



INTERNATIONAL CENTRE FOR  
TRADE AND SUSTAINABLE  
DEVELOPMENT

# BRIDGES

## Weekly Trade News Digest

6 August 2002

Volume 6, Number 29

### Lead Stories \_\_\_\_\_ 1

**KEY DEVELOPING COUNTRIES CRY FOUL AS  
TEXTILES STUMBLES AT WTO \_\_\_\_\_ 1**

**WITH LITTLE MOVEMENT SINCE DOHA, S&D  
REVIEW EXTENDED TO END-2002 \_\_\_\_\_ 3**

### Other News \_\_\_\_\_ 4

**DOHA ROUND RECEIVES BOOST AS US  
CONGRESS APPROVES FAST-TRACK; GROUPS  
QUESTION ENVIRONMENTAL IMPACT \_\_\_\_\_ 4**

**DIFFERING VIEWPOINTS OVER MODALITIES  
CHARACTERISE WTO MARKET ACCESS TALKS6**

**US AGRICULTURE PROPOSAL RECEIVES MIXED  
REVIEWS -- SETS THE STAGE FOR MARKET  
ACCESS DISCUSSIONS \_\_\_\_\_ 7**

**'BUSINESSLIKE' TRIPS COUNCIL CONSIDERS  
OPTIONS FOR IMPROVING ACCESS TO  
MEDICINES \_\_\_\_\_ 8**

**NEED FOR TRADE FACILITATION  
NEGOTIATIONS QUESTIONED DESPITE SOME  
CONVERGENCE \_\_\_\_\_ 9**

### In Brief \_\_\_\_\_ 10

**GENETICALLY MODIFIED WHEAT GIVEN TWO  
THUMBS DOWN \_\_\_\_\_ 10**

**SOUTH AMERICAN LEADERS AGREE ON  
ADVANCING REGIONAL INTEGRATION VIS-A-  
VIS FTAA \_\_\_\_\_ 10**

**EU-MERCOSUR MEETING INJECTS FRESH  
IMPETUS TO TRADE NEGOTIATIONS \_\_\_\_\_ 11**

### WTO In Brief \_\_\_\_\_ 11

**N. ZEALAND NOTIFIES GMO LAW TO WTO \_\_\_\_ 11**

**CANADIAN LDC INITIATIVE TO FREE UP ENTRY  
OF GOODS FROM WORLD'S POOREST \_\_\_\_\_ 11**

**WTO SELECTS PANEL FOR 8-MEMBER  
COMPLAINT AGAINST WTO STEEL MEASURES12**

### Events & Resources \_\_\_\_\_ 12

**EVENTS \_\_\_\_\_ 12**

**RESOURCES \_\_\_\_\_ 13**

BRIDGES Weekly Trade News Digest is [also available online](http://www.ictsd.org/subscribe) and is updated every week. To subscribe to BRIDGES Weekly Trade News Digest, please visit the ICTSD website at <http://www.ictsd.org/subscribe>

If you require any assistance setting up your BRIDGES Weekly Trade News Digest subscription, please contact Hugo Cameron, Editor, by email at: [hcameron@ictsd.ch](mailto:hcameron@ictsd.ch), or by telephone at: (41-22) 917-8336

### LEAD STORIES

#### KEY DEVELOPING COUNTRIES CRY FOUL AS TEXTILES STUMBLES AT WTO

A continuing rift between developed and developing countries at the WTO over textiles liberalisation widened considerably at a 31 July meeting of the General Council, leaving developing countries asking where the 'development' aspect had gone from the so-called 'Doha Development Agenda' and dampening hopes on progress in other WTO negotiating areas. The meeting was a continuation of the session begun on 8 July (see BRIDGES Weekly, 10 July 2002, <http://www.ictsd.org/weekly/02-07-10/story3.htm>), and was the last General Council session to be held with Director-General Mike Moore still in office.

According to the negotiating mandate agreed to in Doha last November, the Chair of the Council for Trade in Goods (CTG) was to have made recommendations to the General Council by the end of July for action on freeing up import restrictions -- principally growth in quota levels -- on textiles and clothing in importing countries (primarily the Canada, the EC and the US). Textiles and clothing are products of major export interest to many developing countries, which are the demanders in this area. But CTG Chair M. Supperamaniam (Malaysia) told the General Council that due to ongoing "fundamental differences" between

Members, he was not in a position to make recommendations. As such, and since there was also no agreement on whether, how or when to continue consultations, this issue remained stalled. Repeated attempts at brokering a report by Chair Supperamaniam ultimately led nowhere, leaving the process in a procedural limbo that delegates said would likely have to be taken up by the General Council at a later date.

The "fundamental differences" at issue pitted the textile-exporting members of the International Textiles and Clothing Bureau (ITCB), such as Hong Kong - China, India, Pakistan, Indonesia and Brazil against Canada, the EC and the US. ITCB members argued that developed countries had failed to progressively increase growth rates for textile quotas to allow for meaningful access to their textiles markets, as mandated by paragraphs 4.4 and 4.5 of the Doha Decision on Implementation and by the 1995 WTO Agreement on Textiles and Clothing (ATC). For their part, developed countries maintained that they had adhered to the transitional process under the ATC -- which aims to bring textiles trade under normal GATT rules by 1 January 2005 -- and had already provided meaningful market access to developing countries, with considerable adjustment being undertaken by their domestic textile producers.

#### **Doha and WTO textiles mandates**

Paragraphs 4.4 and 4.5 of the Doha Implementation Decision mandate the CTG to make recommendations "for appropriate action" on the following: (a) that when calculating the quota levels for small suppliers for the remaining years of the Agreement, Members will apply the most favourable methodology available in respect of those Members under the growth-on-growth [in textile quota] provisions from the beginning of the implementation period; extend the same treatment to least-developed countries; and, where possible, eliminate quota restrictions on imports of such Members; and (b) that Members will calculate the quota levels for the remaining years of the Agreement with respect to other restrained [developed country] members as if implementation of the growth-on-growth provision for stage 3 had been advanced to 1 January 2000.

The growth-on-growth provisions of the ATC require developed countries to apply more favourable calculation methods in determining import quota levels pending the phase-out of all textile quota restrictions over a 10-year period ending in 2005. Under these provisions, developing countries are assured of market access to the major textile importing countries on a formula of 16 percent growth over the previous year during the first three years (1995-97), 25 percent during the next three years (1998-2000), and 27 percent in the

last four years (2001- 2004). According to a WTO report published last week, the EU has so far eased restrictions on only some 20 percent of textile goods covered by the accord.

#### **ITCB reactions**

Amb. Stuart Harbinson (Hong Kong - China), on behalf of the ITCB members, called the textile debate in the CTG "a charade", and demanded redress in some way for the lack of meaningful benefits from the ATC to developing countries. He cited the decreasing share of industrialised countries in the textile and clothing import total of the US, unjustified anti-dumping actions, and changes in the rules of origin as hurting developing countries. He was joined by India's delegate, who said "the Doha work programme constitutes an overall package, with an emphasis on development. The message that is coming out is that the development message is being jettisoned." India continued, saying, "If the development aspects are sidelined...it will inevitably have an impact on other aspects. Any attempt to drive the work programme forward at two speeds would lead to an unravelling of the package," he added. Others, including Brazil, Pakistan and China, echoed the warning.

