



Bridges Trade BioRes

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

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Fisheries

AFRICAN SUMMIT PLACES FISH HIGH ON POLITICAL AGENDA

Fish experts and leaders from 26 African countries met for the Fish For All Summit in Abuja, Nigeria, from 22 to 25 August to assess the present situation of fisheries and aquaculture in the region and to determine a shared strategy for strengthening the sector in the future. The summit -- jointly organised by the Nigerian government, the Secretariat of the New Partnership for Africa's Development (NEPAD), the WorldFish Center and the United Nations Food and Agriculture Organization (FAO)

-- adopted a Declaration on Sustainable Fisheries and Aquaculture in Africa, which, among other resolutions, calls on African countries to "promote trade in artisanal and industrial fish products to respond to regional and global market opportunities for African fish products". In addition, an Action Plan adopted at the meeting identifies policies required in order to take full advantage of the continent's aquatic resources. With the presence of national leaders and high-level politicians, NEPAD seems committed to pushing the issue high up on the political agenda. However it remains to be seen whether the national governments will take up the conclusions of the action plan in their domestic fisheries policies.

Focus on environmental sustainability and trade opportunities

In order to ensure the future contribution of the fisheries sector to the continent's economic development, the Action Plan highlights environmental sustainability and market access as two key investment objectives. Specifically, the Plan points to the need for sustainable use of aquatic resources and the application of environmentally sound technologies to ensure the long-term productivity of African fisheries and aquaculture. The Plan also stresses the need for improved access of African fish products to domestic, regional and international markets with the goal of increasing food security and trade benefits for Africa's socio-economic development. To this end, the Action Plan identifies a set of the investment needs in the areas of productivity improvements, environmental sustainability and market development, calling for greater investment to improve market access with a particular focus on small-scale producers, processors and traders. The investment needs include the development of market information systems, infrastructure and a reduction of transaction costs linked to non-tariff barriers and taxes. To ensure that the benefits accrued are shared

among all the stakeholders involved, transparent and accountable institutions should be developed. As priority actions, the plan urges countries to craft a joint strategy to coordinate their efforts in the WTO market access negotiations and other international discussions in the area of sanitary and phytosanitary measures, which often pose a major obstacle to fish exports from developing countries to enter European and North American markets.

Governments also called for the removal of intra-regional trade barriers. When asked about African trading opportunities in the fisheries sector, one observer noted that "the biggest and sometimes most lucrative market for African fish is in Africa", but that fish trade continues to follow colonial trading paths as regional trading remains limited because of trade barriers and lack of infrastructure. Exporting to developed countries require complying with stringent standards which is often costly and will only be profitable in the case of high value species. There is thus a large potential for increased trade within the continent particularly for low-value fish products.

The action plan also stresses the need for productivity enhancement. At present, many of the post-harvest technologies are inefficient and generate large post-harvest losses. Improving these technologies and ameliorating regional infrastructure connecting urban centres and fishing areas would mean that fewer fish would perish before arriving at the market stall.

Aquaculture -- The blue revolution?

With marine and inland fisheries in decline and a fast-growing population, some Summit participants felt that the continent should turn to aquaculture to ensure food security and employment opportunities. According to the WorldFish Centre, small fish farms require limited investment and may generate badly-needed income to subsistence farmers. However, with the exception of Egypt, African countries have yet to move into fish farming, with just 2 percent of Africa's fish coming from aquaculture, according to the WorldFish Centre. "An immediate investment of US\$30 million would kick start our program and trigger a Blue Revolution in Africa," said Richard Mkandawire, NEPAD's Senior Agricultural Advisor, referring to the way the green revolution had increased food supply through a modernisation of the agricultural sector. The Summit Action Plan calls for investing in strategies to expand and intensify aquaculture

production, including through developing regional trade in aquaculture products and increasing exports of higher value-added products.

Additional Resources

For further information, see
<http://www.fishforall.org/ffa-summit/africasummit.asp>.

Abuja Declaration:
http://www.eurekalert.org/pub_releases/2005-08/wfc-agu082505.php

ICTSD reporting

"Aquaculture Central to African Fish for All Summit", ENS, 23 August 2005; "Africa warned it must boost fish farming", FT 22 August 2005; "NEPAD Action Plan for the Development of African Fisheries and Aquaculture", Draft 10 July 2005; "NEPAD and WorldFish Center launch Programme for Sustainable African Aquaculture" WorldFish Center press release 22 August 2005; "The Abuja Declaration on Sustainable Fisheries and Aquaculture in Africa" 25 August 2005.

Biotechnology

GMO UPDATE: GHANA, EUROPE, MEXICO, CHINA, NEW ZEALAND

Ghana presents biotech legislation

On 16 August, the Ghanaian Ministry of the Environment and Science presented draft biosafety legislation to the national legislature that would require all genetically modified organisms (GMOs) to pass through vigorous inspections to ensure that they conformed to the country's regulations and standards. The draft law, named "National Bio-Safety Framework for Ghana", was accompanied by nine other documents calling for financial and technical support to build the capacity of the regulatory agencies, universities and research institutions. The framework, which was developed with the assistance of the United Nations Environment Programme and the Global Environment Fund (UNEP-GEF), is based on the precautionary principle, according to officials. Christine Churcher, Minister of Environment and Science, said the system of inspection and regulation of GMOs would hopefully allay fears that such products could be harmful to people's health and the environment while bringing Ghana into compliance with the Cartagena Protocol, which it has ratified. If approved by the Ghanaian cabinet, the legislation would go to parliament for ratification in October 2005.

