



Bridges Trade BioRes

News, events and resources at the intersection of trade and biodiversity

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Environment at the WTO

INDIA'S 'PROJECT APPROACH' CAUSES STIR AT ENVIRONMENTAL GOODS TALKS

At an informal consultation on environmental goods on 10 June, WTO Members discussed a new submission by India proposing the use of what is now referred to as the 'project approach', which would link the accelerated (albeit temporary) liberalisation of environmental goods to their use in environmental projects. Canada and New Zealand also submitted new proposals, which involved proposed lists of environmental goods.

New 'project approach'

The Indian proposal (TN/TE/W/51, available at <http://docsonline.wto.org/>) on a project approach aims to provide an alternative to the "list" and "criteria" approaches. Most of the recent submissions to the Committee on Trade and Environment Special Session (CTE-SS) have used a list approach, and have suggested a number of items that could be included on such a list. The criteria approach involves developing criteria or a definition of environmental goods at the WTO.

The list approach has raised concerns among many developing countries. In its submission, India outlines some of the problems associated with the list approach, including, among others, the fact that many items that would likely be contained in the list could have dual or multiple uses, the impact of unrestricted concessional market access for environmental goods on indigenous innovation, competitiveness of local industries, and the separation between environment goods and environmental services (EGS) in the negotiations. Also, the submission notes that simply permitting the flow of a number of goods into a country would not necessarily help achieve environmental objectives.

The project approach aims to address these concerns as well as ensure that both the environmental and development goals of the Doha negotiations and Agenda 21, adopted at the Rio Summit on Environment and Development in 1992, are met. To this end, environmental goods and services used in environmental projects would qualify for specified concessions for the duration of the project. Such projects would be approved by a Designated National Authority based on certain criteria to be developed by the CTE-SS and could include, for instance, air pollution control,

renewable energy facilities, or environmentally preferable products (EPPs). This approach, India believes, provides sufficient policy space for national governments to achieve environmental objectives. It also mitigates concerns over dual use by making the trade concessions limited to the duration of the project while providing a coherent approach to the liberalisation of both environmental goods and services.

Several Members, in particular developed countries, questioned whether the proposed approach would have as widespread effects as envisaged under the Paragraph 31(iii) mandate on EGS, given that it would be applied on a case-by-case, temporary basis. Some noted that the benefits might in fact be limited to multinational corporations since an environmental project implies a certain scale that might be beyond the capacities of smaller enterprises, which would therefore not be able to take full advantage of this option. Many developing countries welcomed the new, alternative approach as a basis for further discussion, but also raised questions about practicalities.

While several developed countries have pushed for a list to be finalised by the next WTO Ministerial meeting in Hong Kong in December, most developing countries have resisted this attempt, fearing that a list approach would not provide any benefits for them (see BRIDGES Trade BioRes, 4 March 2005, <http://www.ictsd.org/biores/05-03-04/story2.htm>). If the Indian proposal attracts sufficient support as a viable alternative, efforts in the lead-up to Hong Kong are likely to focus on striking a balance between the list and project approaches.

NZ, Canada proposals

The New Zealand proposal (TN/TE/W/49) aims to apply its previously proposed use of "reference points" -- such as the OECD or APEC lists of environmental goods, or relevant bilateral or regional Free Trade Agreements -- in the identification of possible environmental goods. To this end, the proposal presents a list of goods sorted into categories along with the reference points used for each product. In addition to previously cited categories, New Zealand added EPPs, cleaner and more resource-efficient technologies and products, and waste and scrap utilisation as new categories. The proposal was generally well-received, although many countries asked for more time to consider the

list and in particular the implications of the new categories.

The Canadian proposal (TN/TE/W/50) simply presents a list of proposed environmental goods, grouped under previously suggested categories that were mainly drawn from the OECD and APEC lists. Canada would like to see an initial list reflecting the trade and environmental interests of both developed and developing countries developed by the Hong Kong meeting. Members said they would need more time to look at the list in detail.

The next meeting of the CTE-SS will be held on 5-6 July.

ICTSD reporting.

Intellectual Property

WIPO COMMITTEE AT A STANDSTILL ON TK AND GENETIC RESOURCES

The eighth session of the World Intellectual Property Organisation (WIPO) Intergovernmental Committee on Intellectual Property and Genetic Resources, Traditional Knowledge and Folklore (IGC), held in Geneva from 6-10 June 2005, ended with members unable to agree on proposals that could form the basis of an international agreement on traditional knowledge. A move by some developing countries to narrow the IGC's mandate to exclude genetic resources was also defeated, and members failed to agree on proposals for a funding mechanism for the participation of indigenous peoples.

Deadlock over provisions for international treaty

During the five-day meeting, clear lines of disagreement emerged between developed and developing countries over moves towards creating a legally-binding international instrument for the protection of collectively held traditional knowledge. Developed countries, including Australia and the US, indicated that while they were happy to work on general guidelines and statements of principle, they were unwilling to continue the drafting process on more substantive provisions. Draft provisions for the protection of traditional knowledge related to genetic resources -- including requirements for patent applications to include

disclosure of the origin of genetic resources, evidence of prior informed consent, and access and benefit sharing agreements -- were the focus of much of the disagreement

However, some observers saw the lack of progress in the IGC as a positive result for supporters of an international treaty to prevent the misappropriation of traditional knowledge related to genetic resources, as the deadlock in the committee frees developing countries to focus their efforts on pushing patent disclosure requirements in other fora such as the Standing Committee on Patents (SCP; see BRIDGES Trade BioRes, 10 June 2005, <http://www.ictsd.org/biores/05-06-10/inbrief.htm#4>) and the WTO's Council for Trade-related Aspects of Intellectual Property Rights (TRIPS; see related article, this issue).

