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WTO ADVANCES ON IMPLEMENTATION; PERU TO CHAIR AG NEGOTIATIONS

In what one WTO official described as two 'dramatic' General Council (GC) sessions, WTO Members made progress last week on a variety of initiatives aimed at building confidence in the WTO for developing countries. They also ended months of indecision by agreeing to appoint Peruvian Ambassador Jorge Voto-Bernales as Chair of the Special (negotiating) Sessions of the Committee on Agriculture. The GCs were held on 3 and 8 May, with informal sessions preceding each.

Discussions at the GCs covered implementation, transition periods for Trade-Related Investment Measures (TRIMs); the appointment of chairpersons for the Council for Trade-Related Intellectual Property Rights (TRIPs) and subsidiary bodies of the Council for Trade in Goods; a market access initiative for Least-Developed Country (LDC) Members; technical cooperation funding; a report by

General Council Chairman Kåre Bryn on ongoing consultations on improving internal transparency; and acceding countries' participation in agriculture and services negotiations.

Primary among the confidence-building measures was the question of implementation, long a central issue for developing countries. At the 3 May GC, Members agreed to establish an implementation review mechanism by convening periodic Special Sessions of the General Council for that purpose beginning in June. According to a General Council agreement released after the meeting, the sessions will address "outstanding implementation issues and concerns, particularly those raised during the preparations for the Third Session of the Ministerial Conference [in Seattle in late 1999]".

Though the work programme for the Special Sessions on implementation remains undecided, discussions are expected to focus on issues such as extension of transition periods in certain agreements (i.e. agreements on Customs Valuation and (TRIPs)); developed countries' compliance with agreements on market access for textiles and subsidies; and antidumping measures against developing countries' exports (see *BRIDGES Weekly Trade News Digest* Vol. 3, Number 46, 24 November 1999, <http://www.ictsd.org/html/story3.24-11-99.htm>). Members have pledged to complete this process by the Fourth Ministerial Conference, to be held before the end of 2001.

WTO Director General Michael Moore hailed the implementation agreement as a "tremendous result," and a potential break in the post-Seattle WTO deadlock. Bangladesh -- which often speaks for LDCs at the WTO -- offered a more cautious appraisal of the General Council decision, calling the special implementation mechanism a "modest but welcome advance."

"We would like our developed partners to respond to our problems that we face in implementation. When this mechanism is set up, the proof of the pudding is in the eating", Bangladesh's Ambassador to the WTO Iftekhar Ahmed Chowdhury said.

With respect to the question of TRIMs deadlines extensions, Members also addressed procedures for reviewing developing country requests for extending the 1 January 2000 implementation TRIMs deadline. An agreement was reached at the 8 May GC whereby reviews will be carried out on a case-by-case basis with the chair of the WTO's Council on Trade in Goods leading consultations.

Developing countries did not receive a comprehensive or multilateral arrangement covering the extension of transition deadlines in TRIMs, TRIPs and Customs Valuation as they had requested. Instead, the text emanating from the GC regarding TRIMs notes only that "Members have also indicated that there is a need to preserve the multilateral character of this process and that the requested extensions shall be examined in accordance with the rights and obligations of Members under Article 5.3 of the TRIMs Agreement." Article 5.3 mandates the Council for Trade in Goods to extend transition periods for developing country or LDC Members who demonstrate difficulties in implementing provisions of the Agreement (see *BRIDGES Weekly Trade News Digest* - Vol. 4, Number 17, 2 May 2000, <http://www.ictsd.org/html/weekly/story1.02-05-00.htm>).

In a long-overdue decision, delegates agreed on Peruvian Amb. Voto-Bernales -- who had been nominated by the EU -- to chair the Committee on Agriculture. Mr. Yoichi Suzuki (Japan) was appointed as Vice Chair for the Committee. The process had been stalled due to lack of agreement between the EU and Japan, on the one hand, and the Cairns Group of agriculture-exporting countries on the other (see *BRIDGES Weekly Trade News Digest* - Vol. 4, Number 12, 28 March 2000, <http://www.ictsd.org/html/weekly/story3.28-03-00.htm>). Ambassador Chak Mun See (Singapore) was appointed Chair of the TRIPs Council, while Mr. Shishir Priyadarshi (India) will chair the Committee on Sanitary and Phytosanitary Measures, Mr. John Adank (New Zealand) will chair the Committee on Technical Barriers to Trade, and Mr. Oscar Hernández (Venezuela) will chair the Committee on TRIMs. For a complete list of chair appointments please see WTO In Brief, below.

Regarding market access for the least developed countries (LDCs), 13 Members announced willingness to extend preferential market access to LDCs, including the Quad Group (US, EU, Japan, Canada), Chile, the Czech Republic, Hungary, Iceland, Korea, Norway, New Zealand, Slovenia and Switzerland. The Quad proposal is the most closely watched of these proposals, and has thus far been criticised for not going far enough to expand market access for the world's poorest countries (see *BRIDGES Weekly Trade News Digest* Vol. 4, No. 14, 11 April 2000, <http://www.ictsd.org/html/weekly/story1.11-04-00.htm>).

