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LEAD STORIES

DSB UPDATE: EC-SUGAR, US-COTTON

Two major agriculture cases -- targeting subsidies in the EC sugar sector and the US cotton sector -- recently saw a first submission from the EC, and new data provision from the US. Both cases were initiated before the expiry of the so called 'peace clause' under which Members agreed to refrain from challenging each other's domestic agricultural subsidies. No new agricultural cases have been brought to the WTO since the expiry of the 'peace clause,' and the ongoing sugar and cotton cases are not related to the specific issue of its expiration. Rather, in the cotton case, Brazil has asserted that the US has no defence under the 'peace clause,' as its subsidies are in excess of what the 'peace clause' covered. In addition, Members have expressed differing opinions about the exact expiry time of the 'peace clause'. During a hearing on the US-cotton case, Brazil referred to the now-expired 'peace clause' -- meaning it expired 10 years after it was activated in 1994 --while the US said for countries whose accounting was based on 1995, the 'peace clause' had not yet expired.

EC attacks legal basis of Brazil's claim in sugar dispute

In its first submission in the EC-sugar case (see BRIDGES Weekly, 17 July 2003, <http://www.ictsd.org/weekly/03-07-17/story5.htm>), made on 11 March to the panel, the EC dismissed the argument of Brazil and two other complainants (Australia and Thailand) that it is subsidising surplus sugar for export beyond its WTO-agreed limit. The EC also rejected claims that it is illegally exempting sugar imported from certain African Caribbean and Pacific (ACP) states -- third parties in this case -- from its export subsidy reduction commitments.

Brazil argued in its own submission to the panel, made in February, that processors of sugar are guaranteed an intervention price for the production of in-quota A and B sugar and that all sugar produced in excess of A and B sugar quotas (i.e. C sugars) are subsidised and exported. Regarding ACP sugar imports, Brazil accused the EC of refining the imported raw sugar,

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treating the resulting white sugar as national domestic surplus and with the aid of direct subsidies re-exporting this sugar to third countries. Brazil claimed that the EC did not include these sugar exports in its calculation of exports subject to reduction commitments.

In response to the above arguments, the EC asserted in its submission that the complainants did not object when the EC first requested a sugar exemption during the Uruguay Round of trade talks which formally ended in 1994. In its claim that surplus sugar from EC sugar production quotas constituted an export subsidy, Brazil drew on the precedent set by an Appellate Body ruling in a case brought by the US against Canada's dairy export regime. This Appellate Body ruling had upheld a panel conclusion that Canada violated WTO rules by providing low-cost milk to dairy processors for export. The EC countered that the Canada-dairy case was inapplicable to this dispute, as the Canadian dairy and EC sugar regimes were fundamentally different. According to the EC, the Canadian dairy regime involved government management, whereas the EC sugar regime operated at the discretion of sugar producers without assistance from Brussels.

Sugar prices on the EC market are about three times the world market price, and as surplus production is exported at artificially low prices, even efficient producers like Brazil find it difficult to compete. While large agricultural exporters would like to see the system abolished, small developing countries like the ACP are worried about losing tariff preferences. The EC sugar regime, its reform and consequences, was the subject of a recent meeting in Brussels aimed at least developed countries (see BRIDGES Weekly, 10 March 2004, <http://www.ictsd.org/weekly/04-03-10/story4.htm>).

The first substantive meeting of the EC-sugar panel is scheduled for 30 March to 1 April. Brazil and the other complainants will present their case, and the EC and third parties will also have a chance to comment in a special session. The parties will provide written rebuttals towards the end of April, with the panel holding its second hearing the week of 10-14 May.

US Produces Data in Cotton Case

On 3 March, the US responded to a data request of the WTO panel hearing the US-Brazil cotton case (see BRIDGES Weekly, 18 March 2003, <http://www.ictsd.org/weekly/03-04-02/story3.htm>) by submitting eight data files to the panel. The panel and Brazil, the complainant, had been seeking more precise data from the US regarding the farm-level support the US grants its cotton industry. This complex data includes information on producer flexibility payments, market loss assistance, counter-cyclical payments and direct payments to farms. It will serve to establish the

elements needed to prove or disprove that the use of subsidies by the US is harming Brazil and the other complainants by, inter alia, lowering the world market price for cotton.

The US had previously declined to supply information on the planting history of individual US cotton farms, arguing that the US Privacy Act of 1974 only allowed such information to be released with a farmer's prior consent. Taking note of this, the panel asked the US to provide aggregate values of farm-specific information, which would protect the identity of individual farmers.

ICTSD reporting; "EU Details Defence of Sugar Regime As Dates Set for WTO Panel Hearings," WTO REPORTER, 12 March 2004; "WTO Panel Sets March 3 Deadline for U.S. to Produce Cotton Dispute Details," WTO REPORTER, 2 March 2004.

