



ICTSD

INTERNATIONAL CENTRE FOR
TRADE AND SUSTAINABLE
DEVELOPMENT

BRIDGES

Weekly Trade News Digest

20 February 2002

Volume 6, Number 6

BRIDGES Weekly Trade News Digest is also available online 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, or by telephone at: (41-22) 917-8336.

CONTENTS

<i>WTO AGREES ON CHAIRS, READY TO BEGIN SUBSTANTIVE NEGOTIATIONS</i>	<i>2</i>
<i>WTO DEVELOPMENT COMMITTEE TWEAKS TECHNICAL ASSISTANCE PLAN.....</i>	<i>4</i>
<i>NEW PROPOSED EU WSSD STRATEGY HEAVY ON GLOBALISATION.....</i>	<i>6</i>
<i>In Brief.....</i>	<i>9</i>
SPECIES-RICH COUNTRIES BAND TOGETHER TO FIGHT BIOPIRACY	9
US GIVES TEXTILE QUOTA CONCESSIONS TO PAKISTAN.....	9
BUSH'S CLIMATE POLICY MET WITH DISAPPOINTMENT	10
PAKISTANI DRUG INDUSTRY RECEIVES FAVOURABLE COURT RULING	10
US SENATOR EXPECTS SENATE TO ADDRESS TRADE BILL IN MARCH	11
<i>WTO In Brief.....</i>	<i>11</i>
MOORE ADVOCATES NEGOTIATIONS ON INVESTMENT, OTHER SINGAPORE ISSUES.....	11
DIRECTOR-GENERAL DESIGNATE SUPACHAI PANITCHPAKDI EMPHASISES TECHNICAL ASSISTANCE	12
FSC: US QUESTIONS SCALE OF SANCTIONS CLAIMED BY EC	12
<i>Events & Resources.....</i>	<i>13</i>
EVENTS.....	13
RESOURCES	18

WTO AGREES ON CHAIRS, READY TO BEGIN SUBSTANTIVE NEGOTIATIONS

On 15 February, WTO Members re-convened their deferred General Council session (from 13 February) to agree on Chairs for both new negotiating groups and regular bodies of the WTO. The decision, based on many weeks of informal consultations by former General Council Chair Stuart Harbinson, paves the way for Members to begin scheduling the negotiations timetable to execute the mandate from the Doha Ministerial Declaration agreed in Qatar last November (see BRIDGES Weekly, 5 February 2002, <http://www.ictsd.org/weekly/02-02-05/story1.htm>).

Negotiating group chairs

While Chairs from the developing country group in the WTO in general are well represented on the new slate, the two major negotiating groups -- on non-agricultural market access and rules -- are chaired by developed country representatives (Amb. Pierre-Louise Girard of Switzerland and Amb. Timothy John Groser of New Zealand, respectively). The other Chairpersons for the negotiating sessions are: Amb. Yolande Bike of Gabon for the Special Sessions of the Committee on Trade and Environment; Amb. Ransford Smith of Jamaica for the Special Sessions of the Committee on Trade and Development (on Special and Differential Treatment); Amb. Eui Yong Chang of Korea for the Special Sessions of the Council for Trade-Related Aspects of Intellectual Property Rights (TRIPs); and Amb. Peter Balas of Hungary for the Special Sessions of the Dispute Settlement Body.

Stuart Harbinson will now Chair the Special Sessions of the Committee on Agriculture, which many observers note to be the most politically sensitive issue to be handled in the new round. Chile's Ambassador Alejandro Jara will chair the Special Sessions of the Council on Trade in Services.

The appointment of the trade negotiation groups means that Members can now begin sector-by-sector negotiations based on the Doha Ministerial Declaration.

Non-transparency and meeting frequency still a problem

There was some controversy over the appointment of the chair for the negotiation sessions of the Committee on Trade and Development (CTD). Pakistan pushed for its Ambassador, Munir Akram, to head the CTD, supported by China and by a number of other developing countries. Pakistan's attempt was thwarted by the US and other developed countries, who opposed the Pakistani ambassador due to his reputation as a staunch defender of certain developing country interests. Akram's supporters said their position was motivated by complaints against the lack of transparency and inclusiveness in the selection of the chairs, concerns that forced the General Council to end the 13 February meeting without a decision and re-convene on the 15th. "We didn't want to delay the process any longer," Zimbabwe's ambassador Boniface Guwa Chidyausiki said in explaining their decision to finally approve the new chairs. "I think we made our

point." Even WTO Director-General Mike Moore, who will initially chair the Trade Negotiations Committee (TNC), the body responsible for supervising the Doha negotiations, told reporters on 15 February that, "Members did express, and this is fair, concern about our processes and I absolutely agree with them". Complaints about non-transparency in major decision-making processes have dogged the WTO since before the Doha Ministerial.

At the 13 February General Council session, WTO Deputy Director-General Miguel Rodriguez presented his findings on the issue of scheduling of WTO meetings. He pointed out that "developing country Members...have stressed the need for a rational approach that avoids too many meetings being held at the same time, in particular given that the Doha negotiations and work programme are now getting under way." Rodriguez warned Members that they were "headed for trouble", in that the WTO consisted of 67 bodies, plus the TNC, the two new negotiating groups, and six Special negotiating Sessions of existing bodies. Last year, there were almost 400 formal meetings, plus approximately 500 informal meetings and around 90 other gatherings, such as symposia, workshops and seminars. All these competed for Members' time, which, given the small (2-3 persons) size of some delegations, can present a major constraint.

Rodriguez suggested a number of improvements in order to make effective participation possible in the upcoming negotiations and work programme. He urged first and foremost that existing 1995 guidelines should be followed. The 1995 guidelines include: (a) no more than two formal meetings should be held simultaneously, and only one negotiating body should meet at the same time; (b) meetings should be spread out as evenly as possible throughout the week and throughout the calendar year; and (c) meeting dates should not be altered, except for overriding political or technical reasons. In addition, he suggested that negotiating sessions should be held back-to-back with regular meetings of the relevant WTO bodies in order to facilitate participation, and that the Chair of the General Council and TNC Chairs could consider reporting regularly, preferably at every regular meeting of these bodies, on the implementation of the above guidelines.

