



INTERNATIONAL CENTRE FOR  
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DEVELOPMENT

# Bridges

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### LEAD STORIES

#### WTO: BRIEF GC MEETING APPROVES 2005 MINISTERIAL IN HONG KONG

The WTO General Council (GC) met on 21 October for the first time following the collapse of trade talks at the fifth ministerial meeting in Cancun, Mexico, in September. The inconspicuous meeting lasted for only one hour, and did not provide any political signals of where the talks were going. Indeed, Members have indicated that despite a plan put forth by General Council Chair Perez del Castillo at a Heads of Delegation meeting on 14 October on how to proceed with informal talks (see BRIDGES Weekly, 15 October 2003, <http://www.ictsd.org/weekly/03-10-15/story1.htm>), the WTO remains quiet and talks low-key in anticipation of necessary political signals from capitals and key Members. Some observers have said they expect discussions to pick up only at the beginning of 2004. Both the EC and the US have indicated that while they are not opposed to restarting the talks, they are not going to take the lead. A group of 20 developing countries including Brazil, India and China, has indicated it wants to get the talks back on track, but has not yet come forth with any concrete proposals or positions.

At the GC meeting, Members accepted Hong Kong's invitation to host the next WTO ministerial meeting. They did not yet set a date for the meeting. The WTO is mandated to hold a ministerial every two years, meaning a meeting should be held by the end of 2005. Speaking at the GC, Hong Kong agreed that the date of the meeting should be set once Members have a clearer picture of how negotiations are proceeding, and reminded Members it would need at least a year's forewarning in order to make all the preparations.

Also at the meeting, Benin suggested dropping the agenda item on cotton, as it said informal discussions were already taking place on this item. GC Chair Carlos Perez del Castillo and Director-General Supachai Panitchpakdi are conducting these discussions, as well as talks on three other key issues: agriculture, the Singapore issues and industrial market access. The

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item will likely feature again on the agenda of the next GC meeting, to be held in December.

Members further agreed that the chairs of the negotiating sessions would remain unchanged for the time being. These bodies are currently not meeting, and the question of the chairs, whose mandates officially expired at Cancun, will be taken up once negotiations start again in the bodies established under the Trade Negotiations Committee.

### **India opposes basing talks on Derbez text**

While the APEC countries, meeting in Bangkok from 20-21 October, had agreed that the negotiating text used as a basis for discussions at Cancun could serve as the basis for discussions to be picked up in Geneva (see related story, this issue), India's Commerce Minister Arun Jaitley rejected this idea. The text referred to was the revised 13 September Draft Ministerial Text (JOB(03)/150/Rev.2) tabled by the Chair of the Cancun Conference, Mexican Foreign Minister Luis Ernesto Derbez. Jaitley was quoted as saying that "the Cancun draft can't be the starting point of any discussion... It completely failed to gauge the mood at Cancun and was contrary to the mood prevalent there". His statement points to the difficulties in restarting the WTO Doha round talks, as there is no text agreed as a basis for negotiations.

The next GC meeting is scheduled for 15, 16 and 18 December this year. This meeting, to be held at the senior officials level, is tasked with finding the way forward to take "necessary action" for Members to be able to conclude the current round of trade negotiations.

ICTSD reporting: "India Rejects Cancun Draft As Basis For Future WTO Talks," DOW JONES, 22 October 2003.

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## **DEVELOPMENT COMMITTEE DISCUSS TA, COMMODITIES, AND SUSTAINABLE DEVELOPMENT**

The forty-sixth session of the WTO Committee on Trade and Development (CTD) met on 16 October and 23 October to discuss, inter alia, the 2004 technical assistance (TA) plan, the proposal from a group of East African countries on the declining prices of primary commodities, and the mandate from paragraph 51 of the Doha Declaration (under which the CTD is to identify and debate the developmental aspects of the negotiations, so as to help have sustainable development appropriately reflected). As discussions

on the first two items filled the allotted time for the scheduled 16 October meeting, Members reconvened on the morning of 23 October 2003 to complete the agenda.

### **Technical Assistance**

Members spent most of the 16 October meeting discussing the Secretariat's planned technical assistance (TA) activities for 2004 (WT/COMTD/W/119, searchable at <http://docsonline.wto.org>). The issue of whether to continue certain TA activities, based on the outcome in Cancun, and the possible implications for the priorities of the future agenda played a central role in these discussions. According to a WTO official, the EC suggested suspending TA activities on subjects that were "rejected" in Cancun (e.g. the Singapore issues of investment, competition, trade facilitation, and transparency in government procurement). A number of developing countries responded by reiterating that TA was a core part of the Doha work programme -- a work programme reaffirmed by ministers in Cancun -- and thus should continue despite any "hiccups" in Cancun. Most Members agreed simply that they would have to wait until the mid-December General Council meeting for greater clarity on TA priorities (a caveat that was already included in the Secretariat's plan). Based on these discussions, the Secretariat was instructed to revise the document.

