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CTE TACKLES HEFTY DOHA ENVIRONMENT MANDATE

WTO Members convened on 21 March for a regular meeting of the Committee on Trade and Environment (CTE), and on 22 March for the CTE's first special (negotiating) session. In both meetings, delegates addressed items under the environment heading on the Doha Ministerial Declaration. Notably, the EC circulated a controversial paper outlining some of its preliminary thoughts on the relationship between WTO rules and multilateral environmental agreements (MEAs), which is classified under paragraph 31 (i) of the Doha Declaration.

Regular Session

The regular CTE session on 21 March focused on market access, with India making a strong intervention -- supported by many other developing countries -- on the need to maintain market access in the face of increasing environment-related, non-tariff barriers to trade and establishing equivalence of environmental measures. India indicated it would submit a paper on the need to ensure existing market access in light of the potential negative consequences of environment-related measures on its exports.

Fisheries subsidies

A submission by New Zealand on fisheries prompted what Chair Oguz Demiralp (Turkey) termed a "lively debate", primarily between countries pushing for reductions in distortive fisheries subsidies (termed the 'Friends of Fish' and comprising Members such as New Zealand, Iceland, the US, Chile, Peru, and the Philippines) and those focused on addressing fisheries issues in a broader context (such as Japan and Korea). The paper referred to by New Zealand highlighted recent research on fisheries subsidies that challenged prevailing assumptions about the benign nature of certain types of subsidies (see WT/CTE/W/204 at http://docsonline.wto.org/gen_search.asp).

The US and Iceland requested the WTO Secretariat to compile a list of CTE documents related to fisheries which they said could eventually be useful in the negotiations on this sector currently underway in the Rules Negotiating Committee (see BRIDGES Weekly, 12 March 2002, <http://www.ictsd.org/weekly/02-03-12/story4.htm>). However, the EC was reluctant to mandate the CTE to formally forward any documents to negotiating bodies.

In this context, the EC said that since most of the issues on the CTE agenda were being negotiated elsewhere in the WTO, the CTE should focus on how to best to contribute to the relevant negotiating bodies to add value from a sustainable development perspective, without duplicating or prejudging the outcome.

On paragraph 32 (iii) on eco-labelling, Canada referred to its recent paper submitted to the Committee on Technical Barriers to Trade (TBT) on how to structure discussions on labelling issues in general in the TBT Committee, including ideas on non-product-related

production and processing methods (PPMs) (G/TBT/W/174). Canada suggested holding a joint informal TBT/CTE meeting to discuss labelling, which will be the focus of the 8-9 October CTE meeting.

On relations with inter-governmental organisations (IGOs), there was a plea to grant IGOs observer status to the CTE special sessions, particularly in light of the fact that the negotiations concern specific trade obligations in MEAs (Paragraph 31(i)) and information exchange with MEAs (Paragraph 31(ii)). The CTE has postponed addressing IGO observer requests pending discussions on this matter in the General Council.

Paragraph 33 of the Doha Declaration concerns technical assistance and capacity building, and encourages Members to share their experience with national environmental reviews. Comments focused on the first aspect, with Members commending UNEP's recent Workshops on Capacity Building on Environment, Trade and Development (see In Brief, this issue) and on Fisheries.

Regarding paragraph 51 of the Declaration -- on identifying and debating environmental and developmental aspects of the negotiations -- some Members stressed the need to coordinate with the Committee on Trade and Development (CTD). In a paper circulated at the meeting, the EC proposed, inter alia, that the CTE could meet in common with the CTD, so that "we are each acting within our respective mandates but equally contributing in a coherent manner to the pursuit of the single objective of sustainability". The EC also suggested that autumn 2002 -- once negotiations were underway -- would be a useful time to discuss para. 51, and that the WTO Director-General could hold a public event on the issue sometime between the World Summit on Sustainable Development in August-September 2002 and the fifth WTO Ministerial (expected in mid-2003).

Special Session

The special session of the CTE focused on the organisation of future work and began discussions around the three sub-paragraphs of the Doha environmental negotiating mandate in para. 31.

Many observers have termed the environmental negotiating objectives in the Doha Declaration as being limited in scope or circumscribed. In brief terms, they include (i) the relationship between WTO rules and specific trade obligations set out in MEAs, though talks are limited to the applicability of WTO rules as among parties to the MEA in question; (ii) procedures for regular information exchange between MEA secretariats and the relevant WTO Committees, and the criteria for granting of observer status; and (iii) the reduction or elimination of tariff and non-tariff barriers to environmental goods and services (see BRIDGES Weekly, 5 March 2002, <http://www.ictsd.org/weekly/02-03-05/story3.htm>).

The EC, which at the Doha Conference was the main demandeur for environmental negotiations, initiated discussions on 22 March by circulating some preliminary ideas on para. 31(i) on the WTO-MEA relationship. Inter alia, the EC paper pushes for clarification of the WTO Agreements on how they relate to MEAs and sets out the EC's

initial thoughts on 'specific trade obligations' in MEAs and 'among parties' as contained in 31(i).

