



INTERNATIONAL CENTRE FOR
TRADE AND SUSTAINABLE
DEVELOPMENT

BRIDGES

Weekly Trade News Digest

18 June 2003

Volume 7 Number 22

LEAD STORIES

AGREEMENT ON EU CAP REFORM EXPECTED BY
END-JUNE 1
CTD CONSIDERS TECHNICAL ASSISTANCE,
REGIONAL ARRANGEMENTS, PRIMARY
COMMODITIES 2

OTHER NEWS

INVESTMENT: MEMBERS DISAGREE ON
NEGOTIATIONS, INFORMAL CONSULTATIONS TO
PROCEED 3
CLIMATE CHANGE NEGOTIATIONS ADDRESS
FUTURE OF KYOTO PROTOCOL 5

IN BRIEF

BIOSAFETY PROTOCOL TO ENTER INTO FORCE 6
WTO PUBLIC SYMPOSIUM FOCUSES ON ROAD TO
CANCÚN 7
NEW PRESSURE GROUP SEEKS TO SAFEGUARD
GIS 7
STANDARDS GAP HURTS AFRICAN COUNTRIES 7
MEXICO SUMMIT CALLS FOR ACTION ON POVERTY,
AGRICULTURE AND BIODIVERSITY 7

WTO IN BRIEF

WTO DIRECTOR SETS UP ADVISORY BODIES 8

EVENTS & RESOURCES

EVENTS 8
RESOURCES 11

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 Malena Sell, Editor, by email at: msell@ictsd.ch, or by telephone at: (41-22) 917-8336

LEAD STORIES

AGREEMENT ON EU CAP REFORM EXPECTED BY END-JUNE

On 17 June, EU farm ministers resumed talks to hammer out a final compromise deal on the future of the European Common Agricultural Policy (CAP). The talks followed the collapse of negotiations a week earlier due to France and Germany taking a joint stance against plans EU Agriculture Commissioner Franz Fischler's plans to fully cut the link between -- or decouple -- EU farm subsidies from agricultural production (see BRIDGES Weekly, 17 July 2002, <http://www.ictsd.org/weekly/02-07-17/story3.htm>). Nevertheless, sources reported some optimism with regard to the possibility of reaching a final agreement by 19 June. "It is possible for us to get a reform package that everyone can live with," said UK Department of Environment, Food and Rural Affairs Secretary Margaret Beckett. However, the new joint Franco-German approach may jeopardise the prospects of WTO Members bringing the sluggish Doha Round negotiations back on track in September at Cancun, with officials of the Cairns Group of agricultural exporters indicating that they could not agree on a multilateral farm deal along the lines of a watered-down Fischler proposal.

Germany, France agree on CAP reform benchmarks

European agriculture ministers originally met on 11 June to overcome the many prevailing differences in EU member state positions on how to reform EU farm policy, inter alia by de-linking so-called Blue Box subsidies (payments under production-limiting programmes) from production factors. This ongoing CAP reform has pitted pro-reform states such as the UK, Germany and Scandinavian nations against others such as France, Spain and Ireland who have been showing stiff resistance to Fischler's de-coupling proposal.

However, the picture changed after the two main political powers in the Union, France and Germany, reportedly reached an informal agreement on 10 June that set out the benchmarks of reforms they could

mutually accept. According to EU officials, this Franco-German understanding clearly rejected Fischer's proposal to fully de-link EU agriculture support from production, while, leaving open the extent to which partial decoupling could take place, as well as the question of when this process would be launched. Nevertheless, it was reported that France would favour an approach along the lines of Stuart Harbinson's modalities proposal -- i.e. decoupling Blue Box subsidies by half -- (see BRIDGES Weekly, 13 February 2003, <http://www.ictsd.org/weekly/03-02-13/story1.htm>), whereas Germany has not officially mentioned any numbers it could support.

In a joint press conference held by French President Jacques Chirac and German Chancellor Gerhard Schroeder following a meeting on 10 June, Schroeder stressed that the compromise reached between the two nations was a recognition of the special role agriculture played in France, on the one hand, and Germany's overall industrial interests on the other. In other words, Germany -- the main financial contributor to the CAP -- would agree on less drastic changes in EU farm policy in support of France, the largest beneficiary from the EU farm budget. In return, according to EU officials, Paris would support Berlin in its attempts to prevent the most recent plans for an EU takeover code (the takeover code has been under negotiations in the EU for 12 years, with Germany resisting change because of fears that German companies would become too vulnerable to foreign takeovers).

Further elements of the Franco-German deal

Besides the understanding that production-linked farm subsidies should only be partially decoupled, France and Germany also agreed that there should be no reduction in price support for cereals and dairy -- even beyond 2006 -- a position which is said to limit the European Commission's flexibility to negotiate reductions of export subsidies for these products. On the issue of modulation -- i.e. shifting funding from the market support pillar of the CAP to its rural development pillar -- both countries agreed to support a "reasonable" increase in rural development funding. In this respect, it has been reported that Germany is proposing an increase of three percent in second pillar funding, with the question of whether the additional funds available for rural development through subsidy reduction would be spent all over the Union, or only within the member state actually providing the money, still to be determined.

The European ministers are hoping to finalise talks on CAP reform on time for the 19-21 EU Summit in Thessaloniki, Greece.

ICTSD reporting; "EU talks drag on but chance for ag subsidies deal seen," AP, 17 June 2003; "EU to resume marathon farm reform talks," AFP, 16 June 2003; "France, Germany deal blow to EU agricultural reform," WALLSTREET JOURNAL, 13 June 2003; "Paris and Berlin in EU reform deal," FT, 12 June 2003.

