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LEAD STORIES

MEMBERS DISCUSS

LAMY'S DRAFT MINISTERIAL TEXT; REVISIONS TO FOLLOW

WTO Director-General Pascal Lamy released a comprehensive draft Hong Kong Ministerial Declaration text to Members at a short meeting of the Trade Negotiations Committee (TNC) on 26 November. Negotiators have since been discussing potential modifications to the text almost non-stop, in a series of 'green room' meetings involving Lamy and representatives from 25-30 delegations, as well as in a 30 November meeting of the TNC.

Sources report that Members disagreed on whether the draft text should be associated with ranges of figures for subsidy and tariff cuts, and are currently looking for ways in which to "capture" any existing convergence in the body of the text (as opposed to footnotes or annexes) and direct ministers to the issues on which negotiators need guidance.

The draft's annexes on agriculture, non-agricultural market access (NAMA), and special and differential treatment (S&D) have reportedly proved particularly contentious. The General Council is scheduled to meet from 1-2 December to discuss the text. Lamy is expected to circulate a revised version of the draft based on Members' comments in time for the first day of the session.

Lamy: "no surprises" draft

It is perhaps emblematic of the negotiations that Members are finding so much to disagree with in a text initially described as "bland" by Indian government officials. The text asked ministers to establish target dates for agreeing on "full modalities" on agriculture and NAMA -- the same detailed framework including specific numerical values and formulae for reducing tariffs and subsidies that Members had once hoped to finalise in Hong Kong.

The draft also provided blank spaces for dates to agree on how to proceed with several proposals to improve

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the provisions for S&D in particular WTO agreements, and enjoined Members to "intensify" the negotiations on services, intellectual property rights, and the environment. Lamy did not attempt to 'split the differences' between Members' negotiating positions, as has been attempted in the past with mixed results. He indicated in the text that Members' opinions on different issues ranged from full agreement to a substantial degree of divergence.

Other issues addressed in the eight pages that constituted the body of the draft text include aid for trade, commodities, the expansion of trade-related technical assistance for least-developed countries (LDCs), and duty- and quota-free market access for LDC exports.

Attached to the text as annexes were the reports submitted by the chairs of the Doha Round negotiating bodies on agriculture (Annex A), NAMA (B), services (C), rules (D), trade facilitation (E) and S&D (F). (See BRIDGES Weekly, 23 November 2005, <http://www.ictsd.org/weekly/05-11-23/story2.htm>).

Members react: ag, NAMA, S&D annexes prove contentious

Brazilian Ambassador Clodoaldo Hugueneu made some remarks about the draft text on behalf of the G-20 group of developing countries in the Committee for Trade and Development on 28 November. He blamed the lack of convergence indicated in the agriculture section of the text not on the process that produced it, but on "the lack of political will on the part of some major participants," implying a failure to propose deeper cuts to farm subsidies and tariffs. He praised the text for not attempting to invent compromise positions, saying that "it is better to have a progress report than a document that does not reflect the reality of the negotiations."

In the 30 November TNC, the US said that Lamy's draft text reflected the state of the negotiations, and called for focused, intensified efforts to make progress on some issues that are within reach for Hong Kong.

Even before Lamy's comprehensive draft text was made public, EU statements had suggested that it thought that the agriculture chair's report went too far (because it included a range of figures encompassing Members' proposals for subsidy and tariff reduction), while the services one did not go far enough. Thus, it was not surprising that the EU objected to the presence of the agriculture and NAMA chairs' reports in the ministerial declaration on the grounds that both contained specific numbers.

A number of Members felt uncomfortable with the range of figures that NAMA Chair Ambassador Stefan Johannesson of Iceland included in Annex B for the coefficient to be associated with the industrial tariff reduction formula (to which countries' final tariff level will be strongly linked). While the draft text said that "the coefficients which were mentioned for developed Members fell generally within the range of 5 to 10, and for developing Members within the range of 15 to 30," some delegations found this too restrictive, and others, the opposite.

Sources report that Members were also unable to reach an agreement on how to phrase five S&D-related amendments to specific WTO agreements that LDCs have been seeking, even though Annex F already contained different possible options for four of them. Nor were they satisfied with a compromise version of the annex that Lamy produced on 28 November. Deputy Director-General Valentine Rugwabiza is now trying to broker compromise on the five agreement-specific LDC proposals. The US indicated that it was open to providing duty- and quota-free market access for LDCs in all but one sector. This would be the textiles sector, where it is reluctant to fully open its markets to Bangladeshi exports. Switzerland proposed sewing up LDC market access in every other sector before turning to textiles.

In addition to differences over the content of the annexes, Members have also been questioning their legal status. Would the chairs' reports acquire legal effects if ministers were to adopt a declaration that included them as annexes? Would these legal effects change if ministers simply "took note" of the reports, rather than "adopting" a declaration of which they formed part? The Africa Group told the TNC that it considered the annexes to potentially be binding guidelines -- and thus did not support their inclusion.

How to orient ministers' discussions in Hong Kong?

In spite of these differences, several delegations indicated that they would like the Hong Kong summit to yield more than a simple date for full modalities. They are thus looking for ways to encourage targeted ministerial engagement and negotiations at the summit, in spite of the fact that the draft text is not very specific. Sources report that in an attempt to do so, Members in the 'green room' meetings engaged in a two-track process: articulating a set of questions to pose to ministers in Hong Kong in order to guide their discussions, and drafting text for inclusion in the body of the draft ministerial declaration that would "capture" convergence alluded to in the reports by the chairs of the agriculture and NAMA negotiations.

With regard to agriculture, these questions may pertain to the structure of the formula and rules for reducing domestic subsidies; the elements of the formula for reducing tariffs; the prerequisites for an agreement on when to eliminate export subsidies; and S&D. On NAMA, ministers may be asked if they can agree on the broad shape of the tariff reduction formula and flexibilities to be accorded to developing countries when applying it, as well as the treatment of unbound tariff lines. Of course, these issues are roughly identical to those that the chairs had deemed to be in need of ministerial guidance in their reports. These questions are expected to be circulated to Members along with the revised draft text on 1 December.

Geneva trade sources indicate that the paragraphs on agriculture drafted in the green room point to Members' "working hypothesis" of classifying trade-distorting domestic support into three tiers, with the heaviest subsidisers making the greatest percentage reductions. They also indicate convergence on the principle of classifying tariffs into four tiers, with a limited number of sensitive products. The text on the NAMA talks mentions a "working hypothesis" on a Swiss formula for tariff reductions (which would cut high tariffs much more steeply than low ones). It instructs the Negotiating Group on NAMA to finalise the structure and details of the formula, "as well as the issues of unbound tariffs and flexibilities, as early as possible." Both texts reaffirm the importance of S&D.

Final form of draft declaration remains unclear

One delegate indicated that it would not be possible to be sure of what the revised draft ministerial text might look like until it is closed after the upcoming session of the General Council. Lamy may present delegates with revised versions of it on the second day of the gathering as well.