Move to narrow IGC mandate fails

The lack of progress on an international instrument led some developing countries to call for a narrowing of the IGC's mandate, which is due for expiry or renewal by WIPO's General Assembly in September 2005. India, supported by Brazil, Peru and South Africa, suggested that the Committee "play to its strengths" by concentrating on folklore issues and national experiences rather than genetic resources. They had hoped that such a narrowed mandate for the IGC would prevent developed countries from attempting to designate the Committee as the proper forum for discussion on genetic resource-related issues, thus undermining initiatives on the topic elsewhere. The proposed changes to the mandate were resisted by developed countries, including the US, Japan, Norway and the EU, as well as Trinidad and Tobago. Extensive informal consultations resulted in a decision to recommend to WIPO's General Assembly that the mandate be renewed in its entirety.

Indigenous groups condemn lack of progress

The third item on the IGC's agenda was a proposal, carried over from previous sessions, to establish a funding mechanism for increased participation of indigenous groups. The Committee again failed to agree on financial contributions and control of the fund, provoking a joint statement by representatives of indigenous peoples condemning the lack of progress.

The IGC also received a document from Peru detailing its national efforts to prevent

misappropriation, including a law establishing a protection regime for traditional knowledge and a National Anti-Biopiracy Commission (WIPO/GRTKF/IC/8/12) and designing access and benefit sharing mechanisms.

Additional Resources

The documents of the IGC meeting are available at http://www.wipo.int/meetings/en/details.jsp?meeting_id=7130.

ICTSD Reporting.

DISCLOSURE CONTINUES TO DIVIDE TRIPS COUNCIL

Earlier divisions on the need for disclosure of origin of genetic resources and traditional knowledge (TK) along with evidence of prior informed consent and benefit-sharing in patent applications again emerged at the 14-15 June meeting of the WTO Council for Trade-related Aspects of Intellectual Property Rights (TRIPS; see BRIDGES Trade BioRes, 18 March 2005, <http://www.ictsd.org/biores/05-03-18/story1.htm>). The demandeurs, led by Brazil and India, argued that such requirements were necessary to address the relationship between the TRIPS Agreement and the Convention on Biological Diversity (CBD). They would like to see the issue included on the agenda of the Hong Kong Ministerial meeting in December. The US continues to resist their efforts, arguing that disclosure requirements would not help to prevent "bad" patents, such as those based on illegally obtained resources or TK.

Informal consultations get underway

Immediately preceding the TRIPS Council meeting, former TRIPS Chairperson Tony Miller from Hong Kong, China, held an informal consultation on the CBD-TRIPS relationship. The consultation was part of his larger project of preparing a draft text for the WTO Director-General on outstanding issues related to the implementation of the existing WTO Agreements, a text that will provide advice for 'first approximations' the DG is preparing in July for the December Hong Kong Ministerial Conference meeting. During the consultation, Peru, India, Brazil, China and some other developing countries said that they wanted this issue to figure in the July 'first approximations' and thus in the Hong Kong Ministerial Conference package. They emphasised the positive impact that an amendment to the TRIPS Agreement providing for disclosure

requirements in patent applications could have for many developing and least-developed countries and asked Miller to present a factual description of positions held by different Members.

Others countries, such as the US, Japan and Korea, while in principle opposing disclosure requirements, said they were willing to discuss the issue substantively and that the Chair's report to the DG should reflect the positions of all Members. Canada and Australia indicated that more research was needed before this issue should be moved forward. Miller said that he would include the advice provided by Members in his report to the Director-General.

TRIPS Council witnesses continued divisions over TRIPS-CBD

In support of its call for disclosure requirements, India at the TRIPS Council meeting cited the successful but lengthy challenges of patents of turmeric and neem oil in the US and EU patent offices. India argued that it would be less expensive and, in general, preferable for developing countries if disclosure requirements were built into patent applications. Similarly, in a new submission Peru made a case, based on local experience with 'biopiracy' (i.e. the misappropriation of genetic resources and/or TK), for the need for a binding TRIPS disclosure requirement.

In its new submission, the US reiterated its view that the WTO Doha Declaration mandate to examine the TRIPS-CBD relationship and the CBD itself do not oblige WTO Members to modify their patent laws (IP/C/W/449, available at <http://docsonline.wto.org/>). Instead, it argued for the creation of separate domestic laws establishing access and benefit sharing rules, distinct from the patent system. The US also suggested possible methods to help reduce "bad" patents, which could include "post-grant opposition" (challenging an erroneously granted patent after it has been awarded) or searchable databases.

Australia and Japan concurred with the US position. The EU is supportive of a disclosure requirement in patent applications, but opposes an obligation on patent applicants to provide evidence of fair and equitable benefit sharing because of concerns that patent offices would not have the expertise to determine what is "fair and equitable".

The TRIPS Council meeting also examined issues of patent enforcement and access to medicines (see BRIDGES Weekly, 22 June 2005, <http://www.ictsd.org/weekly/05-06-22/story3.htm> for further details on these discussions). The TRIPS Council will meet again on 25-26 October 2005. Further informal consultations on TRIPS-CBD might be held in the lead-up to the July General Council meeting.

New Brazilian law against biopiracy

In related news, Brazil has passed a law aimed at punishing those who use indigenous resources without permission or without sharing the benefits with the state or local communities. A system of fines and penalties, including the suspension of patent rights, will be levied on those who are guilty of such 'biopiracy'. Fines collected under the new law will be used exclusively to finance conservation efforts. The new law coincides with the launch of a Brazilian government campaign to raise national awareness about biopiracy.