### **Declining Prices of Primary Commodities**

Members spent the remainder of the 16 October, and part of the 23 October meeting, discussing the May 2003 submission from Kenya, Uganda and Tanzania (WT/COMTD/W/113) on the problems posed by the long-term trend of declining primary commodities prices, and the need for action in the WTO to deal with the resulting crisis (see BRIDGES Weekly, 18 June 2003, <http://www.ictsd.org/weekly/03-06-18/story2.htm>). Kenya suggested that in light of the negative implications for the development of the countries dependent on such primary commodity exports, the CTD should, inter alia, start examining in-depth the problems encountered by exporters of primary commodities, and that the matter should be dealt with expressly in a special session of the CTD. Other bodies with mandates related to the problems encountered should also be engaged in the discussions -- including the Special Session of the Committee on Agriculture, the Negotiating Group on Non-Agricultural Market Access, the Working Group on Trade, Debt, and Finance, as well as the Working Group on Trade and Transfer of Technology.

One observer characterised the response from the major trading powers as "cool, at best". Another official

noted that Canada and the US expressed "strong reservations" against the suggestions (a position also supported by Australia). The US argued that primary commodity prices were dependent on the forces of the market, and that previous attempts to interfere with these markets had become unworkable. The EU, while stating that the issue merited further discussion in the CTD, echoed the US and Canadian sentiment, saying the question was less about market management instruments, and more about competitiveness, diversification, and encouraging investment. The US also added that while some commodities might encounter problems at certain points, they could do better at others -- referring to the record high cotton prices for the year.

Indeed, as a result of developing countries' push to have them included, both this proposal on primary commodities and another specifically on cotton were eventually added as topics in the draft Cancun Ministerial text (see BRIDGES Weekly, 28 July 2003, <http://www.ictsd.org/weekly/03-07-28/story1.htm>). As was the case for many of the issues included in that text however, Cancun facilitated little movement (see BRIDGES Daily Update, 15 September 2003, [http://www.ictsd.org/ministerial/cancun/wto\\_daily/ben030915.htm](http://www.ictsd.org/ministerial/cancun/wto_daily/ben030915.htm)).

Responding to developed country allusions to needing to let the market decide, one African delegate pointed to existing precedents of developed countries using supply management tools to ensure stable and profitable prices. They added that this issue falls well within ambit of the CTD's mandate, and thus informed discussions should be commenced. Towards that aim, Members instructed the Secretariat to prepare an inventory of studies on the issue. Chair Habib Mansour (Tunisia) indicated he would undertake consultations on how to proceed.

### **Sustainable Development**

This portion of the agenda mostly comprised a factual report from the Negotiating Group on Non-Agricultural Market Access (NAMA) as to the development dimensions of the NAMA discussions. While little discussion was held on the matter, a few delegates did remind Members that paragraph 51 was about sustainable development, and not just development. Calls were sounded for Members to engage more on this matter, if they wanted to go beyond such factual reports from the Secretariat. The following CTD session will hear a report on the services talks.

The next meeting of the CTD is scheduled for 27 November.

ICTSD reporting.

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## **OTHER NEWS**

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### **APEC SUMMIT CALLS FOR RESTART OF WTO TALKS; SEES FLURRY OF BILATERAL TRADE DEALS**

On 20-21 October, leaders from a group of 21 Pacific Rim nations met in Bangkok for the fifteenth Asia-Pacific Economic Co-operation (APEC) Summit, the first major economic gathering since the breakdown of global trade talks in Cancun, Mexico in September. Although APEC has no formal relationship with the WTO, the APEC group includes some of the largest WTO Members and accounts for more than half of the global economy. Three major themes discussed at the meeting were the promotion of trade and investment; security; and adjustment to globalisation.

#### **Trade talk progress?**

The most significant outcome of the meeting, according to many ministers, was the APEC endorsement of a 13 September "compromise" draft text of Mexican Foreign Minister Luis Ernesto Derbez, crafted at the WTO Cancun Ministerial Conference (JOB(03)/150/Rev.2). Inter alia, his text called for the US and Europe to make modest concessions on their massive farm subsidy programmes in exchange for developing states' commitment to opening their own heavily protected agricultural markets (see BRIDGES Weekly, 25 September 2003, <http://www.ictsd.org/weekly/03-09-25/story2.htm>). This endorsement in the APEC ministerial Joint Statement, along with the announcement to "press for an ambitious and balanced outcome to the Doha Development Agenda" delivered a powerful message of the APEC countries' intentions to resume multilateral trade talks. According to Australian and US trade ministers, the announcement represented a significant global push towards resuming negotiations, considering the size, diversity and coverage of the APEC economies. APEC countries include Australia, Brunei, Canada, Chile, China, Hong Kong, Indonesia, Japan, Malaysia, Mexico, New Zealand, Papua New Guinea, Peru, the Philippines, Russia, Singapore, South Korea, Taiwan, Thailand, the US and Vietnam.