Mr. Moore called the Quad market access offer a "modest step forward." Bangladesh, speaking on behalf of developing countries, reiterated previous criticism of the Quad package at the 3 May GC meeting. "The Quad paper has initiated a focus that we appreciate and take note of. But it is inadequate and much more remains to be done," Mr. Chowdhury said.

Members agreed at the GC on 8 May that technical cooperation work is a core activity of the WTO, and Director-General Moore asked Members to increase the core budget for technical assistance from \$US 434,984 to \$US5.8 million over three years.

GC Chair Bryn of Norway reported to the Council that on the matter of internal transparency, Member governments have suggested holding more informal sessions of the GC and making more effective use of information technology to ensure better and faster dissemination of information. He suggested that Members hold an "open-ended information meeting" at which Chairpersons of central WTO bodies could provide delegates with an overview of the state-of-play in their various Councils and Commissions.

Finally, Members agreed on a text formalising the modalities for participation of countries acceding to the WTO in the ongoing negotiations on agriculture, services and "on other relevant elements of the built-in agenda." The agreement states that negotiations will be open to acceding countries for which an accession working party is established, though "any decisions taken in the context of these negotiations will be taken only by WTO Members." There are approximately 30 countries engaged in WTO accessions proceedings, including China and Russia.

"WTO Members clinch deal on ways to address implementation," WTO REPORTER, 4 May 2000; "WTO addresses implementation issues," BUSINESS TIMES (Singapore), 4 May 2000; "WTO to tackle trade issues facing developing countries," KYOTO NEWS INTERNATIONAL, 4 May 2000; "WTO agrees to hold forum on implementation of trade accords," BLOOMBERG NEWS, 3 May 2000; "Mooted WTO mechanism would be 'modest advance': Bangladesh envoy," AGENCE FRANCE-PRESSE, 3 May 2000; "WTO resolves fight over implementation talks' impact on new round," INSIDE US TRADE, 5 May 2000; "WTO agrees on mechanism to ensure implementation of trade accords," AFX, 4 May 2000; "Moore hails General Council outcome," WTO PRESS RELEASE, 8 May 2000; ICTSD Internal Files.

US TARGETS ARGENTINA, INDIA, BRAZIL, OTHERS IN WTO DISPUTES

The US on 1 May announced it would seek to establish WTO dispute settlement panels and/or request consultations with six trading partners.

The US Trade Representative (USTR) targeted India over its local content requirements in its auto sector, Brazil over its requirements on local production of patented pharmaceuticals, the Philippines over local content requirements in its motorcycle and automotive sector, and Argentina for "significant deficiencies in its patent regime," including failure to grant exclusive marketing rights for certain technologies. Separate consultations were requested regarding customs valuation measures by Brazil over textiles and Romania over clothing, poultry and spirits. The US also announced consultations with Denmark over its alleged failure to adequately enforce intellectual property protections.

The USTR notified the WTO actions in a series of annual reports identifying trade expansion priorities and outlining what the US deems to be unfair trade practices by its trade partners. The report also noted potential US actions against the EU for alleged subsidies to Airbus; against Japan for alleged barriers to market access to Japan's flat glass sector; and against Mexico's customs valuation practices.

The announced actions received mixed support in the US, where some trade lobbyists welcomed the legal actions as evidence of US willingness to get tough with trade partners, and particularly timely in light of the upcoming Congressional votes on granting China Permanent Normal Trade Relations (PNTR) and on whether the US should withdraw from the WTO altogether.

More critical observers, including officials from WTO Member countries, noted the USTR announcements were very poorly timed, coming as they did just days in advance of the 3 May General Council meeting where, *inter alia*, WTO Members were to try to reach an agreement with developing countries on addressing implementation issues (see related story in this issue).

Many analysts believe the US is using the disputes as showcases for why the WTO remains a useful tool for US trade policy. This is particularly important at the current time, as the US Congress is expected to hold a controversial vote on granting China permanent most-favoured nation treatment later this month and a vote on maintaining WTO Membership later this year.

In related developments, a WTO Dispute Settlement Panel issued a confidential ruling on 5 May finding that neither Brazil nor Canada has complied with a 1999 WTO ruling against both countries' aircraft export subsidies regime. Brazilian trade officials said Brazil is likely to appeal the ruling. The still-confidential ruling will be made public within a few weeks.

Also last week, the US informed the EU that it would comply with a WTO ruling against the US Foreign Sales Corporations (FSC) regime by replacing FSCs with a more broadly based domestic tax regime. The tax scheme is expected to be in place by 1 October, the WTO deadline for US compliance with the ruling. The EU responded unfavourably to the American initiative, with one EC trade official indicating that it was akin to "putting a gun to our head and telling us to take it or leave it." The WTO ruled in October 1999 that US tax exemptions for FSCs constitute unfair export subsidies under global trade rules. The EU brought the complaint to the WTO, arguing that the US subsidises about \$US10 billion annually through tax exemptions for US companies. (See *BRIDGES Weekly Trade News Digest* Vol. 4, No. 8, 29 February 2000.)