Rodriguez's full submission can be viewed at:

http://www.wto.org/english/news_e/news02_e/gc_ddgstat_13feb_e.htm.

The chairs of the negotiating groups will preside until the WTO's next Ministerial Conference in Mexico due to take place in the second half of 2003. Regular WTO body chairs preside for one year.

Regular WTO bodies

Canadian Ambassador Sergio Marchi was selected to take over from Stuart Harbinson as Chair of the General Council. According to the Doha Ministerial Declaration, the TNC operates under the authority of the General Council, and according to the decision taken on 3 February, the TNC should report to each regular meeting of the General Council.

Chairs for the regular bodies for 2002 are as follows:

Dispute Settlement Body: Ambassador Carlos Pérez del Castillo (Uruguay) Trade Policy Review Body: Ambassador Amina Chawahir Mohamed (Kenya) Council for Trade in Goods: Ambassador M. Supperamaniam (Malaysia) Council for Trade in Services: Ambassador Mary Whelan (Ireland) Council for TRIPS: Ambassador Eduardo Pérez Motta (Mexico) Committee on Budget, Finance and Administration: Mr Neil McMillan (United Kingdom) Committee on Balance-of-Payments Restrictions: Ambassador Anda Cristina Filip (Romania) Committee on Trade and Development: Ambassador Toufiq Ali (Bangladesh) Committee on Regional Trade Agreements: Ambassador Boniface Guwa Chidyausiku (Zimbabwe) Committee on Trade and Environment: Ambassador Ođuz Demiralp (Turkey) Working Group on the Relationship between Trade and Investment: Ambassador Luiz Felipe de Seixas Corrêa (Brazil) Working Group on the Interaction between Trade and Competition Policy: Professor Frédéric Jenny (France) Working Group on Transparency in Government Procurement: Ambassador Ronald Saborío Soto (Costa Rica) Working Group on Trade, Debt and Finance: Ambassador Hernando José Gómez (Colombia) Working Group on Trade and Transfer of Technology: Ambassador Stefán Haukur Jóhannesson (Iceland) Committee on Agriculture: Dr Magdi Farahat (Egypt).

For further information on WTO bodies, see:

http://www.wto.org/english/thewto_e/whatis_e/tif_e/org2_e.htm. On the Trade

Negotiations Committee and the Doha agenda, see:

http://www.wto.org/english/tratop_e/dda_e/dda_e.htm.

"WTO Members Reach Agreement On Chair Lineup for Subsidiary Bodies," WTO REPORTER, 19 February 2002; ICTSD Internal Files.

WTO DEVELOPMENT COMMITTEE TWEAKS TECHNICAL ASSISTANCE PLAN

The second meeting of 2002 of the Committee on Trade and Development (CTD) convened on 14 February. This 38th Session of the CTD had a varied agenda looking primarily at elections for CTD and LDC Chairs and further work on the annual technical assistance plan.

With no consensus prevailing on the slate of Chair candidates presented at the 13 February General Council (G-C) meeting (see related article, this issue), the agenda items of electing the Chairs for both the CTD and Sub-Committee on LDCs were postponed -- pending G-C consensus on a range of appointments. Thus incumbent Chair Ambassador Nathan Irumba of Uganda continued under that capacity.

Technical Assistance (TA) Plan -- revisions still underway

As a result of the Chair impasse, Members addressed the Coordinated Annual Technical Assistance Plan (WT/COMTD/W/95/Rev.1) as the primary item of discussion for the meeting. The Plan is an annual note from the Secretariat outlining its intended Technical Assistance aims for the year. With so much weight being ascribed to technical assistance (TA) and capacity-building (CB) in the recent Doha texts (see BRIDGES <http://www.ictsd.org/weekly/01-12-20/story1.htm>), the scope and impact of this year's plan is of key importance to many Members.

The broad theme of the revisions to date is to explicitly tie the planned TA activities to the 11 operative paragraphs of the Doha Declaration -- from which the enhanced TA & CB mandates stem (these are paragraphs 16, 21, 24, 26, 27, 33, 38, 39, 40, 42, and 43). For example, in the charts showing the various planned activities by region, a new column -- entitled "Doha TC/CB Mandate" -- has been added to indicate which of the 11 aforementioned paragraphs the activity is related to.

Another area where revisions were requested was in balancing the ability of the WTO Secretariat to carry out planned activities with adequate flexibility for ad hoc requests. The initial version of the Plan notes, "ad hoc requests shall not exceed 20 percent of the total number of planned activities." The revised version eliminates that figure, and provides a more detailed description of how these requests had a "destabilising" effect on former TA plans and how they impacted the Secretariat's ability to focus and deliver on planned activities. As such, the revision now states that requests "shall be limited to the barest minimum". Furthermore, in light of the greater level of activities scheduled for 2002, the Secretariat "shall attach priority to planned activities," and ad hoc requests shall thus be "considered for the 2003 Plan, except in the most exceptional circumstances."

Annexes on Singapore issues and environment

The focus of Annex I of the Plan is the 'Singapore issues' (Competition Policy, Investment, Transparency in Government Procurement, and Trade Facilitation). As noted in the first sentence of the Annex, the greater TA Plan "contains activities focusing in particular on the Singapore issues." The Annex is intended to show the broad conception and design of how TA & CB will be delivered in these areas -- so that developing countries and LDCs will have the capacity to prepare for negotiations in these areas.

One meeting attendee noted however that this particular language was opposed by some of the traditional critics of the inclusion of the Singapore issues (India, Pakistan, etc.) and is to be one of the areas to see further revision. One trade analyst speculated that the intensive focus on these issues -- for which most developing countries are not demandeurs -- is putting a bit of a strain on finalising the plan.