ICTSD reporting; "Brazil gets tough on 'biopirates'," SCIDEV.NET, 22 June 2005

Marine Resources

Conservationists Retain Majority At Whaling Commission

With nine new member states and rumours regarding the buying of votes of developing countries, there was uncertainty regarding the power balance between pro- and anti whaling nations as the International Whaling Commission (IWC) met for its 57th annual meeting in Ulsan, South Korea, on 20-24 June 2005. A Japanese document that was leaked earlier indicating that they intended to expand their scientific whaling had stirred up feelings in the conservation community (see BRIDGES Trade BioRes, 10 June 2005, <http://www.ictsd.com/biores/05-06-10/inbrief.htm#6>). However, votes at the meeting quickly showed that anti-whaling nations, led by Australia, New Zealand and the UK, retained the IWC majority. Despite the voting defeats which upheld the whaling moratorium that has been in place since 1985, strongly urged the Japanese to abandon plans for expanded scientific whaling and voted down the introduction of regional management schemes (RMS), pro-whaling nations led by Japan considered the meeting a success, citing support from an increasing number of countries.

Japanese setback on secret ballots and RMS

The Japanese suffered a major setback already on the first day of the meeting, when their proposal to change the voting procedure to secret ballots, which they argued would serve to lighten the pressure from conservation groups, was defeated 30 to 27. Japan also proposed the removal of several items on the agenda such as sanctuaries, whale watching and killing methods, but after having lost a ballot on the removal of sanctuaries, the debate was closed for the remaining items. Anti-whaling nations expressed cautious optimism after their first victory.

The division between pro and anti-whaling nations reappeared in the debate on RMS. The RMS is a management scheme that has been suggested as a means of allowing limited catch quotas based on a risk-averse scientific estimation of sustainable yields, and has been strongly opposed by anti-whaling nations since Japan first proposed it in 1994. Last year, the IWC adopted a resolution that called for further work on RMS to be undertaken for consideration and possible adoption at the 2005 IWC meeting (see BRIDGES Trade BioRes, 23 July 2004, <http://www.ictsd.org/biores/04-07-23/story1.htm>). The chair of IWC-57 noted that the RMS working group did not consider it appropriate to submit a proposal for RMS at this stage. Strongly in favour of RMS, Japan submitted a RMS proposal that would practically imply a lifting of the whaling moratorium and legalisation of limited commercial whaling. In the final vote, however, Japan was again defeated with 23 votes in favour, 29 against and 5 abstentions. Whereas Japan gained support from several African and Caribbean countries, China and Korea -- who traditionally have voted in favour of commercial whaling -- were among the countries that abstained.

As the discussions on RMS went on, two additional resolutions were drafted by Members. A proposal from Ireland, South Africa and Germany was adopted by the Commission. In order to overcome the deeply rooted division between whaling and conservationist blocs, the proposal suggested that ministerial or other high-level talks should take place over the next year to discuss potential management schemes and regulate on the possibility of returning eventually to commercial whaling. A second proposal cosponsored by Denmark and eight other nations, that would make a lifting of the moratorium possible through a possible adoption of a RMS package at the next annual meeting, was

heavily voted down as several of the co-sponsors, including Finland, the Netherlands, Sweden and Switzerland, withdrew their initial support.

Scientific whaling questioned

The new Japanese scientific whaling programme JAPRA II also attracted significant attention. The programme would allow a catch of 850 whales including larger species, such as humpback and fin whales, and would replace an 18-year long research scheme called "JAPRA I" that came to an end last year. This has angered ecologists and countries that oppose commercial whaling who have accused Japan of using research as an excuse for pursuing hunting on a commercial basis banned since 1986. Comforted by their success in earlier ballots, Australia put forward a resolution that was adopted on 23 June that "strongly urges the government of Japan to withdraw its JAPRA II proposal". Australia was backed by New Zealand whose US\$ 120 million whale-watching industry could have been threatened by an increase in Japanese takes of minke and humpback whales. Japanese officials have, however, stated that they will go ahead with their planned increase in whaling for scientific purposes despite the IWC resolution. They are also reportedly considering resuming commercial whaling. Given that there are no dispute settlement procedures within the IWC, the Commission has no power to challenge Japan's decision. Japan has threatened to leave the IWC, arguing that it had turned into a conservation organisation. Such a decision, which would have to be decided by the Japanese parliament, could severely jeopardise the Commission's legitimacy.

Japan satisfied, civil society concerned

Despite the defeat in all major ballots, head of the Japanese delegation Joii Morishita said he was "very happy" about the outcome of the meeting and felt Japan was "making progress". However, the International Fund for Animal Welfare (IFAW) expressed indignation at Japan's continued advocacy for commercial whaling, saying that countries should take unilateral and bilateral trade measures against Japan to discourage them from killing whales. Ahead of the meeting, international conservation groups had accused Japan of buying votes from developing states with promises of foreign aid, fearing that such a move could change the power balance in the commission. Even though a two-thirds majority was required in order to end the whaling moratorium, a simple majority would

allow pro-whaling nations to influence the agenda of the IWC meetings and close down controversial committees, such as the Conservation Committee which was established in 2003 (see BRIDGES Trade BioRes, 30 June 2003, <http://www.ictsd.org/biores/03-06-30/story3.htm>).

Background

According to the International Convention for the Regulation of Whaling 1946, the purpose of the IWC is to review and revise as necessary the measures required to ensure the proper conservation of whale stocks and thus make possible the orderly development of the whaling industry. However, the Commission has long been divided between anti-whaling nations emphasising the conservation aspect of this mandate and pro-whaling nations in support of the development of the whaling industry, with powerful emotions on either side legitimising the ethical, cultural or economic basis of their positions.

The 58th annual meeting of IWC will take place in St Kitts and Nevis in May - June 2006.

