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WTO Goods Council Starts On Trade Facilitation Mandate; Textiles Coming Up Short

The WTO's Council for Trade in Goods (CTG) met on 23 and 24 May, where it discussed, *inter alia*, the work programme on trade facilitation (specifically Article X of GATT 1994), the implementation- related items on the textiles agreement, and the relevant preparations, in connection with paragraph 18 of China's Protocol of Accession, for the review of China's trade policies.

Trade facilitation

Paragraph 27 of the Doha Ministerial Declaration tasked the CTG to "review and as appropriate, clarify and improve relevant aspects of Articles V, VIII, and X of the GATT 1994 and identify the trade facilitation needs and priorities of Members [...]". It further noted that this review was to be undertaken in preparation for negotiations, to take place after the Fifth Ministerial (September 2003), "on the basis of a decision to be taken by explicit consensus" on modalities. The transparency issue of 'publication and administration of trade regulations', i.e. Article X of GATT 1994, was previously agreed to be the focus of the 23/24 May meeting, the first to deal with the substantive matters of the mandate.

Five papers have been submitted to date on Article X -- including ones from the EU (G/C/W/363), Japan (G/C/W/376), Canada, Korea, and the US (searchable at <http://docsonline.wto.org>). The first four papers generally called for a widening of the scope of information to be published, a consultation mechanism for affected parties prior to the finalisation of customs regulations, the legal right of appeal against customs decisions, a single inquiry point for trade-related information and expanded technical assistance to developing countries on the issue of trade facilitation. Small and medium enterprises (SMEs) were often pointed to as the main beneficiaries from the actions being proposed -- citing a decreased capacity to dedicate resources to finding such information (relative to larger multinationals). The US paper was an overview of its transparency mechanisms -- the Federal Register.

Brazil, in its intervention, commented that refraining from the abusive and protectionist use of trade instruments as well as completing the WTO harmonisation work programme on rules of origin (i.e. harmonising the diverging methodologies in use for calculating the origin of a good) could also be included in trade facilitation. It added that the best way to facilitate trade for developing countries was to eliminate trade barriers to their products. Speaking specifically to the EU paper, they noted that a sufficient case had not been made of Article X's inadequacy to warrant amending the provision.

Uruguay, Pakistan, Malaysia, India, Indonesia and Cuba stressed that this exercise was merely a review and not in fact negotiations -- which would only start after the 5th Ministerial "on the basis of a decision to be taken by explicit consensus" on modalities of negotiations (i.e. the framework for how negotiations will proceed).

Textile discussions moving slowly

On the item of implementation-related issues, Ambassador Supperamaniam, the Chair from Malaysia, noted that the exchange of views at the 13 May informal meeting was constructive. Furthermore, he pointed to his hope that greater detail could be had at the next informal, scheduled for 28 May.

A source close to the textile industry indicated his belief that the discussions, "at this time", were not moving very well. He noted that the US, the EU and Canada were showing little flexibility, based on the claim that they were implementing the textile agreement faithfully. While admitting that no light was currently shining at the end of the proverbial tunnel, the source nevertheless stressed that movement was still possible at upcoming informal meetings on the issue.

These informal meetings are being held to consider the proposals under para. 4.4 and 4.5 of the Decision on Implementation (see BRIDGES Weekly, 15 May 2002, <http://www.ictsd.org/weekly/02-05-15/story3.htm>). The paragraphs deal with the use of the most favourable methodology for calculating the expansion of textile quotas for small suppliers and least-developed countries; and the advance expansion of quotas for developing countries. The Goods Council is to make recommendations to the General Council by 31 July for on how to proceed with the proposals.

China adamant not to expand paragraph 18 obligations

In the lead-up to the review of China's compliance with its WTO obligations -- mandated annually for the next 8 years under paragraph 18 of China's Protocol of Accession -- the US requested a timetable to allow sufficient time, prior to the review, for China to submit information and for written questions to be tabled. In response, China reiterated statements made most recently at the 3 May Subsidies Committee (see BRIDGES Weekly, 7 May 2002, <http://www.ictsd.org/weekly/02-05-07/wtoinbrief.htm>), that it could not assume obligations in addition to what is provided for under para. 18 and that they would reject any attempts to increase the scope. They added, however, that Members were welcome to raise questions well in advance of the review meeting.

Under paragraph 18 of China's Protocol of Accession, the CTG is to conduct a review of items relating to non-discrimination, export restrictions, state trading entities, and government procurement.

The next regular meeting of the Council for Trade in Goods is scheduled for 13 June, 2002.

ICTSD Internal Files.

Agriculture, Peace, And Expansion Dominate COMESA Heads of State Summit

Leaders from nine African states of the Common Market for Eastern and Southern Africa (COMESA) gathered in Addis Ababa, Ethiopia, on 23 and 24 May for the seventh Heads of State Summit. The theme of the summit was "promoting trade and investment" in the COMESA's nine-state Free Trade Area (FTA). Discussion topics included, inter alia, a fund for recovering losses resulting from participation in the trade bloc, food security concerns, peace in the region, as well as the expansion of the FTA.