This revision of Annex I has in fact little in the way of changes, outside of the introduction of a qualification in the 'transparency in government procurement' section which subjects regional and sub-regional seminars and workshops focused on informing

capital-based officials to potential resource limitations. It also explicitly indicates that these activities are listed in Sections I and III.

A new Annex is also introduced touching on trade and environment. It notes an understanding reached between the WTO Secretariat and the UNEP Secretariat on the need for collaborative organising of seminars, capacity building, and the delivery of other activities as necessary.

The next CTD regular session is scheduled for 23 April.

CTD Special Session on Special and Differential Treatment (S&D)

As per guidelines for the Trade Negotiations Committee (TNC) agreed upon by the G-C on 3 February (see BRIDGES Weekly 05 February, <http://www.ictsd.org/weekly/02-02-05/story1.htm>), the review of all S&D provisions are to be carried out by the CTD in Special Sessions. This first session was held upon conclusion of the 14 February CTD regular session, but was immediately postponed as Chairs for the CTD regular and special sessions had yet to be decided (see related story for list of Chairs chosen on 15 February).

With Jamaican Ambassador Ransford Smith taking up the Chair of the Special Session until the 5th Ministerial (late 2003), a rescheduled date is expected soon. Sources indicate the session should reconvene sometime in the next two weeks, and that in general, it will meet roughly once per month -- as Members attempt to meet the fast- approaching deadline of 31 July for making recommendations on S&D to the G-C.

ICTSD Internal Files.

NEW PROPOSED EU WSSD STRATEGY HEAVY ON GLOBALISATION

On 13 February, EU Development Commissioner Poul Nielson presented a long awaited Communication prepared by the European Commission on the EU's external sustainable development (SD) strategy designed -- amongst other things -- to establish policy components for a "Global Deal" at the Johannesburg World Summit on Sustainable Development (WSSD). Unlike previous SD-related communications from the EU's executive body, the new paper emphasises the beneficial effects of globalisation with regard to economic development, living standards and "global resource efficiency" resulting from optimal exploitation of countries' "comparative advantages". Moreover, the Commission creates a link between poverty and deprivation, on the one hand, and international terrorism, on the other.

Referring to the strategy components in the paper that address the November 2001 WTO Doha Ministerial, the 18-22 March Conference on Financing and Development to be held in Monterrey, Mexico, as well as the WSSD in Johannesburg, Nielson told a 13 February press conference (viewable at <http://europa.eu.int/rapid/start/cgi/guesten.ksh?reslist>) that he would like "to underline the importance of the totality of this." Doha on its own, Monterrey on its own and Johannesburg on its own weren't enough, he said, "but the totality of these events is."

Commenting on what Friends of the Earth Europe called a "trade driven agenda", a Green Member of the European Parliament (EP) cautioned that the original focus of "put[ting] environmentally sustainable practices at the forefront of international policy making" at the WSSD was now at risk of being replaced by a more free trade-driven development approach. Vice president of the EP's Environment Committee, Alexander de Roo, voiced discontent with the fact that both the proposed EU external SD strategy as well as the Chairman's summary of the second meeting in end-January of the WSSD Preparatory Committee (PREPCOM2) (downloadable at <http://www.johannesburgsummit.org/html/documents/prepcom2.html>) were "built on the same agenda: the need to support the multilateral trading system". "The UN needs to confront the WTO paradigm, not to endorse it," he added.

The Commission's Communication, entitled "Towards a Global Partnership For Sustainable Development", sets out a strategic workplan to address the "three inter-related components" of SD (i.e. economic, social and environmental), as well as its "necessary preconditions for success". These include "greater coherence of EU policies, improved governance at all levels, and increased financial resources to implement the necessary policies". The document intends to add an "external dimension" to the general European Union Strategy for Sustainable Development adopted at last year's Goeteborg European Council. In general, the paper notes that "humankind is increasingly aware that it shares a common and interlinked future" and that "conflict and injustice on the other side of the world can have direct repercussions close to home". In addition, poverty and deprivation, which were a "breeding ground for discontent and anger", create, according to the Commission, a situation in which "ethnic and religious issues are easily exploited and magnified."

The paper is downloadable at http://global.finland.fi/julkaisut/pdf/EU_SDS130202.pdf)

Globalisation

Within the EU's over-all SD strategy (accessible at <http://europa.eu.int/comm/environment/eussd/>) and the February 2001 Communication put forward by the Commission, entitled "Ten years after Rio: Preparing for the World Summit on Sustainable Development in 2002" (accessible at <http://europa.eu.int/comm/environment/agend21/>), the first EU priority objective identified in the recent paper is the bullet "Harnessing globalisation: trade for sustainable development". According to the Commission, the "Doha Development Agenda (DDA)" embodied in the Doha Ministerial Declaration "epitomises the integrated approach to managed globalisation" which puts market liberalisation into a wider context by

addressing the environment as well as so- called "Singapore-issues" such as competition, investment and trade facilitation.

In order to "maximise the benefits of globalisation while minimising the costs," the Commission proposes inter alia to: (i) promote "further liberalisation and expansion of trade" in the new round of WTO talks; (ii) help developing countries to integrate in the global trading system by building capacity and support to "overcome supply-side constraints" such as underdeveloped investment promotion as well as marketing channels; (iii) integrate sustainability parameters in a "more modulated" Generalised System of Preferences (GSP) to be introduced in 2004; and (iv) promote a closer cooperation between the WTO and the UN Environment Programme (UNEP), the Secretariats of multilateral environmental agreements (MEAs) as well as the International Labour Organisation.