WTO RULES GROUP SWITCHING TO INFORMAL MODE TO ADDRESS NUMEROUS PROPOSALS

The WTO Negotiating Group on Rules gathered on 16 March for its first meeting after the failed Cancun ministerial conference in September last year. The group, which focuses on the review and improvement of WTO rules that govern issues such as dumping, antidumping measures, subsidies and countervailing measures has seen over 150 submissions on all these issues since the start of the Doha round. During the meeting -- which lasted only half a day rather than the scheduled two -- the new Chair of the group, Ambassador Eduardo Pérez Motta (Mexico), said he would mainly hold informal sessions in the foreseeable future to allow a more focused discussion. Due to the large number of highly technical proposals, he said Members would benefit from informal discussions to gain a greater understanding of them. So far, while Members have been active in making proposals at the formal negotiating sessions, there has been no convergence of positions. Sources indicated that any movement would only follow progress in key areas such as agriculture.

New proposal on issues related to affiliated parties

Just prior to the meeting of the Negotiating Group on Rules, Japan, Brazil, Colombia and eight other countries belonging to the so called 'Friends of Anti-dumping Negotiations' group made a new submission (TN/RL/W/146, available at <http://docsonline.wto.org>). The submission focused on the definition of 'affiliated parties', relevant to the calculation of dumping margins. The 'Friends' sought to tighten this definition, so that transactions to be included in the calculation would only

be those relating to affiliates and subsidiaries in which an exporter had at least a 50 percent stake based on voting rights. In antidumping investigations, the antidumping authority undertakes special calculations when imports and exports happen between a company and its affiliate, since prices are not necessarily considered representative. When the 'affiliate' definition is loose, the information requirement sometimes becomes overly burdensome, or the information is not available, according to the 'Friends'. Based on incorrect information, the calculated dumping margins might be inflated. The 'Friends' also argued that rules for the treatment of transactions between a company and its affiliates in antidumping cases would need to be clearly set.

At the meeting, the US -- which traditionally is a major user of antidumping duties -- said the approach of the paper was too narrow and legalistic, and said that the tighter definition of affiliates was problematic in a number of cases, such as in family-owned businesses and unlisted subsidiaries. The US felt that the proposal overlooked the real problem: cases where artificial prices were used for tax purposes. The EC, while generally welcoming the proposal, echoed the US's concern that the definition of affiliates was based on voting rights in the proposal.

Talks on improving WTO disciplines in fisheries subsidies, which are also on the Rules Negotiating Group agenda, did not take place. The next set of rules talks are scheduled for 26-28 April, and will mainly consist of informal consultations.

ICTSD reporting; "U.S. Faults 'Friends' Proposal for Tighter WTO Dumping Rules on Affiliated Parties," WTO REPORTER, 17 March 2004.

OTHER NEWS

SERVICES: DEADLINE FOR ESM EXTENDED, ASEAN SUBMITS NEW ESM PROPOSAL

On 15 March -- the deadline for concluding negotiations on an emergency safeguard measure (ESM) in trade in services -- WTO Members agreed to extend the deadline indefinitely. Under the General Agreement on Trade in Services (GATS), the results of the ESM negotiations should, originally, have entered into effect by the end of 1997. However, after a series of extensions, Members decided in March 2002 to

postpone the deadline for ESM negotiations until 15 March this year (BRIDGES 19 March 2002, <http://www.ictsd.org/weekly/02-03-19/story1.htm>).

Related to the ESM debate, a group of Association of Southeast Asian Nations (ASEAN) members recently circulated a new proposal on establishing an ESM in services. This proposal is likely to be discussed at the upcoming meeting of the Working Party on GATS Rules on 24 March 2004.

New deadline for ESM negotiations

The notable feature of the 15 March Fifth Decision on Negotiations on the ESM (not yet derestricted) is that instead of linking the conclusion of the ESM negotiations to the end of the market access negotiations in services (i.e. 1 January 2005) -- as with other issues in services rules negotiations -- Members linked the end date to the current round of negotiations, and specifically to the time the agreements in the current round would enter into force. In other words, the ESM negotiations no longer face a specified deadline, and do not necessarily have to conclude when the round is finished if Members have not yet agreed on an outcome.

Members agreed at the end of the Uruguay round to undertake -- as part of the so-called built-in agenda of the GATS -- negotiations on establishing an ESM. Unlike in the case of goods, for which such a mechanism exists (WTO Safeguards Agreement), Members had been unable to agree on ESM rules by the end of the Uruguay Round. Many Members, mostly from the developing world, feel that the absence of an ESM has led to the low level of commitments in the initial offers made by countries in services in the Doha round. Some countries, such as the US, Japan, and Switzerland, have expressed scepticism about the desirability (willingness) and feasibility (technical legal and economic means to issue a safeguard) of a services safeguards mechanism. They feel that the proponents of an ESM have failed to show how such a mechanism would work in practice, and stress that it might create legal uncertainty, scaring off foreign investment.

Many developing countries disagree, however. Leading the efforts for the establishment of an ESM are members of the ASEAN, excluding Singapore. They claim that an ESM would encourage developing countries to liberalise, as it would provide Members with a safety valve to tackle potentially negative, still unforeseeable, effects that increased services imports could have on domestic service providers.

ASEAN submits paper on ESM

As a contribution to the ESM debate, a group of ASEAN members recently circulated a new proposal on an ESM in services (not yet derestricted, downloadable at <http://www.ictsd.org/issarea/services/index.htm>). The new proposal slightly differs from an earlier ASEAN ESM proposal tabled in 2000 (S/WPGR/W/30). First, it strengthens the criteria for initiating a safeguard procedure; second, it links ESM applicability to injury incurred in the domestic industry of a country; third, it requests the submission of a report on the need of the safeguard to WTO Members; and, fourth, it shortens the period of application of a safeguard to three years.

