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Members Divided Over Transparency, Definition At WTO Investment Talks

At the first substantive session of the WTO's Working Group on Investment since the November 2001 Doha Ministerial, Members on 18-19 April addressed the issues of 'transparency' and 'scope and definition' in the context of preparing for possible negotiations on investment rules under the Doha mandate. Significant divergences emerged between industrialised countries and key developing country Members in these areas, pointing to a difficult forthcoming phase in reaching agreement on how potential negotiations on a multilateral investment treaty could be structured.

Members agreed in Doha that negotiations on investment would take place "after the Fifth Session of the Ministerial Conference on the basis of a decision to be taken, by explicit consensus, at that session on modalities of negotiations." The Declaration also notes that any framework should reflect the interests of home and host countries, and take into account the development policies and objectives of host governments as well as their right to regulate in the public interest. The Fifth Ministerial is expected to take place in September or October 2003 in Mexico.

The Working Group's mandate until the Fifth Ministerial Conference is to focus its work on the clarification of scope and definition, transparency, non-discrimination; modalities for pre-establishment commitments based on a GATS-type positive list approach; development provisions; exceptions and balance-of-payments safeguards; and consultation and settlement of disputes between Members. It is chaired by Amb. Luiz Felipe de Seixas Correa (Brazil).

Developed, developing countries far apart

At the 18-19 April meeting, differences on how to approach investment were apparent between industrialised country Members (particularly the EC and Japan) on the one hand, and some major developing countries (including India, Brazil, Malaysia, Indonesia and China) on the other. Delegates were at odds over what constituted transparency obligations and on how to define investment in a potential multilateral agreement. Said one trade source, "there is a strong feeling among many developing country delegations that there is nothing much in it for them."

Transparency

The EC and Japan, the major demandeurs on investment at Doha, in separate papers said that lack of transparency on investment laws and regulations had been cited by their private sectors as the primary obstacle to investment in foreign countries. They said this pointed to the need for a multilateral investment agreement with strong transparency provisions. The EC and Japanese papers (WT/WGTI/W/110 and WT/WGTI/W/112 respectively, searchable at http://docsonline.wto.org/gen_search.asp) called for a WTO investment agreement that would require Members to publish laws and regulations on investments and notify changes to the WTO.

The UN Conference on Trade and Development (UNCTAD), intervening as an observer and supported by India, Brazil, Malaysia, Indonesia and China, suggested that transparency disciplines should also apply to home countries (origin of investment) and transnational corporations. A number of developing countries, including Brazil, Venezuela, Chile and China, said that transparency requirements should not be burdensome to developing countries.

Scope and definition

On scope and definition of investment, three new discussion papers were tabled by Canada, Korea, the EU and Japan. Canada's paper (WT/WGTI/W/113) urged that any definition should reflect business realities, and cited the broad definition of investment used in NAFTA. Korea (WT/WGTI/W/114) said definition of investment would be determined by the agreed objectives of a future agreement. The EC paper (WT/WGTI/W/115) said that three elements should be included in a definition of investment: direct investment enterprises, direct investment capital transactions and foreign direct investors. Japan's paper (WT/WGTI/W/111) focused on the relationship between a possible investment agreement and the WTO General Agreement on Trade in Services (GATS), and says that direct investment in services is already covered by the WTO under GATS, while no such agreement exists for investment in the manufacturing area. Japan also said that the focus of WTO rules should be on foreign direct investment (FDI), and not on speculative short-term capital flows.

Japan's views on short-term investment were echoed by a number of other countries, including India, Brazil, the Czech Rep., Cuba, Malaysia, Egypt, China and Poland. These Members argued that any definition of investment should concentrate on long-term FDI and exclude speculative, short-term capital flows. India said that a definition of investment should be based on the Doha Declaration's reference to long-term FDI. The Indian delegate said that the Working Group must be very clear on its remit under the Doha Declaration, in that negotiations could only begin after a consensus decision at the Fifth Ministerial, and Members should not at this time anticipate any kind of decision. India added that the Working Group also needed to take into account the needs of developing countries and not impinge on their right to regulate investment to protect public interest. Malaysia said it should be left to individual governments to make their own definition of investment.

The Working Group also discussed a comprehensive programme of technical assistance in investment by the WTO Secretariat, including four regional training courses and five regional seminars for 2002. A technical workshop for Geneva-based delegates and officials from capitals is being organised for 2 July 2002. The Doha Declaration emphasises technical assistance and capacity building to assist developing countries to better evaluate the implications of closer multilateral cooperation for their development policies and objectives, and for human and institutional development.

The Working Group is scheduled to meet on 3-5 July 2002, with focus on the next three issues cited in the Doha Declaration: 'non- discrimination', 'modalities for pre-

establishment commitments based on a GATS-type, positive list approach' and 'development provisions'.

"WTO off to slow start on global investment pact," REUTERS, 22 April 2002; ICTSD Internal Files.

