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QUAD'S 'CONFIDENCE-SHATTERING' TRADE PACKAGE; TRIMS EXTENSIONS UNDEFINED

A 'confidence-building' package forwarded by the Quad Group of countries (EU, US, Canada, and Japan) on 31 March designed to entice poor countries toward launching a new round of global trade talks has met with strong criticism from those it is intended to assist. The package was part of an initiative mandated by the WTO General Council to produce agreement on measures in favour of least-developed countries (LDCs) and other developing countries and, hence, re-build confidence in the WTO. It was expected to make advances in, *inter alia*, market access for imports from the least-developed countries (LDCs), measures addressing the implementation problems of developing countries, funding for WTO technical assistance activities, and improved internal WTO transparency.

However, as developing countries reviewed the package from 3 April onwards, a number of them expressed disappointment with what the proposals had to offer, with various Members characterising the package as "meaningless" and "underwhelming." At a 10 April informal meeting of the WTO General Council, most developing countries agreed that the Quad proposals cannot be a basis for negotiations or for confidence-building measures, with Bangladesh -- which often speaks for LDCs at the WTO -- describing the Quad initiative as "confidence-shattering".

The Quad agreement would extend duty free access for "essentially all" LDC imports - wording that reflects disagreement amongst the Quad over including certain goods in the proposal. The "essentially all" language enables the Quad countries to exclude many imports they consider to be sensitive, such as textiles and agriculture -- often the most important sources of foreign exchange for LDCs. It is, indeed, the same language that did not make it through in Seattle.

The US refused to agree to duty free access for 100 percent of LDC textile and clothing products, arguing that such a measure would require US Congressional approval to amend US commitments under the WTO Agreement on Textiles and Clothing (ATC). US officials note that such a measure is not likely to pass. Under the ATC, textile-importing countries such as the US and EU agreed to a ten-year phase-out period (until 2005) for restrictions on textile imports.

The EU said it could not include agricultural products such as bananas, beef, rice, and sugar. Under the Lomé Convention with African, Caribbean, and Pacific (ACP) countries, the EU cannot discriminate between developed and least-developed members within the ACP grouping.

The Quad agreement also states that "Developing country Members shall, to the maximum extent possible, also provide least-developed Members with enhanced market access including by extending tariff-free and quota-free treatment", for imports from LDCs. This specific proposition revived what were perceived before Seattle as "left behind" reactions from a few of the most visible developing country members who argued against a sense of equity in the context of developed country offerings.

The Quad Group agreement also stated that Quad countries were "supportive" of WTO technical assistance programmes, but included no commitment toward funding the estimated US\$6 million needed annually for a WTO programme of technical assistance and training for LDCs. WTO Director-General Mike Moore expressed strong disappointment with the plan, telling the Quad that he would not lobby developing countries to accept the package in its current form. Mr. Moore urged the Quad to broaden the package - especially with regard to duty-free access and technical assistance. Regarding the latter, Moore criticised the Quad for failing to commit adequate resources for technical assistance and training. However, the WTO secretariat is being criticised itself for the quality and the approach of its technical cooperation. This criticism is increasingly being voiced by donor and recipient countries as well as by civil society groups.

The agreement was also silent on the issue of extending implementation deadlines for the WTO Agreement on Trade Related Aspects of Intellectual Property Rights (TRIPs).

Regarding the extension of the implementation deadline for the WTO Agreement on Trade Related Investment Measures (TRIMs Agreement) and customs valuation, the Quad said it was willing "to act sympathetically and flexibly in response to duly substantiated requests from developing countries for an extension of transition periods, which could be granted up to a limited period of time." This posturing has set the stage for the January 2000 debate on implementation to be re-played. On the one hand, developing countries are demanding a multilateral approach to addressing lapsing transition periods, while on the other hand, the US -- most prominently among the industrialised countries -- is insisting on a case-by-case approach.

Earlier this month, the Council for Trade in Goods heard arguments from Brazil, Mexico and Pakistan insisting on the multilateral approach as consultations on the request for extension of lapsing periods in the agreement on Trade-Related Investment Measures (TRIMs) continued. Seven developing countries have undergone long question-and-answer sessions with the US, EC and Japan on their reasons for requesting the extension of implementation deadlines. Most cases have to do with the automobile industry, with the exception of Colombia's, which deals with food processing. No solution is yet in sight to this issue, which could be further complicated by the insistence of a few countries to link it to the mandated review of the TRIMs agreement. That review, in the opinion of some developing country delegations, would necessarily lead to the incorporation of provisions on restricted business practices to balance what is now seen as one-way straightjacket for developing countries' industrial development. This debate on yet another key factor of the so-called "confidence-building" package also ended in a non-conclusive tone.