The FTA was launched in October 2000 with the nine COMESA states of Djibouti, Egypt, Kenya, Madagascar, Malawi, Mauritius, Sudan, Zambia and Zimbabwe participating (see *BRIDGES Weekly*, 29 May 2001, <http://www.ictsd.org/html/weekly/29-05-01/story3.htm>). The larger 20-member COMESA community also includes Angola, Burundi, Democratic Republic of Congo, Ethiopia, Eritrea, Namibia, Uganda, Rwanda, the Seychelles, Swaziland and the Union of the Comoros. Although not yet members of the FTA, this latter group enjoy preferential trading arrangements with each other and are gradually reducing tariffs on goods produced inside the bloc. Member states aim to develop the COMESA FTA into a customs union by 2004 and a monetary union by 2025 -- encompassing all 20 members.

Resolutions to spur trade and investment

One resolution adopted at the Summit, which aims to increase trade and investment in the bloc, was a protocol to launch a fund from which member states can recoup revenue losses resulting from participating in the free trade area. The fund, with assistance from the New Partnership for African Development (NEPAD), is also expected to help spur private sector investments in infrastructure.

Members also adopted a declaration on ethics to combat corruption by customs officers and called on members to speed up consultations to implement the protocol on free movement of people, labour, and services.

Food security

Cooperation in agriculture and food security was also high on the summit's agenda. Hoping to boost the agricultural output of the region, leaders discussed mechanisms to promote large-scale irrigation projects, reduce dependence on rain-fed farming, and encourage regional specialisation. "We want a common agricultural policy," said COMESA Secretary General Erastus Mwencha. Contrasting the huge drought-induced food shortfalls in some southern COMESA countries with the surpluses in some eastern countries, Mwencha added, "[we] should develop schemes so that food can flow freely in the region rather than when we have problems only,"

In that context, strengthening transport networks were also identified as a priority -- as approximately three-quarters of goods within COMESA travel by road. Peace -- an essential piece of the puzzle

The issue of regional stability and security was also prevalent in the minds of the leaders during the conference. Some members are involved in war while others face internal turmoil. The situation will need to greatly improve, according to several experts, if progress is to be made towards the desired goal of bringing all 20 members into a customs union by 2004 and monetary union by 2025.

Fear of domination by neighbours chills expansion

The summit was also attempting to attract more members into the FTA. Despite these efforts, only the five states of Burundi, Rwanda, the Democratic Republic of Congo, Namibia and Swaziland have signed up to join before January 2004. While African leaders acknowledge that intra- regional trade among the nine FTA countries, amounting to \$370 million, has improved due to the FTA, they note that some members are reluctant to join because they fear domination by neighbours (see BRIDGES Weekly, 16 January 2002, <http://www.ictsd.org/weekly/02-01-16/story2.htm>).

Another issue impeding expansion, and growth in general, are complicated rules of origin. Secretary General Mwencha noted the main delay in implementing the FTA is 'rules of origin' issues and the use by certain countries of such provisions to block or delay imports. This item is being considered such that the same procedure of administration for these rules can be put into place, he added.

Regarding the issue of a common negotiating position with multilateral partners, COMESA had agreed with other regional bodies like the Southern African Development Community (SADC) to pursue a common approach when negotiating in the WTO, with the European Union and the US, under the Africa Growth and Opportunity Act (AGOA) (whereby qualifying countries can export unlimited quantities of clothing made from US fabric, yarn and thread to the US duty-free, and a limited amount of apparel made from fabric produced in the country in question).

"Interview-Africa Regional Bloc Says Free Trade Deal Vibrant," REUTERS, 21 May 2002; "COMESA Heads of State To Meet In Addis Ababa To Boost Free Trade Zone," AFP, 22 May 2002; "Africa Trade Bloc Meeting Ends With Call For Peace," 24 May 2002; "Summit Ends With Resolutions To Boost Trade" THE HERALD, 24 May 2002.

'US Steel' Dispute Panel To Convene 3 June As Dispute Requests Increase

The EC announced at a 22 May meeting of the WTO's Dispute Settlement Body (DSB) that it would call for the establishment of a dispute panel to examine the steel safeguard tariffs imposed by the US on a range of steel imports at a special 3 June DSB session (see BRIDGES Weekly, 16 April 2002, <http://www.ictsd.org/weekly/02-04-16/story5.htm#3>). Furthermore, Japan, Korea, and China are likely to join the steel dispute at the 3 June meeting should the US pass on its right to block these first panel requests. Also at the 22 May session, the US could not veto a second request for a panel against it in a dispute with Japan on certain US antidumping measures. In return, however, it initiated the establishment of a dispute panel against Japan on apple imports. Finally, in another dispute involving the US, India asked the DSB to establish a panel in regards to textile matters -- another request that could be ward off by the US.

US blocks first EC panel request

At the 22 May meeting, the US blocked the EC's first 7 May request (WT/DS248/12) for a panel to decide on the WTO compatibility of the US steel safeguard tariffs of up to 30 percent. Geneva-based US legal counsellor Steven Fabri, stated it was "regrettable" that the EC had decided to challenge them as they were "fully consistent" with WTO rules. In response, EC Ambassador Carlo Trojan said Brussels was "confident that the WTO will again rule against the abuse by the US of WTO safeguard provisions" as it had previously done in all six US safeguard cases brought to the global trade body.

