



INTERNATIONAL CENTRE FOR
TRADE AND SUSTAINABLE
DEVELOPMENT

BRIDGES

Weekly Trade News Digest

27 February 2001

ISSN 1563-003X

Volume 5, N°7

TABLE OF CONTENTS

• One Eye On The New Round, EU Woos Developing Countries	1
• Dispute Settlement Update: Beef, Aircraft Subsidies, Bananas	3
• Participants Welcome WTO Symposium On Tourism Services	4
• News From The Regions: Africa	5
• Moore And Supachai On A New Round, China Accession ..	7
• In Brief	8
• WTO In Brief	9
• Events	10
• Resources	13

ONE EYE ON THE NEW ROUND, EU WOOS DEVELOPING COUNTRIES

With WTO Director-General Mike Moore calling for agreement on a possible negotiating agenda for a new round of trade talks by July (see related article, this edition), the EU continues working on its negotiation strategy. Part of this involves the EU's attempt to embrace the support of developing countries towards a new round. Sweden's Minister of Trade Leif Pagrotsky was quoted last week saying that the EU was revisiting its positions from the failed 1999 Ministerial in Seattle, "to make them more appealing to developing countries."

General Affairs Council clears Everything But Arms initiative

At a meeting of the General Affairs Council on 26 February in Brussels, the EU Ministers for Foreign Affairs adopted by qualified majority the Everything But Arms (EBA) initiative, which will grant 48 Least Developed Countries (LDCs) duty-free access to the EU market (see *BRIDGES Weekly*, 16 Jan 01, <http://www.ictsd.org/html/weekly/story7.30-01-01.htm>). The decision was announced by the Council as "a concrete indication of EU political goodwill towards the LDCs in the context of preparations for the next round of WTO negotiations and for the 3rd UN Conference on LDCs which the EU is to host in Brussels in May 2001."

The regulation will apply from 5 March 2001 on all LDC exports except weapons, but excluding three "sensitive" products -- bananas (until 2006), sugar (until 1 July 2009) and rice (until 1 September 2009) -- from full liberalisation. The European agriculture lobby had pushed the Commission to make these concessions with the argument that the sectors now temporarily excluded from the regulation would be severely affected from the new competition from the LDCs. However, observers pointed out the limited scope of EBA with prospected additional revenues for the 48 LDCs amounting to Euro 80 million -- less than one percent of the previous value of exports by these countries to the EU market.

Flexibility in Trade Negotiations

At a private dinner in Brussels on 25 February, the EU Trade Ministers agreed to let EC Trade Commissioner Pascal Lamy talk to other countries about launching a new round of trade negotiations on the basis of revised proposals. These proposals are based on an internal Commission paper, which tones down several of the more contentious issues on the EU trade talks wish list. The areas concerned are farming, competition, investment, working conditions and environmental issues.

According to an EU source, the EC will still push to have competition and investment discussed in a new round, but will aim at a plurilateral outcome, meaning that once the negotiations are closed, every WTO Member will be free to decide whether or not it wants to sign agreements on these areas. When discussing environmental issues, the EU will try to address its objectives while taking into account the interests of developing countries. Thus the EC will attempt to find ways to achieve its desired results in environment by clarifying existing WTO rules -- e.g. in labelling or the precautionary principle -- without introducing elements (e.g. amending GATT Article XX environmental exceptions) that are strongly opposed by developing countries.

One EU trade source said that Europe would not accept any protectionist outcomes and would take measures to ensure that developing countries have access to the EU market by building their capacity to meet enhanced quality requirements. In addressing labour standards, the EU will be seeking a cautious approach -- evidenced in its use of the term "working conditions." According to the source, the EU takes the position that no trade sanctions should be linked to requirements of labour standards, and labour issues should not be part of a new round. Europe will pursue the introduction of minimum standards (e.g. banning child labour), but the promotion of broader "social development", shall be addressed outside of trade negotiations through cooperation between the WTO, the International Labour Organization (ILO), the UN Conference on Trade and Development (UNCTAD) and the World Bank, the source said.

Even though Lamy was granted further authority, the EU Trade Ministers did not formally change the negotiating mandate for the round. This would require an official decision of the Foreign Ministers in the General Affairs Council. Before he can support a decision to launch a new trade round, the EU Trade Commissioner will therefore have to get approval from this Council.

In related news, the EU Commission announced that it had approved on 21 February a communication setting out a programme to address the pandemic caused by HIV/AIDS, malaria and tuberculosis. As a key component of the programme, the EU will urge pharmaceutical companies to introduce a tiered pricing system, providing key medicines to poor countries at

discounts. For the full text of the programme visit:
http://www.europa.eu.int/comm/trade/whats_new/hivaid.htm.

From 26 February to 2 March officials from the EU Trade DG are meeting with non-governmental representatives as part of the EC - Civil Society Dialogue programme. The issues addressed in the meetings this week are Transparency, Investment, TRIPs, Competition, and Trade and Sustainable Development. *BRIDGES* Weekly will report on these meetings in a forthcoming issue. For further information visit: http://europa.eu.int/comm/trade/csc/dcs_nig.htm.

"EU-Markttöffnung für die ärmsten Länder", NEUE ZÜRCHER ZEITUNG, 27 February 2001; "EU opens trade doors to world's poorest states", AFP, 26 February 2001; "EU's Lamy gets OK to take lead on trade talks", REUTERS, 26 February 2001; "Neue WTO-Runde dank EU-Flexibilität", NEUE ZÜRCHER ZEITUNG, 24 February 2001; "Sweden Says EU Meet Mon On WTO Issues Hard To Call", DOW JONES, 21 February 2001; ICTSD Internal Files.

