



Bridges Trade BioRes

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

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Biodiversity

BIODIVERSITY MEETING BALANCES SCIENTIFIC, POLITICAL GOALS

Negotiators at the 10th meeting of the Subsidiary Body on Scientific Technical and Technological Advice (SBSTTA-10) to the Convention on Biological Diversity (CBD) held from 7-11 February in Bangkok, Thailand, struggled to keep high-priority technical decisions on biological diversity at the top of an agenda threatened by political manoeuvring. So-called "terminator technologies", known also as genetic use restriction technologies (GURTS, i.e. technologies that can be used to genetically alter seeds to be sterile and thus prevent reuse), along with perverse incentives with potentially negative impacts on biodiversity dominated the agenda of meeting.

"Terminator technologies" controversial

Negotiators considered a report from the CBD's Ad-hoc Technical Expert Group on GURTS. Delegates squared off in heated discussions between the proponents -- led by Canada -- and opponents - including several African countries, Austria, Switzerland, Peru and the Philippines -- for repealing the 1998 CBD's moratorium on GURTS. Advocates argued that adverse environmental and social effects of the technology had not yet been confirmed and should be subject to strict risk assessments. For their part, critics warned that GURTS could compromise the ability of farmers and indigenous peoples to reuse their seeds, and raised concerns over impacts on agricultural biodiversity and the possibility of "terminator genes" being transferred to wild plants.

While retaining the moratorium for the time being, SBSTTA was unable to reach consensus on the report despite two days and nights of discussion, opting instead for transmitting the controversial document to the CBD's Conference of the Parties (COP) and to the CBD's Working Group on Article 8(j) (traditional knowledge). The final recommendation that was adopted by the plenary includes reiterates the need for a precautionary approach cited in Decision V/5 which established the moratorium. In response to concerns over potential socio-economic impacts, the recommendation encourages Parties and others to respect traditional knowledge and farmers' right to the preservation of seeds under traditional cultivation. The recommendation also encourages the continuation of further research on the potential environmental, socio-economic, and cultural impacts of GURTS.

Ways and means to eliminate 'perverse incentives'

Discussions on perverse incentives focused on a paper regarding "Proposals for the Application of Ways and Means to Remove or Mitigate Perverse Incentives", which is based on a 2003 CBD Secretariat document that has since bounced between the SBSTTA and the CBD COP (see BRIDGES Trade BioRes, 20 February 2004, <http://www.ictsd.org/biores/04-02-20/story1.htm>). Originally intended to assist countries to remove perverse incentives on a voluntary basis, such as land-use policies that encourage wetland 'reclamation', the item has been taken over by a political agenda that equates the term 'perverse incentives' with 'agricultural subsidies'.

Argentina and New Zealand, generally supported by one or more of Australia, South Africa, and/or Brazil, viewed this item as an opportunity to get other countries to change their agricultural subsidies program, to the dismay of the Europeans. A contact group was formed to discuss the definition of perverse incentives, but quickly got bogged down in differences over the meaning of the term "practices which generate perverse incentives". Some said that the policies that result in biodiversity loss should be the focus rather than the practices. In the end, these terms remained bracketed (i.e. undecided) in the draft document. The heavily bracketed document was forwarded to the COP, which will decide on a path forward.

The next meeting of the SBSTTA will be held 5-9 December 2005 in Montreal, Canada, and the 8th COP of the CBD will be held in early 2006 in Brazil.

Additional Resources

For more information on the SBSTTA meeting, visit <http://www.biodiv.org/convention/sbstta.asp>

ICTSD Reporting; ENB, Vol. 9 No. 306, 14 February 2005; "Canadian Government to Unleash Terminator Bombshell at UN Meeting," ETC GROUP, 7 February 2005.

Fisheries

CHILE LAUNCHES WTO CHALLENGES AGAINST EU SALMON SAFEGUARDS

On 8 February, Chile submitted an official request for WTO consultations to the European

Commission regarding new EU safeguard measures on farmed salmon that entered into force on 6 February. The measures, which impose minimum import prices and tariff quotas, were implemented in response to pressure from the UK and Ireland to protect the Scottish and Irish salmon industry from cheap, primarily Norwegian imports.