CTD CONSIDERS TECHNICAL ASSISTANCE, REGIONAL ARRANGEMENTS, PRIMARY COMMODITIES

The 45th Session of the WTO Committee on Trade and Development (CTD) met on 22 May and again on 15 June to review, inter alia: the 2002 Technical Cooperation Audit and the 2003 Technical Assistance Plan; the procedures for notifying regional trading arrangements between developing countries; and the mandate of having sustainable development appropriately reflected at the WTO. In addition, three developing country Members submitted a 'non-paper' on the need for WTO action regarding the long-term decline in the prices of primary commodities. On 22 May, Members elected Ambassador Habib Mansour of Tunisia as the new Chair of the Committee.

Technical Assistance

Since the 2001 WTO Ministerial Conference in Doha placed a renewed focus on technical assistance, (see Doha Briefing No. 12, <http://www.ictsd.org/pubs/dohabriefings/doha12-techassist.pdf>), a great part of the CTD's time has been spent on the design and monitoring of the WTO's technical assistance (TA) activities. Discussions at the 22 May meeting focused both on the 2003 TA plan, as well as an audit of the WTO's technical cooperation activities for 2002 (WT/COMTD/W/112 & WT/COMTD/W/111, both searchable at <http://docsonline.wto.org>). The latter was reported by one trade source as "generally well received" by all Members, with both donors and beneficiaries making comments regarding their respective concerns that the TA activities are useful and managed efficiently.

While the audit lauded the results of the TA activities, it did note that the most frequently applied form of evaluation was self-evaluation by the TA providers. Some of the lessons learned identified for 2003 were similar to those derived from the 2002 evaluation (WT/COMTD/W/97), and the report stated that "organisational learning is an on-going but slow process." It also recognised that the emphasis in the prevailing approach to TA in the WTO was more on quantity than quality. Further, the very short duration of

TA activities and the often great number of participants (sometimes 40 to 100 persons) allowed more for dissemination of information and awareness creation than for real skills development and capacity-building. Ad hoc activities, which generally were not subject to evaluation, comprised 27% of all TA activities (130 of 481). The most popular sectoral areas of TA were services (29.52%), followed by SPS/TBT (18%), dispute settlement (13.3%) and agricultural issues (11.4%). On the issue of financing of the TA programmes, the report indicated that of the over ten million CHF pledged, only just under three million had been received.

RTAs

Regarding the notification procedures for regional trade agreements (RTAs) among developing countries, the Secretariat circulated a note (WT/COMTD/W/114), focussing in particular on where RTAs among developing countries should be notified. Traditionally notification has occurred in the CTD under the Enabling Clause, with reports simply taken note of. The Secretariat paper argues that as these RTAs increasingly deal with trade in services, they should be notified (and thus examined in greater detail) in the Committee on Regional Trade Agreements. The Enabling Clause only covers trade in goods. One trade source indicated that a strong reasoning behind the demands for this change in procedure (demanded mostly by developed countries, and in particular the US) is to ensure a more thorough examination of any preferential deals signed by China and other developing countries. A WTO official noted that developing countries were not in favour of the paper's conclusions, while the US was.

Declining terms of trade

A non-paper was submitted on 22 May by Kenya, Uganda, and Tanzania (WT/COMTD/W/113) on the "serious problem posed by the long term trend towards decline in prices of primary commodities to the trade and development of countries which are heavily dependent on commodity exports". The paper recommends, inter alia, that the WTO recommence concentrated work on the problems related to the declining prices of primary commodities, including tropical products -- as was done in the Kennedy, Tokyo, and Uruguay Rounds. According to trade sources, the discussions at the CTD session on this matter were brief, but that the Chair would hold further informal consultations.

Sustainable Development

Following up on the mandate from paragraph 51 of the Doha Declaration, which instructs both the CTD and the

Committee on Trade and Environment (CTE) to "act as a forum to identify and debate developmental and environmental aspects of the negotiations, in order to help achieve the objective of having sustainable development appropriately reflected," Thomas Friedheim from the WTO's Agriculture division gave a presentation on the development issues dealt with in the Committee on Agriculture (see <http://www.ictsd.org/issarea/ag>).

Friedheim's report highlighted work in the Committee on Agriculture to deal with developed country export subsidies and trade-distorting domestic support; the switch of support from one product to another or from one subsidy category to another, without any tangible liberalising effect; the wide divergence on the nature and scope of instruments for special and differential treatment (S&D); and also the concern of higher food import bills for least developed countries (LDCs) and net food-importing developing countries (NFIDCs) as a result of export subsidy reductions. Few reactions were reported by Members. The EU did request that a similar presentation be made on non-agricultural market access negotiations. All Members agreed.

Electronic commerce

Briefly, Tunisia announced the World Summit on the Information Society that will take place in Geneva in December 2003 and in Tunis in November 2005. Members asked that the CTD prepare a factual update of ecommerce discussions in the CTD for the General Council, which has to report on further progress to the 5th Ministerial Conference.

Information on the World Summit on the Information Society can be found at <http://www.itu.int/ws/is/index.html>.

ICTSD reporting.

OTHER NEWS

INVESTMENT: MEMBERS DISAGREE ON NEGOTIATIONS, INFORMAL CONSULTATIONS TO PROCEED

The last meeting of the WTO Working Group on the Relationship between Trade and Investment before the fifth WTO Ministerial in Cancun in September was held from 10-11 June. At the meeting some Members -- notably Canada, Costa Rica and Korea -- sought to

pave the way for investment negotiations to begin at Cancun. However, most developing countries remained non-committal, clearly signalling a lack of willingness to begin negotiations despite arguments advanced by Members who considered the time ripe to launch negotiations.