DISPUTE SETTLEMENT UPDATE: BEEF, AIRCRAFT SUBSIDIES, BANANAS

NAFTA members lift ban on Brazilian beef

All three members of the North American Free Trade Agreement (NAFTA) announced on 23 February that they would lift their ban on beef imports from Brazil after determining the country's cattle was free of BSE (mad cow disease). "The tripartite countries were assured that Brazil has taken sound measures to prevent BSE," Canada's Inspection Agency said. Canada, followed by the US and Mexico, had instituted the ban earlier this month, saying that Brazil had not proved that its herds did not harbour the brain-wasting disease (see *BRIDGES* Weekly, 20 February 2001, <http://www.ictsd.org/html/weekly/story6.20-02-01.htm>). Brazilian Agriculture Minister Marcus Vinicius Pratini de Moraes welcomed the lifting of the ban, assuring Brazil's North American trading partners that his country would take measures to assuage their concerns about the quality and safety of imported beef.

Pettigrew denied a newspaper report in Canada's National Post that had alleged that the furore over the ban on Brazilian beef products had forced the government to shelve or delay retaliatory measures against Brazil for its aircraft subsidies in an attempt to salvage any chance of a successful Summit of the Americas in Quebec City in April. "We are not cancelling them," Pettigrew told reports. "We will enact our right to retaliate when we feel that it is useful for our strategy. Our strategy is to bring the Brazilians back to the table." Brazilian officials had accused the Canadian government of using the beef ban as a reprisal for the ongoing subsidies dispute in which the WTO had authorised Canada to impose sanctions on Brazilian imports worth US\$233.5 million a year over five to six years. In related developments, Brazil has announced that it will call on the WTO to investigate Canada's subsidies to jetmaker Bombardier Inc., thereby further escalating the trade conflict between the two countries. A formal request for a WTO arbitration panel will be submitted at the next WTO Dispute Settlement Body on 12 March.

US warns of retaliation over proposed EU banana regime

The US has warned the EU that Brussels risks setting off retaliatory measures if it presses ahead with planned amendments to its banana import regime, suggesting that US President George W.

Bush intends on taking a tough line on EU-US bilateral disputes (see *BRIDGES Weekly*, 6 February 2001, <http://www.ictsd.org/html/weekly/story3.06-02-01.htm>). The warning comes as Britain's Prime Minister Tony Blair visits Washington for the first meeting by an EU leader with President Bush. Some EU officials believe that US Trade Representative Robert Zoellick is trying to improve Bush's chances to obtain fast-track authority (i.e. trade agreements negotiated by the President that cannot be amended by the US Congress, but only supported or rejected) by showing the US Congress that he will defend American commercial interests. Zoellick has also hinted that he will find it hard to resist pressure from Congress to rotate US\$308 million of US sanctions on European exports which the US had imposed after the EU failed to comply with WTO rulings against its banana regime and ban on hormone-treated beef (see *BRIDGES Weekly*, 15 February 2000, <http://www.ictsd.org/html/weekly/story6.15-02-00.htm>).

India calls for 'just' WTO dispute settlement mechanism

India last week urged the WTO to ensure a "just and fair" dispute settlement mechanism. While inaugurating the Round Table on the Dispute Settlement Mechanism of the WTO -- jointly organised by the Indian Institute of Foreign Trade and the Bangalore-based National Law School of Indian University -- India's Minister for Commerce and Industry Murasoli Maran criticised WTO panels and the Appellate Body for overstepping their respective mandates and straying into the area of "authoritative interpretation" or "amendment" of negotiated agreements. "The Third World countries are worried that what they may keep out through the front door may find its way into the WTO through the back door. This is a dangerous trend," he said. In particular, Maran singled out the manner in which the Appellate Body took initiative to seek and accept unsolicited amicus briefs in the Canada-France asbestos case (see *BRIDGES Weekly*, 16 January 2001, <http://www.ictsd.org/html/weekly/story1.16-01-01.htm>), emphasising that this was a substantial issue on which only the WTO Membership had the competence to take a decision. The action of the Appellate Body amounted to changing the inter-governmental character of the WTO, he said.

Next WTO DSB meeting on 1 March

The next meeting of the WTO Dispute Settlement Body will be held on 1 March to discuss US anti-dumping measures on certain stainless steel products from Korea; and Canadian measures affecting the importation of milk and the exportation of dairy products.

"NAFTA members lift ban on Brazilian beef," AFT, 24 February 2001; "Canada says trade sanctions on Brazil not imminent," YAHOO, 20 February 2001; "Canada's Pettigrew denies reports of shelving Brazil sanctions," BRIDGE NEWS, 20 February 2001; "US warns of sanctions over EU's banana import plans," FT, 23 February 2001; "EU fears Bush will get tough on banana imports," FT 23 February 2001; "India seeks 'just' dispute settlement mechanism at WTO," DH NEWS SERVICE, 22 February 2001.

PARTICIPANTS WELCOME WTO SYMPOSIUM ON TOURISM SERVICES

The WTO on 22-23 February hosted a symposium on tourism services whose purpose was to evaluate current developments in international tourism that may be of relevance to ongoing negotiations on the General Agreement on Trade in Services (GATS). The symposium was held, in part, to address some of the issues arising from a proposal submitted by the Dominican Republic, El

Salvador and Honduras in October 1999 (S/C/W/127) on the need to add an annex on tourism to the GATS. The Dominican Republic initiated the idea of the symposium when it suggested in May 2000 to look -- in the presence of the private sector -- at how to create a competitive environment favouring the growth of tourism.