According to the Commission, recent significant increases in low-priced imports of farmed salmon into the EU market have caused "serious injury" to Community producers by pushing down market prices resulting in large financial losses for producers. To protect its domestic industry, the Commission has imposed a minimum import price of EUR 2'700 per tonne of whole fish and 2'592 for frozen salmon. Moreover, in order to ensure that EU producers can remain profitable while keeping the market open, tariff quotas have been established that limit duty-free imports to 10 percent above 2004 volumes. Imports exceeding this level will be subject to an additional duty.

The safeguards will remain in force until 13 August 2008. The Commission noted that the measures should be subject to further liberalisation during that period, for instance through increases in the quota or a reduction in the additional duty, in order to increase the competitive pressure on Community producers. The new measures are targeted primarily at imports from Norway -- which supplies about 60 percent of Europe's annual consumption -- but will also affect Chile since the country supplies more than three percent of total EU imports. Most developing countries have been exempt from the measures.

Chile and Norway reacted angrily to the new measures, prompting Chile to launch a dispute at the WTO with Norway likely to follow suit. In its request for consultations (G/L/728, available at <http://docsonline.wto.org/>), Chile notes that the measures are having serious adverse effects on Chile's wild salmon exports. The country also asserts that the increase in imports has not been sufficiently recent, sudden, sharp and significant (as required by WTO rules), nor had they caused serious injury to the domestic industry.

While the EU market still receives a relatively small share of Chilean salmon exports (amounting to less than 10 percent), it is feared that the measures will effectively stifle the sector's growth. According to Carlos Vial of the Chilean Salmon Industry Association, the safeguards will "directly limit the

development of salmon farming in Chile and close the doors to further growth in the EU market" despite the existence of a free trade agreement between the two trading partners. The Chilean industry also expressed concerns over impacts on the world salmon market in general, including a possible decline in trade volumes and market prices.

The two parties now have 60 days to settle the dispute. If they fail to reach an agreement, Chile can request the establishment of a WTO panel to assess the dispute.

Additional Resource

For further information on the safeguard measures, see <http://trade-info.cec.eu.int/doclib/html/121380.htm>.

"Chile initiates WTO complaint in dispute over EU's safeguards on salmon imports," WTO REPORTER, 10 February 2005; "Chile-EU: Salmon import barriers spawn growing tensions," IPS, 10 February 2005.

In Brief

EUROPE LOOKS BEYOND KYOTO AS PROTOCOL ENTERS INTO FORCE

The 1997 Kyoto Protocol to the United Nations Framework Convention on Climate Change (UNFCCC) entered into force on 16 February (see BRIDGES Trade BioRes, 19 November 2004, <http://www.ictsd.org/biores/04-11-19/inbrief.htm#2>). The event was celebrated around the world both by governments and civil society groups, despite the fact that some significant polluters -- such as the US -- have chosen to remain outside the treaty. Environmental groups also stressed that although the Kyoto Protocol was important, and its entry into force signalled a commitment among Parties to move towards a low-carbon economy, it only represented a first step. Friends of the Earth's Catherine Pearce commented that "It is time for rich countries to act now, before it becomes too late... With concerted action, industrialised countries, led by the European Union, can be delivering cuts in emissions and set us on the path to 80 percent reductions by 2050".

A week earlier, on 9 February, the European Commission released a communication on its strategy beyond 2012, when the first commitment period of the Kyoto Protocol ends. According to European Environment Commissioner Stavros Dimas, "We will continue to lead by example, but

we will also continue to pressure hard for all of our international partners to come on board." Among measures for future EU climate policy, the Commission proposed: including new sectors, such as aviation, maritime transport and forestry; supporting innovation and research on new climate-friendly technologies; continuing the use of flexible market-based instruments such as emissions trading both in the EU and internationally; and focusing on adaptation policy.

Canadian Prime Minister Paul Martin announced on 16 February that the 11th Conference of the Parties -- which will also be the first Meeting of the Parties when negotiations will begin on the post-2012 phase -- will be held in Montreal, Canada in early December 2004.

To access the Commission documents visit http://www.europa.eu.int/comm/environment/climat/future_action.htm

"Canada To Host Next Major International Meeting Setting Global Course On Climate Change Beyond Kyoto," CANADIAN GOVERNMENT, 16 February 2005; "Climate Change Treaty Goes Live But Battle On Emissions Has Only Just Begun," FOEI RELEASE, 14 February 2005; "EU Climate Policy Aims for Wider International Involvement," ENS, 10 February 2005; "EU Climate Policy Aims for Wider International Involvement," EC RELEASE, 9 February 2005.