Environment

Under the third item "Sustainable management of environmental resources", the Commission highlights ecological problems such as climate change, energy consumption and transport, lack of water resources and depleted fish stocks. In response, the Communication proposes inter alia to promote a strategic international partnership on sustainable water resource management, a European action plan on forest law enforcement, governance and trade (FLEGT) as well as a European Union strategy for distant water fisheries. Furthermore, the Commission suggests to replenish the Global Environment Facility (GEF) by 50 percent and to expand its mandate to cover land degradation, deforestation and the Persistent Organic Pollutants (POPs) Convention [The GEF was established at the 1991 "Earth Summit" in Rio de Janeiro to forge international cooperation and finance actions mainly to address biodiversity loss, climate change, degradation of international waters, and ozone depletion].

Notably, unlike the Commission's preceding SD strategy papers, the new Communication does not make a direct reference to the debate on clarifying the relationship between WTO rules and environmental policy and therefore does not address issues such as labelling, process and production methods (PPMs) or the precautionary principle.

Other issues

As "in several important areas, existing European Union policies may also conflict with sustainable development objectives," the Commission states that the EU will continue to pursue SD objectives in its Community policies on agriculture and fisheries so as to make EU policies more coherent. Under "Financing sustainable development", the paper proposes to bring, as an intermediate target, all EU member states' official development aid (ODA) up to the minimum level of 0.33 percent of GNP as of 2006.

The European Parliament will now have the opportunity to respond to the Commission's Communication. The external SD strategy will then be addressed at the Barcelona European Council in 15-16 March before it will be put forward at the WSSD in Johannesburg to be held from 26 August to 4 September.

"Sustainable Development Agenda Risks Being Hi-Jacked," GREENS/EFA PRESS RELEASE, 13 February 2002. ICTSD Internal Files.

In Brief

SPECIES-RICH COUNTRIES BAND TOGETHER TO FIGHT BIOPIRACY

Twelve of the world's most ecologically diverse nations signed an agreement in Cancun, Mexico, on 18 February to protect against biopiracy and advocate rules protecting their people's rights to genetic resources found on their territory. The alliance, formally called the Group of Allied Mega-Biodiverse Nations, brings together the biodiversity-rich countries of Brazil, China, Colombia, Costa Rica, Ecuador, India, Indonesia, Kenya, Mexico, Peru, South Africa and Venezuela. Citing perceived deficiencies in the 1992 U.N. Convention on Biological Diversity, which contains anti-biopiracy language, the group said it would push for a stricter international treaty at the World Summit on Sustainable Development in Johannesburg in August. Specifically, it will seek new trade rules for patenting and registering products made from their plant and animal resources in order to curb foreign "prospecting" of local species. "Up to now, our nations have not benefited from this great wealth because there hasn't been an equal sharing between the nations involved nor with the rural and Indian groups that use and protect biodiversity," said Mexican Environment Secretary Victor Lichtinger.

"China, Brazil, India, Others sign Anti-Biopiracy Pact," ASSOCIATED PRESS, 18 February 2002; "BIOPIRACY: 12 Nations Form Alliance To Battle Genetic Prospecting," UNWIRE, 19 February 2002.

US GIVES TEXTILE QUOTA CONCESSIONS TO PAKISTAN

The US Administration on 14 February announced a package for Pakistani textiles worth USD 476 million over three years in the form of quota increases of 15 percent in seven categories and some additional flexibility to use unfilled quotas in other categories, granted as part of the US' commitment to Pakistan for its help in the 'war on terrorism'. The deal falls far short of Pakistan's original demand of trade benefits worth USD 1.4 billion, including suspension of all apparel tariffs until 2005 and quota increases for certain products. According to trade sources, the US Administration thereby tried to fulfil its commitment to House Republican textile caucus members -- made during negotiations on Trade Promotion Authority in 2001 -- to minimise the impact of any assistance granted to Pakistan on the US textile and apparel industry. Following the announcement, textile industry representatives warned that the deal would have a significant economic

impact on the domestic apparel industry and might set a precedent for other countries involved in the war on terrorism, including Turkey and India, to ask for similar benefits.

"While House grants Pakistan quota concessions worth half a billion," *INSIDE US TRADE*, 15 February 2002.

BUSH'S CLIMATE POLICY MET WITH DISAPPOINTMENT

Environmental groups sharply criticised US President George W. Bush's climate policy released last week, which seeks to reduce greenhouse gas (GHG) emissions through voluntary action. The Plan links a reduction in carbon dioxide emissions -- a GHG linked to global warming -- to growth in US gross domestic product (GDP) by setting a goal of reducing emissions from 183 on 151 metric tons per million dollars in GDP by 2012. According to Friends of the Earth International (FoEI), such a ceiling will actually allow for continued increases in US GHG emissions. "The US is the world's biggest polluter," said Kate Hampton of FoEI. "It is outrageous that President Bush is still refusing to cut emissions in order to avoid upsetting the powerful US fossil fuel lobby." Former Vice President Al Gore also joined in the criticism. "Instead of accepting an accord endorsed by over 170 nations, President Bush has put forward a plan that falls far short of the needs of both America and the world," he said. Bush's rejection of the Kyoto Protocol in March last year evoked international outrage among governments and environmental groups (see *BRIDGES Weekly*, 27 March 2001; <http://www.ictsd.org/html/weekly/27-03-01/story3.htm>).

"Bush climate plan disappoints as UN meeting ends," *REUTERS*, 18 February 2002; "Bush's climate con," *FoIE PRESS RELEASE*, 14 February 2002.