Several experts on different aspects of tourism services were invited as panellists to the symposium. Presentations were given by government tourism officials, academics, the WTO Secretariat, and other governmental organisations involved in tourism. Representatives from the tourism industry in Cuba, Jamaica, the Philippines and Thailand were also invited to share their national experiences. Issues discussed included international tourism and passenger transport; electronic commerce; competition in international tourism; and viability of international tourism.

Reactions among delegates and other participants following the symposium were for the most part enthusiastic. Participants found the presentation by F. Souty, Counsellor for Multilateral Affairs and representative from the Conseil de la Concurrence (Paris) helpful in understanding the competition issues in international tourism. Souty's talk suggested appropriate responses at the multilateral level for anti-competitive practices that can escape domestic competition authorities' monitoring. He concluded, *inter alia*, that consumers in developing countries might be harmed by the same types of anti-competitive behaviour that is evidenced in developed countries.

While tourism constitutes the most liberalised sector of the GATS, promoters of adding an annex on tourism to the GATS underscore the fact that many services activities regarded as key tourism-related industries by the World Tourism Organization are left out of the GATS definition of tourism in general (category 9 of the Services Sectoral Classification List, MTN.GNS/W/120). They argue that the tourism sector is of major importance for developing countries and that the current GATS structure is not sufficient to address the problems with which they are confronted. They also contend that the GATS lacks a comprehensive approach to addressing competition problems in the tourism services in their entirety.

Participants raised a number of problems related to tourism in developing countries. These included expensive air transport fares -- said to be due partly to low air traffic density but also to aviation protectionism and anti-competitive practices of tour operators. Presentations at the symposium noted that tourism is highly dependent on other services such as air, maritime, and road transport, financial services, and health services. In the poorest countries, said some, the lack of such infrastructure constrains the development of tourism services.

WTO Press Release, 27 February 2001; ICTSD Internal Files.

NEWS FROM THE REGIONS: AFRICA

Developing Country Sugar Producers Seek Market Access

Sugar exporters in developing countries are seeking increased access to European and other industrialised markets in world trade talks, the Swaziland Sugar Association said on 21 February. The sugar conference was organised by the London-based International Sugar Organisation and Egypt's Assiut University Sugar Technology Research Institute.

Speaking at the conference in Egypt Mike Matsebula, chief executive of the Swaziland Sugar Association, said that, "market access will be given priority over reductions in export subsidies and cuts in domestic support". Matsebula further said rich countries have indicated they would give special and preferential treatment to poor countries, but details still have to be negotiated. Matsebula expressed disappointment with a recent proposal by the EU trade Commissioner Pascal Lamy to give the poorest sugar exporters free access to the EU market by 2008 under the so-called Everything But Arms proposal (see related article, this issue). "They are taking it from the poor and giving it to the poorest. The EU doesn't share the burden," Matsebula said, referring to the fact that African, Caribbean and Pacific (ACP) sugar exporters would lose trade preferences renewed by the EU in the trade pact signed in Cotonou, Benin last year.

Matsebula emphasised that sugar trade reform implies the removal of special trading relationships but this is a tricky problem because it would be a major shock for many poor countries. He indicated that there is a need for flexibility and innovative mechanisms, since developing countries will need that as well as technical assistance in identifying alternative crops. Matsebula said the situation is complex since some developing countries favour government intervention while others prefer farm trade to be ruled by market forces. Delegates from the WTO's 140 Members are due to meet in March to review progress on liberalising world farm trade talks.

IMF and World Bank confer with African leaders

The heads of the IMF and the World Bank met 22 African heads of state during their visit to the continent from 21-25 February. IMF Director-General Horst Köhler described the meetings held first in Bamako, Mali and Dar es Salaam, Tanzania, as a major step forward towards defining a new approach for poverty alleviation. World Bank President James Wolfensohn said "the African leaders had defined their top priorities as improvements in education, health, infrastructure and agricultural productivity".

On the issue of trade, Köhler said some of the differences among African states have prevented them from negotiating or speaking with one voice. Köhler gave his support for the Millennium programme for Africa renaissance, drawn up by the presidents of South Africa, Algeria and Nigeria and presented at the World Economic Forum in Davos last month (see *BRIDGES Weekly*, 30 January 2000, <http://www.ictsd.org/html/weekly/story3.30-01-01.htm>).

Köhler and Wolfensohn also committed themselves to encouraging developed countries to eliminate barriers to their markets and raise the level of financial support for developing countries. In a stopover in London after the African tour, the two leaders expressed concern at the decline in international aid to the world's poorest countries and appealed to the members of the Organisation for Economic Cooperation and Development (OECD) to boost financial support for poor countries. Both leaders reiterated that increased market access is the best way to help developing countries to share the world's prosperity.

"Poor nations seek more sugar access from WTO," REUTERS, 21 February 2001; "IMF, WorldBk: poor nations need more Intl Aid, trade flow," DOW JONES, 26 February 2001; "IMF and World Bank reveal new approach to Africa," AFP, 25 February 2001; "Bretton Woods lenders to meet African leaders in Tanzania," AFP, 22 February 2001; "IMF puts Africa at heart of work," FINANCIAL TIMES, 27 February 2001.