## Trade versus security

Some leaders expressed concern at the summit that APEC tariff reduction goals outlined in 1994 may not be reached, as security issues became a strong focus of this year's meeting. In the 1994 Bogor declaration in Indonesia, APEC leaders set goals for the reduction of tariffs to between zero and five percent by 2010 for richer members and 2020 for developing nations. In the Summit declaration, emphasis was put on "strengthening international non-proliferation regimes, adopting and enforcing effective export controls and taking other legitimate and appropriate measures against proliferation...and establish(ing) a regional trade and financial security initiative...to support projects that enhance port security, combat terrorist finance and achieve other counter-terrorism objectives".

Critics said they were worried that the focus on counter-terrorism may come at the expense of streamlining customs procedures and speeding up applications for export permits meant to encourage the free trade process in the APEC region. Malaysian Prime Minister Mohammed Mahathir adamantly spoke out against focusing on security at this Summit "...security matters are very important. But (I think) we should discuss it at other forums...we don't agree with taking away economic matters into security, military or politics, which are not really for APEC...We think it should focus on items like fair trade, equitability and not enlarging its present scope". The US and Thailand came out with an opposing view. US President Bush mentioned that security and economic growth are directly related; and that APEC was an opportunity to bring together South Korea, China, Russia, Japan and US to discuss North Korea's nuclear weapons issue. Thai Foreign Minister Surakiart Sathirathai agreed wholeheartedly. "We have to admit that security issues, terrorism and transnational crime are important issues affecting our economies," he said.

The third item discussed was how to use APEC to help individuals and societies benefit from globalisation. Implementation measures identified included: stepping up efforts to build knowledge-based economies; strengthening regional efforts to promote sound and efficient financial systems; and accelerating structural reform in the region.

## Negotiations, on the sidelines...

Bilateral free trade agreements (FTAs) also became a focus on the sidelines of the APEC Summit. Many countries saw this as a way to protect market access for their exports in case a new WTO multilateral accord aimed for 1 January 2005 was not established in time. Others, however, were concerned that the increasing

strength of bilateral FTAs could threaten the poorer economies and be made at the expense of WTO trade talks. WTO Director-General Supachai Panitchpakdi, an informal participant at the Summit, called on members to restart the talks at the WTO in Geneva. Certain APEC countries, such as Australia and Japan, said they believed that bilateral agreements would add momentum to trade liberalisation.

The US and host nation Thailand announced that they would initiate free trade talks. Thailand, one of the region's most aggressive proponents of lifting trade barriers, is also poised to launch FTA negotiations with New Zealand, discussions on trade deals with Canada and Hong Kong, and has successfully completed a bilateral agreement covering trade, investment and services with Australia. South Korean President Roh Moo-hyun and Japanese Prime Minister Junichiro Koizumi also met on the sidelines to launch full negotiations on concluding an FTA this year. Singapore already has agreements with Australia, US, New Zealand, Japan and is negotiating with Mexico, Canada, India and South Korea.

On the sidelines, Chinese President Hu Jintao met with US President Bush to discuss the value of its currency, which the US claims gives the Chinese an unfair advantage on trade. The weakness of the yuan is seen to contribute to the large trade deficit of the US. Although China, which fixes its currency against the dollar, is reluctant to yield to US concerns, both parties agreed to appoint experts to a new panel designed to study how Beijing could move more rapidly towards letting markets set the value of the yuan.

APEC was initially established 14 years ago to promote trade liberalisation among countries concerned with the effect of other emerging free trade blocks on their rapidly growing economies.

The next APEC meeting is scheduled for 2004 in Chile.

The Joint Statement of APEC ministers is available at [http://www.apecsec.org.sg/apec/ministerial\\_statements/annual\\_ministerial/2003\\_15th\\_apec\\_ministerial.html#15AMM\\_Statement](http://www.apecsec.org.sg/apec/ministerial_statements/annual_ministerial/2003_15th_apec_ministerial.html#15AMM_Statement)

ICTSD reporting; "An awkward agenda," THE ECONOMIST, 17 October 2003; "2003 Leader's Declaration," APEC SUMMIT, 21 October 2003; "APEC calls for new effort to revive WTO talks," DAILY TIMES (PAKISTAN), 19 October 2003; "Free trade agreement reached with Australia," BANGKOK POST, 20 October 2003; "APEC ministers meet as Thailand awaits the world's leaders," AFP, 17 October 2003; "Trade ties: Bush says US ready for negotiations," THE NATION, 20 October 2003; "Trade, terror dominate start of



Pacific Rim talks," REUTERS, 17 October 2003; "China to study currency shift," BBC NEWS, 20 October 2003.