Most other delegations -- Australia in particular -- viewed the EC position as overly ambitious. In the words of one diplomat who attended the meeting, the EC's ideas "bear little resemblance to reality". Countries were concerned primarily on two points. First, that the EC was going beyond the scope of mandated negotiations by talking about both party and non-party issues, whereas the Doha text limits the applicability of talks to parties of MEAs only. Second, there is concern that previous EC proposals to reverse the burden of proof in environment-related disputes have re-surfaced.

Other Members raised a number of questions regarding what precisely is covered by the Doha mandate. For instance, one delegation asked whether decisions made by Conferences of the Parties to MEAs should be encompassed. Chair Yolande Biké (Gabon) indicated that she would continue consultations under this item.

Discussions on para. 31(ii) were not as focused as those under 31(i), as there was no paper to stimulate talks and countries did not have well-developed positions. The US and Canada said that there could be potential for an 'early harvest' on this item, since its main focus of procedures for information exchange between WTO Committees and MEA secretariats is viewed to be one of the less contentious issues on the mandate. On the related issue of criteria for observer status, however, Malaysia and India have expressed their view that this is a systemic question, and should therefore be addressed by the General Council. According to sources, developed countries would prefer to grant observer status to MEA secretariats for the CTE special sessions in order to allow them to contribute substantively. As other negotiating Committees are also running into this divide, this issue will be taken up in the next meeting of the General Council and/or Trade Negotiations Committee.

On para. 31(iii), most Members see the CTE as playing primarily a monitoring role, as negotiations on environmental goods and services have been allocated to the Negotiating Committee on Market Access and the special sessions on Services, respectively. While a list of environmental services already exists under Services, sources indicate that a list of what qualifies as an environmental good is likely to be left with Market Access.

The regular CTE agreed to hold three meetings in 2002, back-to-back with the CTE special sessions. The next meetings will be on 13-14 June (focusing on Trade-Related Aspects of Intellectual Property Rights issues) and 8-9 October (focusing on eco-labelling). Members expressed their support for a scheduled information session with MEA secretariats on 13 June on technical assistance and capacity building. Expected participants include the UNEP Executive Secretary and the heads of the following six MEAs: the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES); the Basel Convention; the Montreal Protocol; the Convention on Biological Diversity; the UN Framework Convention on Climate Change; and UNEP Chemicals (PIC and POPs Conventions).

ICTSD Internal Files.

SERVICES: LITTLE VISIBLE PROGRESS AS MEMBERS REFLECT ON REQUESTS AND WRANGLE ON ASSESSMENT

Finalising this month's services cluster, Members at a 19-22 March special session of the Council for Trade in Services (CTS) met to discuss, inter alia, the assessment of trade in services and the treatment of autonomous liberalisation, as well as numerous sectoral proposals submitted for market access negotiations under the General Agreement on Trade in Services (GATS) Article XIX. Whereas issues such as establishing modalities for granting "credits" for autonomous liberalisation undertaken by Members were addressed at length during the four-day special session, almost no substantial sectoral discussions took place. Concern was expressed among some developing country Members that as-yet unresolved sectoral and subsidiary body issues would be dealt with bilaterally.

Regarding the agenda item on the assessment of liberalisation of services trade, several Members, including Peru, Pakistan and Cuba, made interventions underscoring the importance of such exercises to developing countries, and that these should commence immediately prior to Members undertaking new commitments. Although no new papers were tabled on assessment, trade sources say the issue will remain a standing agenda item, since both the GATS (Article XIX.3) and the Doha negotiation guidelines (para 14) mandate the CTS to carry out such an assessment as an "ongoing" activity. According to Article XIX.3, "the Council for Trade in Services shall carry out an assessment of trade in services in overall terms and on a sectoral basis with reference to the objectives of this Agreement, including those set out in paragraph 1 of Article IV".

Several developing countries are pushing for a determination on whether GATS objectives have been advanced, in particular those contained in Article IV.1 on increasing participation of developing countries in services trade. However, sources say it is now less likely that Members will be able to reach any multilateral conclusions due to the position of some Members that what would be required are national services trade assessments by individual Members. (see also BRIDGES Weekly, 12 December 2001, <http://www.ictsd.org/weekly/01-12-12/story2.htm>).

In this context, it should be noted that both a group of non- governmental organisations (NGOs), as well as the WTO, held separate meetings on GATS assessment on 12 and 14-15 April, respectively, so as to inform Member delegations about the state-of-play of assessment efforts already undertaken by different institutions (see BRIDGES Weekly, 19 March 2002, <http://www.ictsd.org/weekly/02-03-19/wtoinbrief.htm>).