MOORE AND SUPACHAI ON A NEW ROUND, CHINA ACCESSION

In his address to the Agricultural Outlook Forum 2001 in the US last week WTO Director-General Mike Moore highlighted the need for launching a new round of multilateral trade talks if the agriculture negotiations are to produce the best possible result in a reasonable timeframe. "However hard the negotiators work we are simply not going to get an optimal outcome from these [agriculture] negotiations unless we can relate them to a wider negotiating agenda -- to a new round," he said. Moore also warned that regional or bilateral trade agreements are no substitute for a global round since they often leave agriculture out as 'too hard', adding that they can't provide a consistent framework of enforceable rules and disciplines on subsidies or access across the board. "Only the WTO system can do that," he said. A launch, however, must be on a basis that all the WTO's diverse membership can accept. "This requires flexibility and realism on all sides," he said. Moore called in particular on the US to provide "vision and leadership" which it has brought to the trading system in the past.

In a press conference following the event, Moore said he was "encouraged" after meeting US government officials, including the US Trade Representative Robert B. Zoellick, that countries are narrowing their differences over a new round of free trade talks. "The Europeans have moved. Others are moving," he stated at the news conference. Moore reiterated his previous call for agreement on a possible negotiating agenda by July (see *BRIDGES Weekly*, 6 February 2001, <http://www.ictsd.org/html/weekly/story1.06-02-01.htm>), but refused to predict whether the talks would be launched by the time of the next WTO Ministerial meeting, scheduled to be held in Qatar in November 2001. Moore also showed himself impressed by the determination of the Bush administration to gain fast-track authority (i.e. trade agreements negotiated by the President cannot be amended by the US Congress, but only supported or rejected) as soon as possible. "This is very important not just for the United States but for all US trading partners," he said.

Moore's call for a new round was also echoed by Supachai Panitchpakdi, who will succeed Moore as WTO Director-General in September next year. Speaking at a business forum in Singapore last week, Supachai appealed for greater flexibility from the US, EU and Japan to kickstart a new round. "We badly need a round so that we can counter the tide of protectionism and of backsliding," he warned. Regarding regional free trade agreements (RFTAs), he said that they are likely to become more popular in the future, not because countries want to displace multilateral agreements, but because they are easier for many poor nations. He also suggested that some existing RFTAs should be reviewed to assess whether they are "going in the right direction".

China's WTO accession expected to divert FDI from ASEAN countries

The impact of China's impending entry to the WTO "should not be underestimated", in particular on Southeast Asia, according to Supachai. While Hong Kong, Taiwan, South Korea and Japan are likely to profit from a more open China, the Association of Southeast Asian Nations (ASEAN) would stand to lose substantially in terms of attracting foreign direct investments (FDI). China currently receives 60 percent of FDI in Asia, which could rise to as much as 80 percent once it becomes a WTO member, Supachai said. "This is a worrying trend," he warned.

Supachai also predicted that China will aim for accession to the WTO by May in order to avoid having to re-negotiate Permanent Normal Trade Relations (PNTR) with the US Congress (see *BRIDGES Weekly*, 16 January 2001, <http://www.ictsd.org/html/weekly/story2.16-01-01.htm>). The

Congress voted last year with a wide margin to approve PNTR with Beijing after it accedes to the WTO. If China's accession is not finalised before 3 May, the US Congress will have to vote again on extending China's Normal Trade Relations (NTR) status, an annual vote that in the past has provided a recurrent forum for US legislators to debate the pros and cons of closer engagement with China.

Negotiations between the WTO and China are set to resume in coming weeks, with agriculture subsidies and market access for the service sector remaining the biggest stumbling blocks (see *BRIDGES Weekly*, 16 January 2001; <http://www.ictsd.org/html/weekly/story2.16-01-01.htm>). Trade analysts, however, doubt that the next round of negotiations will take place before mid-April since the Bush administration has yet to appoint its key officials and formulate its policy regarding China's WTO accession terms.

Moore's speech to the Agricultural Outlook Forum 2001 is available online at: http://www.wto.org/english/news_e/spmm_e/spmm53_e.htm.

"WTO's Moore 'Encouraged' After Meeting U.S. Officials Over New Trade Negotiations," WTO REPORTER, 23 February 2001; "Next WTO chief appeals for flexibility to jumpstart new round," AFP 20 February 2001; "WTO-chief designate Supachai sees slower growth in Asia in 2001," BRIDGES NEWS, 20 February 2001; "Beijing's deadline," SOUTH CHINA MORNING POST, 21 February 2001; "Next Negotiations on China's WTO Accession not Expected Until April," INTERNATIONAL TRADE DAILY, 23 February 2001.

IN BRIEF

AUSTRALIA AND SINGAPORE MEET ON TRADE PACT AS MALAYSIA WARNS. Singapore and Australia have begun talks on a free trade agreement in Singapore. In a joint statement representatives from the two countries said, "both Australia and Singapore will work closely together to endeavour to conclude negotiations in 2001." In a move to avoid criticisms of free trade agreements, both countries reaffirmed their commitments to multilateral trade negotiations under the WTO and the launch of a new round of global trade negotiations this year. Singapore is currently involved in free trade negotiations with Japan and the US after sealing a pact with New Zealand last year. In a related development, Malaysia has warned that it will not tolerate any move by Australia or New Zealand to use the bilateral agreements with Singapore as a back door to enter the Association of Southeast Asian Nations (ASEAN) free trade area (AFTA). The Malaysian Minister for International Trade and Industry, Datuk Seri Rafidah said, "[Australia and New Zealand] are not part of East Asia, and they will have to fit into the Asia Pacific Economic Cooperation (APEC) process. Rafidah later said that discussions over linking AFTA to CER-- the Closer Economic Relations free trade agreement between Australia and New Zealand -- were continuing but would not lead to an AFTA-CER free trade area. According to Rafidah, Malaysia is not in favour of free trade areas but prefers a broader approach to economic integration that will generate wider mutual benefit. "Singapore, Australia to negotiate free trade agreement," AFP, 20 February 2001; "Australia, NZ not welcome in Afta," AFP, 21 February 2001; "A free flow of criticism, trade moves in Asia-Pacific provoke Malaysia," INTERNATIONAL HERALD TRIBUNE, 22 February 2001; "Singapore, Australia to begin talks on FTA today," BUSINESS TIMES, 21 February 2001.