#### **Also at the General Council**

Further to the contentious talks around textiles, an "extremely long debate" was held, according to WTO sources, around the issue of rules of origin, which are the criteria used to define where a product was made, and therefore determine applicable tariff levels. This usually quite technical area is becoming politically more contentious, sources say, because rules of origin can be used as a barrier to entry of goods, particularly against developing country products. Most intervening Members, particularly China, India and Pakistan, expressed concern over a slowdown and lack of progress in this matter, and asked the General Council -- which involves senior-level officials such as ambassadors -- to take it up in future. The General Council agreed to address 12 major issues, from a list of over 100, with respect to harmonising non-preferential rules of origin on sensitive products such as agriculture, fish, and textiles.

Delegates to the General Council also gave a 'rubber-stamp' approval to the extension of a deadline to come up with specific recommendations on the 86 items under consideration on special and differential treatment by the Committee on Trade and Development special session (see related story, this issue).

The General Council is scheduled to meet next on 15 October.

ICTSD reporting; "Angry developing states lash rich at WTO talks," REUTERS, 31 July; "India lays blame for slow progress on development issues in Doha talks," INTERNATIONAL TRADE REPORTER, 25 July 2002.

## **WITH LITTLE MOVEMENT SINCE DOHA, S&D REVIEW EXTENDED TO END-2002**

Officially adopted at the 31 July General Council meeting (see related story, this issue), WTO Members agreed on 24 July to a report that, inter alia, extends a review of special and differential treatment for developing countries (S&D) until 31 December 2002 (TN/CTD/3, searchable at <http://docsonline.wto.org/>). Despite having found 'consensus' on the key issue of a timeline, other contentious questions have been left unresolved, leaving an ambitious agenda for the special session of the Committee on Trade and Development (CTD) when it resumes after the summer break.

### **Developing countries hold out for earlier timeline**

At both the 24 July CTD special session and the 31 July General Council session, developing countries noted their disappointment in missing the Doha-mandated target of reporting "with clear recommendations for a decision by July 2002" on the review of special and differential treatment. United in their feelings of frustration on the perceived lack of will to move this agenda item forward, they proved able to withstand attempts by a number of developed countries to push the new timeline into 2003 (see BRIDGES Weekly, 24 July 2002, <http://www.ictsd.org/weekly/02-07-24/story2.htm>).

The EC had initially attempted to force a 31 March 2003 deadline (thus aligning this issue with the agriculture and services negotiations). However, many countries, such as those in the Africa and least-developed country (LDC) groupings, remained adamant on not looking past the end of 2002. Some Members, such as the Philippines and St. Lucia, reportedly alluded to the fact that, in light of the daunting agenda ahead, December 2002 would likely be a 'soft' or 'interim' deadline. Canada and Norway attempted to broker a compromise, suggesting middle to late February 2003, but due to stiff resistance from developing countries the 31 December date prevailed. The US, though it favoured a later date, said it was "willing to be flexible", but was of the mind that year-end 2002 was simply unrealistic if all elements of the report were to be dealt with.

### **Agreement in principle, but key details remain unclear**

A scarce number of items from the various proposals received explicit mention in the final report, and those that did were wrapped in ambiguity. The only proposed element to receive outright support was that of a monitoring mechanism. Support for this initiative, however, was tempered by the fact that Members remained far apart on the functions and structure that such a mechanism would have. This debate was evidenced in the contrasting language that appeared in the different drafts. The first draft put the responsibility to elaborate "the structure and terms of reference" in the sole hands of the CTD special session, while the second draft put the responsibility in the hands of the special session to elaborate on the "functions and structure" for the General Council's "consideration and approval". Members finally settled on the special session taking up responsibility for elaborating "the functions, structure, and terms of reference" for the General Council's approval.

Another item to garner qualified support was the Africa Groups' proposal on the inclusion of some criteria for 'technical and financial assistance and training' in future technical assistance plans. Again, ambiguity found its way into the language, clouding the potential future impact, as the provision ended with the caveat, "without prejudice to further discussions of the relevant Annexes in the Special Sessions of the CTD." This, speculated one trade expert, could leave it open to have said criteria "watered down" from what is currently in the Africa Groups' proposal (TN/CTD/W/3/Rev.2, not yet de-restricted).

### **How to organise the next four months**

Now that the deadline has been pushed from 31 July to 31 December, the next challenge lies in finding a way of organising the future work programme so as to avoid a similar deadlock as that which emerged in the months preceding 31 July. With almost 90 proposals on the table, and only four formal meetings scheduled between September and December, Members will be hard-pressed to look at which issues must be prioritised and which may perhaps have to be left until later in the process (perhaps even until 2003).

This debate ties into the other key stumbling block that held up agreement on the current report -- that of the two tracks of agreement-specific proposals, on the one hand, and cross-cutting (institutional) ones, on the other. The language in the final report holds closely to the second draft (see BRIDGES Weekly, 24 July 2002, link above) in that it de-links the cross-cutting issues from the 'best-endeavour' commitment to submit responses to the agreement-specific proposals (due by

31 October 2002). This is seen as a gain by most developing country Members, who did not want to see the broader (cross-cutting) discussions on S&D used to delay meaningful movement on the agreement-specific proposals made to date. This, speculated one trade expert, is what some developing countries mean when they refer to 31 December as an interim date -- that is, an interim date to see movement on the agreement-specific issues (which many feel is the only area truly mandated in Doha) before moving onto the broader issues.

According to CTD special session Chair Ambassador Ransford Smith (Jamaica), "[the report] preserves the opportunity for Members who so wish to make cross linkages between the two areas of work and to make inputs from one to the other as they consider appropriate." Early speculation has indicated that this will be facilitated by having agreement-specific issues followed by cross-cutting issues as standing agenda items for future CTD special session meetings. Another procedural tool to be used to help expedite some of the work will be the 'clustering' of similar issues for discussion.

One element that a developing country delegate said would have to be forthcoming if this special and differential treatment review was really going to help make the Doha agenda a development agenda, was the need for a demonstration of the political will and commitment on behalf of the developed countries to move ahead unilaterally on this matter. Many developing countries feel that they 'paid' in Uruguay for what they thought would be 'commercially valuable' derogations from the rules (as in the 155 S&D provisions scattered throughout the WTO agreements). However, most of these derogations, they continue, have since proved relatively useless. As such, they do not intend to 'pay' for them again by trading them off against agenda items which they do not feel are beneficial for them (i.e. environment, investment, competition).

Despite those sentiments, recent comments from EC and US representatives indicate that these countries in fact do expect S&D amendments to factor into the many decisions to be taken at the 5th Ministerial Conference (and thus tied to decisions in more contentious areas, such as environment, competition, investment, industrial tariffs, etc). In speaking to the Trade Negotiations Committee (the body overseeing the negotiations) on 18-19 July, EC Director General for Trade Peter Carl said that he expects this matter to "be an important element in the ensemble of decisions to be taken at Cancun."

Many developing country delegates have sounded the alarm bell that a lack of meaningful progress on S&D

will most certainly result in a slowdown of all other negotiating tracks of interest to developed countries -- thus most likely making it impossible to complete the round in the time allotted to Members by their Ministers in Doha (1 January 2005).