"USTR releases Super 301, Special 301 and Title VII reports," USTR PRESS RELEASE, 1 May 2000; "U.S. to pursue WTO cases with India, Brazil; consult with Argentina," INSIDE US TRADE, 5 May 2000; "Washington cheered by offensive on trade front," FINANCIAL TIMES, 3 May 2000; "U.S. announcements called badly timed, unsettling for implementation talks," WTO REPORTER, 3 May 2000; "India will have to defend auto policy at WTO:US," ECONOMIC TIMES(India), 3 May 2000; "Bombardier unfazed by Brazil plan to appeal ruling," REUTERS, 2 May 2000; "WTO finds Brazil, Canada fail on aircraft subsidy rules," DOW JONES NEWSWIRES, 2 May 2000; "WTO rules against Brazil in aircraft subsidy dispute," BLOOMBERG NEWS, 2 May 2000; "US pledges to scrap export-subsidy regime," WALL STREET JOURNAL, 3 May 2000.

CSD-8 TACKLES TRADE, OTHER ISSUES

The Eighth annual session of the UN Commission on Sustainable Development (CSD-8) wrapped up on 5 May. Delegates discussed a range of issues, including, *inter alia*, Integrated Planning and Management of Land Resources; Financial Resources, Trade and Investment, Economic Growth; Agriculture; and a 10-year review of the 1992 Rio UN Conference on Environment and Development (Rio + 10).

Delegates held discussions on the use of environmental impact assessments for trade, and on the multifunctional character of agriculture (see *BRIDGES Weekly Trade News Digest* Vol. 4, No. 17, 2 May 2000, <http://www.ictsd.org/html/weekly/story3.02-05-00.htm>). At a special session on sustainable agriculture, representatives from government, industry, farmers, trade unions and non-governmental organisations discussed trade liberalisation, biotechnology, and the multifunctional role of agriculture.

During these discussions, a number of representatives noted that greater trade liberalisation would help to foster sustainable agriculture, while others noted that the objective of the Rio Earth Summit -- to enhance food security in an environmentally sound way -- could only be achieved if trade-

distorting practices and barriers were eliminated. Regarding multifunctionality, a number of representatives expressed concern that the term -- often used by the EU, Japan and Korea in trade contexts to justify domestic agricultural subsidies -- was merely a disguised protectionist mechanism.

WTO Director-General Mike Moore addressed CSD-8, telling delegates that further trade liberalisation could put developing countries on a firmer footing in the global economy. Mr. Moore noted that while sustainable development was one of the WTO's objectives, the WTO was not an environmental protection agency and had to remain sensitive to the needs of its Members.

Delegates agreed to text outlining a future work programme aimed at promoting sustainable development through trade and economic growth; making trade and environment policies mutually supportive; promoting sustainable development through investment; and strengthening institutional cooperation, capacity-building and promoting partnerships.

Delegates called for improved market access for products of export interest to developing countries as a means toward economic development. Towards this, governments (particularly developed countries) were urged to pursue continued trade liberalisation through the elimination of unjustifiable and discriminatory trade practices and non-tariff barriers to trade.

Government representatives also agreed to text addressing biotechnology and the precautionary principle. Delegates "encouraged" governments "to explore, using transparent science-based risk assessment procedures, as well as risk management procedures, applying the precautionary approach -- as articulated in Principle 15 of the Rio Declaration and recalled in the Cartagena Protocol to the CBD -- the potential of appropriate and safe biotechnology for enhancing food security for all."

"Summary of the Eighth Session of the UN Commission on Sustainable Development," EARTH NEGOTIATIONS BULLETIN (IISD), 8 May 2000, <http://www.iisd.ca/csd/csd8/index.html>; "Commission on Sustainable Development, winding up Eighth Session, adopts key texts in preparation for Agenda 21 review," UN PRESS RELEASE (ENV/DEV/547), 8 May 2000, <http://www.un.org/News/Press/docs/2000/20000508.envdev547.doc.html>.

US AFRICA, CARIBBEAN TRADE BILL GETS HOUSE NOD, SENATE TO VOTE THIS WEEK

The US House of Representatives on 4 May approved the Trade and Development Act of 2000 aimed at expanding US trade and investment with more than 70 countries in sub-Saharan Africa, the Caribbean and Central America. The Senate is expected to vote on the bill as early as 9 May, where it is expected to pass.

The bill would be the first major trade legislation to pass the US Congress since 1995, and comes just weeks before Congress is expected to vote on whether to extend Permanent Normal Trade Relations (PNTR) with China as part of China's bid to join the WTO.

For sub-Saharan African countries, the bill would allow duty and quota free access to apparel made from US fabrics, and would allow apparel imports from Africa made of non-US fabric starting in 2000 at 1.5 percent of total US apparel imports, rising to 3.5 percent by 2008. The bill also exempts countries with per capita GNP below US\$1,500 from the US-fabric content rules through 2004, for which about 12 of the 48 sub-Saharan African countries will be eligible. The bill is expected to boost US imports of apparel from Africa from about US\$250 million in 1999 to more than US\$4.2 billion in 2008.

The bill contains very strong transshipment provisions to appease lawmakers' concerns that African countries would become a major transshipment point for apparel from countries such as China. Under the provisions, exporters could be suspended from benefits if caught and US customs would have to have access to African facilities. The bill also calls for an annual summit with African leaders to review the agreement.