European Commission approves GM maize and oilseed rape varieties

The European Commission on 8 August approved the import of Monsanto's GM maize variety MON863 for animal feed. EU ministers are expected to decide on whether to allow the import of MON863 for food in September 2005. Shortly thereafter, on 31 August, the Commission authorised the import of glyphosate-tolerant Monsanto's GT73 oilseed rape for use as animal feed or for industrial purposes, making it the third variety to be adopted under the new EU Directive 2001/18/EC on the environmental release and marketing of GMOs. While the approval does not cover food use or cultivation, refined oil derived from the oilseed rape variety was already approved for food use in the EU in 1997. The GT73 approval is accompanied by a recommendation to Monsanto of how to handle accidental spillage in response to discovery of accidental presence of another GM oilseed rape variety around five port facilities in Japan. The decisions on the two GM varieties had been sent back to the Commission after they failed to garner majority support from the European Environment Council.

Friends of the Earth Europe (FOEE) sharply criticised the Commission's decision on MON863, accusing Monsanto and the EU of ignoring relevant evidence. In response to the oilseed rape approval, they pointed to a recent discovery by scientists from the Centre for Ecology and Hydrology in the UK that a gene conferring resistance to a herbicide had been transferred between GM oilseed rape and charlock, a common weed. They also called on member states to use the provisions in EU law (Article 23 of the EU Directive) to impose national bans on GT73.

New findings fuel GM contamination debate in Mexico, China and New Zealand

A new study published in the Proceedings of the National Academy of Sciences on 30 August, found no evidence of genes from GM maize in more than 150,000 seeds taken from 870 plants in Oaxaca Mexico, in 2003 and 2004. Exequiel Ezcurra, a co-author of the study and former official with Mexico's Environment and Natural Resources Secretariat, concluded that "concerns about unwanted or unknown effects of this process can be discounted at present, at least within the sampled region". "If they were there, they are gone," he

added. The study, however, acknowledged that the results should not be applied to other regions of Mexico, "nor is the current situation likely to remain static". The findings came four years after concerns had been raised that GM maize imports from the US had contaminated local maize varieties in a region that is considered to be the centre of origin and biodiversity for the crop. A 2001 study by David Quist and Ignacio Chapela had ignited the controversy, which was sustained by confirmation by the Mexican government that contamination had in fact taken place (see BRIDGES Trade BioRes, 6 December 2001, <http://www.ictsd.org/biores/01-12-06/story3.htm>).

In related news, Genescan, an international biological testing firm, said on 11 August that they had found GM rice in Wuhan and Guangdong, China, despite the fact that the commercialisation of GM rice has not yet been approved by the government. Chuk Ng, general manager of the German firm's operation in China, said that he believed GM rice "is widely spread at least in the middle or southern parts of China". The findings confirm those made by Greenpeace in recent months that GM rice is already on sale in China without regulatory approval.

In New Zealand, a commercial consignment of maize tested positive for GMOs in the upper North Island -- the sixth such find in the past three years. The testing was carried out as part of normal quality assurance procedures. Officials at the Ministry of Agriculture and Forestry (MAF) later announced that investigations had shown that the contamination was likely due to residues from approved GM soybean meal held in the same storage or transport facilities. While the civil society group GE-Free New Zealand welcomed MAF's announcement that the incident had not been caused by a failure in border security, they called for a stop to imports of GMOs to prevent such "contamination" from reoccurring. "MAF themselves acknowledge that due to the complexity of the processing and distribution of bulk food stuffs, it is difficult, if not impossible, to predict how and where contamination will occur next," said parliamentary Green Party Co-Leader Jeanette Fitzsimons. In related international negotiations under the Cartagena Protocol on Biosafety, the New Zealand government has consistently taken a defensive position in negotiations on the labelling of GM shipments, including the extent to which requirements should cover the accidental presence of GMOs (see BRIDGES Trade BioRes, 10 June

2005, <http://www.ictsd.org/biores/05-06-10/story1.htm>).

Additional Resources

"Absence of detectable transgenes in local landraces of maize in Oaxaca, Mexico,"

<http://www.pnas.org/cgi/reprint/102/35/12338.pdf>

"The Potential For Dispersal Of Herbicide Tolerance Genes From Genetically-Modified, Herbicide-Tolerant Oilseed Rape Crops To Wild Relatives," http://www.defra.gov.uk/environment/gm/research/pdf/epg_1-5-151.pdf

"'No evidence' GM genes are still in local Mexican maize," SCIDEV.NET, 9 August 2005; "Gene-Modified Corn Gone from Mexico, Study Finds," REUTERS, 9 August 2005; "Genetically Modified Maize Not Found In Southern Mexico," SCIENCE DAILY, 12 August 2005; "Unapproved GMO Rice Found in China - Genescan," REUTERS, 11 August 2005; "China Carrefour sells illegal genetically engineered rice," FORBES, 3 August 2005; "Rice Genome Sequence Means More Food for the Future," ENS, 15 August 2005; "Ghana drafts GM safety legislation," SCIDEV.NET, 17 August 2005; "Ghana Gets Bio-safety Framework," GHANA NEWS AGENCY, 16 July 2005; "Ghana strongly favors GM crops," GHANA HOMEPAGE, 19 August 2005; "GMOs: Commission authorises the import of GM maize MON 863 for use in animal feed", EU PRESS RELEASE, 8 August 2005; "Commission Opens Door To Import Of Controversial GM Maize," FOEE, 8 August 2005; "GE maize found in sample grown in NZ," STUFF.CO, 27 July 2005; "GM test results point to approved GM soy, NEW ZEALAND MAF, 17 August 2005; " Only stopping GE imports prevents contamination," GE-FREE NZ, 17 August 2005; "EU authorises new GMO amid safety doubts," EURACTIV, 31 August 2005; " European Commission opens door to genetic contamination," FOEE, 31 August 2005; "GMOs: Commission authorises import of GM-oilseed rape for use in animal feed," EU PRESS RELEASE, 31 August 2005.