The special session of the Committee on Trade and Development resumes on 16 September. It is also currently scheduled to meet again on 7 & 9 October and 6 December -- although sources expect more sessions to be added once the WTO returns from its summer break in the first week of September.

ICTSD reporting.

## OTHER NEWS

### DOHA ROUND RECEIVES BOOST AS US CONGRESS APPROVES FAST-TRACK; GROUPS QUESTION ENVIRONMENTAL IMPACT

US trade negotiators received a strengthened mandate on 1 August as the US Senate approved by a vote of 64-34 legislation granting the White House so-called fast-track authority (now called Trade Promotion Authority, or TPA) to negotiate trade pacts for the first time since 1994. The Senate's approval came just days after the measure edged through the House of Representatives by a highly partisan vote of 215- 212. The bill, which President George W. Bush is expected to sign into law on 6 August, provides impetus to negotiations involving the US currently underway at the multilateral, regional and bilateral levels. TPA allows the President's administration to hammer out trade deals that Congress can either accept or reject but not alter.

The Senate vote marks the end of a long process that followed an initial ballot on TPA last December in the US House of Representatives, which supporters won by one vote (see BRIDGES Weekly, 12 December 2001, <http://www.ictsd.org/weekly/01-12-12/story5.htm> and 28 May 2002, <http://www.ictsd.org/weekly/02-05-28/inbrief.htm>).

The vote comes at an important time for US trade relations, as negotiations at the WTO are now entering their substantive phase towards an agreement on the Doha mandate by 1 January 2005. Negotiations on the Free Trade Area of the Americas (FTAA) are also due to conclude by then, while bilateral agreements with Chile and Singapore are underway. Passage of the bill



should also provide impetus to the official launching of FTA negotiations with Central America and Morocco. "What it does immediately is unblock a whole series of trade negotiations and restores US negotiators to the forefront of talks," said Jeffrey Schott, a senior fellow with the Institute for International Economics. Without TPA, "US negotiators faced a lot of questions from our trading partners about their ability to put our sensitive trade barriers on the table," Schott said. The legislation's passage was welcomed by the US' major trading partners. European Trade Commissioner Pascal Lamy said it meant the removal of an "important roadblock" to WTO talks launched in Doha last year. "We have to use this important development to generate real momentum in these negotiations," he said in a statement.

Trade provisions in the bill include renewal of an Andean tariff-relief program aimed at supporting Bolivia, Colombia, Ecuador and Peru in their campaigns against illegal drugs (see BRIDGES Weekly, 22 May 2002, <http://www.ictsd.org/weekly/02-05-22/inbrief.htm>). The bill also includes tariff relief for textile operations in parts of Africa, the Caribbean and South America that make products from US dyed and finished fabric, though those benefits are limited to concessions made with lawmakers from textile states. TPA approval renews the US' Generalised System of Preferences, extending preferential market access to the US market to over 100 developing countries.

Nevertheless, the bill is not without its detractors. Lori Wallach, director of US non-governmental group Public Citizen's Global Trade Watch, said it was outrageous that, just a week after Congress passed legislation to crack down on corporate crime, it was "approving corporate deregulation across the board on a global basis." House Representative Sander Levin, a Michigan Democrat, said the bill was "fatally flawed," and that negotiating objectives covering labour and environmental issues in future trade agreements were not tough enough. He also charged that the compromise trade package would put US anti-dumping protections against unfair imports "on the chopping block" in world trade talks.

The version of the bill passed in May in the Senate held a provision (the Dayton-Craig amendment) that empowered Congress to remove parts of any agreement that alter US antidumping and subsidy laws. This amendment, which would have effectively negated any concessions made by the US at Doha on reforming trade remedies, was dropped following subsequent pressure from the Bush administration, which threatened to veto if Dayton-Craig remained. Final negotiations between the House and Senate focused

on provisions to aid workers who lose jobs as a result of foreign competition resulting from trade agreements. The bill nearly triples trade adjustment assistance for domestic workers displaced by imports to a projected USD 10-12 billion over ten years.

### **Environmentalists concerned about investment language**

In addition to the Dayton-Craig amendment, the House struck from the bill language that would have restricted the ability of foreign companies to obtain compensation through international tribunals for government actions that harmed their investments. The bill now says that investors should have "no greater substantive rights" than is available to US investors in the US. "We weren't trying to say you can't have Chapter 11 through the backdoor," said a Senate aide, referring to the North American Free Trade Agreement (NAFTA) chapter outlining investor-state procedures, including compensation for measures "tantamount to expropriation". "We're saying Chapter 11 can't give you a more lenient standard than what is available through US courts," the official said. The final TPA legislation also calls for an appellate procedure "or similar mechanism" for investor-state disputes in future trade agreements.

NAFTA Chapter 11 critics, including environmentalists concerned about the threat to domestic legislation, criticised the final bill's investor-state provisions, saying they failed to ensure that foreign investors would not be granted sweeping protections that US companies do not have access to. In a joint letter, 12 major environmental groups including Greenpeace, Friends of the Earth, and the Center for International Environmental Law said the bill failed to promote environmental stewardship and guard against the weakening of environmental standards (see [http://www.ciel.org/Tae/Fast\\_Track\\_29Jul02.html](http://www.ciel.org/Tae/Fast_Track_29Jul02.html)). "[The TPA bill] fails to provide adequate protection for Multilateral Environmental Agreements, and provides only minimal assistance to help other countries improve their environmental standards," the letter said.

### **Labour**

Strong Senate language on labour standards, which would have directed the US to seek commitments from other countries to bring their child labour laws into line with international standards, was also watered down. The final TPA bill instead instructs US negotiators to seek commitments from trading partners to vigorously enforce their own existing legislation prohibiting the worst forms of child labour.

The bill number is H.R. 3009, available online at: <http://thomas.loc.gov/>

ICTSD reporting; "US trade bill passes House, moves to Senate," REUTERS, 27 July 2002; "Bush wins vote fast-track trade bill," FINANCIAL TIMES, 28 July 2002; "US senate leaders expect final trade vote this week," DOW JONES, 31 July 2002; "Senate delivers trade bill victory to Bush," REUTERS, 1 August 2002.

## **DIFFERING VIEWPOINTS OVER MODALITIES CHARACTERISE WTO MARKET ACCESS TALKS**

At the first of four remaining meetings for 2002 of the WTO Negotiating Group on Market Access, Members addressed different approaches to how market access talks on industrial goods could be structured, including ways to tackle tariffs, non-tariff barriers, developing country concerns and environmental goods. The EC, Japan, New Zealand, S. Korea and the US all submitted proposals for discussion.

### **Background**

On 18 July, Members agreed to submit proposals on modalities for market access negotiations by the end of 2002, and to agree on "a possible outline on modalities by the end of March 2003, with a view to reaching agreement on modalities by 31 May 2003" (see BRIDGES Weekly, 24 July, <http://www.ictsd.org/weekly/02-07-24/story1.htm>).