SAUDI ARABIA AND SYRIA IN FREE TRADE TALKS. Syria and Saudi Arabia signed an accord on 20 February to design a free trade area between the two countries, expected to come into force by 1 January 2003. Syria has recently signed free trade agreements with several Arab countries, most recently Iraq. A joint statement issued after the talks said the accord will give reciprocal exemptions from custom duties and all other taxes on goods produced in each country. Syrian Foreign Trade Minister Mohammed al-Imadi said that the accord will increase joint investments, cultural and tourism exchange and open up the possibility of a common market. The deal is expected to cut tariffs immediately by half, dropping them to zero in 2003. Furthermore, the Syria-Saudi commission chaired by prince Shara and prince Saud will meet to discuss agreements to hasten road transport and cooperation in agriculture, tourism, oil and banking. Syria exports food and textiles to Saudi Arabia and imports petroleum and petrochemical products. The commission will also discuss joint projects to be stationed in Syria. "Syria, Saudi Arabia sign free trade accord," AFP, 20 February 2001; "Saudi FM in Damascus to sign free trade accord," AFP, 20 February 2001.

D-8 CALLS FOR FAIR DEAL FROM GLOBALISATION. Leaders from eight developing Islamic countries meeting in Cairo, Egypt on 25 February for a summit of the D-8 (developing -8) have said they want a fairer deal from globalisation. The D-8 was formed in 1997 and includes Nigeria, Pakistan, Turkey, Egypt, Iran, Malaysia, Indonesia and Bangladesh. In a draft declaration the leaders expressed concern over the inability of developing countries to receive a fair share of the benefits of globalisation, and vowed to join forces in trade talks at the WTO. Egyptian Economy Minister Yousef Boutros Ghali told reporters that the D-8 Economy Ministers would meet before the next WTO Ministerial meeting in Qatar in November this year to forge a common position. The group has a combined population of approximately 800 million, but only a four percent share of world trade. "Islamic leaders demand fair deal from globalisation," REUTERS, 24 February 2001; "Islamic D-8 nations vow solidarity in facing developed WTO nations," REUTERS, 25 February 2001.

WTO IN BRIEF

PARLIAMENTARIANS TO MEET IN JUNE ON NEW ROUND. The Preparatory Committee of the Inter-Parliamentary Union (IPU) met in Geneva on 23-24 February to establish the practical details of the first Parliamentary Meeting on International Trade that the organisation of world parliaments will convene in Geneva on 8 and 9 June 2001. The Geneva-based body, which links legislatures in 140 countries and five regional parliamentary organisations, indicated that the key item on the agenda would be proposals for a new round of trade liberalisation talks. "One of the important issues that will be addressed in the June meeting will be the concerns and problems faced by developing countries in implementing the WTO agreements and in getting a fair share of international trade", said the President of the IPU Council, Dr. Najma Heptulla, who will chair the meeting in June. Many poorer states among the 140 countries have called for some of the accords that emerged out of the Uruguay Round (1986-93) to be renegotiated, with key developing countries, including India, saying that they will not agree to the launch of a new round unless some of the earlier pact's provisions are reviewed. The US has so far resisted a review and the EU has also been reluctant to agree. The following countries were represented on the Committee: Argentina, Belgium, China, Egypt, Finland, France, Gabon, Iran (Islamic Republic of), Kenya, Mexico, Russian Federation, Thailand and Zambia. "World parliamentarians call meeting on trade," REUTERS, 20 February 2001; "IPU to organise the first parliamentary meeting on

international trade in June," IPU, 24 February 2001.

IMPLEMENTATION INFORMAL MEETING SET FOR 16 MARCH. WTO Members are set to hold an informal General Council session on Implementation on 16 March in an attempt to take stock of how the ongoing implementation process at the WTO has addressed the various demands of developing countries for a re-balancing of the WTO agreements (see *BRIDGES Weekly*, 6 February 2001, <http://www.ictsd.org/html/weekly/story4.06-02-01.htm>). General Council Chair Stuart Harbinson (Hong Kong) will be conducting consultations in preparation for the implementation meeting based on an informal working document distributed by the WTO Secretariat last week. The paper presents the outstanding implementation issues by trade agreements rather than by listing them under paragraphs 21 and 22 of the draft Ministerial text prepared for the failed Seattle Ministerial in 1999. The Secretariat draft also includes demands by developing countries since the Seattle text was drawn up, and includes issue-areas such as anti-dumping, textiles, subsidies, agriculture, and customs valuation. Dates for a formal General Council Special Session on Implementation, previewed for sometime in April, have yet to be announced. "WTO kicks off new process to tackle LDC implementation demands," *INSIDE US TRADE*, 23 February 2001.

