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LEAD STORIES

SERVICES: DEMANDEURS, REQUESTED MEMBERS BOTH CONTENT WITH INITIAL PLURILATERALS

The recently-concluded 'cluster' of services meetings at the WTO, which featured the start of 'plurilateral' market access negotiations among groups of countries, was hailed as "extremely positive" by Hamid Abdel-Mamdouh, the director of the WTO's services division. The cluster, which ran from 27 March - 7 April, saw negotiations on the more than 20 plurilateral requests that had been made in virtually every sector covered by WTO services rules. Mamdouh told journalists on 10 April that the talks had "exceeded our expectations." "I think there is definitely new momentum in the services' negotiations," he said.

Delegates from both sides -- Members making plurilateral requests as well as those on the receiving end -- do not seem to disagree with this assessment, albeit for different reasons.

Demandeurs appear pleased -- and relieved -- that the negotiations on the collective requests were not as contentious as many had feared. Members they had invited for plurilateral negotiations duly came to the meetings along with their sectoral experts. Brazil, for instance, reportedly brought in over a dozen capital-based experts, its largest delegation for services negotiations to date.

Several Members that were the target of requests felt that they had been able to take advantage of the plurilateral approach to strengthen defensive stances in areas where they were reluctant to increase liberalisation commitments.

Many meetings follow similar pattern

Sources indicate that plurilateral meetings in a number of sectors followed a similar pattern. After demandeurs presented their requests, requested Members would start their interventions by emphasising the voluntary nature of their participation, and follow this with a series

of technical questions regarding the collective request they had received. After the demandeurs responded and clarified these technical issues, the requested Members would point to the relatively liberal nature of their own existing regimes and offered commitments, sometimes saying that they were unable to move beyond their present offers in the absence of favourable movement in other aspects of the services talks or other negotiating issues such as agriculture.

One delegate remarked that the plurilateral discussions resembled a Committee on Specific Commitments meeting merged with a Special Session of the Council for Trade in Services: Members had technical discussions on the proposed classifications and entries of commitments, and subsequently engaged in a 'beauty contest' where they praised the quality of their own offers and commitments in the sector under discussion. This is not uncommon practice in bilateral market access negotiations either.

It appears that even the plurilateral negotiations in sectors such as computer-related services, where a wide range of Members believe that new liberalisation commitments could be beneficial and the demandeurs were thought to have significantly refined their shared approach, were not spared from these negotiating dynamics. The sponsors of the collective request were confronted with a series of substantive and technical questions. For instance, the EU was asked why it was seeking commitments that the other demandeurs were not.

Some trade negotiators from Members that had been the target of several requests said that the plurilateral process had forced a level of restraint upon demandeurs, because they had to agree on the common elements in each sectoral request. Nevertheless, sources say that a number of the requests remained unwieldy in the face of questioning because they were overly ambitious -- an example cited was legal services -- or not specific enough. One delegate noted that India, the coordinator for the collective request on liberalisation of services supplied across national borders (mode 1), might do well to focus the request more on professional services.

Demandeurs to seek more bilaterals in future?

Sources report that some of the plurilateral requests may henceforth be discussed jointly during future clusters. The requests on architectural, engineering and integrated engineering services may, for instance, be discussed together with that on construction and related engineering services. The requests seeking the elimination or reduction of exemptions from the obligation to accord most-favoured-nation (MFN) treatment in financial services and in audio-visual

services might be folded into the plurilateral discussions on financial services and audio-visual services, respectively.

A delegate from a country which received plurilateral requests in practically every sector observed that while Members engaged substantively in the negotiations, there did not appear to be any concrete forward movement which could be attributed to the two week-long series of negotiations. If anything, many requested Members were left with the impression that they were able to maximise a defensive approach, if they so chose, much more in the plurilateral negotiations than in bilateral ones -- prompting one observer to call the plurilateral approach a 'toothless process.'

This does not seem to have been lost on the demandeurs, who, apart from seeking a series of meetings in May in addition to the previously scheduled June negotiations, have already started asking Members to devote more time to bilateral meetings in subsequent clusters.

ICTSD reporting; "WTO services' talks appear to be getting into gear," REUTERS, 10 April 2006.

TRADE FACILITATION: MORE NEW PROPOSALS, TALKS STILL NOT 'TEXT-BASED'

Developing and developed country WTO Members made several submissions during the informal meeting of the Negotiating Group on Trade Facilitation from 5-6 April, some new but most building on previous ideas. According to a developing country trade delegate, the fact that a number of delegations submitted 'one-pagers,' that is, short, concise proposals on substantive issues, suggested that they were consolidating ideas in preparation for 'text-based' negotiations, although it was still unclear when these would start.