For the 25 Caribbean and Central American countries currently trading with the US under the Caribbean Basin Initiative (CBI), the bill extends so-called NAFTA-parity for apparel and other exports. NAFTA-parity would extend the same preferential market access enjoyed by Mexico under the North American Free Trade Agreement (NAFTA) to CBI countries. CBI countries claim that NAFTA has caused textile and other manufacturers to move from the Caribbean to Mexico in order to gain better access to US markets.

The Trade and Development Act of 2000 would extend duty and quota free access for CBI apparel exports made from US fabric, and expand market access for a capped level of apparel imports made of regional knit fabric. The caps will increase 16 percent year-on-year from October 2000 through 2004. The bill also expands the current CBI to provide immediate tariff reductions on a range of imports currently excluded from CBI, including canned tuna, petroleum and petroleum products, footwear, handbags, luggage, flat goods, and some additional apparel.

A group of US Representatives issued a statement of opposition to the NAFTA-parity benefits extended under the bill, arguing that the process of crafting the agreed trade bill was non-transparent. The grouping also noted that NAFTA-parity for CBI countries was unnecessary, indicating that CBI countries as a group from 1994-1998 represented the largest single exporter of apparel to the US, with exports increasing each year during that period. The grouping pointed out that CBI NAFTA-parity could violate WTO rules on non-discriminatory trade practices, and could result in increased US job losses in the domestic textile and apparel sectors.

There are however provisions within the Trade and Development Act of 2000 that could limit countries' eligibility for participation. These include provisions requiring countries to uphold core international labour standards and requirements that countries be moving towards a market-based economy and reduction of barriers to US trade and investment.

The bill also contains controversial provisions directing the US Trade Representative to adopt a so-called 'carousel' approach to trade retaliation against countries that have failed to comply with a WTO ruling. Under a carousel approach, the US would periodically change targeted products on

trade retaliation lists in order to maximise the trade impact on the offending trade partner. The provision is targeted at the EU for its delay in implementing WTO rulings against its banana import regime and its ban on imports of US hormone treated beef. An EU official last week warned that the carousel approach could violate WTO rules by expanding the WTO-mandated retaliation levels.

"House approves Africa-CBI conference report with carousel," *INSIDE US TRADE*, 5 May 2000; "House passes final Africa-CBI trade bill, moving it to Senate," *TRADE COMPASS*, 5 May 2000; "Way clear for US-Africa trade bill," *FINANCIAL TIMES*, 4 May 2000; "House 'Dear Colleague' letter in opposition to Africa-CBI Conference Report," *INSIDE US TRADE*, 5 May 2000; "U.S. African-Caribbean-Centam trade bill is ready," *REUTERS*, 3 May 2000; "EU may challenge US in WTO over 'carousel' approach to trade sanctions," *WTO REPORTER*, 8 May 2000.

NEWS FROM THE REGIONS: THE AMERICAS

Ministers from Panama, Guatemala, El Salvador, Costa Rica, Honduras and Nicaragua met from 3-4 May to discuss plans for greater regional economic co-operation. Ministers were to discuss ways to move forward on integration plans for their Central American Integration System (CISA) amid regional commercial and border disputes, and to discuss preparations toward regional free trade negotiations with Canada (set to launch in 2001). However, talks faltered after El Salvador and Guatemala announced plans to form a free trade area without consulting the other three SICA members.

Ministers from Panama, Honduras and Costa Rica called the move "unhelpful" and a "test for regional integration." El Salvador invited the three countries to join the pact at the SICA meeting. "We are not looking to hurt anybody nor disrupt the process of integration, more to provide an example of what we want so we can achieve more," Maria Brizuel de Avila, El Salvador's foreign minister said. Honduras was particularly stung by the development, since it is partners with El Salvador and Guatemala in a so-called Northern Triangle free trade area.

The grouping, with a combined population of 35 million and gross domestic product of more than US\$50 billion, has struggled with commercial and border disputes in recent months, including a potential dispute at the WTO between Colombia and Nicaragua over Nicaragua's so-called sovereignty tax imposed on goods and services from neighbouring Colombia and Honduras (see *BRIDGES Weekly Trade News Digest* Vol. 4, No. 14, 11 April 2000, <http://www.ictsd.org/html/weekly/story6.11-04-00.htm>).

A coalition of more than 90 environmental groups from the US, Mexico and Canada on 27 April called on government officials from the three countries to immediately suspend secret negotiations the groups allege are aimed at changing the environmental side agreement to the North American Free Trade Agreement (NAFTA). The coalition, which includes the World Wildlife Fund (WWF), Centro Mexicano de Derecho Ambiental, Friends of the Earth, and the Canadian Environmental Law Association, said US documents reveal that ongoing negotiations over the past 10 months are aimed at revising procedures under NAFTA that allow for citizens to submit complaints of environmental infringements resulting from NAFTA.

"The credibility and legitimacy of the Commission for Environmental Co-operation (CEC) as a public institution are threatened by these secret discussions," according to the coalition statement. The coalition called on the US, Canadian and Mexican governments to explain why the negotiations have been conducted in secret, arguing that previous CEC negotiations have included civil society participation. The secret talks raise "serious questions regarding the level of commitment the NAFTA governments have made to the participation of civil society in trade agreements," according to Jake Caldwell, trade and environment co-ordinator at the National Wildlife Federation.