US QUESTIONS EU ON WOOD PALLET RESTRICTIONS

US Trade Representative Robert Zoellick urged European governments in a 9 February letter to suspend a new rule, scheduled to go into effect on 1 March, that would require wood pallets used to import many goods into the EU to be bark-free. The EU had approved the new regulation last October in an effort to "prevent nasty little insects from getting into the ports and causing all kinds of damage," according to Anthony Gooch, a spokesman for the European Commission in Washington. EU officials will discuss the potentially trade-distorting effects of this environmental regulation, and the possibility of delaying it, at a meeting on 28 February. The US as well as a number of Latin American countries have previously raised related concerns at the WTO Committee on Sanitary and Phytosanitary Measures, arguing that the requirements go beyond the agreed International Standard for Phytosanitary Measures on wood packaging (see Bridges Weekly, 3 November 2004, <http://www.ictsd.org/weekly/04-11-03/story3.htm>).

Wood pallets, which are used to ship more than US\$8 billion in goods from the US to the EU annually, can provide temporary sanctuary to insects that are harmful to plants. Several countries, including Brazil and Finland, have imposed regulations in response to outbreaks of long-horned beetles, requiring wood pallets to be heat-treated, fumigated or treated with preservatives prior to departure from the country of origin. Among the chemicals used to treat pallets, methyl bromide -- a significant ozone depleting substance -- has proven controversial among Parties to the Montreal Protocol on ozone-depleting substances who have repeatedly failed to agree on whether to allow limited use (see Bridges Trade BioRes, 3 December 2004, <http://www.ictsd.org/biores/04-12-03/inbrief.htm#2>).

"U.S. Complains to Europe Over Rules on Wood Pallets," BLOOMBERG, 10 February 2005; "Insects making pallets unpalatable," BOSTON GLOBE, 13 February 2005.

DNA 'BARCODING' PROJECT LAUNCHED

The Consortium for the Barcode of Life (CBOL) held their first international conference from 7 to 9 February where they launched an initiative to create a database that will enable identification of all plant and animal species based on a portion of their DNA. This process, dubbed 'DNA Barcoding', uses a DNA sequence from an agreed-upon location in the genome to characterise species of organisms. The database will not only facilitate the finding of new species, but also help to identify carriers of disease and monitor endangered species. However, some researchers expressed doubts about the reliability of the approach, particularly in classifying closely related species. The process is split into three classification projects based on the type of organism: species of birds; marine and fresh water fish; and plants in Costa Rica and Central America. The CBOL hope to collect barcodes for the 10,000 known species of birds by 2010.

"Consortium for the Barcode of Life," SMITHSONIAN INSTITUTION, 17 February 2005; "Genetic Barcodes Will Identify World's Species," REUTERS, 17 February 2005; "Science Intends to Tag All Life," BBC NEWS, 17 February 2005.

WTO MEMBERS MEET FOR FIRST COTTON TALKS

The WTO Cotton Sub-committee, set up in the July framework adopted by WTO Members last year (Bridges Trade BioRes, 6 August 2004,

<http://www.ictsd.org/biores/04-08-06/story1.htm>), met for the first time on 11 February. The Sub-committee agreed to focus on assessing progress in the agriculture negotiations and including regular updates on developmental aspects of the cotton initiative to ensure coherence between trade and development aspects of the issue. Members, however, failed to agree on whether the scope of the group should include any other issues. The US advocated for including a heading of "other" in the work programme, which would allow Members to raise broader issues raised in non-agricultural market access negotiations (such as textiles), trade remedies and other government policies. The move was opposed by India, Egypt, Brazil, Argentina, Pakistan, Paraguay, China and Japan. Most speakers stressed the importance of the cotton issue, in particular given the impact of cotton subsidies on poor farmers, and reiterated the mandate to proceed "ambitiously, expeditiously, and specifically" given to the group from the July Package. Chairperson Tim Groser (New Zealand) stressed that 100 million farmers in 80 developing countries produce cotton and noted that the issue was important enough to decide the fate of the Doha negotiations. The meeting was suspended for consultations and will meet again once agreement is reached on the work programme.

ICTSD Reporting.

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

21-23 February, Geneva: WTO NEGOTIATING GROUP ON RULES. 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

21-25 February, Nairobi, Kenya: 23RD SESSION OF THE GOVERNING COUNCIL / GLOBAL MINISTERIAL ENVIRONMENT FORUM (GC-23/GMEF). The meetings of the plenary in the form of ministerial consultations will address the implementation of the internationally agreed development goals of the Millennium Declaration together with policy issues related to water, sanitation and human settlements. The

session/forum will also consider and approve the work programme and budget of UNEP for the biennium 2006–2007.