MOLDOVA IN LINE TO BECOME 141ST WTO MEMBER. Moldova is set to become the 141st Member of the WTO after a WTO Working Party on the accession of Moldova last week adopted a package of agreements reached with Moldavian officials. Moldova's Deputy Minister of Economy and Reform Gheorghe Gaberi assured the Working Party that his country had adapted its foreign trade laws to match WTO rules and would push ahead with major trade liberalisation in goods and services. Following three years of negotiations, Moldova -- a former Soviet republic located between Romania and the Ukraine -- will be the sixth ex-Soviet state to join the WTO. Seven others, including Russia and the Ukraine, are still negotiating their accession. Formal approval has still to be given by the WTO General Council, which diplomats say is likely to be automatic. Moldova is expected to become a Member within the next two weeks. "Moldova Gets Green Light for WTO Entry," *REUTERS*, 20 February 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/html/calendar.htm>.

Coming Up This Week

26-28 February, Nairobi, Kenya: **REGIONAL MEETING ON BIOSAFETY CLEARING HOUSE AND THE CLEARING HOUSE MECHANISM IN AFRICA.** For further information contact: the CBD Secretariat, Montreal, Canada; tel: (1-514) 288-2220; fax: 288-6588; email: secretariat@biodiv.org; Internet: <http://www.biodiv.org>.

26 February - 2 March, Rome, Italy: **UN FOOD AND AGRICULTURE ORGANIZATION (FAO) 24TH COMMITTEE ON FISHERIES.** The agenda of the 24th session will include, inter alia: election of the Chairperson and Vice-Chairperson; progress report on the Code of Conduct for Responsible Fisheries and related International Plans of Action; proposal for improved global reporting on the state and trends of fisheries; and conclusions and recommendations of the FAO

Expert Consultation on Economic Incentives and Responsible Fisheries. For further information contact: Mr B.P. Satia, FIPL, FAO, Rome; Internet: <http://www.fao.org/fi/meetings/cofi/cofi24/default.asp>

26 February - 2 March, Brussels, Belgium: EU TRADE DG ISSUE-GROUP MEETINGS WITH CIVIL SOCIETY. The issues addressed in these meetings are Transparency, Investment, TRIPs, Competition, and Trade and Sustainable Development. For further information visit: http://europa.eu.int/comm/trade/csc/dcs_nig.htm.

27 February, Labor Center LC-101 South Campus, 8th Street and 107th Avenue, Miami, Florida, USA: SUSTAINABLE SOUTH 2025: ECOLOGY, THE SOCIAL DIMENSION AND TRADE IN THE SOUTHERN CONE. Panel discussions will include a review of the trade negotiations and their relations to the social dimension, labour rights and their effect on the environment in the Mercosur and as they relate to the FTAA experience. There will also be a discussion on specific cases where globalisation is directly impacting on the ecology of the Southern Cone as well as a review of the efforts to effectively include environment in the Plan of Action of the Quebec Summit as well as the FTAA. The meeting will feature Uruguayan Ecologist Eduardo Gudynas of the Centro Latinoamericano de Ecología Social (CLAES). For information contact: Bruce Jay, email: BruceJay@compuserve.com. Further information on Sustainable South 2025 (in Spanish) is available at: <http://www.ambiental.net/sustentable2025>.

28 February, Geneva, Switzerland: SHOULD THE UNITED NATIONS AND THE WORLD BANK BE PARTNERS IN DEVELOPMENT; AN IDEAL OR A CONTRADICTION? An informal session hosted by the World Bank Group. Mr. Mats Karlsson, Vice President, External Affairs and UN Affairs will address the questions of how the World Bank and the UN are working together; is there any overlap in their missions and objectives; and how does the partnership work. For further information contact: The World Bank Group, tel: (41-22) 799-8872; fax: 799-7694; email: Ngojkovi@worldbank.org or Fzarcone@worldbank.org.

1-4 March, Ottawa, Canada: CANADIAN BIODIVERSITY NETWORK CONFERENCE. For further information contact: Pierre Lamoureux, National Research Council Canada, CNBC, tel: (1-613) 993-9431; fax: 993-7250; email: biodiversity@nrc.ca; Internet: <http://www.nrc.ca/confserv/biodiversity>.

2 March, Brussels, Belgium: CONFERENCE ON TRADE AND COMPETITION. The conference will bring together key trade and competition officials and experts to take stock of trade and competition issues, discuss how best to proceed, and define the most promising solutions to the challenges at hand. There will be opportunity for delegates to pose questions to key officials and the other expert speakers on the panel. For further information contact: Cameron May Ltd, 69-71 Bondway, London, UK, tel: (44-0) 207-7582-7567; fax: 207-793-8353; email: conferences@cameronmay.com; Internet: <http://www.lexmercatoria.org>, <http://www.cameronmay.com>.

2-3 March, University of Minnesota, Minneapolis Campus, USA: SAFETY FIRST: ACTIVE GOVERNANCE OF GENETIC ENGINEERING FOR ENVIRONMENT AND HUMAN HEALTH WORLDWIDE. Organised by the Institute for Social, Economic and Ecological Sustainability. For further information contact: ISEES / MacArthur Office; tel: (1-612) 624-7723; fax: 625-8153; email: ISEES@fw.umn.edu; Internet: <http://www.fw.umn.edu/isees/safetyfirst.html>.

WTO Events

An updated list of forthcoming WTO meetings is posted at: 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.

