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LEAD STORIES

MEMBERS 'RECALIBRATING' EXPECTATIONS FOR HONG KONG AND BEYOND

After admitting that they remain too divided to agree on a far-reaching, detailed framework for the Doha Round trade talks at the WTO's 13-18 December Ministerial Conference in Hong Kong, Members are attempting to determine exactly what would be in a deal that they might successfully conclude there.

WTO Director-General Pascal Lamy told a heads of delegation meeting on 10 November that "there is not a sufficient level of convergence among Members on the level of ambition in the key areas of the negotiations" for the chairs of the negotiating groups to put together "full modalities," meaning by that a text with numbers or parameters on all elements" of the 2004 July Package (WT/L/579). This did not, he emphasised, mean that Members wanted to lower their level of ambition for the Doha Round as a whole. (See BRIDGES Weekly, 9 November 2005, <http://www.ictsd.org/weekly/05-11-09/story1.htm>)

If full modalities are impossible by Hong Kong, Lamy continued, Members must "recalibrate" expectations for the summit, and determine what would be necessary for them to be able to agree on full modalities soon thereafter. He urged them to give the chairs of the Doha Round negotiating groups guidance on how to develop a draft text for ministers to adopt at Hong Kong, one that would set the stage for going on to full modalities.

Musing aloud about what such a text might look like, Lamy said that an agreement would have to be "a step forward" from the July Package. He suggested that Members might be able to settle on "a range of numbers -- the outer parameters" of an agreement, along with "corresponding texts in the rule-making parts of the negotiations."

'Partial modalities' easier said than done

Even this, however, may prove complicated. Delegates suggest that they may find it difficult to agree to lock in

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some parts of the agenda while the rest remains undetermined, for fear of unbalanced results at the end.

Furthermore, delegates report that as things stand right now, no report on the agriculture and non-agricultural market access (NAMA) negotiations could be much more than a progress review. Agriculture Chair Ambassador Crawford Falconer of New Zealand told delegates at an 11 November informal meeting that he would circulate a draft report for the Trade Negotiations Committee (TNC) to them this week. The report will not be a negotiated document; Members will decide what to do with it in the TNC. Falconer said that the report would contain no binding commitments. He later said that the report would be more than a simple progress report, and would attempt to show ministers the areas where work is needed in Hong Kong.

One negotiator seemed content with Falconer's approach, telling Bridges that it was within his mandate "only to produce a factual report... to direct [ministers] to areas where they could provide direction." Many developing countries don't want the Chair to produce a text that points to conclusions, since they are wary of what these conclusions would be. The delegate said that it was better for Falconer not to try to force agreement where none exists.

With regard to the draft ministerial declaration text on agriculture, Members have made clear to Falconer that they do not want him to put together a compromise text at the moment. Instead, in line with their desire for a 'bottom-up' process, delegations are currently in the process of developing elements of a draft text and submitting them to him. Trade observers expect that Falconer would nevertheless be responsible for collating these into any eventual draft text.

Sources report that NAMA Chair Ambassador Stefan Johannesson of Iceland indicated to negotiators during consultations this week that he would essentially issue a status report describing the different positions taken by Members in the talks. He might indicate areas where there appears to be convergence or divergence, but will not provide recommendations about how gaps could be bridged. Johannesson is reportedly aiming to produce his report by 22 November.

Lamy: need to keep what is already on the table

Members risk losing the limited progress they have made thus far. The US has suggested that it may revoke its offer to cut domestic farm subsidies if the EU does not agree to make deeper cuts to its farm tariffs. The EU, for its part, has said that it would only consider doing so if it saw greater market access for industrial goods and services from G-20 developing countries such as Brazil and India, which in turn have been

insisting that they will do nothing of the sort before the EU makes a more meaningful offer on agricultural market access.

Without naming any countries, Lamy alluded to all of these positions during the 10 November meeting. He told Members that if everything on the negotiating table "disappears, you will all have a problem. You all surely have an interest in preserving what has been achieved until now." He called on them to "try to capture as much as possible what has been achieved since July 2004" in a Hong Kong deal, urging them to address agriculture, NAMA, and services concurrently, in order to better appreciate how the trade-offs among the three might work out.

Looking ahead to a draft Hong Kong text

Lamy raised the possibility of an 'early harvest' agreement at Hong Kong on special and differential treatment for least-developed countries (see related story, this issue). Any resulting commitments would be implemented ahead of the deadline for other Doha Round obligations. Specifying that an "aid for trade package for the end of the round" would help translate its developmental potential into reality, he said that Members would also have to address other aspects of the mandate, such as cotton, preference erosion, and the problems faced by small economies.

One trade negotiator expressed the belief that at least some movement before Hong Kong would be necessary for Members to do more there than simply take note of progress made thus far in the talks. This was not out of the question, the delegate said, since ministers from Brazil, India, the US, and the EU were looking to hold informal discussions in upcoming weeks, as were their counterparts from the Africa Group.

Sources suggest that the negotiating groups are aiming to submit draft text to Lamy by 25 November, ahead of a potential TNC meeting on 28 November.

ICTSD reporting.

LDC S&D PROPOSALS TAKE CENTRE STAGE IN CTD-SS

Chair Faizel Ismail told a 14 November formal meeting of the WTO Committee on Trade and Development Special Session (CTD-SS) that Members had made "no considerable progress" towards a consensus text on trade and development for the Hong Kong Ministerial Conference. Delegates at the meeting also focused on five potential amendments to WTO agreements based on five proposals put forward by the group of least-

developed countries (LDCs). Consensus on the five proposals has remained elusive in recent informal consultations, and Members decided to continue negotiating on them while simultaneously preparing text for a declaration that ministers could adopt in Hong Kong.

Since May 2005, the CTD-SS has been focusing on proposals from the LDC Group and the African Group to enhance the special and differential treatment (S&D) granted to developing countries by specific WTO Agreements, as per Paragraph 44 of the Doha Declaration. In so doing, Members have effectively chosen to temporarily put aside explicit discussion of cross-cutting issues such as eligibility to receive S&D, in spite of some Members' views to the contrary. Negotiations on African Group proposals have also been temporarily halted because trade diplomats deem agreement on them before Hong Kong impossible.

Positions need to be flexible, Chair says

Ismail said at the meeting that consultations have not revealed any moves towards consensus on language for the five LDC agreement-specific proposals (see BRIDGES Weekly, 5 October 2005, <http://www.ictsd.org/weekly/05-10-05/WTOinbrief.htm>). He warned that in the absence of more flexibility in Members' positions, their work on the proposals would yield no results, and might even compromise the progress that has already been made. Nonetheless, he said he would continue consultations, and hoped to finish them with some agreement by 18 November.