The General Council has the option of modifying the draft declaration text, or accepting it as is and sending it to the Ministerial Conference. If they do not agree on the text, General Council Chair Ambassador Amina Mohamed of Kenya and Lamy will have the option of sending it to the Ministerial Conference under their own authority.

Lamy's draft ministerial declaration text is available online at http://www.wto.org/english/thewto_e/minist_e/min05_e/draft_text_e.htm.

ICTSD reporting; "WTO draft for HK meet bland: India," PRESS TRUST OF INDIA, 28 November 2005; "WTO chief keeps up pressure for progress in talks," REUTERS, 26 November 2005.

RICH COUNTRIES SEEKING "ROUND FOR FREE," SAY NINE DEVELOPING COUNTRIES

Nine developing countries have launched an initiative to "reclaim the developmental objectives of the Doha Round." Ambassadors from several of them told a 28 November press conference that some rich countries had been systematically frustrating both the offensive and defensive interests of developing countries in the multilateral trading system, thus threatening their prospects for development. Specifically, they said that the EU and other developed countries were making demands "disproportionate" to developing countries' ability to liberalise -- while offering little in the way of meaningful liberalisation themselves. South African delegation chief Faizel Ismail said that these demands failed to reflect the principles of less-than-full reciprocity and special and differential treatment (S&D) for developing countries -- principles, he argued, that are central to the Doha Round.

Argentina, Brazil, India, Indonesia, Namibia, Pakistan, the Philippines, South Africa, and Venezuela made a submission to the Committee on Trade and Development (CTD) meeting earlier that day stating that "the recent proposals of some major developed countries have attempted to sow division among developing countries, re-interpret the framework and trajectory of the negotiations and, in a self-serving manner, narrow, limit and -- ultimately -- undermine the developmental objectives of the Doha Development Agenda." The ambassadors said afterwards that "the debate on development has been hijacked by some developed countries" that purport to be speaking for developing countries. The group's paper sought, therefore, "to reclaim the developmental objectives and trajectory of the negotiations."

Developing countries face unreasonable demands for limited concessions

Pointing out that development emerged as the focus of the Doha agenda because it is "an essential stimulus for global economic growth," the paper submitted to the CTD said that the "strategic objective for the negotiations is thus for developed countries to undergo structural adjustment by reducing a range of protective and support measures in inefficient sectors in their economies." It contends that these measures -- tariffs and subsidies in agriculture, and high tariffs on certain industrial products -- give rise to enormous trade distortions that limit developing countries' opportunities

to increase exports, thus inhibiting their integration into the global economy.

The countries reiterated that agriculture was the central issue in the negotiations, since it is the sector with the largest distortions. However, developing countries cannot, Ismail emphasised, be asked to pay for market opening in the form of "onerous and burdensome obligations on industrial products and services" that are not commensurate with their level of development.

Yet, the ambassadors complained, this was precisely what was happening. The non-agricultural market access (NAMA) demands made by the EU in its 28 October proposal would require developing countries to cut tariff ceilings by as much as 75 percent, placing "enormous burdens of adjustment" on their industrial sectors (see BRIDGES Weekly, 2 November, <http://www.ictsd.org/weekly/05-11-02/story2.htm>).

Indian Ambassador Ujal Singh Bhatia suggested that cuts of that magnitude would deny developing countries even a limited amount of policy space and tariff protection that they might use to promote industrialisation. In comparison, the group said, the EU's offer of a 39 percent average reduction in farm tariffs, with lower cuts for sensitive products, would not result in any meaningful new market access.

Moreover, they saw the NAMA tariff cuts that the EU and other rich country Members were offering to make as insignificant relative to their existing industrial tariff structures, and potentially unlikely to result in improved access for products of export interest to developing countries. In effect, the group contended, rich countries were seeking a "round for free."

To bolster their argument that rich countries are consistently avoiding liberalisation in sectors of offensive interest to developing countries, the diplomats pointed to persistent limitations on the temporary movement of workers from developing countries to provide services in developed ones. Many trade scholars contend that the so-called 'temporary movement of natural persons,' or Mode 4 under WTO services rules, is the part of the multilateral trading system that offers the greatest potential returns for developing countries.

Not all developing countries will gain -- but how to address this?

In recent weeks, EU Trade Commissioner Peter Mandelson has sharpened his criticism of WTO Members who are pressing the EU to make deeper cuts to its farm tariffs, arguing that doing so would erode trade preferences on which some poor countries rely. "This is a round for all developing countries, notably poor and needy ones, not just for competitive

agriculture producers who sometimes seem to want to hog all the benefits for themselves," he told the EU Parliament Trade Committee on 23 October. Although he conceded that they did not go as far as the US' demands on agriculture, Mandelson said that "the G-20 proposals of better-off developing countries would benefit them but would have devastating effects on the agriculture trade of poor countries in Africa, the Caribbean and the Pacific (ACP)."

The sponsors of the paper, some of them G-20 members, countered that the EU's "proposal to delay liberalisation in areas of its own sensitivity with the excuse of helping preference dependent countries" was "self-serving." Nevertheless, they did recognise that not all developing countries stood to gain from the Doha Round "in the short to medium term," and that a number of them "including small, weak and vulnerable countries and least-developed countries (LDCs) will face significant transitional costs, especially those countries that are preference dependent."

To help likely 'losers' from the Doha Round adjust to trade liberalisation, the nine developing countries called for the creation of an ambitious aid-for-trade package at the Hong Kong Ministerial Conference in December, along with a fund to help them cope with the impact of preference erosion. They said that developed countries should provide quota- and duty-free market access to LDC products, as should developing countries to the extent of their ability, and that Members should reach an agreement in Hong Kong on how to amend WTO rules in accordance with five agreement-specific LDC S&D proposals (see BRIDGES Weekly, 23 November 2005, <http://www.ictsd.org/weekly/05-11-23/story3.htm>). In spite of the sharp differences in rhetoric between the two camps, there is some overlap between the recommendations of the nine countries and a development package that the EU has been espousing.

Unlike the EU, however, other elements of a development package outlined by the nine countries included greater mode 4 liberalisation in the Doha Round services negotiations to allow workers to temporarily move from developing to developed Member countries. They also lobbied for WTO rules that they perceive to be biased against poor countries to be modified. For instance, they would like to see disciplines on intellectual property modified so that they take into account community ownership over traditional knowledge.

The group appealed to developed countries to take negotiating positions that reflect the developmental core of the Doha mandate, warning that an "imbalanced outcome in the Doha Round" -- one that asks far more of developing countries than it gives them -- would "exacerbate the crisis of legitimacy of the WTO."

ICTSD reporting; "Developing states fiercely attack rich over trade," REUTERS, 28 November 2005.

LDCs GRANTED LIMITED EXTENSION FOR IMPLEMENTING TRIPS COMMITMENTS

WTO Members agreed on 29 November to give least-developed countries (LDCs) a seven-and-a-half year extension to apply rules protecting patents, copyrights, and other intellectual property under the Agreement on Trade-related Aspects of Intellectual Property Rights (TRIPS). Critics have cautioned that the extension is limited since it prohibits LDCs from loosening existing intellectual property laws unless they already go beyond TRIPS requirements.