Canada, Costa Rica, EU defend investment negotiations

In a joint submission (WT/WGTI/W/162, available at <http://docsonline.wto.org>) Canada, Costa Rica and Korea argued that after seven years of talks, the Working Group had completed the preparatory work, and Members should move to the next phase -- negotiations on a WTO Agreement on Investment (see BRIDGES Weekly, 12 June 2003, <http://www.ictsd.org/weekly/03-06-12/story4.htm>). Introducing the paper to the Working Group, Canada said that a WTO agreement could complement the large network of bilateral investment agreements. While admitting that a multilateral framework would not guarantee investment flows, Canada felt it could contribute to an overall conducive framework, enhancing economic efficiencies and setting sustainable development priorities.

According to the paper, any WTO investment framework should reflect in a balanced manner the interests of home and host countries, and take due account of the development policies and objectives of host governments as well as their right to regulate in the public interest. Further, special development, trade and financial needs of developing and least-developed countries should be an integral part of any framework, enabling Members to undertake obligations and commitments commensurate with their individual needs and circumstances. Costa Rica stated at the meeting that as a developing country, it supported an agreement with built in special provisions for developing countries.

Many of the views contained in submission, including the timeliness of launching negotiations at Cancun, found support with the EU, the main demandeur for negotiations, as well as with the US, Japan, Norway, Switzerland, Australia and Hungary. Some developing Members, notably Chile, Chinese Taipei and Hong Kong also supported the launch of negotiations. Chile in particular called for negotiations as part of a 'single-undertaking,' stating that all Members would benefit.

Developing countries call for further clarification, oppose negotiations

Many developing countries including China, India, Malaysia, Indonesia and Kenya disagreed with the assumptions made in the Canadian submission. China,

supported by India, Indonesia and Kenya, considered the work of the Working Group far from complete, as the Group had reached no agreement on definition, scope and many other complex issues for potential negotiations. Indonesia pointed out that the impact on developing countries was an area that required 'more study'. Terming the assumption that negotiations will be launched at Cancun as incorrect, India reminded Members that at Doha, the Chair had set 'explicit consensus' as a precondition for negotiations. Indonesia considered investment as beyond the scope of the WTO, while India felt investment was not part of the WTO's core competence.

Thailand said it had an open mind regarding negotiations, but expressed disappointment with proposals on the table. Stating that technical assistance on investment had been insufficient thus far, Thailand said special provisions for developing countries should be built into any agreement, and added that developing countries should be allowed to attach conditions to investment. Malaysia reiterated that developing countries need policy space in the area of investment, and that costs outweighed benefits for developing countries in a multilateral investment agreement. According to Malaysia, active discussions did not mean the Working Group was ready for negotiations.

Key differences expressed by Members

According to trade sources, one key reason for the deadlock was different perceptions among Members as to what exactly constituted 'explicit consensus' on modalities, the pre-condition for negotiations. The demandeurs of investment negotiations felt that a clarification of what constituted the key issues was a sufficient pre-condition. Most developing countries, on the other hand, pointed either to the incomplete clarification process, or to a lack of convergence on some of the substantive aspects of these issues.

Statements by Members at the meeting reflected these differing perceptions. While Kenya stated that "the clarification of elements contained in paragraph 22 of Doha Declaration should lead to a convergence in understanding of the issues," the EU said that the mandate of the Group was "to clarify issues, not agree on them". One developed country trade diplomat was of the opinion that Members had shown an adequate level of sophistication and understanding of the issues while making detailed and technical submissions. He said that while the shape of any new agreement could not be predicted, some of the substantive aspects and disagreements with regard to the issues could only be worked out through negotiations. Stating that appropriate flexibilities in an agreement could cater to the sustainable development needs and priorities of

Members, he pointed out that the nature of those flexibilities would be determined primarily by the kind of obligations Members would agree through negotiations.

On the issue of negotiating modalities, a developing country negotiator felt that substantive, rather than just procedural issues, needed to be addressed. The contours, nature and direction of the obligations that would flow from an investment agreement had to be addressed as part of an agreement on modalities. He added that plunging into negotiations, while leaving wide divergences among members on key issues such as definition and scope, would leave many developing country negotiators uncomfortable, and said they could possibly lose control of the process -- as had happened earlier during the negotiations on trade related aspects of intellectual property rights.

Informal consultations to proceed

A major development at the Working Group meeting was the announcement by Chair Luiz Felipe de Sixas Corrêa (Brazil), that he and the other chairs of the groups on the four so called Singapore issues of investment, government procurement, trade facilitation and competition policy would conduct informal consultations. The purpose of the process -- agreed on at an informal meeting of the the WTO Director-General with Heads of Delegations on 6 June -- was to determine whether the General Council could make recommendations to the Fifth Ministerial Conference on the Singapore issues. Some developing countries voiced concerns regarding transparency, and the potential side-stepping of divergent views. Agreeing that consultations needed to go on, one delegate hoped that the process would be sufficiently transparent and participative.

ICTSD reporting; "Many Developing Countries Don't Want To Start Investment Negotiations," THIRD WORLD NETWORK, 11 June 2003.

