, some groups have claimed the talks to be a victory or a partial victory. Mike Moore, for example, pointed to the fact that Seattle enabled countries to narrow gaps in a number of key areas. See: "Press Release" <http://www.wto.org/wto/new/press160.htm>

Countries such as India and Egypt found success in the fact that the WTO's scope was not expanded into areas such as environment and labour. See: "Collapse of WTO Meeting Bittersweet for Developing Countries" Agence France Presse, 4 December 1999.

Supachi Panitchpakdi, future WTO Director General, called Seattle a wakeup call to the developed world, ensuring that Developing Countries' interests will be considered in a new round. Developing Countries must from now on be included as active participants in any future talks. See: "Future WTO Head as Conciliator" International Herald Tribune, 8 December 1999.

The Caribbean Council for Europe saw Seattle as a fitting end to the second millennium for it showed "the pace and sensitivity with which trade liberalisation is pursued will have to take into account the needs of civil society and the WTO's members in the developing world." See: "This Week in Europe, 3 December 1999" <http://www.oneworld.org/euphoric/cce/99dec3.htm>.

Winners of Seattle also include those groups that opposed their country's negotiating stance on a particular issue. For example, the American Corn Growers Association (ACGA) claimed that the failure in Seattle benefits family farms who would have been detrimentally affected by the reductions in farm subsidies and dismantling of farm programs proposed in the US's negotiation position on agriculture. See: "Corn Growers Say Failure to Reach WTO Agreement Is Good News for Family Farmers" [http://biz.yahoo.com/prnews/991206/dc\\_amer\\_co\\_1.html](http://biz.yahoo.com/prnews/991206/dc_amer_co_1.html). Similarly, Friends

of the Earth Europe claimed a victory for forests as no progress was made on accelerated tariff liberalisation in wood products, and no working group on biotechnology was established. See: "No New Round Developing Countries Stand Their Ground" <http://www.antenna.nl/~foei/campaigns/indexwto.html>.

The labour movement in the US was seen as making significant gains in the influence it was able to assert on US trade policy. Pressure from the labour movement brought labour to the table. The unions also had Clinton's support for WTO imposed sanctions on countries failing to adhere to core labour standards. See: "Labour's Claim of WTO Victory is Validated" <http://www.seattlepi.com/business/labr08.shtml>

A reporter for the Seattle Post-Intelligencer cited the winner in Seattle as being Vice President Al Gore, who gained significant support from the labour movement and other WTO critics during the ministerial process. See: "Out of the WTO Ashes, the Winner is...Gore" <http://seattlepi.com/national/poli06.shtml>

In a completely different perspective, Robin Rosenberg of the North-South Centre suggests that the failure to launch a new round may be a victory for regional and bilateral trade agreements. For example, the FTAA (Free Trade Area of the Americas) may greatly benefit from the lack of a new round as the negotiators will be "freed up from global liberalisation talks to focus on the more far-reaching goals of a free trade agreement among a community of democracies with much more cohesion than the disparate and conflicting interplay of interests at the WTO." Furthermore, negotiators may be "more willing to make concessions in the FTAA negotiations since providing such concessions no longer would be a factor in terms of the loss of leverage at multilateral talks." See: "Stillborn in Seattle" <http://www.Miami.edu/nsc/Update/Update13.htm>

Civil Society has heralded the collapse of the talks as the perfect opportunity for reform of the WTO. Some North-western environmental leaders claimed victory for having sent the message that the WTO must democratise and reform to better protect rights of workers, the environment and consumers. "The WTO now has no choice: it must change, or it will fail as an institution", Patti Goldman of Earthjustice Legal Defence said. See: "Northwest Environmentalists Claim Hard Won Victory After Tumultuous WTO Seattle Meeting" <http://www.foe.org/international.wto.nw.html>. Greenpeace saw a victory in that the WTO will no longer be able to ignore the concerns of the public over environmental protection, transparency, democracy and participation. Furthermore, Seattle succeeded in focusing international attention on important issues such as biosafety. See: "WTO Will Never Be The Same Again" [www.greenpeace.org/politics/wto/wtopr2.htm](http://www.greenpeace.org/politics/wto/wtopr2.htm).