The proposal responds to developed country concerns on services provision under Mode 3 (commercial presence) by indicating the possibility of not applying the ESM to domestic services providers (domestic services providers would imply foreign and national services providers established in the territory of the Members seeking the application of a ESM) but only to foreign "newcomers" (new investors under Mode 3).

From a procedural point of view, the ASEAN proposal suggests that the affected country should implement an ESM only after submitting a report as to why they need an ESM before the WTO Council for Trade in Services, though the right to make the determination on the need will rest on Members themselves. This suggestion is a response from ASEAN Members to an Australian proposal submitted in mid-2002 (BRIDGES Weekly, 12 June 2002, <http://www.ictsd.org/weekly/02-06-12/story4.htm>) calling for the responsibility of a Member seeking the ESM to show "just cause" of the injury.

While the ASEAN trade representative said that multilateral consent would be best to prevent abuses by Members, he felt that too many countries wanted a simpler agreement. He also noted that some countries, including Thailand and Philippines, would not sign off on any services final offer/request agreement if an ESM proposal was not negotiated beforehand.

Regarding the duration of the safeguard, a trade source indicated that ASEAN Members considered that a three-year period would be the minimum necessary for a country to recover from an injury in the case of trade in services. This timeframe falls between the goods model, which allows for four years and the demand by developed countries for two years.

The new ASEAN proposal is likely to be discussed at the upcoming meeting of the GATS Working Party on GATS Rules on 24 March.

ICTSD reporting; "WTO Members Ok Indefinite Extension in Negotiations on Services Safeguards," WTO REPORTER, 16 March 2004.

JAPAN, MEXICO REACH FREE TRADE AGREEMENT

After 16 months of often tough negotiations, Mexico and Japan reached a free trade accord on 12 March, to be signed in June and set to enter into force in January 2005. Mexico is the second country with which Japan has signed a free trade agreement (FTA); the first being Singapore. The final agreement was reached through a video conference between key ministers, following intensive negotiations between trade delegations on all key issues.

With over 300 agricultural products covered, the agreement marks the first comprehensive Japanese deal covering the agricultural sector. Under new preferential tariffs, Mexican farmers will be able to export 80,000 tons of pork and 6,500 tons of orange juice a year to Japan, two of the areas that had been sticking points in the talks. Mexican Agriculture minister Javier Usabiaga estimated that Mexico's exports to Japan could grow by as much as 10.6 percent annually over the next 10 years as a result of the accord, creating 277,000 new jobs in the process. He expressed his hope that his country could become one of Japan's principal sources of foodstuffs. About 60 percent of food consumed in Japan is imported, creating a market for exporters worth US\$35 billion. Minister Usabiaga also said he expects foreign direct investment from Japan to rise to US\$12.7 billion over the next 10 years.

Japanese Economy, Trade and Industry minister Shoichi Nakagawa noted that "this is effectively Japan's first comprehensive economic cooperation agreement. The impact of the deal with a country with a population of 100 million and which is a member of the OECD (Organisation for Economic Cooperation and Development) will be big". In the industrial sector, Mexico agreed to abolish tariffs on all types of steel products from Japan within the next 10 years, and to increase quotas for cars, making their import tariff-free in seven years time. Minister Nakagawa said the agreement would help Japanese firms regain competitiveness in Mexico, where they had faced competition from US and European producers, which had been in a stronger position due to Mexico's existing FTAs with these countries.

Japan also saw the deal with Mexico as a practice round for further FTAs it is looking to seal in Asia. According to Japanese Foreign Minister Yoriko Kawaguchi, "Japan learned a lot from the negotiations with Mexico and that will be useful for our negotiations with other Asian countries".

To access a joint statement on the agreement by Japan and Mexico, see http://www.meti.go.jp/policy/trade_policy/l_america/mexico/j_mexico/data/press_e.pdf

"Mexico and Japan reach free trade pact - source," REUTERS, 9 March 2004; "Mexico, Japan Agree On Ag, Industry Terms For Trade Pact," DOW JONES, 10 March 2004; "Japan, Mexico reach accord on free trade," UNITED PRESS INTERNATIONAL, 12 March 2004; "Japan, Mexico reach final accord on free trade," KYODO NEWS, 13 March 2004.

KYOTO PROTOCOL IN FORCE IN THE EU

On 11 March, a decision by the European Parliament entered into force, making the Kyoto Protocol legally binding in the EU. The decision spells out how greenhouse gas emissions are monitored and reported, and was the final piece of legislation needed to operationalise all aspects of the Kyoto Protocol in the EU. EU Environment Commissioner Margot Wallström said that "as a strong bloc of soon-to-be 25 countries, the European Union has a special responsibility to show global leadership and pave the way for other countries to follow suit". While the Protocol is legally binding in EU countries, it has yet to enter into force internationally. After the US pulled out in 2001, only Russia's ratification can make this happen. At the EU level, some countries and ministers have questioned the rationale of going it alone, especially as most EU countries already are off track in meeting their Kyoto targets.