At the TRIPS Council meeting, Members were unable to reach an agreement on the other two items on the agenda: how to formally amend WTO rules in order to facilitate the export of generic versions of drugs that are still under patent, and how to spell out the relationship between the TRIPS Agreement, the Convention on Biological Diversity (CBD), and the protection of traditional knowledge and folklore. They had previously failed to do so in October (see BRIDGES Weekly, 26 October 2005, <http://www.ictsd.org/weekly/05-10-26/story3.htm>).

Extending the deadline for TRIPS implementation

Article 66.1 of the TRIPS Agreement allows LDCs to ask for an extension of the transitional period after which they have to apply WTO intellectual property rules, originally set to expire on 1 January 2006. On 21 October, Zambia submitted a request (IP/C/W/457, available at <http://docsonline.wto.org>) for a 15 year extension on behalf of the WTO's 32 LDC Members, citing "...serious economic, financial and administrative constraints as well as a need for flexibility to create a viable technological base."

Informal discussions between the LDCs and the US led to a compromise that would prolong the transitional period to 1 July 2013, an extension half the duration of the 15 years the LDCs had originally been seeking. This decision does not apply to pharmaceutical products, which LDCs are not required to fully protect until 2016 as a result of an extension granted to them in 2002.

The draft decision specifies that LDCs are to "...ensure that any changes in their laws, regulations and practice made during the additional transition period do not result in a lesser degree of consistency with the provisions of the TRIPS Agreement." This so-called 'stand still clause' will freeze intellectual property-related laws that LDCs have already implemented, and prevents them from reducing their scope or level of protection. For instance, if a country already permits patents on fertilizer or other agricultural inputs, it would be prohibited from repealing that patent law, transitional period notwithstanding.

The provision would, however, allow LDCs to roll back intellectual property provisions that go beyond TRIPS requirements (albeit only back to the level of protection demanded by the TRIPS Agreement), unless they are otherwise prevented from doing so, for instance by bilateral agreements.

WTO Director-General Pascal Lamy described the agreement as "good news" just ahead of the Hong Kong Ministerial Conference. "Members have shown that they are ready to ensure that the world's poorest countries have the flexibility that they need in order to meet their WTO obligations in a way that serves their development needs," he said. In contrast, James Love, director of the Consumer Project on Technology, a non-governmental organisation that works on intellectual property issues, described the deal as "very minimalist." "Many of these countries have already brought their laws into compliance with the TRIPS Agreement," he pointed out. "This provides them with no way to backtrack."

The extension agreement also calls on LDCs to provide the TRIPS Council with an outline of the specific technical and financial assistance that they need in order to implement the TRIPS Agreement, "preferably by 1 January 2008." This information will then be used to assist them in implementing the Agreement. Love said that this stipulation effectively puts LDCs on a "fast-track to compliance" within two years. He noted that the deal focused on helping LDCs comply with TRIPS obligations, and did not even begin to address the broader question of whether a patent system actually is the best way for LDCs to stimulate investment and innovation.

Love also expressed concern that LDCs might end up making concessions of far more significant value in other areas in return for the limited deadline extension.

No decisions in health, biodiversity

Members made no progress on how to turn the '30 August 2003 Decision' -- an interim waiver of certain TRIPS obligations that allows countries to export drugs

produced under compulsory licence, subject to a large number of conditions in both the exporting and importing country -- into a permanent amendment to the TRIPS Agreement. They have been unable to decide whether to amend the actual body of the agreement or to include the amendment as an annex or footnote to it. Disagreements persist on the legal status of the General Council Chair's statement that accompanied the adoption of the Decision (it promised that the waiver would not be misused), as well as issues put forward in a previous African proposal for amending the agreement (see BRIDGES Weekly, 26 October 2005, <http://www.ictsd.org/weekly/05-10-26/story3.htm>).

Since the 25-26 October TRIPS Council session, the African Group, the US, and the EU held informal consultations attended by Chair Hyuck. At the recent meeting, Members that did not participate in these consultations, including Brazil, India, the Philippines, Turkey and Israel, expressed the need for time to react to any outcomes of the consultations.

Members also made little progress with regard to the Doha-mandated review of Article 27.3 (b) of the TRIPS Agreement (which allows Members to exclude certain plant and animal varieties from patentability), as well as the relationship between the agreement, the CBD, and traditional knowledge. In the session Members agreed to recommend that the General Council ask ministers in Hong Kong to simply call for the continuation of ongoing work on this matter as per the Doha mandate.

Like the October session of the TRIPS Council, the recent meeting was suspended without agreement. Further consultations will likely be held with the aim of resolving the issue of the public health related amendment before the Hong Kong Ministerial Conference, which starts on 13 December. The outcome of these gatherings are likely to affect some of the gaps and bracketed provisions present in the draft Ministerial Declaration text that WTO Director-General Pascal Lamy and General Council Chair Ambassador Amina Mohamed of Kenya submitted to Members on 26 November.

The draft Ministerial Declaration text is available online at http://www.wto.org/english/thewto_e/minist_e/min05_e/draft_text_e.htm.

ICTSD reporting; "TRIPS Council To Resume Talks on 29 November," INTELLECTUAL PROPERTY WATCH, 25 November 2005; "Poorest countries given more time to apply intellectual property rules," WTO PRESS RELEASE, 29 November 2005.

EU ADOPTS SUGAR REFORM

EU member states agreed on 24 November to reform their sugar regime for the first time since 1968, voting to slash the price that the EU guarantees domestic sugar producers by 36 percent over four years, bringing it closer to world market levels. African, Caribbean, and Pacific (ACP) countries that have long been able to sell sugar into EU markets at the internal price are complaining that the changes will cost them dearly. They point out that the compensation that Brussels is offering them is a pittance compared to the lavish payments it has promised EU farmers.

The deal, which will be phased in from 2007, was reached after the European Commission's earlier reform proposal met furious resistance from 11 EU sugar-producing country. The June 2005 package would have cut the price by 39 percent over two years and compensated EU sugar beet farmers for 60 percent of lost income through direct payments decoupled from production (see BRIDGES Weekly, 29 June 2005, <http://www.ictsd.org/weekly/05-06-29/story1.htm>). EU member states eventually settled on a payment that would give farmers the equivalent of 64.2 percent of such losses. The total compensation package to EU sugar beet farmers is estimated at over EUR 6 billion.

In contrast, the EU has offered ACP countries a EUR 40 million assistance plan for 2006, with aid for future years to be negotiated. These countries will, however, continue to enjoy preferential access to the EU market, albeit at the diminished rate. International charity Oxfam has criticised the EUR 40 million aid offer as 'a bitter blow,' contrasting it with the EU's plan for its own sugar farmers.