Vandana Shiva of India called Seattle of historic significance as it marked a "watershed towards the creation of a global citizen-based and citizen-driven democratic order." Citizens launched "their own millennium round of democratisation of the global economy." See: "The Historic Significance of Seattle" <http://lists.essential.org/mai-intl/msg00181.html>. The People's Decade for Human Rights Education claim that the "failure marks a victory for civil society opponents of any rash expansion of the trade liberalisation agenda before considering current environment and human rights impacts." See: "WTO Comes to its Senses as Seattle Talks Suspended" <http://www.pdhre.org/involved/PDHREPR.html>

The ICFTU (International Confederation of Free Trade Unions), which campaigned on labour standards in the WTO, noted that the success in Seattle would be in a rethinking of the links between trade, environment and social issues. See: "Seattle Has Opened The Debate On Labour



Standards In Trade, But Ministers Have Failed To Deliver Say World Trade Union"  
<http://www.icftu.org/>

Outside the meetings the thousands of protesters proclaimed the demise of the talks a "testament to the power of collective, organised direct action." See: <http://agitprop.org/artandrevolution/>; "Protesters Claim WTO Failure As Victory" <http://biz.yahoo.com/rf/991204/bj.html>

### **"Failures"**

There seem to be fewer acknowledged failures in the international news wires than successes stemming from Seattle. However, the failure to launch a new round will clearly affect some countries more than others. The collapse of talks could cost Asia its desired market access and further trade liberalisation. See: "Seattle WTO failure seen bad for Asia" [http://dailynews.yahoo.com/h/nm/19991206/wl/wto\\_asia\\_1.html](http://dailynews.yahoo.com/h/nm/19991206/wl/wto_asia_1.html).

Although the scope of the WTO was not expanded, developing countries are no further ahead in their insistence on an assessment of the Uruguay Round agreements and their implementation before a new round is launched. See: "Collapse of WTO Meeting Bittersweet for Developing Countries" Agence France Presse, 4 December 1999

Seattle was embarrassing for Clinton and his team, and cost the US credibility. See: "Collapse of WTO talks a setback for Clinton" [http://www.wtowatch.org/news/detail.cfm?News\\_Id=1101](http://www.wtowatch.org/news/detail.cfm?News_Id=1101)

Although many of the Seattle protesters are taking credit for ending the WTO talks, many NGOs fear that their message failed to be heard when peaceful protests turned to riots, monopolising the attention of the press and, to some extent, the delegates. The collapse of talks was also a lost opportunity for some NGO to press for WTO reforms. "We wanted to fix its policies. The collapse meant that we were not able to institutionalise our recommendations for WTO reform", said Mark Van Putten, President of the National Wildlife Federation. Similarly, others felt that the chaos cost them the opportunity to press for reform of the WTO. See: "Protesters, WTO Nations Claim Win" <http://www.ruckus.org/news/globalizethis/nyt19991204-2html>; "The World Trade Organisations Talks Collapsed" <http://www.nwf.org/international/trade/wto/updates/update12091999.html>.

The institution of the WTO may be the real loser in the aftermath of Seattle. Failure may have left the WTO's authority in ruins. Consumers International saw the WTO as having lost legitimacy in the eyes of civil society and third world nations. See: "Seattle Shambles Raises Serious Issues for Future" [http://www.consumers\\_international.org/trade/press/release-009.html](http://www.consumers_international.org/trade/press/release-009.html). The WTO's credibility may be lower than ever before. See: "A Global Disaster" <http://www.economist.com/editorial/freeforall/current/sa6900.html>. Guardian Weekly's Larry Elliott contends that the WTO system is clearly not working. "The real issue is about how the trading system is managed, how the rules are written, whether it can deliver equitable outcomes." See: "Unless The World Trade Organisation Cleans Up Its Act There Will Be More Issues For The Protesters To Trade On" Guardian Weekly, 9-15 December, 1999.