In related news, the Swedish National Trade Board recently released a study on the relationship between climate and trade rules. The report concluded that the "friendly coexistence" between the two sets of rules should be possible. Concerns raised included possible technical production standards and regulations related to climate change mitigation. Further clarification of the WTO regime should be undertaken in this regard. In conclusion, the report called for action to promote the mutual supportiveness of the two regimes at the national and international levels.

To access the report, entitled "Climate And Trade Rules - Harmony Or Conflict?" visit http://www.kommers.se/binaries/attachments/2501_Climate_and_Trade_Rules.pdf

Also see "The Persistence of the Kyoto Protocol: Why Other Annex I Countries Move On Without the United States". By Jon Hovi Tora Skodvin and Steinar

Andresen in GLOBAL ENVIRONMENTAL POLITICS 3 (4, 2003) pp. 1-23; included in Resources (below).

"Kyoto Protocol Becomes Binding For European Union," UNWIRE, 11 March 2004; "All Kyoto Protocol Rules Now Legally Binding in Europe," ENS, 11 March 2004.

IN BRIEF

US LABOUR UNIONS CALL FOR SANCTIONS AGAINST CHINA

AFL-CIO, the largest US labour federation, filed a trade complaint with the US Trade Representative on 16 March asking the Bush administration to impose economic sanctions on China. According to the 13 million member federation, "the Chinese government's persistent pattern of violating international standards of workers' rights is inflicting great hardship on working families in both our countries". The petition claims that in order to gain a competitive advantage over the US China was brutally repressing workers' rights, and that this constituted an unfair labour practice under the US Trade Act. The petition comes as concerns over the US trade deficit with China as well as competitiveness and unemployment issues are on the rise in the US. According to the labour federation, US Trade Representative Robert Zoellick has 45 days to decide whether to launch an investigation into the case.

To view the executive summary of the 102-page petition, see <http://www.aflcio.org/issuespolitics/globaleconomy/ExecSummary301.cfm>

"AFL-CIO Files Trade Complaint Over Chinese Worker Rights," BLOOMBERG, 16 March 2004; "US Unions Petition For Trade Sanctions On China," DOW JONES, 16 March 2004; "When China Represses Workers Rights, U.S. Workers Lose Jobs," AFL-CIO RELEASE, 16 March 2004.

DOMINICAN REPUBLIC, US CONCLUDE FREE TRADE DEAL

The US and the Dominican Republic announced on 15 March that they had reached an agreement integrating the Dominican Republic into the recently concluded US-Central American Free Agreement (CAFTA). During the final round of negotiations, officials ironed out

disagreements in contentious areas such as agriculture, textiles and intellectual property. According to a US negotiator, "as usual some farm details demanded an additional effort". While the tariffs on all manufactured goods will be eliminated with immediate effect under the FTA, tariffs and quotas on sensitive agricultural products such as poultry, beef, dairy, and rice will be gradually phased out over 20 years. US sugar tariffs will not be phased out, although import quotas will be expanded. The Dominican Republic is the eighth country to have reached a trade deal with the US in the past three months. Ratification by US Congress is uncertain however, as Democrats are raising labour and environmental concerns (see BRIDGES Weekly, 26 February 2004, <http://www.ictsd.org/weekly/04-02-26/inbrief.htm#4>).

For further facts on the deal between the Dominican Republic and the US, see <http://www.ustr.gov>

"US, Dominican Republic strike free-trade agreement," AFP, 15 March 2004; "US, Dominican Republic Reach Free-Trade Agreement - Aide," AP, 15 March 2004.

FTAA NEGOTIATIONS POSTPONED UNTIL APRIL

Following informal consultations in Buenos Aires from 9-10 March on the Free Trade Area of the Americas (FTAA), the co-chairs of the FTAA Trade Negotiations Committee (TNC) announced that their next meeting would be postponed until April. Originally planned for 18-19 March, the meeting -- at which negotiators were to resume talks that had been suspended at the previous TNC meeting in February (see BRIDGES Weekly, 12 February 2004, <http://www.ictsd.org/weekly/04-02-12/story3.htm>) -- was pushed forward due to countries' disagreements both on specific issues, such as agriculture, and on how to proceed with the two-tiered approach adopted at the FTAA ministerial meeting in Miami in November last year (see BRIDGES Weekly, 26 November 2003, <http://www.ictsd.org/weekly/03-11-26/story3.htm>). Under this approach, all participants would commit to a common set of obligations in each of the nine areas under negotiations, while those who so wished could take on deeper commitments. Nonetheless, a US official commenting on the informal consultations in Buenos Aires said they had been "constructive and positive," and would continue at the end of March.

The third draft FTAA Agreement of November 2003 is available at http://www.ftaa-alca.org/FTAADraft03/Index_e.asp

"ICTSD reporting; Puebla FTAA trade meeting pushed back to April," REUTERS, 10 March 2004.