For IWC documents related to the meeting visit <http://www.iwcoffice.org/meetings/meetingsmain.htm>

IWC press releases day 1 to 5. "Ministers to discuss commercial whaling" ABC Asia Pacific 24 June 2005; "Danish bid for commercial whaling fails" ABC News online 24 June 2005; "Carter urges IWC shake-up," The New Zealand Herald 24 June 2004; "Whale-friendly bloc to push forward at IWC" Stuff news 22 June 2005; "Japan Faces Sanction for Whaling" Korea Times 23 June 2005; "NZ Minister accuses Japan of 'buying' whaling support" Stuff news 21 June 2005; "Pro-whaling nations suffer setback" Stuff news 21 June 2005; "Pro-Whaling Nations Eye Taking Control of IWC" Planet Ark 21 June 2005; "Kamp om hvalfangst" NRK News 20 June 2005; "Japan dealt blow in bid to expand whaling" The Financial Times 22 June 2005. "Anti-Whaling States Aim for Sanctuaries, Hunt Curbs" Planet Ark 23 June 2005 "Japan Faces Sanction for Whaling" The Korea Times 6 June 2005

In Brief

EU MINISTERS VOTE TO ALLOW NATIONAL GM BANS

EU Environmental Ministers on 24 June voted to allow Austria, France, Germany, Greece and Luxembourg to maintain eight national bans on varieties of genetically modified (GM) maize and rapeseed. The bans, which have been challenged at the WTO by the US, Canada and Argentina (see BRIDGES Trade BioRes, 5 June 2005, [http://www.ictsd.org/biores/05-05-](http://www.ictsd.org/biores/05-05-01/story1.htm)

27/inbrief.htm#2) and have been described as lacking "scientific basis" by the European Food Safety Authority (EFSA), were the subject of a European Commission proposal -- likely motivated by the WTO challenge -- that would have ordered the countries to lift the bans within 20 days. Instead, the Council of Ministers decided by qualified majority to reject the Commission's proposal, with the five countries, along with the UK and Spain, all voting to allow the bans to continue. "The European Commission asked for more guidance from the member states and they got it," Friends of the Earth Europe Campaigner Adrian Bebb said. "Countries today have demanded the sovereign right to ban genetically modified crops if there are questions over their safety." Ministers failed to agree on whether or not to authorise GM maize variety MON 863, made by Monsanto, and as with previous GM maize varieties the matter will now move to the Commission for decision.

"EU ministers rebuff plans to overturn GMO bans," REUTERS, 24 June 2005; "EU MINISTERS VOTE TO KEEP GM FOOD BANS," FOEE NEWS RELEASE, 24 June 2005; "UK backs end to bans on GM crops," BBC NEWS, 24 June 2005; "EU govts ready to slap down order to lift GMO bans," FINANCIAL EXPRESS, 24 June 2005.

LEAKED G8 DRAFT ON ILLEGAL LOGGING 'WEAK'

G8 leaders at their upcoming meeting will only agree to voluntary measures "with each country acting where it can contribute most effectively" to end illegal logging, according to a draft leaked on 16 June. The draft communique for the 6-8 July summit stresses that logging countries have to bear their own share of responsibility for ending the illegal logging trade. It also contains a three-paragraph statement endorsing the findings of a March meeting of G8 environment and development ministers that agreed to non-binding measures to halt the illegal timber trade and encourage sustainable public procurement rules (see BRIDGES Trade BioRes, 5 April 2005, <http://www.ictsd.org/biores/05-04-01/story1.htm>). The UK, which holds the G8 presidency, has with the support of Japan urged the G8 to take binding, concerted and obligatory action, including new international laws, to end the US\$15 billion illegal business. Japanese Prime Minister Junichiro Koizumi is reportedly planning to present a set of proposals, including requiring G-8 member governments to buy only legally logged trees and establishing an international system for tracing

illegal loggers, at the July meeting in Gleneagles, Scotland.

"Draft G8 Communique Takes Only Mild Stance on Illegal Logging," REUTERS, 16 June 2005; "PM to bring up illegal logging at G-8 summit," Yomiuri Shimbun, 15 June 2005.

WTO NEGOTIATIONS BEGIN ON NON-TARIFF BARRIERS

After many months of discussions on how to categorise non-tariff barriers (NTBs) to trade, a week of talks at the WTO Negotiating Group on Non-Agricultural Market Access (NAMA) concluded on 10 June with an agreement to begin actual negotiations. NTBs can consist of national regulatory measures, including for social and environmental purposes, which impede international trade but are not necessarily currently illegal under WTO rules. Under paragraph 16 of the Doha mandate, Non-Agricultural Market Access (NAMA) negotiations aim to reduce both tariffs and 'non-tariff barriers' (NTBs) facing non-agricultural goods. According to NAMA Negotiating Group Chair Stefan Johannesson of Iceland, the week of negotiations saw "major success" on NTBs. Sources suggested that a narrowed list of specific NTBs had been compiled after lengthy talks in which only NTBs that could be described by the Members who raised them as an issue were included. Preliminary categorisation has begun to separate NTB problems that can be resolved in the NAMA negotiations from those that can be resolved through bilateral discussions or that are, in fact, legitimate domestic regulations that should not be challenged on a multilateral or bilateral level. It remains to be seen which NTBs will be dealt with sectorally -- for example, with all NTBs relating to trade in chemicals being addressed at the same time -- and which will be dealt with using a horizontal approach, for example on a category of regulations such as export taxes, on which the EC made a presentation.

As the negotiations continue, Members including the US, New Zealand and Korea have been meeting informally in sectoral meetings on areas such as forest products (to harmonise building code requirements), electronics and automobiles to discuss the NTBs they face and how they can be addressed. According to a May update to an 18 April report from environmental group Friends of the Earth International, the NTB notifications include over 200 "challenges" to national environmental and health standards by labeling

them as NTBs to be potentially eliminated as a result of negotiations (see BRIDGES Trade BioRes, 5 April 2005, <http://www.ictsd.org/biores/05-04-29/inbrief.htm#3>).

FOEI's revised analysis can be accessed at http://www.foe.co.uk/resource/media_briefing/ntbsanalysis.pdf

ICTSD Reporting: "Chairman Cites Progress in NAMA Talks: Growing Support for 'Simple' Swiss Formula," WTO REPORTER, 13 June 2005.