The real losers from the collapse of the trade talks may have played no part in the events in Seattle, suggested the Economist. In last week's edition the influential weekly states that the real losers are the 5 billion inhabitants of developing countries, in particular the world's poor. Trade liberalisation may have suffered a set back in Seattle. Although not a panacea, trade brings faster growth and

with growth comes access to education, health care and opportunity for a better life. See: "The Real Losers" <http://www.economist.com/editorial/freeforall/current/ld2868.html>

### **What Comes Next: What We Are Hearing So Far**

The Built-in Agenda is slated to begin in the January 2000. Agriculture and services are on the agenda, but there is not deadline for agreement. What will happen with any progress made at Seattle is anyone's guess. Charlene Barshefsky has given Mike Moore a mandate to consult with WTO governments in an attempt to restart the talks in the new year. Mike Moore in a post-Seattle press release stated that the WTO "maintain and consolidate what has already been achieved." See: "Press Release" <http://www.wto.org/wto/new/press160.htm>. But, according to EU Commissioner and agricultural negotiator Frantz Fischler, members could not even agree on the status of the collapsed talks. "The ideas that we discussed are there but are not longer directly on the table." See: "Talks Collapse Amid Rancour" <http://ips.org/wto/index.html>. Japanese negotiator, Hidehiro Konno commented, "There was no consensus even on the concept of a new round." See: "How Not to Hold WTO Talks" <http://www.washingtonpost.com/wp-srv/WPlate/1999-12/12/2021-121299-idx.html>. However, in his speech to the European Parliament on Monday, European Trade Commissioner Pascal Lamy committed himself to continuing the EU's quest for a new round of multilateral trade negotiations, coupled with the reform of the WTO to make it more open and effective. See [http://europa.eu.int/comm/trade/whats\\_new/index\\_en.htm](http://europa.eu.int/comm/trade/whats_new/index_en.htm)

Some trade ministers are rather disillusioned with the process. Although the WTO will hold a special session of its General Council on 17 December, ambassadors have noted that the meeting is "unlikely to offer any clarification or provide clarity on 'the great deal' achieved and the gaps 'narrowed considerably' and 'the remaining areas' where creative ways to bridge the gap have to be found", said Chakravathi Raghavan reporting on quotes from Mike Moore's press release. Ministers were advised to expect the meeting to be short. See: "Trade: Follow-up To A Ministerial Meeting That Never (Formally) Was?" SUNS 15 December 1999.

### **FORD MOTORS QUILTS ANTI-KYOTO GROUP**

Ford Motor Company, the world's second-largest automaker, announced on 6 December that it had decided to quit the Global Climate Coalition, an industry grouping opposed to the 1997 Kyoto Protocol on climate change. Ford officials said the decision to withdraw from the grouping was taken because the coalition had "become something of an impediment to moving forward on our own environment agenda."

The Kyoto Protocol -- adopted in December 1997 but not yet in force, requires industrial nations to collectively reduce greenhouse gas emissions to 5.2 percent below 1990 levels by 2008-2112. The protocol allows countries to meet some of their reductions by purchasing unused greenhouse gas allowances from other nations. The Protocol also established a system for trading in greenhouse gases.

A spokesman for Ford said the automaker remains opposed to the Kyoto Protocol, most notably because it does not require emissions reduction commitments from developing countries. The spokesman said that despite its opposition to the Protocol, Ford is committed to addressing measures to reduce emissions. BP Amoco and Royal Dutch/Shell, both energy industry giants, previously announced they would also withdraw from the coalition.

Meanwhile, a grouping of U.S. bankers and other corporate executives have joined together to form the Global Warming Early Action Coalition. The coalition is expected to lobby the U.S. Congress and energy industry executives to take steps toward curbing global warming. Officials within the coalition said that U.S. ratification of the 1997 Kyoto Protocol is not likely, and that the key to moving emissions reduction forward is through building shareholder value. The coalition favours a market-based approach to curbing global warming, such as emissions trading schemes and the newly created Dow Jones Sustainable Group Index of companies ranked by their adherence to sustainability principals outlined by Dow Jones.