27 February, Geneva, Switzerland: WTO INFORMATION TECHNOLOGY PRODUCTS COMMITTEE. For further information contact: Luis Ople, WTO Information and Media Relations Division; tel: (41-22) 739-5374.

26 & 28 February, Geneva, Switzerland: WTO GHANA TRADE POLICY REVIEW. For further information contact: Josep Bosch, WTO Information and Media Relations Division; tel: (41-22) 739-5681.

1 March, Geneva, Switzerland: WTO DISPUTE SETTLEMENT BODY. On the agenda: Canada - measures affecting the Importation of Milk and the exportation of dairy products; and United States - anti-dumping measures on stainless steel plate in coils and stainless steel sheet and strip from Korea. For further information contact: Lucie Giraud, WTO Information and Media Relations Division; tel (41-22) 739-5075.

16 March, Geneva, Switzerland: INFORMAL WTO GENERAL COUNCIL ON IMPLEMENTATION. For further information contact: Lucie Giraud, WTO Information and Media Relations Division; tel (41-22) 739-5075.

Other Forthcoming Events

5-7 March, Geneva, Switzerland, Institut Universitaire d'Études du Développement: BIODIVERSITÉ DE L'ACTION COLLECTIVE À LA GOUVERNANCE: Atelier de Recherche. For further information contact: Marc Hufty, tel: (41-22) 906 5061; fax: 906-5947; email: marc.hufty@iued.unige.ch; Internet: <http://www.iued.unige.ch>.

8 March, ILO Headquarters, Geneva, Switzerland: INTERNATIONAL WOMEN'S DAY PANEL DISCUSSION: THE GLASS CEILING: WOMEN OF POWER AND INFLUENCE. The panel of speakers, a number of whom are high-level women managers from the public and private sectors, will make contributions evaluating progress towards gender equality in the labour market with respect to management and decision-making, identifying the obstacles that remain and proposing strategies for addressing them. The presentations will be followed by comments and discussion from participants. For further information contact: International Labour Organisation, Geneva, Switzerland, tel: (41-22) 799-6111, fax: 798-8685.

12-15 March, Trinidad and Tobago: TRADE AND INVESTMENT CONVENTION 2001. TIC 2001 is a business forum bringing together Exporters, Buyers, Distributors and Investors, creating opportunities for expansion of sales to markets of more than 30 million customers. It will assist in the establishment of new business partnerships through Joint Ventures. Seminars and Conferences are planned for educating participants on doing business in foreign territories, trade and investment incentives, as well as on strategic marketing. This Convention will afford interested persons the

opportunity to develop trade links with companies from South America, Central America, CARICOM, North America and Europe. For further information contact: Keri Yee, Co-ordinator TIC 2001, Trinidad & Tobago; tel: (868) 623-1029/30, 625-8862; fax: 623-1031; email: ttmagm@opus.co.tt.

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. Submissions of publications to ICTSD's documentation centre would also be welcome (contact Marc Galvin, mgalvin@ictsd.ch).

THE INTERNATIONALIZATION OF FINANCIAL SERVICES: ISSUES AND LESSONS FOR DEVELOPING COUNTRIES. A new book by the WTO and the World Bank, February 2001. The publication offers a comprehensive review of the benefits and risks of internationalisation of financial services. Based on wide-ranging cross-country analysis and a number of detailed case studies, researchers analyse the effects on banking systems from liberalising their financial sectors. The papers collected in this volume arose from a World Bank funded research project, culminating in a conference, jointly sponsored by the World Bank and the WTO Secretariat, which took place in Geneva in May 1999. Inter alia, the book includes: case studies focusing on the effects of opening up the financial services sector in various developing countries and transition economies; the motivations for and effects of foreign entry on domestic financial systems; the differences between foreign and domestic financial services; the political economy of internationalisation; and the WTO Financial Services Agreement of December 1997. According to the WTO, the book will be useful for policymakers considering further liberalising their country's financial sector in the context of the new round of multilateral negotiations on services, launched by the WTO's Services Council in February 2000, and for policy makers interested in strengthening financial systems around the world. For further information on how to obtain a copy contact: Una Flanagan, WTO Publications; tel: (41-22) 739-5208; email: una.flanagan@wto.org.

LAS EXPORTACIONES COLOMBIANAS EN LA APERTURA. Edited by Ricardo Rocha and Marcelo Olarreaga, 2000. This book is a collection of studies by both World Bank and Colombian experts on the evolution and structure of Colombian exports during the trade liberalisation of the 1980s and 1990s. It is the result of a seminar organised by the World Bank Institute and Universidad del Rosario in June 1999 in Bogota. For further information contact: Marcelo Olarreaga, World Bank; email: molarreaga@worldbank.org.

"Civil society participation in World Bank and Inter-American Development Bank programs: the case of Argentina", by Carlos Acuna and Maria Tuozzo, in *GLOBAL GOVERNANCE*, 6 (4, 2000): 433-456. During the last few decades, multilateral development banks (MDBs), together with the International Monetary Fund (IMF), have influenced important macroeconomic changes in Latin America. In Argentina, structural adjustment, reforms, and public policies have been intimately intertwined with the agenda and goals of the MDBs since 1987, and particularly since 1989. The author of this article takes a stance that the increasing importance of these institutions over the past few decades rests not only in their volume of lending, but also in their capacity to direct and support the policies undertaken by the Argentine government and to lend legitimacy to those policies in the eyes of relevant economic actors.