"Quad Group reaches tentative accord on ways to build confidence among LDCs," WTO REPORTER, 4 April 2000; "Quad WTO package falls short of Moore, Member expectations;" "Text: Quad package on WTO work program," INSIDE US TRADE, 7 April 2000; "WTO's Moore calls Quad package for poorer Members inadequate," WTO REPORTER, 5 April 2000; "Quad clinches trade formula for developing countries," KYODO NEWS SERVICE, 31 March 2000. "Quad 'mini package' for WTO?" SUNS, 5 April 2000; "Quad 'package' fails to fly at WTO," SUNS, 10 April 2000; "Poorest countries attack WTO aid package," FINANCIAL TIMES, 11 April 2000; ICTSD Internal Files.

ACP-EU WAIVER REQUEST RECEIVES LUKEWARM RECEPTION

On 5 April, the European Union (EU) -- together with Jamaica -- submitted a request to the WTO's Council for Trade in Goods for clearance to extend a preferential market access partnership agreement between the EU and a grouping of 70 African, Caribbean and Pacific (ACP) countries (see *BRIDGES Weekly Trade News Digest* Vol. 4, No. 3, 25 January 2000, <http://www.ictsd.org/html/weekly/story5.25-01-00.htm>). The request to extend the EU-ACP agreement (known as the Lomé Convention) met with what one trade diplomat described as a "cool" reception from a number of quarters, including other developing countries, the US and four banana-producing Latin American countries.

Honduras, Ecuador, Guatemala and Panama told the EU that any possible section on a preferential banana regime included in the agreement must be in keeping with EU obligations under the WTO.

The US -- supported by Colombia, Guatemala, Honduras and Panama -- and Ecuador have both won separate rulings against the EU's banana import regime, which favours imports from ACP countries, primarily in the Caribbean.

Three of the four commodity protocols traditionally annexed to the Lomé Convention were included in the new agreement. However, the preferential banana regime has been left pending and subject to negotiations between the EU and its other trading partners over the establishment of a new banana import regime (including with the ACPs). On these grounds, Panama has threatened to hold up the waiver until the EU reforms its banana regime.

Though diplomats say the 8-year waiver -- which must be approved by all WTO Members -- is likely to be granted, it may take longer than the 90 days officially mandated for waivers to be acted upon (in Article IX:3 of the WTO Agreements). During the 90-day period, the Council for Trade in Goods will conduct informal consultations on the EU-ACP request. In the event there is no decision within this time frame, the question turns to a qualified vote requiring a three-quarters majority in the WTO to pass.

The WTO waiver for the fifth aid and trade Lomé convention between the EU and ACP countries -- termed Lomé IV-bis -- expired on 29 February 2000. Earlier that month, EU and ACP negotiators agreed upon a new accord expected to be formally signed in Fiji on 8 June (see *BRIDGES Weekly Trade News Digest* Vol. 4, Number 5, 8 February 2000, <http://www.ictsd.org/html/weekly/story2.08-02-00.htm>).

The partnership agreement proposed for a waiver is rather different from its five predecessors sequentially negotiated every five years since the first Lomé was signed in Togo in 1975. The new accord emphasises a joint approach to combat poverty, promote sustainable development and work towards gradual integration of ACP countries into the world economy and the WTO system. The convention applies to 70 ACP countries (South Africa excepted) and rolls over existing preferences during a period of eight to twelve years during which negotiations on WTO compatible and reciprocal trade agreements between the EU and ACP countries will be pursued. In this respect both parties commit to the progressive removal of trade barriers between them. This represents a major shift from previous uni-directional preference granting schemes.

The agreement will maintain non-reciprocal, preferential access for ACP goods to the EU market, including more favourable treatment for agricultural products and duty-free access for other goods. The EU assured the WTO Council that the new agreement would not create any impediments to the reduction or elimination of other restrictions to trade on a most-favoured nation basis or affect benefits to other developing countries under the EU's Generalised System of Preferences (GSP).

Several developing countries made preliminary remarks on general support of the waiver proposal but at the same time put pressure on the EC to come up with preferential access initiatives for non-ACP countries or to safeguard their own preferential trade access schemes.

While the US has said it will not block the waiver request despite the unresolved banana dispute, it indicated that it wants to ensure that it does not lose any of its rights to have the EU make changes to its banana regime. Some voices in Washington also reacted to the waiver request -- bundling it together with a World Bank-IMF proposal to be tabled at their annual meetings this week that would eliminate tariffs for nations in Africa, Latin America and Asia -- arguing that all these proposals would undermine the protection granted to US textile-producing states contained in Clinton's Africa Trade Bill.

The EU-ACP waiver question is expected to be taken up by the General Council on 7 July.