PAKISTANI DRUG INDUSTRY RECEIVES FAVOURABLE COURT RULING

In a ground-breaking decision by a sessions court in Rawalpindi, Pakistan, the right of a local pharmaceutical company, Werrick, to manufacture an anti-diabetic drug that the multinational firm Smith Kline Beecham said it had a patent on was upheld. Pakistani officials expect the decision to pave the way for cheaper drugs to reach more people, critical to a country where forty-five percent of the population lacks access to primary health care. Werrick manufactures the drug with a brand name of Schezonin and sells 10 tablets for 83 rupees (\$US1.38) while the foreign firm sells the same drug with the brand name Zyprexa at 1,320 rupees (\$US22) per seven tablets, leading Werrick counsel Rehannuddin Khan Golra to argue that local companies could sell the drug for 400-500 percent less than multinational firms. While handed down in January but not made public until 4 February, the decision comes at a welcome time for Pakistan, which has recently faced rising prices due to tighter patent laws in order to follow world trade rules. In order to meet its obligations under the Trade-Related Aspects of Intellectual Property Rights Agreement (TRIPS), Pakistan enacted a Patent Ordinance in December 2000 that allows patents on products and processes. Previously, the country only granted patents on

processes, enabling local companies to manufacture various branded products of multinational companies using slight variations in the manufacturing process.

"Pakistan: Local Drug Industry Gets Shot in the Arm," IPS/MUDDASSIR RIZVI, 12 February 2002.

US SENATOR EXPECTS SENATE TO ADDRESS TRADE BILL IN MARCH

On 12 February, Senate Finance Committee Chairman Max Baucus said that he expected the Senate to begin long-awaited action on a bill to give President George W. Bush authority to strike major trade deals to begin in early March. The legislation would allow Bush to strike trade deals that Congress could approve or reject, but not amend, an authority that the White House has not had since 1994 because of disagreements between Republicans and Democrats over various trade-related issues, including how to handle labour and environmental concerns related to trade. The US House of Representatives passed trade promotion authority by one vote last December (see BRIDGES Weekly, 12 December 2001, <http://www.ictsd.org/weekly/01-12-12/story5.htm>). Proponents say that the legislation is necessary for the US to reach new agreements in talks that began this year under the WTO and for Bush to achieve his goal of creating a Western Hemispheric free trade zone by the end of his first term in January 2005. In contrast, Republicans have objected to the estimated \$8.6 billion cost of the "trade adjustment assistance" bill that has been pushed by Democrats that would aid federal workers in "secondary" industries that do business with firms directly hit by trade competition.

"Baucus See Senate Action on US Trade Package Soon," REUTERS, 12 February 2002.

WTO In Brief

MOORE ADVOCATES NEGOTIATIONS ON INVESTMENT, OTHER SINGAPORE ISSUES

In an opinion piece published in the 17 February edition of the Financial Times, WTO Director-General Mike Moore pushed for the establishment of "clear, transparent and predictable global rules for investment." Moore qualified his comments by indicating that there was a need to attract more investment to poorer countries, and that global rules could play a role in this regard. Many developing countries are concerned that investment rules could curtail their ability to tailor their domestic investment regimes to their particular economic situation, while many non-governmental groups fear enforceable multilateral investment rules would give corporations the right to sue governments over laws they deem as tantamount to expropriation. Moore also advocated the development dimension of the other so-called 'Singapore' issues -- competition policy, transparency in

government procurement, and trade facilitation -- that were pushed primarily by the European Communities at the Doha Ministerial in November last year. He said that developing countries were in a position to impose 'conditionalities' of capacity-building and technical assistance on developed country Members. Members agreed to begin negotiations on the Singapore issues after the next Ministerial Conference in 2003, as long as there is agreement among Members on the nature of those negotiations.

"Moore speaks out on WTO rules," FINANCIAL TIMES, 18 February 2002;
"Development needs more than trade," FINANCIAL TIMES, 17 February 2002.

DIRECTOR-GENERAL DESIGNATE SUPACHAI PANITCHPAKDI EMPHASISES TECHNICAL ASSISTANCE

On 5 February, following an address to business representatives and government officials in Washington DC, WTO Director-General designate Supachai Panitchpakdi told reporters that a "successful round" of multilateral trade negotiations would depend on whether early agreement on agriculture could be reached, and whether the demands of developing countries on technical assistance (TA) were met. Supachai pointed to a lack of resources as the cause of the inadequacy in the current programs, and accordingly, indicated that a pledging conference was set to occur on 11 March towards the WTO technical assistance trust fund for developing and least-developed countries (see BRIDGES Weekly, 12 December 2001, <http://www.ictsd.org/weekly/01-12-12/story3.htm>). However, Supachai warned that the TA requests from developing countries "is much more comprehensive than only technical capacity building and participating in the negotiations." He suggested that the trust fund would not in itself be enough to satisfy all the commitments towards TA made in the Doha Ministerial Declaration. He proposed three ways the WTO could improve its delivery of TA: (a) that the WTO should work with the World Bank to help developing countries diversify their production as a form of trade-related development; (b) that the WTO help poorer Members analyse trade options in order to set their own agendas; and (c) that the WTO should work with the International Monetary Fund and the UN Conference on Trade and Development (UNCTAD) to help create a macro-economic framework that would include the promotion of investment in the developing world.

"Supachai Ties Round's Successes To Improved Technical Assistance," INSIDE US TRADE, 8 February 2002.

FSC: US QUESTIONS SCALE OF SANCTIONS CLAIMED BY EC

Following up on its intention to challenge the \$US4.043 billion in trade sanctions claimed by the European Communities in their WTO dispute with the US over corporate export tax subsidies (Foreign Sales Corporations - FSC), the office of the US Trade Representative (USTR) on 14 February announced its calculation of the level of retaliation it deems appropriate for the case. The USTR figure of \$US956 million is less than a quarter of the EU's claim (see BRIDGES Weekly, 16 January 2002, at

<http://www.ictsd.org/weekly/02-01-16/wtoinbrief - 2.htm>). According to one US trade official, the USTR subtracted from the EC number FSC payments for service exports, which are not covered by WTO subsidies agreements. Both parties must submit briefs on their calculations by 26 February, and an arbitration decision is set for 29 April, following a WTO arbitration hearing on 7 March. The full US submission to the arbitrator can be viewed at: <http://www.ustr.gov/enforcement/2002-02-14-fsc-arbitration-firstwritten.pdf>.