In other news, the UK Department of Trade and Industry last month proposed a renewable energy promotion scheme that would require electricity companies to purchase a percentage of their power from renewable energy sources. The UK has set a target of sourcing 10 percent of UK electricity supplies from renewable energy sources by 2010. Currently only two percent of UK energy needs come from renewable sources. EU-wide proposals to increase the share of renewable sources in the EU energy portfolio is also a current source of heated debated amongst EU energy ministers.

"Ford exits anti-Kyoto climate change group," REUTERS, 7 December 1999; "Market action key to averting global warming," ENS, 15 November 1999; "UK Power suppliers will have to buy green energy," REUTERS, 29 November 1999; "EU says renewable energy law must be flexible," REUTERS, 3 December 1999.

## **ATC UPDATE**

Although hopeful heading into the Third WTO Ministerial Meeting that they could flex their collective muscle on issues regarding implementation of existing agreements, developing countries left Seattle with little in hand.

Developing countries were especially keen to make progress on market access for textiles and clothing, critical exports for many developing economies. They argue that restrictive implementation of developed countries' commitments in textiles under the Uruguay Round Agreement on Textiles combined with the extensive use of trade remedies (such as anti-dumping measures), have resulted in only a minimal increase in market opening - while reinforcing imbalances in competition between developed and developing countries.

However, the last draft seen in Seattle of the Ministerial Declaration offers only limited language on textiles, and indeed does not reflect an offer by the EU, along with Turkey, Korea, Switzerland, Japan and Hungary, of an earlier phase-in of the ATC, as had been suggested by the ITCB (the organisation of textile developing countries). Specifically, the five countries seemed to have consented to an earlier phase-in (starting in 2000 rather than in 2002) of import growth rates negotiated for the third stage of the ATC. The ATC, as it currently stands, mandates an increase of the growth-on-growth rate to 27 per cent per year (from 25 per cent) to take place starting in 2000.

The language put forward in the Chairman's Text on Implementation is quite general. The text states that Ministers "recognise the importance of trade in textiles in clothing for the economies of many developing countries...and agree to give consideration [to the concerns expressed around implementation of the ATC]." Ministers also reconfirmed their commitment to full and faithful implementation of the provisions of the ATC. In spite of the text's existence, sources say they fear

that once the parties begin to pick up the pieces from Seattle, they may be expected to return to their pre-Seattle negotiating positions on ATC.

"Trade package for developing countries offers little on textiles," *INSIDE US TRADE*, 10 December 1999; "Revised Final Chairman's Text On Implementation," WTO, 3 December 1999; ICTSD Internal Files.

## **IN BRIEF**

Three hundred and fifty delegates from civil society around the world convened in Montreal, Canada from 8-10 December for the World Civil Society Conference. The meeting was organised by the Montreal International Forum to consider the role of civil society in global affairs. Delegates discussed a range of issues, including human rights, world poverty and the environment. As the conference followed closely after the Third WTO Ministerial Meeting, globalisation figured prominently in many discussions. "Globalisation not all evil, says Annan," *TIMES OF INDIA*, 10 December 1999; "UN, civil society partnership a necessity, Annan says," *NATIONAL POST* (Canada), 9 December 1999.

The West African Economic and Monetary Union -- comprising Benin, Burkino Faso, Cote d'Ivoire, Guinea Bissau, Mali, Niger, Senegal and Togo -- will become a single customs territory as of 1 January 2000. In addition to adopting a common external tariff, UEMOA countries will lift customs duties on produce and manufactured goods from member countries. UEMOA comprises 70 million consumers. "Single customs territory as of 1 January," *PAN AFRICAN NEWS AGENCY*, 5 December 1999.