"Goods Council to consult on EC-ACP waiver request," SUNS, 5 April 2000; "EU requests WTO waiver on new pact giving ACP countries preferential access," BNA, 6 April 2000; "New EU Lome waiver for ACP countries faces uphill battle," INSIDE US TRADE, 7 April 2000; ICTSD Internal Files.

COUNTRIES MOVE AHEAD ON EMISSIONS TRADING

Environment ministers from the Group of Eight countries (G-8, which includes Britain, Canada, Japan, US, Germany, France, Italy, and Russia) met in Japan last week to discuss the early ratification of the Kyoto Protocol. 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 2008-12. Japanese Environmental Agency chief and chairman of the conference Kayoko Shimizu told reporters that ministers "agreed that an early ratification of the protocol was necessary and that this means that most countries must do so by 2002."

Ministers, however, failed to sort out specifics of the accord such as setting a firm deadline for the Protocol's ratification. Japanese government officials stated that the US would oppose the establishment of any timeframe for ratification. Regardless, environmental groups have called the meeting a step forward.

In related news, Norwegian and EU environment officials late last month met to discuss the possibility of Norway joining a Europe-wide emissions trading mechanism proposed for 2005 and onwards. The Europe-wide scheme, first proposed by the European Commission on 8 March, would offer the EU an opportunity for "learning by doing" in advance of an international trading scheme expected to be established by 2008 under the Kyoto Protocol (see *BRIDGES* Weekly Trade News Digest Vol. 4, No.11, 21 March 2000, <http://www.ictsd.org/html/weekly/story6.20-03-00.htm>).

Norway, which is not part of the 15-member EU, has in past clashed with the EU over the scope of emissions trading as part of an emissions reduction portfolio. Norway has favoured utilising emissions trading to a greater extent than generally favoured by the EU.

Meantime, Denmark will become the first EU member to launch a domestic emissions trading scheme. Denmark's domestic plan received EC approval on 29 March and is expected to launch 1 January 2001.

Nordic environment and energy ministers are also examining a regional emissions trading system.

Analysts at a London energy conference last week noted that trading in global emissions permits could be worth an estimated \$1.2 trillion a year on an emissions futures market, if indeed one materialises as many analysts predict. The Kyoto Protocol allows for implementation of a mechanism for trading in greenhouse gas emissions by 2008.

Endesa, Spain's largest power company, announced plans to build two plants to generate electricity from olive residues. Spain is the world's largest olive producer. Orujillo, residue left from the olive-crushing process, can be used as a clean fuel for power stations. The company already operates a power plant utilising a higher-concentrate of olive waste. The two new plants will have the capacity to supply the energy needs for approximately 100,000 households.

For its part, Chile is reportedly considering plans to fertilise surrounding ocean water with nitrogen as a means of producing more plankton, which would in turn help remove CO₂ emissions from the atmosphere. The amount of emissions captured via this method could then be used toward accumulating carbon credits under the Kyoto carbon-trading scheme. The process, reported on in the 5 April issue of NEW SCIENTIST, has been patented by the Australian oceanographer Ian Jones and presented for consideration to the Chilean government.

"G8 ministers agree on global warming accord," REUTERS 11 April 2000; "Norway eager to join EU climate quota trade-paper," "Danish emission trading to start in January 2001," REUTERS, 30 March 2000; "Chile mulls plan to curb global warming - magazine," ENS, 6 April 2000; "Spain branches out into olive-fuelled power," REUTERS, 28 March 2000; "CO₂ polluter permits may dwarf other energy markets," REUTERS, 7 April 2000.

ICFTU CONGRESS CALLS FOR WTO SOCIAL CLAUSE

1200 delegates met in Durban, South Africa from 3-7 April for the 17th International Confederation of Free Trade Unions (ICFTU) Congress. The meeting, which focused on the theme "Globalising Social Justice in the 21st Century," brought together delegates from the 215 ICFTU affiliates based in 145 countries worldwide.

ICFTU Secretary-General Bill Jordan addressed delegates at an opening session, urging trade unions to fight the social and economic problems brought on by globalisation. "Globalisation is not working for the common people. Its starkest failings are here on [the African] continent...People ask what is the trade union movement's action plan for the new century? I say look around. The human cost of globalisation is everywhere. Their need is our agenda", Mr. Jordan said.

ICFTU delegates called for increased co-operation between the WTO and the International Labour Organisation (ILO). In its statement on international labour standards and trade, the ICFTU called for the establishment of a permanent WTO working group on labour standards and for the adoption of a social clause (e.g. linkage between trade agreements and labour standards) in WTO agreements. With the exception of India and Singapore, most developing country union delegates

backed this proposal, thus putting them at odds with many of their governments, many of which contend that a social clause is merely veiled protectionism by developed countries.