CLIMATE CHANGE NEGOTIATIONS ADDRESS FUTURE OF KYOTO PROTOCOL

Climate change negotiators met in Bonn, Germany, in early June for their biannual meetings on scientific, technological and implementation issues under the UN Framework Convention on Climate Change (UNFCCC). The 18th sessions of the UNFCCC subsidiary bodies on scientific and technological advice (SBSTA) and on implementation (SBI) were held from 4-13 June. Their meetings focused heavily on preparations for the entry into force of the Kyoto Protocol to UNFCCC, including discussions on the role of forestry activities under the

Clean Development Mechanism. Other issues addressed were, inter alia, a Special Climate Change Fund and capacity building for developing countries, policies and measures to address climate change, and the next global assessment of climate change.

The question of Russia's ratification

A key question on delegates' minds relating to the future of the Kyoto process was whether, and when, Russia would ratify the Protocol. In order for the Protocol to enter into force, 55 Parties -- including industrialised Parties accounting for 55 percent of that group's carbon dioxide emissions in 1990 -- have to ratify. The Protocol has been ratified by 111 countries to date, including 32 industrialised countries representing 44% of 1990 emissions. Russia's, and only Russia's, ratification would trigger entry into force, since the US, the world's largest emitter of greenhouse gases, has rejected the Kyoto Protocol, choosing instead to implement its own domestic measures (see BRIDGES Weekly, 19 February 2003, <http://www.ictsd.org/weekly/03-02-19/inbrief.htm#2>).

The EU and other developed countries that have ratified the Protocol have been putting pressure on Russia to ratify. Russia made statements at the World Summit on Sustainable Development in September 2002 confirming that the country would ratify. More recently, at the G-8 Summit in Evian in early June, Russian delegates noted that the country does not foresee ratification to be a problem. At the meeting in Bonn, Joke Waller-Hunter, Executive Secretary of the UNFCCC, said she believed that Russia would possibly submit its instrument of ratification in conjunction with the Third World Conference on Climate Change in Moscow in September. She noted that if the ratification came by 13 September, the Protocol would enter into force in time for the next meeting of the UNFCCC Conference of the Parties to be held in Italy in December. Russia could potentially stand to gain significant economic benefits through emissions trading under the Protocol.

Future work under the Protocol

During the meeting, the US, as a Party to the UNFCCC but not the Protocol, sought to make a distinction between issues handled under the two bodies, sending signals some observers found worrisome. The US wanted a separate budget for Secretariat activities under the Convention and the Protocol, and pushed for separate meetings of the UNFCCC Conference of the Parties and the Protocol Meeting of the Parties -- arrangements that may set a precedent for work under other multilateral environmental treaties. Opponents to this approach argued that it might "create a distinct

separation between two complimentary legal instruments," and have a negative impact on the Secretariat's work.

Regarding the future of the Protocol and the climate regime, developed and developing countries remained divided on the necessity for developing countries to begin constraining emissions in the future. The oil producing countries in particular took strong positions and worked against any decisions referring to future actions by developing countries.

Emissions projected to rise in developed countries

In conjunction with the meetings in Bonn, the UNFCCC secretariat released information on emissions projections for developed countries until 2010. While greenhouse emissions from developed countries stabilised during the 1990s, emissions from highly industrialised countries are expected to rise by 17 percent between 2000 and 2010, and the emissions of the economies in transition, which decreased significantly during the 1990s, are also expected to take off. Joke Waller-Hunter, Executive Secretary of the UNFCCC noted that "these findings clearly demonstrate that stronger and more creative policies will be needed for accelerating the spread of climate-friendly technologies and persuading businesses, local governments and citizens to cut their greenhouse gas emissions". The information stems from the UNFCCC Compilation and Synthesis of Third National Communications from Parties, which also outlines the widening range of measures undertaken by countries to address climate change.

The ninth UNFCCC Conference of the Parties and the 19th sessions of the subsidiary bodies will take place in Milan, Italy, in December 2003.

For daily briefings and a detailed summary of the meeting, see IISD'S Earth Negotiations Bulletin at <http://www.iisd.ca/linkages/climate/sb18/>.

"Russia must end uncertainty over Kyoto, says U.N.," REUTERS, 11 June 2003; "Rich countries see higher greenhouse gas emissions," UNFCCC PRESS RELEASE, 3 June 2003; "Bonn Climate Conference Ends on Upbeat Note," DEUTSCHE WELLE, 14 June 2003; "Summary of the Eighteenth Sessions of the Subsidiary Bodies of the Un Framework Convention on Climate Change," IISD'S EARTH NEGOTIATIONS BULLETIN, 16 June 2003.

IN BRIEF

BIOSAFETY PROTOCOL TO ENTER INTO FORCE

The Cartagena Protocol on Biosafety -- a protocol under the Convention on Biological Diversity (CBD) -- will enter into force on 11 September this year. On 13 June, the island state of Palau became the 50th country to ratify the protocol, thus triggering entry into force 90 days later. The aim of the Protocol is to control the transboundary movement of living genetically modified organisms (LMOs) and the adverse effects their release into the environment might have on countries' ecosystems. The Protocol refers directly to the precautionary principle, and establishes an advance informed agreement (AIA) procedure for import of LMOs. A Biosafety Clearinghouse will be used by Parties to exchange information, including on implementation issues. Hamdallah Zedan, Executive Secretary of the CBD, said that "with the science of biotechnology advancing at such a rapid pace, it is vital that developing countries and countries with economies in transition have the human resources and institutions they need for promoting biosafety," and added that "by building these resources and strengthening international collaboration on biosafety, the Protocol will boost public confidence in our ability to manage GMOs safely".