EC Proposal Under Scrutiny In DSU Negotiations

At a 16 April special (negotiating) session of the Dispute Settlement Body (DSB), Members formally commenced negotiations "on improvements and clarifications" of the Dispute Settlement Understanding (DSU) as mandated by the Doha Declaration in paragraph 30. Addressing the EC's call for more transparency in the WTO dispute settlement mechanism as put forward in its tabled proposal (see BRIDGES Weekly, 16 April 2002, at <http://www.ictsd.org/weekly/02-04-16/story5.htm>), India and Malaysia reiterated their long-standing resistance to opening up the DSU process to external groups, especially by accepting so-called amicus curiae (friends-of-the-court) briefs.

India made it clear that it would in "no way" tolerate procedural modifications that would provide non-governmental organisations (NGOs) with the right to table unsolicited submissions, saying this would go against the intergovernmental nature of the WTO. Nevertheless, India went on to ask several detailed questions about the precise functionality of the proposed scheme.

Hong Kong-China voiced its opposition to addressing the issue of transparency under the current DSU negotiating mandate. On the so-called 'sequencing' issue on retaliation (see BRIDGES Weekly, 19 March 2002, at <http://www.ictsd.org/weekly/02-03-19/wtoinbrief.htm>), various Members cautioned that placing more emphasis on compensation vis-à-vis retaliation in WTO dispute settlement would enable rich countries to "buy" compliance and would contravene the DSU premise that compliance is the first objective of dispute settlement. Some further cautioned that developing countries might not have the possibility of offering compensation.

Regarding the EC's proposal for permanent dispute settlement panellists, Members such as the US and Japan asked about the costs and the details of the selection process. In terms of procedure, newly elected Chair of the DSB special session (SS), Ambassador Peter Balas from Hungary, announced that he would conduct the SS on two parallel tracks: one general track where countries can make general statements; and a second one for specific proposals.

Members further indirectly addressed the question of whether or not to limit the scope for the negotiations in the light of the May 2003 deadline for concluding the DSU negotiations. Hong Kong-China questioned whether complex issues such as permanent panellists could be settled quickly.

"WTO Members Discuss DSU Changes Based On EU Proposal," INSIDE US TRADE, 19 April 2002.

GATS: Leaked EC Draft Requests Bring Mixed Reactions

On 16 April, a storm of protest amongst civil society groups erupted after a set of confidential draft "requests" prepared by the European Commission were leaked to the non-governmental organisation (NGO) Corporate Europe Observatory (CEO) -- which subsequently made the EC documents publicly available on its GATSwatch website (see <http://www.gatswatch.org/requests-offers.html>). NGOs such as Oxfam UK, the World Development Movement (WDM), Attac and Friends of the Earth International (FOEI) subsequently voiced considerable concern over the EC's services-related requests to some of its WTO trading partners. By contrast, responses from Geneva delegations of the countries which were to receive the requests were mixed, with most delegates not surprised by the EC papers, while others were content to see the types of requests to a broad range of trading partners.

The EC's 29 requests to various Organisation for Economic Cooperation and Development (OECD) states and developing countries such as Brazil, China, Malaysia and Venezuela were drafted by the European Commission in the course of the ongoing services negotiations mandated by the Doha Declaration (para 15). This first series of draft requests to the so- called Group 1 -- i.e. specially targeted -- countries had originally been circulated amongst EC member states for review, but with the explicit requirement to "ensure that this text is not made publicly available and is only circulated to the officials concerned."

The confidential documents contain detailed requests to other WTO Members to make substantial commitments in sectors such as professional and business services, telecommunications, construction, distribution services, financial services, tourism, energy, and environmental services.

NGO and press responses

NGOs involved in the trade debate were outspoken against the EC paper. "The scope of these documents is truly terrifying," Dave Timms from WDM stated, adding that he was "shocked by how the EU is preparing to trample over its claims to be in favour of sustainable development in the naked pursuit of the interests of the European multinational service corporations." The consumer group Council of Canadians called the EC demands "chilling", while a writer close to Oxfam UK described them in an article published in the British newspaper *The Guardian* as "extraordinarily aggressive".

FOEI pointed out that the leaked requests focussed on "eliminating trade barriers and regulations that restrict trade in services in WTO Member countries," including

"controversial matters such as water, energy, tourism and transport." The Guardian, a British weekly newspaper, argued that the EC was "demanding full-scale privatisation of public monopolies across the world as its price for dismantling the common agricultural policy" during the ongoing trade round.

Commenting on some of the reactions, European Commission spokesman Anthony Gooch said that "the allegations in the [The Guardian] article are incorrect", especially as the EC requests "do not involve requesting or demanding that public services in developing countries be done away with," he added. In an official reaction posted at the GATSwatch website, the EC further stated that "it strongly regret[s] this leak" as the EC's internal processes "are not yet complete and the papers are still being discussed between the Commission and Member States". As a result, "these documents do not yet reflect official EU positions."

Geneva reactions

Trade delegates from developing country Members of the Group 1 interviewed for this report did not entirely share the criticism emerging from civil society groups. Generally commenting on some of the NGO reactions, WTO delegates emphasised that some of the statements revealed a great deal of misconception about the concept of services trade liberalisation, on the one hand, and privatisation as well as deregulation on the other. The latter were "not addressed in the GATS and the related negotiations," one source pointed out. On the draft requests themselves, all interviewed country delegates principally stated that those were "not striking at all", as their countries had anticipated "extensive" and "across-the-board" requests from the EC -- particularly as the EC had hinted to them in previous bilateral talks that its requests would be rather "ambitious".