A decision to import hazardous waste from overseas by the owners of a hazardous waste treatment plant in the Canadian province of Alberta has been supported by that province's federal government, according to an 8 December press release. Environmental groups and some experts are upset, and say the change, which occurred without public consultation, contravenes international agreements. Both the North American Agreement on Environmental Co-operation -- a side agreement to the North American free-trade agreement -- and the 1992 Rio Declaration stipulate that the public shall be asked about policy changes. The Alberta government and the parent company of the waste incinerating facility -- the Swan Hills Treatment Centre -- contend that the company's decision to go ahead with imports does not constitute a change in policy or law. Alberta conservation groups are considering ways to block the decision. They may appeal to British Columbia, whose ports would be the point of entry for some of the waste. "NAFTA violated by Alberta's decision on toxic waste: expert," *THE GLOBE AND MAIL*, 13 December 1999; "Waste Treatment a Vital Environmental Issue," *GOVERNMENT OF ALBERTA NEWS RELEASE*, 8 December 1999.

Officials from Japan and Singapore met on 8 December to discuss possible negotiations toward a bilateral free trade agreement. Singapore has also entered into free trade talks with New Zealand, South Korea and Chile. "Japan, Singapore discuss free trade arrangement," *JAPAN ECONOMIC NEWSWIRE*, 7 December 1999.

## **WTO IN BRIEF**

The WTO General Council will meet on 17 December, ostensibly to discuss the next steps to be taken regarding follow-up to the stalled Seattle Ministerial Conference negotiations. ICTSD will report on the outcome of the General Council meeting by 21 December with an In-Brief that will be posted on the ICTSD website at <http://www.ictsd.org/html/newsdigest/wtoinbrief.21-12-99.htm>.

## **ON THE MOVE**

Joseph Stiglitz, Chief Economist for The World Bank, announced on 24 November that he would step down from his position at the end of 1999. Mr. Stiglitz, whose three-year contract was to expire in February 2000, said he would return to academia. Mr. Stiglitz's term has been marked by clashes with the International Monetary Fund (IMF), the sister institution to the World Bank, over the IMF's response to economic crises in Asia and elsewhere. Stiglitz argued that the emphasis on macro-economic stabilisation and deregulation was counter-productive for many developing economies. "Chief economist at World Bank quits," FINANCIAL TIMES, 25 November 1999.

## **EVENTS & RESOURCES**

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.doc>. 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. Unless otherwise indicated, all WTO meetings are held at the WTO, Centre William Rappard, Rue de Lausanne 154, 1211 Geneva, Switzerland.

17 December: GENERAL COUNCIL. For information contact Nuch Nazeer, WTO tel: (41-22) 739-5393.

### **❑ Other Events**

21 - 23 January 2000, Jekyll Island, Georgia: 9th ANNUAL CONFERENCE OF THE SOUTHERN SUSTAINABLE AGRICULTURE WORKING GROUP (SSAWG). The focus will be "Sustaining Farm Families and Communities: The Future Depends on Us!" Conference events include over 35 workshops, as well as a Farm Tour, charity auction, and trade show. For information contact Jean Mills, email: [jeanmills@aol.com](mailto:jeanmills@aol.com) or Keith Richards, tel: (1-501) 587-0888.

24 - 28 January 2000, Montreal, Canada: RESUMED SESSION ON THE FIRST EXTRAORDINARY MEETING OF THE COP TO FINALISE AND ADOPT A PROTOCOL ON BIOSAFETY. 150 nations will meet for a last attempt at agreement of this protocol. For information contact the United Nations Environment Programme Convention on Biodiversity secretariat, tel: (1-514) 288-2220, fax: 288-6588, email: [secretariat@biodiv.org](mailto:secretariat@biodiv.org), web: [www.biodiv.org](http://www.biodiv.org)

29 February – 2 March 2000, Brussels, Belgium: JOINT MEETING OF THE NORTHWEST ATLANTIC FISHERIES ORGANIZATION (NAFO) SCIENTIFIC COUNCIL/FISHERIES COMMISSION WORKING GROUP ON THE PRECAUTIONARY APPROACH. For information contact NAFO, 2 Morris Drive, P.O. Box 638, Dartmouth, Nova Scotia, Canada B2Y 3Y9, tel: (1-902) 468-5590, fax: 468-5538, email: NAFO@fox.nstn.ca