Autonomous liberalisation

With new papers tabled by the EC (S/CSS/W/133, searchable at http://docsonline.wto.org/gen_search.asp; see also BRIDGES Weekly, 26 February 2002, <http://www.ictsd.org/weekly/02-02-26/story4.htm>), Hong Kong China (S/CSS/W/134) and Paraguay (S/CSS/W/140), Members addressed the question of how to grant credit for services liberalisation outside the negotiation process as mandated by GATS Article

XIX.3 and guidelines para 13. The EC proposed that Members who have implemented autonomous liberalisation measures should specify the credit sought, which might take different forms (i.e. leaving the process to bilateral negotiations). For its part, Uruguay suggested -- as did Korea in previous submissions such as in S/CSS/W/126 -- a formula approach, attributing values to certain factors related to the importance and nature of the liberalised service sector. Hong Kong China sought a middle-ground position by proposing the establishment of mutually agreed modalities and criteria, while leaving the determination of the credit as such to the request/offer process. This approach may be the most likely. As the Chair stated in a note of 8 March, difficulties in agreeing to a formula approach would make a purely multilateral approach to this issue unlikely, but a combination of bilateral and multilateral approaches might prove more promising at this stage. Members therefore asked the Chair to hold informal consultations so as to come up with draft modalities by May, sources indicated.

Horizontal issues

In the debate on GATS Article IV (increased participation of developing countries), Uganda, on behalf of all least-developed countries (LDCs), tabled an informal proposal (JOB(02)/30) under GATS Article XIX.3 for the modalities for special treatment for LDCs under Article IV.3. Uganda's paper put forward a list of elements for these modalities such as the requirement that LDCs should not be requested to make specific commitments in more than four services sectors and that developed countries should grant full market access and national treatment to services and service suppliers from LDCs in sectors and modes in which the LDCs have specific export interest. As the paper was tabled close to the end of the special session, Members were not able to make substantive comments on Uganda's proposal.

Under the agenda sub item 'Economic Needs Test' (ENT), MERCOSUR submitted a paper (S/CSS/W/139) proposing that, as a means to implement GATS Article IV, "during the current negotiations developed country Members eliminate their ENTs in sectors and modes of supply of export interest to developing countries." The proposal was welcomed and supported by a number of developing countries, but Members' comments were limited due to the late submission of MERCOSUR's proposal.

Sectoral proposals

According to a developed country delegate, the Chair of the CTS tried to stimulate a discussion by bringing up several issues addressed both in horizontal as well as sectoral proposals. However, Members did not enter into substantive discussions as "after three rounds of going through all the proposals Members had not much more to say," he stated. Some developing country sources indicated, however, that they regarded this as another indicator that the "big players" such the US and the EC would try to "bilateralise" the negotiating process in an attempt to move unresolved issues in the bilateral request/offer phase where they would have more bargaining power and where they could approach issues such as domestic regulation and classification on a more clearly targeted basis.

It should be noted, however, that Members are mandated by Doha Declaration para 15 to table their initial requests for specific commitments by 30 June and are therefore speeding up work at the capitals to finalise the preparation of their requests. Despite this tight timeframe, sources stated, it appeared that "nobody would turn down a request tabled by developing country Members after 30 June" as many of them were very likely not able to prepare their initial requests by that date.

Other issues

Although Members had originally intended to conduct a stocktaking exercise reviewing the progress in the negotiation made so far (see BRIDGES Weekly, 26 February 2002, <http://www.ictsd.org/weekly/02-02-26/story4.htm>), Members showed only little interest on the last day of the CTS special session to look "where we have been" but would "rather focus where we go" in terms of the organisation of future work, trade sources said. They further reported that some Members started voicing that they would like to give more time to the delegations for the bilateral talks. To this end, they suggested, the current five-day special sessions should be reduced to two-days meetings allowing delegations more time to interact bilaterally. According to observers, however, a decision on the structure of the forthcoming meetings could only be expected by the next services cluster tentatively scheduled to be held from 27 May to 7 June (see also the annual calendar of WTO meetings for 2002, downloadable at the ICTSD website, <http://www.ictsd.org>).

ICTSD Internal Files.

MIXED REACTION ON TRADE IN FINANCING FOR DEVELOPMENT OUTCOME

At the conclusion of the UN's International Conference on Financing for Development in Monterrey, Mexico, 18-22 March, heads of state and government adopted the final document, called 'the Monterrey Consensus', in an effort to "eradicate poverty, achieve sustained economic growth and promote sustainable development". The text highlights, inter alia, the importance of trade "as an engine for development" and calls for greater coherence among multilateral institutions. Civil society groups strongly criticised the document, saying that it fell far short of what was needed to combat poverty.

Trade as an "engine for development"

The Consensus -- which had already been agreed to in draft form on 28 January (see BRIDGES Weekly, 29 January 2002, <http://www.ictsd.org/weekly/02-01-29/story3.htm>) and was approved by acclamation with "no statement or reservations of any kind", according to Oscar de Rojas, executive coordinator of the conference -- states that meaningful trade liberalisation "can substantially stimulate development worldwide" and

"is an important element in the sustainable development strategy of a country", recognising "the importance of enhanced and stable access to all markets for exports of developing countries" and calling on developed countries to grant duty-free and quota-free access to all least developed countries.

