



ICTSD

INTERNATIONAL CENTRE FOR  
TRADE AND SUSTAINABLE  
DEVELOPMENT

# BRIDGES

## Weekly Trade News Digest

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23 October 2001

ISSN 1563-003X

Volume 5, Number 36

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**BRIDGES Weekly Trade News Digest is also available online and is updated every week.**

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## **Full Steam Ahead For Doha As Prep Talks Refine Ministerial Text**

Following renewed commitments by the US over the weekend, the WTO's Fourth Ministerial Conference looks set to take place as scheduled in Doha, Qatar on 9-13 November. Meantime, talks over how environment should be dealt with in the Ministerial Declaration have isolated European Members just as a second draft Ministerial text is in the making.

### **Doha solidifies as WTO Ministerial venue**

Following comments made by US President George W. Bush at the APEC summit over the weekend in support of Qatar's bid to host the WTO Ministerial, speculation about the venue for the event was effectively quashed. The decision was confirmed on 22 October by WTO Director-General Mike Moore after a meeting with senior Qatari officials. Moore said that the Ministerial would take place in the Qatari capital "unless something seismic or catastrophic happens".

Uncertainty had previously been rife over the Ministerial venue due to security concerns. Singapore and Geneva had been suggested as backups in the event that Doha was deemed an unsuitable location due to the US-led anti-terrorist strikes in Afghanistan. Sources say Bush's decision appears to have been partly influenced by a concern that holding the event in Singapore could weaken the anti-terrorist coalition by antagonising a friendly Muslim country.

According to the WTO, Ministerial accreditation letters for non-governmental organisations are scheduled to be sent out this week.

### **Europeans at odds with other Members on environment**

The EC -- supported by Norway, Switzerland, and some Eastern European Members -- last week was taken to task by other WTO Members for its desire to start negotiations on clarifying and implementing environmental rules in the context of a potential future round.

Speaking at an informal session on environment, the EC said that it had substantial domestic environmental constituencies that it needed to respond to, and that it was willing to give as many safeguards against protectionism as other Member countries wanted. Developing countries in particular are concerned that more or stronger WTO rules on environment could lead to disguised protectionism against their exports. Australia, supported by many other Members, accused the EC of trying to weaken the rules by clarifying the agreements.

Some middle ground emerged after the US and Hong Kong-China suggested a 'two-stage process' for environment. Trade sources say this would involve an analytic/study phase between now and the next Ministerial in 2003. At that point Members would then decide whether or not to engage in negotiation on environment-related issues. The analytical

stage would most likely involve the WTO Committee on Trade and Environment, but talks would not necessarily have to continue in this forum.

Diplomats said the text on environment in the forthcoming second draft Ministerial Declaration is likely to reflect these discussions, with some expecting mention of the two-stage idea. Language on labelling could also be included, they said. This could meet with some resistance from the US, Canada, and many developing countries, which have previously resisted stronger rules on ecolabelling and precaution. The EC is pushing to have both these areas clarified in the WTO Agreements.

A meeting of the EU environment ministers next week may point to where things are headed in this area and to whether or not text on environment contained in the draft Declaration is acceptable to EU member states.

Draft Text expected by Friday

The second draft text of the ministerial declaration is expected to be released by General Council Chair Stuart Harbinson by the end of this week. Notably, trade officials indicate the text will include new language on agriculture, environment and special and differential treatment for developing countries. The latter will be contained in paragraphs 33-35 (see related story, this issue). Along with the new draft Declaration, an updated version of the draft Decision on Implementation is expected, as well as a draft Decision on Trade Related Aspects of Intellectual Property Rights (TRIPs) and health (see related article this issue). The texts that emerge are also expected to be those that are used by Ministers as the basis for negotiations on a new round at the Doha Conference in November.

A copy of the current draft Ministerial Declaration is available at: <http://www.ictsd.org>.

"WTO chief says key ministers' meet stays in Qatar," REUTERS, 22 October 2001; "WTO meeting set to stay in Doha after US backing," FINANCIAL TIMES, 22 October 2001; ICTSD Internal Files.

## **Anthrax Scare Draws New Focus On IPRs & Access To Medicines**

The link between intellectual property rights (IPRs) and access to essential medicines continues to attract widespread public attention, sparked most recently by Canada's (subsequently revoked) decision last week to override a patent on the antibiotic drug called Cipro used to treat anthrax in order to purchase a locally produced generic version of the drug.

Meantime, WTO Members in Geneva are hammering out the details of a draft Decision on IPRs and Health for the Fourth WTO Ministerial Conference in November. Delegates remain far apart on this issue, with pressure mounting as WTO General Council Chair Stuart Harbinson intends to release a draft text by the end of this week along with the second draft Ministerial Declaration (see related story, this issue).

## New US and EC proposals on TRIPs

Intense discussions on the draft Decision on IPRs and health are still taking place daily in small informal meetings at the WTO. The US submitted a new proposal last week that suggests extending the transition period for Least-Developed Countries (LDCs) to implement and enforce Sections 5 (patents) and 7 (protection of undisclosed information) of the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPs) until 2016 "with respect to pharmaceutical products". The proposal furthermore advocates a moratorium of five years on bringing dispute settlement proceedings against intellectual property regulations implemented by developing country Members from sub-Saharan Africa to improve access to medicines to treat HIV/AIDS and other pandemics.

According to one developing country delegate, the US proposal was seen as too narrow and even more restrictive than the options already available to LDCs, such as the right under Article 66 to apply for an extension at the end of the transition period (i.e. in 2005).

For its part, the EC has voiced opposition to developing countries' demands for a provision stating that nothing in the TRIPs Agreement should prevent Members from taking measures to protect public health. The EC argues that such a statement would be too broad and would need to be reformulated, insisting that the Decision should reflect that Members do not intend to change the Agreement, but rather clarify existing flexibilities. Discussions are also taking place around an EC proposal suggesting that developing countries should take steps to prevent cheap medicines from flowing back into developed country markets. While the EC regards such a provision as a fair exchange for its pharmaceutical industry, developing countries fear that it would restrict their options under the TRIPs Agreement, where such a requirement is not mentioned.