APEC RAISES CONCERNS OVER EU CHEMICALS LEGISLATION

On 11 March, the Asia-Pacific Economic Cooperation (APEC) Chemical Dialogue sent a letter to the European Commission expressing its concern that a new EC chemical regulation would cause trade restrictions. The EC launched a new European policy on chemicals, named REACH (Registration, Evaluation, Authorisation and Restrictions of Chemicals), in October 2003 (see BRIDGES Trade BioRes, 31 October 2003, <http://www.ictsd.org/biores/03-10-31/story1.htm>). The APEC Chemical Dialogue specifically warned that developing countries and small and medium-sized enterprises would face difficulties in complying with the new requirements. According to the letter "the REACH system is overly expansive, burdensome and costly... Small and medium enterprises in our region and those economies that depend on commodity exports for their economic growth would be severely affected, even under the revised proposal". The letter cautioned that the new system might create a bias favouring EC suppliers, as APEC and other competitors simply no longer would be in a position to compete.

"EU Chemical Legislation Deemed Harmful to Developing Economies and Small Business," APEC RELEASE, 12 March 2004.

BANGLADESH HIGHLIGHTS LDCS' WTO CONCERNS

Participants at a meeting in Dhaka, Bangladesh on 10 March raised a number of least-developed country (LDC) concerns regarding the WTO. At the meeting, Amir Khosru Mahmud Chowdhury, Bangladeshi Minister for Commerce, stressed that while Bangladesh -- which is part of the 49-member LDC group -- has opened its markets to both foreign goods and services, WTO Members have not yet responded by opening sectors of interest to Bangladesh, including granting the free movement of persons. He also stressed the need for LDC market access in developing countries. Bangladeshi Commerce Secretary Suhel Ahmed Chowdhury highlighted the need for a 'liberalisation package' including duty free market access for LDCs, simplified trade procedures, and policy instruments with special and differential treatment provisions (aimed at providing greater flexibility for developing countries) to be made more effective and meaningful. Abdul Awal Mintoo, President of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), noted the need to ensure that LDC market access in developed countries was not nullified by non-tariff barriers, and called for a moratorium on anti-dumping

measures aimed at LDCs. The meeting was organised by the FBCCI and the South Asian Association for Regional Cooperation (SAARC) Chamber of Commerce and Industry (SCCI), in cooperation with the WTO.

"WTO failing LDCs says Bangladesh," THE NATION, 11 March 2004.

CONSUMER RIGHTS DAY HIGHLIGHTS WATER LIBERALISATION

World Consumer Rights Day (WCRD) was celebrated by various consumer organisations on 15 March under the theme "Water is a consumer right". Julian Edwards, director of Consumers International, said, "The UN has set agreed targets on water and sanitation but without further action we are falling behind. Governments and planners must ensure consumers are involved in planning and regulating water supply and distribution. This is not about systems but about survival". Seminars, debates, rallies and news conferences are being held all over the world until 22 March, the World Day for Water. A number of water-related topic areas are being addressed, including access, ownership, delivery, costs, public policies and the environment. One hot topic is the liberalisation of environmental services, including water treatment and delivery, under the WTO General Agreement on Trade in Services (GATS). Many consumer organisations from North and South have argued that water and sewerage should be specifically excluded from the GATS.

For further information see

http://www.consumersinternational.org/documents.asp/ViewACategory_levelBelowOnly.asp?regid=135&CategoryID=887&langID=1

"World consumer rights day -- water is a consumer right," CI PRESS RELEASE, 15 March 2004; "World consumer rights day," CONSUMER ONLINE, 14 March 2004; "Water supply, a public service?" CI ONLINE, 16 March 2004

EVENTS & RESOURCES

EVENTS

ICTSD Events

19 March, Geneva, Switzerland: EXPLORING THE ENVIRONMENTAL AND DEVELOPMENTAL DIMENSIONS OF GEOGRAPHICAL INDICATIONS.

Jointly organised with Institut de Développement Durable et les Relations Internationales (IDDDRI). The meeting will assess the potential of geographical indications to contribute towards environmental protection and sustainable development, including the protection of traditional knowledge. Speakers will include Bernard Roussel, French National Museum of Natural History, Antony Taubman, WIPO, and Christian López Silva, CONABIO. The event will be held in Room B of WIPO. For further information, contact Marie Chamay, ICTSD, tel: (41 22) 9178 497; fax: 9178 093; email: mchamay@ictsd.ch.

Coming Up: 19-24 March

15-19 March, Geneva, Switzerland: SIXTH MEETING OF WIPO'S INTERGOVERNMENTAL COMMITTEE ON INTELLECTUAL PROPERTY AND GENETIC RESOURCES, TRADITIONAL KNOWLEDGE AND FOLKLORE. For more information contact the World Intellectual Property Organisation, tel: +41-22-338-8161; fax: +41-22-338-8810; e-mail: publicinf@wipo.int; Internet: <http://www.wipo.int/tk/en/igc/documents/index.html#6>

15-19 March, Geneva, Switzerland: 50TH MEETING OF THE CITES STANDING COMMITTEE. This meeting is organised by the Secretariat of the Convention on International Trade in Endangered Species of Wild Fauna and Flora. For further information contact the CITES Secretariat, tel: +41-22-917-8139; fax: +41-22-797-3417; email: cites@unep.ch; Internet: <http://www.cites.org/eng/notifs/2003/076.shtml> Events