Further, delegates did not regard the draft requests as inappropriate, taking into consideration that they were addressed to OECD and stronger developing countries only, and that they were part of the initial requests-offer phase where it was expected that everyone would try to maximise its bargaining position. Nevertheless, delegates indicated that they expected the next set of EC requests directed to weaker developing countries and least-developed countries (LDCs) to be much less comprehensive.

One delegate said that it was very useful now to have the chance to compare its own EC request with the other 28 documents so as to have a good argument to reject a very ambitious demand in a certain area where the EC's requests to other Members were more reluctant. As such, some delegates from the EC's trading partners appeared to be thankful for the early release of the draft requests, as "things would have been much more difficult if the requests would have arrived on 30 June at midnight," a trade official remarked. Para. 15 of the Doha Declaration provides that Members "shall submit initial requests for specific commitments by 30 June 2002.

Delegates further said that the EC requests would be a good indicator for forthcoming requests from the US, which Members expect to "be at least as ambitious" as the draft EC demands. A South American delegation indicated that the US requests were likely to contain regulatory elements in the form of requesting trading partners to adopt so-called

reference papers -- an instrument that had already been used during the post-Uruguay round negotiations on basic telecommunication services (see also related WTO In Brief, this issue).

For a compilation of the various NGO and press responses, visit the GATSwatch website at <http://www.gatswatch.org/ECleaknews.html>.

"A Privatisers' Hit List," THE GUARDIAN, 18 April 2002; "EU Plays Down "Leaked Trade Plan, Green Angry," REUTERS, 18 April 2002; "The Bananas For The Banking Agenda," THE GUARDIAN, 17 April 2002; "Secret Documents Reveal EU's Tough Stance On Global Trade," THE GUARDIAN, 17 April 2002; "Leaked EU Requests On Service Liberalisation In The WTO Reveal Threats For People, The Environment And Democracy," FOEI RELEASE, 16 April 2002; "Leaked Confidential EU Documents Confirm Controversial Character Of GATS Negotiations," GATSWATCH RELEASE, 16 April 2002. ICTSD Internal Files.

CBD Adopts Guidelines On Access To Genetic Resources And Alien Species

Delegates at the Sixth Conference of the Parties (COP-6) to the Convention on Biological Diversity (CBD) on 7-19 April in The Hague, The Netherlands, adopted the first-ever international guidelines on access to genetic resources and benefit-sharing (ABS). The meeting furthermore adopted Guiding Principles on alien species despite a last-minute objection by Australia based on concerns that the principles might allow countries to avoid obligations under trade agreements.

Guidelines on access and benefit-sharing

During the final Plenary, delegates adopted the "Bonn Guidelines on Access to Genetic Resources and Fair and Equitable Sharing of the Benefits Arising out of their Utilization" as part of the decision on ABS related to genetic resources (see BRIDGES Weekly, 18 April 2002; <http://www.ictsd.org/biores/02-04-18/story1.htm>). Seen as a "first step of an evolutionary process", the voluntary Guidelines aim to facilitate access to genetic resources on 'mutually agreed terms' (MAT) and on the basis of the country of origin's 'prior informed consent' (PIC) by providing guidance to Parties in the development of ABS regimes while promoting capacity building, transfer of technology and the provision of financial resources.

In the course of the discussions during COP-6, several countries -- including India, Colombia, Jamaica and Peru -- stressed that the Guidelines should encourage countries to require the disclosure of the country of origin of the genetic resources and provide evidence of benefit-sharing and prior informed consent of traditional knowledge holders in patent applications, in line with their position in the Council for Trade-related Aspects of Intellectual Property Rights (TRIPS; see BRIDGES Trade BioRes, 21 March 2002, <http://www.ictsd.org/biores/02-03-21/story4.htm>). In the end, requirements for the

disclosure of origin of the genetic resources and associated traditional knowledge in applications for intellectual property rights (IPRs) were only included in the Guidelines as possible measures to support compliance with PIC and MAT provisions along with, inter alia, voluntary certification schemes and measures discouraging unfair trade practices.

In addition, a section on the role of IPRs in implementing ABS arrangements contained in the Decision invites Parties to encourage the inclusion of disclosure requirements in IPR applications and requests the CBD Executive Secretary and the World Intellectual Property Organization to provide further information on this issue. The Decision furthermore requests the Executive Secretary to renew the application for observer status of the CBD Secretariat on the TRIPs Council, as called for by a number of countries, including India.

While delegates generally welcomed the adoption of the Guidelines, some expressed concerns about budgetary implications and realities regarding inter-sessional work to address outstanding issues on ABS. Some delegations, including Cameroon on behalf of the African Group, Ethiopia and the Philippines, called for negotiations on an internationally binding instrument on ABS.

Representatives of indigenous peoples criticised the voluntary guidelines as too weak and as providing insufficient protection for the knowledge and natural wealth of local people. They also reiterated previously voiced concerns that national governments, rather than indigenous peoples, would benefit from the commercial exploitation of TK.