LDCs have consistently stressed the importance of the five proposals. On 27 October, Uganda made a strong plea for action, asking why LDCs should go to Hong Kong if there were little chance that they would receive improved market access for their products. Zambia blamed the bleak prospects of agreement on the proposals on the lack of "political will of other Members to strengthen S&D provisions." One delegate blamed the current stalemate on the US, saying that it was effectively blocking LDC efforts to secure binding, fully operational language in the amendments.

At an informal 2 November meeting of the CTD-SS, Ismail put forward revised text for the five LDC proposals. Although slightly revised language was presented to a briefing of Ambassadors the following day, the 14 November meeting was once again given the 2 November version, which appears to be the basis from which negotiations are proceeding.

Three paths to Hong Kong

Ismail told Members on 14 November that the CTD-SS needs to prepare text for the Hong Kong Ministerial

Declaration, and proposed three options for attempting to do so. First, Members could simply continue their negotiations on the five LDC proposals in the hopes of agreeing on language for them; second, they could stop negotiations on the proposals and work on the declaration text instead; or third, they could do both.

Members decided to pursue the third option. This came over objections from several Latin American countries that continuing the thus far unfruitful negotiations on the LDC proposals did not make sense, and that including the current versions of the proposals in brackets (to indicate that they had not been agreed to) with the declaration text would be the best approach to take.

The Chair suggested that the draft ministerial declaration text could be based upon the 2004 July Package language on the same issue. This would be included in the body of an eventual Hong Kong Declaration, while any agreed text for the agreement-specific proposals would be included in an annex.

Switzerland and others said that new text reflecting progress in the negotiations should be written for the declaration itself. They also pointed out that Members should remain open to other options for the Hong Kong text, such as agreement upon the LDC proposals that could be included in their entirety in the annex. However, several developed countries argued that any possible annex for the proposals should be based upon Ismail's 2 November text.

On 16 November, Ismail presented a four-paragraph draft text for the ministerial declaration to delegates during informal consultations. Acknowledging that progress has been made on the five agreement-specific proposals, the text called on Members to intensify work on them. The draft text also noted that Members need to discuss outstanding issues such as if and how to monitor the functioning of S&D provisions. Some delegates expressed reservations about whether the negotiations truly merited the term 'progress.' During the meeting, several delegations said that Members should not scale back their expectations for negotiations on S&D, but others said that given the time constraints, they needed to be realistic about what could be accomplished.

The five proposals

Recent consultations on the five LDC proposals have focused on Proposal 36, which, in the 2 November version, says that "developed country Members shall, and developing country Members declaring themselves in a position to do so should provide duty free and quota free market access for products originating from LDCs" in a stable and predictable manner. LDCs have been arguing that this access should be specified to be

binding and applicable to all products and LDCs in the text. Developed countries, however, have argued for the exclusion of these more obligatory terms. While the 3 November version of the text for the proposals did include these terms within brackets, the text presented to Members on 14 November did not. This led some LDCs to express confusion regarding the negotiation process and ask for them to be put back into the text.

Proposal 23 would require the General Council to decide within 60 days on requests by non-LDC Members to have certain WTO obligations waived to allow them to take measures exclusively in favour of LDCs. However, the 2 November version retains a bracketed stipulation that Members make these decisions while "taking into account the interests of other developing country Members so as not to affect them." Sources suggest that Latin American countries have argued for the inclusion of the phrase to ensure that future waivers for LDCs do not repeat the banana trade experience. Some Latin American producers feel that they have suffered from the waiver granted to the EU allowing it to maintain trade preferences for bananas from African, Caribbean, and Pacific (ACP) countries.

For proposal 84, which seeks exemptions for LDCs from obligations under the Agreement on Trade-Related Investment Measures (TRIMS), the Chair's text would allow LDCs to maintain or introduce measures that are inconsistent with the Agreement based upon temporary notification and exemption procedures. This leans toward the approach favoured by developed countries, rather than the general waiver that the LDCs had been seeking.

Proposal 88 says that LDCs "shall" only be required to undertake obligations or commitments "to the extent consistent with their individual development, financial or trade needs, or their administrative and institutional capabilities." It allows LDCs that find themselves unable to comply with obligations for these reasons to take the issue to the General Council for examination and appropriate action. However, the US has raised some concerns about what a binding "shall" commitment could entail.

Proposal 38 urges donors, multilateral agencies and international financial institutions to coordinate their work to "ensure that LDCs are not subjected to conditionalities on loans, grants and official development assistance that are inconsistent with their rights and obligations under the WTO Agreements." It has broad support from WTO Members.

Members agreed to continue negotiations on these five proposals, keeping in mind that the General Council has said that trade and development issues such as

S&D are an area that could potentially yield an "early harvest" agreement in Hong Kong.

Chair Ismail is continuing negotiations this week on both the five proposals and the draft text for the Hong Kong Ministerial Declaration.

ICTSD reporting; "LDCs make strong plea in WTO for action on SDT," SOUTH NORTH DEVELOPMENT MONITOR, 28 October 2005.

SERVICES CHAIR'S DRAFT HONG KONG TEXT LEAVES DOOR OPEN TO BENCHMARKS

Services Chair Mexican Ambassador Fernando de Mateo's draft ministerial declaration text on services trade leaves the door open to mandatory benchmarks for liberalisation, which is likely to earn the ire of WTO Members who are firmly opposed to the concept.

The draft ministerial text was prepared by de Mateo under his own responsibility after numerous consultations in both open-ended and small-group format. Sources report that in those consultations, the major 'demandeurs' for benchmarks such as the EU, Japan, Australia and Korea advocated binding, mandatory numerical targets for the number of services sectors and sub-sectors in which Members must make liberalisation commitments as part of the Doha Round negotiations.

The EU's 28 October comprehensive proposal on the main negotiating issues of the round called for developed countries to undertake commitments in 139 of the 163 subsectors covered by WTO services rules, and for developing countries to do so in 93 (see BRIDGES Weekly, 2 November 2005, <http://www.ictsd.org/weekly/05-11-02/story2.htm>).

Most developing countries firmly oppose these mandatory numerical benchmarks. Many have pointed out that a cursory examination of the EU's existing and offered services commitments reveals that they correspond roughly to the numerical target that it has set for developed countries. The US and Japan likewise would have to undertake minimal additional commitments to meet the target. Developing country Members protest, on the other hand, that simply trying to meet the EU's proposed benchmark would require them to make many more commitments, even in subsectors where they may be ill-prepared to open their markets any further.