The reforms were prompted at least in part by an April 2005 ruling by the WTO Appellate Body against the EU's sugar regime in a case brought by Australia, Brazil, and Thailand. In October, a WTO arbitrator obliged the EU to reduce its sugar exports in accordance with the ruling by 22 May 2006 (see BRIDGES Weekly, 2 November 2005, <http://www.ictsd.org/weekly/05-11-02/inbrief.htm#1>; and 4 May 2005, <http://www.ictsd.org/weekly/05-05-04/story5.htm>). EU Agricultural Commissioner Mariann Fischer Boel said the deal would "ensure that we come rapidly into line with the recent WTO panel." The Brazilian Foreign Ministry has also indicated that the reforms would bring the EU into compliance with the ruling.

Sweetened deal easier to swallow in EU...

The augmented compensation scheme made the reform package more palatable for the 11 EU countries

-- Greece, Spain, Portugal, Italy, Ireland, Finland, Poland, Hungary, Latvia, Lithuania and Slovenia -- that had been blocking the deal. In addition to offsetting income losses, the EU will provide farmers with aid to adapt or simply shut down.

Payments to encourage factories to close and governments to renounce sugar production quotas is EUR 730 per tonne of eligible quota sold back in the first two years of the restructuring period. Similar grants for the fourth year increased to EUR 520 from EUR 420 per tonne in an earlier reform proposal.

According to a press release from the European Commission, member states that give up more than half of their production quota may be eligible to receive payments amounting to an additional 30 percent of income losses for a temporary period of five years.

...but a bitter pill for ACP countries

The 18 sugar-producing ACP countries -- which will have to share the EUR 40 million in compensation amongst each other -- are crying foul. They estimate that they will lose as much as USD 352 million a year due to the reform's 36 percent decrease in sugar prices and had proposed a 19 percent cut.

Caribbean countries had been banking on a promise by the UK, which currently holds the EU's rotating presidency, to "push for an increase in transitional assistance and examine the issue of greater market access" for them, and are insisting that they receive compensation comparable to that slated for EU sugar producers.

Kenny Anthony, Prime Minister of St. Lucia and head of the Caribbean Community and Common Market (CARICOM) described the deal as "totally unacceptable." He said that the money being offered to the ACP sugar producers "is a drop in the bucket. It is not going to allow these countries to undertake the transitional arrangements that they need to finance as a result of the severe loss of income that is going to occur." Mauritius' interim prime minister, Rashid Beebeejaun criticised the EU for sweetening the deal for its own farmers at the ACP's expense. He estimated the cost of restructuring the country's sugar sector at 23.5 billion Mauritian rupees, or about EUR 670 million.

The EU has been resisting calls to make deeper cuts to its farm tariffs in the Doha Round negotiations, arguing that doing so would have devastating effects on ACP countries that currently benefit from preferential access to its market.

Fischer Boel noted that the reformed sugar policy would strengthen the EU's hand at the Hong Kong Ministerial

Conference in December, since it would bring the EU into compliance with the dispute ruling and significantly decouple farmers' payments from production, rendering them less trade-distorting under WTO rules. "From 2009, the world's poorest countries will have completely free access to our market," she said.

The European Commission press release is available at <http://europa.eu.int/rapid/pressReleasesAction.do?reference=IP/05/1473&forma>.

ICTSD reporting; "Sugar Deal not Enough," JAMAICA GLEANER, 28 November 2005; "UK's Blair gets flak for phased-in sugar tariff," JAMAICA GLEANER, 23 November 2005; "EU Sugar Reform Proposal 'a bitter blow'" OXFAM Press Release, 22 November 2005; "Rough Cut for Sugar - EU Decision Still Higher than ACP had Hoped," JAMAICA GLEANER, 25 November 2005; "EU Bolsters Stance in WTO trade talks with Sugar Subsidy Cut," FINANCIAL TIMES, 28 November 2005; "EU Sugar Deal to hit Developing Countries," FINANCIAL TIMES, 24 November 2005; "Sucre :le choc!" L'EXPRESS, 28 November 2005; "Le sucre perdra Rs 30 milliards en l'espace de dix ans," L'EXPRESS, 28 November 2005; "Sucre: que nous réserve l'avenir?" L'EXPRESS, 28 November 2005; "Brazil Govt: EU Sugar Reform Will Meet WTO Recommendations," DOW JONES, 28 November 2005.

OTHER NEWS

LAMY'S DRAFT LARGELY ADOPTS CTE CHAIR'S TEXT

WTO Director-General Pascal Lamy's 26 November comprehensive draft Hong Kong Ministerial Declaration incorporated almost word-for-word the entire text submitted to him by environment negotiations Chair Ambassador Toufiq Ali of Bangladesh.

The text contains two alternative bracketed approaches for identifying environmental goods and services (EGS) for the purposes of expedited liberalisation as per Paragraph 31(iii) of the Doha Declaration. Members had continued to differ on the two approaches when discussing the draft text on environment at the last session of the Committee on Trade and Environment Special Session (CTE-SS) on 22 November.

One option instructs Members to continue their work towards developing a "common understanding" on how to proceed. The other would see Members "complete by [...] 2006 the work under Paragraph 31(iii) by

identifying environmental goods for the reduction or, as appropriate, elimination of tariffs and non-tariff barriers in this area."

The latter option is supported by countries that favour the so-called 'list' approach, which would have Members multilaterally agree on a list of goods earmarked for liberalisation (see BRIDGES Weekly, 16 November 2005, <http://www.ictsd.org/weekly/05-11-16/story5.htm>). However, a number of developing countries are wary of committing to this approach, since they feel that the lists submitted so far only contain goods of export interest to rich nations. They prefer the first option, which they say would keep the approach to the negotiations as flexible as possible.

After discussions in earlier consultations did not resolve disagreement on a reference to the link between outcomes from the CTE negotiations on EGS and work in other negotiating committees, such as the one on non-agricultural market access (NAMA), the draft ministerial declaration text does not include any references to other negotiating bodies.

Weak recognition of talks on MEA-WTO relationship

Lamy's draft text also acknowledges progress made under Paragraph 31(i) to clarify the relationship between WTO rules and specific trade obligations set out in multilateral environmental agreements (MEAs). In addition, it recognises work undertaken under paragraph 31(ii) towards developing effective procedures for the regular exchange of information between MEA Secretariats and the relevant WTO committees, and criteria for granting observer status.

The text that Chair Ali had submitted to Lamy and the Trade Negotiations Committee (TNC) had also included a footnote saying that some delegations wanted to see additional language with specific instructions from ministers in this paragraph. This had been added in response to calls from the EU and Canada for more ambitious language on the two negotiating items. The EU wanted bracketed text instructing Members to move into text-based negotiations on Paragraph 31(i), while Canada, supported by New Zealand, Switzerland, Mexico and Argentina, proposed a compromise phrase to "move to more substantive negotiations in these areas." The footnote, however, was not reflected in Lamy's comprehensive draft text.

Members have been discussing the draft Hong Kong Ministerial Declaration text in a series of informal meetings, as well as in the TNC on 30 November. It will now be addressed in the General Council from 1-2 December.

Lamy's draft Ministerial Declaration text is available at http://www.wto.org/english/thewto_e/minist_e/min05_e/draft_text_e.htm.