For their part, government officials deny that the meetings were intended to be secret, noting that there was a public announcement that minor procedural matters would be discussed. Environmental groups countered that information released by the US Environmental Protection Agency indicate much more substantive matters on core aspects of the citizens' submission process were discussed.

In other news, US President Bill Clinton on 2 May said the US remains committed to the goal of a Free Trade Area of the Americas (FTAA). The FTAA would link economies from Alaska to Patagonia into an estimated US\$10 trillion economy. Progress towards a FTAA has been largely stalled by the lack of so-called fast-track negotiating authority by the Clinton Administration, which gives the US President power to

negotiate free trade agreements subject to a simple yes or no vote in Congress, thereby bypassing the usual amendment process. Without the broad authority granted by fast-track, US trade negotiators face credibility problem with potential trade partners, as Latin American countries are loathe to sit down for serious discussion with US negotiators if an agreement is subject to US Congressional amendment.

"We are still determined to meet the goal we set at the Miami Summit of the Americas in December of 1994 to achieve a free trade agreement by 2005 that will embrace the entire Americas," Mr. Clinton said in a speech to the Council of Americas. "You should not believe that because [fast track legislation did not pass Congress in 1997]...that the US is any less committed to finishing the [FTAA], or that, because [fast track] didn't pass, any agreement we make in the context of a FTAA is less likely to pass Congress," Mr. Clinton said.

In other news, the Dominican Republic on 28 April signed a free trade agreement with the Caribbean Community (CARICOM), creating a free trade area comprising over 14 million people. The Dominican Congress must still approve the agreement. The agreement keeps in place tariffs on about 50 products, including soft drinks and glass containers.

"Central American integration focus of Panama talks," REUTERS, 3 May 2000; "Honduras snubbed in trade pact," FINANCIAL TIMES, 4 May 2000; "Environmental groups condemn secret trade meetings," SUNS, 27 April 2000; "Clinton wants Americas trade zone, help for Colombia," DOW JONES NEWSWIRES, 2 May 2000; "Dominican Republic in trade deal with Caribbean," REUTERS, 28 April 2000.

ASEAN DISCUSSES EXPANDED FREE TRADE WITH REGIONAL PARTNERS

Ministers from the Association of Southeast Asian Nations (ASEAN) on 2 May met with officials from Japan, China and South Korea to discuss trade and economic co-operation between Southeast and Northeast Asia. Ministers discussed, *inter alia*, developing a joint approach in WTO talks and in Asian Pacific Economic Co-operation (APEC) forum matters, regional economic recovery, and the possibility of developing an expanded free trade area. The meeting was part of preparations for the first ASEAN-plus-Three Summit scheduled for November 2000.

Thai Deputy Prime Minister and WTO Director-General in-waiting Supachai Panitchpakdi commented on the meeting, noting the growing trend toward regional trade blocs added importance to ASEAN plus three co-operation. "Personally, the close economic integration of ASEAN-plus-Three seems most viable and much needed in the future. Japan, I think, is more and more inclined to participate as a leading economy," Mr. Panitchpakdi said.

ASEAN comprises Thailand, Myanmar, Cambodia, Laos, Vietnam, Malaysia, Singapore, Brunei, Indonesia and the Philippines.

ASEAN ministers and ministers from New Zealand and Australia met on 27 April to discuss a possible free trade agreement. New Zealand and Australia are already linked via a Closer Economic Relations (CER) accord. An ASEAN-CER accord would link the 11 economies in an estimated US\$1 trillion dollar free trade zone by 2010. Singapore Trade Minister George Yeo said ASEAN ministers were generally positive about a free trade agreement with the two countries, but that ASEAN countries did not expect great benefits from such an accord as Australian and New Zealand tariffs are already relatively low. Mr. Yeo noted that non-tariff barriers to trade in New Zealand and Australia posed a bigger barrier to ASEAN products.

Regarding internal-ASEAN matters, ASEAN ministers agreed to a Malaysian request for a two-year extension on its deadline for tariff cuts on auto imports. The tariff cuts are part of terms agreed as part of the ASEAN Free Trade Area (AFTA) due to launch by 2003. Malaysian officials said the extension is necessary to protect Malaysian carmakers against a potential flood of imports from ASEAN-partner Thailand, which has become a regional import hub for autos from Japan, the EU and US.

"Asean explores wider ties," REUTERS, 2 May 2000; "Trillion-dollar trade talks start," THE PRESS (New Zealand), 27 April 2000; "ASEAN and East Asian three to work for regional growth," THE STRAITS TIMES (Singapore), 3 May 2000; "Malaysia happy with ASEAN's extension on car tariffs," AGENCE FRANCE-PRESSE, 3 May 2000.

IN BRIEF

Cuba on 29 April announced that it would withdraw its bid to join the Lomé Convention - the trade and aid accord between the EU and 71 African, Caribbean and Pacific (ACP) countries. Cuban officials cited "discriminatory and interfering" conditions demanded by the EU as the reason for

dropping its bid. Cuban officials said Cuba would continue to pursue increased trade and investment opportunities with individual EU member-countries. EU members Spain, France and Italy are among Cuba's biggest trade and investment partners. "Cuba drops EU trade bid," FINANCIAL TIMES, 30 April 2000.