## Canada accused of 'double standards'

Canada's decision to override the patent for the antibiotic Cipro was criticised by some observers as a 'double standard' in light of past support to pharmaceutical companies when defending their patents on AIDS/HIV medicines in developing countries, such as the high-profile dispute between the South African government and 39 drug companies (see BRIDGES Weekly, 24 April 2001; <http://www.ictsd.org/html/weekly/24-04-01/story2.htm>). "It smacks of one rule for the North, another for the South," said Paulo Teixeira, Director of the Brazilian government's AIDS programme. "The anthrax outbreak is very distressing but I hope it will make them reflect more about our position that compulsory licensing is an entirely legitimate instrument if there is a problem of access to a crucial drug," Teixeira said.

The Canadian government last week overrode the patent for Cipro, which is held by the German pharmaceutical company Bayer and valid until 2003, and ordered 1 million generic versions of the pill from Apotex, a Canadian-based company, despite assurances by Bayer that it would be able to meet demand. The Canadian government subsequently withdrew its decision after agreeing on Monday to buy the tablets from Bayer, but will nevertheless pay Apotex the amount of its contract.

The US had criticised Canada's decision, fearing that it could undermine their negotiating position on flexibilities in the TRIPs Agreement that allow the use of compulsory licences in cases of national emergencies. Others, including the Health GAP Coalition, have strongly urged the US to follow Canada's example, arguing that a decision not to supply cheap generic medicines would prevent poor Americans from obtaining Cipro. They also accused the US government of trying to preserve its position in the WTO "no matter how high the stakes". Said Asia Russell of Health GAP, "the US Administration did not want to set a precedent that could be used against it at the WTO."

#### NGOs angered over paper on access to drugs

Activists reacted angrily to a 'communication' published on 17 October in the Journal of the American Medical Organization, which concluded that, "it is doubtful that patents are to blame for the lack of access to antiretroviral drug treatment in most African countries" (available at <http://jama.ama-assn.org/issues/current/fpdf/jsc10222.pdf>). While NGOs generally agreed with the paper's claim that many barriers impede the access to drugs in Africa, including lack of financial aid and inadequate infrastructure, they did not believe that the data supported the overall conclusion. "The misleading 'communication' seems to be an attempt to sabotage a process initiated by the developing world, which seeks to ensure that patents will no longer be a barrier for access to medicines", a joint NGO statement said. Others criticised the authors for drawing such a sweeping conclusion, which they said neglected the complex interaction between patents and access to medicines.

"Ottawa pays twice for Cipro," GLOBE AND MAIL, 23 October 2001; "Canadian move on Cipro 'could threaten trade status'," FT, 21 October 2001; "Editorial comment: Patent abuse," FT, 22 October 2001; "A bitter pill for the drug makers," FT, 23 October 2001; "Health Gap Press Statement," 19 October 2001; "Patents do matter according to NGOs," JOINT NGO STATEMENT, 17 October; ICTSD Internal Files.

### **WTO Heads Of Delegations Meet On Developing Country Concerns**

On Friday 19 October, WTO Members convened for an informal Heads of Delegations (HOD) meeting to discuss 'further points of consideration' for the draft Ministerial Declaration (see BRIDGES Weekly, 2 October 2001, <http://www.ictsd.org/weekly/01-10-02/story1.htm>). Specifically, this meeting touched on paragraphs 33 through 35 of the draft text - dealing with technical cooperation and capacity building, Least- Developed Countries (LDCs), and special and differential treatment (S&D). With new draft texts expected by the end of this week, sources indicate these discussions were critical in building confidence around the direction of these three important areas for developing country Members - particularly in S&D.

#### Special and differential treatment (S&D)

At the 19 October meeting, General Council (GC) Chair Stuart Harbinson put forward a proposal on text language that will likely constitute paragraph 35 of the next draft Declaration. This proposed text is intended to be "short, operational and directive and to link with the Work Programme text." Taking much of its content from the preamble of Annex 1 of "[S&D] Provisions in the WTO Agreements" in the report by the Chair of the Committee on Trade and Development (CTD) (WT/GC/52; see BRIDGES Weekly, 8 October 2001, <http://www.ictsd.org/weekly/01-10-09/story5.htm>), the text "reaffirms that provisions for [S&D] are an integral part of the WTO agreements." It goes on to note concerns raised by developing countries in the operation of the provisions, and agrees to review them "with a view to strengthening them and making them more precise, effective and operational." Finally it takes note of the work programme on S&D, "agreed as part of the decision on implementation-related issues and concerns."

One trade source noted that the "lack of binding language", combined with the brevity of this paragraph, puts increasing importance on the outcome of negotiations regarding the composition of tiret 96 in the draft Implementation decision (the point dealing with S&D).

While Friday's HOD meeting did not allow sufficient time to discuss tiret 96 (work programme on S&D), further discussions this week did result in a draft S&D text being put forward. This text is somewhat similar to that outlined in Annex 1 of the 3 October CTD Chairperson's report (see BRIDGES Weekly, 2 October 2001, link noted above) - however there are some brackets (i.e. areas of contention) that no longer exist.

Specifically, the lead-in sentence now reads, "The Ministerial Conference instructs the CTD:" as opposed to "The General Council [proposes that the Fourth Ministerial Conference] instruct[s] the CTD:" (original brackets). Another related change was the inclusion in point three (regarding how S&D may be incorporated into the architecture of the WTO rules) that the consideration on this is now to be "in the context of the work programme adopted at the Fourth Ministerial..."

Sources say these subtle changes reinforce the notion that S&D has the potential to be a "make it or break it" issue and that any decision will be held off until Doha, or beyond, to exact maximum leverage from developing country Members for trade-offs in other negotiating areas.