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## IN BRIEF

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### NEW REPORTS ON GM CONTAMINATION

A new report published by the UK government on 16 October shows that conventional varieties of oilseed rape, maize and sugar beet are contaminated with GM strains in a much faster way than previously expected. The report shows that bees can pollinate conventional oilseed rape with pollen from GM oilseed rape over a distance of 26 km. The report was originally commissioned to assess the impact on farmland wildlife of planting the herbicide-resistant GM crops. With regards to wildlife, the report shows that in GM beet fields there were 60 percent fewer weed seeds, less butterflies and fewer bees and in GM oilseed rape there were 80 percent fewer weed seeds and also less butterflies. The report concludes that this ultimately could lead to a decline in bird populations. In a press release Margaret Beckett, the UK environment minister said: "The trials demonstrate the precautionary approach which the government has taken on GM crops [...] the results will be considered as part of the comprehensive risk assessment undertaken for every GM crop". The results of the report will now be passed on the Advisory Committee on Releases to the Environment that will advise the government on the implications of the report. Concurrently with the release of the report Monsanto, a biotechnology firm, declared that it would close its research plant in Trumpington, Cambridge.

In related news, a new report sponsored by a group of Mexican farmers and indigenous communities, has revealed that Mexico's traditional maize crop is far more contaminated with DNA from genetically modified (GM) maize than previously thought. The study tested 2000 maize plants from 33 communities in nine Mexican states as positively contaminated with the DNA from GM maize, including with DNA from the StarLink variety, which was developed by US-based Aventis, and is only allowed for animal feed in the US due to concerns that it causes allergic reactions in humans. So far four government-sponsored studies have been undertaken in Mexico over the past two years to examine whether maize in Mexico, which is the centre of origin for maize, is contaminated by GM maize. Each study found various degrees of contamination, despite a moratorium on the planting of GM maize.

"Farm-scale evaluations of GM crops - results published," DEFRA, 16 October 2003; "Maize Rage in Mexico," ETC Group, 10 October 2003; "Mexican Maize Meets Banned Variety," IPS, 14 October 2004; "New Research Highlights Dangers of Modified Crops," Friends of the Earth, 14 October, 2003.

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### JAPAN, MEXICO TO CONTINUE FREE TRADE TALKS

Japan and Mexico failed to agree on a free trade deal as planned during a visit by Mexican President Vicente Fox to Japan on 16 October. However, Japanese Prime Minister Junichiro Koizumi -- speaking at a news conference after an Asia-Pacific Economic Cooperation Summit held from the 20-21 October -- said he wished to continue bilateral trade talks with the Mexican President. Koizumi signed an initial agreement during a trip to Mexico in October 2002 and wanted to conclude the free trade pact, the Japan-Mexico Economic Partnership Program, before Fox's visit to Japan this month. However, the parties were unable to agree. Japan did not want to lower tariffs on pork and orange juice, fearing the repercussions from powerful farm lobbyists a few weeks before elections. Both countries were also divided over Mexican car exports and Japanese corporate bids for Mexican government contracts.

Mexico hoped a signed trade deal can boost its economy, which was forecasted to grow by around 2 percent this year. Signing this free trade deal was also important for Japan, especially to its industrial groups, which export five times more to Mexico than Japan imports. Japan also does not want to be left behind after the breakdown of talks in Cancun, after which many countries started focussing on bilateral or regional negotiations. For the moment, Japan only has one free trade agreement, with Singapore. The pact is uncontroversial, and with a country that exports few politically sensitive products such as agricultural or steel.

"Japan-Mexico Free Trade Talks Falter," THE NEW YORK TIMES, 17 October 2003; "Japan, Mexico FTA talks to resume soon-Koizumi," REUTERS, 21 October 2003; "Japan, Mexico split over farm products," ASSOCIATED PRESS, 13 October 2003.

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### US CONSIDERS IMPOSING TRADE SANCTIONS OVER ICELANDIC WHALING

In order to assess whether to impose trade sanctions against Icelandic fish exports, the US Commerce Department is currently reviewing Iceland's whaling

practices under the Pelly amendment of the US Fishermen's Protection Act from 1962. The Pelly amendment allows the US to impose sanctions on nations whose action diminish the effectiveness of an international conservation programme. In this case, the Commerce Department is considering whether Iceland's whaling practices diminish the effectiveness of the International Convention for the Regulation of Whaling under which a moratorium on commercial whaling was endorsed in 1986 that allows, however, for whaling for scientific purposes. This year, Iceland has hunted 38 minke whales under its scientific research programme. The Icelandic government believes that if the US imposed trade sanctions against Iceland's fish exports, they would be in violation of WTO trade rules. The US government, if applying trading sanctions, might do so with reference to Article XX of the GATT Agreement, which allows countries to take measures to protect human, animal or plant life or health. Approximately two-thirds of Iceland's exports are derived from marine resources. The US in 2002 bought nearly 12.7 percent of the total exports. Iceland is therefore worried that potential trade sanctions could hurt both the domestic industry, its economy and harm the international perception of Iceland.

Although the US has previously reviewed trade sanctions under the Pelly agreement, the last time trade sanctions were actually imposed on a foreign government was in 1994 when Taiwan was found to hinder the effectiveness of the International Convention on Trade in Endangered Species of Wild Flora and Fauna (CITES). The Commerce Department is expected to come to a decision within the next two weeks.