According to Trojan, the US failed to meet the requirement of a "sudden, recent, sharp and significant increase in imports" as postulated by the Appellate Body (AB) in a 1999 safeguard dispute (WT/DS121/AB/R). Second, Trojan argued, the US "once again failed to separate and distinguish the injury caused by imports from the injurious effect of other factors" such as the so-called "legal costs". Thirdly, the safeguard measures imposed by the US to offset the alleged injury caused by imports were excessive such that the US would "simply make the rest of the world pay for the lack of restructuring of its steel industry." Lastly, Trojan complained about the US's decision to exclude all imports from its North American Free Trade Agreement (NAFTA) partners, Mexico and Canada, from the applicability of its steel safeguard regime.

In parallel to the EC's move, both WTO Members Japan and Korea announced on 22 May that they would join the steel dispute at a special meeting to be held on 3 June to address their individual first requests for the establishment of a trade panel. In addition, on 27 May, China lodged a similar request with the WTO to set up a dispute panel to look into the issue. Although the US could veto these first requests, trade sources consider it unlikely in that a panel would be established anyway by virtue of the EC's second request. While any Member can stop a first dispute panel request, a second request automatically leads to the establishment of a panel. Moreover, WTO dispute settlement rules provide that multiple complaints on the same subject matter are usually to be merged to a single panel procedure.

For their part, Brazil and New Zealand requested consultations with the US on the steel issue (WT/ DS259/1 and WT/DS2581), thereby joining Norway and Switzerland who have asked for consultations but have not yet requested a panel.

EC, Japan to retaliate prior to final DSB ruling, others to wait

Japan as well as the EC has already notified their intent to retaliate against US exports under Article 8 of the Agreement on Safeguards "not earlier than 18 June" (see BRIDGES Weekly, 16 April 2002, <http://www.ictsd.org/weekly/02-04-16/story5.htm#3>). China, Norway and Switzerland on the other hand, announced they would take retaliatory action only three years after the safeguard tariffs were put in place or after a binding DSB ruling on them. A third grouping of Australia, Brazil, Korea and New Zealand have delayed their notification to retaliate by formally agreeing with the US that their right to suspend concessions and other obligations be extended until 20 March 2005. Otherwise, Members need to impose their retaliatory measures within 90 day after the safeguard measure had been applied.

Members can only take recourse to retaliation under the Agreement on Safeguards if the Members concerned do not agree on adequate compensation and when the safeguard stems from a relative increase in imports. By definition, a relative increase in imports is when the domestic production-to- import ratio changes primarily because of a drop of domestic production (rather than due to an increase in imports). In cases of an absolute increase of imports, however, the right to retaliate cannot be exercised within the first three years after the application of the safeguard measure. Sources speculate that only a dispute panel will be able to settle whether the US steel case is one of a relative or absolute increase in imports.

Other panel requests put forward

For detailed information on all the actions taken at the 22 May DSB meeting, see http://www.wto.org/english/news_e/news02_e/dsb_22may02_e.htm.

"CHINA TARGETS US STEEL TARIFFS IN ITS FIRST WTO PANEL REQUEST," AFP, 27 May 2002; "Steel: US Blocks Establishment Of WTO Panel To Review Steel Tariffs; EU Will Renew Bid," WTO REPORTER, 23 May 2002; "US Blocks Panel On 'Steel'," WTO NEWS, 22 May 2002; "Brazil To Take US To WTO Over Steel," AP, 17 May 2002; "Trade: EU Leads Charge At WTO Against US Wall Of Steel," TERRAVIVA-EUROPE DAILY, 23 May 2002; ICTSD Internal Files.

Least Developed Country Agenda Gets Underway

The 28th session of the WTO's Sub-Committee on Least Developed Countries (LDCs) met on 24 May to discuss, inter alia, enhancing the participation of LDCs in the multilateral trading system (MTS), the activities of the International Trade Centre vis-à-vis LDC trade diversification, technical assistance and the Integrated Framework, market access, and accession.

New Chair sits for first time

Taking over from Ambassador Fuller (UK) last month, Ambassador Johan Molander of Sweden sat for the first time as Chair of the Sub-Committee. While the Chair elections were originally scheduled for 14 February, the Committee on Trade and Development (CTD) only officially elected him on 25 April. The postponement resulted from the lack of consensus on the slate of Chair candidates presented to the General Council on 13 February (see BRIDGES Weekly, 20 February 2002, <http://www.ictsd.org/weekly/02-02-20/story2.htm>)

Having finally approved an agenda, session gets to work

The overarching focus of the meeting was the effective implementation of the 2002 work programme on LDCs. This work programme was adopted on 12 February after disagreement prompted the deferral of the 25 January meeting (see BRIDGES Weekly, 29 January 2002, <http://www.ictsd.org/weekly/02-01-29/story2.htm>).

Seven broad themes permeate the work programme, including market access; technical assistance and capacity building initiatives; supporting external agencies working on assisting with the diversification of LDCs' production and export base; mainstreaming trade-related elements of the Programme of Action emanating from the 3rd UN Conference on LDCs; increasing participation of LDCs in the multilateral trading system; accession; and following up with the various Ministerial Decisions and Declarations (WT/COMTD/LDC/11 is searchable at <http://docsonline.wto.org>).

