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LEAD STORIES

AGRICULTURE: HARBINSON CIRCULATES FIRST MODALITIES DRAFT

On 12 February, Stuart Harbinson, Chair of the special (negotiating) session of Committee on Agriculture (CoA), submitted his first proposal for the establishment of modalities for the ongoing agriculture negotiations. The text, which has been drafted by Stuart Harbinson in his personal capacity, will be discussed during the forthcoming CoA special session from 24-28 February. It will also be debated at the mini-Ministerial in Tokyo, Japan, scheduled for 14-16 February. According to the work programme agreed at Doha, Members are to finalise the negotiating modalities -- setting out the scope of the negotiations, the methodology to be followed during the actual process, and the end-results expected -- by the end of March this year.

"Possible paths to solutions"

In his introductory remarks, Chair Harbinson noted that his draft should be considered against the backdrop of "the difficulty participants have so far had in building bridges between widely divergent positions and the consequent lack of guidance on approaches to solutions". He made the same references with regard to his 18 December overview paper on agriculture (BRIDGES Weekly, 29 January 2003, <http://www.ictsd.org/weekly/03-01-29/story1.htm>).

Therefore, the new paper "represents no more than a first attempt to identify possible paths to solutions." It "does not claim to be agreed in whole or in any part and is without prejudice to the positions of participants," Harbinson added.

Harbinson's drafting approach

Despite the many unresolved issues on how to address the further reduction of Members' tariffs, their exports subsidies and domestic support, Harbinson in his paper takes a rather proactive approach by offering modalities options even in the most contested areas -- such as the formula for tariff reductions and the handling of Green

Box support (mostly decoupled and at most minimally trade-distorting support). However, he widely uses square brackets in his 34-page draft, to propose figures for indicative purposes, to suggest alternatives, or possible formulations. On substance, the paper thoroughly addresses special and differential treatment (S&D) in most of the modalities items -- as demanded by many developing countries -- while no particular role has been assigned to agricultural non-trade concerns (NTCs) on an across-the-board-basis as e.g. demanded by European Members, Japan, Korea and Mauritius.

Market access

On market access, Harbinson suggests a three-pronged approach: for developed countries, tariffs higher than 90 percent should be slashed by 60 percent on average, with a minimum cut of 45 percent, whereas those between 90 and 15 percent should be cut by 50 percent on average, but at least by 35 percent per tariff line. For tariffs from 15 percent downwards the respective numbers would be 40 and 25 percent. All tariffs would be reduced in equal instalments within a five-year term. Developing countries, however, would be given a ten-year implementation period, in which they would be required to lower tariffs beyond 120 percent by 40 percent and 30 percent on average. For tariffs between 120 and 20 percent as well as 20 percent and lower, Harbinson suggests reductions of 33 and 23 percent, and 27 and 17 percent respectively.

Furthermore, developing countries would be allowed to denominate a number of "strategic products [SP] with respect to food security, rural development and/or livelihood security concerns," the tariffs of which they would only need to cut by ten percent on average, but at least by five percent per tariff line. In addition, developing countries could take recourse to the existing special safeguard mechanism (AoA Article 5) for these SP products which. The safeguard mechanism would be eliminated for developed countries.

Domestic support

According to the draft, the Green Box would be maintained in its existing format, but its discipline would be strengthened as repeatedly demanded by Members, such as the Cairns Group of agriculture exporters. For developing countries, however, further flexibilities would be provided for the pursuit of food security and rural development objectives. Developed countries could also take recourse to an expanded AoA Article 6.2 Box (S&D Box), allowing them to provide unlimited trade-distorting subsidies to promote rural development.

The so-called Blue Box (only partly decoupled subsidies under production-limiting programmes) would be maintained, but its expenditures capped/bound and reduced by 50 percent over five years. Developing countries would be given S&D treatment.

With regard to the Amber Box (trade distortive support), the aggregate measurement of support (AMS) would decrease by 60 percent in five years for developed countries, and 40 percent in 10 years for developing country Members.

Export competition

Harbinson further proposes in his paper to phase out at least 50 percent of export subsidies within 5 years, whereas the rest would be reduced to zero in 9 years. Developing countries would be given ten years and 12 years respectively. With regard to the treatment of export credits, Harbinson distinguishes between financing support conforming to a set of detailed conditions, and non-conforming financing support, which would be "subject to specific financing reduction commitments".

Other issues

Addressing the least-developed countries (LDCs), the draft says that LDCs would not be required to undertake reduction commitments, but that they could be "encouraged to consider making commitments commensurate with their development needs on a voluntary basis". Furthermore, the draft indicates that eventually special treatment could be provided for newly acceded Members such as China, as well as other "certain groupings" such as small island developing states (SIDS), vulnerable developing countries and transition economies.

Chair Harbinson's First Draft of Modalities for Further Commitments is available at <http://www.ictsd.org/issarea/ag/resources/Firstdraft.pdf>.

ICTSD reporting.

LAST-MINUTE ATTEMPT TO SAVE TRIPS & HEALTH DISCUSSIONS

A General Council meeting on 11 February was suspended following a request by the Chair of the Council for Trade-related Aspects of Intellectual Property Rights (TRIPs), Ambassador Eduardo Perez Motta (Mexico), for more time. Chair Perez Motta said he wished to continue his consultations to take advantage of "a certain momentum towards finding a

solution" generated in recent days. Members are discussing Perez Motta's latest suggestion of adopting his 16 December draft on a solution to paragraph 6 of the Doha TRIPs and Health Declaration in conjunction with a Chair's statement outlining a number of "understandings" that have emerged in the discussions. Civil society group Medecins sans Frontieres (MSF) strongly rejected the Chair's proposed statement, warning that "adopting the Chair's note would result in the progress that was made at Doha being utterly reversed".