Ali's draft text is available at http://www.ictsd.org/ministerial/hongkong/docs/05-11_24_trade_environment_draft_text.pdf.

ICTSD reporting.

CHILE AND BRAZIL PROPOSE PUBLIC INTEREST EXEMPTIONS TO WIPO BROADCAST TREATY

Brazil and Chile's calls for a series of public interest exceptions to be entrenched in a future treaty on the rights of broadcasting organisations took centre stage during negotiations at the World Intellectual Property Organisation (WIPO) from 21-23 November. Many countries have expressed concerns that the future treaty, which seeks to update the rights of broadcasters in light of technological advances in recent decades, could pose restrictions on access to knowledge, the development of educational materials, and private use of broadcasted material.

In WIPO's Standing Committee on Copyright and Related Rights (SCCR), countries have been debating the rights to be granted to broadcasters. The recent session saw discussions on the second draft of the potential treaty (SCCR/12/2 Rev.2). The Rome Convention of 1961 gives certain rights to performers, the recording industry and broadcasting organisations. Nevertheless, rights given to the first two are wider than those given to broadcasters. For example, public sound broadcasts are not covered. Broadcasting organisations' desire to obtain a similar level of protection -- expanded to include new technologies such as cable broadcasts -- is one of the driving forces behind the current negotiations. A controversial issue on the table is the nature of the rights that they could be granted -- for instance, whether these would be rights to signals or the actual content of broadcasts. Another point of contention is whether or not a new treaty should cover webcasting, or broadcasts over the internet.

Many developed and developing countries have expressed general support for the process, with the exception of extending it to cover webcasts, a proposal which has few supporters other than the US. Nevertheless, Chile and Brazil, in a set of separate proposals on exceptions and limitations to the treaty,

stressed the need to ensure that future broadcasters' rights do not work against the public interest.

The Chilean proposal (SCCR/13/4 and 5), dated 22 November, warned that a future treaty could pose obstacles to the development of social initiatives such as public libraries, distance education, and programmes for disabled people, particularly in developing countries. It thus suggested exempting several potential uses of broadcasts from the rules of the future treaty, including private use, news reporting, temporary electronic copies, teaching or scientific research purposes, use by disabled people, and use by libraries and museums. The paper also proposed a clause that would oblige national governments to prevent broadcasters from engaging in anti-competitive or abusive behaviour.

The same day, Brazil made a proposal (SCCR/13/3) calling for a general public interest clause, a broad copyright limitation and exception clause, and a minimum list of exceptions to be present in a future treaty. The general clause would specify that "nothing in this Treaty shall limit the freedom of a Contracting Party to promote access to knowledge and information and national educational and scientific objectives, to curb anti-competitive practices or to take any action it deems necessary to promote the public interest in sectors of vital importance to its socio-economic, scientific and technological development." The Brazilian proposal would also allow parties to provide, in national legislation, for exceptions or limitations of the sort found in existing copyright treaties including the Bern Convention, the Rome Convention, WTO rules, and WIPO internet treaties. It included a list of exceptions that would meet the tests laid out in the relevant clauses of these treaties.

Reactions to these proposals were mixed. The US delegation said that Brazil's paper raised serious concerns, and indicated that capital-based officials would look at both proposals more carefully. Switzerland stated that it would prefer to explore new options on limitations and exceptions at a later stage.

Many developing countries and some developed countries welcomed the discussions on limitations and exceptions to a future broadcast treaty, and said that further work would be needed in this regard. Countries including Argentina, Paraguay, Syrian Arab Republic, India, Uruguay, Iran, Brazil, Egypt, Costa Rica, Dominican Republic, Senegal and Bangladesh, expressed support for the Chilean proposal.

The Civil Society Coalition (CSC), a group of 28 public interest non-governmental organisations (NGOs), welcomed the Chilean proposal, and issued a statement indicating that the limitations and exceptions are essential to ensuring that the copyright system is

consistent with the public interest, human rights and the promotion of new creativity. On the other hand, some groups representing publishers, authors, composers, and broadcasters expressed concerns that limitations and exceptions might be excessive.

The September 2005 WIPO General Assembly directed the SCCR to step up work on the rights of broadcasters with a view to adopting an international treaty by 2007. Supporters of the broadcast treaty hope that WIPO member states will be able to agree at the September 2006 General Assembly to set the stage for finalising the treaty.

ICTSD reporting; "Brazil Seeks Knowledge Access, Diversity In WIPO Broadcasting Treaty," INTELLECTUAL PROPERTY WATCH, 18 November 2005; "Development: Debate at WIPO on limitations and exceptions to copyright," SOUTH-NORTH DEVELOPMENT MONITOR (SUNS), 28 November 2005; Civil Society Coalition Statement, 22 November 2005.

AG, IP HOBBLE ANDEAN-US FREE TRADE TALKS

Nine days of free trade negotiations between the US and Colombia, Peru and Ecuador have again ended without an agreement. This round -- the thirteenth -- had been expected to be the last in the Andean-US free trade agreement (FTA) talks, which started in 2004. Nevertheless, disagreements over farm trade and intellectual property rights (IPRs) prevented the parties from striking a deal, even after extending the Washington meetings up to four days beyond the originally scheduled 14-18 November dates.

The Andean negotiators have largely attributed the impasse to the US' lack of flexibility on agriculture, IPRs, and, to a lesser degree, sanitary and phytosanitary (SPS) measures, issues that have been sticking points for much of the negotiations (see BRIDGES Weekly, 14 September 2005, <http://www.ictsd.org/weekly/05-09-14/story2.htm>). Ecuador strongly criticised the US for inflexibility on agriculture and IPRs after the recent meetings.

Agriculture has always been isolated from the broader Andean-US FTA talks, with negotiations taking place on separate bilateral tracks between the US and each of the three Andean Community (CAN) countries. It now appears that all remaining unresolved issues in the joint talks are coming up in the bilateral discussions as well.

Among the three Andean counties, the US' bilateral talks with Peru have reportedly showing the most progress. However, even these talks broke down during the recent meetings, with Peruvian Foreign Trade and Tourism Minister Alfredo Ferrero saying that "We are not yet in condition to reach a balanced agreement comprising Peru's interest."

Colombia, Ecuador and Peru are members of the Andean Community, a South American regional alliance. The current FTA negotiations began in May 2004 after the US announced that it would not renew the Andean Trade Preferences and Drug Eradication Act, a trade preference scheme for Bolivia, Colombia, Ecuador and Peru scheduled to expire in December 2006.

Data exclusivity at centre of IPRs, Ecuador warns Peru against concessions

The length of the pharmaceutical "data exclusivity" period has been one of the key sticking points in the talks. This refers to a protection period for the clinical test data that brand name pharmaceutical companies submit to government sanitary authorities when seeking the right to put a new drug on the market. This could potentially delay the entry of generic versions into the market, since would-be generic manufacturers would have to either wait for the end of the exclusivity period or run their own clinical tests in order to secure marketing approval for their products.