Many civil society groups were also critical of the Guidelines. Malaysia-based NGO Third World Network stated that the Guidelines failed to define the rights of indigenous peoples, local communities and farmers, and to address conflict with the TRIPS Agreement. While pointing out that the Guidelines recognise the need to prevent biopiracy practices, Friends of the Earth International criticised Parties for failing to agree on the need for legally binding measures. For its part, Greenpeace said that "any agreement to stop biopiracy will be insufficient if the resources to be shared are disappearing", referring in particular to what it described as governments' failure at COP-6 to take urgent measures to protect ancient forests.

Guiding principles on alien species controversial

Despite objections by Australia, the meeting furthermore adopted 15 Guiding Principles on how to develop effective strategies to minimise the spread and impact of invasive alien species. In the final Plenary, Australia announced its decision that it could not support the Principles due to concerns that the ambiguous language on the precautionary approach in Principles 1 (precautionary approach) and 10 (intentional introduction) might result in conflicts with obligations under trade agreements. After delegates failed to resolve the issue, COP-6 President Geke Faber, supported by the two Working Group Chairs and most delegations, adopted the Decision as originally presented to the Plenary "on the basis of past practice" with a note in the report on the objections. This led

Australia to again raise its formal objection to the Decision and make reservations regarding the decision-making process.

The Principles, *inter alia*, recommend measures to prevent the spread of invasive alien species, with an emphasis on the least expensive and most effective measures, including border controls, quarantine measures, information exchange and capacity building. Also, recipient countries should have the opportunity to provide prior authorisation before the first intentional introduction of potentially invasive alien species.

In the multilateral trade system, such measures are generally covered by the Agreement on Sanitary and Phytosanitary Measures (SPS), which acknowledges the right of Members to take SPS measures necessary for the protection of human, animal or plant life or health. Regarding precaution, the SPS Agreement states that in cases where relevant scientific evidence is insufficient, Members may provisionally adopt health-related measures on the basis of available pertinent information. In such circumstances, however, the SPS Agreement obligates Members to undertake a risk assessment within a reasonable period of time (usually taken to mean 15 months).

For further information on the outcomes of COP-6, see the forthcoming issue (2 May) of BRIDGES Trade BioRes (<http://www.ictsd.org/biores>, or subscribe by sending a blank email to subscribe_biores@ictsd.ch).

ENB Vol. 9 No. 239, 22 April 2002; "Friends of the Earth International welcomes forest action plan," PRESS RELEASE, 19 April 2002; "Greenpeace calls on world leaders to rescue the last ancient forests: conference fails to reverse trends of destruction," 19 April 2002.

In Brief

Britain And Indonesia Sign Agreement Addressing Trade In Illegal Timber

In an agreement signed on 18 April by British Environment Minister Michael Meacher and Indonesian Minister of Forestry Dr. Muhammad Prakosa, Britain and Indonesia agreed to take action to combat trade in illegal timber between the two countries. The deal commits Britain to revising its current laws, with the goal of eliminating imports of timber from illegal sources, and requires Indonesia to open its forestry sector to closer independent scrutiny. Environmental groups estimate that 60 percent of Britain's tropical timber imports are from illegal sources, while it is estimated that about 70 percent of logging in Indonesia is illegal. The deal is intended to help protect the tropical forests of Indonesia from deforestation that threatens their disappearance within five to ten years. British companies have faced pressure from environmental groups for some time over their investment and trade in Indonesian forest corporations. A previous Friends of the

Earth campaign in 1999 led to the British government changing its timber-buying policy after it was discovered that the Ministry of Defence purchased illegal Brazilian mahogany. For its part, Indonesia is planning a permanent ban on exports of raw logs (see BRIDGES Weekly, 16 April 2002; <http://www.ictsd.org/weekly/02-04-16/inbrief.htm>).

"Britain and Indonesia Sign Agreement to Combat Illegal Timber Trade," AP WORLDSTREAM VIA COMTEX, 18 April 2002.

Sino-US Soybean Trade to Resume

On 18 April, after almost a year of uncertainty, China began to distribute temporary safety permits for bioengineered food imports. Last June, after China issued restrictive rules on genetically modified organisms (GMOs), soybean orders ceased, causing the world's biggest soybean grower, the US, to lose approximately \$US180 million. China and the US came to a compromise in March 2002, when China agreed to issue temporary permits to shorten and simplify GMO applications. This new measure will last through 20 December 2002. The compromise is especially important to US exporters as China is the biggest buyer of the US soybean crop, which is 70 percent of which is classified as genetically modified.

"China issues temporary GMO permits, trade applauds," REUTERS, 18 April 2002.

WTO In Brief

September or October Suggested Dates for 2003 WTO Ministerial Meeting

According to a note circulated to trade diplomats in Geneva the week of April 8-12, the WTO's next ministerial meeting will take place in September or October of 2003, as per the recommendations of Mexico, host of the next (fifth) Ministerial Conference. The venue of the meeting has not been selected, although the choice has been narrowed down to Acapulco or Cancun. The US and the EU had pushed for the Ministerial to take place in the middle of 2003 in order to coincide with the mid-point of the Doha round of trade talks, but Mexico said this was impossible because of local elections taking place at that time. Under WTO rules, Members are obliged to hold a Ministerial Conference -- the organisation's highest decision-making forum -- at least once every two years.