According to paragraph 6 of the Doha Declaration on the TRIPs Agreement and Public Health, the TRIPs Council must find an expeditious solution by the end of 2002 to the problems countries may face in making use of compulsory licensing (i.e. the practice by a government to authorise itself or third parties to use the subject matter of a patent without the authorisation of the right holder for reasons of public policy) if they have insufficient or no pharmaceutical manufacturing capacity. The perceived need to address this issue arose from concerns related to Art. 31(f) of the TRIPs Agreement, which requires that production under compulsory licensing must be primarily for the supply of the domestic market.

In his statement to the General Council, Perez Motta noted a general willingness on the part of Members to find a solution "as soon as possible" and to "look positively at proposals aimed at providing the level of comfort" necessary for the 16 December text to be acceptable to all. His proposed statement, which he would make prior to proposing the adoption of the 16 December draft, stresses that delegations have made it clear that they see the system established by the paragraph 6 solution "as being essentially designed to address national emergencies or other circumstances of extreme urgency". The note further states that "countries have recognised the need to avoid undermining the importance of intellectual property protection for the development of new medicines".

Motta noted that his proposal had received a "generally positive response" from many delegations and that they were now waiting for more concrete reactions from some Members, including the US. While acknowledging that the US had rejected a similar suggestion on 20 December on the basis that the statement would not be considered legally binding under WTO rules, Perez Motta expressed optimism that the statement might be accepted this time. He argued that perspectives had changed since then following recent talks between industry representatives and developing countries.

Sources indicated that the Latin American countries had expressed their willingness to accept the Chair's

proposed statement, but that their position would also depend on the reaction of the African Group. The position of African countries has still not been finalised. While Perez Motta said that the African group was "on board", a Kenyan trade official noted that the Group was looking for changes in the statement. In particular, the Group would like to see reference to "national emergencies" to be substituted with "public health problems" which they said was in line with the Doha Declaration. Perez Motta, however, stressed that his statement would not be changed. "It's take it or leave it," he said.

MSF strongly criticised the proposed statement, "urgently" calling on countries to reject the text. In an open letter to WTO Members, MSF argued that paragraph 6 had never been intended to address only national emergencies and that the 16 December draft did not include any limitations to emergency situations. "Anyone who claims otherwise is re-writing the history of the Doha negotiations." They also noted that the adoption of the text would create two classes of Members in the WTO, where one class with sufficient manufacturing capacity would be able to use compulsory licences to address public health problems, while "second class" Members with insufficient capacity would be restricted to addressing emergencies. They further warned delegations to "be under no illusion" that the Chair's note would have no legal consequences. "The Chair would not be making the note if it had no legal effect," they stressed.

Consultations are set to continue on TRIPs & health, including at the upcoming 'mini-ministerial' in Japan on 15-16 February. Perez Motta is hoping to have something concrete to report by the end of the next TRIPs Council meeting, scheduled for 18-20 February. He is likely to want to finalise a deal before he hands over his post as the Chair of the TRIPs Council to Singapore's Ambassador Vanu Gopala Menon at the next TRIPs Council meeting. No new date has been set for reconvening the General Council session.

The MSF letter is available at
<http://www.msf.org/content/page.cfm?articleid=2EA7AA16-950B-4E3A-9CB091725630F8E6>.

The Chair's 16 December draft can be found at
http://www.ictsd.org/ministerial/cancun/docs/TRIPs_par_a6_16-12-02.pdf

ICTSD reporting; "WTO members delay move on compromise on TRIPs/Medicines, await word from US," WTO REPORTER, 11 February 2003.

S&D REVIEW IN LIMBO AS GENERAL COUNCIL FAILS TO ADOPT REPORT

The 10 February meeting of the General Council failed to adopt a report on special and differential treatment (S&D) for developing countries, thus missing a third deadline for strengthening S&D provisions. The General Council meeting took place after a string of consultations in January and February on the review of S&D provisions, which had ended in another stalemate between developed and developing countries. In a 7 February meeting, Members appeared willing to move ahead with a developing country proposal to ask the General Council to provide "clarification" on the S&D mandate provided by Ministers at the Fourth Ministerial Conference in Doha (see BRIDGES Weekly, 6 February, <http://www.ictsd.org/weekly/03-02-06/story3.htm>). At the 10 February Committee on Trade and Development (CTD) special session, held immediately prior to the General Council meeting (see related article, this issue) Members adopted a report (TN/CTD/7, available at <http://docsonline.wto.org>) recommending that "the General Council provide clarification, as it considers appropriate" on the S&D mandate. However, the report -- and the request -- was thrown in limbo when a handful of developed country Members prevented it from being adopted at the 10 February General Council meeting.

Where is now?

At time of press a great deal of ambiguity remained over how the issue was actually concluded at the General Council meeting -- and where and how the S&D review would be picked up again. Reports indicate that when consensus could not be found, General Council Chair Sergio Marchi (Canada) attempted to 'take note' of the report rather than adopt it, but that this was met opposition from some Members. Concerns were reportedly raised over the arbitrary introduction of 'taking note' of the report as opposed to 'adopting' it, as well as the longer-term implications of the General Council not adopting something that was agreed to by consensus in a subsidiary body.

In the end, citing this lack of consensus, Ambassador Marchi moved to revert the item to the next General Council meeting (this also being met by opposition) -- where it would come under the purview of incoming Chair Carlos Pérez Del Castillo (Uruguay). One report from a trade official indicated that Ambassador Marchi decided to "take note of the debate", however neither Members nor Secretariat officials contacted could confirm exactly where this matter stood. Many wait now for the minutes of the meeting, to see the exact language that is recorded from the proceedings. These minutes, speculated one trade source, along with

discussions with Ambassador Marchi, would form the basis of how incoming General Council Chair Pérez Del Castillo will work with CTD special session Chair Ransford Smith (Jamaica) to carry the matter forward. It is clear, noted one trade source, that S&D now has been elevated to the highest level of the WTO decision-making structure.