#### Technical Cooperation and capacity building

HOD discussions on technical cooperation and capacity building looked at enhancing and rationalising the Integrated Framework for LDCs and the Joint Integrated Technical Assistance Program - with the aim of removing overlaps between the two programs. As well, in looking to coordinate delivery of technical assistance with other intergovernmental organisations, mention was made of addressing, inter alia, supply-side concerns - an issue that sources say developing country Members have been looking to include more explicitly on the WTO's agenda.

Financing of technical assistance (TA) was another topic of discussion, particularly whether TA should have a separate budget or whether it should be a part of the WTO's regular budget. The current draft declaration, while directing the General Council to develop a plan for long-term funding, gives no specifics on how to go about financing this item.

#### LDCs

A number of delegations made interventions based on the need to fast-track accession of LDCs to the WTO. As well, concerns were raised regarding the process of tying technical assistance to "mainstreaming trade into poverty reduction strategy papers (PRSPs)" (i.e. country-specific World Bank publications detailing growth and poverty reduction plans; see BRIDGES Weekly, 8 May 2001, <http://www.ictsd.org/html/weekly/08-05-01/story4.htm>). A number of Members also raised concerns with this paragraph's mention of LDC 'domestic policy reforms' as one of three pillars to further integrate LDC into the trading system (along with market access and TA).

"Special and Differential Treatment Provisions in the WTO Agreements" WTO WT/GC/52, 03 October 2001; ICTSD Internal Files.

### **APEC Affirms Support For WTO Round**

On Thursday 18 October, trade ministers from the 21 Asia Pacific Economic Cooperation (APEC) forum member countries signed a joint statement encouraging the strengthening of the multilateral trading system through a new round of negotiations. At the end of a summit meeting of APEC leaders three days later, the official APEC Economic Leaders' Declaration was also released. It commits APEC's members to a set of trade-supportive policies, and endorses the long discussed 'Shanghai Accord' on the expansion of the role of the APEC.

#### Support voiced for Doha and for sustainable development

APEC ministers meeting on 17 October stated that there was an "urgent need" to launch trade negotiations at the WTO's Fourth Ministerial in Doha, Qatar in November in order to "re-energise" the global trading system. In the joint statement issued on 18 October, ministers said that the WTO should open "balanced and sufficiently broad-based" negotiations that reflect the interests of all Members, particularly of developing countries.

The statement asked APEC members to "demonstrate strong political will and flexibility in agreeing on a balanced and sufficiently broad-based agenda", although any new round should not "duplicate the work of other international organizations". Some trade observers commented that the sentence omits reference to previous efforts led mainly by the US (one of APEC's members) and the EC to include discussions of labour and environment (primarily discussed in ILO, UNEP, and other fora) into the WTO.

According to the document, the working agenda for next negotiations should include "the strengthening of WTO rules" and should work for a more proactive participation of developing countries. Ministers "further agreed that internal transparency within the WTO would facilitate the participation of all Members".

The declaration also lists implementation, special and differential treatment, capacity building, and technical assistance as areas that APEC members have targeted as ways of facilitating developing countries' fuller participation in the WTO.

Notably, referring to the need to strengthen cooperation to tackle short-term economic difficulties, ministers "reaffirmed the importance of promoting dialogue and cooperation with a view to achieving sustainable and common development."

#### Leaders call for 'Sustainable Growth'

Following their weekend summit, APEC leaders in a 21 October Declaration committed to the launch of a new WTO round at Doha and promoted sustainable growth for the Asia-Pacific region. In the context of sustainable growth, leaders supported the multilateral trading system, reaffirmed their "unyielding commitment to free and open trade and investment," and resolved to work together to fight protectionism.

Leaders also reaffirmed the importance of Economic and Technical Cooperation (Ecotech) in achieving "equitable growth and sustainable development". The Declaration commended the formulation and submission of Ecotech Action Plans by APEC members as a "major step forward for promoting sound and balanced development of APEC."

Support was also expressed for the 'Shanghai Accord'. The Accord, previously known as the Shanghai Charter, has been under discussion since APEC trade ministers last met in Shanghai in June 2001 (see BRIDGES Weekly, 6 June 2001, <http://www.ictsd.org/html/weekly/06-06-01/story2.htm>). This text, the name of which ministers agreed to change into a less ambiguous 'Shanghai Accord', reaffirms APEC's target of a free trade area among developed country members by 2010 and among developing economies by 2020.

#### China assures implementing guidelines for GMOs trade law

On the sidelines of the APEC meetings, Chinese officials told reporters the country would soon issue more detailed guidelines for the implementation of a law on the commercialisation of GMO products (see BRIDGES Weekly, <http://www.ictsd.org/html/weekly/01-09-11/story5.htm>, 11 September 2001). The legislation was issued earlier this year, and required mandatory safety assessment of GM products and labelling.

According to Chinese estimates, China's combined field size for GM crops ranks it fourth in the world behind the US, Argentina and Canada, mainly due to cotton production. China does not formally allow the commercialisation of any GM crops apart from cotton.



APEC has previously discussed harmonisation of GMO standards across member economies. Delegates addressed the issue at the Shanghai meeting but did not announce any new developments. "This is a very controversial area," Vice President of Beijing University and a consultant to the drafters of China's GMO laws Chen Zhangliang said. "The governments are concerned with imports and exports, so the APEC meeting is very important."

APEC's members are: Australia, Brunei, Canada, Chile, China, Hong Kong, Indonesia, Japan, Malaysia, Mexico, New Zealand, Papua New Guinea, Peru, the Philippines, Russia, Singapore, South Korea, Taiwan, Thailand, the US, and Vietnam.

Link to 13th APEC Ministerial -- Excerpt of Joint Statement:  
<http://www.ictsd.org/ministerial/doha/APECjointstatement17october.htm>.

Link to APEC Economic Leaders' Declaration: Meeting New Challenges In The New Century (I): <http://www.apec-china.org.cn/APEC2001/20011021/927913.htm>.