Reflecting one of the key themes of the conference regarding shared responsibilities of both developed and developing countries, governments stressed the importance of reducing trade barriers among developing countries, and committed themselves "to enhancing the role of regional and subregional agreements and free trade areas". The documents furthermore stressed the importance of "effective, secure and predictable financing" for trade-related technical assistance and capacity building, calling for strengthened coordination of the UN system and other multilateral financial, trade and development institutions, including the WTO.

Trade versus aid

The relative importance of free trade vis-a-vis official development assistance (ODA) was addressed in a number of speeches at the Conference. US President George W. Bush came down strongly in favour of trade liberalisation, arguing that "the vast majority of financing for development comes not from aid but from trade and domestic capital and foreign investment". Similarly, Iranian Finance Minister Tahmasb Mazaheri pointed to trade as "the most important vehicle for financing of development". World Bank President James Wolfensohn stressed that ultimately all nations would benefit from more open trade, urging wealthy nations to open their markets to developing countries' products. Horst Koehler, managing director of the International Monetary Fund described trade as "the most import avenue for self- help", while WTO Director General Mike Moore pointed out that "poor countries need to grow their way out of poverty and trade can serve as a key engine of that growth", calling on developing countries to step up efforts to increase south-south trade.

Others, however, were more critical of the multilateral trading system. New Zealand Associate Foreign Affairs and Trade Minister Matt Robson, stressing the importance of coherence in policy development at all levels, pointed out that "national trade, economic and defence policies can undermine our development efforts," while Eveline Herfkens, Minister for Development Cooperation from the Netherlands, described the lack of democratic control and participation within the international financial organisations and the WTO as "another major obstacle to pro-poor global governance". Malaysia's Minister of Rural Development Azmi Khalid criticised industrialised countries for maintaining protectionist regimes and subsidies while insisting that developing countries open up their markets. He added that, "we would like to see that the WTO adheres to trade-related issues", and stressed that multilateral trade rules must be (re)designed to benefit developing countries.

Civil society critical

Non-governmental organisations and trade unions were critical of the conference outcomes, saying that the NGO caucus convened concurrently to the meeting was "not

part of the Monterrey Consensus" as they did not consider it "a sufficient basis for combating poverty or for advancing economic, social and cultural rights". While many campaigners cautiously welcomed pledges by the US and the EU to step up ODA (see BRIDGES Weekly, 19 March 2002, <http://www.ictsd.org/weekly/02-03-19/inbrief.htm#3>), they stressed that wealthy nations still had a long way to go to meet the target of 0.7 percent of GDP. Others were even more critical, in particular of the US, whose ODA spending amounts to just 0.1 percent of GDP. "[The US pledge] is a public relations gesture designed to deflect criticism," said Paul Ladd, chief economist of the British charity Christian Aid. "It seems to be a down payment for poor countries agreeing to open their markets to US goods," he added. Others also questioned the US commitment to reducing trade barriers in light of the Bush administration's recent decision to raise tariffs of up to 30 percent over a range of steel products (see BRIDGES Weekly, 12 March 2002; <http://www.ictsd.org/weekly/02-03-12/story6.htm>).

For further information visit <http://www.un.org/esa/ffd/>.

"Governments adopt, NGOs, reflect Monterrey Consensus," UN WIRE, 25 March 2002; "US Ties new aid package to reform target," GUARDIAN, 23 March 2002; "Global leaders say poor need trade as well as aid," REUTERS, 21 March 2002; ICTSD Internal Files.

SPS COMMITTEE RESOLVES IMPLEMENTATION ISSUE, DISCUSSES BIOTECH

The WTO Committee on Sanitary and Phytosanitary Measures (SPS) at its meeting on 19-21 March adopted revised recommendations for notification procedures, thereby resolving one of the outstanding implementation issues submitted by Brazil at the last SPS Committee meeting in October 2001. In addition, several Members raised concerns regarding China's and the EU's biotechnology rules with discussions largely mirroring those in the Committee on Technical Barriers to Trade (TBT) last week.

Members improve transparency

As part of their efforts to improve transparency of notification procedures for SPS measures, Members adopted revised guidelines for implementing the transparency obligations set out in Article 7 of the SPS Agreement (G/SPS/7/Rev.2; available soon at <http://docsonline.wto.org>). Inter alia, the guidelines state that in cases where previously notified measures are changed so as to apply to different products and/or countries, they should be re-notified. Another 60 days should be allowed for comments if many countries are affected by the changes. Originally put forward by New Zealand, the recommendation responds to an implementation proposal submitted by Brazil which had called for measures to be re-notified if they "may have negative effects on trade opportunities of

developing countries" (G/SPS/W/108; see BRIDGES Weekly, <http://www.ictsd.org/weekly/01-11-06/story3.htm>).

Brazil had put forward the proposal following a dispute with Canada in February last year over Canada's ban on imports of Brazilian beef due to BSE concerns (see BRIDGES Weekly, 13 February 2001; <http://www.ictsd.org/html/weekly/story3.13-02-01.htm>). The ban had been based on a previously notified regulation, which was newly applied to Brazil, and had therefore not been notified to the WTO. Both Canada and Brazil agreed at the SPS Committee meeting that the issue had now been resolved with the adoption of the recommendations.