Clarification request sets bad precedent

One negotiator recounted that the developed country Members who voiced their reluctance to adopt the report, including the EC, US, and Australia, cited the bad precedent that the CTD request for such a 'clarification' of the S&D mandate would set for the future. Norway reportedly suggested however, that requesting 'guidance' as opposed to 'clarification' might offer a compromise - noting further that based on the Marrakech Agreements (the agreements establishing the WTO) either option was at the General Council's disposal.

A difference in expectations

Developed countries on the whole disagreed that the mandate was unclear and were of the view that the difficulties arose from the different perspectives on how the mandate should be implemented, as well as different expectations about the outcome of the review. Most were inclined to proceed with the 12 proposals on which there was consensus, and continue working on the others in the lead-up to the Cancún Ministerial in September 2003 (either in the CTD or other relevant bodies). This was one of three options offered to Members in an earlier draft report that was rejected at the 7 February meeting (TN/CTD/W/25/Rev.1, available at <http://docsonline.wto.org>).

Lack of a common understanding

One developing country delegate summed up his belief that a clarification was needed since a deadlock had persisted virtually since the first sitting of the special session (see BRIDGES Weekly, 5 March 2002, <http://www.ictsd.org/weekly/02-03-05/story2.htm>), and was attributable to the lack of a common understanding of the mandate provided. He emphasised the need to know how Members can "strengthen" S&D provisions (as mandated in the Doha Ministerial Declaration) without changing the language of the agreements -- something developed country Members refused to consider, arguing it would alter the 'balance of rights and obligations'. This, the delegate continued, is exactly why the 12 proposals that were on the table for early-harvest (being watered-down versions of those made by developing countries) were viewed as wholly inadequate -- in his opinion, they simply re-affirmed

obligations already present in the agreements. He added his belief that the reluctance on the part of developed countries to adopt the report was evidence of the lack of political will to deliver on another of the promises made at Doha (see BRIDGES Weekly, 6 February, <http://www.ictsd.org/weekly/03-02-06/story1.htm>). He concluded by urging caution with regard to S&D being used in Cancún as a trade-off for commitments in contentious areas such as investment, competition, environment, and/or industrial tariffs.

Developed country Members expressed similar disappointment with the turn of events, with one negotiator saying it was a shame that developing countries did not accept what was there. Some expressed the view that the position being taken by developing countries was a tactical one, with one trade source indicated that he saw see this move as a developing country attempt to add pressure to the negotiations and extract greater concessions from industrialised Members.

No further special sessions of the CTD are currently scheduled, while informal consultations on S&D are likely to take place. The next General Council meeting is scheduled for 15 May 2003, but will likely convene earlier, as it was suspended to allow for more negotiation on Trade-related Aspects of Intellectual Property Rights (TRIPS) and public health (see related story in this issue).

ICTSD reporting.

OTHER NEWS

WTO GENERAL COUNCIL ELECTS CHAIRS, DECIDES ON NGO ACCESS AT CANCÚN

The WTO General Council met for one day (10 February) instead of the scheduled two, electing officers for 2003, and agreeing on procedural issues for the Fifth Ministerial meeting in Cancún in September. Chair Ambassador Sergio Marchi (Canada) then suspended the meeting to allow for further discussion of the Trade-related Aspects of Intellectual Property Rights (TRIPS) Agreement and Public Health. Discussions on special and differential treatment (S&D) of developing countries were also stalled after blockage in the General Council (see related stories in this issue of BRIDGES Weekly).

NGO participation at Cancún

The General Council meeting decided on procedures for registration and attendance of Non-Governmental Organizations (NGOs) at the fifth session of the Ministerial Conference in Cancún, Mexico, from 10-14 September 2003. NGOs will be allowed to attend plenary sessions of the meeting, without making interventions. They are required to apply for the right to attend, documenting that they are "concerned with matters related to those of the WTO". NGOs that have registered twice for attendance at Ministerials are exempted from the requirement of providing full documentation. Requests for registration should be sent by 30 April, and registration forms will be sent by 31 May to all NGOs that fulfil the registration criteria. The document outlining this General Council decision, in English, French and Spanish, will be available online by the end of the week (WT/MIN(03)/INF/, searchable at <http://docsonline.wto.org>).

Election of officers

During the General Council meeting, Members elected Carlos Pérez Del Castillo of Uruguay as the new General Council chair. The General Council further elected Shotaro Oshima (Japan) as chair of the Dispute Settlement Body, Milan Hovorka (Czech Republic) as chair of the Council for Trade in Goods, and Ousmane Camara (Senegal) as chair of the Council for Trade in Services. Members elected Vanu Gopala Menon (Singapore) as chair of the TRIPs Council, while Peter Brò (Slovak Republic) and Mohamed Saleck Ould Mohamed Lemine (Mauritania) will be chairing the Committee for Trade and Environment and Committee for Trade and Development, respectively. Commenting on the path ahead for the newly elected chair, Ambassador Marchi stressed the work-load and said that "if 2002 was a year to tackle some of the WTO's systemic challenges, initiate procedural reforms and keep the Doha Development Agenda negotiations on track, 2003 will be a year of preparation for our 5th Ministerial Conference in Cancún, Mexico".

ICTSD Reporting; "Marchi hails roster of 2003 WTO chairpersons," WTO PRESS RELEASE, 10 February 2003.

RULES NEGOTIATING GROUP TACKLES ANTI-DUMPING, FISHERIES SUBSIDIES

During its meetings on 3, 6 and 7 February, the WTO Negotiating Group on Rules discussed anti-dumping and subsidies, including fisheries subsidies, and

regional trade agreements. A group of countries called "Friends of Anti-Dumping" -- including Brazil, Chile, Colombia, Costa Rica, Hong Kong, China, Israel, Japan, Korea, Mexico, Norway, Chinese Taipei, Singapore, Switzerland, Thailand and Turkey -- met on 5 February to discuss a coordinated position on tightening disciplines on anti-dumping actions to prevent abuse.