"U.S. To Challenge Level of Trade Sanctions Claimed by EU," WASHINGTON FILE, 8 February 2002; "USTR Challenges EU Sanctions Claim in FSC Case," THE UNITED STATES MISSION TO THE EUROPEAN UNION, 14 February 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>.

Coming Up This Week: 19-26 February

18-19 February, Nuremberg, Germany: INTERNATIONAL HARMONISATION AND EQUIVALENCE IN ORGANIC AGRICULTURE. The conference is jointly organised by the International Federation of Organic Agriculture Movements, FAO and UNCTAD. Organisers of the conference hope to bring clarity to the current situation and identify and recommend models for interaction between the public and private sectors in the field of organic standards, conformity assessment and accreditation. For further information contact: UNCTAD Press Unit; tel: (41-22-9071) 646-5828; email: press@unctad.org; Internet: http://www.unctad.org/trade_env/index.htm and http://www.ifoam.org/conf/cog_speakerprog.html.

18-21 February, Geneva, Switzerland: UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT-COMMISSION ON ENTERPRISE, BUSINESS FACILITATION AND DEVELOPMENT. At its sixth session, the Commission will consider three substantive items and the reports of related expert meetings. The first item (item 3) deals with enhancing the competitiveness of developing countries through the use of electronic commerce in international transport services. The second item (item 4) deals with improving the competitiveness of SMEs in developing countries: the role of finance, including e-finance, to enhance enterprise development. The third item (item 5) deals with mainstreaming gender in order to promote opportunities. For further information contact: fax: (41-22) 917-0056; email: correspondence@unctad.org; Internet: <http://unctad.org/>. All enquiries should be addressed to the substantive officers

concerned: item 3: tel: (41-22) 917-2038; email: gary.crook@unctad.org; item 4: tel: (41-22) 917-5838; email: rouben.indjikian@unctad.org; item 5: tel: (41-22) 917-5690; email: gloria-veronica.koch@unctad.org.

20 February, Brussels, Belgium: HOW TO ENSURE ACP-EU TRADE ARRANGEMENTS CONTRIBUTE TO THE CAMPAIGN AGAINST POVERTY IN THE ACP: THE ROLE OF CIVIL SOCIETY. Organised by Eurostep, speakers at the meeting will include Mr. Sutiawan Gunessee - Ambassador of Mauritius, Mr. Renwick Rose - Windward Island Farmers Association, and Mr. Karl Friedrich Falkenberg - Director, DG Trade, European Commission. The Co-President of the ACP-EU Joint Parliamentary Assembly, MEP Glenys Kinnock, will chair the meeting. For further information contact: Eurostep, 115 Rue Stévin, 1000 Brussels, Belgium; tel: (32-2) 231-1659; fax: (32-2) 230- 3780; email: admin@eurostep.org; Internet: <http://www.oneworld.org/eurostep>.

20-21 February, Ottawa, Ontario, Canada: CONTINENTAL ENERGY MARKETS AND GREENHOUSE GAS EMISSIONS: THE IMPLICATIONS. The meeting, hosted by the Canadian Energy Research Institute and the International Institute for Sustainable Development, will feature speakers who will discuss: The Bush Energy Plan Alternatives to the Supply Side Solution Implications of the US Scenarios Innovative Approaches. This conference will explore a range of options related to the development of continental energy markets, in particular focusing on the implications of such development for meeting commitments to effectively address climate change. For further information contact: tel: (1-403) 220-2380; fax: 289-2344; Internet: http://www.ceri.ca/confer_env.htm.

21-22 February, Brussels, Belgium: POLICY DIALOGUE ON PROMOTING PRODUCTION AND TRADING OPPORTUNITIES FOR ORGANIC AGRICULTURAL PRODUCTS. This meeting is an activity of the UNEP-UNCTAD Task Force on Capacity- building on Trade, Environment and Development. For further information contact: UNCTAD Press Unit; tel: (41-22-9071) 646-5828; email: press@unctad.org; Internet: http://www.unctad.org/trade_env/index.htm.

21-23 February, Lyon, France: EARTH DIALOGUES - GLOBALIZATION AND SUSTAINABLE DEVELOPMENT - IS ETHICS THE MISSING LINK? Organised by Green Cross International, Earth Dialogues will provide a forum for debate on the world's most acute problems. Participants will share their views on how to forge the essential links between globalisation, sustainable development and ethics. For further information contact: Earth Dialogues Secretariat; tel: (41-22) 789-1662; email: secretariat@gci.ch; Internet: http://www.greencrossinternational.net/pdf/Earth_Dialogue.pdf. From IISD Linkages: <http://www.iisd.ca/linkages/journal/>.

22 February, Darlington, UK: EXPLORING GLOBALISATION. Hosted by Schumacher College. The symposium, led by Ann Pettifor, Tariq Banuri and Wolfgang Sachs, will explore the many impacts of globalisation on people and the planet - economic, social and ecological. For further information contact: Administration, Schuhmacher College,

Darlington; tel: (44-1803) 865-934; fax: 866-899; email: schumcoll@gn.apc.org; Internet: <http://www.gn.apc.org/schumachercollege/collprog.htm>.

22 February, Brussels, Belgium: COORDINATION OF EUROPEAN NGOS WORKING ON TRADE (CENNT) MEETING. The meeting will hold in-depth information exchange on a variety of topics as well as Reports of WTO MC4 and how to follow-up. A final meeting before its full transformation into the European Trade Network, or ETN. For further information contact: ICDA Secretariat, Rue Stevin 115-1000 Brussels-Belgium; tel: (32-3) 230- 0430; email: ekbensah@icda.be; Internet: <http://www.icda.be/>.

25 February, Brussels, Belgium: EUROPE IN THE WORLD WORKSHOP. The workshop is being organised by the European Rio+10 Coalition. For further information contact: European Partners for the Environment; fax: (32-2) 539-4815; email: info@epe.be; Internet: <http://www.epe.be/>. From IISD Linkages: <http://www.iisd.ca/linkages/journal/>.