One issue, however, remained outstanding regarding a last-minute proposal by Egypt to include a box in the notification form for countries to state what special and differential treatment (S&D) measures were included to facilitate compliance with the notified SPS measure. The proposal was supported by a number of developing countries who argued that it would encourage developed countries to build in leniency for developing countries, such as longer time periods for compliance. While developed countries, including the US, Canada and the EU, generally agreed that the proposal should be considered in more detail, they questioned whether such a box would actually encourage S&D. The issue will be taken up again during an informal meeting on transparency prior to the next SPS Committee meeting.

Regarding ongoing discussions on furthering implementation of Article 4 of the SPS Agreement on the equivalence of SPS measures in different Member States -- mandated in the Decision on the Implementation of Article 4 adopted in October 2001 -- the Committee adopted a work programme setting out the main issues for discussion in 2002 and 2003. Members furthermore discussed guidelines for the notification of equivalence agreements which will be taken up again at the next meeting.

EU, China biotech rules again discussed

Following similar discussions at last week's TBT Committee meeting (see BRIDGES Weekly, 19 March 2002, <http://www.ictsd.org/weekly/02-03-19/story2.htm>), several countries raised concerns regarding China's and the EU's biotechnology regulations. The debate largely mirrored that in the TBT Committee meeting, but focused more on food safety issues. In addition, the continued EU de facto moratorium on the approval of new genetically modified organisms (GMOs) was placed on the agenda as a separate item. In this context, the US -- supported by Canada and Argentina -- highlighted the growing level of frustration with the moratorium and said that they were considering their options in the WTO. They also pointed out that the European Commission had the authority and responsibility to convince EU member states to restart the approval process.

Regarding China's regulation on the import of GMOs -- which was scheduled to enter into force on 21 March, but were temporarily waived allowing for a transition period of nine months (see BRIDGES Trade BioRes, 21 March 2002, <http://www.ictsd.org/biores/02-03-21/story1.htm>) -- the US, Canada, Argentina and Australia again criticised China for not notifying the measure and questioned the

regulation's compatibility with WTO rules. China defended the regulation, arguing it was responding to growing consumer concerns over food safety in the country. It remained unclear, however, whether the regulation had by now been notified at the WTO. As one of the conditions for accession, China is required to notify all existing SPS measures at the WTO.

SPS Committee meetings in 2003 are currently scheduled for 18-20 June and 7-8 November, along with informal meetings on transparency and equivalence.

ICTSD Internal Files.

In Brief

UNEP WORKSHOP LINKS TRADE, ENVIRONMENT POLICY-MAKERS ON WTO-MEA NEGOTIATIONS

The UN Environment Programme (UNEP), in collaboration with the WTO, convened a workshop on 19-20 March on Capacity Building on Environment, Trade and Development. The workshop aimed to provide a forum for identifying capacity building activities needed to assist WTO Members effectively engage in trade and environment negotiations, assess the environmental as well as the developmental implications of the WTO agreements, and develop and implement mutually supportive trade and environment policies. It was held back-to-back with the WTO Committee on Trade and Environment (CTE) to allow UNEP-sponsored environmental experts from developing country Members to participate in the CTE and its special session (see related story, this issue). The meeting was attended by over 200 participants, including representatives from 82 governments, 22 intergovernmental organisations (including four multilateral environmental agreements - MEAs) and 27 nongovernmental organisations. The main message of the workshop was that to improve the effectiveness of capacity building on environment, trade and development, service providers must not only build on successes of their previous efforts, but they must also acknowledge gaps in programme effectiveness and be prepared to address them. Participants came up with a number of recommendations to provide guidance to capacity building service providers and beneficiaries. Inter alia, these included: convening regional UNEP workshops to promote the integration of workshop recommendations into ongoing and planned capacity building programmes and activities; develop and implement collaborative capacity building activities on enhancing synergies between MEAs and the WTO; and develop a database of ongoing environment, trade and development capacity building activities including those conducted by MEAs and other intergovernmental organisations.

For further information, visit <http://www.unep.ch/etu/etp/index.htm>.

ICTSD Internal Files.

WSSD PREPCOMM III BEGINS IN NYC

The UN Commission on Sustainable Development (CSD) on 25 March began its third preparatory session in New York for the World Summit on Sustainable Development, which will be held Aug. 26-Sept. 4 in Johannesburg. The two-week session will review the CSD chair's paper that was transmitted to the second preparatory session which points to endemic poverty, unsustainable lifestyles and environmental degradation as major concerns that continue to plague the world ten years after the 1992 UN Conference on Environment and Development in Rio de Janeiro. The Commission is expecting to release a comprehensive review of its action plan from the Rio conference, also known as Agenda 21. The final document will be presented at the Johannesburg summit. The chair's paper says poverty and hunger eradication, along with good financial governance and transparency, are essential for sustainable development. Sound economic policies, solid democratic institutions and improved infrastructure are the basis for sustained economic growth. The paper adds that political will, practical steps and partnerships are needed to bridge the major gaps that remain in implementing Agenda 21. Three working groups will take up issues in the paper such as poverty eradication, sustainable consumption and production, management of natural resources, globalisation, health and strengthening governance for sustainable development.