"Iceland urges US to halt Whaling Review that could lead to Sanctions," Inside US Trade, 10 October 2003; "Iceland Finishes First Scientific Whaling Season," High North Alliance, 7 October 2003.

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### **MIXED REVIEW ON AFRICAN DEVELOPMENT AND NEPAD**

UN Secretary General Kofi Annan released a report on 14 October on the New Partnership for Africa's Development (NEPAD) initiative. The report states that Africa has made strides in implementing the continents development plan by increasing spending on health and education, but the continent still suffers from trade inequality, brain drain and turbulent armed conflicts. Under-Secretary-General Ibrahim Gambari said the highlight of the report was that official development assistance has increased from 17.7 billion dollars in 2001 to around 18.6 billion in 2002. The UN report however also states that the modest increase in aid is

more than offset by trade inequalities stemming from "huge agricultural subsidies paid to farmers in the developed countries" that depress commodity prices and harm African exporters. On the substantial debt of many African countries, pledges to reduce or cancel debts have come from Australia, Canada, China, Germany, Japan, Kuwait and the UK. The report underscores NEPAD's African Peer Review Mechanism, created in July 2003 in an effort to improve governance and reduce corruption. Since its inception, 16 member states have volunteered to have their economic and political performance monitored by other African governments, with Nigeria as the next country in line to be evaluated by NEPAD through the mechanism.

NEPAD was created in the summer of 2001 during the 37th Summit of the Organisation of African Unity (OAU) to develop an integrated socio-economic development framework for Africa. The authority of the NEPAD implementation process lies with the Heads of State and Government Summit of the African Union, formerly known as the OAU.

For further information on NEPAD visit:  
<http://www.nepad.org>

"Africa's Gains Offset By Trade Imbalance, Wars, UN Says," UN WIRE, 15 October 2003; "Africa making Strides But Still Suffers From Disadvantages, UN Official Says," UN PRESS RELEASE, 14 October 2003.

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### **ISLAMIC STATES CONSIDER CREATING FREE TRADE AREA**

Participants at the OIC (Organisation of Islamic Conference) Business Forum, a two-day session held in conjunction with the 10th OIC Summit, which took place from the 11-18 October in Putrajaya, Malaysia, suggested the creation of an Islamic Free Trade Area (IFTA). In the Forum Declaration issued at the end of the meeting, delegates encouraged governments to reformulate their policies to this effect, create an Islamic common market and institutionalise the forum as part of future OIC Leaders Summits. The declaration also suggested that the Islamic Development Bank start financing a formulation of a group of experts to investigate sub-regional cooperation possibilities.

Malaysian Prime Minister Datuk Seri Dr Mahathir Mohamed, Chair of the OIC Summit, noted at a press conference after the closing ceremony of the Summit at the Putra Convention Centre, that the formation of IFTA is "an idea that we should seriously consider". Although business leaders felt that an IFTA would encourage trade and investment between member states, the Prime Minister commented that countries needed to

achieve a certain level of economic development before such an agreement could be realised.

The OIC is an inter-governmental organisation grouping of fifty-six States, established in 1969 by the Kings and Heads of State and Government of Islamic States to encourage cooperation and dialogue. The OIC leaders will meet again in 2006.

"Consider IFTA proposal - Dr Mahathir," UTUSAN MELAYU, 17 October 2003; "OIC Summit Overview: Call for unity," SM NEWS, 19 October 2003; "Proposal for formation of Islamic Free Trade Area," NEWS STRAIGHT TIMES, 16 October 2003.

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### **FOREST GOVERNANCE CONSIDERED AT CONFERENCE IN CAMEROON**

The Africa Forest Law Enforcement and Governance Process (AFLEG) Ministerial Conference took place from 13-16 October 2003 in Yaounde, Cameroon. The meeting was co-hosted by the Government of Cameroon and the World Bank. Participants included governments, international organisations, non-governmental organisations and the private sector, representing 39 countries. The conference comprised presentations on issues such as the harnessing of natural resources for growth, forest governance and legal frameworks, information and monitoring tools, and multilateral and bilateral initiatives. In addition, working groups met to discuss the implications of illegal activities in the forest sector, institutional reforms and immediate strategies, marketplace and trade issues, and tenure and related governance issues. A Ministerial Declaration was issued at the end of the conference, underlining the need for institutional and policy reforms relating to FLEG. The declaration concludes with an indicative list of actions, focusing on national level implementation, legislation and policy reform, capacity building, information, law enforcement and monitoring, wildlife resources, forest management practices, financing, and markets and trade.

For daily reports and a full summary of the meeting see IISD's Sustainable Development report at <http://www.iisd.ca/linkages/sd/sdyao/>.

"Africa Forest Law Enforcement And Governance Ministerial Conference: 13-16 October 2003," IISD, 16 October 2003.