"Mexico Suggests September or October For Date of 2003 WTO Ministerial Meeting," WTO REPORTER, 17 April 2002.

WTO Working Group On Trade, Debt And Finance Gets Underway

Formed under the mandate of the Fourth Ministerial Conference in Doha last November, the WTO's Working Group on Trade, Debt and Finance (WG- TDF) met for the first time on 15 April -- with Amb. Hernando Jose Gomez (Columbia) presiding as Chair. The first part of the WG-TDF discussed a possible work programme for 2002. It was decided that the initial focus would be on trade and finance, and the second on trade and debt. The substance of the latter part of this programme ran into some difficulties, however, as the topic title to be used came under contention. This, noted one source, reflected divisions over how to approach the mandated work on trade and debt. A group of developing country Members, including India, sought a title (and substantive focus) that reflected its belief that trade measures could in fact provide a solution to debt problems. On the other hand, certain developed country Members, led by the US, held that any topic title should not imply that trade can either cause or solve debt problems.

While not falling under the single-undertaking of the Doha Mandate, the WG-TDF is accorded "a high priority" (Doha Ministerial Declaration para. 52) and shall report on its progress at the Fifth Ministerial Conference in 2003.

Chairperson Gomez indicated he would hold further consultations on the work programme. The WG-TDF next meets on 11 and 12 July, then again on 30 September and 17 December.

"No Accord Yet on Work Programme in Debt, and Technology," SUNS, 17 April 2002; ICTSD Internal Files.

Canada Tables First Negotiating Paper On WTO Trade Remedy Reform

In the first paper to be circulated to the WTO Negotiating Group on Rules, Canada on 15 April forwarded a position paper to other WTO Members on improvements and clarifications of the Agreement on Subsidies and Countervailing Measures (SCM) and the Agreement on Antidumping. In its two-page communication (WTO document TN/RL/W/1, searchable at http://docsonline.wto.org/gen_search.asp) submitted to the newly established negotiating body, Canada points at "certain gaps/deficiencies in the fabric" of WTO rules which "have led to divergent interpretations and practices" in the use of such measures. Focussing primarily on subsidies, Canada deplores the end-1999 expiration of both the 'deemed serious prejudice' provisions (SCM Article 6.1) and WTO provisions on non-actionable subsidies (Articles 8 and 9). In order to maintain the "traffic light framework of the SCM Agreement" -- i.e. green for non-actionable, amber for actionable, and red for prohibited subsidies -- the proposal suggests that "a non-actionable subsidy category should again be pursued." Further, Canada emphasises that it "remains concerned about efforts to fragment subsidy disciplines on a sector-by-sector basis," thereby addressing the ongoing debate of whether to address the issue of fisheries subsidies separately or under "generic rules/disciplines". Paragraphs 28 (WTO Rules) and 31 (Trade and Environment) of the Doha Declaration both reference fisheries subsidies,

though the mandate for this sector falls under Rules. Regarding antidumping and countervailing measures, Canada generally suggests strengthening trade remedy rules with respect to procedural aspects, enforcement, the "consideration of broader public interest" as well as the review of already existing antidumping and countervailing duties. Doha Declaration Article 28 mandates Members to enter into "negotiations aimed at clarifying and improving disciplines" under the SCM and Antidumping Agreement. Members adopted this negotiating mandate last November in Qatar despite initial resistance from the US, an active user of trade remedy methods.

"Rules: Canada Calls For Improved WTO Rules On Subsidies, Trade Remedy Measures," WTO REPORTER, 18 April 2002.

Panel Established in US-Mexico Telecom

At a 17 April meeting of the WTO's Dispute Settlement Body (DSB), a trade panel was established following a US second request to have Mexico's practices vis-à-vis US cross-border basic telecom suppliers assessed by the WTO (see BRIDGES Weekly, 26 February 2002, <http://www.ictsd.org/weekly/02-02-26/story6 - 2.htm>). The US alleged in its request (see WTO document WT/DS204/3, searchable at http://www.wto.org/english/info_e/search_e.htm) that Mexico was in violation of its commitments under the General Agreement on Trade in Services (GATS) Annex on Basic Telecommunications as well as under the so-called Reference Paper, as it had not: (i) ensured that US carriers can connect their calls to Mexico at reasonable rates, terms and conditions; (ii) ensured that US firms have reasonable and non-discriminatory access to and use of Mexico's telecom network; (iii) provided national treatment to US-owned commercial agencies; and (iv) prevented Mexico's dominant carrier from engaging in anti-competitive practices. The Reference Paper (viewable at http://www.wto.org/english/tratop_serv_e/telecom_e/tel23_e.htm) was previously used during the post-Uruguay Round (UR) negotiations on basic telecom services as a tool in deciding what regulatory disciplines to undertake as additional commitments. As such, the Reference Paper has no legally binding nature, but it can create new commitments if integrated into a Member's schedule on basic telecoms (see also services-related story, this issue). Mexico has formally inscribed the obligations contained in the Reference Paper in its schedule on telecommunications services (GATS/SC/Suppl.2), but categorically rejects the US' claim while accusing the US of "inventing disciplinary violations" so as to obtain more favourable conditions for its national telecommunication companies. Just recently at an 8 March DSB meeting, Mexico had blocked the US' first request for the establishment of a WTO panel. A second request cannot be blocked and automatically establishes a DS panel.