Peru and Colombia are said to have accepted the five-year period that the US was seeking. However, Peru is seeking the option of waiving this condition in the event of a national emergency. This issue went unresolved during its recent bilateral talks with the US. It is not clear whether Colombia is seeking a similar waiver.

Ecuador has been holding out for a shorter, three-year period for data protection, in addition to a national emergency waiver. It also has concerns with regard to the coverage and effects of patents. Ecuadorian trade negotiators insist that they are unwilling to accept hasty concessions simply in order to strike a deal. One suggested that it would block the negotiations indefinitely if Peru agreed to IP concessions that it found unacceptable.

Ecuador's comparatively wary approach to the negotiations have some trade analysts suggesting that Peru and possibly Colombia would abandon the joint discussions altogether in favour of separate bilateral agreements with the US.

Market access key to agriculture negotiations

Agriculture has been another major obstacle to agreement. All parties are pushing for greater market access; the Andean countries have been arguing that the US' position does not offer them enough benefits. Many of the differences centre on issues related to each country's 'sensitive' products, for which they are reluctant to expand market access.

Colombia and the US were unable to agree on how to treat several products. Colombia wants greater market access for its sugar exports than the US has been willing to give. The US is in turn demanding market access for pork, rice and beef exports, which Colombia deems 'sensitive.' Colombia did, however, agree to accept the eventual elimination of tariffs on 'sensitive' products, so long as suitable safeguard measures are an integral part of the deal. It is, however, still seeking a measure of protection to some 'very sensitive' products after the agreement is implemented. The two countries also differed on sanitary and phytosanitary measures facing Colombian exports, as well as rules of origin requirements for tobacco.

Agricultural negotiations between the US and Ecuador have been primarily stuck on issues related to rice, corn, dairy products and flowers, and rules of origin issues for tuna.

The US dismissed a last minute offer by Ecuador to expand tariff rate quotas and reduced phase-out times as insignificant.

Inflexibility linked to fears over Congressional approval for FTA

Throughout the negotiations, the Bush Administration has warned that Congress would be unlikely to support a deal that did not match the level of market access for sensitive products in the US' recent FTA with Central American countries. Congress approved that agreement by two votes (see BRIDGES Weekly, 3 August 2005, <http://www.ictsd.org/weekly/05-08-03/story2.htm>); some question whether Bush, whose recent poll ratings have been falling, would be able to influence Congress enough to secure support for an eventual Andean deal.

Joint talks between the four countries are scheduled to take place on 5 December.

"Peru Puts Off FTA Talks with US," AGENCIA INFORMATIVA LATINOAMERICANA PRENSA LATINA S.A., 24 November 2005; "Colombia Insists on FTA with US," AGENCIA INFORMATIVA LATINOAMERICANA PRENSA LATINA S.A., 24 November 2005; "Ecuador-US FTA Comes to a Halt," PRENSA LATINA, 23 November 2005; "Colombia President Uribe Approval Falls on Free Trade Talks,"

DOW JONES NEWS, 21 November 2005; "Colombia Jilts US FTA for Venezuela," PRENSA LATINA, 27 November 2005.

IN BRIEF

EU AGREES TO NEW BANANA TARIFF OF EUR 176 PER TONNE

EU member states overcame internal disagreement on 25 November to agree on a reform package for their banana import regime that would set their most-favoured nation (MFN) tariff level at EUR 176 per tonne from 1 January 2006. It is, however, far from clear whether this offer would be sufficient to end the EU's longstanding dispute with Latin American banana producers. Honduras already attacked the new tariff for being too high and vowed to challenge it at the WTO.

After the EU's banana import regime was found to be WTO-inconsistent in 2001, Members granted it the so-called 'Cotonou waiver,' which allowed the EU to maintain preferential access for African, Caribbean, and Pacific (ACP) banana exports -- so long as the move to a tariff-only regime by 1 January 2006 maintained total market access for Latin American MFN producers. The waiver allowed MFN banana exporters to seek arbitration if dissatisfied with the EU's proposed tariff levels. WTO arbitrators have already rejected two EU proposals for tariffs of EUR 230 and later EUR 187 per tonne (see BRIDGES Weekly, 2 November 2005, <http://www.ictsd.org/weekly/05-11-02/story3.htm>).

A 23 November vote on a EUR 179 per tonne tariff was postponed when some banana-importing member states argued that it was too high, and would protect European banana farmers and former colonies at the expense of EU consumers (see BRIDGES Weekly, 23 November 2005, <http://www.ictsd.org/weekly/05-11-23/inbrief.htm#1>).

Honduras -- which along with several Latin American banana producers has been calling for a tariff closer to EUR 75 euros per tonne -- has threatened to challenge the new tariff at the WTO. Costa Rican government officials also insisted that they would push for a lower tariff level.

In a press release, EU Trade Commissioner Peter Mandelson left open the possibility of "further negotiation with our Latin American partners in order to reach a mutually satisfactory solution."

The European Commission press release is available at:

<http://europa.eu.int/rapid/pressReleasesAction.do?reference=IP/05/1493&format=HTML&aged=0&language=EN&guiLanguage=en>.

ICTSD reporting; "EU Agrees on 176 Euro Banana Tariff In Attempt to Meet WTO Orders, ACP Needs" "EU New Banana Tariff Annoys Latin America," DAILY TIMES, 27 November 2005; "Honduras Plans to File WTO Complaint on New EU Banana Plan (Update 2)," BLOOMBERG, 29 November 2005; "The European Union (EU) agrees on New Banana Tariff" 29 November 2005, JAMAICA GLEANER 29 November 2005.

TAIWAN ISSUES COMPULSORY LICENSE FOR TAMIFLU

Taiwan has become the first country to issue a compulsory licence for the generic production of Tamiflu, the only drug currently available for the treatment of avian flu, in order to ensure that the country has sufficient quantities of the medicine in the event of a pandemic.

Taiwan recently ordered 2.3 million treatments of the drug from Swiss pharmaceutical manufacturer Roche, which holds the patent on Tamiflu. These are set to be delivered by the middle of next year. However, this would only be enough to cover ten percent of the population. In order to avoid damage to the country's reputation for protecting intellectual property, the Taiwan Intellectual Property Office (TIPO) has indicated that in the event of a national emergency it would exhaust the stockpiles of the patented drug purchased from Roche before reverting to generic copies of Tamiflu (called oseltamivir) produced under compulsory license. The Taiwanese government has reportedly already made small amounts of oseltamivir, and the TIPO has trained two local companies to produce it. Roche has suggested that a fallback on compulsory licenses would likely prove unnecessary.

Meanwhile, Roche has indicated that it does not have patent protection for Tamiflu in Indonesia, Thailand and the Philippines. These countries are thus free to legally produce the drugs for their domestic markets without applying for compulsory licenses. It remains to be seen whether other countries in the region will attempt to utilise the '30 August 2003 Decision' (see BRIDGES Weekly, 4 September 2003, <http://www.ictsd.org/weekly/03-09-04/wtoinbrief.htm#1>) to import generic copies of Tamiflu. To date, no countries have utilised

the waiver to import generic drugs for public health crises.