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### **CONSUMERS INTERNATIONAL HOLDS 17TH WORLD CONGRESS**

Consumers International held its 17th World Congress in Lisbon, Portugal from 13-17 October. The Congress, which meets every three years, brought together 600 consumer leaders from 110 countries to discuss the theme of "the future of consumer protection: representation, regulation and empowerment in a world economy". Participants stressed that the increasing impacts of global trade -- coupled with evermore powerful corporations -- had led consumer groups to look for innovative approaches in consumer protection. They debated new challenges such as sustainable consumption in plenary sessions, fringe meetings, training sessions and workshops. Jorge Sampaio, President of Portugal, speaking in the opening session, posed the question of "who better than an organised consumer can act against threats that harm human rights and health?".

"Consumer International 17th World Congress: The Future of Consumer Protection," CONSUMER INTERNATIONAL PRESS RELEASE, 14 October 2003; "World Congress," CONSUMER INTERNATIONAL PRESS RELEASE, 14 October 2003.

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### **WTO IN BRIEF**

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#### **MEMBERS UNPREPARED TO ENGAGE IN DSU REVIEW**

Members met on 16 October in a special session of the WTO Dispute Settlement Body (DSB), which was converted into an informal session. At an informal meeting in early October, Members had decided to convene a special session of the on October 16-17 to discuss a formal presentation by Mexico on certain conceptual issues. At the meeting, however, it appeared that Mexico was not yet ready to make a formal presentation and delegations were on the whole reluctant to engage in substantive discussions at this stage. The DSB meeting was then converted into an informal meeting and decided to postpone the special session to November to enable delegations to formally present their views on the conceptual issues. The meeting also saw an exchange of views on the agenda, including a suggestion by the Chair, Ambassador Péter Balás (Hungary), that would have Members tackle the issues laid out in the Doha mandate according to the various stages of the dispute settlement process: the

consultation, pre-panel, panel and appellate body stages.

The review of the dispute settlement understanding (DSU) is the only negotiating track under the Doha mandate that is not part of the 'single undertaking' and therefore not subject to the 1 January 2005 overall deadline for the completion of the negotiations. According to some trade sources, the lack of progress in other negotiating issues and the setback in Cancun has also affected the pace and enthusiasm of Members to proceed with the review of the DSU, which missed earlier deadline of May 2003 mandated by para 30 of the Doha Ministerial declaration

ICTSD reporting.

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## EVENTS & RESOURCES

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### EVENTS

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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](mailto:events@ictsd.ch).

#### Coming Up: 23 - 29 October

22-23 October, Washington DC: FOREST INVESTMENT FORUM. Organised by the World Bank (IBRD), International Finance Corporation (IFC), World Business Council for Sustainable Development (WBCSD), and World Wide Fund for Nature (WWF), with support from Forest Trends and PROFOR. The Forum will bring together senior executives from forest product companies and financial institutions around the world. The main objective of the Forum is to explore how the sponsoring organizations could help to create enabling environments for private sector investment by companies and financial institutions committed to socially, environmentally and economically sustainable management of forest resources in sustainable forestry and forest industry projects. Regrettably, due to the high level of interest in the Forum, participation is limited to invitation only. For further information, contact: The World Bank, tel: +1 (202) 473-1000; fax: +1 (202) 477- 6391; Internet: <http://lnweb18.worldbank.org/ESSD/ardext.nsf/14ByDocName/Events>.

27-28 October, Szentendre, Hungary: ELECTRICITY MARKET LIBERALISATION IN EUROPE. Organised by the Research Group SPEED, University of Oldenburg, Germany. Debates will be held on various aspects related to the liberalisation of electricity markets in Europe (such as electricity trading, market power, etc) but also on the impact that new developments such as upcoming environmental constraints, increased use of renewable energy sources and CHP, etc. likely to have on the evolution of the EU internal energy market. For further information, contact Jennifer Brown, e-mail: [Jennifer.Brown@mail.uni-oldenburg.de](mailto:Jennifer.Brown@mail.uni-oldenburg.de); Internet: <http://www.uni-oldenburg.de/speed/emelie>.

28 October, Amsterdam, the Netherlands: THE FUTURE OF FOOD & BIOTECH. Organised by the Club of Amsterdam. Thanks to new technology the food industry promises to provide healthy, safe food, reliably, cheaply and in large quantities. But aren't safety and a guarantee of quality the very least that modern society can expect? Is the future of food a future of global markets and economies of scale or is there room for local produce, seasonality and variation? Questions like these will be addressed at this conference. For further information, contact: Club of Amsterdam, email: [info@clubofamsterdam.com](mailto:info@clubofamsterdam.com); Internet: <http://www.clubofamsterdam.com>.

29-30 October, Rüşchlikon, Switzerland: BEYOND CARBON - EMERGING MARKETS FOR ECOSYSTEM SERVICES. This initiative is organised by Forest Trends, the Katoomba Group and Swiss Reinsurance. The conference will promote the development of markets, trading and financial mechanisms that recognise the value of the environmental services of ecosystems. It will aim to expose participants to the thinking of leading practitioners and innovators in the field of environmental service finance. The conference will aim to bring together drivers of innovation from the business, financial and regulatory worlds, public opinion leaders and the NGO community. For further information, please contact James Congram, tel: +41 1 704 88 12; email: [James\\_Congram@swissre.com](mailto:James_Congram@swissre.com).