Road map defines actions and timeframes

One of the first discussions was the proposal and adoption of a 'road map,' which looked at possible actions and their related timeframes. This 'map' directed the 28th session to focus on the participation of LDCs in the MTS and the supporting activities of the International Trade Centre in assisting LDCs diversify their production and export structures. The July session will focus on, inter alia, accessions (see below) and the November session will focus on, inter alia, market access and technical assistance.

Participating in the multilateral trading system

This item took up the bulk of the Sub-Committee's discussions. These discussions revolved around a note prepared by the Secretariat (WT/COMTD/LDC/W/26, currently restricted) and a statement made by the LDC coordinator on the Secretariat's note.

Paragraph 15 of LDC work programme instructs the Sub-Committee to "annually review and consider recommendations, as appropriate, on the item entitled: 'Enhancing the Participation of LDCs in the Multilateral Trading System and the Global Economy.'"

This report, broken into three sections, highlights major trends and changes in LDC trade over the last decade and reports on recent developments and initiatives on areas including, the negotiating agenda of LDCs, initiatives for Non-Residents, information technology support, the IF Pilot Scheme's diagnostic trade integration studies, participation in standard setting bodies, and LDC trade policy reviews. It concludes with some possible issues where "scope for further improvements" exists, including improving market access, prioritising the delivery of technical assistance and capacity building to LDCs, further extension of the Integrated Framework, and ensuring that continued domestic policy reforms are taken so as to avoid any offsetting of the benefits from trade liberalisation.

LDCs' statement on enhancing their participation

The LDC statement remarks that due attention is imperative on the issue of how WTO agreements have impacted the integration of LDCs into the trading system. Further, it notes three potential areas for positive movement forward. These include improving the participation of LDCs in agenda setting and negotiations, harnessing capacity building to confront supply-side constraints, and improving overall trade performance. On this latter point, the statement specifically identifies four areas of action.

One of these is the implementation of all provisions in favour of LDCs, including the technology transfer elements embodied in article 66.2 of the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS), articles IV and XIX of the services agreement (relating to non- reciprocal treatment for LDCs). As well, the statement mentions the removal of tariff escalations (i.e. gradual increases in the applied tariff of a product line as value is added to its base commodity) and technical and financial assistance to comply with technical/sanitary and phytosanitary measures impacting their market access. It further reiterates the LDCs' call for immediate duty and quota-free access to all their products -- accompanied by simple and harmonised rules of origin. Finally they seek regular monitoring of their terms of trade (i.e. the relative price of a country's exports compared to its imports) and an instituted mechanism to redress negative developments.

Supporting trade diversification activities

Members also heard an oral report from the International Trade Centre on support provided in assisting LDCs in the diversification of their production and export

structures. Other relevant agencies providing similar assistance will be invited to make presentations to the Sub- Committee in the future. At time of press, this report was not publicly available, however sources indicate it may be soon.

Integrated Framework (IF)

Under discussions on technical assistance, Amb. Iversen of Denmark presented an oral report on the meeting of the IF Steering Committee. The Secretariat also informed Members on the implementation of the IF Pilot phase and presented the new website (<http://if.wto.org>).

Market access and accession

Members were also briefed on the preparation of a study on market access for LDCs, being prepared by the Development and Economic Research Division, which is to be discussed further at the November Sub- Committee meeting. As well, relating to the 15/16 July Seminar on Accession, the Secretariat responded to comments regarding the structure and objectives of the seminar.

The Sub-Committee on Least Developed Countries meets again on 30 July and 7 November.

ICTSD Internal Files.

In Brief

Chirac Speaks For World's Poor Against US Unilateralism; EU-Chile Conclude Agreement

Strongly criticising US unilateralism which "runs contrary to a balanced and serene vision of the world," recently re-elected French President Jacques Chirac noted that recent US safeguard tariffs on steel imports and massive increases to farm subsidies would hurt poor countries hardest -- including those in Latin America. Speaking at a 16-18 May EU-Latin America and Caribbean Summit in Madrid, Chirac -- a staunch defender of the EU's own farm subsidies -- made it clear that the US measures could in no way be justified by the principles on which the World Trade Organisation was founded. While hailing examples of multilateralism in a joint declaration with the EU such as the planned establishment of an International Criminal Court and the Kyoto Protocol on global warming, Latin American leaders reminded the EU that they too had significant trade barriers to tear down. Some countries indicated disappointment at not being offered similar free trade deals as the E.U has forged with Mexico and Chile. In response, the EU offered political and cooperation accords to the Central American and

Andean countries, which the EU said were not ready economically to conclude such deals.

Also announced at the summit, the EU and Chile concluded (but did not formally sign) a bilateral Association Agreement, aimed at freeing up most of their \$US 7.2 billion worth of bilateral trade. The Mercosur trade bloc -- made up of Brazil, Argentina, Paraguay and Uruguay -- which is negotiating a similar association agreement with the EU also saw advances on its process during the summit.

"Chirac Slams US 'Unilateralism' at Summit", REUTERS, 17 May 2002.