ICTSD will report further on these developments in forthcoming issues.

For further information visit <http://www.johannesburgsummit.org/flat/>.

"Sustainable Development: U.N. Opens Third Preparatory Session," UN WIRE, 25 March 2002.

WTO In Brief

CTG DISCUSSES TRADE IN HAZARDOUS MATERIALS, WAIVERS AND TEXTILES

At a WTO meeting of the Council on Trade in Goods on Friday 22 March, Slovenia, backed by Hungary and Bosnia-Herzegovina (speaking as an observer), expressed its concern over Croatia's ban on the transit of oil and oil products through its territory by road. Croatia has also established transit corridors and designated border crossings for a wide range of chemical products, from liquid gas to house paints. Slovenia said the measures violate WTO rules on is "freedom of transit". Croatia replied that the measures are aimed at controlling the transit of hazardous materials through its territory and protecting the environment. It denied accusations that the new measures have harmed neighbouring economies. As a result of two earthquakes that had disrupted its economy, El Salvador obtained a six-month extension of a waiver to apply minimum values in valuing goods (e.g. used vehicles, TVs, clothing, etc.) for customs purposes. Another

waiver was discussed in relation to an EC request referring to its special tariff arrangements to combat drug production and trafficking. The EC is engaging in bilateral talks with Thailand on the matter. Hong Kong China, speaking on behalf of the members of the International Textiles and Clothing Bureau, expressed regret and disappointment that the Council had so far been unable to complete its report and recommendations on the second stage of integration under the WTO Agreement on Textiles and Clothing. Supported by China, India, Egypt, Brazil, Bangladesh and Guatemala, Hong Kong said that after seven years, developing countries have seen only a few quotas removed, while new restrictions such as anti-dumping measures have been imposed. Finally, the WTO Secretariat introduced its joint study with the UN Conference on Trade and Development (UNCTAD) on Trade-Related Investment Measures

(see http://docsonline.wto.org/gen_search.asp, G/C/W346 and Add. 1).

ICTSD Internal Files.

WTO POSTS AGENDA FOR NGO SYMPOSIUM

The WTO has released the agenda for its forthcoming public symposium on "The Doha Development Agenda and Beyond". The conference will take place at the WTO in Geneva, Switzerland from 29 April to 1 May 2002, and according to the WTO, will address "the challenges and opportunities arising from the Doha Ministerial Declaration" and how the new negotiations can address key challenges facing the multilateral trading system. Approximately 600 participants from governments, parliaments, civil society, academia and the media are expected to attend. The preliminary programme has been posted at http://www.wto.org/english/tratop_e/dda_e/symp_devagenda_prog_02_e.htm.

In addition to WTO Director-General Mike Moore, speakers include H.E. Amina Chawahir Mohamed - WTO Ambassador, Republic of Kenya; Jeremy Hobbs - Executive Director of Oxfam International; Ernesto Zedillo - Former President of Mexico; H.E. Sun Zhenyu - WTO Ambassador, People's Republic of China; Bjorn Lomborg - University of Aarhus - author of *The Skeptical Environmentalist*; Professor Jagdish N. Bhagwati - Columbia University; and Tony Juniper - Vice Chairman, Friends of the Earth.

NGO events include ICTSD/International Institute for Sustainable Development (IISD) - The Emerging Southern Agenda on Trade and Environment; Consumer Unity & Trust Society - Linkages: How do we bridge the gap?; and Carnegie Endowment for International Peace - Lessons Learned from Relations Between International Organizations and Civil Society.

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Events & Resources

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, 26 March - 3 April

25 March - 5 April, UN Headquarters, New York, USA: WORLD SUMMIT ON SUSTAINABLE DEVELOPMENT PREPCOMM III. Acting as the second substantive preparatory session, this meeting will aim to arrive at an agreed text of a document containing the results of the review and assessment, as well as conclusions and recommendations for future action. For further information visit <http://www.johannesburgsummit.org/flat>.

25-26 March, Abuja, Nigeria: NEPAD SUMMIT. Leaders from member and observer states to the New Partnership for Africa's Development (NEPAD) are meeting to find a concrete way forward for NEPAD and to prepare NEPAD's presentation to the next summit of the G-8 in Canada in June. For further information visit <http://www.nepad.org>.

28 March, Geneva, Switzerland: TECHNICAL ASSISTANCE: HOW TO GET IT RIGHT. MSF, CPT, OXFAM and HAI will hold a conference on the implementation of the Doha Declaration on TRIPs and Public Health. The meeting, which will include representatives from developing and developed countries, representatives from international organisations, academia and NGOs, will analyse progress made so far and discuss recommendations on how to make the Doha Declaration work for people. To register for the conference send a message to: trips_health_conference@paris.msf.org.