29-31 October, Davis, USA: WORKSHOP ON ACCESSING BIODIVERSITY AND SHARING THE BENEFITS. Scholars at the University of California have conducted an international study of the status of access and benefit-sharing policies among countries on the Pacific Rim. The international workshop will review the findings of that study, draw lessons from it, and design strategies to facilitate the goals of the Convention on Biological Diversity regarding genetic resources. For further information contact Santiago Carrizosa, tel: +1 530 754 8506; email: [scarrizosa@ucdavis.edu](mailto:scarrizosa@ucdavis.edu); Internet: <http://www.grcp.ucdavis.edu/>.



**WTO Events**

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

23 October, Geneva, Switzerland: WTO COMMITTEE ON ANTI-DUMPING PRACTICES - INFORMAL GROUP ON ANTI-CIRCUMVENTION.

23-24 October, Geneva, Switzerland: WTO COMMITTEE ON ANTI-DUMPING PRACTICES.

23-24 October, Geneva, Switzerland: WTO WORKING PARTY ON THE ACCESSION OF SAUDI ARABIA.

24 October, Geneva, Switzerland: WTO COUNCIL FOR TRADE IN SERVICES.

27 October, Geneva, Switzerland: WTO INTEGRATED FRAMEWORK STEERING COMMITTEE.

27 October, Geneva, Switzerland: WTO WORKING PARTY ON SUBSIDY NOTIFICATIONS.

27-29 October, Geneva, Switzerland: WTO COMMITTEE ON SUBSIDIES AND COUNTERVAILING MEASURES.

27-28 October, Geneva, Switzerland: WTO WORKING PARTY ON THE ACCESSION OF UKRAINE.

28-29 October, Geneva, Switzerland: WTO COMMITTEE ON TRADE AND ENVIRONMENT.

29 October, Geneva, Switzerland: WTO TRADE POLICY REVIEW BODY - GUYANA.

29-30 October, Geneva, Switzerland: WTO COMMITTEE ON SANITARY AND PHYTOSANITARY MEASURES.

**Other Forthcoming Events**

31 October, Zürich, Switzerland: GLOBALISATION AND SUSTAINABLE DEVELOPMENT MEETING. Organised by the World Economic Forum and the Swiss Agency for the Environment, Forests and

Landscape (SAEFL), this meeting seeks to bring clarity to how economic globalisation can be combined with social and environmental globalisation to ensure sustainable development. For more information contact: Christina Hürzeler; tel: +41-31-322-8262; fax: +41-31-323-0367; e-mail: [christina.huerzeler@buwal.admin.ch](mailto:christina.huerzeler@buwal.admin.ch); Internet: <http://www.weforum.org/site/homepublic.nsf/Content/GIobalization+and+Sustainable+Development+Meeting>.

4 November, Geneva, Switzerland: GATS, WATER AND THE ENVIRONMENT. This workshop is sponsored by the WWF and CIEL to share and discuss the findings of a study on GATS, water, and the environment. The study analyses the implications of WTO negotiations to liberalise trade in services on global water resources. For more information and to register contact: Sabine Granger; tel: (41) 223649012; email: [sgranger@wwfint.org](mailto:sgranger@wwfint.org).

11 November, Farnham, Surrey, UK: MEETING ON RESPONSIBLE PRODUCTS AND SERVICES: MYTH OR REALITY?. This event, which is organized by the Centre for Sustainable Design in association with the ResponseAbility Alliance, will focus on the theme of making sense of corporate social responsibility, sustainability and supply chains. It is targeted at those managing Corporate Social Responsibility and those working for product development, design, brand management, marketing, advertising and public relations. For more information contact: Russ White, Conference Administrator; tel: +44-12-5289-2772; fax: +44-12-5289-2747; e-mail: [rwhite@surrart.ac.uk](mailto:rwhite@surrart.ac.uk); Internet: <http://www.cfsd.org.uk/>.

17-18 November, Johannesburg, South Africa: GLOBAL FORUM ON INTERNATIONAL INVESTMENT: ENCOURAGING MODERN GOVERNANCE AND TRANSPARENCY FOR INVESTMENT - WHY AND HOW. Held from 17-18 November 2003 in Johannesburg, South Africa, this conference will be the third annual meeting of the OECD Global Forum on International Investment, a forum for policy dialogue among OECD members, non-members and other stakeholders. The meeting will consider how modern, transparent governance can help countries to attract and benefit from foreign investment. For more information contact: Kaveri Bopiah Liverani; tel: +33-1-45-259-369; fax: +33-1-44-306-135; e-mail: [kaveri.bopiah-liverani@oecd.org](mailto:kaveri.bopiah-liverani@oecd.org); Internet: <http://www.oecd.org/dataoecd/1/6/4409911.pdf>.