US Senate Clears TPA Bill, But Hurdles Remain

On 23 May, the US Senate passed the Trade Promotion Authority (TPA) bill, bolstering the White House's push for the right to negotiate trade pacts that Congress would not be able to amend; authority it claims to require to negotiate complex trade deals. Hailed as a major victory for President Bush, the TPA bill was approved by a 66-30 vote, with 41 republicans, 24 Democrats and 1 independent supporting the bill and 25 Democrats and 5 Republicans opposing it. At a time when the US is under heavy fire for 'protectionist' moves with respect to steel (see related article, this issue), agricultural subsidies, and lumber, Bush said the passing of TPA "sends an important signal to our trading partners that we are committed to free and open trade" (see BRIDGES Weekly, 22 May 2002, <http://www.ictsd.org/weekly/02-05-22/story5.htm>).

The Senate's version of the bill, which differs from the version the House passed last December, must now go to a joint House-Senate conference for reconciling. This recently-passed version empowers Congress to remove parts of any agreement that alter US anti-dumping and subsidy laws as well as provides compensation for workers losing their jobs to foreign competition. It also reinstates the Andean Trade Preferences Act (see BRIDGES Weekly, 22 May 2002, <http://www.ictsd.org/weekly/02-05-22/inbrief.htm>) and calls for additional protection on workers rights and the environment (although not as strongly as some Democrats had wanted). The White House has warned it will veto the bill however, if the clauses limiting the scope of altering US anti-dumping and subsidy laws are not removed from the final version. TPA -- formerly known as 'fast-track' -- expired in 1994 and was withheld from former US President Bill Clinton on two occasions.

"Senate Clears Trade Bill; Vote A Victory For Bush," CNN.COM, 23 May 2002; "Senate Targets Child Labour In Trade Bill," REUTERS, 23 May 2002; "Trade Bill Clears Senate", 24 May 2002, CBSNEWS.COM; "Senate Passes Trade Bill," BOSTON GLOBE, 24 May 2002.

EU Tables Ambitious Package To Reform Fisheries Policy

After a long consultative process, the EC presented a comprehensive package aimed at fundamentally reforming the EU's Common Fisheries Policy (CFP) (see BRIDGES Weekly, 12 December 2001, <http://www.ictsd.org/weekly/02-04-09/inbrief.htm#2>). According to a 28 May EU press release, the Commission proposes to replace the annual process of setting fishing quotas -- the so-called 'total allowable catch' (TAC) -- with a method of setting them in the framework of a multi-annual management plan. In this way, sufficient levels of fish stocks could be maintained, as the quotas would be determined according to most recent scientific recommendations. In parallel, the release said, the Commission intends to stop subsidising new fishing vessels so as to reduce excess fleet capacity (see BRIDGES Weekly, 12 June 2001, <http://www.ictsd.org/html/weekly/12-06-01/story4.htm>). Further, the Commission announced that the reform package included an action plan against illegal fishing as well as a strategy for EU fisheries development partnerships with third countries so as to achieve sustainable fisheries in non-EU waters. "It's make or break time for EU fisheries. If we want to give our fishermen a future, we need a new CFP," said Franz Fischler, EC Commissioner for Agriculture, Rural Development and Fisheries. "Today we have fired the starting shot for a socially, economically and environmentally healthy EU fishing sector," he added.

Hervé Gaymard, new Minister of Agriculture in the recently elected French government, rejected the Commission's plan on reform of the CFP. "The principle of structural reform [in the fisheries sector] [...] is in itself evidence of a vision which we do not share," he stated at a 28 May meeting of Ministers of agriculture in Brussels. Sources indicate Spain, Italy, Greece, Portugal and Ireland are also opposed to the plan.

To access the full CFP reform package as proposed by the Commission, visit http://europa.eu.int/comm/fisheries/reform/roadmap1_en.htm.

"EU Fisheries Policy: Commission Outlines Reform To Give The EU Fisheries Sector A Future," EU PRESS RELEASE, 28 May 2002; "Paris Opposé à la Réforme De La Pêche" L'AGEFI, 28 May 2002.

Gulf States, EU To Try And Breathe Life Into Proposed Free Trade Pact

According to a 26 May statement by the Secretariat of the Gulf Cooperation Council (GCC), the group of Gulf states and the EU will start a new round of negotiations on 27 May, aimed at reviving a long stalled free trade pact. The two-day talks in Saudi Arabia follow an agreement last year by the six-nation GCC to expedite a customs union to 2003 -- paving the way for the trade deal which has been hampered both by EU demands for GCC common tariffs and allegations by the GCC of protectionist EU policies. A key dispute between the two is over a six percent EU duty on primary aluminum Gulf exports. "This round represents a new phase in negotiations, whereby detailed discussions will start on technical aspects of this agreement," said GCC Secretary-General Abdul-Rahman al-Attiya. He listed commodities and copyright as being on the agenda for

discussion. The EU is the main trading partner of the GCC states, which own half of the world's oil reserves. The GCC is made up of Saudi Arabia, Kuwait, the United Arab Emirates, Qatar, Bahrain and Oman.

"Gulf Arabs, EU To Start New Round Of Trade Talks," REUTERS, 26 May 2002.

WTO In Brief

TRIMs Committee Stalls on Implementation Issues

The 21 May meeting of the TRIMs Committee (Trade-related Investment Measures) saw pervasive differences between most developed and developing countries on modifications to the TRIMs agreement as well as continued divergence on paragraph 12 of the Doha Ministerial Declaration, relating to implementation issues (see BRIDGES Weekly, 20 March 2001, <http://www.ictsd.org/html/weekly/20-03-01/story5.htm>). As requested by the Goods Council decision of 7 May 2002, the TRIMs Committee discussed the outstanding implementation issues contained in tirets 37 to 40 of the Compilation of Outstanding Implementation Issues text (JOB(01)/152/Rev.1).