AGRICULTURAL TRADE POLICY - AS IF FOOD SECURITY AND ECOLOGICAL SUSTAINABILITY MATTERED. By Peter Einarsson, commissioned by the Swedish NGO Forum Syd, Church of Sweden Aid and The Swedish Society for Nature Conservation, 2000. The report is a review and summary of international non-governmental organisation thinking about the WTO Agreement on Agriculture (AoA) to date. It includes background information on agricultural trade, key issues raised by the AoA from the perspective of food security and ecological sustainability, and conclusions and policy proposals. The scope of the report is strictly limited to the discussion of options for the renegotiation of the AoA. It does not purport to be a general analysis of agricultural trade or even of WTO influence on agricultural trade. To download a copy visit: <http://www.forumsyd.se/globala.htm>. For further information contact: johanna.sandahl@forumsyd.se.

"Globalisation, governance and corporate citizenship", by Jan Aart Scholte in JOURNAL OF CORPORATE CITIZENSHIP, (1, 2001): 15-23. This paper assesses the contributions of corporate citizenship to governance of the contemporary globalising world. Globalisation is here understood as a transformation of social space marked by the growth of supraterritorial connections between people. This reconfiguration of geography has far-reaching implications for governance. No longer can public affairs be managed through the territorialist framework of sovereign statehood that prevailed until the third quarter of the 20th century. Important innovations have subsequently occurred in substate, state and suprastate mechanisms to meet the challenges of managing globalisation. However, substantial governance deficits remain. Scholte argues that programmes of corporate citizenship can help to fill these gaps, thereby promoting the positive potentials of globalisation and limiting its negative repercussions. However, the author warns that corporate citizenship should not be regarded as a substitute for greater public global law and institutions.

FREE TRADE OR FAIR TRADE? AN ENQUIRY INTO THE CAUSES OF FAILURE IN RECENT TRADE NEGOTIATIONS. By Mehdi Shafaeddin, December 2000. This discussion paper, published by the UN Conference on Trade and Development (UNCTAD), argues that the failure of recent WTO negotiations was due to certain fallacies surrounding the theories of trade liberalisation and protection and contradictions in international trade rules. The main fallacies include: the philosophy behind universal and across-the-board trade liberalisation; the contradictions in the design and implementation of the GATT/WTO rules to the detrimental interest of developing countries; the theory and practice of infant industry protection; and, in particular, perceptions about the interests of developed countries in universal and across-the-board trade liberalisation in developing countries. For more information or to obtain a copy, contact the UN Sales and Marketing Section; tel: (41-22) 917-2613; fax: 917-0027; or email the UNCTAD reference section at: <http://www.reference.unctad.org>.

Electronic Resources

WEBCAST OF PROCEEDINGS OF MEXICO-METALCLAD NAFTA APPEAL. On 19 February, Vancouver Independent Media Centre (IMC) was granted leave to use media recording devices in the courtroom for the purposes of broadcasting information on the NAFTA appeal between Mexico and Metalclad Corporation at the British Columbia, Canada, Supreme Court (see *BRIDGES Weekly*, 5 September 2000, <http://www.ictsd.org/html/weekly/story4.05-09-00.htm>). IMC has compressed the content in one-hour segments and uploaded them to its website at: <http://www.vancouver.indymedia.org/>.

STANDARDS AND OPERATIONS: EXAMPLES FROM WORLD BANK LENDING. In order to provide an overview of the World Bank's operational lending in regulatory reform, standards and trade, the World Bank has started this new section on its website. The section outlines projects underway or completed that include a focus on poverty reduction through investments in standards and regulatory reform initiatives. Descriptions of work underway in Russia in 2001, along with projects in Turkey and elsewhere will be available soon. The site also contains new information on a survey and database on Regulatory and technical barriers to trade, which will be launched by the World Bank in March 2001. The new "Bank TBT Database" will provide the tools through which empirical analysis of the trade effect of standards and technical barriers will be possible. Many working papers are available at this website as well. The web address is: <http://www1.worldbank.org/wbiep/trade/Standards.html>.

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 Jordana Fish, Kojo Frempong, Christine Fox, Caroline Wiman, Anton Kuchler, and Heike Baumuller. Edited by Hugo Cameron, hcameron@ictsd.ch. Managing Editor is Andrew Crosby <acrosby@ictsd.ch>. The Director is Ricardo Meléndez-Ortiz, rmelendez@ictsd.ch. ICTSD is an independent, not-for-profit organisation based at: 13, ch des Anémones, 1219 Geneva, Switzerland. Tel: (41- 22) 917- 8492; fax: (41-22) 917- 8093.. Excerpts from *BRIDGES* Weekly Trade News Digest© may be used in other publications with appropriate citation. Comments and suggestions are welcomed and should be directed to the Editor or the Director.

To subscribe to *BRIDGES* Weekly Trade News Digest©, send an email to: listserv@iatp.org. Leave the subject line blank. In the body of the message type: subscribe bridges To unsubscribe, please send an email to listserv@iatp.org. In the body of the message type: unsubscribe bridges. *BRIDGES* Weekly Trade News Digest© can also be found at the ICTSD web page: <http://www.ictsd.org/html/newsdigest.htm> and at the IATP web page: <http://www.newsbulletin.org>

ICTSD would like to thank the funders that have made the *BRIDGES* series of Publications possible in 2000: Christian Aid (UK); The Government of Denmark (DANIDA); IUCN The World Conservation Union (Switzerland); The John D. and Catherine T. MacArthur Foundation (US); The Government of the Netherlands (DGIS); Oxfam (UK); The Government of Switzerland (SECO); and the Swiss Coalition of Development Organisations (Switzerland).