ICTSD Internal Files.

WTO Report On Anti-Dumping Activity Highlights Major Trade Remedy Users

On 22 April, the WTO Secretariat reported on anti-dumping (AD) activity for the period 1 July to 31 December 2001. During this period, the report shows, 19 Members initiated 186 anti-dumping investigations against exports from a total of 55 different Members. The WTO Agreement on Anti-Dumping allows measures to be applied to an import that can be demonstrated to be causing "material injury" to the domestic industry for that import. For this to occur, the importing government has to determine that dumping is taking place (i.e. goods are being sold below production costs), and that the alleged dumping is in fact causing injury to the domestic market. During the period of the report, 121 investigations were initiated by developing countries, with developed countries initiating 65. On a per-country basis, approximately 1.2 investigations were launched per developing country Member and approximately 1.5 per developed country Member. With respect to final measures applied (resulting from the 186 investigations), eight Members imposed 79 final measures against exports from 33 Members (with the US & India imposing 21 and 22 final measures respectively). Specifically, developing country Members imposed 33 final measures, while developed country Members imposed 46 -- which on a per-country basis translates into 0.33 per developing country Member, and 1.04 per developed country Member. On the receiving side of the equation, exports from developing countries (including transition economies and China) were the subject of 135 investigations, while exports from developed countries were the subject of 51 initiations. China, with 25 investigations on its exports, comes in at the top of the list of countries subject to anti-dumping investigations. The key sectors of focus in these investigations were base metals, such as steel (with 60 instances), chemicals (41 instances), and plastics (34 instances). Out of 35 investigations launched by the US, 33 were related to products in the base metals category.

The anti-dumping semi-annual reports by Members for the period 1 July - 31 December 2001 can be found under document series G/ADP/N/85 via the WTO's online documents search page at <http://docsonline.wto.org/>.

"WTO Members Report On Anti-Dumping Activity," WTO, 22 April 2002; ICTSD Internal Files.

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

22-23 April, Singapore: ASIA BIO-FUELS 2002 CONFERENCE. The conference will address what it takes to develop successful bio-fuels projects in Asia. Highlights include detailed case studies from Asian projects, analysis of the economic and social benefits available from bio-fuels application, understanding market structure for ethanol and new production, distribution and use, and evaluation of technology options for fast track project implementation. The conference will lay the foundations necessary for exchange of information and experience and reveal the concerns and issues that challenge the speed of development. For further information contact: tel: (65) 732-1970; fax: (65) 733- 5087; email: juliana.lim@ibcasia.com.sg; Internet: <http://www.ibc-asia.com/biofuels.htm>.

22-26 April, The Hague, The Netherlands: THIRD MEETING OF THE INTER-GOVERNMENTAL COMMITTEE ON THE CARTAGENA PROTOCOL ON BIOSAFETY (ICCP-3). 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/doc/meeting.asp?wg=ICCP-03>.

22-28 April, Nyon, Switzerland: NYON DOCUMENTARY FILM FESTIVAL - Includes a special section on Southern African-produced films on AIDS. Many deal directly with the issue of access to medicines. For further information contact Visions du Réel à l'Usine à Gaz-rue César-Soulié 1, 1260 Nyon, Switzerland;

Internet: <http://www.visionsdureel.ch/>.

25 April, The Hague, Netherlands: FTAA: CHALLENGE OR PITFALL?. At the event, the strategic issues and the structure and procedure of the FTAA will be discussed as well as its implication for South America and the European Union. For further information contact: Netherlands Institute of International Relations 'Clingendael', 2597 VH The Hague, Netherlands; tel: (31-70) 3245384; fax: 3282002; email: info@clingendael.nl; Internet: <http://www.clingendael.nl/>.

25-26 April, Geneva, Switzerland: TRADE, INVESTMENT AND COMPETITION. The Trade Information Project, the joint effort of IATP, FOEI, and CIEL, will sponsor this seminar for NGOs. For further information contact: Trade Information Project, B.P. 21 160a Route de Florissant CH- 1231 Conches, Geneva Switzerland; tel: (079) 668-5402; fax: (41-22) 789- 0500; email: tippproject@bluemail.ch.

29-30 April, Washington, DC, USA: 14TH ANNUAL BANK CONFERENCE ON DEVELOPMENT ECONOMICS. The Annual Bank Conference on Development Economics (ABCDE) presents and discusses new knowledge about development. For further information contact: Boris Pleskovic, conference organizer; fax: (1-202) 522-0304; email: abcde@worldbank.org; Internet: <http://econ.worldbank.org/abcde/index.php>. From IISD Linkages: <http://www.iisd.ca/linkages/journal/>.

29 April-2 May, Bangkok, Thailand: UNCTAD TRADE AND DEVELOPMENT BOARD- MID-TERM REVIEW. The meeting will be attended by representatives of

member States of United Nations Conference on Trade and Development (UNCTAD) and intergovernmental organisations and non- governmental organisations that have status with UNCTAD. In addition to reviewing the implementation of the Bangkok Programme of Action, the Mid-term Review will provide an opportunity for member countries to engage in an interactive dialogue and exchange of views on major developments in the world economy and their impact on development. For further information visit: <http://www.unctad.org/en/special/mid42002no.htm>.