The trade facilitation negotiations, which aim to simplify customs procedures, cut red tape, and enhance developing countries' capacity to engage in international commerce, are supposed to clarify three GATT 1994 articles: freedom of transit for goods from other Member states (Article V), trade-related fees and formalities (Article VIII), and transparency in the regulation and administration of trade regulations (Article X).

New paper outlines process for overseeing commitments

In their first joint submission China, India, Pakistan and Sri Lanka (TN/TF/W/82), outlined a process for

identifying compliance requirements for developing countries when implementing the Doha Round outcome on trade facilitation. They argued that implementing trade facilitation commitments may be difficult for developing countries -- especially if they do not receive sufficient assistance -- and potentially left them facing disputes if they failed to comply. Thus, to calm Members' anxieties about taking on new commitments, they called for developing countries' commitments to be classified on the basis of their ease of implementation; for a mechanism to be established for the provision of technical assistance and capacity building support "so to ensure that when Members examine specific trade facilitation rules during the negotiations, they could be assured how and what kind of assistance and support they can get to provide them the requisite comfort for taking commitments"; and some sort of arrangement about the applicability of the dispute settlement mechanism. They suggested that the last step could be accomplished through the establishment of a trade facilitation-specific process of consultation and mediation, with regular dispute settlement available only as a last resort.

In addition to this, there were a number of submissions on trade-related fees and formalities (Article VIII) and transparency (Article X). A joint submission by Peru, Chile and the US (TN/TF/W/89) called for trade regulations to be published on the internet, arguing that this would be cheaper than printing such information in government gazettes. The paper's special and differential treatment (S&D) provisions included deferred implementation of commitments, along with technical assistance to support the development and maintenance of the relevant website. Nevertheless, some developing country delegations such as India, Kenya, Egypt and Jamaica expressed concerns about compliance costs, internet literacy and the availability of information technology (IT). The Philippines suggested requiring internet publication alone implied an amendment of Article X as opposed to mere clarification or improvement. Australia reportedly proposed giving Members the choice of whether to use the internet or produce hard copies.

Hong Kong, Korea and Switzerland (TN/TF/W/92) called for Members to accept commercially available information such as invoices in lieu of certain documentation requirements. India reportedly expressed reservations on this front, arguing that such information could not substitute for legal customs documents.

New submissions on expedited customs clearance

Several submissions related to speeding up the clearance of goods at national borders. As has become

common in the trade facilitation talks, many were joint submissions by developed and developing countries.

The US and Uganda made a submission (TN/TF/W/86) calling for the prohibition of 'consular transactions' related to trade. These require goods intended for export to receive certification from the locally-based consul of the importing Member. The US also asked for a separate and expedited customs procedure on express shipments (TN/TF/W/91), prompting Kenya and India to ask for a clear definition of what these shipments were, with the former pointing to developing countries' limited border customs capacity.

The EU, Taiwan and Switzerland (TN/TF/W/87) put forward a submission calling for simplified customs procedures to be applied to 'authorised traders' who have a record of compliance with import and export requirements, and meet other specific financial and security-related criteria. Other Members such as India were reportedly not in favour of making the establishment of authorised trader status mandatory.

Latin American countries present 'road-map' for S&D

The second day of the meeting focussed on two issues of concern to developing countries, namely, S&D and technical assistance and capacity building (TACB).

In a joint submission (TN/TF/W/81), eleven Latin American countries -- Chile, Ecuador, Guatemala, Honduras, Mexico, Nicaragua, Paraguay, the Dominican Republic, Uruguay, Panama and Peru -- proposed a 'road-map' for S&D in trade facilitation. The paper built upon an earlier one (TN/TF/W/41) that stressed that future disciplines must reflect the negotiating mandate's stipulation that the scope of developing countries' trade facilitation commitments must be commensurate with their needs as well as their capacity to implement them, and should also be linked to the delivery of TACB. In addition, the new submission proposed language that a future agreement could use for a S&D mechanism consisting of four phases: capacity self-assessment; notification; capacity development; and confirmation of the acquisition of capacity and compliance with the obligation.

While the use of 'text-based' language in the Latin American submission is notable, Zambia intervened on behalf of the group of least-developed countries (LDCs) to say that it was premature to draft text for future agreements since countries' TACB needs had not yet been fully assessed. Tanzania, too, complained that there had been little progress on the Hong Kong mandate to ensure the adequate provision of trade facilitation-related TACB.