16-19 March, Bangkok, Thailand: IOSEA MARINE TURTLE MOU - MEETING OF SIGNATORY STATES. The Second Meeting of Signatory States to the Indian Ocean-South East Asian Marine Turtle Memorandum of Understanding (an Agreement under the Convention on Migratory Species) will be held in Bangkok. Open to non-Signatory States, and interested IGOs and NGOs, this meeting will review implementation of the MoU's Conservation and Management Plan and will set priorities for future work. For more information contact IOSEA MoU Secretariat, tel: +66-2-288-1471; fax: +66-2-280-3829; email: iosea@un.org; Internet: <http://www.ioseaturtles.org>

22 March, Brussels, Belgium: AFTER CANCÚN AND BOMBAY: EXCHANGING VIEWS ON THE ALTER-GLOBALIST MOVEMENT. MEP Pierre Jonckheer, in cooperation with the Greens/EFA Group in the European Parliament and the International and European Affairs Working Group of ECOLO, the Belgian French-speaking Green Party, is pleased to invite you to a conference-debate on the theme is organising a conference to -- in the wake of the World

Social Forum in Bombay and also keeping in mind the collapse of the WTO negotiations in Cancún -- offer an opportunity for an exchange of views between NGOs and the academic world on the main political choices the alter-globalist movement is now facing. The meeting will discuss the current controversy about the economic re-localisation. For further information contact Pierre Jonckheer at email: pjonckheer@europarl.eu.int.

22 March, Washington D.C., US: NAFTA INVESTMENT LAW AND ARBITRATION, THE EARLY YEARS. The American University Washington College of Law will hold a conference focusing on Chapter 11 of the 10-year old NAFTA agreement. Chapter 11 on investment allows private parties to sue governments and thus has been one of the agreement's most controversial provisions, inciting extensive debate in both political and legal circles. A number of former private sector and government lawyers will be present to discuss the issues at hand. For more information contact Heather Maurer of the Washington College of Law, email: hmaurer@wcl.american.edu. To register, visit http://www.wcl.american.edu/secle/cle_form.cfm

22-23 March, Madrid, Spain: SYMPOSIUM ON LIBERALISATION AND TRADE IN TOURISM SERVICES. The World Tourism Organization (WTO-OMT), in cooperation with the World Trade Organization (WTO-OMC) and the United Nations Conference on Trade and Development (UNCTAD) will hold an international symposium that will seek to assist governments and tourism companies in taking an active part in the ongoing process of liberalisation in the tourism sector. For further information see http://www.world-tourism.org/quality/E/events/INTSYPOSIUM_ANG.pdf

24 March, Washington, D.C., US: US-THAILAND FTA KICKOFF RECEPTION. Organised by the Washington International Trade Association (WITA), US-Thailand Business Council, Kenan Institute for Private Enterprise, and Kenan Institute Asia. This reception, to be attended by the Thai FTA delegation, will feature a look at the critical steps in negotiating an FTA, with the chief negotiators from both sides of the upcoming US-Thailand FTA explaining the fruits both sides will enjoy upon its implementation. For further information see <http://www.wita.org/content.cfm?L1=4&QA=233>

24-26 March, Montreal, Canada: EXTRAORDINARY MEETING OF THE PARTIES TO THE MONTREAL PROTOCOL. For further information contact the Ozone Secretariat, tel: +254-2-62-3850; fax: +254-2-62-3601; email: ozoneinfo@unep.org; Internet: <http://www.unep.org/ozone>

WTO Events

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

19 March: WTO DISPUTE SETTLEMENT BODY.

22 March: WTO COMMITTEE ON SPECIFIC COMMITMENTS.

22 March: WTO COMMITTEE ON AGRICULTURE - SPECIAL SESSION.

23 March: WTO COMMITTEE ON TECHNICAL BARRIERS TO TRADE.

23 March: WTO COMMITTEE ON TRADE IN FINANCIAL SERVICES.

24 March: WTO WORKING PARTY ON GATS RULES.

Other Forthcoming Events

27-28 March, Jeju Island, Republic of Korea: MEETING ON CAPACITY BUILDING FOR INTEGRATED POLICY DESIGN AND IMPLEMENTATION FOR SUSTAINABLE DEVELOPMENT. The meeting will provide an opportunity for representatives from Governments of both developing and developed countries, international organizations, multilateral environmental agreements (MEAs), regional institutions and other stakeholders to develop concrete recommendations for enhancing future capacity building for integrated policy design and implementation for sustainable development. In particular, the meeting will focus on the development of mutually supportive trade and environment policies in the promotion of sustainable development and poverty alleviation. For further information contact Rahila Mughal, UNEP Economics and Trade Branch, tel: +41 22 917 8298; fax: + 41 22 917 8076; email: Rahila.MUGHAL@unep.ch; Internet: http://www.unep.ch/etu/Seoul/2003_Seoul.htm