"Shanghai accord' sets APEC trade agenda," CNN.COM, 21 October 2001; "The Thirteenth APEC Ministerial Meeting," JOINT STATEMENT, 17-18 October 2001; "APEC Economic Leaders' Declaration, APEC, 21 October 2001; "APEC leaders pledge to speed progress to free trade," WORLD TRADE NEWS, 22 October 2001.

## **Developing Countries Scrutinised At Meeting on Ozone Depleting Substances**

The 13th Meeting of the Parties (MOP-13) to the Montreal Protocol on Substances that Deplete the Ozone Layer on 16 – 19 October convened in Colombo, Sri Lanka. Participants from 108 countries attended the meeting, including government officials, UN agencies and international and non-governmental organisations (for details on MOP-12, see BRIDGES Weekly, 19 December 2000, <http://www.ictsd.org/html/weekly/story4.19-12-00.htm>). Given the absence of political will to negotiate new provisions, MOP-13 focused on solid ground, including the implementation of existing commitments. However, the meeting brought the Protocol process into a new era by conducting a first review of developing countries' compliance with the obligations set forth under the Agreement. Thus far developing countries have been exempt from such reviews.

### **Background**

Increasing evidence of depletion of the ozone layer led to the adoption of the Montreal Protocol in September 1987, in an international effort to phase out the production and consumption of chlorofluorocarbons (CFCs) and other ozone depleting chemicals. The Protocol, often cited as the most successful multilateral environmental agreement (MEA) to date, contains several trade- restrictive measures regarding the chemicals it seeks to reduce, and is thus involved in ongoing discussions on the possible incompatibility between WTO Agreements and MEAs containing trade restrictive measures. For further

information on the MEA - trade interface, see BRIDGES Weekly, 3 July 2001, <http://www.ictsd.org/html/weekly/03-07-01/story1.htm>.

#### Mixed results from developing countries

The major significance of MOP-13 related to a first compliance review of developing countries' initial ozone depleting substances (ODS) control. With these ODS almost totally phased out in the industrialised world, the continued success of the Montreal Protocol will hereafter largely depend on developing countries' capacity to comply with their obligations.

The review indicated that most developing countries are complying with the Protocol; however, 25 of 136 developing countries increased their consumption of ODS in 1999, while one increased its production. Countries found to not be in compliance with their obligations were explicitly cited as such in a decision by the Protocol's Implementation Committee. While named countries were unhappy with the "name and shame" attitude associated to the decision, it was adopted without amendments.

In relation to compliance issues, several developing countries, as well as UNEP Deputy Executive Director Shafqat Kakakhel, highlighted impediments to developing country compliance, such as the low cost of CFCs, the high cost of alternatives, and the continued export of CFC- based products to developing countries.

Others stressed the critical importance of the provision of financial assistance through the Protocol's Multilateral Fund in order to enable developing countries to make the transition to ozone-safe technologies. In this regard, the Colombo meeting agreed on terms of reference for a study that is intended to help governments determine the Fund's future replenishment levels for 2003 - 2005. The Parties also agreed to conduct an evaluation of the Fund's performance. The replenishment of the Fund will be negotiated at MOP-14 next year.

A major global challenge identified during MOP-13 was illegal trade. Smuggling of ODS and ODS-containing equipment were cited as constituting impediments to the implementation of the Protocol, and illegal production was declared at least partially responsible for keeping CFC prices low. However, no decision was taken in relation to this issue.

The 14th Conference of the Parties to the Montreal Protocol is scheduled to meet in Nairobi at the UNEP headquarters in November 2002.

For a detailed summary of the proceedings, visit IISD Earth Negotiations Bulletin at: <http://www.iisd.ca/ozone/mop13/>.

"Summary of the thirteenth meeting of the Parties to the Montreal Protocol on Substances that Deplete the Ozone Layer," EARTH NEGOTIATIONS BULLETIN, Vol. 19, No. 17, 22 October 2001; "Ozone layer: Conference sets global agenda for protection measures," UN WIRE, 22 October 2001; ICTSD Internal Files.

## **In Brief**

### ***Africa WSSD Prep Meeting***

AFRICAN STATEMENT ADOPTED AT WSSD AFRICA PREP MEETING. Convening at the UN Environment Programme (UNEP) headquarters in Nairobi, Kenya, from 15- 18 October, some 300 government delegates and observers met for the African Preparatory Conference for the World Summit on Sustainable Development (WSSD), where they negotiated an African Ministerial Statement based on an Assessment Report and the results of subregional preparatory meetings. Recognising the launch of the WSSD in Johannesburg as an opportunity for Africa to steer the process, participants expressed that the challenge was whether the G-77 -- a group of 133 developing countries -- and China would adopt Africa's agenda. The outcomes of the meeting will be fed into the second preparatory session for the WSSD, scheduled for 28 January to 8 February 2002 in New York. The WSSD will take place in Johannesburg, South Africa, from 2-11 September 2002. "Summary Of The African Preparatory Conference For the World Summit On Sustainable Development: 15-18 October 2001," IISD ENB, 22 October 2001.

### ***EC-Pakistan GSP***

EC-PAKISTAN SIGN UNDERSTANDING ON TEXTILE TRADE. EC Commission and Pakistani negotiators on 15 October concluded a Memorandum of Understanding that aims to mutually increase market access to the other party's textile and clothing exports. According to the proposed package, Pakistan would be eligible for the new EC Generalised System of Preferences (GSP) for countries combating drugs, resulting in the elimination of the existing seven percent EC tariff on Pakistani textile and clothing products as well as increasing the respective European import quota by 15 percent on a one-off, across-the-board basis. In return, Pakistan would reduce its duties in the textiles and clothing sector by five percent across the board off of 2001 levels, as well as bind these rates at the WTO before July 2002. For Pakistan, this trade deal would eliminate Euro 150 million of duties per year and would grant additional concessions worth Euro 1 billion. "European Commission Proposes Comprehensive Preferential Trade Package For Pakistan," EU PRESS RELEASE, 16 October 2001.