UNICPOLOS-6 ECHOES WTO TALKS ON FISHERIES SUBSIDIES

The final text adopted on 10 June by the sixth meeting of the open-ended informal consultative process on oceans and the law of the sea (UNICPOLOS-6) echoed concerns expressed earlier by WTO Members in the WTO Negotiating Group on Rules with regards to environmentally harmful fisheries subsidies. The group, which convened in New York City starting on 6 June, gathered more than 400 delegates from governments, intergovernmental organisations, nongovernmental organisations and academia to discuss issues related to fisheries and their contribution to sustainable development in order to advise the General Assembly on matters related to the sustainable development of oceans. The final text suggests that the General Assembly encourage States to eliminate capacity-enhancing subsidies as well as subsidies that contribute to illegal, unregulated and unreported (IUU) fishing. It also stresses that WTO negotiations to clarify and improve the subsidies disciplines on fisheries should take the development dimension of the sector into account (see BRIDGES Trade BioRes, 10 June 2005, <http://www.ictsd.org/biores/05-06-10/story2.htm>). The final text also invites countries to abolish barriers to trade on fish products that are inconsistent with WTO rules. As the time ran out the night of 10 June, UNICPOLOS was unable to provide a negotiated outcome on marine debris pollution nor on intergovernmental and interagency cooperation and coordination on ocean issues.

Additional Resources

UNICPOLOS-6 Documents can be found at http://www.un.org/Depts/los/consultative_process/consultative_process.htm

For daily coverage of UNICPOLOS-6, see IISD Linkages: <http://www.iisd.ca/oceans/icp6/>

ENB Summary, Vol. 25 No. 18, 13 June 2005; "Initial impressions of UNICPOLOS outcome," THE DEEP SEA CONSERVATION COALITION, 11 June 2005; "Presentation at the UNICPOLOS Panel," ICSF, 8 June 2005

EC PROPOSES MAJOR CUTS IN SUGAR PRICES: SUGAR FIRMS, ACP CONCERNED

On 22 June, the European Commission announced much anticipated reform proposals to its sugar protection regime (see Bridges Trade BioRes, 3 December 2004, <http://www.ictsd.org/biores/04-12-03/story3.htm>). The Commission proposal comes in the wake of a successful challenge to the European sugar subsidies at the WTO by Australia, Brazil and Thailand (see Bridges Weekly, 4 May 2005, <http://www.ictsd.org/weekly/05-05-04/story5.htm>). The proposals include a 39 percent cut in the guaranteed price of white sugar; compensation to EU farmers for 60 percent of the price cut which would be linked to environmental and land management standards; and an assistance plan to the African, Caribbean and Pacific (ACP) Countries who have traditionally enjoyed preferential market access to the EU sugar market under a special arrangement with the EU. The proposed cuts have come up against strong criticism from sugar firms in Europe and key ACP sugar producing countries, who will see the prices they get for their sugar dramatically decrease. ACP countries have called for more time and compensation in order to adjust to this change through, among other things, diversification plans away from sugar and towards other uses of the staple crop. For example, Jamaica has plans to use sugar to make alternative, environmentally-friendly fuels such as ethanol and bagasse-based electricity generation plants. On the other hand, Brazil, the world's biggest producer of sugar, has welcomed the proposals. The Commission hopes for political agreement on the much-anticipated proposals at its Agriculture Council in November 2005.

Details of the EC proposal are available on the EU website:

<http://europa.eu.int/rapid/pressReleasesAction.do?reference=IP/05/776&format=HTML&aged=0&language=EN&guiLanguage=en>

ICTSD reporting; "Caribbean shocked as EU plans to end sugar regime," Financial Times, 23 June 2005; "Sugar firms sour on subsidy cut", BBC News, Thursday 23 June 2005; "EU sugar reform splits exporters" BBC News, 22 June 2005; "A

requiem for preferential sugar," The Jamaica Observer, 21 June 2005.

FOOD FROM CLONED ANIMALS ON THE WAY TO US SUPERMARKETS?

A study assessing the safety of meat and milk products from cloned farm animals for human food consumption, undertaken by the US Food and Drug Administration (FDA), could soon lead to a lifting of the US moratorium on the commercial use of such products. During the annual conference of the Biotechnology Industry Organization BIO 2005, held in Philadelphia from the 19 to 22 June, FDA officials said that a four-year-long risk assessment they had undertaken showed that cloned animals and their offspring were as safe for human consumption as conventional animals. The World Organization for Animal Health (OIE) at its recent General Session decided to undertake further investigations on the need for standards on the use of cloned animals (see BRIDGES Trade BioRes, 10 June 2005, <http://www.ictsd.org/biores/05-06-10/story3.htm>). Based on data provided by private companies involved in livestock cloning in the US, the FDA study has not yet been published, but will be finalised in the near future. Cloned animals are likely to be used in the short-term for breeding and expanding the gene pool in the livestock industry rather than directly for food production, but representatives from the livestock industry indicated that meat and milk from cloned animals or their offspring could be on sale as early as 2006 if the moratorium was lifted. In a statement made by the FDA on 22 June, Norris Alderson, FDA Associate Commissioner for Science, confirms the work on the study but states that it would be "premature to discuss our findings or to make any final determinations due to the complexity of the issue".

The FDA statement is available at <http://www.fda.gov/bbs/topics/NEWS/2005/NEW01188.html>

ICTSD reporting; "US poised to rule that meat and milk from cloned animals is safe for humans," FT, 23 June 2005.