Setting the stage for deeper commitments

Presently, the draft text incorporates both multilateral and plurilateral approaches to enhance liberalisation.

Multilaterally, the text exhorts Members on a 'best endeavour' basis to formally bind existing levels of openness to foreign competition in the services sector, as well as to commit to further liberalisation. Outlining a set of qualitative targets for each of the four 'modes' into which services trade is classified by the General Agreement on Trade in Services (GATS), it stipulates that "Members should strive to ensure that their new and improved commitments adhere" to them. It also encourages them to reduce or eliminate any restrictions that they may have placed on most-favoured nation (MFN) treatment.

With regard to the 'cross-border supply' of services, or Mode 1, the draft asks Members to remove restrictions that require companies to have a commercial presence in a country before they can provide services there. It also urges Members to extend "commitments at existing levels of market access" multilaterally, "across sectors of interest" to other countries. Similar injunctions are placed on Mode 2, which covers the consumption of services abroad.

The Chair's draft encourages Members to permit higher levels of foreign ownership of services companies as part of the targets for the commercial presence of foreign services companies, or Mode 3. It also asks them to place fewer restrictions, such as joint-venture requirements, on how such companies can function.

Members are also exhorted to improve commitments on the so-called 'movement of natural persons, or Mode 4, which covers the crossborder movement of individuals to provide services. Notably, the draft calls on governments to de-link new commitments from the commercial presence of an enterprise, and to remove or reduce economic needs tests such as those that require employers to prove that no domestic workers are available before they can bring in foreign workers under the GATS. Such restrictions have helped keep South-North movement of service providers to a minimum.

The text provides for a plurilateral variant of the bilateral request-offer process, which would allow groups of countries to make collective market access requests to other Members, and subsequently negotiate on these requests plurilaterally before deciding on a level of liberalisation to offer to the entire WTO Membership. It also specifies that the negotiations would be guided by the Chair's summary of the sectoral and modal objectives expressed by Members, which is included as an annex to the text

Even more controversially in light of the strong opposition of so many Members, the Chair's text retains a 'placeholder' for multilateral, mandatory numerical targets, although it does not spell out any details on if, what or how the controversial numerical targets or indicators will be used in the services negotiations. Nor does it elaborate on how exactly the sectoral and modal objectives contained in the annex would provide guidance to the negotiations.

Sources say that de Mateo may flesh out the text with language stipulating mandatory compliance with fixed numerical targets, which has been a major demand of the EU. This, they say, would be a mistake at a time when Members are "recalibrating" their expectations for Hong Kong. Some delegates say, however, that the best chance for agreement on the text would be to imbue the numerical benchmarks with a 'best endeavour' -- that is, non-binding -- character, similar to what was adopted for the qualitative benchmarks on the various modes of supply. However, these delegates say that this compromise is not likely to rear its head until the Ministerial Conference itself.

Members seek balance with rules negotiations

The draft ministerial text has also been criticised for its lack of emphasis on concluding the rule-making component of negotiations by the end of the round.

Trade experts point, for instance, to the proposed text on the negotiations on an emergency safeguard mechanism, which merely instructs Members to engage in more focused discussions on the technical and procedural questions relating to how a potential mechanism could work. This, they argue, has been exactly what Members have been doing over the last five years. The emergency safeguard has been a key demand of certain developing countries which say that such a mechanism is necessary to address situations where a sudden increase in foreign competition causes injury to a country's domestic industry.

Some observers note that the rules aspect of the negotiations is deeply linked to market access, pointing out that developed countries' push for benchmarks should lend justification to creating the safety net that an emergency safeguard mechanism would provide. They argue that compliance with benchmarks would increase the probability of ill-advised commitments, which would in turn result in situations justifying safeguard measures.

The draft text likewise instructs Members, on the issue of services subsidies, to intensify their efforts to fulfil the GATS-mandated information exchange, and to engage in more focused discussions on Members' proposals, including the development of a possible working

definition of subsidies. Again, some trade analysts point out that the reference to focused discussions is little different from what has been going on anyway in the Working Party on GATS Rules.

On the other hand, the draft text's mandate on government procurement appears to put greater emphasis on proposals for a possible framework for government procurement. This has been criticised by some developing countries as being biased in favour of the EU's proposed framework for specific market access commitments in government procurement, and for failing to recognise Members' continuing differences on the scope of the mandate contained in the GATS.

De Mateo is continuing his consultations with delegates on the text. The section on disciplines on domestic regulation is still being negotiated in the Working Party on Domestic Regulation.

ICTSD reporting.

TRADE FACILITATION TALKS MEET SETBACK OVER DRAFT TNC REPORT

WTO talks on trade facilitation stalled on 11 November when a meeting of the Negotiating Group fell apart after Members could not agree on the contents of their draft report to the Trade Negotiations Committee (TNC). The immediate cause of the breakdown was said to be a perception by many developed countries that the modifications to the text proposed by developing countries during the group's 9-11 November session sought to alter the balance of the draft report's text. Developing countries expressed disagreement with the draft report's proposed timeline for proceeding with the trade facilitation negotiations.

Members were unable to even discuss draft ministerial declaration text on trade facilitation for the Hong Kong Ministerial Conference in December, as had been originally intended by Chair Ambassador Muhammad Noor Yacob of Malaysia. This text is supposed to be linked to the report for the TNC.

The rift that has suddenly emerged appears to put brakes on talks that had thus far been progressing steadily and relatively free of the discord that has characterised other issues in the Doha Round negotiations.

The trade facilitation mandate comes from the 2004 July Package (WT/L/579), which asks Members to "clarify and improve relevant aspects" of General Agreement on Tariffs and Trade (GATT) 1994 Articles dealing with freedom of transit for goods (Article V), trade-related fees and formalities (Article VIII), and

transparency in the regulation and administration of trade regulations (Article X).

Text-based negotiations main sticking point

Sources report that Yacob appeared frustrated by Members' inability to discuss and adopt the report, but had to acknowledge that their views were far apart, including on the key issue of if and when to start text-based negotiations. This had already become apparent during informal consultations last month when delegates discussed what they wanted to see in the draft report that Yacob was to prepare (see BRIDGES Weekly, 2 November 2005, <http://www.ictsd.org/weekly/05-11-02/story5.htm>).