25 February, Zurich, Switzerland: DOING BUSINESS WITH CHINA AND TAIWAN: WTO ACCESSION AND WHAT IT MEANS FOR BUSINESS. The purpose of the conference is to provide in-depth insights into the substance and the effects of WTO accession by China and Taiwan, including the range of legal and administrative reforms that accompany it. For further information contact: Carol George, Baker & McKenzie, London; tel: (0- 207) 919-1147; email: wto@bakernet.com.

26-27 February, Brussels, Belgium: INTERNATIONAL WORKSHOP ON PROMOTING PRODUCTION AND TRADING OPPORTUNITIES FOR ORGANIC AGRICULTURAL PRODUCTS. The workshop will explore opportunities for promoting production and trade in organic agricultural products by developing countries. Focus will be given to examining the role organic agriculture can play to simultaneously meet developmental and environmental objectives, and to identifying ways to enhance market access for developing country exports of organic agriculture products. For further information contact: email: etb@unep.ch; Internet: <http://www.unep.ch/etu>.

WTO Events

An updated list of forthcoming WTO meetings is posted at: http://www.wto.org/english/news_e/meets.doc. Please bear in mind that dates and times of WTO meetings are often changed, and that the WTO does not always announce the important informal meetings of the different bodies. Unless otherwise indicated, all WTO meetings are held at the WTO, Centre William Rappard, rue de Lausanne 154, 1211 Geneva, Switzerland. For further information on WTO events contact: WTO Information and Media Relations Division, Geneva; tel: (41-22) 739- 5007; fax: 739-5458; email: enquiries@wto.org.

19-20 February, Geneva, Switzerland: GATS BRIEFING SEMINAR ON SERVICES.

19 February, Geneva, Switzerland: WTO DISPUTE SETTLEMENT BODY. On the agenda: United States - Section 211 Omnibus Appropriations Act of 1998: implementation of the recommendations of the DSB; Canada - Export credits and loan guarantees for regional aircraft: Report of the Panel (WT/DS222/R and Corr.1).

19-20 February, Geneva, Switzerland: WTO COMMITTEE ON REGIONAL TRADE AGREEMENTS.

20-21 February, Geneva, Switzerland: WTO TEXTILES MONITORING BODY.

21 February, Geneva, Switzerland: WTO COMMITTEE ON GOVERNMENT PROCUREMENT.

26 February, Geneva, Switzerland: WTO COMMITTEE ON CUSTOMS VALUATION.

Other Forthcoming Events

6-9 March, Sousse, Tunisia: 7th BIENNIAL CONFERENCE OF THE INTERNATIONAL SOCIETY FOR ECOLOGICAL ECONOMICS. For further information visit: <http://www.ecoleconeurope.org/ISEEtunisia2002.html>.

13-15 March, Vancouver, BC, Canada: GLOBE 2002-7th INTERNATIONAL CONFERENCE & TRADE FAIR ON BUSINESS AND THE ENVIRONMENT. Leaders from corporate, industrial and government circles will converge to discuss strategy and source technology. For further information contact: tel: (1-800) 274-6097; fax: (1-604) 666-8123; email: info@globe.apfnet.org; Internet: <http://www.globe2002.com/>.

15 March, Geneva, Switzerland: UN ENVIRONMENT PROGRAMME WORKSHOP ON THE IMPACTS OF TRADE-RELATED POLICIES ON FISHERIES AND MEASURES REQUIRED FOR THEIR SUSTAINABLE MANAGEMENT. Please note that this event has been rescheduled from 20 March due to a timing conflict with an OECD workshop on the same subject. Organised in consultation with the WTO secretariat, FAO, and the OECD, the workshop aims to provide a forum for informal discussions and consultations between trade and environment officials and international institutions involved in this subject. Objectives of the workshop are: a) To create better understanding of the economic, environmental and related social effects of trade-related policies, including fisheries subsidies; b) To explore approaches and policy reform packages that contribute to the sustainable management of fisheries; and c) To consider action needed to promote the sustainable management of fisheries and the role of governments and international organisations in this regard. For further information visit: http://www.unep.ch/etu/etp/events/upcming/15March_fisheries.htm.

19-20 March, Geneva, Switzerland: UN ENVIRONMENT PROGRAMME WORKSHOP ON CAPACITY BUILDING ON ENVIRONMENT, TRADE AND DEVELOPMENT. Due to a high level of interest, this workshop has been extended from one to two days. Additionally, given the high level of importance MEAs attribute to

capacity building, there will be a special session in the workshop focusing on capacity building within the context of MEAs. The workshop aims to provide a forum for identifying capacity building activities needed to assist countries effectively engage in trade and environment negotiations, assess the environmental as well as the developmental implications of the WTO agreements, and develop and implement mutually supportive trade and environment policies. For further information contact: UNEP Division of Technology, Industry, and Economics, Geneva, Switzerland; tel: (41-22) 917-8243; fax: (41-22) 917- 8076; email: etb@unep.ch; Internet: <http://www.unep.ch/etu>.

15 May, London, UK: DISPUTE RESOLUTION AND THE WTO CONSTITUTION. This conference is organised by the British Institute of International and Comparative Law, with cooperation from the Georgetown University Institute of International Economic Law and the London Forum for International Economic and Development Law. The conference will focus on WTO dispute settlement and its evolving jurisprudence. Conference panels will be on topics relating to subjects such as deference and sovereignty, reforms needed, relationship of the dispute settlement process to the diplomatic and negotiating activities of the WTO, and compliance problems. For further information contact: The British Institute of International and Comparative Law, Charles Clore House, 17 Russell Square, London, UK, WC1B 5JP; tel: (44-0-207) 862-5151; fax: 862-5152; email: info@biicl.org; Internet: <http://www.biicl.org/>.