Anti-dumping: Friends' meeting and WTO negotiations

Senior officials of the 15-member "Friends of Anti-Dumping Negotiations" group met on 5 February, in advance of formal talks on the issue at the WTO. The group warned that "liberalising trade by cutting tariffs would serve no purpose if some states continued using anti-dumping measures as a trade barrier". The group stressed that in order to achieve success in the rest of the Doha Round, Members will have to tackle anti-dumping needs as well. In cases where a country determines that foreign goods are being dumped (i.e. sold at below the cost of production such that the importing country's industries suffer material injury), the WTO allows the importing country to impose anti-dumping duties.

India, the US and the EU are the biggest users of anti-dumping measures, which many countries see as unjust and illicitly employed to protect domestic industry. In the words of Alejandro Jara, Chilean Ambassador to the WTO, "for certain industries, for certain sectors, the impact [of anti-dumping measures] is so big that it might destroy any attempt to develop," adding that "we have been told that we should open our industry and diversify and we have done it, but every time you become successful in a particular sector, it is likely that you will be slapped with anti-dumping duties". Tadakatsu Sano, Japan's Vice- Minister for International Affairs in the Economy Ministry, stressed that while international tariffs on non-agricultural goods average around 5 percent in the world's four richest countries, anti-dumping duties average 45 percent. The use of anti-dumping measures has soared from an average 237 during the 1990s to an average of 330 cases a year between 1999 and 2001.

Lengthy anti-dumping investigations themselves impose a heavy burden on countries even in cases where no dumping is found. The "Friends of Anti-Dumping" group wants to change WTO rules to prevent abuse of anti-dumping measures and burdensome or unnecessary investigations. The US has been reluctant to discuss anti-dumping issues during the current round of negotiations. The WTO Appellate Body recently ruled against a controversial US law that allowed exporters -- as opposed to the government -- to collect the revenue

from anti-dumping duties directly (see BRIDGES Weekly, 22 January 2003, <http://www.ictsd.org/weekly/03-01-23/story2.htm>).

During the discussions on anti-dumping in the Negotiating Group on Rules, several Members introduced new papers. Brazil, on behalf of the Friends of Anti-Dumping, submitted a new paper by the group on strengthening and making operational special and differential treatment (S&D) for developing countries with regard to anti-dumping (TN/RL/W/46, searchable at <http://docsonline.wto.org>). Australia submitted a paper on treatment of confidential information in anti-dumping investigations (TN/RL/W/44), raising a number of questions for discussion at the negotiating group, including what constitutes confidential information. Canada provided a paper on improvements to the Anti-Dumping Agreement, focusing, inter alia, on transparency and procedural fairness (TN/RL/W/47). For its part, the US introduced a paper on circumvention of anti-dumping duties (TN/RL/W/50), identifying the issue as unfinished business from the Uruguay Round of trade negotiations. A US official stressed that "circumvention is a serious concern for Members because it undermines the effectiveness of the trade remedy rules." He further said that circumvention can take different forms, such as assembly of imported parts to avoid an anti-dumping duty, or slight alterations to a product to avoid the duty.

Subsidy discussions focus on fisheries; Venezuelan paper on environmental subsidies

In discussions on subsidies, the "Friends of Fish" group (Argentina, Chile, Iceland, New Zealand, Norway and Peru) presented suggestions -- based on a proposal tabled on the group's behalf by New Zealand in late 2002 -- for creating a negotiating platform on fisheries subsidies (see BRIDGES Weekly, 28 November 2002, <http://www.ictsd.org/weekly/02-11-28/story4.htm>). The group highlighted categories of fisheries subsidies that have been developed in other organisations, and said this categorisation should serve as a starting point for the next phase of work, which should be part of the Doha round of negotiations.

Japan, which maintains a substantial fishery subsidy programme, opposed this idea, and presented a paper suggesting instead that future work should involve discussing environmental issues -- such as fish stock depletion -- at the Committee on Trade and Environment. Japan's position is that trade distortions related to fisheries subsidies should be considered in conjunction with other subsidies issues in the Negotiating Group, rather than singled out. Australia, the US and Ecuador supported the views of the

"Friends of Fish" group, while South Korea sided with Japan.

The US commented that Japan's position was out of line with the Doha mandate, and said that "constructive engagement" was needed to get real talks under way. The EU said it would present a new paper based on its fisheries reform agreed in December 2002 (see BRIDGES Trade BioRes, 23 January 2003, <http://www.ictsd.org/biores/03-01-23/story2.htm>).

According to recent scientific studies, 50 percent of marine fisheries are fully exploited, while 20 percent are over-exploited. The "Friends of Fish" group believes fish stocks are declining due to perverse subsidies, while Japan claims the decline is a result of poor fisheries management. Iceland noted during the meeting that while it has made major efforts to manage fish stocks in its own waters, the results have been destroyed because factory fleets from other countries are emptying North Atlantic waters.

Also on subsidies, Venezuela introduced a paper (TN/RL/W/41) on strengthening Article 8 of the Subsidies Agreement, on non-actionable subsidies. Specifically, Article 8 provides that Members may, under certain conditions, apply a series of subsidies aimed at assistance to promote adaptation of existing facilities to new environmental requirements imposed by laws and regulations, assistance to disadvantaged regions, and assistance for research activities conducted by firms or by higher education or research establishments. The process of reviewing the SCM Agreement, as provided for in Article 31, was conducted in 1999 without any decision being reached on maintaining or amending Article 8 and other provisions of the Agreement.