Most of the text in the report referred to the wide range of contributions that had been made from over 100 Member delegations, as well as the need to identify Members' "trade facilitation needs and priorities" so that they can be given the assistance and support required to meet them. According to trade sources, the main sticking point in the draft was Paragraph 4, which states that "Members must be mindful of the overall deadline for finishing the negotiations and the resulting need to move into focused drafting mode early enough in 2006 so as to allow for a timely conclusion to text-based negotiations on all aspects of the mandate."

Many developing countries differed on the issue of when to start text-based negotiations. Kenya reportedly objected to the report's recommendation that called for intensifying negotiations "with a view to developing a set of multilateral commitments on all elements of the mandate." A developing-country delegate told Bridges that the "all" was cause for concern, since articulating comprehensive commitments would require Members to have a clear idea about the implications of the various proposals currently on the table, some of which appeared to go beyond the strict negotiating mandate for the talks. It also threatened to close the door to new or revised proposals in the future. Before engaging in 'high-gear' negotiations, the delegate continued, Members needed a common understanding and interpretation of the various proposals on the table, consensus on which proposals are part of the negotiating agenda, and an agreement to keep the door open to future proposals.

Many developed countries considered the text acceptable though not 'perfect,' and reserved the right to match proposals for significant changes with new ones of their own. The US, the EU, China, Canada, Australia, New Zealand, Costa Rica, and Sri Lanka reportedly described the Chair's text as balanced. Sources indicate that the Chair introduced a handful of changes on the second day.

The breakdown occurred on the third day of the meeting, after several developing countries made new proposals for different language on technical assistance. They also called for removing the report's implicit mention of the end-2006 target date for concluding the Doha Round as the deadline for the trade facilitation talks. The EU, eventually supported by the US, Canada and New Zealand, argued that the changes were substantive, would alter the balance of the draft report, and were thus unacceptable.

The report (TN/TF/W/72, currently restricted) classifies elements proposed by Members under three broad headings: measures to modify the three GATT articles at the centre of the trade facilitation talks, provisions for improving trade-related cooperation among customs authorities, and cross-cutting issues. Sub-headings under the first item pertain to specific issues covered by different submissions, including the availability of information, consultation processes for new trade-related rules, advance rulings, appeal procedures, fees and charges connected with importation and exportation, and matters related to goods in transit. Sub-headings under 'cross-cutting submissions' included the identification of Members' needs and priorities, as well as technical assistance and capacity building.

Developing country concerns on technical assistance persist

Technical assistance has been another contentious issue, in spite of the fact that the trade facilitation mandate, set out in Annex D of the July Package, explicitly links developing country Members' eventual obligations to the successful delivery of technical assistance.

Many developing countries want clearer assurance that the necessary technical assistance will be forthcoming before they agree to any specific commitments. Wondering whether developing countries were developing unrealistic expectations about the levels of technical assistance that developed country Members could provide, a developed country trade diplomat said that greater certainty about technical assistance would become possible only with greater clarity about the sort of commitments WTO Members were agreeing to. A developing country trade delegate rejected this concern, pointing out that the level of assistance provided to Members would be based on an assessment of their actual needs beyond what they could implement with domestic resources.

Argentina proposes improvement to language on S&D

Many developing countries also wanted stronger language on special and differential treatment (S&D). Trade sources indicate that Argentina proposed improvements to Paragraph 7 of the draft, which calls on Members to "deepen and intensify" negotiations on S&D to arrive at effective provisions "that allow for necessary flexibility in implementing the results of the negotiations." Arguing that the meaning of "necessary flexibility" was unclear, Argentina called for language that would explicitly anchor it to the July Package S&D mandate in Paragraph 2 of Annex D, which specifies that "the extent and the timing of entering into [trade facilitation] commitments shall be related to the implementation capacities of developing and least-developed Members." Furthermore, Paragraph 7 of the draft report only recognised links to Paragraphs 2 and 3 of the July Package's trade facilitation mandate. The Argentine proposal went further, saying that the draft should also mention Paragraphs 4, 5 and 6 of the Annex, which deal with helping developing countries meet the cost of proposed measures.

The meeting has been postponed to 18 November. A trade diplomat said that Members' differences were not 'insurmountable,' and that they would try to reach an agreement on both the draft TNC report as well as the draft ministerial declaration text. Consensus on the text of the report to the TNC is essential, as the draft ministerial text will refer to provisions within it. The delegate added that there was some pressure to deliver text to WTO Director-General Pascal Lamy by 25 November.

ICTSD reporting; "WTO Talks on Trade Facilitation Falter On Draft's Mention of Deadlines for Action," WTO REPORTER, 15 November 2005.

OTHER NEWS

WTO ENVIRONMENT COMMITTEE DEBATES DRAFT TEXT FOR HONG KONG

Discussions on versions of the draft ministerial declaration text on trade and the environment for the WTO's Hong Kong Ministerial Conference continue to reflect Members' divisions over how to identify environmental goods and services for the purpose of liberalising trade in them.

The latest version of the draft text, put together by environment negotiations Chair Ambassador Toufiq Ali of Bangladesh, was discussed at an informal 9 November meeting of the Committee on Trade and Environment Special Session (CTE-SS). The text recognises the "significant work" that Members have

undertaken under the Doha negotiating mandate, particularly on reducing tariff and non-tariff barriers to environmental goods and services as per Paragraph 31(iii) of the Doha Declaration, and asks them to intensify their efforts. It also takes note of work done under Paragraph 31(i), on the relationship between WTO rules and trade obligations set out in multilateral environmental agreements (MEAs); and Paragraph 31(ii), on facilitating information exchange between MEA Secretariats and relevant WTO committees and on developing criteria for the granting of observer status.

Environmental goods and services prove controversial

The draft text's provisions on the liberalisation of trade in environmental goods and services proved the most controversial at the meeting, with Members' comments reflecting their broad division into two camps on how to go about it.

In general, developed and newly industrialised countries have been supporting the so-called 'list' approach, which would have Members multilaterally agree on a list of goods that would be slated for expedited liberalisation. Most developing countries, however, remain sceptical of this approach, arguing that the lists submitted so far are dominated by goods of export interest to rich nations. The only alternative to the list approach that is seriously being discussed at this stage is India's 'environmental project' approach, which provides for temporarily liberalising market access for environmental goods and services used in specific, approved projects (see BRIDGES Weekly, 21 September 2005, <http://www.ictsd.org/weekly/05-09-21/story3.htm>).