22, 24-25 February, Geneva: 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

28 February - 4 March, Cape Town, South Africa: CODEX COMMITTEE ON FISH AND FISHERY PRODUCTS (27TH SESSION). The session is organised by the Codex Alimentarius Secretariat. Attendees of this conference will discuss papers on topics including the code of practice for fish and fishery products; aquaculture; the standard for canned sardine and sardine type products; and the standard for quick frozen scallop adductor muscle meat. For further information, contact the Codex Secretariat, tel: (+39 06) 5705 2287; fax: 5705 3369; email: codex@fao.org; Internet: <http://www.codexalimentarius.net/web/current.jsp>.

2 March, London, England: IS THE NORTH IMPOSING UNACCEPTABLE STANDARDS ON THE SOUTH? This meeting is part of the Global Development Forum Series, will be chaired by Ms Patricia Feeney, Director of RAID, Oxford, and will feature Mr Geoffrey Lean, Environment correspondent of the Independent on Sunday; Mr Tony Juniper, Director of Friends of the Earth; and Mr Charlie Kronick, Greenpeace. The meeting will address the question whether the rules emanating from the Kyoto Protocol will make it impossible for the poorer countries to develop. For further information, contact the Global Development Forum, email: director@global-development-forum.org; Internet: <http://www.ethical-events.org/gdf/programme.htm>.

3-4 March, Rome, Italy: TECHNICAL CONSULTATION ON INTERNATIONAL GUIDELINES FOR THE ECOLABELLING FOR FISH AND FISHERY PRODUCTS FROM MARINE CAPTURE FISHERIES. This meeting is organised by the Food and Agriculture Organization of the United Nations. Participants in this meeting will review the Draft International Guidelines for the Ecolabelling of Fish and Fishery Products from Marine Capture Fisheries. For further information contact Rolf Willmann, email: rolf.willmann@fao.org; Internet: http://www.fao.org/fi/NEMS/events/detail_event.asp?event_id=24563.

Other Upcoming Events

9-10 March, Geneva: WTO COMMITTEE ON SANITARY AND PHYTOSANITARY MEASURES. 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

13-19 March, Cairo and Sharm El-Sheikh (Sinai Peninsula), Egypt: CAIRO 9TH INTERNATIONAL

CONFERENCE ON ENERGY & ENVIRONMENT (EE9). This conference is organised by the Egyptian National Research Centre and Wayne State University and will examine integrated analysis of the impact of new, alternative, and renewable energy sources on development and the environment, provide up-to-date research findings and technology for environmentally sound practice and help participants gain a better understanding of environmental methods and to further their implementation in the Middle East. For further information contact Ralph H. Kummeler, Wayne State University, tel: (+1) 313 577 3775; fax: 313 577 5300; email: rkummeler@chem1.eng.wayne.edu; Internet: <http://ee9.sat-eng.com>.

21-23 March, Marrakesh, Morocco: 2ND INTERNATIONAL FORUM ON PARTNERSHIPS FOR SUSTAINABLE DEVELOPMENT: ADVANCING IMPLEMENTATION ON WATER AND ENERGY. This Forum is organised by the Moroccan Ministry of Territory Planning, Water and Environment in cooperation with the UN Department of Economic and Social Affairs (UN/DESA) and will build on the outcomes of other international partnership discussions, including the First International Forum on Partnerships for Sustainable Development held in March 2004 in Rome, Italy. The Second Forum will focus on the issue of "Advancing Implementation on Water and Energy." The meeting's outcomes will be presented during CSD-13, which will convene from 11-22 April 2005, in New York. For further information contact the Moroccan Ministry of Territory Planning, Water and Environment, tel: (+212 37) 77 26 62; fax: 37 77 26 40; e-mail: forum@minenv.gov.ma; Internet: <http://www.sdp.gov/sdp/c10827.htm>.