Delegates also called for improved transparency and openness at the WTO, especially toward the ILO, and called on the WTO to create "consultative structures" for trade unions and business.

"International trade unions seek solutions to globalisation," AGENCE FRANCE-PRESSE, 4 April 2000; "World labour says must fight woes of globalisation," REUTERS, 3 April 2000; "Congress statement on international labour standards and trade," ICFTU (17GA/8.11), 5 April 2000.

NEWS FROM THE REGIONS: ASEAN FREE TRADE AREA FACES DELAY

Trade officials from the Association of Southeast Asian Nations (ASEAN) met from 4-5 April to continue work on implementation of an ASEAN Free Trade Area (AFTA).

In 1998, ASEAN agreed to move forward with a free trade area by 2003-2008. Under that agreement, the six founding ASEAN members (Brunei, Indonesia, Malaysia, the Philippines, Singapore, and Thailand) agreed from 1 January 2000 to reduce import tariffs on about 85 percent of agricultural and manufacturing goods to five percent and implement a free trade area by 2002. Less-developed ASEAN countries (Laos, Cambodia, Myanmar, and Vietnam) have until 2006-2008 to come into the fold.

The Philippines informed its ASEAN partners that it would not reduce sugar import tariffs until 2010, versus 2002 as previously planned. The Philippines said it wants to move sugar to a list of sensitive products that would have delayed liberalisation dates. "Sugar is still a significant part of our economy. The liberalisation of the sector is too deep and too fast in the past four or five years. We need time and flexibility to adjust to a new situation", a Philippine trade official said.

Thailand opposed the Philippines announcement, arguing it goes against the spirit of AFTA. Thailand produces about 5 million tons of sugar annually; the Philippines produces about 2 million tons. Sugar import tariffs amongst ASEAN countries exceed 60 percent.

Thailand also criticised other ASEAN members for failing to implement AFTA commitments. Thailand alleged that Malaysia continued to protect its domestic auto industry by failing to reduce to 20 percent tariffs in that sector. In retaliation, Thailand said it would not yet reduce tariffs on palm oil from 40 percent to between zero percent and 5 percent as prescribed under AFTA.

In other news, Thailand is expected to appeal to the WTO and the UN Conference on Trade and Development (UNCTAD) in an attempt to persuade Organisation of Petroleum Exporting Countries (OPEC) to lift a surcharge on oil products sold in the Asian region. Thai energy officials said the so-called eastern premium is unfair since it applies selectively to eastern countries (Thailand, Japan) but not to other importers. OPEC comprises Algeria, Libya, Iran, Iraq, Saudi Arabia, the United Arab Emirates, Nigeria, Indonesia, Kuwait, Qatar, and Venezuela, the latter five countries being WTO Members. It is not clear what form a Thai appeal on the matter would take.

"ASEAN free trade pact faces upward step," KYODO NEWS INTERNATIONAL, 4 April 2000; "Thailand charges some ASEAN members not implementing their AFTA Commitments," INTERNATIONAL TRADE REPORTER, 30 March 2000; "Pressure on trade bodies to oppose Opec surcharge," BANGKOK POST, 7 April 2000.

DSB: US TO COMPLY WITH FSC RULING; COLOMBIA SEEKS PANEL AGAINST NICARAGUA

The WTO Dispute Settlement Body (DSB) met on 7 April. *Inter alia*, Members discussed US intentions regarding a WTO ruling against US foreign sales corporations (FSCs), the status of EU efforts to comply with a WTO ruling against its banana import regime, and a dispute between Nicaragua and Colombia over trade sanctions.

The US told the DSB that it would comply with the WTO ruling on FSCs. "It is the intention of the United States to implement the recommendations and rulings...in a manner which respects our WTO obligations and is consistent with our goal of ensuring that US exports are not placed at a disadvantage in relation to their foreign competitors", US Ambassador to the WTO Rita Hayes declared. The EU had challenged the tax scheme on the basis that it constituted a massive illegal subsidy that granted US companies an unfair advantage in export markets.

The US has until 1 October 2000 to comply with the WTO ruling. The US offered no timetable as to when it would put forward a compliance plan. The EU called on the US to put forward a compliance plan "without delay." In reference to the EU's drawn-out attempts to comply with WTO rulings against the EU's banana import regime and hormone-treated beef ban, a vexed Ms. Hayes encouraged the EU to "practice what it preaches".