Environment at the WTO

BEEF HORMONES DISPUTE: WTO OPENS PROCEEDINGS TO PUBLIC

On 2 August, the two WTO panels hearing the EU's challenge against continued retaliatory sanctions on its exports imposed by the US and Canada respectively in the long standing Beef Hormones dispute announced that their proceedings would be open to the public. This development, the first of its kind in the history of WTO dispute settlement, comes in response to a joint request filed by all three countries on 13 June. According to the announcement from the WTO, panel meetings in front of which the disputants are invited to appear will be open to public observation via closed-circuit television broadcast. However,

the panel's meetings with the third parties to the dispute will remain closed as not all of them have agreed to have it open for public observation.

The decision to open up the panel's proceedings was made against the background of an ongoing debate on the issue of transparency in WTO dispute settlement processes. Some members of the trade community, including civil society groups and academics, have bemoaned the lack of public participation in WTO "courts" that make important decisions that sometimes affect public interest concerns such as health and environment. Former deputy US Trade Representative Susan Esserman and University of Michigan law professor Robert Howse hailed the decision in the Financial Times, saying that it would "enhance the legitimacy of the WTO, bringing its practices more in line with today's values of good governance, transparency, and accountability."

Background to the Beef-Hormones dispute

The beef-hormones dispute was launched in 1996 when the US and Canada charged that the EU's ban on hormone-treated beef was not based on a proper scientific risk assessment and that the supporting scientific evidence was insufficient. A WTO panel and subsequently the Appellate Body ruled in their favour in 1997 and 1998 respectively. Following these decisions, a WTO panel ruled in 1999 that the US and Canada could impose trade sanctions on certain EU products because it had failed to provide the necessary scientific evidence to justify the ban.

The rulings were criticised by some civil society organisations which argued that the WTO was putting trade concerns before environmental and health protection, and also undermining the states' sovereign right to determine their own environmental and health policies.

In October 2003, the EU presented new scientific evidence in an attempt to convince the US and Canada to end their trade sanctions. By that point, the duties amounted to over USD 116.8 million and CAD 11.3 million respectively (see BRIDGES Weekly, 13 November 2003, <http://www.ictsd.org/weekly/03-11-13/story3.htm>). Finally, in November 2004, the EU announced that it would challenge the continued trade sanctions at the WTO, arguing that it had complied with the 1999 ruling (see BRIDGES Weekly, 10 November 2004, <http://www.ictsd.org/weekly/04-11-10/story1.htm>).

www.ictsd.org/weekly/04-11-10/story3.htm). It is these hearings that will now be opened to the public.

Transparency in the spotlight

Various stakeholders have tried to influence the decisions of panels and the Appellate Body in the closed dispute settlement process by submitting unsolicited legal arguments or 'amicus curiae' briefs advocating a particular position often in support of environmental and health protection. In cases such as the Shrimp-Turtle dispute, the Appellate Body has taken the position that panels and the Appellate Body have the authority and discretion to accept such legal briefs, though no obligation to do so or to consider them.

This dimension of civil society participation in the WTO dispute settlement system has been the source of some disagreements between developed and developing countries, especially as most of these amicus curiae briefs have been submitted by northern civil society groups (in the Shrimp-Turtle, Asbestos and the biotech cases). Many developing country Members are of the view that the amicus process biases the system against them since people or groups in such countries may lack the resources to participate equally in this process.

Some trade observers have called for WTO Members to formalise the amicus process, for example by creating formal rules for handling such briefs. However, nothing concrete has happened in this regard. Nonetheless, in the ongoing WTO dispute settlement review negotiations (DSU review), some Members, including the US and the EU, have submitted proposals in favour of opening up the dispute settlement process to the public, as well as the establishment of guidelines for handling amicus submissions.

The issue of enhancing transparency in the dispute settlement process also found support in a recent report on the functioning of the WTO commissioned by the outgoing Director-General, Supachai Panitchpakdi. In the "Sutherland Report," which focused considerable attention on how to enhance the perceived legitimacy of the WTO, the group of experts called for the adoption of guidelines for formalising the amicus process. They did, however, note that such guidelines must address worries about resource implications. They also recommended opening certain parts of panel and Appellate Body hearings to the public.

Some developing countries have been cool to the idea of opening up disputes to the public, arguing that rulings could then be subject to intense lobbying by interest groups that, once again, cannot be afforded by developing countries.

The first meeting of the Panels with the parties will take place on 12-15 September 2005.

Additional Resources

Further information on the beef-hormones dispute: http://www.wto.org/english/tratop_e/dispu_e/dispu_subjects_index_e.htm#hormones_meat

US proposal on transparency: http://www.ustr.gov/Document_Library/Press_Releases/2002/August/United_States_Proposes_Greater_Openness_for_WTO_Disputes.html

EU proposal on transparency: <http://europa.eu.int/comm/trade/issues/respectrules/dispute/improving/contrib1.htm>

ICTSD reporting; "The creative evolution of world trade," FT, 22 August 2005.

Forestry

CONTRADICTIONARY RULINGS TRIGGER CONFUSION OVER SOFTWOOD LUMBER

On 10 August, a North American Free Trade Agreement (NAFTA) Committee ruled that Canadian softwood lumber practices did not justify US anti-dumping duties on Canadian exports. Three weeks later, a World Trade Organisation (WTO) interim ruling was released on 29 August which supports the American position that the anti-dumping duties that have been imposed on Canadian softwood since May 2002 do not constitute a breach of international law. These latest rulings on the decades-old dispute have elicited high emotion from both sides of the border as the parties involved claim the seemingly contradictory findings vindicate their respective positions.