5 – 8 March 2000, Cairo, Egypt: 3rd MEETING OF THE MEDITERRANEAN DEVELOPMENT FORUM (MDF). MDF will focus on trends, challenges, and opportunities in the Mediterranean region regarding economic liberalisation, regional integration, and the role of the private sector. For information contact Mr. Tudor Lomas, Jemstone Network, tel: (962-6) 585-3025, fax: 585-3025, email: mdm@jemstone.net

25 March 2000, American University, Washington College of Law, Washington D.C.: 5th INTERNATIONAL WILDLIFE LAW CONFERENCE. Organised by the ASIL Wildlife Law Interest Group on the theme: "The Convention on International Trade in Endangered Species: A Quarter Century Report Card." For information contact Wil Burns, Co-Chairman, email: asilwildlife@pacbell.net

5 - 7 July 2000, Queensland University of Technology, Brisbane, Australia: SHAPING THE SUSTAINABLE MILLENNIUM, COLLABORATIVE APPROACHES. Themes discussed will include: Sustainable Communities in the Built Environment; Industrial and Construction Ecology; Green Design and Architecture; and Information, Communication and Education. For information see web: <http://olt.qut.edu.au/int/selby/events/Conference/default.htm>

#### ❑ Resources

FISH FOR THOUGHT. 1999. By Caroline Dommen. This paper is the first in the Natural Resources, International Trade, and Sustainable Development series. It was written as part of IUCN and ICTSD's "Fisheries, International Trade and Sustainable Development" programme, which is designed to make international trade in fisheries supportive of sustainable development. Fish for Thought sets out some of the key initial questions at the intersection of fisheries, international trade, and sustainable development that might usefully be considered by a multi-stakeholder dialogues process on the subject. 20pp. To order contact ICTSD, Chemin des Anémones 13, 1219 Geneva Switzerland, tel: (41-22) 917-8492, fax: 917-8093, email: ictsd@ictsd.ch. Check the ICTSD website next week to access an online version at <http://www.ictsd.org>

RETROSPECTIVE ANALYSIS OF THE 1994 CANADIAN ENVIRONMENTAL REVIEW – URUGUAY ROUND OF MULTILATERAL TRADE NEGOTIATIONS. November 1999. By the Government of Canada. The Retrospective Analysis is part of Canada's overall strategy for including environmental considerations in the new round of WTO trade negotiations. It will help identify those areas where environmental considerations should be integrated in the next round of negotiations. The Analysis, which focuses on the "regulatory effects" of the Uruguay Round and does not attempt to estimate the actual physical impacts on the environment, concludes that trade liberalisation did not affect Canada's ability to regulate for environmental protection. To view or download the document see web: <http://www.dfait-maeci.gc.ca/tna-nac/social-e.asp>. To order contact the Department of Foreign Affairs' InfoCentre, tel: (1-800) 267-8376, fax: (1-613) 944-4500.

**HUMAN RIGHTS AND ECONOMIC GLOBALISATION: DIRECTIONS FOR THE WTO.** November 1999. Edited by Malini Mehra, INCHRITI. This book from the International NGO Committee on Human Rights in Trade and Investment brings together articles, case studies and position papers by activists and scholars from around the world for the first time to address the following questions: "Do human rights matter to international trade policy in a globalising economy? Or are they a distraction better left to specialist bodies and kept well out of international economic bodies such as the WTO? ISBN 91-973739-0-7. To order contact: Malini Mehra, INCHRITI/PDHRE, email: malinimehra@aol.com

**KYOTO PROTOCOL: A GUIDE AND ASSESSMENT.** By Michael Grubb, Christiaan Vrolijk and Duncan Brack. This book aims to explain and interpret the Kyoto Protocol, its background, provisions, meaning and prospects. It sets out the main debates and processes that led to the Protocol; gives a concise guide to its content; presents an analysis of how the specific commitments may combine with the various flexibilities; and discusses key issues that remain to be addressed. 342 pp. £18.95 ISBN 1 853833 580. To order contact: Earthscan Publications, in association with the Royal Institute for International Affairs, 120 Pentonville Road, London n1 9JN.