India and Brazil called for a substantial modification to the TRIMs Agreement, which would exempt them from its disciplines or at least allow the maintenance of local content requirements for an indefinite period. Mexico however, stressed the need to avoid altering the balance of rights and obligations. The Quad (US, EC, Japan and Canada) was against discussions of what they considered to be equivalent to renegotiating the Agreement and pointed out that such changes could undermine the July 2001 General Council decisions to extend the deadline for TRIMs for Argentina, Chile, Colombia, Malaysia, Mexico, Pakistan, Philippines, Thailand and Romania (see BRIDGES Weekly, 31 July 2001, <http://www.ictsd.org/weekly/01-07-31/wtoinbrief.htm>). In taking note of para. 12 of the Declaration, the Quad was adamant that it does not prejudge how the Trade Negotiations Committee would handle the implementation proposals. Additionally, the US wanted the review under paragraph 18 of China's Protocol of Accession to be placed on the agenda, however this was rejected by China. China said it would not assume any obligations in addition to those ascribed to it in para. 18 (see related matter in Goods Council story, this issue). The Committee Chairman will hold informal consultations on this latter issue.

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: 28 May - 3 June

27-31 May, Geneva, Switzerland: INTERNATIONAL TRADE FACILITATION WEEK. Organised by the UN Economic Commission for Europe (UNECE). For further information contact: Mario Apostolov, Forum Coordinator; UN/ ECE, Trade Division, tel: (41 22) 917 1134; fax: 917 0037; email: mario.apostolov@unece.org; Internet: <http://www.unece.org/trade/forums/forum02/index.htm>.

27 May-7 June, Jakarta, Indonesia: CSD ACTING AS PREPCOM IV FOR WORLD SUMMIT ON SUSTAINABLE DEVELOPMENT (WSSD). This meeting will include ministerial and Multi- stakeholder Dialogue Segments, and is expected to give input to a concise political document to be submitted to the 2002 WSSD Summit. The document is expected to reinvigorate the global commitment to a North-South partnership and a higher level of international solidarity to accelerated implementation of Agenda 21 and the promotion of sustainable development. For further information visit: <http://www.johannesburgsummit.org/>.

29 May, Brussels, Belgium: INSTRUMENTS FOR ENGENDERING TRADE AGREEMENTS. Organised by Network Women in Development (WIDE) with the support of the Greens-EFA Group. For further information contact: WIDE, tel: (32 2) 545 90 70; fax: 512 73 42; email: mk.wide@xs4all.be; Internet: http://www.eurosur.org/wide/Presentation_EP.htm.

30 May, Brussels, Belgium: EU Development Council. For more information, visit: [http:// www.ue2002.es/principal.asp](http://www.ue2002.es/principal.asp).

3-7 June, Bergen, Norway: 25TH SESSION OF THE CODEX COMMITTEE ON FISH AND FISHERY PRODUCTS. Organised by FAO. For more information contact the Secretariat of the Joint FAO/ WHO Food Standards Programme, tel: (39 06) 570-51; fax: 5705-4593; email: codex@fao.org; Internet: http://www.codexalimentarius.net/ccffp25/fp02_01e.htm.

3-20 June, Geneva, Switzerland: 90TH SESSION OF THE INTERNATIONAL LABOUR CONFERENCE. This Conference organised by the International Labour Organisation (ILO) is a forum where social and labour questions of importance to the entire world are discussed. The Conference also adopts the budget of the organisation and elects the Governing Body. The member States of the ILO meet at the International Labour Conference in June of each year, in Geneva. The Conference will discuss, inter alia, the recent global report "A Future Without Child Labour" issued by ILO on 6 May

this year. For further information, contact: ILO Official Relations Branch; tel: (41-22) 799- 7732; fax: 799-8944; email: reloff@ilo.org. Internet: <http://www.ilo.org>.

WTO Events

An updated list of forthcoming WTO meetings is posted at: http://www.wto.org/english/news_e/meets.pdf. Please bear in mind that dates and times of WTO meetings are often changed, and that the WTO does not always announce the important informal meetings of the different bodies. Unless otherwise indicated, all WTO meetings are held at the WTO, Centre William Rappard, rue de Lausanne 154, 1211 Geneva, Switzerland.

27-28 May, Geneva, Switzerland: Workshop on Government Procurement Agreement Accessions.

29 May, Geneva, Switzerland: WTO Council for Trade in Services -- Informal Special Session on Autonomous Liberalisation.

29 May, Geneva, Switzerland: WTO Working Group on Transparency in Government Procurement.

29-31 May, Geneva, Switzerland: Market Access Seminar.

30 May, Geneva, Switzerland: WTO Committee on Government Procurement.

3 June, Geneva, Switzerland: WTO Committee on Specific Commitments.

3 June, Geneva, Switzerland: WTO Dispute Settlement Body -- special session on US steel safeguard measures.

3 June, Geneva, Switzerland: WTO Working Party on GATS Rules.

3 June, Geneva, Switzerland: WTO Working Party on the Accession of Azerbaijan.

3-4 June, Geneva, Switzerland: WTO Committee on Regional Trade Agreements.