The UN Conference on Trade and Development (UNCTAD) on 2 May announced the launch of its Amazon Project to develop investment and trading opportunities in biodiversity-based products and services. The Amazon Project aims at building the capacity of developing countries in the Amazon region to produce biodiversity-based products and services for both domestic and international markets. Eight countries will participate in the three-year project: Bolivia, Brazil, Colombia, Ecuador, Guyana, Peru, Suriname and Venezuela. The Amazon Project is part of UNCTAD's BIOTRADE Initiative, launched in 1996 with the objective of stimulating trade and investment in biological resources to further sustainable development, in line with the objectives of the UN Convention on Biodiversity. "Amazon region to benefit from UNCTAD'S Biotrade Initiative," UNCTAD PRESS RELEASE, 2 May 2000.

Deep divisions exist among the US public regarding trade policy priorities, according to a poll published in the 24 April edition of the newsmagazine Business Week. The poll of 1,024 respondents, conducted by Harris Interactive in early April, shows that while most Americans believe that globalisation is in general good for US consumers, for the US economy and for strengthening the economy of poor countries (68 percent, 64 percent and 72 percent respectively), only 45 percent believe globalisation was "good" for the environment. Respondents were also split as to the effect of globalisation on job creation in the US. 50 percent believe globalisation has a good effect, while 42 percent say it is detrimental to US employment. When asked to classify themselves as "free trader", "fair trader" (i.e. someone who believes in trade with some standards for labour and the environment), or "protectionist", 51 percent claimed to be fair traders, with protectionists at 37 percent and free traders at only 10 percent. According to the poll, 69 percent of Americans believe that trade agreements with low-wage countries drive down US wages, perhaps pointing to one reason why fully 79 percent of respondents are of the opinion that the US should grant China permanent most-favoured nation treatment to the US market only when it agrees to meet human rights and labour standards. To access the full poll results, visit http://www.businessweek.com/2000/00_17/b3678004.htm. "Globalisation: what Americans are worried about," BUSINESS WEEK, 24 April 2000.

The City Council of Vancouver, Canada on 2 May passed a motion urging the government of Canada "to consult widely and in depth with the people of Canada, especially and including municipal councils, before taking any further action on the WTO General Agreement for Trade in Services (GATS)." Vancouver City Councillors are concerned that proposed changes to the GATS structure -- namely, a change from the current "bottom-up" to a "top-down" or "horizontal" structure -- could affect existing jurisdiction for local governments and may result in significant administrative burdens and costs. The Vancouver municipal government has also urged the Canadian government to "file a permanent and explicit exemption in the GATS limiting application to areas of Federal jurisdiction to ensure sub-national jurisdictions maintain local flexibility and control over the delivery of public services." Further, Vancouver has asked the province of British

Columbia to establish a Trade Advisory Committee to enable stakeholders to engage in consultations on international trade issues. "MOTION PASSED BY VANCOUVER B.C. CITY COUNCIL CANADA," 2 May 2000.

Thai customs officials in late April seized 1,078 pounds of raw ivory smuggled into Bangkok from Zambia. One smuggler was arrested and released after signing over the illegal goods to the Thai government. Thai customs officials said it was unclear what the Thai government would do with the ivory. The customs officials said Thailand, a member of the UN Convention on International Trade in Endangered Species (CITES) would not sell the ivory stock in compliance with a CITES ban on international trade in ivory products. "Ivory: Thailand seizes 1,000 pounds, lets smugglers go," UN WIRE, 2 May 2000.

WTO IN BRIEF

At a summit meeting on 31 May in Queluz, Portugal, the EU and the US will attempt to narrow their differences over trade and seek to give momentum towards launching a new round of WTO trade negotiations later this year. Head of the EC delegation in Washington D.C. Günter Burghardt said the two sides would use the occasion to see if enough common ground exists to push for a new round this year. "By the end of May, I think it would have to be relatively clear whether the chances [exist to begin the talks this year] because the calendar is running out." Though US President Bill Clinton will lead the US delegation, it remains unclear whether the top trade negotiators from the EU and US (Pascal Lamy and Charlene Barshefsky, respectively) would be on hand at the summit. "U.S., EU leaders will meet this month to discuss prospects for new WTO Talks," BNA REPORT FOR EXECUTIVES, 8 May 2000.

The WTO and the UN Economic and Social Commission for Asia and the Pacific (ESCAP) on 8 May launched a joint training program on WTO issues for regional government officials. The program, based in Bangkok, is aimed at building human resources capacity for developing country participation in WTO activities around agriculture, textiles, services, market access, anti-dumping, and dispute settlement agreements. "WTO: training program for developing countries launched," UNIS, 5 May 2000.

The WTO has released preliminary estimates for global tourism trade for 1999, reporting an increase of 3.2 percent over 1998. Global tourism trade in 1999 reached US\$455 billion. Central America showed the largest growth in tourism, increasing by 23 percent over 1998, followed by the Middle East (17.5 percent), South America (10 percent) and Africa (nine percent). "WTO says African tourism industry is improving fast," PANA, 4 May 2000.