Regional trade agreements

Meeting for the first time in 2003, the Negotiating Group on Rules started by engaging in deliberations on regional trade agreements (RTAs), which have been blocked at the level of the RTA Committee. Delegates focused on when and where to notify RTAs in the WTO context, and what information should be notified. Sources indicate support among Members for parties to notify the outline of an RTA to the WTO at the time of its signature, and submit agreements in their entirety at the time of entry into force. On the point for notification, there was some support for using the RTA Committee as the single point. Many developing countries, however, preferred an existing procedure that allows developing country Members to submit notifications to the Committee on Trade and Development.

ICTSD Reporting; "Fishing subsidies raise temperatures at WTO," REUTERS, 7 February 2003;

"Fifteen Countries Call For Tighter WTO Anti-Dumping Rules," AP, 5 February 2003; "WTO may soon change anti-dumping regulations," TAIPEI NEWS, 7 February 2003; "U.S. Calls for Focus on Circumvention At WTO Antidumping, Countervailing Talks," WTO REPORTER, 7 February 2003.

IN BRIEF

MEXICAN FARMERS, GOVERNMENT DISCUSS NEW DOMESTIC FARM POLICY

On 6 February, Mexican government officials and farm activists initiated talks focusing on ways to alleviate pressures on Mexico's agricultural sector resulting from trade obligations. The parties will seek measures to help Mexican farmers compete with US farm producers. Mexico removed most agricultural tariffs under the North American Free Trade Agreement (NAFTA) on 1 January this year. Reportedly, farmers and the government are at odds, despite a billion-dollar farm programme to provide technical and financial assistance to Mexico's agricultural distribution capacities that Mexican President Vicente Fox launched in November last year (see BRIDGES Weekly, 21 November 2002, <http://www.ictsd.org/weekly/02-11-20/inbrief.htm#2>).

Major farm organisations have been organising country-wide demonstrations against Mexico's farm policy, which they claim is insufficient in preventing Mexican farmers from being sidelined by competition from more efficient and subsidised farms in other NAFTA partners (i.e. the US and Canada). In particular, growers have been demanding protection from US and Canadian agricultural products such as apples, sorghum and wheat that flooded the Mexican market on a zero-duty basis after 1 January 2003. Recently, the Mexican government imposed an emergency safeguard tariff of 98.8 percent on chicken thighs and drumsticks imported from the US (exceeding a 50,000 ton quota). Against this background, Mexican farm groups are calling for a doubling of farm support and for the market openings under NAFTA to be revised. Nevertheless, Victor Suarez, head of a coalition called "The Countryside Can't Stand Any More," said at a 6 February meeting that farm group leaders were set to negotiate in good faith "and with a positive spirit" as President Fox was "recognising that the countryside is this country's number-one social problem". A set of more formal meetings on the issue is scheduled to begin on 10 February.

"Mexico, farmers begin talks over trade complaints," AP, 6 February 2003; "Farm protesters target Mexican capital," REUTERS, 31 January 2003; "Mexican farmers renew protests of NAFTA tariff removal," AP, 20 January 2003; "Mexico slaps 98.8% emergency tariff on US chicken legs," DOW JONES, 22 January 2003.

DELHI SUMMIT FOCUSES ON WSSD IMPLEMENTATION

From 6-9 February, The Tata Energy Research Institute (Teri) convened the third Delhi Sustainable Development Summit (DSDS) -- focusing on the theme "The message from WSSD: Translating resolve into action for a sustainable future" -- in New Delhi, India. According to Teri Director-General RK Pachauri, the four-day event was given the theme because there have not yet been any indications of parties starting to implement the outcomes from the World Summit on Sustainable Development (WSSD), which took place in August/September 2002 in Johannesburg, South Africa. Pachauri said that by bringing together a number of leading individuals from around the world, the DSDS presented participants with a unique opportunity to put together what he referred to as a "roadmap" to determine what the next stage of implementation will require. Nitin Desai, WSSD Secretary-General and UN Under-Secretary-General for Economic and Social Affairs, echoed Pachauri, expanding on the notion to move forward with the agenda. Desai was quoted as saying that "the real challenge is to ensure that we implement the commitments that we have already made (at Johannesburg, Monterrey, and Doha)... We have to see what it is that we can do to close the gap between promise and performance." To help close this gap Pachauri highlighted the potential formal indicators present in tracking success. The conference was the third in a series of seven, endorsed by world leaders who attended Teri's silver jubilee conferences that took place in February 2000. The DSDS is a forum in the developing world concerned with global issues, seeking to create long-term solutions that will benefit the global community. This year's summit included seven sub-themes and looked at issues ranging from climate change and water to media, corporate social responsibility, and biotechnology.

"Teri To Organise 3rd Delhi Green Summit From Feb 6," THE FINANCIAL EXPRESS, 31 January 2003; "Interview: DR R K Pachauri," THE FINANCIAL EXPRESS, 7 February 2003; "6 February 2003: Inaugural session," DSDS, 6 February 2003.

CONSULTATIONS ASSESS TRADE AND SUSTAINABLE FORESTRY LINKAGES

Forestry experts from governments, the private sector and non-governmental and intergovernmental organisations convened from 3-5 February to discuss the impacts and interactions of trade and sustainable forest management. Meeting at the UN Food and Agriculture Organisation (FAO) headquarters in Rome, experts discussed issues ranging from global trends in trade of forest products and services, trade agreements and restrictions, to new markets for environmental services. During the opening session, Wulf Killmann from the FAO addressed challenges of balancing trade in forest products with social and environmental concerns, and the need for capacity building for stakeholders, particularly at the WTO and its Committee on Trade and Environment (CTE). Duncan MacQueen from the International Institute for Environment and Development (IIED), highlighted the need for new ideas and solutions for how trade policy can be used to overcome the inequities of forest product trade.

Participants discussed the effects of trade restrictions on forests, emphasising the point that not only tariffs, but also forestry subsidies, have an effect on forest trade, and should therefore also be taken into account when discussing the effects of trade restrictions on sustainable forest management. During the closing plenary, participants highlighted the need for shaping trade policy to make it more supportive of sustainable forest management and improved forest governance. In addition, the experts agreed that international trade magnifies the effects of policy and market failure of forest and land use policy. They said national institutions and processes must be strengthened and supported before further trade liberalisation -- especially in developing countries.