3-4 June, Geneva, Switzerland: WTO Committee on Agriculture -- inter- sessional meeting.

4 June, Geneva, Switzerland: WTO Working Party on Domestic Regulation.

4 June, Geneva, Switzerland: WTO Working Party on Trade in Financial Services.

Other Forthcoming Events

10-13 June, Rome, Italy: WORLD FOOD SUMMIT: FIVE YEARS LATER. This meeting is meant to review progress toward ending hunger and to track the progress

achieved since the 1996 World Food Summit. World leaders will be requested to outline the measures needed to achieve the goal, and make suggestions on how to accelerate progress. They are also expected to consider how to increase resources available for agricultural and rural development. For further information visit: <http://www.fao.org/worldfoodsummit>. For information on the 8-13 June NGO Forum on Food Sovereignty held back-to-back with the World food Summit, visit <http://www.forumfoodsovereignty.org/>.

13-15 June 2002, Montreal, Canada: SUSTAINABLE JUSTICE 2002 - CONFERENCE ON IMPLEMENTING INTERNATIONAL SUSTAINABLE DEVELOPMENT LAW: Organised by the Centre for International Sustainable Development Law (CISDL), the conference seeks to address issues related to the environment, economy, social justice, human rights, health and the inter-linkages among them. For more information contact: Centre for International Sustainable Development Law; tel: (1-514) 581-4984; fax: 39-8197; e-mail: conference@cisdl.org; Internet: <http://www.cisdl.org>.

16-20 June 2002, Adelboden, Switzerland: INTERNATIONAL CONFERENCE ON SUSTAINABLE AGRICULTURE AND RURAL DEVELOPMENT IN MOUNTAIN REGIONS. As a contribution to the International Year of the Mountains (IYM2002) and in preparation for the WSSD, the SARD- Mountains 2002 conference will provide outputs in the form of: a declaration on their role and tasks of sustainable mountain agriculture, indicators and key policy elements that foster SARD-Mountains; and an action plan comprising approaches and strategic elements to be considered in actions and projects as well as proposals for concrete actions and projects on national and international levels. For more information contact: CreaConsult Ltd.; tel: (41-26) 670-3419; e-mail: info@sard-m2002.ch; Internet: <http://www.sard-m2002.ch/>. From IISD Linkages, <http://www.iisd.ca/linkages/journal/>.

22-26 July, Guatemala City, Guatemala: CONTRIBUTION OF CRITERIA AND INDICATORS TO SUSTAINABLE FOREST MANAGEMENT: A WAY FORWARD. The conference is being organized as a follow-up to recommendations made by the Expert Meeting on Criteria and Indicators for Sustainable Forest Management held in Rome in 2000. For information contact: Glenda Lee, Coordinator, Local Organizing Committee; tel: (502) 379-9830; fax: (502) 475- 4407; email: cici2002@inab.gob.gt; Internet: <http://www.inab.gob.gt>.

14-19 July, Geneva, Switzerland: WORLD CIVIL SOCIETY FORUM. The aim of the forum is to strengthen international cooperation between non- governmental organizations (NGOs) and the UN. For information contact: World Civil Society Forum, fax: (41-22) 959-8851; email forum@mandint.org; Internet: <http://www.worldcivilsociety.org/>.

6-7 December, Berlin, Germany: BERLIN CONFERENCE ON THE HUMAN DIMENSIONS OF GLOBAL ENVIRONMENTAL CHANGE: "Knowledge for the Sustainability Transition: The Challenge for Social Science." Organised by the Global Governance Project of the Potsdam Institute for Climate Impact Research (PIK) in cooperation with the Environmental Policy Research Unit of the Free University of

Berlin, the Berlin Conference is the second of its kind in Germany. The last meeting gathered 166 participants from 28 countries for a two-day discussion on the role of the nation state in global environmental change. This second meeting will discuss papers to be submitted that: (i) conceptualise the knowledge base for the sustainability transition as something that is affected by political decision-making; (ii) view knowledge as a factor that affects and influences political decision-making; and, (iii) that respond to the challenges raised by recent thinkers who have argued for fundamental changes in the way science is conducted. For further information, contact: Sabine Campe, Germany; fax: (49-331) 288-2640; email: sabine.campe@pik-potsdam.de, Internet: <http://www.environmental-policy.de>.

10-14 September 2003, Cancun, Mexico: FIFTH WTO MINISTERIAL CONFERENCE.

Resources

THE GREENING OF TRADE LAW: INTERNATIONAL TRADE ORGANIZATIONS AND ENVIRONMENTAL ISSUES. By Richard H. Steinberg, published by Rowman & Littlefield, 2002. The book systematically compares how each of the world's major international trade organizations has been addressing environmental issues. For further information, contact: 8 Artillery Row, Westminster, London SW1P 1RZ; tel (+44-20) 7828-0010; fax (+44-20) 7828 8111; email bookstore@politicos.co.uk, http://www.politicos.co.uk/acatalog/Politicos_Online_The_greening_of_trade_law_4227.html.