### ***US-Vietnam FTA***

US RATIFIES FTA WITH VIETNAM. On 17 October, US President George W. Bush signed a bilateral US-Vietnam Free Trade Agreement (FTA) which had been concluded by both countries on 13 July 2000. To become legally effective, the FTA now needs to be approved by the Vietnamese National Assembly and ratified by Vietnam's President Tran Duc Luong. US-Vietnam trade last year totalled approximately US\$900 million, about

US\$800 million of which was Vietnamese exports to the US. As part of the accord, the US agreed to help Vietnam in its WTO accession bid. "US President Ratifies Vietnam-US Trade Agreement," Xinhua via COMTEX, 18 October 2001. ICTSD Internal Files.

### ***Japan-Singapore FTA***

JAPAN, SINGAPORE FTA EXPECTED BY THE END OF YEAR. Japan and Singapore have agreed to enter into a comprehensive free trade agreement (FTA) by the end of 2001. The Japan-Singapore Economic Agreement for a New Age Partnership was confirmed by Singapore Premier Goh Chok Tong after meeting Japanese Prime Minister Junichiro Koizumi during the 17-18 October Asia-Pacific Economic cooperation (APEC) Forum Summit in Shanghai. The trade pact will include investment, customs procedures, movement of people, as well as technology transfer between both countries. Furthermore, Singapore will remove all tariffs from Japanese exports whereas Tokyo will eliminate tariffs in order to provide 94 percent of all imports from Singapore with duty free market access. Due to Japan's farm lobby objecting to opening up Japan's markets to cut flowers and ornamental fish from Singapore, agricultural exports had been excluded from the trade deal. "Japan Agrees Trade Accord With Singapore," FT, 15 October 2001; "Singapore And Japan Complete Talks On Joint Economic Agreement," CANNELASIA, 20 October 2001.

### ***Sustainable Firm Indexes for Europe***

SUSTAINABLE INDEXES FOR EUROPE LAUNCHED. On 15 October, Dow Jones Indexes, in cooperation with STOXX and the Sustainability Assessment Management Group SAM launched a new set of sustainability indexes to track Europe's most sustainable firms. The Dow Jones STOXX Sustainability Indexes track the financial performance of the top 20 percent of the companies in the Dow Jones STOXX 600 index in terms of sustainability, taking into account environmental, social and financial criteria. The creation of these European Indexes has come about in response to increasing interest in regionally focused indexes. Firms are evaluated on features such as environmental reporting, product design, human rights, and corruption policies for the Indexes, which include regional, specialised and customised Indexes. Currently, firms based in Germany, the Netherlands, Switzerland and the UK hold the most placements in the list of 120 companies. "Index Launched For Europe's Greenest Firms," ENS, 17 October 2001; ICTSD Internal Files.

## **WTO In Brief**

### ***Shrimp-Turtle***

US WINS FINAL RULING IN SHRIMP-TURTLE DISPUTE. As the final ruling in the ongoing Shrimp-turtle case, the WTO Appellate Body (AB) on 22 October upheld a

compliance panel's 15 June 2001 findings, saying that the revised US measures banning shrimp imports from Malaysia are "justified under Article XX of the GATT 1994 as long as the conditions stated in the findings of [the compliance panel] Report, in particular the ongoing serious good faith efforts to reach a multilateral agreement, remain satisfied" (see BRIDGES Weekly, 19 June 2001, <http://www.ictsd.org/html/weekly/19-06-01/wtoinbrief.htm>). As the AB upheld the panel's ruling entirely, no recommendations were made. The US regulations ban the import of shrimp caught by vessels not using turtle excluder devices (TEDs). Originally, an AB had found that the US' application of its unilateral trade measure amounted to "arbitrary or unjustifiable discrimination", leading the US to make its laws more flexible, and to become a demandeur for concluding a multilateral environmental agreement on sea turtle protection. These changes and actions were regarded sufficient by the compliance panel as long as the US continued its good faith efforts. Subsequently, Malaysia appealed the compliance panel ruling, the only country to do so from the group of countries who had brought the initial complaint to the WTO (including India, Pakistan and Thailand). Malaysia has not commented on the AB's ruling as of press time. The AB's report can be viewed at: [http://www.wto.org/english/tratop\\_e/dispu\\_e/58abrwe.pdf](http://www.wto.org/english/tratop_e/dispu_e/58abrwe.pdf). "US Says Environment Wins In WTO Shrimp Ruling," REUTERS, 22 October 2001.

### ***Cotonou Working Party***

WTO GOODS COUNCIL EXAMINES COTONOU AGREEMENT. On 17 October 2001, the WTO Council on Trade in Goods (CTG) set up a Working Party to examine a request by the Africa, Caribbean and Pacific (ACP) countries and the EC for a WTO waiver on their new (Cotonou) Partnership Agreement (see BRIDGES Weekly, 9 October 2001, <http://www.ictsd.org/weekly/01-10-09/story6.htm>). The Working Party will be chaired by Ms. Margaret Liang, Singapore, and will report back to the CTG. Meanwhile, the EC is making efforts to enter into Regional Economic Partnership Agreements (REPAs) with ACP members based on the Cotonou Agreement -- covering, inter alia, rice, bananas and sugar -- which some, including Chief Technical Adviser of the Caribbean Regional Negotiating Machinery (RNM) Richard Bernal, fear could "split up" the ACP solidarity. "Caribbean Differs with European Union On Trade Negotiations," COMTEX, 17 October 2001; ICTSD Internal Files.