A second expert meeting will be conducted later this year, focusing on the implementation of the Doha Declaration of the WTO, as well as on regional trade agreements. For more in-depth coverage of the experts consultations, see the upcoming issue of BRIDGES Trade BioRes on 20 February, <http://www.ictsd.org/biores/index.htm>.

"Summary of the FAO Expert Consultation on trade and sustainable forest management: Impacts and Interactions 3-5 February 2003," IIED's Earth Negotiations Bulletin, vol.79 No.1, 7 February 2003.

WTO IN BRIEF

TOKYO MINI-MINISTERIAL TO ADDRESS AGRICULTURE, ACCESS TO MEDICINES

Trade ministers are scheduled to meet from 14-16 February in Tokyo, Japan, to accelerate trade talks agreed on at the fourth WTO Ministerial in Doha, Qatar in November 2001. Japan's WTO ambassador, Shotaro Oshima said, in advance of the meeting, that "We don't expect any agreement in the talks because it is not a negotiating session, but if discussions are such that they result in a sense among ministers that they will redouble their engagement, I would characterize that as a success". Some observers have criticised such meetings for being exclusive, leaving out many parties with a stake in the negotiations. Agricultural negotiations feature among the issues topping the meeting agenda, with WTO Members facing a 31 March deadline for deciding on the scope of cuts to import tariffs and subsidies they will aim to make in this round of trade negotiations. The meeting will include six agriculture ministers, who have been invited to attend a mini- Ministerial for the first time. Trade-related Aspects of Intellectual Property Rights (TRIPs) and public health is another high-profile issue that will feature at the talks in Tokyo. Members recently suspended a General Council meeting to gain more time for negotiations on this issue (see story in this issue of BRIDGES Weekly). A previous mini- Ministerial meeting was held in Sydney, Australia, in November. Twenty- five ministers have been invited to join the meeting in Tokyo.

"Agriculture, Drugs For Poor Nations To Dominate WTO Mtg," AP, 11 February 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 This Week: 13 - 19 February

13 February, Geneva, Switzerland: ECOSYSTEMS AND HUMAN WELL-BEING. At this roundtable at the International Environment House, hosted by the Millennium Ecosystem Assessment (MA), the topic of the panel discussion will be "When is a forest more valuable than the trees?" There will be a discussion open to the floor immediately following the presentation. For further information please contact Alla Metelitsa at tel:+41 22 917 83 19; fax: +41 22 797 34 64; email: alla.metelitsa@unep.ch; or visit <http://www.environmenthouse.ch/roundtables.htm>.

13-14 February, Geneva, Switzerland: UNEP WORKSHOP FOR THE DEVELOPMENT OF A FRAMEWORK FOR STRATEGIC INTEGRATED ASSESSMENT. The UNEP Economics and Trade Programme is establishing a Working Group to develop a framework for integrated assessment and to help guide 8 country projects to test the framework. The objective of workshop, which launches the project, is to review and provide input to the preparation of the framework and agree on a road map for the testing of the framework and selection and implementation of country projects. For further information on the workshop visit: <http://www.unep.ch/etu/etp/events/Integrated%20Assessment/Feb2003.htm>.

14 February, Geneva, Switzerland: BRIEFING ON THE SPECIAL SESSION OF THE COMMITTEE ON TRADE AND ENVIRONMENT. For further information, contact: Hans-Peter Werner, Counsellor - External Relations, World Trade Organization; tel: +41-22-739-5286; fax: 739-5777.

14 February, Washington D.C., US: IMPLICATIONS AND INNOVATIONS OF THE U.S. CHILE FREE TRADE AGREEMENT. For further information on this event, please contact Kathy Hutter at tel: +1 (202) 466 8755; or email: khutter@aol.com.

14-16 February, Tokyo, Japan: WTO MINI-MINISTERIAL.

17 February, Chatham House, London, UK: BLOOD, DIAMONDS AND TERRORISM: IS KIMBERLY A SOLUTION? Speakers for this event will include: Mark Van Bockstael, Director of International Affairs, Diamond High Council, Antwerp and Chair of the Technical Committee, World Diamond Council; Christine Gordon, UN Angola Monitoring Mechanism 1999-2002; Clive Wright, Head of Government Diamond Office, United Nations Department, Foreign and Commonwealth Office; and Alex Yearsley, the Lead Campaigner on Conflict Diamonds, Global

Witness. For further information, contact: tel: (020) 7957-5732; email: meetings@riia.org, or visit: <http://www.riia.org/riia>.

17-18 February, Geneva, Switzerland: THIRD UNEP WORKING GROUP MEETING ON ECONOMIC INSTRUMENTS. At this workshop, participants will discuss two papers on "Opportunities, Prospects and Challenges for the Use of Economic Instruments in Environmental Policy Making" and, "The Use of Economic Instruments to Implement Selected Multilateral Environmental Agreements". For further information on the workshop visit: http://www.unep.ch/etu/etp/events/Economic_Instruments/2003_17Feb.htm.

17-18 February, Geneva, Switzerland: PARLIAMENTARY CONFERENCE ON THE WTO. This conference -- part of an on-going initiative to strengthen democracy at the international level, initiated by parliamentarians who attended the Fourth Ministerial Conference of the WTO in Doha -- will provide an opportunity for the committee and representatives of various international organisations and governments to discuss multilateral trade issues. For further information, please visit: <http://www.ipu.org/splze/trade03.htm>.

17-18 February, Geneva, Switzerland: FINAL MEETING ON COMPETITION AND INVESTMENT UNDER THE WORKING GROUP ON THE DOHA AGENDA (IWOGDA) PROJECT. This meeting, organised by CUTS Centre for International Trade, Economics & Environment, will consider the Synthesis Report on Elements of a Possible Multilateral Agreement on Competition and on Investment. For further information, visit: www.cuts.org/iwogda.htm.