FOREST LAW ENFORCEMENT, ILLEGAL LOGGING DISCUSSED AT ITTC

At the thirty-eighth session of the International Tropical Timber Council (ITTC) in Brazzaville,

Republic of Congo, on 19-22 June, the governing body of the International Tropical Timber Organization (ITTO) decided to continue the organisation's efforts to assist countries to develop and enforce forest laws. In addition to decisions to fund a number of projects on issues such as the Kyoto Protocol's Clean Development Mechanism and conserving forest genetic resources, the meeting also considered initiatives to improve enforcement of forest laws and stop illegal logging and trade in illegal timber. Participants, which included the 59 producer and consumer country members of the ITTO, examined reports from Gabon and Liberia on the topic, and also received a progress report on a joint ITTO-FAO initiative that is developing a code of best practices for improving law compliance in the forest sector. At a related side-event, participants focused on the relationship between secure land tenure for indigenous and local communities and the task of reducing illegal logging. ITTO Executive Director Dr. Manoel Sobral noted the increasing commitment to combat illegal logging in countries around the world, and affirmed that such "bold steps", both on the part of producer countries and developed countries looking to assist with such steps, will be necessary to achieve tangible results in the future.

"ITTO reinforces commitment to forest law enforcement and combating illegal logging," ITTO PRESS RELEASE, 21 June 2005; "ITTO grants US\$7.6 million for tropical forests," ITTO PRESS RELEASE, 21 June 2005.

Events & Resources

EVENTS

For a more comprehensive list of events in trade and sustainable development, please refer to ICTSD's web calendar, <http://www.trade-environment.org/page/calendar.htm>.

Coming up in the next two weeks

27-29 June, Montreal, Canada: WORKSHOP ON THE JOINT WORK PROGRAMME ON MARINE AND COASTAL INVASIVE ALIEN SPECIES. This workshop is organised by the Secretariat of the CBD, the Global Invasive Species Programme and Regional Seas Programme of UNEP. For further information contact Mr. Hamdallah Zedan, Executive Secretary, tel: (+1 514) 288 2220; fax: 288 6588; e-mail: secretariat@biodiv.org; Internet: <http://www.biodiv.org/doc/meeting.aspx?mtg=WSMCI-AS-01>

27-30 June, Montreal, Canada: EXTRAORDINARY MEETING OF PARTIES TO THE MONTREAL PROTOCOL/TWENTY-FIFTH MEETING OF THE OPEN ENDED WORKING GROUP. The extraordinary meeting of parties to the Montreal Protocol on Substances that Deplete the Ozone Layer will attempt to resolve disagreements over exemptions allowing methyl bromide use in 2006. The meeting, organised by the Ozone Secretariat at UNEP, will also include the open ended working group and the 2nd Meeting of the Bureau of the 15th Meeting of the Parties to the Montreal Protocol. For further information contact the Ozone Secretariat, tel: (+1 254) 262-3850; fax: 262-3601; email: ozoneinfo@unep.org; Internet: http://www.unep.org/ozone/Meeting_Documents/oewg/25oewg/

27 June - 1 July, Geneva, Switzerland: THIRD PART OF THE UN CONFERENCE ON THE NEGOTIATION OF A SUCCESSOR AGREEMENT TO THE INTERNATIONAL TROPICAL TIMBER AGREEMENT, 1994. Parties to ITTA will continue the negotiations towards the creation of a successor agreement regarding tropical timber. For further information contact the UNCTAD Secretariat, tel: (+41 22) 917-5809; fax: 917-0056; email: correspondence@unctad.org; <http://www.unctad.org/Templates/Meeting.asp?intItemID=3323&lang=1%20>

29-30 June, Geneva: WTO COMMITTEE ON SANITARY AND PHYTOSANITARY MEASURES. For further information on the World Trade Organisation (WTO) events, contact the WTO Information and Media Relations Division, Geneva; tel: (+41 22) 739- 5007; fax: 739-5458; email: enquiries@wto.org; Internet: <http://www.wto.org>

30 June - 2 July, Rome, Italy: JOINT FAO/WHO FOOD STANDARDS PROGRAMME: EXECUTIVE COMMITTEE OF THE CODEX ALIMENTARIUS COMMISSION. This joint meeting is the fifty-sixth session and includes delegates from the Food and Agriculture Organization and World Health Organization who are members of the Codex Alimentarius Commission. For further information contact John Riddle, tel: (+39 06) 5705-3259; email: john.riddle@fao.org; Internet: http://www.codexalimentarius.net/web/codex/codex27_en.htm

3 July, Edinburgh, UK: G8 ALTERNATIVES SUMMIT- IDEAS TO CHANGE THE WORLD. This summit aims to unit civil society in order to highlight the mixed experience of G8 policies and to present alternative solutions. For further information contact G8 alternatives, tel: (+44 01) 31 220 6259, email: marada@btinternet.com; Internet: <http://www.g8alternatives.org.uk/admin/test/g8Mambo/content/view/128/151/>

4-8 July, Geneva, Switzerland: FOURTH MEETING OF THE OPEN-ENDED WORKING GROUP OF THE BASEL CONVENTION ON THE CONTROL OF TRANSBOUNDARY MOVEMENTS OF HAZARDOUS WASTES AND THEIR DISPOSAL. This meeting will consider implementation of decisions from the seventh conference of the parties to the Basel Convention on issues such as ship dismantlement, mobile phones and illegal traffic. For further information contact the Basel Convention Secretariat, tel: (+41 22) 917 8218; fax: 797 3454; email: sbc@unep.ch; Internet: <http://www.basel.int/meetings/oewg/oewg4/index.htm>

4-9 July, Rome, Italy: CODEX ALIMENTARIUS COMMISSION (28RD SESSION). The session is organised by the Codex Alimentarius Secretariat. For further information, contact: the Codex Secretariat, tel: (+39 06) 5705 2287; fax: 5705 3369; email: codex@fao.org; Internet: <http://www.codexalimentarius.net>.