The Doha mandate commits Members to "reduce or as appropriate eliminate tariffs, including the reduction or elimination of tariff peaks, high tariffs, and tariff escalation, as well as non-tariff barriers, in particular on products of interest to developing countries...The negotiations shall take fully into account the special needs and interests of developing and least-developed country participants, including through less than full reciprocity in reduction commitments." At the beginning of March 2002, Members also decided that negotiations on environmental goods would take place in the Market Access Group, to be monitored by the special session of the Committee on Trade and Environment (CTE).

### **How to negotiate?**

A variety of options for structuring market access talks emerged in the proposals and ensuing discussions at the 2 August meeting. In its submission (TN/MA/W/6, available online at <http://docsonline.wto.org>), South Korea said it would "prefer pursuing a formula approach, with limited use of the request-offer approach, when necessary." Formula-based modalities, said Korea, would bring about the greatest

comprehensive tariff reduction for all Members. A formula approach, or linear tariff cuts of equal magnitude, is usually expressed in a percentage cut across whole classes of products. A request-offer approach usually proceeds on the basis of bilateral requests and offers, with results extending to all other WTO Members on a most-favoured nation basis.

Korea's position was supported by Japan (TN/MA/W/5), whose paper said that a formula approach would be an effective means to reach agreement in a short timeframe [such as the 1 January 2005 deadline for the Doha round]. However, it qualified this by noting the importance of reducing tariffs to a certain targeted level corresponding to countries' level of development, saying that in the case of developing countries, the degree of development and competitiveness of each Member should be carefully analysed.

China, India and Kenya told the Negotiating Group that they preferred a request-offer approach. Kenya said that many developing countries were not in a position to open their markets in a linear manner due to their weak industrial base, noting that it feared the possibility of de-industrialisation as well as lost revenues for the day-to-day functioning of the government if it were to significantly reduce import tariffs on industrial goods.

The EC's submission (TN/MA/W/1) showed some flexibility, and noted that while there are different ways to reducing tariffs, "the modality to be chosen has to bring about the greatest possible reductions across the board for Members." According to the EC, the most important goal of the negotiations should be to bridge the gap between applied and bound tariffs.

### **Reductions in tariff peaks and escalation called for**

A number of Members agreed that the issue of tariff peaks and tariff escalation should be a priority. India, China, and Kenya indicated that there was a need for special and differential treatment for developing countries in this area, as high tariffs on value-added goods impacts most on poorer countries with weak industrial bases. The EC and Japan targeted the reduction of tariff peaks, though they appeared less sanguine about reductions in tariff escalation.

### **Environment**

In addition to a proposal on tariff and trade data needs assessment, the US submitted its 3 July paper on the need to provide greater market access for environmental goods (TN/MA/W/3), reviewed in BRIDGES Weekly, 17 July 2002, <http://www.ictsd.org/weekly/02-07-17/wtoinbrief.htm>. Inter alia, the submission argued for greater coordination between the WTO's Committee on Trade

and Environment and the Market Access Group in order to obtain substantial market access for environmental goods. This was echoed in Korea's paper, which pointed out the need for "reinforced cooperation with the CTE as well as among Members" to negotiate on market access for environmental goods. Malaysia pointed out that negotiations on environmental goods did not imply agreeing to environmental standards for various industrial products.

### **Non-tariff barriers**

In its submission, New Zealand (TN/MA/W/4) said that the Negotiating Group should focus on identifying non-tariff barriers, as these posed a serious threat to further liberalisation of trade in industrial goods, identifying a number of non-tariff barriers present in WTO Members' trading regimes. Korea also said it wanted different categories of non-tariff measures to be "clearly defined and listed up, while ways to identify individual non-trade barriers belonging to such categories should be agreed on at the outset of the negotiations."

ICTSD reporting; "WTO Members Discuss Market Access For Industrial Products, Tariff Treatment," WTO REPORTER, 5 August 2002.

---

## **US AGRICULTURE PROPOSAL RECEIVES MIXED REVIEWS -- SETS THE STAGE FOR MARKET ACCESS DISCUSSIONS**

On 25 July, the US released its proposal for the ongoing agricultural negotiations at the WTO. Coming just a day before a 26-27 July meeting in Japan of agriculture ministers from the 'Quint' groups of countries (US, EU, Canada, Japan and Australia), this led to preliminary discussions on the proposal by some of the world's largest agricultural traders. The timing also allowed the US to submit the proposal to the Committee on Agriculture's 29-30 July inter-sessional consultations on market access -- just prior to the WTO's summer break. While some Members supported the proposal (notably the 18-member Cairns group of agriculture-exporting countries), others questioned its credibility in light of the US' recent subsidy-raising farm bill (see BRIDGES Weekly, 15 May 2002, <http://www.ictsd.org/weekly/02-05-15/story2.htm>).

Detractors pointed out that the new US agriculture proposal puts the bulk of the onus for reforms on other Members (especially the EC & Japan) and not on the US itself. The EC and Japan, for their part, indicated that they felt it was unrealistic and went too far.

### **US aims for agriculture**

The US proposal for agricultural reforms touches on the three pillars of the WTO Agreement on Agriculture: export competition, market access, and domestic support. Regarding export competition, it calls for, inter alia, the elimination of export subsidies over a five-year period (in equal annual increments), the elimination of state-trading enterprises, the prohibition of agricultural export taxes and the establishment of rules for governing export credit activity.

On market access, the proposal suggests, among other measures, across-the-board tariff cuts on agricultural products resulting in a maximum tariff rate of 25 percent over a five year phase-in period (thus cutting higher tariffs more than lower tariffs), followed by a move to eliminate all agricultural tariffs afterward. It also looks to expand tariff-rate quotas (applying a specific tariff rate for a certain quantity of imports, and a second (higher) one on imports above that quota amount) by 20 percent. Further, the US proposes eliminating the special agricultural safeguard (which allows Members to enact emergency import curbs on agricultural products).

With respect to domestic support, the US is seeking to bring the 'blue box' subsidies ('less-distorting', production-linked support) into the 'amber box' (trade-distorting support). Members have committed to reductions on the latter, but not on the former. This combined 'box' would then be subject to a limit of support of five percent of the total value of agricultural production. The proposal also suggests maintaining the basic criteria for non-trade distorting support (Green Box).

### **'Quint' has mixed feelings on US proposal**

At the 26-27 July meeting of agriculture ministers from the US, EU, Canada, Japan and Australia, scant consensus prevailed on how to proceed with the WTO negotiations, other than the need to end them quickly and successfully. US Agriculture Secretary Ann Veneman took the opportunity to comment that "[...] by putting forward this new proposal we are saying very clearly that we want to maintain a leadership position in these negotiations and that we are willing to make changes to our farm programmes if other countries are willing to do the same." Canadian and Australian ministers welcomed the US' "reengagement with the negotiations" despite the fact that both countries differed on how the reforms should be carried out. "The US have been perceived to have lost leadership in these issues because of their own farm bill and the perception that the US was asking other parts of the world to do things that they were not prepared to do themselves," said Australian Agriculture Minister

Warren Truss. "This [proposal...] does involve some pain for the US, though perhaps not unsurprisingly it does have a greater impact on countries like Europe and Japan because they have bigger subsidy programmes in the first place."