19 February, Geneva, Switzerland: SYMPOSIUM ON COMPETITION POLICY AND PRO-POOR DEVELOPMENT. A symposium based on a two-year research and advocacy project titled "The 7- Up Project" by CUTS Centre for International Trade, Economics & Environment (CUTS-CITEE). The meeting seeks to answer three main questions: How does Competition Policy and law help the poor? What type of competition law should a country have? How do developing countries deal with cross-border issues? For further information on this symposium, visit: <http://www.cuts.org>. To view the completed study, visit: <http://www.cuts.org/7-up>. During the symposium, the International Network of Civil Society Organisations on Competition (INCSOC) will be launched. For more information on the network, visit: <http://www.cuts.org/incsoc.htm>.

19-20 February, Geneva, Switzerland: UNEP MEETING ON THE INTEGRATED ASSESSMENT OF TRADE LIBERALISATION IN THE AGRICULTURE SECTOR. This meeting will review UNEP country projects on trade liberalisation in the agricultural sector, as well as a Reference Manual for the Integrated Assessment of Trade-Related Policies for the Agriculture Sector. For further information on this meeting visit: http://www.unep.ch/etu/etp/events/Agriculture/2003_19Feb.htm.

19-21 February, Geneva, Switzerland: FARMERS, FOOD AND TRADE - HEARING ON THE DRAFT REVIEW OF THE WTO AGRICULTURE AGREEMENT. This international workshop for NGOs, farmers and church groups will analyse the draft agricultural text being negotiated under the WTO. The focus of the analysis will be on food dumping, food security and rural development, market volatility, and the right to food. For further information please contact EED (Church Development Service) at tel: +49- 30- 20355-225; email: r.buntzel@gkke.org.

WTO Events

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

12&13 February, Geneva, Switzerland: WTO SPECIAL SESSION OF THE COMMITTEE ON TRADE AND ENVIRONMENT.

14 February, Geneva, Switzerland: WTO COMMITTEE ON TRADE AND ENVIRONMENT.

17 February, Geneva, Switzerland: WTO COMMITTEE ON BUDGET, FINANCE AND ADMINISTRATION.

17&18 February, Geneva, Switzerland: WTO SPECIAL SESSION OF THE DISPUTE SETTLEMENT BODY.

18&19 February, Geneva, Switzerland: WTO COUNCIL FOR TRADE-RELATED ASPECTS OF INTELLECTUAL PROPERTY RIGHTS.

19 February, Geneva, Switzerland: WTO DISPUTE SETTLEMENT BODY.

19&20 February, Geneva, Switzerland: WTO NEGOTIATING GROUP ON MARKET ACCESS.

Other Forthcoming Events

25 February, London, United Kingdom: MEDICAL PATENTS UNDER TRIPS AND HUMAN RIGHTS. For further information please contact the British Institute of International and Comparative Law, tel: +44 20 7862 5151; fax: +44 20 7862 5152; email: info@biicl.org; or visit: <http://biicl.org/>.

26 February, Geneva, Switzerland: WTO INTRODUCTION DAY. The sixth WTO introduction day aims to introduce newly arrived WTO delegates, non-governmental organizations and interested WTO-interns and staff to the WTO. For further information, contact: Mrs. Syrat, WTO Training Institute, tel: +41-22-739-5631.

6 March, Brussels, Belgium: MEETING ON SUSTAINABLE TRADE AND THE AGRI- FOOD CHAIN. Organised by the Sustainable Trade and Innovation Centre (STIC). This workshop is an exploratory meeting to jointly define an agenda that will lead by September 2003 to an action plan. Six issue areas will be covered including primary producers labelling, and the financial sector. For further information, contact: tel: (32 2) 771- 1534; email: raymond.vanermen@epe.be.

24-28 March, Mexico City, Mexico: TRADE AND ENVIRONMENT IN THE AMERICAS 2003. This event, organised by the North American Commission for Environmental Cooperation and the United Nations Environment Programme will include three features, all of which focus on trade in North and Latin America from an environmental perspective. The first day will consist of a workshop (hosted by the Joint Public Advisory Committee) examining Chapter 11 of NAFTA and its implications with respect to dispute settlement over environmental protection. This workshop will be followed by "The Second North American Symposium on Assessing the Environmental Effects of Trade." During this two-day symposium, various papers with the central themes of energy and agriculture with respect to the environment will be discussed. This event will conclude with a two-day meeting during which representatives from Latin American economic and trade organizations will discuss current trade issues and prospects on improving on trade and environmental activities for the future. On 27-28 March, UNEP will organise a Capacity Building Meeting on Environment, Trade and Sustainable Development for the Latin American and Caribbean Region. For more information on this event, please visit:

<http://www.cec.org/symposium/index.cfm?varlan=english>.

3-4 April, Brussels, Belgium: FIFTH BLUEPRINT WORKSHOP: "FORESIGHT AND INTEGRATION OF ENVIRONMENTAL AND INNOVATION POLICY". This event seeks to assess various topics including green technology, sectoral innovation systems (SIS), environmental management and financing of sustainable innovations. For further information, see: http://www.blueprint-network.net/pdf/atticonvegini/5th_WS_programme.pdf.

28-29 April, Paris, France: OECD FORUM 2003. This forum will be held in order to develop ideas and prioritise issues to be discussed at the OECD Ministerial, which will immediately follow this event. Topics to be examined at the forum will include transparency in the international economy, economic recovery following a period of slowdown, improving WTO trade negotiations, and sustainable development - specifically regarding the Johannesburg Plan of Implementation. For further information, please visit: <http://www.oecd.org/EN/document/0,,EN-document-0-nodirectorate-no-20-34768-0,00.html>.