The draft text provides two broad alternatives for future work on environmental goods and services: that the CTE-SS should cooperate with other relevant negotiating groups to intensify work either "based on shared approaches to fulfilling the mandate" or "with a view to identifying environmental goods and services."

List supporters have supported the second option, since they favour language encouraging the creation of a list of environmental goods that would then be subject to special tariff cuts negotiated in the non-agricultural market access (NAMA) talks. The US went a step further, calling for an explicit reference to collaborating with the Negotiating Group on NAMA and omitting the reference to environmental services from the text. The EU proposed a specific timeline for the negotiations, suggesting 1 March 2006 as the date when negotiations should be completed in the CTE-SS and outcomes handed over to the NAMA group.

Developing countries, on the other hand, favoured the less specific language of the first option, reflecting their desire not to commit to any particular approach at this point. They expressed opposition to the inclusion of any timelines, and argued that the language preferred by the list supporters would prejudice the outcomes of the negotiations, and effectively turn the environmental goods talks into a sectoral NAMA discussion. They strongly resisted references to other negotiating groups and particularly a specific one to the NAMA negotiations.

Process concerns about "information exchange sessions"

Developing countries were also wary of the draft's reference to the "information exchange sessions" which have taken place ahead of previous CTE meetings, including one organised by the US and two by the WTO Secretariat. Members -- primarily supporters of the list approach -- used them to outline the benefits to developing countries of removing barriers to trade in the environmental goods on their lists. Developing countries felt that these sessions -- though useful for clarification purposes -- had been serving as a forum for advancing the examination of lists. Already anxious that the meetings were indirectly becoming part of regular CTE-SS work, they expressed concern that mentioning them in the draft would effectively formalise them as a part of the negotiating process.

At the end of the 9 November meeting, the Chair announced that he would revise the text based on Members' discussions, circulate it, and consult again with them as soon as possible. A new proposal from New Zealand to include a paragraph that recalls the broad support for negotiations on environmental services will also be addressed at that time.

ICTSD reporting.

BANANA ROW TO BE ON HONG KONG AGENDA

Honduras has asked for its banana dispute with the EU to be placed on the agenda for the 13-18 December WTO Ministerial Conference in Hong Kong.

After its banana import regime was found to be WTO inconsistent in 2001, Members at the Doha Ministerial Conference granted the EU a waiver (the so-called 'Cotonou waiver') allowing it to continue to grant preferential access to African, Caribbean, and Pacific (ACP) banana exports -- so long as its switch to a tariff-only regime by 1 January 2006 maintained total market access for Latin American most-favoured nation (MFN) producers. The waiver specified that MFN banana

exporters could seek arbitration if they were unhappy with the tariffs proposed by the EU to replace the quota system. WTO arbitrators have already rejected two EU proposals for tariffs of 230 and later 187 euros per tonne (see BRIDGES Weekly, 2 November 2005, <http://www.ictsd.org/weekly/05-11-02/story3.htm>).

Article XXVIII of the General Agreement on Trade and Tariff (GATT) allows a WTO Member to modify its commitments -- as the EU plans to do with bananas -- provided that it negotiates with Members that have a 'substantial interest' in the change. While the EU has been negotiating on its future banana import regime with other MFN suppliers such as Colombia, Costa Rica, Ecuador and Panama, it has not done so with Guatemala and Honduras. It does not recognise the latter's substantial interest in the matter, even though they were parties to the disputes and arbitration and are MFN suppliers. Honduras and Guatemala want to be part of any negotiations to arrive at a suitable banana tariff.

WTO practice normally uses 10 percent of the market share in the importing country as the guideline for determining substantial interest. However, this benchmark is of questionable value for countries with small economies. The banana sector accounts for 11,000 jobs and USD 200 million in revenue for Honduras, which has a per capita income of only USD 704; in Guatemala, it is a major employer that produces one of the country's top three exports. Thus, the definition of substantial interest has systemic implications.

Other MFN suppliers including, Brazil, Colombia, Costa Rica, Ecuador, Nicaragua, and Panama have supported Honduras and Guatemala in discussions on the subject in the General Council.

Meanwhile, the 10 November meeting of the Council for Trade in Goods decided to postpone the EU's request to extend the Cotonou waiver until March 2006. Chair Ambassador Vesa Tapani Himanen of Finland said Members had told him that they were still studying the second tariff arbitration report.

The banana issue could potentially take on new significance in Hong Kong. In 2001, ACP countries refused to agree to the launch of the Doha Round trade talks unless ministers approved the Cotonou waiver.

ICTSD reporting; "WTO Receives Request to Put Bananas, Cotton on Hong Kong Ministerial Agenda," WTO REPORTER, 10 November 2005.

IN BRIEF

APEC MINISTERS CALL FOR PROGRESS IN DOHA ROUND NEGOTIATIONS

In an attempt to break the current deadlock in the Doha Round negotiations, trade and foreign ministers from Asia Pacific Economic Conference (APEC) member countries have issued a "strong statement" urging WTO Members to overcome their differences.

The ministers drafted the document during an afternoon meeting on 15 November following a morning session which was attended by WTO Director-General Pascal Lamy. The gathering occurred on the sidelines of the 21-member group's annual summit, hosted this year by Busan, South Korea.

The statement calls on WTO Members to "show flexibilities needed to move forward the negotiations by and beyond the Hong Kong Ministerial." The ministers will submit the statement to APEC heads of state who are set to meet on 18-19 November.

When speaking of the WTO negotiations, some ministers openly criticised the EU for failing to break the deadlock. "We are seeing the same old story of the EU versus the rest of us, like in Cancun," said, Malaysian Trade Minister Rafidah Aziz in Busan. "The US proposal, which many of us find we can live with, the EU has said 'no, that's too far.'"

Nevertheless, the ministers' statement stops short of explicitly laying blame for the impasse in the negotiations. Filipino Trade Minister Peter Favila said that the statement was "couched in such a way without pinpointing to any economies."

The Doha negotiations have quickly taken centre stage at the APEC summit, suggesting that ministers intend to use the Busan Summit as a platform to influence the negotiations at the Hong Kong Ministerial Conference, scheduled for 13-18 December.

The APEC ministers' statement also underscored their commitment to achieving the group's 'Bogor Goals' of "free and open trade and investment in the Asia-Pacific by 2010 for developed members and 2020 for developing members."

A copy of the APEC Minister's joint statement is available at http://www.ictsd.org/ministerial/hongkong/docs/apec_minister_statement.pdf.