In a statement by Ecuador to the DSB regarding its banana dispute with the EU, Ecuador stressed that its sole objective was not to punish or sanction the EC, but "to re-establish a balance of rights and obligations under the WTO commitments by inducing the EC, and its Member States, to comply with their WTO obligations." A WTO dispute arbitrator on 17 March ruled that Ecuador, the world's largest banana exporter, could request over US\$200 million in cross-sector retaliatory sanctions against the EU for the EU's failure to comply with the 1997 ruling (see *BRIDGES Weekly Trade News Digest* Vol. 4, No. 11, 21 March 2000, <http://www.ictsd.org/html/weekly/story2.21-03-00.htm>). However, Ecuador told the DSB that it would postpone a request for imposing retaliatory sanctions against the EU for its failure to comply with the 1997 ruling in hopes that the EU will take measures to reform its banana import regime. In regards to how long Ecuador would wait for EU compliance, Ecuador's ambassador to the WTO, Roberto Betancourt, stated that Ecuador would proceed with sanctions only if the EU response was unsatisfactory.

Also at the DSB, Nicaragua blocked a request by Colombia for the establishment of a dispute settlement panel to decide a dispute over the Nicaraguan so-called sovereignty tax imposed on goods and services from neighbouring Colombia and Honduras. Colombia argues that the sovereignty tax violates international trade rules with respect to guaranteeing most-favoured-nation treatment amongst WTO members.

Nicaragua imposed the 35 percent tax against Honduran and Colombian goods in November 1999 after Honduras and Colombia settled a territory dispute, but in the process allegedly assigned an area between them belonging to Nicaragua. In retaliation, Nicaragua assessed what it termed a sovereignty tax against the two countries. Nicaragua justified the tax under Article XXI (b)(iii) of the General Agreement on Tariffs and Trade, which allows a nation to suspend trade preferences for reasons of national security. Colombia can make its second (binding) request for a panel at the 18 May DSB meeting.

Pakistan on 3 April filed a complaint against the US for what Pakistan alleges are unjustified safeguards against US imports of Pakistani cotton yarn. The WTO's Textile Monitoring Body (TMB) has previously requested that the US rescind the safeguard, noting that the US failed to provide justification for the safeguards.

"U.S. affirms it will comply with WTO FSC ruling;" "Nicaragua and Colombia feud over trade sanctions," WTO REPORTER, 10 April 2000; "EU presses on with quota solution to banana row," REUTERS, 29 March 2000; "Statement by Ecuador to the Dispute Settlement Body," 7 April 2000; "WTO drawn into Nicaragua border dispute," FINANCIAL TIMES 8 April 2000; "Cotton yarn quota unfair," FINANCIAL TIMES, 5 April 2000.

EU-AFRICA SUMMIT: PLEDGES OF PARTNERSHIP, DEBT RELIEF

Leaders and ministers from EU and African countries met from 3-4 April in Cairo, Egypt for the first EU-Africa summit addressing political and economic issues. The summit yielded the Declaration of Cairo and a joint EU-Africa Cairo Plan of Action (CPA), both addressing the issues of trade, debt, political issues, peace building and conflict prevention, and development.

Egyptian President Hosni Mubarak said that the aim of African leaders at the summit was "not to secure more aid but rather to develop mutual partnership and co-operation programmes."

Observers noted that with respect to EU-African trade, African exporters' share of the EU market has shrunk from 6.7 percent to 3 percent over the last 25 years. EU Trade Commissioner Pascal Lamy told the summit that a new model of EU-Africa engagement was needed to bolster Africa's export growth. "The old emphasis on trade concessions hasn't worked. We need to seize on the question of Africa's capacity to meet new challenges of logistics, food standards and so on."

The Cairo Plan of Action calls for measures aimed at better integrating Africa into the world economy. According to the CPA, Ministers agreed to deepen "the link between trade and development in the multilateral trading system, in order to ensure that the benefits of further trade liberalisation and the strengthening of multilateral rules contribute to poverty reduction and sustainable development. We shall pay particular attention to this concern in the future WTO Ministerial Conferences and will cooperate in ensuring the further development of Africa's economic and industrial potential."

Mirroring proposals put forward by the Quad Group of countries (see related story in this issue), the EU pledged to support African integration via technical assistance and capacity building and to address implementation issues faced by African countries with regard to WTO agreements. The EU proposals offered no specificity regarding monetary or deadline commitments on the part of the EU. On the topic of market access for the least developed countries, the EU pledged to "launch a process in 2000, which by 2005, duty free market access for essentially all products from Least Developed Countries (LDCs) will be granted and the rules of origin and cumulation provisions that apply to their exports simplified."

Ministers also addressed the issue of debt relief for African countries, which collectively owe an estimated US\$350 billion dollars in external debt. France announced it would cancel all its bilateral debt with the poorest African countries, while Germany announced plans to cancel about US\$350 million in debt over 3 years. In the CPA, ministers agreed to find ways to reduce the full debt burden.