On trade implications of the Protocol, Klaus Töpfer, UNEP Executive Director, said that, "avoiding potential conflicts between trade laws and the biosafety regime will require good will and careful management". WTO Members are in the process of negotiating the relationship between specific trade obligations in multilateral environmental agreements such as the CBD, and WTO rules (see BRIDGES Weekly, 7 May 2003, <http://www.ictsd.org/weekly/03-05-07/story1.htm>). While a number of Members, such as the EU, will be Parties to the Protocol, the US has not ratified the CBD and will not be a Party to the Protocol when it enters into force.

"Treaty on international trade in GMOs to become law: Cartagena Protocol on Biosafety will enter into force in September," SEEDQUEST RELEASE, 13 June 2003; "Ratification of the Cartagena Protocol on Biosafety -- Countdown to Entry into force," CBD PRESS RELEASE, 13 June 2003.

WTO PUBLIC SYMPOSIUM FOCUSES ON ROAD TO CANCÚN

The WTO held its annual public symposium from 16-18 June in Geneva, Switzerland, inviting representatives from governments, parliaments, NGOs, businesses, and academia to air their views on current trade issues. Entitled "Challenges Ahead on the Road to Cancún," the event was attended by over 700 people, convening in 22 sessions focussing on issues ranging from the relationship between multilateral environmental agreements (MEAs) and the WTO, to investment, non-trade concerns in agriculture, services, and sustainability impact assessment of trade agreements. In his opening speech, Director-General Supachai Panitchpakdi stressed that "if we are to achieve a more prosperous, equitable, just and stable world, we must have a successful and timely outcome of the Doha negotiations," and said that with a view to the current weak global economy, a successful outcome at Cancún would send the right signals. "Failure is not an option," he said.

At this year's Symposium, gender issues featured for the first time in such an event. Organised by the group Geneva Women in International Trade and moderated by Ambassador Yolande Biké of Gabon, the aim of the session was not only to draw attention to the WTO and the significant contributions that women make in international trade, but also to highlight the impact of trade liberalisation on women. According to the speakers, women represent 70 percent of the world's poor and thus are at the centre of the development process. As producers and consumers, they are important economic actors and decision-makers. Nevertheless, poor women have little influence on the globalisation process. They work in traditional local activities and use traditional technologies. They are small-scale producers with limited property rights, often lacking education and knowledge. Moreover, since men are more likely to benefit from trade liberalisation than women, the gender gap increases as a result of greater trade flows. The discussants at the session strongly emphasised the need to provide women with the means to build their own capacity, noting that the empowerment of women has become a crucial determinant in the process of sustainable development. A number of speakers concluded that action should focus on investing in women and expanding partnerships with women locally and internationally.

A report of the symposium will be posted on the WTO website at the end of June 2003, see <http://www.wto.org>.

ICTSD reporting.

NEW PRESSURE GROUP SEEKS TO SAFEGUARD GIS

On 11 June a new pressure group was created in Geneva, Switzerland, to work in support of extending the higher level of protection awarded to wines and spirits to other products under WTO rules. Directed by Pedro Echeverria, a coffee-grower from Guatemala, ORIGIN (the Organisation for an International Geographical Indications Network) gathers Italian ham-makers, Guatemalan coffee farmers as well as Indian rice-and tea- growers. "The cause is shared by many developed and developing countries", said the group president. The WTO covers the issue of geographical indications (GIs) in the annex to its rules on trade-related aspects of intellectual property rights. However, it concerns only wines and spirits. Producers in the EU and some other, poorer nations feel threatened by the US, Canadian and Australian firms that make the same products and use the same names. The idea expressed by ORIGIN is to extend to cheeses, rice and teas the same protection given to wines and spirits, so as to prevent their imitation by agricultural producers in other countries. The US, Canada, Australia and others disagree with this idea and see in it a new form of protectionism. Within the WTO, GIs are being discussed in informal consultations initiated by Director-General Supachai Panitchpakdi (see BRIDGES Weekly, 21 May 2003, <http://www.ictsd.org/weekly/03-05-21/wtoinbrief.htm>).

"Geographical Indications' a New Snag in Agricultural Talks", IPS, 16 June 2003; "Specialty Food Producers Seek Trade Protection", REUTERS, 11 June 2003.

STANDARDS GAP HURTS AFRICAN COUNTRIES

According to a new report entitled "Standards and Global Trade: A Voice for Africa," African countries face critical challenges in increasing their capacity to meet production and quality standards required in foreign markets. This standards divide prevents Africa from accessing the global market and benefiting from gains from increased exports. "Rising exports can help to create new jobs, increase growth and speed poverty reduction," said World Bank Vice President for sub-Saharan Africa, Callisto Madavo. The World Bank book identifies the lack of ability of African countries to meet trade standards, as well as their limited impact in shaping these standards, as real barriers to trade. The report focuses its analysis on five countries -- Kenya, Mozambique, Nigeria, South Africa, Uganda -- and proposes an action plan for each one of them. It stresses the necessity of public-private cooperation and investment to bridge the standard gap, and highlight the

benefits of rich countries removing non-tariff barriers and further opening their markets.

The report was released in conjunction with the World Economic Forum's Africa Economic Summit in South Africa from 11-13 June. The summit called for action and for concrete ways to work toward the principles outlined in the New Economic Partnership for Africa's Development (NEPAD) agreement.

To access the report, visit http://publications.worldbank.org/ecommerce/catalog/product?item_id=1688508.

"Bridging The 'Standards Divide' Could Boost African Exports, Jobs And Poverty Reduction", WORLD BANK PRESS RELEASE, 10 June 2003; "Africa's Rescue Plan Begins", NEWS24 RELEASE, 10 June 2003.