In recent months policymakers all over the world have explored options to allow for the production or import of generic versions of Tamiflu, even in countries such as the US that have traditionally resisted the generic production of drugs still under patent.

"Taiwan Licences Tamiflu for Local Companies, FINANCIAL TIMES, 26-27 November 2005; "Roche Confirms Ability to Supply Pandemic Tamiflu to the People of Taiwan," ROCHE MEDIA NEWS, 25 November 2005; "Indonesia Says to Begin Making Tamiflu in 3 to 5 Months," REUTERS, 26 November 2005; "Taiwan to Bypass Roche, Make Tamiflu," TAIPEI TIMES, 26 November 2005; "Thailand 'free to Produce own Tamiflu,'" BANGKOK POST, 29 November 2005; "Taiwan OKs Tamiflu Production," REUTERS, 26 November 2005.

WTO IN BRIEF

US SHRIMP ANTI-DUMPING DUTIES UNDER ATTACK ON SEVERAL FRONTS

On 15 November, Ecuador initiated WTO dispute proceedings against US anti-dumping duties on its shrimp exports. It alleges that the method known as "zeroing" used by the US Department of Commerce to calculate the duties contravenes WTO rules. Under the WTO Anti-dumping Agreement, a WTO Member can impose anti-dumping duties on an imported product if it finds that the company exporting the product charges less for it abroad than in the home market.

Dumping calculations require export prices to be compared to the normal home market levels. According to the US' zeroing methodology for determining dumping margins for a certain product, instances where US sales prices are higher than the home market level are simply not taken into account, or "zeroed" out of the assessment. Thus, only instances where US prices are lower than the home market level are taken into account. Ecuador has argued that this process leads to artificial and inflated anti-dumping margins. The methodology has been consistently ruled against in previous disputes between the US and countries such as Canada, the EU, Japan, Mexico and Thailand.

The US has imposed anti-dumping duties on certain shrimp and prawn exports from Brazil, China, Ecuador, India, Thailand and Vietnam.

In a related development, the US recently received heavy criticism when its International Trade Commission (ITC), a federal agency, ruled to uphold those duties on imports from Thailand and India despite the fact that the industry there had been severely harmed by the December 2004 Indian Ocean tsunami (see BRIDGES Trade BioRes, 11 November 2005, <http://www.ictsd.org/biores/05-11-11/story1.htm>). When first imposing the anti-dumping duties in January 2005, the US expressed concerns over the effects of the tsunami in the region, and launched a review to determine whether they could be revoked without injuring the US shrimp industry. The ruling effectively concludes that they could not.

"Ecuador Initiates WTO Dispute Proceedings Against U.S. for AD Duties on Shrimp Imports", WTO REPORTER, 17 November 2005; "US dumps Indian shrimp with anti-dumping duty," FINANCIAL EXPRESS, 4 November 2005; "US panel votes to keep shrimp antidumping duty orders for India and Thailand," FISHUPDATE, 3 November 2005; "ITC Votes To Keep Shrimp Antidumping Duty Orders For India And Thailand In Place," ITC PRESS RELEASE, 2 November 2005; "Shrimp exporters may have to fish in markets other than US," FINANCIAL EXPRESS, 7 November 2005.

EVENTS & RESOURCES

EVENTS

1-2 December, Beirut, Lebanon: REGIONAL SEMINAR ON SUSTAINABLE DEVELOPMENT AND COMPETITIVENESS OF THE AGRO-FOOD SECTOR. Some topics addressed at this UN Economic and Social Commission for Western Asia seminar include strategies for overcoming obstacles that are hindering the growth of the agro-food sector, ways of enhancing competitiveness, safety and technical regulations, and labelling and marketing. For further information contact Issa Toubbeh, tel: (+ 961) 1-978117; fax: (+ 961) 1-981501; e-mail: toubbeh@un.org.

5 December, Copenhagen, Denmark: CHINA TAKING OVER THE WORLD? THE FUTURE OF TEXTILE AND CLOTHING TRADE. This seminar on China and textiles trade is organised by the 'WTO, Trade & Development Network,' an initiative based at the Danish Institute for International Studies (DIIS). The meeting is part of the DIIS' monthly 'Trade Mondays' seminar series and will include presentations from Jörg Mayer of the UN Conference on Trade and Development (UNCTAD) and Eckart Naumann of the Trade Law Centre of Southern

Africa (TRALAC). For further information contact Jon Mortensen, tel: (+45) 3269-8821; fax: (+45) 3269-8800; email: njm@diis.dk; internet: <http://www.diis.dk/sw16990.asp>.

5-7 December, Tunis, Tunisia. FIFTH MEETING OF THE UNCTAD/FAO/IFOAM INTERNATIONAL TASK FORCE ON HARMONISATION AND EQUIVALENCE IN ORGANIC AGRICULTURE. This meeting, convened by the Food and Agriculture Organisation (FAO), the International Federation of Organic Agriculture Movements (IFOAM) and the UN Conference on Trade and Development (UNCTAD), will serve as an open-ended platform for dialogue between intergovernmental, governmental and civil society organizations to discuss trade and regulatory activities in the organic agriculture sector. For further information contact Sophia Twarog, tel: (+41) 22-917-5082; fax: (+41) 22-917-0247; e-mail: sophia.twarog@unctad.org.

5-7 December, Geneva, Switzerland: EXPERT MEETING ON ENHANCING THE PRODUCTIVE CAPACITY OF DEVELOPING COUNTRY FIRMS THROUGH INTERNATIONALISATION. This UN Conference on Trade and Development (UNCTAD) meeting is expected to bring together high-level experts from the public and private sectors, as well as academia and international organisations, to examine issues related to outward foreign direct investment (FDI). For further information contact UNCTAD, tel: (+41) 22-917-5809; fax: (+41) 22-917-0051; e-mail: info@unctad.org; internet: <http://www.unctad.org/Templates/Meeting.asp?intItemID=1942&lang=1&m=10495&year=2005&month=12>.

6 December 2005, Washington, DC: RESOURCES FOR GLOBAL GROWTH: LINKING AGRICULTURE, ENERGY AND TRADE FOR THE FUTURE. This conference, organised by the Center for American Progress, will discuss investing in the potential of American agriculture to produce energy, to ensure that trade benefits producers in the US and abroad, creates jobs and increases farm incomes and grows more self-reliant by developing safe, clean and affordable energy. For further information contact the Center for American Progress, tel: (+1) 202-741-6246; e-mail: events@americanprogress.org.

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.

1-2 December: GENERAL COUNCIL

5 December: COMMITTEE OF PARTICIPANTS ON THE EXPANSION OF TRADE IN INFORMATION TECHNOLOGY PRODUCTS

6 December: DISPUTE SETTLEMENT BODY

Other Upcoming Events

12-14 December, Geneva, Switzerland: EXPERT MEETING ON CAPACITY BUILDING IN THE AREA OF FDI: DATA COMPILATION AND POLICY FORMULATION IN DEVELOPING COUNTRIES. This UN Conference on Trade and Development (UNCTAD) Expert Meeting will focus on the issues of foreign direct investment (FDI) data compilation and analysis and its role in the formulation of FDI policies from a development perspective. For further information contact UNCTAD, tel: (+41) 22-917-5809; fax: (+41) 22-917-0051; e-mail: info@unctad.org; internet: <http://www.unctad.org/Templates/Meeting.asp?intItemID=1942&lang=1&m=10496&year=2005&month=12>.