16-17 May, Washington D.C., US: MANAGING GLOBAL TRADE: THE WTO, TRADE REMEDIES AND DISPUTE SETTLEMENT. This program, sponsored by the Dartmouth-Tuck Forum on International Trade and Business, will include presentations and roundtable discussions justifying both positive and negative stances on trade remedies and the dispute settlement system. Some specific topics surrounding these issues that will be discussed include the treatment of services, the Safeguards Agreement anti-dumping actions, and injury determination. For further information please visit: <http://www.dartmouth.edu/~dirwin/DCconf.html>.

5-7 June, Raipur, India: INTERNATIONAL CONFERENCE ON REGIONAL CLIMATE CHANGE AND AGRICULTURE. Organised by the Indira Gandhi Agricultura University. For further information, contact: email: asastri@yahoo.com.

RESOURCES

BLANK SPOT ON THE MAP: HOW TRADE POLICY IS WORKING AGAINST THE WAR ON TERROR. By Edward Gresser, Progressive Policy Institute, 4 February 2003. This book finds that the Bush administration has failed to include the Muslim world in its trade agenda. The author believes that this exclusion undermines, as opposed to supports, the war on terror. He argues that the current US trade regime could unintentionally worsen an economic crisis affecting

almost all of the western Muslim states. With little outside notice, they have already seen their share of world trade and investment collapse since 1980. The economic result has been stagnant growth and falling income; the social consequences are unemployment, political tension, and rising appeal for religious extremists. The author concludes by recommending a strategic US trade initiative focusing on the Muslim world. To access the report, visit: http://www.ppionline.org/ppi_ci.cfm?knlgAreaID=108&subsecID=127&contentID=251254.

ANNUAL REVIEW OF DEVELOPMENTS IN GLOBALISATION AND REGIONAL INTEGRATION IN THE COUNTRIES OF THE ESCWA REGION, 2002. By the UN Economic and Social Commission for Western Asia (ESCWA). The first issue of the Annual Review of Developments in Globalisation and Regional Integration in the Countries of the ESCWA Region, 2002, aims to evaluate the extent to which the Arab world has become part of the world economy and to follow up the progress made towards Arab regional economic integration. The report concludes that, with respect to the extent to which the Arab region has become part of the world economy, all the statistical indications show that it is limited: Arab countries' share of international trade remains low. The report includes various strategies for how Arab countries could harness globalisation to their advantage. It suggests that these countries liberalise trade in services, encourage the creation of large Arab transnational corporations, and remove tariffs and other barriers between themselves. For further information, see: <http://www.un.org/apps/news/story.asp?NewsID=6103&Cr=escwa&Cr1=>.

"Patents and Medicines: The Relationship Between TRIPS and the Human Right to Health," in *INTERNATIONAL AFFAIRS* 79 (1, 2003). By Dr. Philippe Cullet. The author looks at the connection between introducing patents into the developing world and the impacts this has or can have on what he terms the human right to health. While International law does not establish a hierarchy between patenting and human rights law, the author says there is good reason to prioritise in favour of human rights when drug patents decrease access to medical treatment, impacting peoples' right to health.

TRADE AND DEVELOPMENT: ASSISTING DEVELOPING COUNTRIES TO BENEFIT FROM TRADE. Commission of the European Communities, September 2002. This paper outlines how the EU seeks to meet its global commitments by assisting developing countries, by helping them gain greater benefits from trade and investment. To access the report, visit: http://europa.eu.int/comm/trade/pdf/comdev_170902.pdf.

A RESURGENT MERCOSUR: CONFRONTING ECONOMIC CRISES AND NEGOTIATING TRADE AGREEMENTS. By Thomas Andrew O'Keefe. University of Miami North-South Center (January 2003). In this paper, the author challenges the negative views on the success of MERCOSUR (a trade block consisting Brazil, Argentina, Uruguay and Paraguay with Chile and Bolivia as partners). He attempts to prove that there are indications pointing to a brighter future for MERCOSUR. He looks specifically at the evolution of the political environment, the dispute settlement system, and quantitative trade information to help support his argument. To access this paper, please visit: <http://www.miami.edu/nsc/publications/pub-ap-pdf/60AP.pdf>.

JUST SUSTAINABILITIES: DEVELOPMENT IN AN UNEQUAL WORLD. By Agyeman J., Bullard R.D., and Evans, B. MIT Press (2003). This book argues that there is an inherent link between sustainable development and social and environmental justice, and that this link should be thoroughly considered when establishing trade policies and agreements. The authors explore this linkage in relation to topics such as biocultural assimilation, ecological debt, ecological modernization, globalisation, and selective victimization. For further information, visit: <http://mitpress.mit.edu/catalog/item/default.asp?sid=7AC27520-48F4-44A6-8F6C-124EB2D93932&tttype=2&tid=9600>.

"Tariffs, transport costs and the WTO Doha Round: The case of developing countries," in *THE ESTEY CENTRE JOURNAL OF INTERNATIONAL LAW AND TRADE POLICY* 4 (Winter 2003). By Matthias Busse. In this article the author goes beyond the trade barriers mentioned in the Doha Round negotiations for poor countries, to look at factors such as transportation and communication costs that will also affect the development of trade in these countries. He contends that these costs are significantly higher in poorer countries that lack the infrastructure of developed countries, and that these costs will have a significant effect on the ability of developing countries to integrate and deal with higher levels of competition. To access this paper, please visit: <http://128.233.58.173/estey/index.htm>.

CREATING MARKETS FOR ENERGY TECHNOLOGIES. From the International Energy Agency (24 January 2003). This report examines 22 cases in which successful government programmes were launched to foster the development and expansion of clean energy technologies. After analysing the cases from the perspective of market barrier and market transformation, the report extracts the key commonalities and discusses how these findings can be useful to policy makers in the future. To obtain a

copy of this report, please send a request to:
books@iea.org or fax: +33-40 57 65 59.

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