MEXICO SUMMIT CALLS FOR ACTION ON POVERTY, AGRICULTURE AND BIODIVERSITY

A "Mexico Action Summit" was held in Mexico City from 2-3 June, organised by the International Food and Agricultural Trade Policy Council and the Monterrey Bridge Coalition -- a collaborate initiative among organisations challenging countries to implement their promises from the Financing for Development conference in 2002 in Monterrey, Mexico, and aiming to create mutually supportive linkages between sustainable agricultural production, biodiversity protection and trade policies. The two-day meeting, fostering discussion in number of sessions and roundtables around the themes of poverty, agriculture and biodiversity, concluded by launching a call to action that stressed the Millennium Development Goals (MDGs) as the framework that should unite all public and private action to alleviate hunger and poverty and restore biodiversity, and called for action to reach these goals by 2015. The call to action went on to identify critical next steps in this regard, including to: restore agriculture and rural development as the priority sectors in public policies; eliminate subsidies on agricultural products; value and promote healthy ecological systems that provide the basis for agriculture production and a well nourished population; promote public-private partnerships; recognise links between rural development, hunger and HIV/AIDS; create mechanisms for equitable benefit-sharing of biodiversity; and focus especially on tropical and subtropical countries, specifically sub-Saharan Africa.

For a full IISD Reporting Services account of the meeting, visit

<http://www.iisd.ca/linkages/sd/sdmex/sdvol86num1.html>

"The Mexico Action Summit: A Call To Action - A New Approach for a New Future," FUTURE HARVEST PRESS RELEASE, 4 June 2003.

WTO IN BRIEF

WTO DIRECTOR SETS UP ADVISORY BODIES

WTO Director-General Supachai Panitchpakdi has set up two informal advisory bodies, one with business groups and one with non-governmental organisations. The purpose of the bodies is to stimulate dialogue and information exchange on trade topics. The first meeting of the groups took place on 15 June, and in his opening remarks to a WTO public symposium on the following day, Supachai informed participants about the advisory groups and noted that, "by taking this personal initiative, I hope to add to further transparency and understanding on the complexities of the WTO". While about 10 groups became members of each advisory body, Oxfam International and Friends of the Earth declined their invitations, commenting that they had hoped to see a more inclusive advisory process. The bodies are set to meet twice every year.

ICTSD reporting; "Supachai: Doha talks key to reviving the world economy," WTO PRESS RELEASE, 16 June 2003; "WTO Chief Sets Up Advisory Bodies With Business, NGOs to Boost Dialogue," WTO REPORTER, 17 June 2003.

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>. If you would like to submit an event, please email events@ictsd.ch.

Coming Up: 19 - 25 June

16-20 June, Berlin, Germany: 55TH ANNUAL MEETING OF THE INTERNATIONAL WHALING COMMISSION. For further information, contact: International Whaling Commission, tel: (44 0) 1223-233971, fax: 1223-232876, email: iwc@iwcoffice.org, Internet: http://www.iwcoffice.org/2003_meeting.htm.

17-20 June, Marrakech, Morocco: IAIA '03: ANNUAL CONFERENCE OF THE INTERNATIONAL ASSOCIATION FOR IMPACT ASSESSMENT. The general theme of this conference is capacity building. Participants will also consider the impact of globalisation, with particular emphasis on impact assessment of trade. One session will focus on impact assessment of trade, addressing topics such as capacity building and technical assistance in developing countries, international consultation and stakeholder involvement, assessment techniques, trade development policy, multilateral environmental agreements, and corporate responsibility in relation to technology transfer, multinational operations, and free trade zones. For further information, contact: Clive George; tel: (70 1) 297-7908; fax: 297-7917; email: clive.george@man.ac.uk; Internet: <http://www.iaia.org/>.

17-25 June, Rio De Janeiro, Brazil: INTERNATIONAL GENDER AND TRADE NETWORK (IGTN) MEETING. Members of the IGTN, representing Africa, Asia, Latin America, the Caribbean, North America, Europe, and the Pacific, will meet in preparation for the upcoming WTO Ministerial to articulate the gender implications of WTO policies, outline women's strategies for effecting change in the WTO, and sensitise Latin American women activists about the linkages between the FTAA and WTO negotiations and implications for local, regional, and international advocacy efforts. For further information contact the meeting Secretariat at email: secretariat@igtn.org; Internet: <http://www.igtn.org>.

20 June, Washington, D.C., US: TOWARDS SUSTAINABLE TRADE IN THE AMERICAS? LESSONS FROM MEXICO. This meeting is organised by WWF, the Texas Center for Policy Studies, Global Development and Environment Institute - Tuft's University, Fronteras Comunes and Pesticide Action Network - Mexico (RAPAM). In this symposium, Mexican and US researchers will present their findings from two new reports on the social and environmental impacts of NAFTA. Through a series of case studies, panellists will discuss key impacts on Mexico's economy and environment and present policy recommendations, particularly for the on-going CAFTA and FTAA negotiations. Several of the case studies are available at <http://www.texascenter.org/bordertrade/reports.htm>. For

further information and to confirm your participation, please contact Priscilla Stephan, email: priscilla.stephan@wwfus.org.

20-22 June, Bern, Switzerland: EUROPEAN RESEARCH WORKSHOP ON INTERNATIONAL TRADE. The World Trade Institute and the Centre for Economic Policy Research will host this workshop following the World Trade Forum 2003. For more information, contact Simon Evenett, at email: simon.evenett@wti.org; Internet: <http://www.cepr.org/meets/Diary/forthcomingmeetings.asp?mnum=6>.