### ***Solagral Meeting On WTO Reform***

CONFERENCE ON WTO TRANSPARENCY AND REFORM. On 19 October, in Paris, France, the French non-governmental organisation Solagral organised a seminar on the theme "Improving the transparency and reform of the WTO". The conference included three sessions relating to the participation of developing countries in world trade, ways to improve the accountability and democracy of the multilateral trading system, and ensuring a better world governance. At the end of the seminar, four criteria were identified as possible bases for the reorientation of international trade regulations. These were (i) the human and political capacity for the full implementation for developing countries of the trade agreements adopted during the Uruguay Round; (ii) the evaluation of these agreements and their pertinence with regard to their environmental and social effects; (iii) re-thinking the legal international architecture to avoid having social and

environmental rights trampled by economic rights; and (iv) the institutional reform of the WTO which, according to the seminar, must permit developing countries to fully participate in the multilateral trade system as well as insure its democratic control by civil society (both elected representatives and NGOs). For more information on the seminar, see <http://www.solagral.org/>. ICTSD Internal Files.

### ***Can-Brazil Aircraft***

WTO FINDS CANADIAN AIRCRAFT LOANS ILLEGAL. In the ongoing Canada-Brazil Aircraft dispute (see BRIDGES Weekly, 31 July 2001, <http://www.ictsd.org/html/weekly/31-07-01/story6.htm>), a WTO panel found in its interim ruling that, inter alia, the CAD 1.7 billion in financing it provided to Air Wisconsin Inc. to acquire jets from Canada's Bombardier Inc. were prohibited export subsidies. Canada, which was given about four months to remove the subsidies, announced that it would keep the financing for the deal in place. This would make Brazil eligible for retaliation against Canada in the event a possible appeal from both parties does not alter the report's key findings. For its part, Canada has the right to retaliate against Brazil, which refuses to remove subsidies to its regional aircraft producer Embraer SA, which were found WTO incompatible by a previous WTO panel. The final ruling will be made public in a few weeks. "Canada Ordered To Stop Cut-Rate Jet Loans," GLOBE AND MAIL, 20 October 2001.

### **Events**

For a more comprehensive list of events in trade and sustainable development, please refer to ICTSD's web calendar at: <http://www.ictsd.org/cal/index.htm>.

### ***Coming Up This Week***

22-26 October, Bonn, Germany: FIRST SESSION OF THE AD HOC OPEN-ENDED WORKING GROUP ON ACCESS AND BENEFIT-SHARING. For further information contact: CBD Secretariat, Montreal, Canada; tel: (1 514) 288-2220; fax: 288-6588; email: [secretariat@biodiv.org](mailto:secretariat@biodiv.org); Internet: <http://www.biodiv.org/programmes/socio-eco/benefit/ab-wg-01.asp>. From IISD Linkages Journal, <http://www.iisd.ca/linkages/journal/>.

23-24 October, Rio de Janeiro, Brazil: 2002 WORLD SUMMIT ON SUSTAINABLE DEVELOPMENT - LATIN AMERICAN AND CARIBBEAN PREPARATORY MEETING. For further information contact: Hiroko Morita-Lou, UN-DESA, New York; tel: (212) 963-8813; fax: 963-4260; email: [morita-lou@un.org](mailto:morita-lou@un.org); Internet: [http://www.johannesburgsummit.org/web\\_pages/latin\\_american\\_regional\\_prep\\_aratory\\_process.htm](http://www.johannesburgsummit.org/web_pages/latin_american_regional_prep_aratory_process.htm). From IISD Linkages Journal, <http://www.iisd.ca/linkages/journal/>.

24-25 October, Cairo, Egypt: WORLD SUMMIT ON SUSTAINABLE DEVELOPMENT - WEST ASIA PREPARATORY MEETING. For further information

contact: Hiroko Morita-Lou, UN-DESA, New York; tel: (212) 963-8813; fax: 963-4260; email: [morita-lou@un.org](mailto:morita-lou@un.org); Internet:

[http://www.johannesburgsummit.org/web\\_pages/western\\_asia\\_regional\\_preparatory\\_proces.htm](http://www.johannesburgsummit.org/web_pages/western_asia_regional_preparatory_proces.htm). From IISD Linkages Journal, <http://www.iisd.ca/linkages/journal/>.

25-28 October, Copenhagen, Denmark: WOMEN IN THE GLOBAL ECONOMY - FINANCING FOR DEVELOPMENT - INVESTING IN WOMEN. Organised by K.U.L.U.- Women and Development in cooperation with KULU member organisations. Speakers will cover the following topics: Poverty reduction and sustainable development and gender in Denmark, A gender perspective on Financing, how women can gain from trade, and women's economic rights and right to development. For further information contact: Ruth Olsen, K.U.L.U.-Women and Development; tel: (45-3) 315-7870; fax: 332-5330; email: [kulu@kulu.dk](mailto:kulu@kulu.dk); Internet: <http://www.kulu.dk/Financing/ffdindex.htm>.

29-30 October, Washington, DC: THE FUTURE OF FOOD BIOTECHNOLOGY. Co-sponsored by the Biotechnology Industry Organization, Grocery Manufacturers of America, and National Food Processors Association. The meeting will examine and analyse biotech developments in domestic and EU regulation, and policy of food, commodity crops and other agricultural products. For further information contact: Food and Drug Law Institute; tel: (1 202) 371-1420; fax: 371-0649; email: [Comments@fdli.org](mailto:Comments@fdli.org); Internet: [http://www.fdli.org/conf/food\\_biotech/description.html](http://www.fdli.org/conf/food_biotech/description.html).

29 October - 9 November, Marrakesh, Morocco: SEVENTH CONFERENCE OF THE PARTIES TO THE UN FRAMEWORK CONVENTION ON CLIMATE CHANGE. For further information contact: UNFCCC Secretariat, Germany; tel: (49-228) 815- 1000; email: [secretariat@unfccc.int](mailto:secretariat@unfccc.int); Internet: <http://www.unfccc.int/cop7/index.html>. From IISD Linkages Journal, <http://www.iisd.ca/linkages/journal/>.