On 8 May 2000, the WTO General Council selected the following individuals to fill the respective chairperson posts (see related story, this issue): Council for Trade-Related Aspects of Intellectual Property Rights (TRIPs): Ambassador Chak Mun See (Singapore); Committee on Agriculture: Chair: Ambassador Jorge Voto-Bernales (Peru); Vice Chair: Mr. Yoichi Suzuki (Japan); Committee on Anti-Dumping Practices: Mr. Yair Shiran (Israel); Committee on Customs Valuation: Mr. Remo Moretta (Australia); Committee on Import Licensing: Mr. Albert Wright (Denmark); Committee on

Market Access: Mr. Christophe Kiener (Switzerland); Committee on Rules of Origin: Mr. Sándor Simon (Hungary); Committee on Safeguards: Mr. Joshua Phoho Setipa (Lesotho); Committee on Sanitary and Phytosanitary Measures: Mr. Shishir Priyadarshi (India); Committee on Subsidies and Countervailing Measures: Mrs. Usha Dwarka-Canabady (Mauritius); Committee on Technical Barriers to Trade: Mr. John Adank (New Zealand); Committee on Trade-Related Investment Measures: Mr. Oscar Hernández (Venezuela); Working Party on State Trading Enterprises: Mr. Breffini Carpenter (Ireland).

CORRIGENDUM

In the Vol. 4 No. 15 issue of *BRIDGES* Weekly Trade News Digest (18 April 2000), we reported that at the meeting of the Special Session of the WTO's Council for Trade in Services on 14 April 2000, a number of developing countries (including Venezuela, Pakistan, Dominican Republic, India, Egypt, El Salvador, Guatemala and Cuba) expressed dissatisfaction with a Secretariat Assessment of Trade in Services, calling for more statistics to describe the impact of services liberalisation on developing countries.

Contrary to our report, most members expressed satisfaction with the papers submitted to date. Many Members, however, noted the difficulties related to obtaining accurate statistics and in gathering relevant information in the services area. Several countries -- including Guatemala, Nicaragua, Cuba, Egypt, Pakistan, and the Dominican Republic -- asked the Secretariat to compile all papers and relevant materials related to the assessment exercise. Guatemala, speaking on behalf of itself and Nicaragua, also suggested use of relevant information in TPR reports, and further encouraged coordination with UNCTAD through the use of its MAST (Measures Affecting Services Trade) database. India suggested looking to other sources as well including the IMF, UNCTAD and the central banks of some members. The United States and the European Communities offered to share statistical information on services trade with other Members. We apologize for the error.

EVENTS & RESOURCES

- **Coming Up This Week:**

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

8-12 May, Geneva: WORKING GROUP ON ENVIRONMENTAL IMPACT ASSESSMENT. Meeting of Parties to the Convention on Environmental Impact Assessment in a Transboundary Context. For information contact: UN/ECE; tel:(41-22) 22917-4444; fax: 917-0505; email: info.ece@unece.org

9-11 May, Geneva: WTO COMMITTEE ON SUBSIDIES AND COUNTERVAILING MEASURES. For information contact: Luis Ople, Information and Media Relations, tel: (41-22) 739.5374; email: luis.ople@wto.org

10-11 May, Geneva: WTO SECRETARIAT SEMINAR ON THE VARIOUS ISSUES RELATING TO GATS AND THE SERVICES NEGOTIATIONS. The seminar will take the shape of briefings followed by discussions on the GATS and the schedules of commitments and on the major current areas of work in the Council for Trade in Services and its subsidiary bodies. For information contact: Nuch Nazeer, WTO Information and Media Relations Division, tel: (41-22) 739-5393; email: nuch.nazeer@wto.org

10-11 May, Buenos Aires, Argentina: INTERNATIONAL STANDARDISATION CONGRESS. Hosted by The Argentinean Standardisation Institute (IRAM). For information contact: Argentinean Standardisation Institute, email: eaadas@sminter.com.ar

10-13 May, Brussels, Belgium: THIRD MEETING OF THE TRANSATLANTIC ENVIRONMENT DIALOGUE (TAED). For information contact: European TAED Coordinator: Ronald Kingham, EEB, 34 Boulevard de Waterloo, B-1000 Brussels, Belgium, tel: (32-2) 289-1090; fax: 289-1099; email: taed@eeb.org. US Coordinator: Rina Rodriguez, Defenders of Wildlife, 1101 14th Street, NW, Suite 1400, Washington, DC 20005, tel: (1-202) 689-9400; fax: 682-1331; email: rrodriguez@defenders.org

12-13 May, Nijmegen, the Netherlands: PALLAS CONFERENCE ON "ENVIRONMENTAL LAW FOR THE NEW MILLENNIUM." This conference is sponsored by the DG Environment of the European Commission, Oxford University Press, and the Yearbook of European Environmental Law. For information contact: The Pallas Consortium, tel: (31-24) 361-3090; fax: 361-5838; email: pallas@cpo.kun.nl; web: <http://www.pallas.llm.nl>

- **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.