21-22 June, Sharm el-Sheikh, Egypt: WTO MINI-MINISTERIAL. This meeting, bringing together trade ministers from more than 20 WTO Members, will focus on paving the way for a deal at the WTO fifth Ministerial meeting in Cancun in September. Ministers are expected to address agricultural and non-agricultural market access, services, developing country access to essential medicines, special and differential (S&D) treatment for developing-country WTO Members, as well as the Singapore issues.

23-25 June, Washington, D.C.: 10TH REGULAR SESSION OF THE COUNCIL OF THE NAFTA COMMISSION ON ENVIRONMENTAL COOPERATION. The CEC will examine opportunities and challenges with regard to enhancing North America's environmental cooperation. It will also identify priorities for 2004 and beyond. Members of the public are invited to attend. For further information contact Daniel Brevé, tel: +1-514-350-4368; fax: +1-514-350-4345; e-mail: dbreve@ccemtl.org; Internet: <http://www.cec.org/news/details/index.cfm?varlan=english&ID=2528>.

23-25 June, Sacramento, C.A., US: CONFERENCE ON AGRICULTURAL SCIENCE AND TECHNOLOGY. The US Department of Agriculture, USAID, and the US State Department are hosting a summit prior to the September meeting of the full WTO in Cancun, Mexico. Invited to this pre-Cancun summit are the ministers of trade, agriculture, and environment from 180 nations. An "Expo On Agricultural Science & Technology" will run concurrently to showcase transnational agribusiness and biotechnology corporations. For further information visit: <http://www.usda.gov/news/releases/2002/12/0497.htm>.

23-27 June, Trondheim, Norway: FOURTH TRONDHEIM CONFERENCE ON BIODIVERSITY. Technology transfer and capacity building are to be major themes of the seventh Conference of the Parties of the Convention on Biodiversity in 2004. One aim of the Trondheim Conference on Technology Transfer and

Capacity Building, focusing on biodiversity, will be to provide input to that discussion and the discussions at the SBSTTA- meeting in November 2003, while also supporting the work of UNEP and its Intergovernmental Strategic Plan for Technology Support and Capacity Building to Developing Countries. For further information contact the Trondheim Conference organisers; tel: (+47 22) 24 5700; fax: (+47 73) 801401; email: laila.saksgard@nina.no; Internet: <http://www.biodiv.org/doc/meetings/abs/abswscb-01/other/abswscb-01-norway-en.pdf>.

24 June, Capri, Italy: AGRICULTURAL POLICY REFORM AND THE WTO - WHERE ARE WE HEADING? Changes in the agricultural sector involving new technologies and evolving consumer demand have brought the need for policy reform, with implications for WTO negotiations on agriculture. At this event, plenary sessions focus on: the three "pillars" of the WTO negotiations on agriculture; agriculture and agricultural policies ten years after the Uruguay Round Agreement on Agriculture; other relevant issues for agriculture in the WTO negotiations and beyond; and the future of international trade relations. There will also be a roundtable on the WTO negotiations on agriculture. For further information on this event, please visit: <http://www.farmfoundation.org/documents/Finalcallforpapers12-02.pdf>.

25-26 June, Brussels, Belgium: EUROPEAN EMISSIONS TRADING 2003. This pan-European event will focus on company mitigation of carbon risk and on profit-making opportunities in the new European emissions trading market. It will feature cross-industry case studies from across Europe. For further information visit: <http://www.iqpc.co.uk/cgi-bin/templates/105222083231237792968700002/genevent.html?topic=168&event=3331>

WTO Events

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

18-19 June, Geneva, Switzerland: WTO NEGOTIATING GROUP ON RULES.

19 June, Geneva, Switzerland: WTO COMMITTEE ON TRADE-RELATED INVESTMENT MEASURES.

19 June, Geneva, Switzerland: WTO WORKSHOP ON TRANSPARENCY.

23-25 June, Geneva, Switzerland: WTO TEXTILES MONITORING BODY.

24 June, Geneva, Switzerland: WTO DISPUTE SETTLEMENT BODY.

24-25 June, Geneva, Switzerland: WTO COMMITTEE ON SANITARY AND PHYTOSANITARY MEASURES.

Other forthcoming meetings

26 June, London, UK: TRADE, GATS AND THE ENVIRONMENT -- THREATS AND OPPORTUNITIES. Manchester City Council will sponsor this forum. Participants will address key social and environmental issues and challenges related to GATS and sustainable development with a view to the forthcoming WTO Ministerial Conference. The forum will also seek to answer some specific questions regarding water and education. For further information contact Sian Slater, tel: +44 20 7089 4300; fax: +44 (0)20 7089 4310; Internet: <http://www.stakeholderforum.org> and <http://www.earthsummit2002.org>.

2 July, Geneva, Switzerland: INVESTMENT RULES, SUSTAINABLE DEVELOPMENT AND THE WTO. Organised by the International Institute for Sustainable Development (IISD) and the Royal Institute of International Affairs (RIIA), this briefing session aims to feed into the ongoing international investment negotiations, with ideas from the discussions of NGOs, academics, industry and governments, from both developed and developing countries. Issues covered include, inter alia: investment rules, and bilateral and regional investment agreements. The briefing session will be followed by an interactive session of discussion, questions and answers. For further information contact Aaron Cosbey, tel: +1 250 362-2275; email: acosbey@iisd.ca. To confirm attendance please contact Clarita Martinet at: cmartinet@iisd.ca.