30 October - 2 November, Washington DC, US: CONSULTATIVE GROUP ON INTERNATIONAL AGRICULTURAL RESEARCH (CGIAR) ANNUAL GENERAL MEETING 2001. For further information contact: CGIAR Secretariat, tel: (1 202) 473-8951; fax: 473- 8110; email: [cgiar@cgiar.org](mailto:cgiar@cgiar.org); Internet: <http://www.worldbank.org/html/cgiar/publications/agm2001/agm2001.html>. From IISD Linkages Journal, <http://www.iisd.ca/linkages/journal/>.

### **WTO Events**

An updated list of forthcoming WTO meetings is posted at: [http://www.wto.org/english/news\\_e/meets.doc](http://www.wto.org/english/news_e/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 the different bodies. Unless otherwise indicated, all WTO meetings are held at the WTO, Centre William Rappard, rue de Lausanne 154, 1211 Geneva, Switzerland. For further information on WTO events contact: WTO Information and Media Relations Division, Geneva; tel: (41-22) 739- 5007; fax: 739-5458; email: [enquiries@wto.org](mailto:enquiries@wto.org).

24 October, Geneva, Switzerland: WTO GENERAL COUNCIL [could be postponed].



25 October, Geneva, Switzerland: WTO CUSTOMS VALUATION COMMITTEE.

25 October, Geneva, Switzerland: WTO SUBSIDIES AND COUNTERVAILING MEASURES COMMITTEE.

25-26 October, Geneva, Switzerland: WTO ANTI-DUMPING COMMITTEE.

26 October, Geneva, Switzerland: WTO GOODS COUNCIL - SESSION ON TEXTILES.

29 October, Geneva, Switzerland: WTO COMMITTEE ON SAFEGUARDS.

30 October, Geneva, Switzerland: WORKING PARTY ON SUBSIDY NOTIFICATIONS (Committee on Subsidies and Countervailing Measures).

***Other Forthcoming Events***

1 novembre, 18:30-21:00, Université ouvrière de Genève, Suisse: PRESENTATION SUR L'OMC : MIEUX COMPRENDRE POUR MIEUX AGIR. L'objectif c'est de mieux comprendre l'Organisation mondiale du commerce (OMC) afin de mieux cibler et faire prendre en compte les critiques à son égard. Ouvert au public. Ce cours n'exige aucune connaissance préalable. Intervenant: Caroline Dommen, juriste. Délai d'inscription: 26 octobre. Effectif: maximum 35 personnes. Prix: CHF 10.00. Pour plus d'information contactez Claude Gerber, UOG; email: [cgerber@uog.ch](mailto:cgerber@uog.ch); tel: (41-22) 733-5060.

5 novembre, Salle Victor Hugo - Immeuble Jacques Chaban Delmas 101, rue de l'université, 75007 Paris: COLLOQUE "LE SOCIAL EST-IL SOLUBLE DANS LA MONDIALISATION?" Organisé par Solagral en partenariat avec AITEC, Confrontations et GRESEA. Confirmation à retourner avant le 29/10/01. Pour plus d'informations contactez: Sophie Nogré, Solagral, 45 bis, avenue de la Belle Gabrielle, F-94736 Nogent sur Marne, cedex France; tel: (+33) 01 43 94 73 33; fax: 01 43 94 73 36; email: [solagral@solagral.asso.fr](mailto:solagral@solagral.asso.fr); Internet: <http://www.solagral.org>.

17-18 November, Ottawa, Canada: WORLD BANK AND IMF ANNUAL FALL MEETING. Issues for discussion include "the global economic outlook in the wake of the tragic events of Sept. 11; their impact, in particular, on the poorest; the ongoing work to improve the stability of the international financial system; and the preparations for the forthcoming U.N. Conference on Financing for Development." For further information contact: The World Bank Group; tel: (202) 477-1234; fax: 477-6391; Internet: <http://www.worldbank.org/>.

27-30 November, Raleigh-Durham, US: LMOs AND THE ENVIRONMENT: AN INTERNATIONAL CONFERENCE. The Organisation for Economic Co-operation and Development (OECD) will host a conference to promote dialogue between developed and developing countries on the underlying science for assessing transgenic organisms in



the environment. For further information contact: OECD; tel: (33 1) 4524-8097; fax: 4524-9437; email: [RaleighConference@oecd.org](mailto:RaleighConference@oecd.org); Internet: <http://www1.oecd.org/ehs/raleigh/index.htm>.

29 November - 1 December, Flores, Peten, Guatemala: SECOND INTERNATIONAL MEETINGS OF SCIENTISTS: "PEASANT ECONOMY AND CHALLENGES FOR SUSTAINABLE DEVELOPMENT IN THE SOUTHERN MAYA LOWLANDS OF GUATEMALA, MEXICO AND BELIZE." For further information contact: Silvel Elias at [selias@flacso.edu.gt](mailto:selias@flacso.edu.gt).

4-5 December, Calcutta, India: CORPORATE CITIZENSHIP: MEETING THE CHALLENGES. This conference, organised by the Centre for Social Markets, will bring together senior figures from business and industry, finance, media, government and NGOs for open discussion. For further information contact: Malini Mehra, Director, Centre for Social Markets; tel: (44-20) 7407-7625; fax: 7407-7082; email: [info4csm@aol.com](mailto:info4csm@aol.com); Internet: <http://www.csmworld.org>.

19-21 September, 2002, Ljubljana, Slovenia: EASTERN ENLARGEMENT OF THE EU: IMPLICATIONS FOR DEVELOPMENT STRATEGIES AND DEVELOPMENT CO- OPERATION IN THE 21ST CENTURY. This is the 10th General Conference which is hosted every three years by the European Association of Development Research and Training Institutes (EADI). For further information contact: Susanne von Itter, EADI; tel: (49 22) 8261-8101; fax: 8261-8103; email: [itter@eadi.org](mailto:itter@eadi.org); Internet: <http://www.eadi.org/generalconference.htm>.