The NAFTA Ruling

The ruling of the NAFTA Extraordinary Challenge Committee (ECC) released on 10 August concerns the US International Trade Commission's (ITC) 2002 determination that found a threat of material injury to US lumber industry from Canadian

softwood lumber. The ECC upheld its 2004 decision that US anti-dumping duties on Canadian lumber were unfounded because Washington was unable to prove such a threat. The ongoing dispute revolves around US assertions that their duties on Canadian softwood were justified because "stumpage fees" -- fees the Canadian government charges forestry companies to harvest timber on state-owned land -- were too low and, thus, tantamount to subsidies (see <http://www.ictsd.org/weekly/04-01-14/story2.htm>). On 31 August 2004, a NAFTA panel had ruled against this allegation by the US International Trade Commission (ITC) and supported Canada's position. The Office of the United States Trade Representative (USTR) rejected the NAFTA findings, asserting that the panel had not followed established dispute settlement rules and that one of the panel's members was in a conflict of interest position. The ECC, part of NAFTA's appeals process, was established at the request of the USTR in order to review the panel's decision. On 10 August 2005, the ECC unanimously dismissed the USTR's allegations.

Shortly after the ECC released its findings, the US announced that it would not comply which, in turn, elicited threats of retaliatory duties from Canada. "We are not happy with the position of the United States to simply ignore what is a clear NAFTA ruling in Canada's favour," Canadian Finance Minister Ralph Goodale said. Goodale argued that the ECC finding confirmed that the US\$4.1 billion collected by US Customs since softwood duties were established in May 2002 had been obtained illegally. Canada contends that the ECC ruling effectively requires the US to reimburse the duties.

The WTO Ruling

The high spirits in Canada that were brought on by the NAFTA ruling were dampened on 29 August when the WTO released its interim finding on the issue which pronounced that US duties were not in breach of international law. This is only the latest in a series of WTO decisions which now stretch back over 20 years. While the WTO's decisions have a history of minor contradictions and unclear conclusions, they have generally agreed that while Canadian stumpage fees provide a financial benefit to Canadian timber companies, they do not merit the harsh US duties. Shortly after the 2004 WTO ruling against the US duties, the US Commerce Department lowered its anti-dumping duties from 18.79 percent to 17.18 percent, based on a new ITC determination in November that year.

Canada continues to argue that the duties are unfounded and had asked the most recent panel to evaluate the US' claim that it had complied with an earlier WTO ruling against the 2002 duties. Canada had already requested the WTO's permission to impose hundreds of millions of dollars in retaliatory duties on American exports. While a WTO ruling on Canada's request is expected in mid-2006, the interim report in favour of the US -- and the final report that is almost certain to be similar -- is likely to have an impact on the final outcome.

Mixed reactions

American officials remained tight-lipped after the NAFTA ECC findings were released, only maintaining that both parties should return to negotiations to resolve the issue. However, Canada was resolute that the NAFTA decision was clear and absolute, and that the time for negotiating was over. "It's like playing a game of poker and, if you lose the hand, saying 'let's negotiate the pot'. It doesn't work that way. You lose the hand, you pay the money, then you go on to the next hand," said Frank McKenna, Canada's Ambassador to the United States. However, with the arrival of the WTO's decision, it appears that the next hand might have already arrived. "The [WTO] panel's finding confirms that dumped and subsidised imports of softwood lumber from Canada threatened to materially injure the US industry," said USTR spokeswoman Neena Moorjani.

Canada, for its part, insists that the matter will be discussed at a higher level when Canadian Prime Minister Paul Martin raises the issue in a meeting with US President Bush -- a meeting which has now been postponed in the wake of Hurricane Katrina.

Uncertain future the result of overlapping trade agreements

While both sides claim victory, confusion prevails on the implications of these seemingly contradictory rulings. According to Canadian trade lawyer Lawrence Herman, the WTO and NAFTA rulings should not be seen as contradictory, but rather as "mutually exclusive". He noted that NAFTA panels evaluate compliance with domestic laws while the WTO dispute settlement body assesses adherence to international trade laws. The ensuing debate has also drawn attention to the logic of a country's engagement in overlapping trade agreements. Canada has been fighting US duties under both

trade pacts with the hopes that a win from either body would bolster their case. However, the findings that have emerged call this strategy into question. Indeed, with multiple rulings emerging from multiple trade panels on multiple issues, a gloss of confusion appears to have washed across the debate. Despite the fact that the WTO and NAFTA rulings are on slightly different aspects of the issue, both parties are pointing to the respective trade bodies' findings as proof of their vindication. Canadian trade lawyer Barry Appleton stresses that "NAFTA states very clearly that in the case of a conflict between NAFTA and the WTO, NAFTA prevails". Meanwhile, Steve Swanson, of the American lobby group the Coalition for Fair Lumber Imports contends that "this new [WTO] determination should put to rest any questions about whether duties are justified in this case."

"Canada Considers Retaliatory Tariffs," AP, 23 August 2005; "Canada Mulls Tariffs Over Lumber Spat, Emerson Says (Update 3)," BLOOMBERG, 23 August 2005; "Canada Scraps Softwood Lumber Talks with U.S.," REUTERS, 16 August 2005; "Canada may Retaliate with Tariffs in Softwood Battle," CBC.CA NEWS, 23 August 2005; "ECC Rules No Justification for Softwood Lumber Duties," DFAIT NEWS RELEASE, 10 August 2005; "WTO Compliance Panel Finds U.S. Countervailing Duties on Canadian Softwood Lumber Illegal," DFAIT NEWS RELEASE, 1 August 2005; "WTO Loss to U.S. Won't Change Canadian Position in Softwood War: Minister," CBC.CA NEWS, 31 August 2005; "WTO Compliance Panel Rules in Favor Of U.S. on ITC Lumber Duty Determination," WTO REPORTER, 31 August 2005.