Ministers plan to hold interim follow-up meetings on implementing the Cairo Plan of Action and agreed to hold the Second EU-Africa Summit in 2003.

"Plight of Africa is Europe's problem," FINANCIAL TIMES, 4 April 2000; "Declaration of Cairo;" "Cairo Plan of Action," EU PRESS RELEASE (106/4/00;107/4/00), 4 April 2000; "L'Afrique et l'Europe rentent de jeter les bases d'un nouveau partenariat," LE MONDE, 4 April 2000; "EU-Africa summit aims at strategic partnership," IPS, 5 April 2000.

CODEX FOLLOW-UP

The last issue of *BRIDGES* Weekly Trade News Digest included a summary of the work programme agreed by delegates at the first meeting of the Codex Ad Hoc Intergovernmental Task Force on Food Derived from Biotechnology from 14-17 March (see *BRIDGES* Weekly Trade News Digest Vol. 4, No. 13, 4 April 2000, <http://www.ictsd.org/html/weekly/story3.04-04-00.htm>). Following the Task Force meeting, non-governmental organisation (NGO) observers released a report on the meeting incorporating the viewpoint from civil society.

The report was critical of the US positions taken at the meeting, noting that the US pushed for a more narrow focus for Task Force work (focusing on safety and nutritional factors), rather than a work programme that also addressed some of the precautionary and social aspects of genetically modified organisms (GMOs), favoured by many NGOs and some country delegations (including the EU, Malaysia, and Norway).

The NGO-sponsored report also noted that the US argued at the meeting that it saw "no need for a GMO tracing system because the products are safe and such a system would be too costly." The environmental group Greenpeace argued that the US resisted the traceability problem because it would force it to deal with liability and insurance issues. The Codex Task Force did agree to incorporate traceability into the work programme as part of its work on post-market assessment.

Various NGO and academic forums were held at or around the Codex Task Force meeting. A network of Japanese NGOs, bringing together international NGOs as well as farmers, students, consumers, and academics, organised a 4-day "Codex NGO Forum in Chiba". The forum comprised demonstrations, press briefings, cultural events, a farmers' day, reports of activities in other nations, an expert panel on the Codex meeting, and NGO strategising. NGOs expressed concern over the inaccessibility of the Codex process to most of civil society and called on the Codex Task Force "to evolve along the lines of other UN agencies", particularly the Convention on Biological Diversity where NGOs have a greater voice.

"Report on the first meeting of the Codex Alimentarius Task Force on Foods Derived from Biotechnology, and on related NGO activities, Tokyo (Chiba), March 14-17," IATP, March 2000.

IN BRIEF

Ministers from the Group of 77 developing countries plus China (G-77, comprised of 133 developing countries) are meeting from 10-14 April in Havana, Cuba for the first ever South Summit since the creation of the G-77 in 1964. The summit is to focus on, *inter alia*, ways to strengthen

cooperation among G-77 member states, redefining North-South relations, and the role of the South in the world trading system. *BRIDGES* Weekly Trade News Digest will report on the outcomes of the summit in the next issue. "South Summit in Havana to mark a "turning point" for developing countries," G-77 PRESS RELEASE, 7 April 2000.

The UN Development Program (UNDP) on 4 April released its Poverty 2000 Report. The report criticised the WTO for failing to link trade policies to poverty elimination. "If trade expansion is to benefit the poor, the international rules of the game must be made fairer - starting with eliminating the rich-country protectionism that is biased against developing countries", according to the report. The full text of the report is available at: <http://www.undp.org/povertyreport/>. "Main messages of UNDP Poverty Report 2000," UNDP POVERTY REPORT 2000.

The 8th session of the U.N. Commission on Sustainable Development will focus on sustainable agriculture, on investment and on trade and economic growth. Juan Mayr, Minister of Environment of Colombia and Chairperson of the session this year has invited trade policy decision-makers to attend the CSD's high-level segment on trade and the multi-stakeholder dialogue on agriculture during the week of 24 April in New York at the UN headquarters. Among the invitees are: WTO Director-General Mike Moore; US Trade Representative Charlene Barshefsky; several developing country trade ministers, including Alec Erwin of South Africa and Dr. Supachai of Thailand as well as civil society figures. Among the confirmed attendees for CSD-8 are: Franz Fischler, EC Commissioner for Agriculture; Klaus Topfer of UNEP; and Environment Ministers Michael Meacher of the UK and Jan Pronk of the Netherlands. Confirmed speakers include: Gordon Conway, President of the Rockefeller Foundation; Prof. Miguel Altieri of UC Berkeley; head of the UN Economic Commission for Latin America Jose A. Ocampo, and former Ecuadorian Minister Yolanda Kakabadse, President of the Council of the World Conservation Union. ICTSD Internal Files.