28 March, Ottawa, Canada: WSSD, GLOBALISATION AND THE INTERNATIONAL GOVERNANCE AGENDA. The purpose of the workshop is to provide an informal setting for brainstorming and to gather input from Canadian stakeholders on what Canada might be doing to push progress on issues of international governance in advance of the World Summit on Sustainable Development. In particular, the focus will be on advancing the relationship between international environmental regimes international economic governance regimes, with an emphasis on the area of trade and investment. For further information contact: Mr. Isaak Pageot-LeBel; email: workshop@globetrotter.net.

30 March, Washington, D.C., USA: 7th INTERNATIONAL WILDLIFE LAW CONFERENCE. The conference will focus on the effectiveness of the Convention on Biological Diversity after ten years and will also feature several presentations of wildlife trade issues with speakers drawn from the legal, policy and science sectors. For further information contact: William C.G. Burns, Co-Chair, American Society of International Law-Wildlife Interest Group, USA; tel: (1-650) 281-9126; fax: (1-801) 838-4710; email: asilwildlife@pacbell.net; Internet: <http://eelink.net/~asilwildlife>.

2 April, Geneva, Switzerland: ACCESS TO GENETIC RESOURCES, BENEFIT-SHARING AND THE CONVENTION ON BIOLOGICAL DIVERSITY. This roundtable will discuss where the debate on access and benefit sharing stands today and how the international community can move forward to a more effective access and benefit-sharing regime in the future. Please complete registration form found at <http://www.environmenthouse.ch/> by 26 March. For further information contact: Aniket Ghai, International Environment House, 11-13 Chemin de Anemones, CH-1219 Chatelaine, Geneva, Switzerland; tel: (41-22) 917-8505/244/196; fax: (41-22) 797- 3464; email: aniket.ghai@unep.ch; Internet: <http://www.environmenthouse.ch/>.

2 April, Geneva, Switzerland: ECONOMIC GLOBALISATION AND HUMAN RIGHTS. The Special Committee of NGOs on Human Rights (Geneva) will organise a panel discussion on the latest developments concerning the relationship between human rights and international economic law and policy such as in the field of the WTO Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPs) and the General Agreement on Trade in Services (GATS). Furthermore, the meeting will enable both human rights non-governmental organisations (NGOs) and trade, development and environment NGOs to exchange on substance and strategy. For further information contact: Peter Prove, Geneva; tel: (41-22) 791-6364; mobile: (41-78) 7576-749.

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. 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.

25 March, Geneva, Switzerland: WTO COMMITTEE ON AGRICULTURE - Special Session.

25-26 March, Geneva, Switzerland: WTO COMMITTEE ON ANTI-DUMPING PRACTICES - Working Group on Implementation.

26-28 March, Geneva, Switzerland: WTO COMMITTEE ON AGRICULTURE- Special Session.

27-28 March, Geneva, Switzerland: WTO COMMITTEE ON CUSTOMS VALUATION.

28 March, Geneva, Switzerland: WTO COMMITTEE ON AGRICULTURE -Special Session.

Editor's note: Good Friday (29 March) and Easter Monday (1 April) are WTO non-working days.

29 April - 1 May 2002, Geneva, Switzerland: WTO SYMPOSIUM "THE DOHA DEVELOPMENT AGENDA AND BEYOND." WTO symposium for governmental and non-governmental actors on major issues of concern around the WTO's new negotiating agenda. On the last day of the three-day symposium, further sessions will take place organised by a number of non-governmental groups. ICTSD, together with the International Institute for Sustainable Development (IISD) will jointly hold a work session on "The Emerging Southern Agenda On Trade and Environment". For further information contact: Bernard Kuiten, WTO External Relations Division; tel: (41-22) 739-5676 or 739-5254, email: bernard.kuiten@wto.org. Internet: http://www.wto.org/english/tratop_e/dda_e/symp_devagenda_02_e.htm. See WTO In Brief section, this issue, for further information.

Other Forthcoming Events

8-26 April, The Hague, Netherlands: SIXTH MEETING OF THE CONFERENCE OF THE PARTIES (COP-6) & FIRST MEETING OF THE PARTIES TO THE CARTAGENA PROTOCOL ON BIOSAFETY (MOP1). For information contact: CBD Secretariat, Montreal; tel: (1-514) 288-2220; fax: 288-6588; email: secretariat@biodiv.org; Internet: <http://www.biodiv.org>.

12-14 April, Banff, Alberta Province, Canada: G-8 ENVIRONMENT MINISTERS MEETING. Inter alia, the summit will address the leadup to the World Summit on Sustainable Development scheduled for August-September 2002. For further information contact: Environment Canada; tel: (1-819) 956- 5212; fax: (1-819) 956-5964; email: enviroinfo@ec.gc.ca; Internet: <http://www.canada2002earthsummit.gc.ca/>. From IISD Linkages: <http://www.iisd.ca/linkages/journal/>.