30 April-2 May, Nairobi, Kenya: OWNERSHIP AND PARTNERSHIP IN AFRICA'S DEVELOPMENT STRATEGY. Organised by the North-South Institute, the conference will feature leading African experts on issues related to the New Partnership for African Development (NEPAD). Participants will discuss issues such as financing for development, aid reform in Africa, aid coordination and donor reform, and other poverty reduction strategies in light of the UN Millennium Development Goals. For further information contact: Lois L. Ross, Coordinator of Communications and Publications, The North-South Institute, 55 Murray Street, Suite 200, Ottawa, Ontario, Canada k1N 5M3; tel: (1-613) 241-3535 ext. 235; fax: (1-613) 241-7435; email: lross@nsi-ins.ca or nsi@nsi-ins.ca; Internet: <http://www.nsi-ins.ca/ensi/events/africa.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. 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.

23-24 April, Geneva, Switzerland: WTO WORKING GROUP ON THE INTERACTION BETWEEN TRADE AND COMPETITION POLICY.

24 April, Geneva, Switzerland: WTO COMMITTEE ON ANTI-DUMPING PRACTICES- INFORMAL GROUP ON ANTI-CIRCUMVENTION.

24-25 April, Geneva, Switzerland: WTO TRADE NEGOTIATIONS COMMITTEE. There are three issues on the agenda: 1) Reports from the chairs of the seven negotiating bodies; 2) Participation of observers in the negotiations; and 3) Next meetings.

25-26 April, Geneva, Switzerland: WTO COMMITTEE ON ANTI-DUMPING PRACTICES.

25 April, Geneva, Switzerland: WTO COMMITTEE ON TRADE AND DEVELOPMENT.

25 April, Geneva, Switzerland: WTO WORKING PARTY ON THE ACCESSION OF THE RUSSIAN FEDERATION.

26 April, Geneva, Switzerland: WTO COMMITTEE ON MARKET ACCESS.

26 April, Geneva, Switzerland: WTO SEMINAR ON REGIONALISM.

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

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.

30 April-1 May, Geneva, Switzerland: INFORMAL MEETING OF THE WTO COMMITTEE ON SUBSIDIES AND COUNTERVAILING MEASURES. The purpose of the meeting will be to discuss proposals made in the context of the Committee's review of the provisions of the agreement on subsidies and countervailing measures having to do with countervailing duty investigations.

Other Forthcoming Events

8-11 May, Austin, Texas, USA: 2002 ALL THINGS ORGANIC CONFERENCE AND TRADE SHOW. Organised by the Organic Trade Association (OTA), the event will reflect the global face of the organic industry while focusing on North American opportunities and challenge. An international pavilion featuring buyers and suppliers of organic products and services from around the world will be an integral part of the trade show portion. Among topics to be discussed at the conference portion of this event are the implications of full implementation of national organic standards, organic labelling and organic fibre use. For further information contact: Holly Givens; tel: (1-413) 774-7511; Internet: <http://www.ota.com/tradeshow/>.

13-16 May, Paris, France: ANNUAL OECD MINISTERIAL COUNCIL MEETING. Ministers from both OECD and non-OECD countries will gather to discuss economic growth and stability and development issues. WTO Director- General Mike Moore will meet with Trade Ministers from several countries who will be attending the meeting and will update them and get their views on the current negotiations. For further information visit: <http://www.oecd.org/EN/document/0,,EN-document-0-nodirectorate- no-12-28131-0,00.html>.

16 May, Geneva, Switzerland: PRECAUTION IN ENVIRONMENTAL POLICY-MAKING. This roundtable, organised jointly by the Geneva Environment Network and the Swiss Agency for the Environment, Forests and Landscape (SAEFL), will examine Principle 15, how precaution has been applied since Rio and why it remains so important for the Johannesburg World Summit on Sustainable Development (WSSD). For further information contact: Aniket Ghai, Office C-006, Geneva Environment Network, International Environment House, 11-13 chemin des Anemones, CH-1219 Chatelaine, Geneva, Switzerland; tel: (41-22) 917-8505; fax: (41-22) 797-3464; email: aniket.ghai@unep.ch; Internet: <http://www.environmenthouse.ch/>.

4 June, Paris, France: DOES TRADE LIBERALISATION CONTRIBUTE TO THE IMPROVEMENT OF FOOD SECURITY?. This seminar is organised by SOLAGRAL and SFER (Société française d'économie rurale), with the support of CIRAD. For further information contact: Karine Tavernier, SOLAGRAL Parc scientifique Agropolis, Bât. 14, 34397 Montpellier Cedex 5 - FRANCE; tel: (33-04-9) 923-2285; fax: 923-2460; Internet: <http://www.solagral.org/>.

7-8 June, Fontainebleau, France: SUSTAINABLE VENTURE FINANCE: AN EXPERT WORKSHOP ON SUSTAINABILITY ORIENTED VENTURE CAPITAL AND ENTREPRENEURSHIP. INSEAD and UNEP FI will be joined at the workshop by leading practitioners to answer whether and when it is profitable to invest in sustainability-oriented venture capital funds and entrepreneurial ventures. Discussion will build on applied research already undertaken by INSEAD and UNEP FI researchers. For further information visit: <http://unepfi.net/venture>.