## **Resources**

If you have a relevant resource (books, papers, bulletins, etc.) you would like to see announced in this section, please forward a copy for review by the BRIDGES staff to Hugo Cameron, [hcameron@ictsd.ch](mailto:hcameron@ictsd.ch). Submissions of publications to ICTSD's documentation centre would also be welcome (contact Marc Galvin, [mgalvin@ictsd.ch](mailto:mgalvin@ictsd.ch)).

NO INVESTMENT AGREEMENT WITHIN THE WTO: RE-DIRECTING INVESTMENT TO PROMOTE SUSTAINABLE DEVELOPMENT. Published by WWF international, October 2001. WWF has issued its latest discussion paper on redirecting investment to sustainable development and keeping investment out of the WTO. WWF strongly believes that an investment agreement in the WTO should not be pursued because the WTO continues to be biased towards trade liberalisation above other policy objectives such as equity and the environment. The World Summit on Sustainable Development and the meetings for Financing for Development, both scheduled to take place next year, provide a more appropriate forum for negotiations on a broad framework for regulating international investment. For further information contact: Aimée Gonzales, Senior Policy Adviser, WWF International, Ave Mt Blanc - CH-1196 Gland, tel: (+ 41-22) 364-9002, fax: 364-8219; email: [agonzales@wwfint.org](mailto:agonzales@wwfint.org). The document is available online at: <http://www.ictsd.org/ministerial/doha/WWFinvestment.pdf>.

THE MARKET OR THE PUBLIC DOMAIN: GLOBAL GOVERNANCE AND THE ASYMMETRY OF POWER. Edited by Daniel Drache. Published by Routledge, 2001. The book examines the idea of the return, reconstitution and redeployment of the public domain in a post-Seattle and post-Washington consensus world order. The authors believe that devising new institutions of governance for a globalising world requires fundamental change nationally and internationally. They argue that new public spaces, places and services are required to strengthen democracy and create sanctuaries in society where the market mechanism cannot reach. Further information is available online at: <http://www.robarts.yorku.ca/newupcoming.html>.

FOOD SECURITY AND THE WTO. By Sophia Murphy. Published by the Catholic Agency for Overseas Development (CAFOD), September 2001. This paper provides a comprehensive overview of the relationship between food security, developing countries and the WTO. The paper is available online at: <http://www.cafod.org.uk/policy/wtofoodsecurity.htm>.

THE ROUGH GUIDE TO THE WTO. By Duncan Green. Published by the Catholic Agency for Overseas Development (CAFOD), 2001. The paper provides an introduction to the origins and structure of the WTO, analyses its failings and the case for reform. The paper is available online at: <http://www.cafod.org.uk/policy/wto-roughguide.htm>.

GLOBAL CITIZEN ACTION. Edited by Michael Edwards and John Gaventa. Published by Earthscan, August 2001. This book presents contemporary thinking about non-state participation in the international system and the role of citizen action in globalisation. Further information about this book is available online at: <http://www.earthscan.co.uk/asp/bookdetails.asp?key=3443>.

### ***ELECTRONIC RESOURCES***

DFID LAUNCHES INTERNATIONAL TRADE POLICY SITE. The UK Department for International Development (DFID) has launched a website containing briefing papers, speeches, and studies on trade and development issues. The web address is: [http://www.dfid.gov.uk/public/what/advisory/group1/itd\\_frame.htm/](http://www.dfid.gov.uk/public/what/advisory/group1/itd_frame.htm/).

NEW PAPERS FROM EARTHSCAN. Earthscan, publisher of books on the environment and sustainable development, has a new site that includes newly published titles and monthly news bulletins. The web address is: <http://www.earthscan.co.uk/>.

### ***Petition***

CFWTO ONLINE PETITION AND CAMPAIGN. The Canadian coalition "Common Front against the WTO" (CFWTO) is organising an online petition campaign called "A better world is possible". Their aim is to collect as many signatures as possible by 8 November, before the International Day of Action against the WTO on 9 November, and

to present them to Canadian trade officials, demanding they "work on [citizens'] behalf to develop common security through fair trade". The campaign is viewable at: <http://www.wtoaction.org/pledge/>.

### ***Call for Grant Applications***

THE NEW VOICES FELLOWSHIP PROGRAM. Funded by the Ford Foundation and Administered by the Academy for Education. Fifteen two-year grants will be awarded to support US-based non-profit organisations and to promising new leaders committed to social justice and peace. Applications and eligibility criteria are available online at: <http://newvoices.aed.org/> .

*A searchable archive of BRIDGES Weekly Trade News Digest© can be accessed at: [http://www.newsbulletin.org/bulletins/WhichBulletin.cfm? Bulletin\\_ID=14&SID=](http://www.newsbulletin.org/bulletins/WhichBulletin.cfm?Bulletin_ID=14&SID=)*

*BRIDGES Weekly Trade News Digest© is published by the International Centre for Trade and Sustainable Development (ICTSD), <http://www.ictsd.org>, with technical support from the Institute for Agriculture and Trade Policy (IATP). Contributors to this issue are Andrew Baldwin, Heike Baumuller, Jennifer Ngai, Matteo Rizzolli, Alex Werth and Caroline Wiman. This edition of BRIDGES Weekly Trade News Digest was edited by Hugo Cameron, [hcameron@ictsd.ch](mailto:hcameron@ictsd.ch). Managing Editor is Andrew Crosby, [acrosby@ictsd.ch](mailto:acrosby@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: 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.*

*BRIDGES Weekly Trade News Digest is possible in 2000-2001 through the generous support of: the Governments of Switzerland (SECO) and the United Kingdom (DFID) and the Rockefeller Foundation. It also benefits from ICTSD's core funders: the*

*Governments of Finland, Denmark, the Netherlands and Sweden; Christian Aid (UK), IUCN The World Conservation Union, MISEREOR, NOVIB (NL), Oxfam (UK) and the Swiss Coalition of Development Organisations (Switzerland).*

*ISSN 1563-003X*