In Brief

EU AND MOROCCO STRIKE NEW FISHERIES DEAL

On 28 July, the EU and Morocco signed a new fisheries partnership agreement after six years of negotiations. The deal, which is worth 144 million euros, will allow 119 European trawlers, mainly Spanish, to enter one of the world's richest fishing grounds off Morocco's Atlantic Coast. The final deal is far less extensive than the 1995-1999 agreement -- one of the most important European fishing agreements at the time. Since then, European vessels have been entering Moroccan waters through joint venture programmes, targeting overexploited species such as shrimps. The new agreement excludes the pursuit of fishing for overexploited species and has thus been cautiously welcomed by environmentalists who consider the deal a "major progress in the promotion of

sustainable fisheries". The environmental group WWF also welcomed the provisions against the use of driftnets -- a type of net still in use in Morocco that leads to catches of non-targeted species. Opinions within Morocco diverge on whether the deal will benefit the country in the long run. Unions and industry organisations have raised concerns, fearing that European vessels could undermine local employment opportunities in a fisheries sector that is already overcapitalised. The exiled government of Western Sahara considered the deal "illegal and unjust", stating that the fish resource should not be sold before the dispute between Morocco and Western Sahara is resolved.

The new agreement is scheduled to enter into force in March 2006, pending ratification by the Moroccan parliament, the parliaments of the 25 EU member states and the EU parliament.

ICTSD reporting; "Morocco-EU fisheries deal finally renewed", AFROL NEWS, 28 July 2005; "WWF applauds EU initiative to end Morocco's illegal driftnet fleet", WWF PRESS RELEASE, 29 July 2005; "Fishing industry Reeling them in", MOROCCO TIMES 17 August 2005; "Polisario says will fight EU-Morocco fishing deal", NEWKERALA, 3 August 2005.

WTO NEGOTIATORS GET READY FOR HONG KONG COUNTDOWN

Following their failure to meet an end-July target date for reaching agreement on certain key issues in the ongoing Doha Round negotiations, Geneva-based trade diplomats are girding themselves for what promises to be an intensive three months of discussions in the run-up to the WTO's Hong Kong Ministerial Conference in December. Early this year, Members decided to try to come up with preliminary agreements -- 'first approximations' -- on contentious issues such as agriculture and non-agricultural market access (NAMA) before the WTO's annual August holiday. These would then have been finalised at Hong Kong. Many negotiators blamed the agriculture talks for their inability to arrive at these 'first approximations,' suggesting that several Members were waiting to see progress on farm trade liberalisation before making concessions in other negotiating areas.

In statements during the last meetings before the August break, former WTO Director-General Supachai Panitchpakdi drew Members' attention to specific issues that were preventing agreement in different negotiating areas. He urged them to agree on the structure of the tiered formula for cutting tariffs on farm products, as well as on how to go

about reducing trade-distorting domestic subsidies. Echoing the recommendations of the chairs of the respective negotiating groups, Supachai asked Members to examine how to promote deeper liberalization in services trade, and to strike an "acceptable balance between ambition and flexibility" on NAMA. He also called on them to make progress on special and differential treatment (S&D) for developing countries -- the development dimension of the negotiations in general was described as "sadly lacking" by one ambassador at the 28 July session of the Trade Negotiations Committee.

Delegates return to find a new Director-General -- Pascal Lamy took over from Supachai on 1 September. His foremost task in the coming months will be to revive the faltering Doha Round.

For more details, please see BRIDGES Weekly, 3 August 2005, <http://www.ictsd.org/weekly/05-08-03/story3.htm>.

ICTSD reporting.

INTERNATIONAL INCIDENT EMERGES OVER AMAZONIAN RIVER FISH

An unlikely suspect lies at the centre of what has been labeled an "international incident" between Colombia and Brazil over their shared Amazonian resources: the silver arowana fish. While Colombia harvests the silver arowana for display in aquariums, it is a significant food source for communities along the Amazon basin in Brazil. Because the fish travels the length of the Amazon, its habitat lies in both countries. When the fish travels upstream and crosses the border into Colombia they are captured in order to export juveniles mostly to aquariums in East Asia where it is considered symbolic of prosperity, luck and strength. Financial benefits in the ornamental fish industry can be rewarding. In China a silver arowana can be sold for as much as US\$50 to US\$5000, depending on its aesthetics. However, Brazil maintains that this is an improper use of an important food source for its communities living along the Amazon. "They should be less liberal about exporting ornamental fish," said Henrique Pereira dos Santos, Executive Manager of Natural Resources at the Brazilian Environmental Protection Institute (Ibama). The capturing of juveniles for export is further complicated by the fact that mature fish are killed in the process. A recent drop in silver arowana populations has triggered a ban on their capture for

the first time. The precipitous decline has resulted in a moratorium on fishing in both countries -- September 1 to November 15 in Brazil and November 1 to March 15 in Colombia.

"Brazil, Colombia at Odds Over Silver Amazon Fish," ENS, 24 August 2005; "Special Report: Xian Leng Faces a 'Happy' Problem," THE EDGE MALAYSIA, 15 August 2005.