"The implication of property rights for joint agriculture-timber productivity in the Brazilian Amazon", by Tsunehiro Otsuki, Ian W. Hardie and Eustaquio J. Reis ENVIRONMENT AND DEVELOPMENT ECONOMICS, Vol 2, 2002. This paper examines the effects of the Brazilian governments' title granting policies on the efficiency of agricultural and timber production in the Brazilian Amazon. The analysis indicates that revenue efficiency can be improved by producing more roundwood and less agricultural product. Land-granting policies may favourably affect environmental conservation by intensifying land use in agriculture, but they also may harm development by discouraging timber production.

"Trade Integration, Environmental Degradation, And Public Health In Chile : Assessing The Linkages", by John C. Beghin, Bradley J. Bowland, Sebastien Dessus, David Roland-Holst and van der Dominique Mensbrugghe. ENVIRONMENT AND DEVELOPMENT ECONOMICS, Vol 2, 2002. The authors use an empirical simulation model to examine links between trade integration, pollution, and public health in Chile. They synthesize economic, engineering, and health data to elucidate this complex relationship and support more coherent policy. Trade integration scenarios examined include Chile's accession to the NAFTA, MERCOSUR, and unilateral opening to world markets.

TECHNOLOGY POLICY BRIEFS. Published by UNU/INTECH, the TPB series focuses on topical technology policy issues for developing countries. It has been designed to

reach policy-makers in developing countries and those groups and individuals seeking to influence the policymaking process at national and international levels. The TPBs are published bi-monthly and are widely disseminated in print and electronic (PDF) format. Each TPB is written in English, and an abstract is available in both French and Spanish. The first issue on TECHNOLOGY POLICY ISSUES AT THE WTO is available at: http://www.intech.unu.edu/publications/technology-policy-briefs/tpb_v1_01_2002.pdf.

ENVIRONMENT AND DEVELOPMENT: A POLICY FRAMEWORK. By Dr.P.K.Rao. Published by Pinninti Publishers, USA; June 2002. The book is a reading for the potential contributors to the forthcoming Johannesburg Summit on Sustainable Development. The issues examined include: Is eradication of poverty and intergenerational welfare part of the Sustainable Development(SD)approach? Is there a distinction between sustainability and SD? Are green taxes useful? Why do we need a World Environment Organization and what are its organizational prerequisites? What reforms are relevant at international and national levels? Further information available at: http://www.pinnintipublishers.com/environment_and_development.htm.

REVIEWING THE SPS AGREEMENT: A DEVELOPING COUNTRY PERSPECTIVE. By Michael Friis Jensen, published by Centre for Development Research, February 2002. Sanitary and phytosanitary measures (SPS) are increasingly important in the international trade of agricultural products. They are implemented to ensure that food is safe for consumers, and to prevent the spread of pests or diseases among animals and plants. But they may also be used as protectionist devices to keep foreign competitors out. The SPS Agreement of the WTO has been created in order to distinguish between these two functions of SPS measures and to rule the latter out. This paper evaluates the Agreement from the viewpoint of developing countries. It concludes that although developing countries have a high demand for an effective agreement of this sort, in practice they face a great number of difficulties when using the Agreement. A few larger middle-income countries appear to see clear benefits from the Agreement while most countries do not possess the financial, human, and technical resources necessary to use it. Some countries, especially those least developed, are excessively burdened by the implementation costs of the SPS Agreement. For more information, visit http://www.cdr.dk/working_papers/02-3-abs.htm.

Electronic Resources

USDA has started a new web site designed to deliver latest information about the new US farm bill. Farm bill program details, questions and answers, program applications and sign-up forms, as well as other materials from USDA agencies on farm bill implementation are included on the site. The website can be directly accessed from USDA's official website at <http://www.usda.gov/farmbill>.

Call For Paper

"Knowledge for the Sustainability Transition: The Challenge for Social Science", 2002 BERLIN CONFERENCE ON THE HUMAN DIMENSIONS OF GLOBAL ENVIRONMENTAL CHANGE. Berlin, 6-7 December 2002. The Environmental Policy

and Global Change Section of the German Political Science Association (DVPW) invites papers for the 2002 Berlin Conference on the Human Dimensions of Global Environmental Change, to be held in Berlin on 6-7 December 2002. This year's discussions will address the theme "Knowledge for the Sustainability Transition: The Challenge for Social Science". The conference will be held in English. Prospective paper-givers should send an abstract of their paper of less than 200 words (including name, affiliation and full address of presenters) in the body of an e-mail to the conference office at the Potsdam Institute for Climate Impact Research (berlin-conference@pik-potsdam.de). Submission of full panels of not more than three presenters are also invited, in particular panels that represent different geographic, disciplinary or theoretical backgrounds, or different stages in career development. The deadline for submissions is 31 July 2002. All paper and panel submissions will be reviewed before being accepted for the conference programme. The organising committee will try to provide funding to reimburse the travel costs of paper presenters. For the 2001 Berlin Conference, generous donor support allowed us to reimburse parts of the travel costs of many non-German participants. Further information about the 2002 Berlin Conference will be posted at <http://www.environmental-policy.de>. For questions or suggestions, contact: Frank Biermann, Chair, DVPW Environmental Policy and Global Change Section at: biermann@pik-potsdam.de, or Sabine Campe, Manager, 2002 Berlin Conference at: sabine.campe@pik-potsdam.de.

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