1 September, Bern, Switzerland: FAIR TRADE FAIR. For one day Bern will become the Fair Trade City. As original products from the whole world will be displayed at the fair, the symposium will address the growing importance of maintaining and supporting a fair trade between nations. For further information contact Sonja Zimmermann, tel: +41 79 310 85 84; email: sonja.zimmermann@gersterconsulting.ch; Internet: <http://www.fairtradefair.ch>.

4-6 September, Honolulu, Hawaii, USA: CLIMATE POLICY AFTER MARRAKECH: TOWARDS GLOBAL

PARTICIPATION. The conference will bring together experts from governments, academia, business and NGOs. It will discuss recent developments in climate policies and initiatives around the globe, as well as the actions and policy frameworks to comply with the Kyoto protocol. The aim is to widen participation and to further international climate negotiations. For further information please contact Penny Higa, tel: +1 808 944-7131; fax: +1 808 944-7380; email: higap@eastwestcenter.org; Internet: <http://ewcra1.eastwestcenter.org/~marrakech/>.

10-12 September, Cancún, Mexico: **INTERNATIONAL FAIR TRADE FAIR.** The Fair will provide a meeting place for fair-trade producers, traders and retailers; certification organisations; NGOs; governmental agencies; think tanks; and others who are committed to promoting fair trade and sustainable commerce. For further information contact Sonja Zimmermann, tel: +41 79 310 85 84; email: sonja.zimmermann@gersterconsulting.ch; Internet: <http://www.fairtradeexpo.com>.

11-12 September, Cancún, Mexico: **SUSTAINABLE TRADE SYMPOSIUM.** The symposium, held in conjunction with the International Fair Trade Fair, will present innovative approaches to international trade and explore reforms needed to make trade policy genuinely work for human development and the environment. For further information contact Sonja Zimmermann, tel: +41 79 310 85 84; email: sonja.zimmermann@gersterconsulting.ch; Internet: <http://www.fairtradeexpo.com>.

RESOURCES

ICTSD Resources

SPACES FOR DEVELOPMENT POLICY: REVISITING SPECIAL AND DIFFERENTIAL TREATMENT. By Werner Corrales-Leal, with Mahesh Sugathan, & David Primack (May 2003). Commissioned for the joint ICTSD & UNCTAD-UNDP Global Programme International Dialogue on Special and Differential Treatment. The paper, along with other resources emanating from the Dialogue is available at <http://www.ictsd.org/dlogue/2003-05-06/06-05-03-docu.htm>.

Other resources

PRECAUTIONARY PRINCIPLE WEBSITE. This website, launched by IUCN, TRAFFIC, Fauna & Flora International and ResourceAfrica, seeks to provide a focal point for the variety of ongoing work around the world on the precautionary principle in natural resource

management and biodiversity conservation. It currently provides background on the precautionary principle, and information on the Precautionary Principle Project. The site can be accessed at: <http://pprinciple.net>.

PATENTS, INTERNATIONAL TRADE LAW AND ACCESS TO ESSENTIAL MEDICINES. By the Canadian HIV/AIDS Legal Network and Médecins sans Frontières Canada. This document answers some common questions about patents and international trade agreements. The rules on drug patents in international trade agreements and domestic laws affect the availability and affordability of medicines. This document explains the connection between patent issues and access to affordable drugs, to help inform advocates for the health of people in developing countries. The 3rd revised version is now available online at: <http://www.aidslaw.ca/Maincontent/issues/cts/Patents-international-trade-law-and-access.pdf>.

WORKING DOCUMENT ON DEVELOPING COUNTRIES' DUTIES AND TAXES ON ESSENTIAL MEDICINES USED IN THE TREATMENT OF THE MAJOR COMMUNICABLE DISEASES. By the European Commission/DG Trade (10 March 2003). Pursuant to the EU Programme for Action: Accelerated Action on HIV/AIDS, Malaria and TB in the context of poverty reduction -- which sets out the work programme for the European Commission for 2001-2006 -- the Commission has carried out an initial study to assess the duties and taxes applying to essential pharmaceutical products used in the treatment of the major communicable diseases (HIV, malaria and tuberculosis). The study covers 57 countries. The document is available at: http://europa.eu.int/comm/trade/issues/global/medecine/docs/wtosub_100303.pdf.

"Climate-Driven Increases in Global Terrestrial Net Primary Production from 1982 to 1999," by Ramakrishna Nemani et al in *SCIENCE* (Vol. 300, Nr 5625, 6 June 2003). The authors of the study found that climate change during the past two decades has improved conditions for much of the world's plant life. Due to global changes, plants have been exposed to more heat, water and sunlight. According to the authors, the Earth is now a greener place, with the growth of the Amazon rain forests accounting for nearly half of the global increase. For further information visit <http://www.sciencemag.org/content/vol300/issue5625/index.shtml>.

STANDARD AGREEMENT FOR THE SALE AND PURCHASE OF ALLOWANCES UNDER THE EU EMISSION TRADING SCHEME. By the International Emissions Trading Association (IETA). A standard

agreement has been developed to facilitate emissions trading. This tool to streamline the contractual process aims to help reduce transaction cost of trading, and is intended as a stepping-stone in the process of developing standardised carbon contracts for different types of transactions. The agreement is available for download at <http://www.ieta.org>.

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 of **BRIDGES Weekly Trade News Digest**© are Cecile Giraud, David Primack, Mahesh Sugathan and Alex Werth. Editor: Malena Sell, msell@ictsd.ch. Managing Editor is Hugo Cameron, hcameron@ictsd.ch. 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.

BRIDGES Weekly Trade News Digest is made possible in 2001 - 2003 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). The **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