DRAFTING BEGINS OF TRANSFER AGREEMENT FOR GENETIC RESOURCES

A Contact Group established by the Interim Committee of the International Treaty on Plant Genetic Resources for Food and Agriculture (ITPGRFA) at their 18-22 July meeting in Hammamet, Tunisia, agreed on the outline of the standard contract for access to plant genetic resources for food and agriculture. The contract, known as the Standard Material Transfer Agreement (SMTA), is the key tool of the Food and Agriculture Organisation's ITPGRFA (see BRIDGES Trade BioRes, 2 April 2004) <http://www.ictsd.org/biores/04-04-02/inbrief.htm>. The treaty, which entered into force in June 2004, establishes a Multilateral System that aims to facilitate access and benefit-sharing with regard to PGRFA. The SMTA will set minimum standards for access to the 64 crops covered by the Treaty. The meeting set out the basic structure of the SMTA and made substantial progress in formulating detailed provisions, obligations and definitions regarding access and benefit-sharing. Much of this text remains to be agreed, and some areas may prove controversial, including: whether arbitration will be binding or non-binding, the role of the Governing Body of the ITPGRFA, and the threshold and method of payment into the Multilateral System. However, participants expressed hope that the momentum established by the first meeting would continue, even to the extent of completing the draft at the next meeting of the Contact Group in late 2005 or early 2006. In order to facilitate this, Switzerland may hold informal sessions prior to the next meeting. The draft will go to the Governing Body of the ITPGRFA for adoption at its next meeting in June 2006.

The report of the meeting of the Contact Group can be found at <ftp://ext-ftp.fao.org/ag/cgrfa/cgmta1/smta1repe.pdf>

ICTSD Reporting; "First draft of ITPGRFA's MTA negotiated" PLANT GENETIC RESOURCES NEWS FROM THE PACIFIC, July 29 2005.

NAFTA TRIBUNAL RULES AGAINST CANADIAN METHANOL PRODUCER

On 9 August, a North American Free Trade Agreement (NAFTA) tribunal released its findings that dismissed a Canadian methanol producer's US\$970 million lawsuit against the United States and ordered the company to pay US\$4 million in legal fees. In the lawsuit, Vancouver-based Methanex Corp. asserted that because they supply a key ingredient of "methyl tertiary butyl ether" (MTBE) -- a gasoline additive that reduces greenhouse gas emissions in vehicles -- the State of California's ban on the gasoline additive violated their rights under NAFTA's Chapter 11, which protects foreign investors' interests. California instituted the ban in 1999 after traces of the chemical were found in local water supplies. Then California Governor Gray Davis asserted that the ban was necessary because MTBE has been linked to cancer and the chemical presented a threat to human health and the environment. Methanex charged that MTBE's carcinogenic links were not scientifically grounded and that Davis' ban was instead influenced by domestic manufacturers of ethanol -- an MTBE substitute now widely used in California and other states that have implemented similar bans. When a NAFTA panel found in 2002 that Methanex's allegations of protectionism were unfounded, the company revised its claim and charged that Governor Davis had established the MTBE ban in exchange for political contributions by major ethanol producers (see <http://www.ictsd.org/weekly/02-11-14/inbrief.htm>). The NAFTA tribunal unanimously dismissed Methanex's claim on the basis of merit and jurisdiction.

"NAFTA Panel Rules Against Methanex in MTBE Case," REUTERS, 9 August 2005; "Trade Tribunals Must Not Trump State, Local Laws," SAN FRANCISCO CHRONICLE, 23 August 2005; "Methanex Loses US \$1B Fight Over Gas Additive," FINANCIAL POST, 10 August 2005; "Trade Panel Rejects Canadian Firm's Challenge to California MTBE Ban," AP, 10 August 2005.

STUDY POINTS TO GROWING INTERNET TRADE IN ENDANGERED ANIMALS

The Internet is becoming the key market for illegal poachers of endangered wildlife species around the world, according to a recently released study by the International Fund for Animal Welfare UK (IFAW). In the report, "Caught in the Web: Wildlife Trade on the Internet", IFAW found 146 live primates and nearly 9000 wildlife products up for grabs, after months of monitoring the nature and scale of wildlife trade on the Internet. It also found that most of the products come from protected species, and that trade in some of them is outlawed internationally. IFAW's UK director Phyllis Campbell-McRae recognises that reducing demand through increased education would be key to addressing this problem, saying "trade in wildlife is driven by consumer demand, so when the buying stops, the killing will too". In addition to education, environmentalists claim that stricter penalties and better enforcement by both national and international authorities are necessary for the fight against illegal wildlife trade. At the international level, enforcement-related measures to address illegal trade in endangered species are provided by the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES).

The report is available at http://www.ifaw.org/ifaw/dimages/custom/2_Publications/Wildlife/CaughtInTheWeb.pdf

"Internet trade in exotic animals threatens endangered species," E-MAGAZINE, 23 August 2005; "Shopping mall: lions for sale on the Internet," TERRA.WIRE, 16 August 2005; "Extinction online? Report cites wildlife on Web," MSNBC.COM, 16 August 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

5 September, Beijing, China: CHINA'S ENERGY NEEDS AND SUSTAINABLE DEVELOPMENT: INVESTING IN THE FUTURE. This meeting is organised by the Chatham House and the China Institute of International Studies and will examine sustainable

development issues in China as they relate to energy. It will focus on policy aspects of securing sustainable energy sources, what would be necessary to make such a goal achievable and in particular what structures would be needed to encourage foreign direct investment and participation by the private sector. For further information contact Dino Ribeiro, tel: +44 (0)20 7957 5700; fax: 7957 5710 email: dribeiro@chathamhouse.org.uk; Internet: <http://www.riia.org/index.php?id=5&cid=82>

5-7 September, Morogoro, Tanzania: TAKING STOCK IN PARTICIPATORY FOREST MANAGEMENT RESEARCH: WHAT HAVE WE LEARNED AND WHAT ARE THE GAPS? This event is co-organised by the Research Network for Environment and Development (ReNED) and the Participatory Forest Management Component, Forestry and Beekeeping Division, Tanzania and will identify research gaps and provide guidance as to where and how participatory forest management can be developed further in Tanzania. For further information contact the ReNED secretariat, tel: +(45) 35 32 25 29; email: mim@geogr.ku.dk; Internet: http://www.geogr.ku.dk/projects/rened/2005_09_14_Tanzania.pdf