17-19 April, Washington DC, USA: CERES 2002 CONFERENCE. The theme of the year's conference is "The Future of Wealth on Earth: Opportunities and Risks for Investors, Corporations, and Activists in a Changing Global Climate." The conference will focus on the growing environmental and social responsibilities of corporations and investors in the area of globalisation. The major themes of this year's conference will be: Corporate Governance and Accountability, Transparency and Sustainability, Climate Change Wealth and Security, and Globalisation and Justice. For further information contact: Sarah Raposa; tel: (1-617) 247-0700; email: raposa@ceres.org; Internet: <http://www.ceres.org/conference/2002/overview.htm>.

10-11 May, Helsinki, Finland: WORLD INSTITUTE FOR DEVELOPMENT ECONOMICS RESEARCH CONFERENCE ON THE NEW ECONOMY IN DEVELOPMENT. The conference will review what is presently known about the impacts of the 'New Economy' as a result of globalisation and the revolution in information and communication technology. It seeks to attract contributions which analyse the impacts of the production and/or use of ICT on economic growth,

productivity, income distribution and wages. For further information contact: fax: (35-896) 159-9333; email: ned@wider.unu.edu; Internet: <http://www.wider.unu.edu/>.

23-26 June, Göteborg, Sweden: TENTH INTERNATIONAL CONFERENCE OF THE GREENING OF INDUSTRY NETWORK. The theme of this year's conference is "Corporate Social Responsibility-Governance for Sustainability." The conference will provide a unique forum for dialogue and learning, presenting the latest in research and practice in the field, in a context of diverging and converging debate. For further information visit: <http://www.gin2002.miljo.chalmers.se/>.

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 Matteo Rizzolli, mrizzolli@ictsd.ch).

SUBSIDIES AND THEIR POTENTIAL IMPACT ON THE MANAGEMENT OF THE ECOSYSTEMS OF THE NORTH ATLANTIC. By Gordon R. Munro and Ussif Rashid Sumaila, Fisheries Centre University of British Columbia, Canada, 2002. This paper provides both an estimate and assessment of subsidies in fisheries in the North Atlantic. The subsidies are estimated, on the basis of data taken from an OECD study and the Sea Around Us Project database, to be in the order of U.S.\$2.0 to 2.5 billion per year. There is general agreement, to which we subscribe, that fisheries subsidies do great harm by exacerbating the problems arising from the "common pool" aspects of capture fisheries. Also, this paper argues that seemingly beneficial subsidies can, in fact, be highly negative in their impact. This paper was referenced in New Zealand's 19 March 2002 submission to the WTO Committee on Trade and Environment, document number WT/CTE/W/204, searchable at http://docsonline.wto.org/gen_search.asp.

THE ROLE AND EFFECTIVENESS OF DEVELOPMENT ASSISTANCE. Produced by the World Bank, March 2002. This paper, released at the UN Conference on Financing for Development in Monterrey, Mexico in March 2002, surveys the changing roles and effectiveness of development assistance during the past 50 years, with particular attention to the past two decades and to the experience of the World Bank. It concludes that aid is increasingly a catalyst for change, making it possible for poor people to increase their incomes and to live longer, healthier and more productive lives. To access, visit <http://econ.worldbank.org/view.php?type=5&id=13080>.

"Issues in production, recycling and international trade: analysing the Chinese plastic sector using an optimal life cycle (OLC) model," by Anantha Kumar Duraiappah, Zhou Xin, and Pieter J. H. van Beukering, in *Environment and Development Economics*, 7 (1, 2002) : 47-74. This paper sets out to investigate if free trade in secondary material waste can support economic development and simultaneously reduce environmental degradation in a developing country and the conditions necessary for the trade to be

permitted. In this study the focus is on trade in waste plastics in China. A life cycle model is formulated within an optimisation framework and solved by non-linear programming methods. Preliminary results suggest that trade in waste plastics is both economically and environmentally advantageous but under a number of stringent conditions.

FREE TRADE UNDER FIRE. By Douglas Irwin, Princeton University Press, due for release in April 2002. The book states the standard objections to free trade and goes through each in turn, explaining and questioning the theory, and then checking the empirical evidence. It concentrates on the new criticisms and the most recent evidence. It is reportedly up to date with the current literature on trade and incomes, trade and growth, trade and jobs, and other newly contentious issues.

"Everything but development : the Doha WTO outcome & process," in *Third World Resurgence*, 135/136 (Nov/Dec, 2001) : 11-56. This story reports on and analyses the Doha summit and its outcome. It focuses on what the author perceives to be manipulative tactics employed by the developed countries (with the full assistance of the WTO Secretariat) to secure a new round and the dishonest attempt to portray it as a "Development Agenda". The conclusion provides some tentative analyses of the implications of the Doha Ministerial outcome for developing countries and of the battles ahead.

"Sustainable development in an aging economy," by Tetsuo Ono and Yasuo Maeda, in *Environment and Development Economics*, 7 (1, 2002): 9-22. This paper analyses the effects of population aging on economic growth and the environment in a two-period overlapping generations model of growth, aging, and the environment. It shows that aging may be beneficial to economic growth and the environment under perfect annuitisation, while possibly harmful under imperfect annuitisation. Finally, it discusses the implications of the results for environmental policy in an aging economy.

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