16-17 May, London, UK: SECOND ANNUAL CONFERENCE ON INTERNATIONAL AND COMPARATIVE COMPETITION LAW. Entitled "Trends and Tensions: International and Comparative Competition Law," the conference follows the successful First Annual Conference held in May 2001. For further information contact: The British Institute of International and Comparative Law, Charles Clore House, 17 Russell Square, London, UK, WC1B 5JP; tel: (44-0-207) 862-5151; fax: 862-5152; email: info@biicl.org; Internet: <http://www.biicl.org/>.

27 May - 7 June, Jakarta, Indonesia: CSD ACTING AS PREPCOM 4 FOR WORLD SUMMIT FOR 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/>.

10-13 June, Rome, Italy: WORLD FOOD SUMMIT: FIVE YEARS LATER. The meeting is meant to review progress toward ending hunger and to track the progress achieved since the 1996 World Food Summit and consider ways to accelerate the process. 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/>.

RESOURCES

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

FOCUS ON AFRICA. By Gero Erdmann, Gerhard Hauck, Wolfgang Schneider-Barthold, and Henning Melber, in DEVELOPMENT AND COOPERATION, Jan/Feb 2002. The four authors explore reasons why most countries on the African continent are caught in socio-economic systems that hinder their development. For further information contact D+C, P.O. Box, D- 60268 Frankfurt (Frankenallee 71-81), Germany; tel: (+49-69) 7501-4366; fax: 7501-4855; email: HDBrauer@t-online.de.

THE WRONG MODEL: GATS, TRADE LIBERALISATION AND CHILDREN'S RIGHT TO HEALTH. By John Hilary, published by Save the Children in 2001. The full pdf version of this publication is now available for downloading at http://www.scfuk.org.uk/development/global_pub/wrongmodel.pdf.

Electronic Resources

Searchable database of International Trade Web Resources. Made available by The Federation of International Trade Associations (FITA). More than 4000 links to International Trade / Import-Export Web sites are annotated and indexed. Access the database at <http://fita.org/webindex/>.

CALL FOR PAPERS

McKEEVER INSTITUTE OF ECONOMIC POLICY ANALYSIS 'THERE ARE ALTERNATIVES' (T.A.A.) PROJECT. This is the final call for papers for the Alternatives to Globalization project. Essays (written in English) are due by 3 March 2002 at noon Pacific Standard Time, and five prizes of US\$100 will be awarded. Winning essays will provide detailed, first-hand discussion of one or more projects that create useful, productive resources without reliance on international markets, financing or advice. The purpose of the TAA Project is to identify useful means for persons and groups to create a better life without access to global markets or despite such access. For further information contact Michael Pierce McKeever, McKeever Institute of Economic Policy Analysis; email: mpmckeever@earthlink.net; Internet: <http://www.mckeever.com/>.

SUSTAINABLE CHAIN MANAGEMENT: TRANSFORMING INTERNATIONAL PRODUCT CHAINS INTO CHANNELS OF SUSTAINABLE PRODUCTION. Greenleaf Publishing invites contributions for: (1) a special issue of "Greener Management International"; and (2) a subsequent new book on the topic of "Sustainable Chain Management" both to be edited by Dr Teun Wolters (ISCOM, Institute for Sustainable Commodities, The Netherlands). The aim of both is to aid managers, researchers, consultants, students, NGO representatives and government in understanding

current thinking on sustainable chain management in terms of transforming international product chains into channels of sustainable production. The submission deadline for initial expressions of interest in the form of abstracts of approximately 300 words is 1 April 2002. Abstracts should be sent to the Guest Editor, Teun Wolters, ISCOM, Institute for Sustainable Commodities, The Netherlands, twolters@iscom.nl. Contribution guidelines can be obtained from Samantha Self, Greenleaf Publishing, Aizlewood Business Centre, Aizlewood's Mill, Sheffield S3 8GG, UK; tel: (+44 114) 282 3475, fax: 282 3476; email: journals@greenleaf-publishing.com; Internet: <http://www.greenleaf-publishing.com/>.

POSITION VACANCIES

ICTSD is seeking to strengthen its current team of 10 staff plus interns in 2002. We are looking for exceptionally talented and motivated people to join our team at all levels including senior programme and project staff, and interns. We seek people who are demonstrated doers with solid academic backgrounds and an intense interest in understanding and facilitating the policymaking interface between international trade and sustainable development. ICTSD especially welcomes applications from those from non-OECD countries as well as from women. Please send your CV; a cover letter stating your interest and experience and a writing sample to ictsd@ictsd.ch.

IISD (International Institute for Sustainable Development) is seeking to recruit a coordinator for the IISD/ICTSD Trade Knowledge Network. The post will be based in the IISD European Office in Geneva. Responsibilities are to manage and further develop the Trade Knowledge Network - a group of eight developing country research institutions and two developed country coordinators. Candidates must have strong networking experience, sound management skills, and a deep knowledge of the multilateral trading system. For a full job description, contact Clarita Martinet: cmartinet@iisd.ca.

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

BRIDGES Weekly Trade News Digest© is published by the International Centre for Trade and Sustainable Development (ICTSD), <http://www.ictsd.org>. Electronic distribution is carried out by the Institute for Agriculture and Trade Policy (IATP).

Contributors to this issue are Alison Banks, Heike Baumuller, David Primack, Matteo Rizzolli, Alex Werth, and Melissa Wilcox. This edition of BRIDGES Weekly Trade News Digest was edited by Hugo Cameron, hcameron@ictsd.ch. Managing Editor is Andrew Crosby. The Director is Ricardo Meléndez-Ortiz, rmelendez@ictsd.ch. ICTSD is an independent, not-for-profit organisation based at: 13, ch. des Anémones, 1219 Geneva, Switzerland, tel: (41-22) 917-8492; fax: 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.

ISSN 1563-003X