5-9 September, Montreal, Canada: AD HOC OPEN-ENDED WORKING GROUP ON THE REVIEW OF IMPLEMENTATION OF THE CONVENTION. This meeting is organised by the Secretariat of the Convention on Biological Diversity (CBD) and will review progress towards implementation of the CBD and the Strategic Plan along with the impacts and effectiveness of existing processes under the Convention. For further information contact the Secretariat, tel: +1 514 288 2220; fax: 288 6588; email: secretariat@biodiv.org; Internet: <http://www.biodiv.org/doc/meeting.aspx?mtg=WGRI-01>

8-10 September, Barcelona, Spain: EFI 2005 ANNUAL CONFERENCE AND SCIENTIFIC SEMINAR: MULTIFUNCTIONAL FOREST ECOSYSTEM MANAGEMENT IN EUROPE: INTEGRATED APPROACHES FOR CONSIDERING THE TEMPORAL, SPATIAL AND SCIENTIFIC DIMENSIONS. This conference and scientific seminar organised by the European Forest Institute (EFI), Medforex and the Forest Technology Centre of Catalonia will deal with the ecological, economic and social challenges related to the multifunctional management of European forests. For further information contact the EFI Secretariat, tel: (+)358 13 252 020; fax: 124 393; email: efisec@efi.fi; Internet: <http://www.efi.fi/events/extra/2005/2005ac/>

9 September, Bologna, Italy: 'CO-EXISTENCE', CONTAMINATION AND GM-FREE ZONES: JEOPARDISING CONSUMER CHOICE? Organised by Consumers International (CI) and Regione Emilia-Romagna, the conference brings together representatives from regions that are concerned with the challenges

posed by the 'co-existence' of GM crops with conventional and organic crops in order that they may engage in discussion on common issues, experiences, strategies, challenges and successes. For further information, contact David Cuming: +44 20 7226 6663; email: dcuming@consint.org; Internet: <http://www.gmwatch.org/archive2.asp?arcid=5602>

12 September, Geneva, Switzerland, MILLENNIUM DEVELOPMENT GOALS AND THE SECRETARY GENERAL'S REFORM: 10:00 – 12:15 International Environment House II, Meeting Room Aare. From 14-16 September, world leaders will gather at a summit in New York to review the implementation of the Millennium Declaration, adopted by all Members States five years ago, including progress in achieving the Millennium Development Goals and their financing. On the eve of this summit, the roundtable will make a round-up of the MDGs, focusing particularly on environmental issues, and taking a critical look at the approach and architecture that has been agreed, and efforts undertaken so far, by institutions and Member States to reach the goals. For further information, contact Fatma Gordon, Geneva Environment Network (GEN), tel: (+41 22) 917 8326; fax: 797 3464; email: fatma.gordon@unep.ch.

13-16 September, Buenos Aires, Argentina. LATIN AMERICAN AND CARIBBEAN REGIONAL WORKSHOP ON SUSTAINABLE USE. Organised by the Secretariat of the Convention on Biological Diversity. For further information, contact the CBD Secretariat; tel: (+1 514) 288 2220; fax: 288 6588; email: secretariat@biodiv.org; Internet: <http://www.biodiv.org/doc/meeting.aspx?mtg=RWSUL-AC-01>

13-16 September, Helsinki, Finland. AD HOC TECHNICAL EXPERT GROUP ON BIODIVERSITY AND CLIMATE CHANGE. Organised by the Secretariat of the Convention on Biological Diversity. For further information, contact the CBD Secretariat; tel: (+1 514) 288 2220; fax: 288 6588; email: secretariat@biodiv.org; Internet: <http://www.biodiv.org/doc/meeting.aspx?mtg=TEGC-C-04>

14-16 September, New York City, US: 2005 WORLD SUMMIT. The Summit will 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. Internet: http://www.un.org/ga/59/hl60_plenarymeeting.html

15 September, Geneva, Switzerland: WTO COMMITTEE ON TRADE AND ENVIRONMENT. For further information contact the WTO Information and Media Relations Division, Geneva; tel: (41-22) 739-

5007; fax: (41-22) 739-5458; email: enquiries@wto.org;
Internet: http://www.wto.org/english/news_e/meets.pdf

16 September, Geneva, Switzerland: WTO COUNCIL FOR TRADE-RELATED ASPECTS OF INTELLECTUAL PROPERTY RIGHTS (TRIPS). For further information contact the WTO Information and Media Relations Division, Geneva; tel: (41-22) 739- 5007; fax: (41-22) 739-5458; email: enquiries@wto.org;
Internet: http://www.wto.org/english/news_e/meets.pdf

Other Upcoming Events

20-22 September, Rome, Italy. FAO/FISHCODE AND WORLD FISH STAKEHOLDERS WORKSHOP ON INTERDISCIPLINARY APPROACHES TO THE ASSESSMENT OF SMALL-SCALE FISHERIES. This workshop will bring together key stakeholders of FAO, the WorldFish Center, independent researchers and donor organizations and will aim to outline activities for the development of interdisciplinary approaches to assess small scale fisheries. For further information contact Eric Reynolds email: eric.reynolds@fao.org; Internet: http://www.fao.org/fi/NEMS/events/detail_event.asp?event_id=31835

26-28 September, Jakarta, Indonesia: REGIONAL ARTISANAL FISHERIES CONFERENCE: This event is organised by the SEAFish for Justice Network in collaboration with Oxfam International and will unite artisanal fisherfolk organisations in order to discuss the characterisation of artisanal fisheries, the possible impacts of the non-agricultural market access negotiations of the WTO on fisheries as well as the scope for special and differential treatment in multilateral trade negotiations. For more information, contact: Ephraim Patrick T. Batungbacal Conference Coordinator Tambuyog Development Center, tel: (63-2) 928 82 89; fax: (63-2) 926 44 15; email: sonny@tambuyog.org.