On 5 April the European Commission said it would delay an EU marketing ban on cosmetics products that have been tested on animals. The ban, originally scheduled to take force in 1998, has been previously delayed for various reasons. The EU said it would delay a marketing ban at least until it introduced an EU-wide ban on animal tests for cosmetics, expected in two years. EU officials said banning animal-tested products would likely provoke a WTO dispute with trade partners and advised that a ban on animal testing would be WTO compatible as well as "a more effective way to protect animal welfare." "Brussels accused of backing down over animal tests ban," FINANCIAL TIMES, 6 April 2000.

WTO IN BRIEF

Following its meeting of 5 April, the WTO Council for Trade in Goods has been suspended until such a time as Members can reach agreement on a list of candidates to chair the Council for Trade-Related Aspects of Intellectual Property Rights (TRIPs) as well as the Goods Council's subsidiary bodies, including the Committee on Agriculture (under whose auspices negotiations on agriculture are underway). In the meantime, the Chair for the Goods Council, Amb. Carlos Pérez del Castillo (Uruguay), will continue to chair the subsidiary bodies. With respect to the selection of a chairperson for the Committee on Agriculture, the EU has suggested that a Mexican representative fill the post, and that they be a senior, Geneva-based delegate. Additionally, Venezuela has previously stated that the chair must be an "active government official". This would seem to point to the Mexican Ambassador to the WTO Sr. Alejandro de la Peña. With respect to the chair of the Council for TRIPs, sources say that the appointment of Finland's Ambassador to the WTO Pekka Huhtaniemi, remains far from agreed-upon. "New Lome waiver for ACP countries faces uphill battle," INSIDE US TRADE, 7 April 2000; ICTSD Internal Files.

EU Trade Commissioner Pascal Lamy on 5 April held an Internet discussion on the theme "Relaunching the New Round this year - why do we want everyone on board?" Mr. Lamy answered questions and took suggestions regarding, *inter alia*, what direction the world trading system should take and the right starting principles for real international economic governance. Mr. Lamy re-emphasised the EU position on the multifunctional role agriculture plays in the EU economy and also discussed EU plans regarding European trade agreements with MERCOSUR and Asia. In regards to the WTO, Mr. Lamy stated that the EU is urging WTO Members to allow more rapid public release of WTO documents and increased interaction between WTO Members and civil society. The transcript of the chat is available at: http://europa.eu.int/comm/chat/lamy2/index_en.htm. "Internet Chat with Pascal Lamy, the Commissioner responsible for Trade," EU TRANSCRIPT, 5 April 2000.

In an effort to avoid a WTO dispute over the phase-out of quantitative restrictions on agricultural imports, India and the US on 21 March agreed to a revised tariff regime for certain agricultural products. Under the agreement, India will "swap" import tariff increases on US fresh rice, grapes, and other fresh fruits for off-setting tariff reductions of up to 50 percent on imports of US almonds, orange juice, and other citrus products. Negotiations on the tariff changes took place under Article 28 of the General Agreement on Tariffs and Trade (GATT), which allows a country to negotiate

modifications of its tariffs with the country with which it had initially negotiated the tariffs. "India and US renegotiate tariffs," WTO WEEKLY HIGHLIGHTS (White & Case, LLP), 3 April 2000.

EVENTS & RESOURCES

For more information on these events please visit ICTSD's online calendar at: <http://www.ictsd.org/html/calendar.htm>

Coming Up This Week

12-14 April, Guatemala City, Guatemala: MEETING OF THE FTAA TRADE NEGOTIATIONS COMMITTEE

13-14 April, San Francisco, California: CERES 2000 CONFERENCE: NAVIGATING THE NETWORKS OF CHANGE

13-14 April, Yorkshire, England: 6th ANNUAL INTERNATIONAL SUSTAINABLE DEVELOPMENT RESEARCH CONFERENCE

13-15 April, Jaipur, India: REGIONAL SEMINAR ON COMPETITION LAW AND POLICY FOR ASIA-PACIFIC

14 April, Geneva: WTO COUNCIL FOR TRADE IN SERVICES - Special Session

16-17 April, Jaipur, India: CUTS/CI-ROAP ASIA-PACIFIC WORKSHOP ON COMPETITION LAW

17 April, Brussels, Belgium: BUILDING ADVOCACY WORK IN NORTH AND SOUTH

17 April, Brussels, Belgium: EURO-MEDITERRANEAN FREE TRADE ZONE: CAN IT BE SUSTAINABLE?

17-28 April, Fort Collins, Colorado, USA: PARTICIPATORY PRACTICE FOR SUSTAINABLE DEVELOPMENT

18 April, Brussels, Belgium: WTO CONFERENCE: IMPLICATIONS OF THE EU's GLOBAL TRADE POLICY ON HEALTH

- **WTO Events**

An updated list of forthcoming World Trade Organisation 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.