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**RESOURCES**

THE LOST SEED - FOOD AND AGRICULTURE AT THE WTO. By Eduardo Gudynas and Gerardo Evia

(CLAES, October 2003). This publication is a collection of selected articles and reports on the agriculture and food sector in Latin America in Spanish. It includes daily reports by the authors written during the Cancun ministerial meeting, plus diagrams and photos. It is edited by CLAES (Latin American Center Social Ecology) and D3E (Development, Economy, Ecology and Equity Latin America). For further information and to download the publication see <http://www.agropecuaria.org>.

**FREE TRADE IS NOT ENOUGH: A NEW VISION FOR THE WORLD'S POOREST FARMERS.** By Christian Friis Back, Arne Larsen, Niels Kaergaard, Per Pinstrup-Andersen, and Finn Tarp (Mellemfolkeligt Samvirke, October 2003). This report enumerates barriers to the agricultural development of poor countries other than trade barriers. It introduces a plan of twelve points to secure improved access, improved knowledge, and improved conditions for the poorest farmers of the world. For further information see [http://www.ms.dk/Kampagner/handelsrov/Free\\_eng.pdf](http://www.ms.dk/Kampagner/handelsrov/Free_eng.pdf).

**LOCAL FOREST MANAGEMENT: THE IMPACTS OF DEVOLUTION POLICIES.** Edited by David Edmunds and Eva Wollenberg (Earthscan 2003). Using case studies, this book demonstrates that devolution policies -- contrary to the claims of governments -- actually increase governmental control over the management of local resources and do so at lower cost. For further information see <http://www.earthscan.co.uk/asp/bookdetails.asp?key=4022>.

**BLUE GOLD: THE BATTLE AGAINST CORPORATE THEFT OF THE WORLD'S WATER.** By Maude Barlow and Tony Clarke (Earthscan 2003). In *Blue Gold*, activists Maude Barlow and Tony Clarke offer an account of how a false sense of security has damaged the environment and how the privatisation of once-public resources threatens to worsen the problem. For further information see <http://www.earthscan.co.uk/asp/bookdetails.asp?key=4023>.

**PERSPECTIVES ON GROWTH AND POVERTY.** Edited by Rolph van der Hoeven and Anthony Shorrocks (United Nations University Press, September 2003). The relationship between growth and poverty lies at the heart of development economics. While many see aggregate growth as both necessary and sufficient for reducing poverty, and consequently focus their efforts on achieving the desired macroeconomic outcomes, others stress that the benefits from growth may not be evenly spread. In fact critics of globalisation often point out that growth of the macroeconomy may well have an adverse effect on the most vulnerable

members of society. Thus the distributional impact of growth, as well as its level, needs to be taken into account when considering the consequences for poverty. *Perspectives on Growth and Poverty* contains a selection of papers from a conference on this issue. They deal with institutional and policy questions, as well as sectoral issues and individual country experiences that illustrate the broad range of objectives and topics. One set of conclusions to emerge is that initial conditions, institutions, specific country structures, and time horizons all play a significant role. The country- and context-specific nature of these factors point to the need for creative national solutions to the problem of poverty. This in turn requires an informed policy debate within countries: one which may hopefully lead to a consensus between different interest groups or at least help to clarify the basis of opposing views. The aim of this volume is to stimulate and enhance this debate. For further information see <http://www.unu.edu/unupress/new/growth-poverty-more.html>.

**CARING FOR CLIMATE - A GUIDE TO THE CLIMATE CHANGE CONVENTION AND THE KYOTO PROTOCOL.** (UNFCCC, September 2003) The Climate Change Secretariat has produced a new guide to the UN Framework Convention on Climate Change (UNFCCC) and the Kyoto Protocol. The guide includes a history of the negotiations and information on the UNFCCC and Kyoto Protocol, including a description of the market mechanisms developed under the Protocol. It also contains a section on future directions. To access the report visit [http://unfccc.int/resource/cfc\\_guide.pdf](http://unfccc.int/resource/cfc_guide.pdf).

**REAL WORLD RADIO.** Real world radio started on October 21st a special coverage of the new Free Trade of Area of the Americas (FTAA) negotiation round and the mobilisations that will take place during the November 17-22 FTAA Summit in Miami. The programmes can be accessed via the website <http://www.radiomundoreal.fm> in English, Spanish or Portuguese, or by means of one of the more than 300 community radios that are part of AMARC, the World Association of Community Radios (<http://www.amarc.org>) in Latin America and the Caribbean. Real world radio is an initiative of Friends of the Earth International (<http://www.foei.org>) and AMARC, and it intends to show the impacts of "trade liberalisation" in Latin America and the Caribbean, as well as the many ways available for local communities to resist transnational corporations. Real world radio also has a space available for community radios, organisations and independent producers from all over Latin America to exchange materials.

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[http://www.newsbulletin.org/bulletins/WhichBulletin.cfm?Bulletin\\_ID=14&SID=](http://www.newsbulletin.org/bulletins/WhichBulletin.cfm?Bulletin_ID=14&SID=)

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