24-27 June, Monterey, California, US: SECOND WORLD CONGRESS OF ENVIRONMENTAL AND RESOURCE ECONOMISTS. The four-day program will consist of plenary sessions with key-note speakers, parallel sessions with contributed papers, and some sessions with invited papers and panels on special topics and environmental and resource economics. The keynote speakers are: Kenneth Arrow, Parth Dasgupta, Daniel McFadden, and Martin Weitzman. For further information visit: <http://weber.ucsd.edu/~carsonvs/>.

1-2 July, Leeds, United Kingdom: CORPORATE SOCIAL RESPONSIBILITY AND ENVIRONMENTAL MANAGEMENT CONFERENCE. Speakers will address such topics and Sustainable Development and Tourism, Environmental Management in SMEs, Biodiversity and Conservation, And Business and Sustainable Development. For further information contact: Elaine White; tel: (44-0- 127) 453-0408; fax: 453-0409; email: Elaine@erpenv.demon.co.uk; Internet: <http://erpenvironment.org/>.

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).

CONTROLLING THE INTERNATIONAL TRADE IN ILLEGALLY LOGGED TIMBER AND WOOD PRODUCTS. By Duncan Brack, Gavin Hayman and Kevin R. Gray, published by UK Department for International Development, 2002. The report examines the means by which international trade in illegally logged timber and wood products can be controlled - in other words, how importing/consuming governments might establish and operate a system for denying market access to timber and wood products produced and exported illegally. The analysis is broken down into sections assessing: how to identify legal production; how consumer countries can close down the markets for illegally sourced timber; international cooperation on the subject of illegal logging; WTO implications; and anti-corruption and money laundering initiatives. The report can be downloaded at: <http://www.riia.org/pdf/research/tradeinillegaltimber.pdf>.

PRECAUTION AND RISK: A CONSUMER RESPONSE. Published by Consumers International, Food Policy Briefing Paper No. 3, April 2002. The paper outlines what precaution is, how it fits into the risk analysis debate and its use in Codex standard setting. Available at

http://www.consumersinternational.org/campaigns/food/Food_Papers.html.

THE LAW OF SUBSIDIES UNDER THE GATT/WTO SYSTEM. By Marc Benitah, published by Kluwer Law International, 2001. With its introduction of the concept of 'attenuation' of entitlement, this analysis aims to add to the understanding of international economic law on subsidies - and its future invocation and jurisprudence. In the various techniques of attenuation -- described and analysed in this book -- may be found the unifying thread on which a logical, coherent law of subsidies may be strung. For further information, visit: <http://www3.sympatico.ca/mbenitah/backcover.htm>.

"Options for World Trade Organization Involvement in Food Aid," by Linda M. Young. THE ESTEY CENTRE JOURNAL OF INTERNATIONAL LAW AND TRADE POLICY, Winter 2002. WTO Members have presented diverse positions on food aid issues to the current round of negotiations on agriculture. Some Members desire increased disciplines on food aid, while others are adamant that the WTO needs to fulfil past promises and meet the current need to increase the food security of developing countries. Underlying this debate are questions about the role of the WTO in food aid issues. This publication proposes that a new, more cohesive institution for food aid be adopted to partner with the WTO. To view the full article, visit <http://www.esteyjournal.com/>.

"Dilemmas of balancing organisational and public interests: how environment affects strategy in Dutch main ports," by Ans Kolk & Mark van der Veen, in EUROPEAN MANAGEMENT JOURNAL, 2002. Corporate social responsibility implies more attention to company relationships with governments and other stakeholders. The need for intensive interaction is most conspicuous when company activities come close to the

provision of (former) public goods, which also have strong environmental and social implications. This article examines how ports deal with environmental issues in their strategies and relationships with other companies and stakeholders, focusing more on win-lose situations than on the well-known win-win opportunities. Despite increasing interaction and recognition of the side effects, less attention is paid to the economic risks of the ports' expansion strategy and of the government focus on transport.

"The relocation of production and effects on the global community." By Teresa Edwards, in *COLORADO JOURNAL OF INTERNATIONAL ENVIRONMENTAL LAW AND POLICY* 13 (1, Winter 2002): 183-209. This paper addresses the problems associated with the free flow of production and investment, primarily in less-developed countries.

Electronic Resources

NEW WEB PAGES ON EU TRADE POLICY DIALOGUE WITH CIVIL SOCIETY. The EC trade-civil society site has been restructured and formatted as an online database, which will contain both information on the meetings organised by DG Trade, and on the organisations participating in the dialogues. Documents made available for the meetings will also be accessible using the Database. Participants will have the possibility of registering online and editing information relative to their organisation through login and password-protected access. For further information see http://trade-info.cec.eu.int/civil_soc/intro1.php. You can also contact: trade-civilsociety@cec.eu.int.

A searchable archive of BRIDGES Weekly Trade News Digest© can be accessed at: http://www.newsbulletin.org/bulletins/WhichBulletin.cfm?Bulletin_ID=14&SID=

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