3 May, Geneva, Switzerland: WTO GENERAL COUNCIL. For information contact: Nuch Nazeer, WTO Information and Media Relations Division, tel: (41-22) 739-5393; email: nuch.nazeer@wto.org

- **Other Events**

25-26 April, Washington DC, USA: INNOVATIVE POLICY SOLUTIONS TO GLOBAL CLIMATE CHANGE CONFERENCE. Hosted by The Pew Center on Global Climate Change and The Royal Institute of International Affairs. This conference will present policies currently being implemented by industrialised country governments and the private sector to address the issue of global climate change. A roundtable discussion will be held following the Conference on the 26th of April. This "Developing Country Perspectives Roundtable" will be sponsored by The Pew Center on Global Climate Change, The Sustainable Energy Programme, and the Shell Foundation. The Roundtable is open to the public. For information contact: Michelle Pilliod, tel: (1-202) 544-7900; fax: 544-7992; email: pilliodmp@aol.com; web: <http://www.pewclimate.org>

15-19 May, Sydney, Australia: EXPERT CONSULTATION ON ILLEGAL, UNREPORTED, AND UNREGULATED FISHING. Organised by the Government of Australia in co-operation with the FAO. For information contact: Kevin Bray, tel: (61-2) 6272-4477; fax: 6272-4215; email: Kevin.Bray@affa.gov.au; web: <http://www.affa.gov.au/ecoiuuf/>

- **Resources**

MEETING REPORT FROM THE INTERNATIONAL EXPERTS MEETING ON SUSTAINABILITY ASSESSMENT OF TRADE LIBERALISATION. March 2000. This is a report from the experts meeting held from the 6th to the 8th of March 2000 in Quito, Ecuador, co-organised by the World Wide Fund for Nature (WWF) and Fundacion Futuro Latinoamericano (FFLA). The report includes Conclusions of the Chair as well as reports of the discussions in the working groups, the Agenda, and a List of Participants. To obtain contact: Mireille Perrin, WWF International, avenue Mt Blanc, CH-1196 Gland, Switzerland; tel: (41-22) 364-9026; fax: 364-8219; email: mperrin@wwfnet.org; web: <http://www.panda.org>

OECD ENVIRONMENTAL DATA 1999 COMPENDIUM. Compiled by the Organisation for Economic Co-operation and Development, this publication is an international benchmark of environmental data. With its 120 tables, the 1999 edition offers a quantitative overview of the state of the environment and of environment-economy relationships in OECD countries and, for the first time, in Russia. It includes the latest data on pollution and natural resources, on pressures on the environment from different economic sectors and on natural disasters. This edition also covers new topics: water prices, environmentally-related taxes and development assistance. To obtain contact: email: sales@oecd.org; web: <http://www.oecd.org/bookshop>

INSTITUTIONAL REFORM OF THE WTO: OXFAM GB DISCUSSION PAPER. March 2000. This paper argues that the WTO's institutional arrangements must be reformed to reflect its increasing membership and the broadening scope and complexity of the issues that it covers. The paper concludes that reform must begin by addressing demands for greater transparency and participation, particularly from developing country Members, but also from representatives of civil society. This will be essential for the WTO to overcome its current crisis of legitimacy and, ultimately, for the achievement of a more equitable international trading regime. To obtain contact: Penny Fowler, OXFAM GB, email: pfowler@oxfam.org.uk; web: <http://www.oxfam.org.uk>

WORLD TRADE AND THE ENVIRONMENT: A REVIEW OF THE NEW WTO REPORT. 2000. By Steve Charnovitz. Published in THE GEORGETOWN INTERNATIONAL ENVIRONMENTAL LAW REVIEW, Volume XII, Issue 2, Winter 2000, pp. 523-541.

FOOD SAFETY ISSUES ASSOCIATED WITH PRODUCTS FROM AQUACULTURE. 1999. Published by the World Health Organisation. This report, created jointly by the UN Food and Agriculture Organisation, Network of Aquaculture Centres in Asia-Pacific, and World Health Organisation Study Group, provides assessment of potential risks to human health from consumption of farmed fish and shellfish. It also covers potential biological and chemical hazards, including evaluations of several agrochemicals. 55 pp. \$US12.60. To obtain contact: World Health Organisation Publications Center USA, 49 Sheridan Ave., Albany, NY 12210; tel: (1-518) 436-9686; fax: 436-7433; email: Qcorp@compuserve.com

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