31 May - 3 June, Maputo, Mozambique: 9TH AFRICA OIL & GAS, TRADE & FINANCE CONFERENCE & SHOWCASE. This conference is organised by the United Nations Conference for Trade and Development (UNCTAD), the Ministry of Mineral Resources & Energy, Mozambique, the national state oil company, Empresa Nacional de Hidrocarbonetos de Mocambique, Petromoc and ITE Group Plc. Upstream oil and gas is of growing importance within the South of Africa and as the fields off Mozambique are developed, natural gas is becoming more significant to the country, with reports suggesting that it has southern Africa's greatest potential for energy production. The 2005 conference will take a detailed look at the current opportunities within Mozambique, as well as throughout the African continent. For further information contact Colins Tchanga, tel: (+44 20) 7596 5148; fax: 7596 5105; email: colins.tchanga@ite-exhibitions.com; Internet: <http://www.africa-ogtf.com>.

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 hbaumuller@ictsd.ch.

SHRIMP'S PASSPORT: HOW INTERNATIONAL TRADE AGENCIES MONITOR AMERICA'S FAVORITE SEAFOOD. By Public Citizen, February 2005. The paper claims that the WTO, which enforces global rules regarding the exportation of farm-raised shrimp, prioritises deregulation to the benefit of large corporations and the detriment of small-scale fishermen and coastal communities both in the producing and the consuming nations. In the wake of new trade negotiations on Non-Agricultural Market Access (NAMA), the paper warns that millions of people in developing countries are being threatened by the exploitation of natural systems to create more shrimp farms, most of which in Southeast Asia, where labour and environmental standards are considerably weaker than in the US. For more information visit <http://www.shrimpactivist.org>.

ANALYZING THE RESOURCE IMPACT OF FISHERIES SUBSIDIES: A MATRIX APPROACH. By UNEP, 2004. Although linkages between fisheries subsidies, depletion of fisheries, and trade have been made in forums such as the FAO and WTO Rules negotiations, it is widely recognised that the impacts of subsidies depends both on the type of subsidy provided and the management program in effect in the relevant fishery. In this report, UNEP provides a comprehensive look at its matrix approach to combining these two dimensions to diagnose in what situations fisheries subsidies have adverse effects on fish stocks and/or trade. For more information visit <http://www.unep.ch/etu/etp/index.htm>.

INCORPORATING RESOURCE IMPACT INTO FISHERIES SUBSIDIES DISCIPLINES: ISSUES AND OPTIONS - A DISCUSSION PAPER. By UNEP, 2004. This booklet builds on the above report and offers one view of several possible options for amending the existing WTO Subsidies and Countervailing Measures (SCM) Agreement to address the protection of fishery resources. For more information visit <http://www.unep.ch/etu/etp/index.htm>.

WITHERING ON THE VINE: WILL AGRICULTURAL BIOTECH'S PROMISES BEAR FRUIT? By Gregory Jaffe, Centre for Science in the Public Interest (CSPI), February 2005. The report finds

that the number of genetically engineered (GE) crops going through the US regulatory review process dropped sharply between the late 1990s and the early 2000s. The report recommends simplifying the current regulation system and increasing public investment in GE crops, particularly by applying existing technology to non-commodity crops and by expanding research on biotech crops that would benefit consumers. CSPI also urges increased government support for research on crops that would be important to developing countries and says that the agricultural biotechnology industry should make its technology available for public research and development efforts. For more information visit <http://www.cspinet.org/new/200502021.html>.

WTO AGREEMENT ON AGRICULTURE: A DECADE OF DUMPING -- UNITED STATES DUMPING ON AGRICULTURAL MARKETS. By Sophia Murphy, Ben Lilliston and Mary Beth Lake. Institute for Agriculture and Trade Policy, February 2005. The first in a series assessing the WTO's first 10 years, this report finds that US food companies are still exporting crops at prices below their cost of production onto world markets and that such dumping occurs in spite of the efforts of the WTO. The analysis provides dumping calculations from 1990-2003 for five commodities grown in the US and sold on world markets: wheat, corn, soybeans, rice and cotton. It shows that these products were exported by the US at between 10 and 48 percent below the price of production. Available at <http://www.tradeobservatory.org/library.cfm?refid=48532>

STATE OF THE WORLD 2005: PROGRESS TOWARDS A SUSTAINABLE SOCIETY. By the Worldwatch Institute, 2005. State of the World 2005 takes a new and deeper look at the theme that has dominated international politics since 9/11: security, focusing on the underlying social, economic and environmental pressures which determine how threatened and vulnerable people feel. These include food, water, other natural resources, exposure to environmental change and health threats. Without equitable and sustainable management of these conditions, lasting security cannot be achieved, the report concludes. For more information visit <http://shop.earthscan.co.uk/ProductDetails/mcs/productID/414/groupID/7/categoryID/16>

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