"APEC Ministers Say World Trade Talks Hinge on Europe (Update5)," BLOOMBERG, 15 November 2005; "APEC ministers OK statement for WTO talks," ASSOCIATED PRESS, 15 November 2005; "APEC Ministers Agree on 'Strong Statement' Supporting WTO Goals," VOICE OF AMERICA, 15 November 2005.

NEW US COTTON PROGRAMME IN WEST AFRICA A PITTANCE COMPARED TO SUBSIDIES, SAYS OXFAM

On 10 November, during a series of meetings with trade and agriculture ministers in West Africa, US Agriculture Secretary Mike Johanns and US Trade Representative Rob Portman launched a USD 7 million programme to improve cotton production and marketing in Benin, Burkina Faso, Chad, Mali, and Senegal. The US Department of Agriculture described it as a "direct response to request made in meetings of the 'development track' to cotton at the WTO." International charity Oxfam, however, expressed disappointment, pointing out that the sum was dwarfed by the losses incurred in those countries as a result of US cotton subsidies.

Funds from the 'West Africa Cotton Improvement Program' will be restricted to those five countries, leaving out the other 28 cotton-producing countries in Africa. The latter include Uganda and Zimbabwe, which have previously complained of being neglected in the WTO Sub-Committee on Cotton meetings (see BRIDGES Weekly <http://www.ictsd.org/weekly/05-11-02/WTOinbrief.htm#2>).

Celine Charveriat, head of Oxfam International's Make Trade Fair Campaign, said "Ambassador Portman's offer will not address the damaging effects of US cotton subsidies. West African countries lose as much as USD 250 million in revenue each year because of US cotton dumping. They need genuine trade reform." She expressed hope that the cotton issue would be addressed at the WTO's Hong Kong Ministerial Conference in December.

Benin, Burkina Faso, Chad, and Mali have requested that cotton be put on the agenda for the Hong Kong summit. They are seeking a date for the elimination of rich country cotton subsidies and budget aid, compensation for their cotton farmers, and an action plan for the development of the cotton trade. In the past, trade ministers from Mali and Chad have referred to cotton as their single interest in the talks and have hinted at blocking consensus if there was no satisfactory outcome.

The Joint USDA-USTR news release is available at <http://www.usda.gov>

ICTSD reporting; " OXFAM: Disappointed On Cotton Issue In Africa," OXFAM INTERNATIONAL, 10 November 2005; "WTO Receives Requests to Put Bananas, Cotton on Hong Kong Ministerial Agenda," WTO REPORTER, 10 November 2005; "U.S. Officials Announce \$7 Million Program to Assist Cotton Sector in 5 African Nations," WTO REPORTER, 14 November 2005.

SOUTH ASIAN COUNTRIES STILL AIMING TO IMPLEMENT FTA BY START-2006

Leaders from the seven members of the South Asian Association for Regional Cooperation (SAARC) reaffirmed their commitment to the 1 January 2006 target date to implement the South Asian Free Trade Area (SAFTA) during a 12-13 November summit in Dhaka. However, they were unable to agree on three crucial aspects of the pact: rules of origin, a mechanism for compensating least-developed country (LDC) members of the bloc for lost tariff revenues, and a list of sensitive products to be largely exempt from tariff reduction. If SAARC governments cannot finalise a deal on these issues by the end of 2005, it will complicate the implementation of tariff cuts, the first round of which are scheduled to take place in January.

Adopted in January 2004, SAFTA seeks to cut tariffs only on goods, and aims to phase out most regional tariff barriers by 2016. The agreement provides for India, Pakistan and Sri Lanka to slash customs duties to 0-5 percent by the beginning of 2009 to exports from Bangladesh, Bhutan, the Maldives, and Nepal, the organisation's LDC members.

Although SAARC has been in existence since 1985, it has achieved little in the way of economic integration, due in part to bilateral squabbling among members and the limited product coverage of trade deals. If and when it comes into force, SAFTA is expected to dramatically increase intra-regional trade in South Asia, which currently accounts for only 6 percent of SAARC countries' total external trade, compared to 22 percent for members of the Association of South East Asian Nations (ASEAN). Some observers have suggested that SAFTA would increase trade among members by as much as 300 percent.

SAARC officials are set to meet in Kathmandu later in November to try reach an accord on the unresolved issues in the SAFTA talks.

A copy of the SAARC Dhaka Declaration is available at <http://www.saarc-sec.org/main.php?id=159&t=7.1>.

"SAFTA on track," KUENSEL ONLINE, 16 November 2005; "South Asia Pins Hopes on Free Trade Agreement," FINANCIAL TIMES, 12 November, 2005; "An Agenda for SAFTA's Dhaka Summit," FINANCIAL EXPRESS, 15 November 2005; "What is SAFTA, What are its Benefits?" FINANCIAL EXPRESS, 14 November 2005; "South Asia leaders leave free trade deal unfinished," FINANCIAL TIMES, 14 November 2005; "SAARC: lowering the bar on expectations," DAILY TIMES, 15 November 2005.

WTO IN BRIEF

GOODS COUNCIL: MEMBERS REPEAT PAST DISCUSSIONS ON TEXTILES

At a 10 November meeting of the WTO Council for Trade in Goods (CTG), Turkey with support from Jordan and Tunisia reiterated its earlier demands for the creation of a work programme on textiles. As during the CTG's previous meeting in July (see BRIDGES Weekly, 20 July 2005, <http://www.ictsd.org/weekly/05-07-20/WTOinbrief.htm>), Pakistan, India, Indonesia and China expressed opposition to the idea, though they appeared to be somewhat more flexible about keeping the textiles item on its agenda.

Turkey cited a recent report from the International Textiles and Clothing Bureau (ITCB) to argue that the declining market share of some developing countries since the phaseout of trade quotas was a problem in global textile trade that the WTO should deal with. China countered that the same report indicated that Turkey's textiles exports had grown since the beginning of 2005. Members agreed to continue holding informal consultations on the issue and discuss it at the CTG's next meeting on 15 March 2006.

In related news, on 14 November a coalition of textile and clothing groups from 11 countries asked their governments to lobby at the Hong Kong Ministerial Conference for textiles trade to be put in a "special textile sectoral" (STS) negotiating scheme separate from the rest of the non-agricultural market access (NAMA) negotiations (see BRIDGES Weekly, 9 November 2005, <http://www.ictsd.org/weekly/05-11-09/story3.htm>). Contrary to the expedited sectoral liberalisation initiatives provided for in the 2004 July Package, the groups seek to limit rather than speed up the extent of trade liberalisation in the sector.