EC Farm Commissioner Franz Fischler indicated that he felt the report was "not a very good basis to find a compromise in the negotiations." Japan's Agriculture Minister Tsutomu Takebe was more scathing, calling the plan lopsided and focussed excessively on slashing tariffs while not doing enough to address concerns about preserving the environment or traditional farming practices.

US proposal takes centre stage at market access consultations

The informal WTO inter-sessional consultations on market access in agriculture on 29-30 July had six items up for discussion: tariffs, tariff-rate quotas (TRQs), TRQ administration, special safeguard measures, state-trading enterprises, and other market access issues. Due to time constraints, however, the last two were not discussed, and will be tacked onto the beginning of the 2 September special (negotiating) session on market access.

On tariffs, Members disagreed over what formula to use for reduction commitments (see BRIDGES Weekly, 26 June 2002, <http://www.ictsd.org/weekly/02-06-26/story1.htm>). The current tariff-setting system has allowed countries intent on shielding domestic farmers from cheaper imports to maintain higher rates in sensitive areas via tariff peaks (higher tariffs for sensitive products) and tariff escalation (rising tariffs with increased value added). The US proposal, supported by the Cairns group, goes against this methodology by calling for across-the-board tariff cuts. Based on the US proposal, this would see the average global tariff on agricultural products drop from 62 percent to 15 percent (the current US average is 12 percent). Other Members, especially the EC, Japan, Switzerland, Norway and Korea, called for maintaining the formula used during the Uruguay Round negotiations, which allows for use of measure such as tariff peaks and tariff escalation.

On TRQs, the US and the Cairns Group (minus Canada) supported a 20 percent expansion of all TRQs. Some in the Cairns Group wanted an even larger expansion of these quotas. Neither Japan nor the EC supported the proposal. Members generally agree on increased administration of TRQs, but hold different views over how such an increase should be implemented.

The agreed timetable for the forthcoming negotiations are: 2-4 September: special sessions on market access; 5-6 September: intersessional consultation on domestic support; and 23-15 and 27 September: special sessions on domestic support.

A mid-November meeting will provide Members with the opportunity to address so-called inter-pillar issues. In these sessions, Members are required to translate their proposals tabled during phases one (2000- 2001) and two (2001-2002) into legal and technical language applicable to modalities. Article 14 of the Doha Declaration provides that negotiating modalities are to be established by 31 March 2003.

The full text of the US proposal can be found at <http://www.fas.usda.gov/itp/wto/proposal.htm>.

"World farm powers divided at end of trade talks," REUTERS, 27 July 2002; "Farm summit ends in row over U.S.-backed free-trade plan," AP, 27 July 2002; "WTO begins informal talks on farm market access," KYODO NEWS, July 29 2002; "WTO nations disagree on formula to cut farm produce tariffs," KYODO NEWS, 30 July 2002; GENEVA WATCH, 1 August 2002.

---

### **'BUSINESSLIKE' TRIPS COUNCIL CONSIDERS OPTIONS FOR IMPROVING ACCESS TO MEDICINES**

WTO Members met for an informal session of the Council for Trade- Related Aspects of Intellectual Property Rights (TRIPs) on 24-25 July to continue their discussions on paragraph 6 of the Doha Declaration on TRIPs and Public Health (see BRIDGES Weekly, 3 July 2002; <http://www.ictsd.org/weekly/02-07-03/story1.htm>). Countries mainly elaborated on previously-made proposals, with major shifts in positions not expected until negotiations begin later this year.

Para.6 of the Declaration instructs Members to find an "expeditious solution" to the problem that Members with insufficient or no manufacturing capacities in the pharmaceutical sector could face in making effective use of compulsory licensing. The inclusion of this paragraph was mainly due to concerns related to Art. 31(f) of the TRIPs Agreement, which requires that production under compulsory licensing must be primarily for the supply of the domestic market. The different country positions on this issue are summarised in the note prepared by the Secretariat for the informal meeting (IP/C/W/363 and IP/C/W/363/Add.1, searchable at <http://docsonline.wto.org/>).

Discussions -- generally described as businesslike and to the point -- focused on the scope of a solution,



associated conditions and possible legal mechanisms. Regarding scope, Members discussed which products should be covered, i.e. only medicines, as advocated by developed countries such as the US, or pharmaceutical products, e.g. diagnostic kits and technologies related to treatment, as proposed by developing countries. The Council also discussed which countries should be eligible. Developing countries generally advocated that the solution should apply to any country with insufficient manufacturing capacity. Others said they would like to set some sort of criteria, such as development, income or size, to determine eligibility.

Regarding eligible exporting countries, the US argued that only developing countries should be allowed to export drugs under this kind of compulsory licence. In contrast, others -- including some developing countries -- proposed that importing countries should be allowed to obtain the necessary medicines from all countries.

While everyone generally agreed that transparency and safeguards were necessary to avoid the re-exportation (or diversion) of medicines to markets other than the intended recipients, developing countries reiterated that such measures should not be burdensome or delay actions. Some developing countries furthermore argued that the TRIPs Agreement already contained sufficient safeguards.

With respect to the possible legal mechanisms, positions remained largely unchanged, including a general willingness to consider alternatives (see BRIDGES Weekly, 3 July 2002; <http://www.ictsd.org/weekly/02-07-03/story1.htm>). Several Members raised the possibility of combining the different proposals. The EC, for instance, which had previously advocated an amendment of Article 31, would now also like to see a waiver of the obligation in Art. 31(f) until the amendment was finalised, approved at the Ministerial Conference and ratified by Members. Some African countries that had focused mainly on Article 31 as part of a comprehensive solution suggested both interpreting Article 30 (as proposed by the Brazil-led group of developing countries) and amending Article 31.

The next regular session of the TRIPs Council is currently scheduled for 17-19 September, followed by a special session on 20 September where Members will continue negotiations on a multilateral system for geographical indications. Negotiations on paragraph 6 are set to take place from September to November during informal consultations in an effort to reach a final decision by the November TRIPs Council meeting.

ICTSD reporting.

## **NEED FOR TRADE FACILITATION NEGOTIATIONS QUESTIONED DESPITE SOME CONVERGENCE**

The WTO Council for Trade in Goods met on 22-23 July, where Members exchanged views on trade facilitation took up the outstanding 'implementation' issue of textiles (for a review of the latter, see related story, this issue). Discussions on trade facilitation at the CTG focused on GATT Article VIII "Fees and formalities connected with importation and exportation". Papers on this topic were submitted by developed and more advanced developing countries, including Canada, the EC, Hong Kong - China, Japan, Korea and the US.

### **Background**

Like the rest of the so-called 'Singapore issues' (investment, competition policy, and transparency in government procurement), Members agreed to negotiations on trade facilitation after the WTO's Fifth Ministerial Conference in September 2003 "on the basis of a decision to be taken, by explicit consensus, at that session on modalities of negotiations. In the intervening period, Members agreed that the CTG would "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, in particular developing and least-developed countries." However, many developing countries continue to resist the inclusion of the Singapore issues in the Doha negotiations.