**CROPS AND ROBBERS: BIOPIRACY AND THE PATENTING OF STAPLE FOOD CROPS.** November 1999. By ActionAid. This report marks the beginning of ActionAid's work and investigation in the area of the protection of farmers' rights to seed and plant resources, which provide the food crops that will feed the world's hungry. The report provides preliminary findings, intended to inform the public before the WTO makes decisions about patents on plants. To download visit: <http://www.actionaid.org/campaigns/bio.html>

**FOOD FIRST TRADE PRINCIPLES.** 1999. By Peter Rossett. This Food First Backgrounder outlines environmental, social and human rights problems associated with trade liberalisation and presents principles that should be met by any future trade bill, treaty or policy. Principles include no corporate welfare; no food dumping; and mandatory environmental, social and other impact studies. 4 pp. US \$0.50. To order contact: Food First/Institute for Food and DevelopmentPolicy, 398 60th St., Oakland, CA 94618, tel: (1-510) 654-4400, email: [foodfirst@foodfirst.org](mailto:foodfirst@foodfirst.org), web: <http://www.foodfirst.org>

## **POSITION VACANCY**

ActionAid is seeking an International Food Rights Campaign Director. Based in Africa, Asia, or Latin America, this experienced advocacy practitioner will lead, develop, manage and implement ActionAid's International Food Rights Campaign, which has 12 full time staff in 10 locations worldwide.

Reporting to the Head of Corporate Advocacy, the candidate will be an excellent communicator, with proven team development and leadership skills and have a thorough understanding of the requirements of long distance management involving multi-cultural teams. S/he will combine an excellent understanding of agriculture and food trade policies and the debates around food security. S/he will have a demonstrated competency in developing and implementing national or international advocacy strategies, and have experience of working in coalitions. A strong gender perspective and an understanding of gender issues in trade and food security is essential. Candidates must have experience in setting and managing budgets and in preparing fundraising proposals. The post demands a willingness to travel up to 40 percent of the year. Fluency in written and oral

English and excellent report writing skills are a must. Closing date is 20 December 1999. For information contact [jobs@actionaid.org.uk](mailto:jobs@actionaid.org.uk), fax: (44-0) 1460-66871, attention Anne Vile.

*BRIDGES* Weekly Trade News Digest© is published by the International Centre for Trade and Sustainable Development (ICTSD) with support from the Institute for Agriculture and Trade Policy (IATP). This issue has been researched at ICTSD by Dara Edmonds; written by Judy Brienza (IATP) and edited by Hugo Cameron, [hcameron@ictsd.ch](mailto:hcameron@ictsd.ch). The Director is Ricardo Meléndez-Ortiz, [rmelendez@ictsd.ch](mailto:rmelendez@ictsd.ch). ICTSD is an independent, not-for-profit organisation based at: 13, ch des Anémones, 1219 Geneva, Switzerland. Tel: (41- 22) 917- 8492; fax: (41-22) 917- 8093.

Excerpts from *BRIDGES* Weekly Trade News Digest© may be used in other publications with appropriate citation. Comments and suggestions are welcomed and should be directed to the Editor or the Director.

To subscribe to *BRIDGES* Weekly Trade News Digest©, send an email to: [listserv@iatp.org](mailto:listserv@iatp.org). Leave the subject line blank. In the body of the message type: subscribe bridges To unsubscribe, please send an email to [listserv@iatp.org](mailto:listserv@iatp.org). In the body of the message type: unsubscribe bridges

*BRIDGES* Weekly Trade News Digest© can also be found at the ICTSD web page: <http://www.ictsd.org/html/newsdigest.htm> and at the IATP web page: <http://www.newsbulletin.org>

ISSN: 1563-003X