29 March, Brasilia, Brazil: ENVIRONMENTAL IMPACTS OF TRADE REFORM IN THE AMERICAS: LESSONS FOR FUTURE TRADE AGREEMENTS. Organised by the newly formed "Working Group on Environment and Development in the Americas (WEDA)" -- a group of researchers and institutes across

the Western Hemisphere who are assessing the environmental and social impacts of economic integration in the Americas in order to draw lessons for future trade agreements -- this symposium will feature a presentation of case studies on the environmental and social impacts of trade reforms in Argentina, Brazil, El Salvador, Mexico, Chile, and the United States. Furthermore, the symposium will provide an opportunity for policy-makers and civil society to engage in a constructive dialogue regarding the extent to which sustainable development is being considered in current trade negotiations. For further information contact Kevin P. Gallagher, Global Development and Environment Institute, Tufts University, email: kevin.gallagher@tufts.edu

29-30 March, Geneva, Switzerland: WORKSHOP ON DOMESTIC REGULATION. The purpose of the Workshop is to inform regulators, trade negotiators, and other relevant officials of the background and progress to date of the work taking place in the Working Party on Domestic Regulation (WPDR), as well as pertinent issues raised in negotiating proposals made to the Special Session of the Services Council. Further information will be made available at http://www.wto.org/english/tratop_e/serv_e/serv_e.htm

5-6 July, London, UK: CONSUMERS, FARMERS AND FOOD - RECONCILING THE FUTURE. Organised by the Royal Institute of International Affairs (RIIA) in partnership with NewScientist magazine, this conference will provide a forum for issues such as animal welfare, food safety, GMOs, biodiversity and the environment to be debated by all interested parties: consumer groups, food companies, NGOs, supermarket chains, governments and farmers' representatives. Delegates will discuss those issues with players at all stages of the food chain, including seed manufacturers, agrochemical companies, food processors, food retailers, consumer associations, farming representatives, citizen's groups, policy-makers, food safety, environmental and social experts. For further information contact Dino Ribeiro, RIIA, at tel: +44 (0)20 7957 5753, email: dribeiro@riia.org, Internet: <http://www.riia.org/index.php?id=5&cid=55>

RESOURCES

ICTSD Resources

ICTSD TRADE & ENVIRONMENT WEB PORTAL: www.trade-environment.org. On 15 March, ICTSD launched [trade-environment.org](http://www.trade-environment.org), a web portal at the crossroads of international trade and the environment. The site contains a wide range of key resources related to trade, environment and sustainable development. It includes the latest news on T&E, a calendar of T&E

events, links to institutions working on T&E and relevant legal texts. The site is designed to facilitate access to a wide range of knowledge on trade and environment, thereby providing trade policy-makers and influencers with the means to effectively participate in relevant policy debates. To access the web portal visit <http://www.trade-environment.org>

AGRICULTURE AT THE WTO - 'FRAMEWORK PHASE' UPDATE REPORT. By ICTSD (March 2004). The aim of this report is to provide stakeholders in agriculture trade and sustainable development with a concise and user-friendly description and analysis of the current developments in the often very complex WTO agriculture negotiating process. Moreover, the report makes an effort to look ahead at upcoming issues in connection with the negotiations in agriculture, so as to provide relevant stakeholders with an opportunity to respond to emerging themes in due time. The report argues that, due to increased pressure from the US, G-20 and Cairns Group on the EC to agree on phasing out export subsidies, the issue of negotiating an end date for all forms of export subsidies now appears to be the most pressing theme in the post-Cancun negotiations. In a next step, the EC and the US would need to find an agreement on how to substantially reduce trade-distorting domestic support in a way mutually acceptable to them as well as all other Members. Finally, the most contentious task will be to find an agreement on the market access pillar, where compromise is needed from virtually all Members, and which involves various "hot" issues -- mostly related to special and differential treatment (S&D) for developing countries. To access the report visit <http://www.ictsd.org/issarea/atsd/products/docs/AgricultureNegotiations10.pdf>

Other Resources

THE PARADOX OF AGRICULTURAL SUBSIDIES: MEASUREMENT ISSUES, AGRICULTURAL DUMPING, AND POLICY REFORM. By Timothy A. Wise. Global Development and Environment Institute Working Paper, Tufts University (February 2004). This paper examines agricultural subsidies and questions the notion that discontinuing support programmes alone would solve the competition problems of poor farmers in the South. The paper identifies several flaws in the most widely used measure of agricultural support, the OECD's Producer Support Estimate. The author then reviews the results of economic modelling of trade liberalisation and subsidy reduction, finding that overall such measures are unlikely to raise producer prices to a sufficient degree to bring relief from alleged agricultural dumping to Southern farmers by bringing export prices above production costs. The author briefly examines one alternative explanation for low commodity prices, the oligopolistic nature of agricultural

trade. He concludes with an outline for policy reforms at the global and national levels to address measurement flaws, raise commodity prices, and reduce the undercutting of developing country farmers by below-cost agricultural exports from the North. The US-Mexico trade in maize is highlighted as an illustrative case study. To access the report visit <http://ase.tufts.edu/gdae/Pubs/wp/04-02AgSubsidies.pdf>