For the most part, developed countries in their submissions called for the need to simplify and streamline the processing of imports under Article VIII, arguing that this was an area that could benefit all WTO Members. For instance, the EC said it would like to see Article VIII, which it said was the GATT provision at the heart of trade facilitation, "more operational rather than aspirational". (G/C/W/394, searchable online at <http://www.docsonline.wto.org/>). The EC, which is the WTO's primary demandeur for the Singapore issues, stressed that trade facilitation is "pro-development" and called for special treatment of least-developed countries. It said a WTO trade facilitation agreement would "lock in" reforms and make the application of WTO principles in customs operations "irreversible". It further argued for a "single window" that would allocate import processing to a single body to fulfil all related regulatory requirements.

Mirroring points made in other papers, Japan's submission (G/C/W/401) proposed a list of improvements to Article VIII, including adoption of international standards, using risk assessment methods, introduction of a "single window" for

processing of imports, and promoting automation of customs procedures. Hong Kong - China, in its paper (G/C/W/398), proposed the "injection of certain basic GATT/WTO principles" like non-discrimination and use of the least-trade-restrictive measures into Article VIII.

The US said it detected a sense of "coalescence" on the issue of trade facilitation in the papers and in interventions, noting that the WTO should take advantage of this opportunity to "move everyone forward" on the issue.

### **Scepticism remains**

However, a number of developing countries remain less than convinced on the need for negotiations on this issue. The Philippines said that it was implementing trade facilitation measures not because of the WTO or regional trading arrangements but because of demands from the business community. It said work in this area was being done at the World Customs Organization, and cautioned against over-burdening the WTO

agenda. Pakistan said it agreed with the EC about making Article VIII more operational, but not "prescriptive", adding that like many developing countries, it would need a considerable amount of technical capacity in the customs area.

Reflecting its traditional approach in opposition to the Singapore issues, India said Article VIII had been working well, with Members using it as guideline according to their needs. It pointed to comprehensive customs reforms in India, including shift to on-line customs processing of goods and automation of container cargo handling, as an indication of the success of Article VIII as it stood, and that there was no need for new binding obligations. Thailand said it could support a "single window" approach to customs clearances so long as it did not result in too much burden for developing countries. Brazil said the EC paper contained an excessive amount of disciplines without the assurance of equivalent benefits, and called for cost-benefit analysis on any proposed changes.

The CTG meets again on 10 October 2002.

ICTSD reporting.

## **IN BRIEF**

### **GENETICALLY MODIFIED WHEAT GIVEN TWO THUMBS DOWN**

Speaking at a 29 July Board of Directors meeting for the US Wheat Associates, Antonio Costato, CEO of Italy's largest milling company Grandi Molini Italiana, said that "[we] will not only avoid buying genetically modified [GM] wheat, but we will probably be forced to completely avoid importing from those countries/regions where it is known that GM wheat is grown." Costato, who also heads the European millers' group Euroflour, cited there that is "no room at all for compromises" on this issue due to strong public opinion against genetically modified organisms (GMOs), as well as ample and cheap alternative supplies. "The European consumers are not attracted by GM food. They do not see any benefit from them," he added. Peter Jones, wheat director for Rank Hovis (the UK's largest flour miller) concurred with Costato's remarks, stating, "[w]e simply won't be able to sell the product. The consumer is just not ready to buy." Leading biotechnology firm and GMO manufacturer Monsanto told the US wheat-export promotion group's board meeting that it was "shifting its strategy" for introducing GM-wheat into the market, and would pull back from its intended timeline for bringing GM-wheat to market by 2005. Despite this change in strategy, the company is still seeking US regulatory approval for their GM-wheat strain this year. A Monsanto representative attending the meeting indicated that it would bring its crop to market only once sufficient demand had been generated. While a number of GM crops are already widely available -- such as soybeans, maize and cotton -- increasing consumer resistance has made it more difficult for the introduction of new GM crops.

"Monsanto says it's shifting strategy on GM wheat," PLANET ARK, 30 July 2002; "Italy's biggest miller spurns GM wheat," REUTERS, 5 August 2002.

### **SOUTH AMERICAN LEADERS AGREE ON ADVANCING REGIONAL INTEGRATION VIS-A-VIS FTAA**

After a two day-conference in Guayaquil, Ecuador, South American leaders agreed on 27 July that S. America's two regional trade blocks, Mercosur and the Andean Community, would join forces to better negotiate with the US in ongoing talks around a free-trade zone in the Western hemisphere (Free Trade Area of the Americas, or FTAA). The "Guayaquil

Consensus" was endorsed by ten heads of state of S. American countries, and apart from the trade collaboration provisions it also included commitments on a number of integration issues, from transport and energy to economic policy and governance. In 1994, 34 countries in the hemisphere, from Argentina to Canada, agreed to negotiate the FTAA, which is scheduled to come into existence in 2005. Mercosur is made up of Brazil, Argentina, Uruguay and Paraguay with Chile and Bolivia as associate members. The Andean Pact includes Venezuela, Colombia, Bolivia, Ecuador and Peru.

"S. America leaders agree to boost free-trade talks with US," AP, 27 July 2002; "Latin American leaders agree to integrate," UNITED PRESS INTERNATIONAL, 27 July 2002.

---

### **EU-MERCOSUR MEETING INJECTS FRESH IMPETUS TO TRADE NEGOTIATIONS**

EU Trade Commissioner Pascal Lamy and External Relations Commissioner Chris Patten met with pro-tempore President of Mercosur and Brazilian Foreign Minister Celso Lafer on 24 July. The leaders agreed to boost EU- Mercosur relations with a trade negotiations programme that is expected to stretch over 2002 and 2003. The trade agenda will comprise a wide variety of issues, including market access on goods, services, government procurement and investment, as well as rules and disciplines such as sanitary and phytosanitary measures, agreement on wines and spirits, competition and intellectual property rights. The parties also agreed to a calendar for negotiations and set a meeting date for the second half of 2003 to kick off the last stage of negotiations. The foreign ministers of Mercosur members Argentina, Uruguay and Paraguay were also present at the meeting.

"Commissioners Lamy and Patten agree with Mercosur counterparts ambitious program for EU-Mercosur trade negotiations," EUROPEAN UNION PRESS RELEASE, 24 July 2002.

---

## **WTO IN BRIEF**

---

### **N. ZEALAND NOTIFIES GMO LAW TO WTO**

On 2 August, the government of New Zealand notified the WTO Committee on Sanitary and Phytosanitary (SPS) Measures of its new legislation on restrictions of genetically modified organisms (GMOs). The document (G/SPS/N/NZL/161/Add.1, available at <http://docsonline.wto.org>) outlines New Zealand's recently-passed legislation that restricts consideration and approval of applications for the release of GMOs (with some exceptions) into the country's environment. Exempted from the law are: (1) medicines that are or contain live GMOs approved for human use; (2) veterinary medicines that are or contain approved live GMOs; and (3) GMOs approved under the emergency provisions in the Hazardous Substances and New Organisms Act 1996. According to the submission, the restricted period does not affect processed GM foods and ingredients. GMOs can also be imported or developed in New Zealand for the purpose of laboratory work, and also for contained field tests. The notified document is available online at: <http://rangi.knowledge-basket.co.nz/gpacts/public/text/2002/an/013.html>.

ICTSD reporting.