2-6 October, Addis Ababa, Ethiopia: REGIONAL ABS CAPACITY-BUILDING WORKSHOP FOR EASTERN AND SOUTHERN AFRICA. The workshop is being organised by the Institute for Biodiversity Conservation and the GTZ on behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ). The aims of the workshop are: (1) To foster an open exchange between stakeholders based on existing local, national and regional initiatives and experiences and (2) to create an understanding how local, national and international regulations depend on each other to be effective in implementing the third objective of the CBD. For further information, contact Andreas Drews; tel.: +49 (6196) 79-1363; fax.: 79-801363; email: andreas.drews@gtz.de; Internet: <http://www.abs-africa.info> (online early September)

17-19/21 October, Alnarp, South Sweden: BRIDGING THE GAP - POLICIES AND SCIENCE AS TOOLS

IN IMPLEMENTING SUSTAINABLE FOREST MANAGEMENT. The Conference will take place at the Swedish University of Agricultural Sciences (SLU) at Alnarp in Southern Sweden. The venue is situated close to Malmö. Copenhagen airport, Kastrup, is a convenient arrival point as there is a comfortable train connection from the Airport to Malmö Central Station. Internet: <http://www2.ess.slu.se/BridgingTheGap/Homepage.htm>

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.

THE MAP-BASED SEQUENCE OF THE RICE GENOME. By the International Rice Genome Sequencing Project (IRGSP), August 2005. IRGSP has published a complete, finished-quality, map-based sequence of the rice genome. According to this article, the sequence data released so far has proven useful for the identification of genes underlying agronomic traits. The article says that the complete, finished-quality sequence reveals additional single-nucleotide polymorphisms and simple sequence repeats that should further accelerate improvements in rice production. To access this article, visit <http://www.nature.com/nature/journal/v436/n7052/abs/nature03895.html>

SUSTAINABILITY IMPACT ASSESSMENT (SIA) OF THE EU-ACP ECONOMIC PARTNERSHIP AGREEMENTS: PHASE TWO. Price Waterhouse Coopers, July 2005. This is the Final Report of Phase Two of the Sustainability Impact Assessment (SIA) of the Economic Partnership Agreements (EPA) being negotiated between the European Union and the African Caribbean and Pacific (ACP) countries. This ex ante SIA assesses the potential economic, social and environmental impacts of an EPA on the agro-industry sector in West Africa, tourism services in the Caribbean ACP countries and fisheries in the Pacific ACP countries. To access this report, visit http://www.sia-acp.org/acp/download/pwc_sia_acp20july2005-executive-summary.pdf

AN ACTIVIST APPROACH TO BIODIVERSITY PLANNING: A HANDBOOK OF PARTICIPATORY TOOLS USED TO PREPARE INDIA'S NATIONAL BIODIVERSITY STRATEGY AND ACTION PLAN. By Tejaswini Apte. International Institute for Environment and Development, 2005. This handbook presents tools that were used to elicit participation in the planning process for India's National Biodiversity Strategy and Action Plan (NBSAP). It describes these tools in an attempt to make it easier for readers to adapt them to their own settings, as well as understand the strengths and weaknesses of each. The tools are presented through examining four states and sub-states.

To access this handbook, visit <http://www.policy-powertools.org/related/docs/NBSAP.pdf>

BIOTECHNOLOGY, AGRICULTURE, AND FOOD SECURITY IN SOUTHERN AFRICA. Edited by Steven Were Omamo and Klaus von Grebmer.

International Food Policy Research Institute, 2005. 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>

SYNERGIES BETWEEN TRADE IN ENVIRONMENTAL SERVICES AND TRADE IN ENVIRONMENTAL GOODS. By Ronald Steenblik, Dominique Drouet and George Stubbs. Organisation for Economic Cooperation and Development, July 2005.

This paper examines the synergistic relationships between trade in environmental services and trade in environmental goods. After describing the nature of each environmental service, it identifies broad categories of goods used in the performance of those services, and notes that for some goods, environmental services are the force that is driving growth in their markets. To access this paper, visit <http://www.oecd.org/dataoecd/21/48/35161237.pdf>

AFRICA -- UP IN SMOKE? By Andrew Simms and Hannah Reid. International Institute for Environment

and Development, July 2005. This is the second report from the Working Group on Climate Change and Development. The report draws attention to the fact that climate change is a particular challenge for Africa, where many of the world's poorest countries are located. Africa's vulnerable agriculture system, greater exposure to the impacts of climate change, widespread poverty, recurrent droughts and floods, immediate daily dependence on natural resources and biodiversity, heavy disease burden and numerous conflicts are all factors that call for a new model of development in the face of climate change. To access this report, visit http://www.iied.org/climate_change/pubs.html#auis

STRATEGIC ENVIRONMENTAL ASSESSMENT: A SOURCEBOOK AND REFERENCE GUIDE TO INTERNATIONAL EXPERIENCE. By Barry Dalal-Clayton & Barry Sadler. International Institute for Environment and Development, July 2005. This sourcebook provides a global review of the rapidly evolving field of strategic environmental assessment (SEA) that is intended to provide a baseline for the work of an OECD Task Team on SEA and a UNEP initiative on integrated planning and assessment. It describes trends in application and experience in different contexts worldwide, providing in-depth coverage of the status of SEA systems and practices in developed, transitional and developing countries. To order this sourcebook, visit <http://shop.earthscan.co.uk/ProductDetails/mcs/ProductID/428/GroupID/3/Categ>

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