COFFEE MARKETS: NEW PARADIGMS IN GLOBAL SUPPLY AND DEMAND. By Bryan Lewin, Daniele Giovannucci and Panos Varangis. World Bank Agriculture and Rural Development Discussion Paper 3 (March 2004). About 20-25 million families --mostly smallholder farmers -- in more than 50 developing nations produce and sell coffee. A number of them are facing considerable difficulties because of the dramatic decline in the price of coffee to 100-year lows in real terms. The report suggests that governments and coffee farmers need to understand market fluctuations and opportunities better and, with the support of international organisations and donor grants, find ways to diversify their coffee production or enter a different trade. To access the paper visit <http://lnweb18.worldbank.org/ESSD/ardext.nsf/11ByDocName/ExecutiveSummary-CoffeeMarkets>

BRIEFING NOTE ON THE REFORM OF THE EU COTTON REGIME. By the Catholic Agency for Overseas Development, Coopération Internationale pour le Développement et la Solidarité and Caritas Europa (February 2004). Cotton subsidies have become a central development issue at the Doha round. This is often seen as a US problem, but new research commissioned by the British government -- coupled with analysis of current EU proposals for reform of the EU cotton sector by European NGOs -- suggest that Europe is failing to take its share of responsibility. European cotton subsidies have a significant and disproportional negative effect on West African cotton producers. CAFOD, CIDSE and Caritas Europa, are calling for 100 percent decoupling for the cotton sector. 100 percent decoupled support in the EU, and the move away from cotton production that this would entail, would mean that significant and disproportional development benefits can be expected for West and Central African countries. To access the report visit http://www.cafod.org.uk/policy_and_analysis/policy_papers/reform_of_the_eu_cotton_regime

UK BILATERAL INVESTMENT TREATY PROGRAMME & SUSTAINABLE DEVELOPMENT. By Luke Eric Peterson (RIIA, February 2004). At a time when a multilateral investment agreement has fallen off the WTO agenda, more focus needs to be placed on bilateral treaties. This paper offers an overview of the

UK Investment Promotion and Protection Agreements programme. It highlights concerns which first emerged under similar investment rules contained in the North American Free Trade Agreement (NAFTA), and subsequently under other bilateral treaties -- namely, that treaty rules may be used to claim compensation for damages arising out of environmental, health or other forms of government regulation which impact negatively upon foreign investors. This paper offers a cataloguing of known disputes under the UK's IPPAs, and highlights several of the procedural and substantive concerns which suggest that the broader pattern of investment treaty arbitration could open up certain unexpected liabilities for host governments -- both in the developing and developed world. To access the report visit <http://www.riia.org/pdf/research/sdp/BinvestFeb04.pdf>

"Nonstate Influence in the International Whaling Commission, 1970-1990". By Tora Skodvin and Steinar Andresen in *GLOBAL ENVIRONMENTAL POLITICS* 3 (4, 2003) pp. 61-86. One main objective of this article is to develop a multi-level approach that allows analysis of nonstate influence channelled via the domestic decision making level. The point of departure for the analysis is the International Whaling Commission (IWC) during the period from 1970 to 1990, with a particular focus on the competition for influence characterising the relationship between the scientific community and the environmental and animal rights movement. The analysis shows that domestic channels of influence may be equally, or even more important than channels of influence linked to the international decision making level. In the case of the IWC, for instance, the environmental and animal rights movement succeeded in mobilising domestic public support, particularly in the US, and had a key ally in the US government, Congress and Administration. The domestic role of this nonstate actor was of key importance to its success in influencing the development of the international whaling regime. The analysis shows, therefore, that examining the role of the domestic channel is integral to understanding nonstate influence on international policy-making, and particularly how some nonstate actors acquire influence at the expense of others.

"The Persistence of the Kyoto Protocol: Why Other Annex I Countries Move On Without the United States". By Jon Hovi Tora Skodvin and Steinar Andresen in *GLOBAL ENVIRONMENTAL POLITICS* 3 (4, 2003) pp. 1-23. The US, the worlds largest emitter of greenhouse gases, is not going to ratify the Kyoto Protocol in the foreseeable future. Yet, a number of countries have decided to stay on the Kyoto track. Four main explanations for this apparent puzzle are considered. The first is that remaining Annex I countries still expect the Kyoto Protocol to reduce global warming sufficiently to outweigh the economic costs of implementation. The second is that the parties, by implementing the treaty,

hope to induce non-parties to follow suit at some later stage. A third hypothesis is that EU climate institutions have generated a momentum that has made a change of course difficult. Finally, Kyotos persistence may be linked to the European Unions desire to stand forth as an international leader in the field of climate politics. We conclude that the first two explanations have little explanatory power, but find the latter two more promising.

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<http://www.ictsd.org/weekly/archive.htm>

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Contributors to this issue of **BRIDGES Weekly Trade News Digest**© are Yvonne Apea, David Katz, Michael Wolking and David Vivas. Editor: Malena Sell, msell@ictsd.ch. Managing Editor: Hugo Cameron, hcameron@ictsd.ch. Director: Ricardo Meléndez-Ortiz, rmelendez@ictsd.ch. ICTSD is an independent, not-for-profit organisation based at: 13, ch. des Anémones, 1219 Geneva, Switzerland, tel: (41-22) 917-8492; fax: 917-8093. Excerpts from **BRIDGES Weekly Trade News Digest**© may be used in other publications with appropriate citation. Comments and suggestions are welcomed and should be directed to the Editor or the Director.

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