---

### **CANADIAN LDC INITIATIVE TO FREE UP ENTRY OF GOODS FROM WORLD'S POOREST**

Under "Other Business" at the WTO's 22-23 July meeting of the Council for Trade in Goods (see also textiles story, this issue), Canada reminded Members that it had announced at the G-8 Summit at the end of June its duty-free and quota-free treatment for imports from 48 least- developed countries starting 1 January 2003. The only products not included are dairy, poultry and eggs. As part of that initiative, the Canadian government will provide CDN 100 million (USD 63.5 million) to create an Africa investment fund, another CDN 20 million to increase trade capacity, and CDN 35 million to help "bridge the gap in information and communication technologies". Like the EU's Everything But Arms initiative and the US' African Growth and Opportunity Act, the Canadian measure attempts to assist the export potential of LDC economies, most of which are in sub-Saharan Africa. Previously, Canada's imports from LDCs had averaged just over CDN 300 million in the last decade and in 2001 constituted only 0.1 percent of total imports, half of what they were in 1991. Also at the G-8 Summit, Canada announced a

framework -- with federal funding of up to CDN 33 million -- to increase the international competitiveness of its own apparel and textile industries, which will likely need to adjust to the impacts of tariff reductions on clothing imports from LDCs that will be implemented over the next four years. Sources said that textile exports from Bangladesh -- an LDC and a major textile exporter -- would be included as part of the initiative, but that due to Canadian opposition to the military regime in Myanmar, that country would not qualify.

ICTSD reporting; "Canada gives special access to Least Developed Countries," CANADIAN GOVERNMENT PRESS RELEASE, 27 June 2002, "Canada helps build new partnerships with Africa," CANADIAN GOVERNMENT PRESS RELEASE, 27 June 2002.

### **WTO SELECTS PANEL FOR 8-MEMBER COMPLAINT AGAINST WTO STEEL MEASURES**

At its meeting on 29 July 2002, the WTO Dispute Settlement Body (DSB) agreed to include Brazil on the list of seven other countries which have requested the establishment of a panel to examine the US' "Definitive safeguard measures on imports of certain steel products". According to Brazil, the US measures "have considerably disturbed the world steel market and have had a significant impact upon Brazil's exports of steel". As such, a single panel will examine the complaints of eight Members: Brazil, China, Japan, Korea, New Zealand, Norway, Switzerland and the EC (see BRIDGES Weekly, 10 July 2002, <http://www.ictsd.org/weekly/02-07-10/wtoinbrief.htm> - 2). The panel, which will be chaired by Stefan Haukur Johannesson, Iceland's ambassador to the WTO, will also include Margaret Liang, deputy permanent representative with Singapore's mission in Geneva, and Mohan Kumar, a former trade delegate with the Indian mission to the WTO. The three panellists will meet shortly with the US and the complainants to establish the working procedures for the panel. A ruling in the case is expected for the second quarter of 2003.

"WTO Director appoints panelists to rule on US steel safeguards," BNA WTO REPORTER, 26 July 2002; "Single panel on steel will consider complaints of 8 countries," WTO PRESS RELEASE, 29 July 2002.

## **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>.

#### **WTO Events**

An updated list of forthcoming WTO meetings is posted at: [http://www.wto.org/english/news\\_e/meets.pdf](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.

PLEASE NOTE: The WTO will be in recess from 2 August - 2 September.

30 August, Geneva, Switzerland: WTO DISPUTE SETTLEMENT BODY.

2-4 September, Geneva, Switzerland: SPECIAL SESSION OF THE WTO COMMITTEE ON AGRICULTURE.

#### **Other Forthcoming Events**

1 September 2002, Johannesburg, South Africa: SPECIAL PANEL DISCUSSION ON GROWTH DRIVEN BY TRADE, INVESTMENT AND ECONOMIC COOPERATION- THE EAST ASIAN EXPERIENCE IN ECONOMIC DEVELOPMENT AND COOPERATION. Hosted by Research Institute of Economy, Trade and Industry (RIETI) and Ministry of Economy, Trade and Industry (METI) of Japan. During the Johannesburg Summit, Japan is going to host a number of events on September 1 on the so-called "Development Day". RIETI's session is going to focus on development based on growth, trade and investment taking the experiences of East Asia as a departure point. For further information contact: Ichiro Araki, Director of Research, RIETI, 1-3-1 Kasumigaseki, Chiyoda-ku, Tokyo 100-8901 Japan; tel: (81-3) 3501 8248; fax: 3501 8416; email: [araki-ichiro@rieti.go.jp](mailto:araki-ichiro@rieti.go.jp); Internet: <http://www.rieti.go.jp>.



## RESOURCES

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

### New ICTSD Web Section On WSSD

ICTSD has launched a website section on trade-related issues at the World Summit on Sustainable Development (WSSD). The section contains ICTSD-related WSSD events, resources and news, and is accessible at:  
<http://www.ictsd.org/issarea/wssd/wssdmain.htm>.

### Other Resources

TRIPS Y SALUD PUBLICA: LOS DESAFIOS POST-DOHA. Latin American Trade Network, Research Program on International Economic Institutions Briefing Paper #13, June 2002. By Vanesa Lowenstein and Gabriel Bottino. The Briefing Paper series looks at the Public Health and TRIPs agreement. Also in the series are papers on geographical indications, liberalisation of health services and implications of the Farm Bill on agricultural policy in a Latin American framework. The briefing papers are available in Spanish at <http://www.latn.org.ar>. For further information contact: FLASCO ARGENTINA; email: [rrii@sinectis.com.ar](mailto:rrii@sinectis.com.ar).

EARTHTIMES: REPORTING ON WORLD SUMMIT ON SUSTAINABLE DEVELOPMENT (WSSD). The Earthtimes -- a not-for-profit publication -- plans to produce ten daily newspaper editions in print and on the Web, and a special print magazine edition, at the World Summit on Sustainable Development in Johannesburg, August 26 to September 4. Continuous news coverage will be provided on the Earthtimes website, <http://www.earthtimes.org/>.

ETHICALLY SUSTAINABLE? TRADE AND RURAL LIVELIHOODS. Published in id21News Issue No. 73 July 2002. Is ethical trade contributing to the achievement of sustainable rural livelihoods? What are the strengths and weaknesses of ethical trade schemes (ETS)? Research by the Natural Resources Institute at the University of Greenwich the explores the actual and potential contribution ethical trade can make to the achievement of sustainable rural livelihoods, focusing on three types of ETS: forest certification, fair trade and organic agriculture. For further Information contact: Mick Blowfield, C/o DAI, 7250 Woodmont Avenue, Suite 200, MD 20814, USA; tel: (+1 301) 718 8272; fax:

718 8290; email: [yjp60@dial.pipex.com](mailto:yjp60@dial.pipex.com); Internet: <http://www.id21.org/society/s7bmb2q1.html>.

### WTO Documents

Unless otherwise noted, all the WTO documents can be downloaded at <http://docsonline.wto.org/>.

PROGRAMME OF MEETINGS FOR THE NEGOTIATIONS ON MARKET ACCESS FOR NON-AGRICULTURAL PRODUCTS (TN/MA/3). Negotiating Group on Market Access, 19 July 2002. The document outlines the work programme of the Negotiating Group on Market Access, based on paragraph 16 of the Doha Declaration.