Sources suggest that there have been some informal discussions on the issue in WTO hallways. Though

some delegations said that they need to take a look at how textiles should be dealt with in NAMA negotiations, others expressed skepticism about how a sectoral carve-out for textiles could work.

The textile groups' letter is available at <http://www.ncto.org/newsroom/pr200537.asp>.

ICTSD reporting.

EVENTS & RESOURCES

EVENTS

For a more comprehensive list of events in trade and sustainable development, please refer to ICTSD's web calendar at: <http://www.ictsd.org/cal/index.htm>. If you would like to submit an event, please email events@ictsd.ch.

Upcoming Events: 17 November - 23 November

18 November, Bern, Switzerland: ACCESS TO PHARMACEUTICALS IN DEVELOPING COUNTRIES: SOCIAL, LEGAL AND ECONOMIC ASPECTS. This conference is jointly organised by the World Trade Institute, the Institute of European and International Economic Law of the University of Berne and the Institute of Health Law of the University of Neuchâtel. The focus of the conference will be the economic and regulatory framework of international trade (WTO/World Health Organization) and the challenges for the future in meeting global demands. Registration is requested. For further information contact Rachel Liechti, tel: (+41) 31-631-3487; fax: (+41) 31-631-3630; email: rachel.liechti@iew.unibe.ch; internet: <http://wti.org/gomenu.html?http://wti.org/conf/wticonferences.html>.

18 November, Berlin, Germany: PRESENTATION OF THE GLOBAL ECONOMIC PROSPECTS 2006. This presentation, organised by the German Ministry for Economic Cooperation and Development (BMZ) with InWent (Capacity Building International, Germany), will explore the short-, medium-, and long-term outlook for the global economy and the implications for developing countries and poverty reduction. This year, the annual report will focus on the economic implications of migration and remittances. For more information contact Qays Hamad, tel: (+49) 1-888-535-2646; e-mail: hamad@bmz.bund.de; <http://web.worldbank.org/WBSITE/EXTERNAL/NEWS/0,,contentMDK:20694043%7EmenuPK:34482%7EpagePK:34370%7EpiPK:34425%7EtheSitePK:4607,00.html>.

21-23 November, Geneva, Switzerland: INTERGOVERNMENTAL WORKING GROUP OF EXPERTS ON INTERNATIONAL STANDARDS OF ACCOUNTING AND REPORTING, TWENTY-SECOND SESSION. This UN Conference on Trade and Development (UNCTAD) Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting (ISAR) event will deliberate on an approach to enhancing the comparability and relevance of corporate responsibility indicators with a view to contributing towards improving corporate responsibility reporting without imposing an undue burden on reporting entities. For further information contact ISAR, fax: +41 22 917 0122; e-mail: isar@unctad.org; <http://www.unctad.org/Templates/Meeting.asp?intltemlD=1942&lang=1&m=10286&year=2005&month=11>.

23-25 November, Dhaka, Bangladesh: NATIONAL CONSULTATION: REGIONAL ECONOMIC COOPERATION IN SOUTH ASIA. This consultation, organised by the Jaipur, India-based Consumer Unity and Trust Society Centre for International Trade, Economics & Environment (CUTS-CITEE), is designed to involve representatives from business groups, government, civil society and academia primarily from Bangladesh to create awareness and momentum towards regional cooperation with a view to influence the future direction of policies on trade and investment promotion within the country and amongst other South Asian countries. For further information contact Dr. Prasad P. Ranade, tel: (+91) 141-228-2821; fax: (+91) 141-228- 2485; e-mail, citee@cuts.org; internet: <http://www.cuts-citee.org/events2005.htm#nc23nov05>.

WTO Events

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

17-18 November: GENEVA WEEK

18 November: SUB-COMMITTEE ON COTTON

23-24 November: WORKING PARTY ON THE ACCESSION OF UKRAINE

Other Upcoming Events

24 November, Geneva, Switzerland: UNCTAD AD HOC EXPERT MEETING ON INSURANCE SERVICES. This UN Conference on Trade and Development (UNCTAD) meeting will offer participants an opportunity to discuss policy options that enhance the contribution of insurance services to growth, trade and development. It will also seek to identify approaches that developing countries may follow in building supply-side capacity and seeking access to global insurance markets as a means of effective integration into the global economy. For further information contact Mina Mashayekhi or Deepali Fernandes, tel: (+41) 22-917-5866/5652; fax: (+41) 22-917-0044; e-mail: mina.mashayekhi@unctad.org or deepali.fernandes@unctad.org; internet: <http://www.unctad.org/Templates/meeting.asp?intltemlD=2068&lang=1&m=11226>.

28 November-2 December, Melbourne, Australia: CODEX COMMITTEE ON FOOD IMPORT AND EXPORT INSPECTION AND CERTIFICATION SYSTEMS, 14th SESSION. This Codex Alimentarius Commission meeting, organised by the Food and Agriculture Organization (FAO) and the World Health Organisation (WHO), will discuss issues related to proposed principles and revisions related to the Codex text. A series of discussion papers will be presented. For further information contact the FAO-WHO Joint Office, tel: (+39) 6-57051; fax: (+39) 6-5705-4593; e-mail: codex@fao.org; internet: <http://www.codexalimentarius.net/download/report/647/FC1401ae.pdf>.

29-30 November, Manila, Philippines: SUB-REGIONAL STAKEHOLDER CONSULTATIONS: POTENTIAL AND CHALLENGES OF EUREPGAP IN ASIA. Using case studies from the Philippines, Malaysia, Vietnam and Thailand, this Philippine Exporters Confederation (PHILEXPORT) and UN Conference on Trade and Development (UNCTAD) event, will discuss the pros and cons of the Euro-Retail Produce Working Group's Good Agricultural Practices (EurepGAP) -- a series of sector-specific farm certification standards. UNCTAD will hold a stakeholder workshop on adapting to EUREPGAP requirements. A fee of USD 200 is required for this event. For further information contact PHILEXPORT, tel: (+63) 2-833-2531; fax: (+63) 2-831-3707; e-mail: communications@philexport.ph; internet: <http://www.philexport.ph/EUREPGAP/eurepgap.html#Brief>.

30 November-1 December, Montreal, Canada. THIRD NORTH AMERICAN SYMPOSIUM ON ASSESSING THE ENVIRONMENTAL EFFECTS OF TRADE. This two-day event, sponsored by the Commission for Environmental Cooperation (CEC) will focus on the impact of investment and economic growth on the environment. Topics will include the maquiladora

electronics industry, opportunities for renewable energy development, and the environmental policy implications of NAFTA's Chapter 11. For further information contact the CEC, tel: Tel: (+1) 514-350-4300; fax: (+1) 514-350-4314; e-mail: info@ccemtl.org; internet: <http://www.cec.org/symposium/index.cfm?varlan=english>.