4-8 July, Geneva, Switzerland: FOURTH MEETING OF THE OPEN-ENDED WORKING GROUP OF THE BASEL CONVENTION on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal. This meeting will consider implementation of decisions from the seventh conference of the parties to the Basel Convention on issues such as ship dismantlement, mobile phones and illegal traffic. For further information contact the Basel Convention Secretariat, tel: (+41 22) 917 8218; fax: 797 3454; email: sbc@unep.ch; Internet: <http://www.basel.int/meetings/oewg/oewg4/index.htm>

6-8 July, Gleneagles, UK: THE G8 SUMMIT. This summit unites the leaders of the United Kingdom, France, Russia, Germany, the United States of America, Japan, Italy, Canada and the European Union to discuss major issues of the day in order to reach informal agreements on measures that they can take individually, but in a cooperative manner to achieve their goals more effectively. For further information visit <http://www.g8.gov.uk>

6-10 July, Ravello, Italy: AGRICULTURAL BIOTECHNOLOGY: TEN YEARS AFTER. This meeting is being organized by the International Consortium on Agricultural Biotechnology Research. The event will focus on, inter alia, the impact of agricultural biotechnology on international trade, public acceptance of biotechnology, the impact of science, intellectual property rights, biotechnology and developing countries, and regulation of biotechnology. For further information contact Vittorio Santaniello, tel: (+39 06) 72595843; fax: 72-595-721; email: icabr@economia.uniroma2.it; Internet: <http://www.economia.uniroma2.it/conferenze/icabr2005/Default.asp>.

Other Upcoming Events

27-28 July, London, UK: STAKEHOLDER CONSULTATION ON ILLEGAL LOGGING. This meeting is organized by Chatham House and will cover relevant private and financial sector initiatives, research and political processes as well as having detailed presentations on independent forest monitoring, timber tracking and verification projects and national procurement policies. Participants will be from a wide range of international stakeholders, including the timber trade, financial institutions, NGOs, research organisations and Governments. For further information contact Gemma Green, tel: (+44 (0)20) 7957 5700; Fax: 7957 5710; email: ggreen@chathamhouse.org.uk; Internet: <http://www.illegal-logging.info/events.php>

5-7 September, Geneva, Switzerland: UNCTAD EXPERT MEETING ON METHODOLOGIES, CLASSIFICATIONS, QUANTIFICATION AND DEVELOPMENT IMPACTS OF NON-TARIFF BARRIERS. Organised by the UN Conference on Trade and Development. For further information contact UNCTAD, tel: (+41 22) 917 5809; fax: 917 0051; email: info@unctad.org; Internet: <http://www.unctad.org>

14-16 September, New York City, US: HIGH-LEVEL PLENARY MEETING OF THE 60TH SESSION OF THE UN GENERAL ASSEMBLY ON THE FOLLOW-UP TO THE OUTCOME OF THE MILLENNIUM SUMMIT. The Millennium +5 Summit is expected to undertake a comprehensive review of the progress made towards the commitments articulated in the UN Millennium Declaration. The event will also review progress made in the integrated and coordinated implementation of the outcomes and commitments of the major UN conferences and summits in the economic, social and related fields. For further information contact the UN non-governmental liaison service, email: ngls@un.org; Internet: <http://www.un-ngls.org/MDG/unaction.htm#1>

RESOURCES

If you have a relevant resource (books, papers, bulletins, etc.) you would like to see announced in this section, please forward a copy or review by the BRIDGES staff to smohan@ictsd.ch.

ICTSD Resource

DEFINING ENVIRONMENTAL GOODS AND SERVICES AND THEIR TRADE AND SUSTAINABLE DEVELOPMENT IMPLICATIONS: A CASE STUDY OF MEXICO. By Enrique Lendo (ICTSD and the Commission on Environmental Cooperation (CEC), June 2005). This study assesses the potential impacts of EGS trade liberalization against Mexico's own sustainable development goals and strategies. The analysis presented addresses the sustainable development patterns experienced by Mexico

over the last three decades; the current debate regarding the liberalization of the EGS sector and its implications for Mexico; the market structure and trade flows of the Mexican EGS market; as well as the potential of some environmentally preferable products¹ of export interest to the country. It proposes and implements a methodology to carry out a sustainable impact assessment under two definition/classification approaches. Based on this analysis, the study also explores options for Mexico's possible strategies on EGS-WTO negotiations. To access this paper visit http://www.ictsd.org/pubs/ictsd_series/env/EGSMexican_Study.pdf

Other Resources

SCIENCE, PROFIT AND POLITICS: SCIENTIFIC WHALING IN THE 21ST CENTURY. By Karen Steuer (WWF, June 2005). The role of Special Permit whaling, the killing of whales for scientific research (commonly known as "scientific whaling") in 21st Century whale management has increasingly come under scrutiny as the number of whales killed and the variety of species taken has grown. More recently, the relationship of scientific whaling to the current negotiations regarding the International Whaling Commission's Revised Management Scheme has created additional controversy. The report argues that unless scientific whaling is brought under the purview of the RMS or is regulated under a parallel, binding protocol, the precautionary controls discussed as part of the RMS are meaningless. To access this report visit <http://www.panda.org/downloads/species/wwfsciwhalingreportfinal.pdf>

IN FULL SWING: AN ASSESSMENT OF TRADE IN ORANG-UTANS AND GIBBONS ON JAVA AND BALI, INDONESIA. By Vincent Nijman (TRAFFIC, June 2005). Orang-utans and gibbons are still traded and kept as pets in Java and Bali despite having been legally protected in Indonesia since 1931. TRAFFIC calls for greater awareness among the judiciary, enforcement agencies and general public to ensure that trade in the endangered primates is treated as a serious crime. To access this report visit <http://www.traffic.org/news/press-releases/OrangUtan.pdf>