16-18 May, Geneva: WTO DISPUTE SETTLEMENT BODY. For information contact: Luis Ople, Information and Media Relations, tel: (41-22) 739-5374; email: luis.ople@wto.org

19 May, Geneva: COMMITTEE ON TECHNICAL BARRIERS TO TRADE. For information contact: Nuch Nazeer, WTO Information and Media Relations Division, tel: (41-22) 739-5393; email: nuch.nazeer@wto.org

- **Other Events:**

18-20 May, Wageningen, the Netherlands: SUSTAINABLE ENERGY: NEW CHALLENGES FOR AGRICULTURE AND IMPLICATIONS FOR LAND USE. The conference is being organised by Wageningen University, Wageningen Institute for Environmental and Climate Research (WIMEK/SENSE) in collaboration with the Mansholt Institute, the C.T. de Wit Graduate School Production Ecology (both in Wageningen), and the International Institute for Applied Systems Analysis (IIASA, Austria). The main objective of this conference is to bring together economists and other scientists working in the area of sustainable energy and land use modelling, in order to discuss the implications for agriculture of a transition towards a society that relies on sustainable energy. For information contact: Alfonso Oude Lansink, Wageningen University, Hollandseweg 1, 6706 KN Wageningen; tel: (31-317)485194; 482745; email: oudelansinl@alg.abw.wau.nl; web: <http://www.sls.wau.nl/congresme>

29-30 May, Brussels, Belgium: DG TRADE ISSUES GROUP MEETINGS. The main purpose of these issue group meetings is to provide an opportunity for discussions on the subjects in question. This meeting will focus on health, services, agriculture, environment and sustainable development. For information contact: Haitze Siemers, Trade G-1, European Commission CHAR 15/16, Rue de la Loi 200 1049 Brussels ; tel: (32-2) 299-0185 ; fax: (32-2) 299-0900 ; email: Haitze.Siemers@cec.eu.int; web :http://www.europa.eu.int/comm/trade/2000_round/fmig.htm

12-13 October, Dublin, Ireland: EUROPEAN CONFERENCE ON SUSTAINABLE DEVELOPMENT - SMEs AND NEW ENTERPRISES. This two-day conference is hosted by The European Foundation for the Improvement of Living and Working Conditions. It will discuss SMEs and present their particular challenge in the drive towards sustainable production. The conference will comprise of a plenary session and four parallel sessions dealing with the following themes: product design, support systems for SMEs, training needs of SMEs, and evaluation of draft Foundation report on Factors and Processes leading to Successful Design. Interested parties can contact the Foundation though participation will be by invitation only. For information contact: Sarah Farrell, Secretary; tel: (353-1) 2043172; web: <http://susdev.eurofound.ie/conference.html>

- **Resources:**

DEVELOPMENT: MISPLACED FAITH IN THE "INVISIBLE HAND" OF THE MARKET. This publication is being brought out by the Geneva-based United Nations Research Institute for Social Development in June to coincide with the Geneva conference on Social Development. The report makes a strong case for a new balance between public and private interests. It also sheds light on gender issues, sustainable development and role of civil society. To obtain contact: United Nations Research Institute for Social Development, Palais des Nations, 1211 Geneva 10, Switzerland; tel: (41- 22) 917-3020; fax: (41- 22) 917-0650; email: info@unrisd.org

IMPROVING WTO DISPUTE SETTLEMENT PROCEDURES: ISSUES AND LESSONS FROM THE PRACTICE OF OTHER INTERNATIONAL COURTS AND TRIBUNALS. Published by Cameron May, this collection of essays is based on the idea that substantial reform of the GATT/WTO systems of dispute settlement may benefit from the insights and lessons derived from

the practice of other international courts such as the International Court of Justice and the European Court of Justice. It sheds light on existing procedures and suggest improvements in comparison to other practices from the other international courts. To obtain contact: Cameron May Ltd, 69-71 Bondway, London SW8 1SQ UK: tel: (44-20)7582-7567; fax: 7793-8353; email: orders@cameronmay.com; web: <http://www.cameronmay.com>.

SMALL STATES MEETING THE CHALLENGES IN THE GLOBAL ECONOMY. This report was published by the Commonwealth Secretariat/World Bank Joint Task Force on Small States. The report analyses the special characteristics common to many small states, such as their heavy reliance on foreign trade, aid, and foreign investment, and relatively undiversified production. The task force also identified common weaknesses in capacity among small states, reflecting indivisibilities in the provision of basic public services, and limited competition and economies of scale in the private sector. To obtain contact: World Bank, email: smallstates@worldbank.org; web: <http://www.smallstates@worldbank.org>

ICTSD POSITION VACANCY

Business & Development Officer (BDO)

The main work of this position will be in the provision of accurate financial, accounting, control and forecasting information to ICTSD's projects and programmes. ICTSD has established a cost-centre system of accounting for time and materials that enables better management and reporting outputs. A significant portion of the work in this position will focus on ensuring that this system is functioning properly and efficiently; and that it is being used properly in the assessment of projects and programmes. The incumbent will be responsible for maintaining, developing and monitoring financial, human resources and fundraising activities at ICTSD. He/she will serve all programme components as the organisation's focal point on all budgeting and finance issues. The BDO will work as part of a small team reporting directly to the Executive Director, with supervision from and coordination with the Programmes Director. The position focuses heavily on accounting, budgeting and entrepreneurial-base support; it also concentrates on donor reporting and liaison with vendors. For further information please consult ICTSD's website at: <http://www.ictsd.org/forms/vacancies.htm>

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