13 December, Hong Kong, China. HIGH LEVEL DIALOGUE ON THE WTO AND SUSTAINABLE DEVELOPMENT. This WTO Ministerial Conference side event, organised by the UN University (UNU), will examine the relationship between the WTO and sustainable development at this critical stage of the Doha Round. After key speakers introduce the topics, there will be an interactive discussion period where participants can react and express their views. The event will also launch the publication of the recent UNU Press book, "The WTO and Sustainable Development" by Gary P. Sampson. Venue: Plaza V, Novotel Century Hotel, Hong Kong, Time: 8-10am, breakfast will be provided. For further information please contact Rebecca Carter, tel: (+81) 45-221-2335; fax: (+81) 45-221-2302; email: carter@ias.unu.edu.

13-17 December, Hong Kong, China: HONG KONG TRADE AND DEVELOPMENT SYMPOSIUM. The goal of this symposium, co-convened by the International Centre for Trade and Sustainable Development (ICTSD) and the University of Hong Kong in collaboration with the Institute for Agriculture and Trade Policy (IATP), is to encourage innovative thinking on issues related to trade and development that could be subsequently be translated into constructive inputs for the ongoing Doha Round negotiations. The main topics for discussions will be drawn from key development-related issues in the trade policy and trade rules arena. For further information contact Patrick Lunt, e-mail: plunt@ictsd.ch; internet: <http://www.ictsd.org/ministerial/hongkong/tds/>.

RESOURCES

PROGRAMMING IN TRADE-RELATED CAPACITY BUILDING: A RESOURCE TOOL FOR PRACTITIONERS. By Chantal Blouin and Ann Weston. The North-South Institute, 2005. International trade is seen in the development community as an important tool for poverty reduction. However, many developing countries have been prevented from fully reaping the potential benefits of trade and trade liberalisation by limitations in their capacity to design and negotiate trade rules, to take advantage of market access gains due to supply-side constraints, and to adjust to increased competition in domestic markets. To address these limitations, donors have been increasingly active in supporting trade-related capacity building (TRCB).

TRCB is relatively new and donors are still struggling to identify what approaches work best to build capacity in this area. The objective of this resource tool is to draw lessons from the existing knowledge and evaluations of TRCB and to provide examples of projects that illustrate good practices and ways to adhere to the principles that should inform the design of TRCB programmes. Available online at http://www.nsi-ins.ca/english/pdf/TRCB_programming_resource_tool.pdf.

"The Future of the International Trading System." By Alexandra Strickner and Sophia Murphy, ENVIRONMENT AND POVERTY TIMES, 04, 2005. The Millennium Development Goals establish a global partnership to improve the lives of the world's poor. This includes an open, rule-based, predictable, non-discriminatory trading and financial system as an essential goal. This paper asks the question, can trade be a tool for development? The authors assert that in many cases current trade rules do not contribute to sustainable development. They examine how developing countries have few tools to protect themselves from global economic distortions caused by artificially cheap world prices. Furthermore, they say, the current system of trade rules is far from being a predictable, consistent system. Among the main sources of inconsistency are the many bilateral and regional agreements setting different trade rules for different countries. The number of these agreements has dramatically increased since the birth of the WTO. The authors raise concern about the likely future of international trade deals, particularly within the current Doha Round, which is primarily aiming to further open markets in spite of the lack of development progress over the past ten years. Available online at http://www.environmenttimes.net/_documents/times04_page4-5.pdf.

AFRICA AND THE DOHA ROUND: FIGHTING TO KEEP DEVELOPMENT ALIVE. Oxfam Briefing Paper 80, November 2005. This paper argues that Africa has suffered declining terms-of-trade and increasing marginalisation as a result of unfair trade rules and falling commodity prices. Ten years after the Uruguay Round, the poorest continent on earth, which captures only one per cent of world trade, risks even further losses, despite promises of a 'development round' of trade negotiations. This, authors say, would be a great injustice. The Briefing Paper asserts that there cannot and should not be any new round without an assurance of substantial gains for Africa. Thus, key players in the Doha round should start taking African demands seriously. Fair and sustainable solutions must be found in time for the upcoming WTO Ministerial Conference in Hong Kong in December 2005. Available online at http://www.oxfam.org.uk/what_we_do/issues/trade/downloads/bp80_africa_doha.pdf.

REALITY CHECK: THE DISTRIBUTIONAL IMPACT OF PRIVATIZATION IN DEVELOPING COUNTRIES. Edited by John Nellis and Nancy Birdsall. Center for Global Development, 2005. The privatisation of state-owned enterprises has been among the most controversial of market reforms. This new edited volume brings together a comprehensive set of country studies on the effects of privatisation on people - and answers the overarching question: who are the winners and losers of the wave of privatisations that swept across the developing world in the 1980s and 1990s? The studies featured in the volume address key questions: Are the poorest households paying more for water, power, and other basic services? Did those who lost jobs suffer permanent declines in income? Were state assets sold at prices that were too low, and who benefited from the resulting windfalls? Was the process, in laypersons' terms, "fair"? Downloadable chapters and further information are available at: <http://www.cgdev.org/content/publications/detail/4520>.

AGRICULTURAL TRADE REFORM AND THE DOHA DEVELOPMENT AGENDA, VOL. 1 OF 1. World Bank, November 2005. Agriculture is yet again causing contention in international trade negotiations. It caused long delays to the Uruguay Round in the late 1980s and 1990s, and it is now proving to be the major stumbling block in the WTO's Doha Round negotiations. This publication argues that it is ironic that agricultural policy is so contentious, given its small and declining importance in the global economy. The book first identifies the issues at stake with regard to agriculture, trade reform, and the Doha Agenda. Part two looks at agricultural market access by examining the impacts of issues related to tariffs. The third part concentrates on export subsidies and domestic support, focusing on the removal of the exception for agricultural export subsidies while taking a new look at agricultural domestic support under the WTO. It also considers the consequences of reducing limits on aggregate measurement of support. Finally, the book provides the Doha reform scenarios, with an in-depth look at the market and welfare implications of the Doha reform. Available online at http://www-wds.worldbank.org/servlet/WDS_IBank_Servlet?pcont=details&eid=000012009_20051109134944.

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