13-18 December, Hong Kong, China: THE SIXTH WTO MINISTERIAL CONFERENCE. This WTO Ministerial Conference will serve as a venue for Members to settle a range of issues related to the final agreement of the Doha Agenda, which Members hope to finalise by the end of 2006. For further information contact the WTO, tel: (+41) 22-739-5111; fax: (+41) 22-731-4206; e-mail: enquiries@wto.org; internet: http://www.wto.org/english/thewto_e/minist_e/min05_e/min05_e.htm.

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/>.

15 December, Hong Kong, China: BEIJING+10 MEETS WTO+10: POVERTY ALLEVIATION AND WOMEN'S RIGHTS IN THE RUBRIC OF TRADE LIBERALISATION. This International Gender and

Trade Network (IGTN) workshop will bring together women's groups, trade activists and social movements for a discussion on the broad understanding of the link between women's rights, gender equality and trade regulations and the use of the Beijing Platform for Action as a tool for assessment and advocacy. For further information contact Kristen Sampson, tel: (+1) 202-635-2757 ext 128; fax: (+1) 202-832-9494; e-mail: ksampson@coc.org or Maria Pia Hernandez, e-mail: maria.pia@igtn.org; internet: <http://www.igtn.org/page/events/>.

RESOURCES

THE EU CORPORATE TRADE AGENDA: THE ROLE AND THE INTERESTS OF CORPORATIONS AND THEIR LOBBY GROUPS IN TRADE POLICY-MAKING IN THE EUROPEAN UNION. By Christina Deckwirth. The Seattle to Brussels Network, November 2005. This non-governmental organisation report claims that EU trade policy is "being driven by the demands of European businesses for new markets rather than by the needs of developing countries, European citizens or the environment." While the Doha Round is titled the 'Doha Development Round,' the author of the report says that the facts behind the rhetoric do not support the agenda. Indeed, far from promoting development in non-EU countries, the real agenda of the EU, led by the big business lobby, is to force open the markets in these countries for exploitation by European and trans-national corporations. The report discusses issues related to trade in services, non-agricultural market access (NAMA), the nature of political lobbying in Brussels and the lack of transparency in EU trade policy negotiations. Available online at http://www.s2bnetwork.org/EU_corporate_trade_agenda.pdf.

POWER-CRACY IN WTO, A CASE STUDY: ARM TWISTING OF PAKISTAN. By Syed Wajid H. Pirzada. ActionAid Pakistan, 2005. This paper contends that today, national policies are embedded deeply in the framework of international treaties, agreements, covenants and understandings reached with multilateral institutions. One such framework, the multilateral trading system being crafted by the WTO agreements, is heralding a new era of international trade. The WTO has emerged as a powerful multilateral institution, for its regimes affect not only markets but national policies and people's lives. In this context, Clare Short, Britain's International Development secretary, has argued that the principle of non-discrimination on which WTO rules are based needs to be changed, since it can be anti-development in practice -- it prohibits developing countries from taking measures which they believe

would help their development efforts. For example, they cannot insist that foreign investors use local materials and nationals. The author stresses the need to understand the workings of WTO, from the perspective that its current shortcomings must be understood in order to attempt to make it more participatory and democratic. The study seeks to address this goal, help understand the nature of power politics in the WTO, and the role arm-twisting plays in its functioning. Available online at <http://www.actionaid.org/pakistan/images/Power%20Cracy%20final%20%20file...pdf>.

THE TRADE AND ENVIRONMENTAL EFFECTS OF ECOLABELS: ASSESSMENT AND RESPONSE. By Tom Rotherham. UN Environment Programme, 2005. This report discusses the trade and environmental effects of ecolabels through a literature review and includes five case studies of specific labels: the Blue Angel programme in Germany, and the programmes associated with the Forest Stewardship Council (FSC), the Marine Stewardship Council (MSC), Fairtrade Labelling Organizations International (FLO) and the International Federation of Organic Agriculture Movements (IFOAM). Furthermore, the interaction between trade and environmental policies, as well as that between public policies and market forces are examined in some depth. The paper asserts that identifying the effects of ecolabelling is difficult due to a limitation in available data. Thus, further research and multi-stakeholder exchange is required to support the design and application of Ecolabels that support sustainable development. The report's ultimate aim is to identify specific issues and policy integration challenges that need to be addressed in order for this to happen. Available online at <http://www.unep.ch/etb/publications/Ecolabelpap141005f.pdf>.

THE GATS AND SOUTH AFRICA'S NATIONAL HEALTH ACT: A CAUTIONARY TALE. By Scott Sinclair. Canadian Centre for Policy Alternatives, November 2005. This new study asserts that South Africa's flagship health legislation conflicts with binding commitments the former apartheid regime negotiated under the WTO's General Agreement on Trade in Services (GATS). This trade treaty conflict threatens to undermine the legislation and, if left unresolved, would make meeting the health needs of the majority of the population far more difficult. The study explores several options that South Africa has for resolving this conflict in favour of its health policy imperatives, but each entails risk. Sinclair believes that South Africa's dilemma should serve as a world-wide warning that health policy-makers, governments and citizens need to be far more attentive to negotiations to expand the reach of the GATS. The paper also discusses the possible developmental impacts that might arise from

services liberalisation commitments in the current Doha Round negotiations. The study includes a foreword by David Sanders, Professor and Director, School of Public Health, University of the Western Cape. Available online at <http://www.policyalternatives.ca/Reports/2005/11/ReportsStudies1244/index.cfm?pa=BB736455>.

MAKING IT WORK: WHY THE KIMBERLEY PROCESS MUST DO MORE TO STOP CONFLICT DIAMONDS. By Global Witness, November 2005. This Global Witness report is the product of research undertaken in 2005 to assess the effectiveness of the Kimberly Process Certification Scheme, an agreement designed to prevent trade in conflict diamonds. The investigations were undertaken to assess the effectiveness of government controls, and to consider whether the Kimberly Process is a system that succeeds in preventing trade in conflict diamonds or is simply a rubber-stamping exercise. Investigators looked at how conflict diamonds enter the legitimate diamond trade and identified weaknesses in government regulations that enable this to happen. The report strongly criticises the Kimberly Process members for "lack of action." It argues that controls in the diamond trade from mining to polishing are still inadequate and poorly enforced due to the lack of effective monitoring capacity and political will. Furthermore, some members of the diamond industry continue to trade in conflict diamonds. The paper offers suggestions intended to be taken into consideration when the Kimberly Process is reviewed in 2006. Available online at <http://www.globalwitness.org/reports/show.php/en.00082.html>.

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