MODERN FOOD BIOTECHNOLOGY, HUMAN HEALTH AND DEVELOPMENT. By the World Health Organization (June 2005). GM foods can contribute to enhancing human health and development, the WHO says, but stresses the need for continued safety assessments on GM foods before they are marketed to prevent risks to both human health and the environment. It says that there is no evidence to suggest that GM foods currently on the market posed health risks and adds that GMOs can increase crop yields and food quality, thereby improving health and levels of nutrition, as well as boost profits for farmers and industry. But since some of the genes used in GMO crops have not been in the food chain before, the potential effects on

health and society must always be assessed before they are grown and sold. To access this report visit http://www.who.int/foodsafety/biotech/who_study/en/index.html

THE CURRENT NEGOTIATIONS IN THE WTO: OPTIONS, OPPORTUNITIES AND RISKS FOR DEVELOPING COUNTRIES. By Bhagirath Lal Das (June 2005). The book provides a guide for the developing countries in the ongoing WTO negotiations. The range of available options it sets out will help them to select those best suited to them. It may also help in the assessment of the final outcome of the negotiations based on where the outcome is located within this spectrum of options. In addition, the book will be of use even beyond the current phase of negotiations as it lays out the basic interests of the developing countries in the context of the WTO framework. To access this book visit <http://www.twinside.org.sg>

BIOTECHNOLOGY, AGRICULTURE, AND FOOD SECURITY IN SOUTHERN AFRICA. By Steven Were Omamo and Klaus von Grebmer (International Food Policy Research Institute, June 2005). In 2002-2003, when a number of southern African countries suffering from food shortages rejected food aid in the form of genetically modified grain, a highly polarized debate over biotechnology came to the surface. Pro-biotech and anti-biotech camps forcefully argued about the role of modern biotechnology in Africa's economic development, often excluding African policymakers from the dialogue and leaving the public uncertain about where the truth lay. This book brings together experts from within and outside Africa to discuss the current status of biotechnology in southern Africa, the conceptual framework for multistakeholder dialogues, the political and ethical issues surrounding biotechnology, food safety and consumer issues, biosafety, intellectual property rights, and trade involving genetically modified foods. To access this book visit <http://www.ifpri.org/pubs/books/oc46.htm>

MILLENNIUM DEVELOPMENT GOALS: A LATIN AMERICA AND THE CARIBBEAN PERSPECTIVE. (Economic Commission for Latin America and the Caribbean (ECLAC), June 2005). According to this report, fifteen out of the 24 Latin American and Caribbean nations have met the Millennium Development Goals in reducing malnutrition and hunger, improving access to potable water and gender equality in education. Yet, they are behind in reducing absolute poverty, universal access to education, and environmental protection. With regard to the environment, the report calls the situation "worrisome." Latin American countries are reporting the loss of natural vegetation and biodiversity, air pollution and the growth of urban slums. To access this report visit <http://www.eclac.cl>

CHAIN-OF-CUSTODY CERTIFICATION: WHAT IS IT, WHY DO IT, AND HOW? By Jeff Howe, Jim L.

Bowyer, Phil Guillery and Kathryn Fernholz (Dovetail Partners, May 2005). Most certification systems are designed to operate as market-based incentive programs that hope to attract customers by communicating something about production processes or the origins of the raw materials in the certified product. A critical role of certification systems, whether for forest products or other products produced in an environmentally sustainable manner, is to assure customers that the story is true. The verification of the story is the role of the chain-of custody certification process examined in the paper. To access this paper visit http://www.illegal-logging.info/papers/chain_of_custody_certification.pdf

BIOPROSPECTING OF GENETIC RESOURCES IN THE DEEP SEABED: SCIENTIFIC, LEGAL AND POLICY ASPECTS. By Salvatore Arico and Charlotte Salpin (United Nations University, June 2005). This report warns that vast genetic resources -- "blue gold" on the international deep sea floor -- need protection from unfettered commercial exploitation. Increasingly recognized as important to humankind for their potential medical and other uses, deep sea resources known as "extremophiles" are now more accessible and vulnerable than ever because of rapid advances in exploration technology. The report cites rising concern about the absence of clear rules governing access to and the sharing of benefits derived from the global commons of the sea beds and the potential for severe, perhaps permanent damage to these unique and sensitive ecosystems, which include seamounts, cold seeps and hydrothermal vents. To access this report visit <http://www.ias.unu.edu/binaries2/DeepSeabed.pdf>

CROP GENETIC RESOURCES: AN ECONOMIC APPRAISAL. By Kelly Day Rubenstein, Paul Heisey et al (United States Department of Agriculture, May 2005). Crop genetic resources are the basis of agricultural production, and significant economic benefits have

resulted from their conservation and use. However, they are largely public goods, so private incentives for genetic resource conservation may fall short of achieving public objectives. The report examines the role of genetic resources, genetic diversity, and efforts to value genetic resources and the economic and institutional factors influencing the flow of genetic resources, including international agreements. To access this report visit <http://www.ers.usda.gov/publications/eib2/eib2.pdf>

PIRATES AND PROFITEERS. By the Environmental Justice Foundation (June, 2005). This report reveals that illegal, unreported and unregulated (IUU) fishing is one of the most serious threats to the future of world fisheries today. Occurring in virtually all fisheries, IUU fishing is a global phenomenon with substantial and growing negative social, economic, and environmental impacts. IUU covers a range of activities including: fishing without a licence or out of season, harvesting prohibited species, using banned fishing gears, catching more fish than are allowed, and not reporting or misreporting catches. The EJF is calling upon the G8 and EU, and in particular the United Kingdom, to provide political leadership in support of new and effective measures to combat IUU fishing. To access this report visit <http://www.ejfoundation.org/reports.html#piratefishing>

Electronic Resource

LISTADO DE ALGUNOS FALLOS OMC Y DOCUMENTOS PRESENTADOS POR ARGENTINA. This website presents all the submissions that have been made by the Argentinian government to the WTO regarding the biotechnology dispute. It can be accessed at <http://www.cancilleria.gov.ar/negociacion/fallos.html>

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