MULTILATERAL FRAMEWORK FOR INVESTMENT: AN APPROACH TO DEVELOPMENT PROVISIONS (WT/WGTI/W/133). Communication from Switzerland, Working Group on the Relationship between Trade and Investment, 15 July 2002. Switzerland's communication aims to contribute to the discussion of the Working Group referred to in paragraph 22 of the Doha Ministerial Declaration on development provisions that have been left to be clarified before the fifth Ministerial Conference next year in Mexico. The submission includes Switzerland's position on flexibility for development and FDI's role in fulfilling macro-economic objectives.

PROPOSALS ON PARAGRAPH 6 OF THE DOHA DECLARATION ON THE TRIPS AGREEMENT AND PUBLIC HEALTH: THEMATIC COMPILATION (IP/C/W/363/Add.1). Note by the Secretariat, Council for Trade-Related Aspects of Intellectual Property Rights, 23 July 2002. The Addendum to the previous circulated document of 11 July 2002, looks at the procedural requirements of each of the five written proposals that have been received on the implementation of paragraph 6 of the Doha Declaration on the TRIPS Agreement. The document outlines the legal mechanisms at the multilateral level under the WTO Agreement and provides information on the experience in the application of these mechanisms.

SMALL ECONOMIES: A LITERATURE REVIEW (WT/COMTD/SE/W/4). Note by the Secretariat, Committee on Trade and Development Dedicated Session, 23 July 2002. The note prepared by the Secretariat aims to fulfil the request of the General Council to compile relevant information and factual analysis on the constraints faced by small economies as well as their shortfalls in institutional and administrative capacities, including the area of human resources and the effects of trade liberalisation. The document also gives an overview of how the issue of smallness has been dealt with in the economic literature.

**ASSESSMENT OF TRADE IN SERVICES (TN/S/W/4).** Communication from Thailand, Council for Trade in Services Special Session, 22 July 2002. The submission is Thai Government's contribution to the debate on the assessment of trade in services, especially Article XIX:3, and presents some factual aspects of the state of services in the Thai economy.

**UNITED STATES- DEFINITIVE SAFEGUARD MEASURES ON IMPORTS OF CERTAIN STEEL PRODUCTS: PROCEDURAL AGREEMENT BETWEEN UNITED STATES AND CHINA, THE EUROPEAN COMMUNITIES, JAPAN, KOREA, NEW ZEALAND, NORWAY AND SWITZERLAND (WT/DS248/13).** Dispute Settlement Body, 15 July 2002. The Agreement outlines a scheme to allow consideration of all complaints filed against the US definitive safeguard measures of 5 March on imports of certain steel products into a single panel.

**FINANCIAL CRISES: IMPLICATIONS FOR TRADE AND TRADE POLICY (WT/WGTDF/W/7/Add.1)** Communication from OECD, Working Group on Trade, Debt and Finance, 25 July 2002. The note is primarily based on work done and the guiding principals established in the aftermath of the 1997-98 Asian financial crisis. OECD's submission is aimed to provide background material for the deliberations of the Working Group on Trade, Debt and Finance, and it addresses the effects of financial crisis on trade and the role of trade policy in responding to financial crisis.

**NON-DISCRIMINATION (WT/WGTI/W/132).** Communication from Mexico, Working Group on the Relationship between Trade and Investment, 8 July 2002. The submission of Mexico aims to contribute to the debate on Non- Discrimination that will take place in the WGTI.

**NOTIFICATION OF DETERMINATION OF THE RECOGNITION OF EQUIVALENCE OF SANITARY OR PHYTOSANITARY MEASURES (G/SPS/7/Rev.2/Add.1)** Decision by the Committee, Committee on Sanitary and Phytosanitary Measures, 25 July 2002. At its meeting of 25-26 June 2002, the SPS Committee recommended the procedures for notification as foreseen in Section J, paragraph 39 of the Recommended Procedures for Implementing the Transparency Obligations of the SPS Agreement.

**REPORT TO THE GENERAL COUNCIL (TN/CTD/3).** Committee on Trade and Development Special Session, 26 July 2002. The report to the General Council documents the working program of the CTD during early 2002, and also summarises the different concerns and cross-cutting issues that were raised during its sessions.

## Electronic Resources

**WSSD COVERAGE BY EARTH NEGOTIATIONS BULLETIN.** For extensive coverage on the World Summit on Sustainable Development, including a calendar of meetings and Summit preparations, visit <http://www.iisd.ca>.

## Position Vacancy

**PROGRAM COORDINATOR.** Dante B. Fascell North-South Centre, University of Miami (Ref. #8766). Based in: Washington, D.C, USA. Deadline: 9 August 2002. The Centre is a public policy and research institute for U.S. Latin American and Caribbean relations. Duties include: serving as the coordinator of Washington D.C. based activities; being responsible for public affairs and outreach to constituencies; managing events; and supporting research and project activities with governmental and non- governmental organizations in Washington area. For further information contact: Robin Rosenberg, Dante B. Fascell North-South Centre, 1500 Monza Avenue, Coral Gables, Florida 33146; tel: (1-305) 284-8957; fax: 284-6370; email: [rosenberg@miami.edu](mailto:rosenberg@miami.edu).

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

To subscribe to **BRIDGES Weekly Trade News Digest**, send an email to: [bridges\\_weekly@ictsd.ch](mailto:bridges_weekly@ictsd.ch) and type the words subscribe bridges in the message header.

To unsubscribe from **BRIDGES Weekly Trade News Digest**, send an email to: [bridges\\_weekly@ictsd.ch](mailto:bridges_weekly@ictsd.ch) and type the words unsubscribe bridges in the message header.

**BRIDGES Weekly Trade News Digest**© is published by the International Centre for Trade and Sustainable Development (ICTSD), <http://www.ictsd.org>. Contributors to this issue of **BRIDGES Weekly Trade News Digest**: Heike Baumueller, Muge Dolun, David Primack, Victor Mosoti and Alex Werth. Technical support: Matteo Rizzolli. Assistant Editors: Heike Baumueller & David Primack. Editor: Hugo Cameron, [hcameron@ictsd.ch](mailto:hcameron@ictsd.ch). Managing Editor: Andrew Crosby. The Director is Ricardo Meléndez-Ortiz, [rmelendez@ictsd.ch](mailto:rmelendez@ictsd.ch). ICTSD is an independent, not-for-profit organisation based at: 13, ch. des Anémones, 1219 Geneva, Switzerland, tel: (41-22) 917- 8492; fax: 917-8093. Excerpts from **BRIDGES Weekly Trade News Digest**© may be used in other publications with appropriate citation. Comments and suggestions are welcomed and should be directed to the Editor or the Director.

**BRIDGES Weekly Trade News Digest** is made possible in 2001 - 2002 through the generous support of the Government of the United Kingdom (DFID). Additional support is provided by ICTSD's core donors: the Governments of Finland, Denmark, the Netherlands and Sweden; Christian Aid (UK), MISEREOR, NOVIB (NL), Oxfam (UK) and the Swiss Coalition of Development Organisations (Switzerland). **BRIDGES Weekly** also benefits from support for the **BRIDGES** series of publications including: the Rockefeller Foundation, the John D. and Catherine T. MacArthur Foundation and Swiss Development Cooperation.

ISSN 1563-003