One developing country negotiator said that developing countries needed to come forward and identify areas where they needed TA, adding that a key challenge, in fact, was that many Members were not even clear as to how to go about this, and needed assistance in the identification exercise as well. The delegate admitted to concerns that this sort of prior identification might subsequently lead to demands for binding commitments, and called on developed country TACB providers to show more understanding of developing country realities.

A trade source suggested that concerns on TACB and the lack of clear timelines for the negotiations were contributing to the uncertainty about when text-based negotiations would start. The Hong Kong Ministerial Declaration merely called for members to move into drafting mode 'early enough' after the December 2005 summit. An informal timeline put together in January by ministers from some 25-30 Member countries suggested February for the submission and discussion of proposals on all three pillars of the trade facilitation talks (articles, S&D and TACB), and a target date of July for the first full draft report to the Trade Negotiations Committee.

Sources report that the chair announced that the next formal meeting of the negotiating group would take place on 6-7 June, followed by another on 10-11 July. Before, these, however, there will be an informal meeting on 11-12 May.

ICTSD reporting.

OTHER NEWS

WTO MEMBERS "OPEN" TO TALKS ON S&D MONITORING MECHANISM

At a 7 April meeting of the WTO Committee on Trade and Development - Special Session (CTD-SS), delegations said they were open to relaunching talks on a monitoring mechanism for special and differential treatment (S&D). This marked the first time in some three years that the committee has substantively engaged with 'cross-cutting' rather than agreement-specific issues in the negotiations. Although the General Council in July 2002 approved the creation of such a monitoring mechanism, asking the CTD-SS to determine how it would work, talks have been on hold since early 2003 due to concerns from some countries that it could be used to enforce differentiation among developing country Members of the WTO.

As the monitoring mechanism concept deals with the need for adequate implementation of S&D across all WTO agreements, it is one of the so-called 'cross-cutting' issues in the negotiations, as compared to the group of proposals for changes to specific WTO rules. The CTD-SS has since May 2005 been focusing on the latter group of 'agreement-specific' proposals, largely because most developing countries felt that they were more urgent. Cross-cutting issues, by contrast, were mired in controversy, and suffered from the absence of a specific deadline for dealing with them. The 7 April gathering looked at agreement-specific issues before the addressing the cross-cutting ones.

The idea of a mechanism to implement and monitor S&D in the WTO was introduced into the CTD-SS by the African Group in 2000 (TN/CTD/W/3/Rev2 and W/23). The disagreement arose as a result of subsequent submissions from the EU (W/13, 20 and 26) and Switzerland (W/14), which suggested that the mechanism could be used to determine when a developing country could "graduate" to developed country status. The issue of graduation is linked to the extremely controversial question of according different treatment to Members classified as developing countries in the WTO. In 2003, several middle-income developing countries said they did not want to discuss the monitoring mechanism because they saw it as tied to differentiation, to which they were opposed. Some of them called for more progress on the agreement-specific issues before Members moved to cross-cutting ones, arguing that there was little point to an S&D monitoring mechanism until specific provisions for such treatment had been determined.

Agreement talks needed on monitoring mechanism -- but no detail yet

Chair Ambassador Burhan Gafoor of Singapore asked Members to share their interpretation of the Hong Kong Ministerial Declaration's mandate to "resume work on all other outstanding issues, including on the cross-cutting issues, the monitoring mechanism, and the incorporation of S&D into the architecture of WTO rules, and report on a regular basis to the General Council".

Kenya intervened on behalf of the African Group to suggest that the committee's 'cross-cutting' work should focus on a "development framework" and the monitoring mechanism. With regard to the former, Kenya referred to a proposal it tabled at the Hong Kong Ministerial Conference that sought to link the mandate of the CTD-SS to the operationalisation of elements of GATT Article XVIII (4), which provides for letting countries "in the early stages of development" to temporarily deviate from their obligations in order to promote industrial and economic development. Although they did not go into extensive detail about the

"development framework," they suggested it should be a general framework to address developing countries' access to effective S&D.

On the monitoring mechanism, several Members referred to earlier submissions on the issue, and expressed support for restarting discussions. Countries such as Malaysia and Egypt, which had earlier blocked talks on the issue, said that they were open to negotiations. Others suggested that work on the monitoring mechanism would be a good way to re-launch talks on outstanding and cross-cutting issues, since Members' positions were relatively limited, ranging from some that think a mechanism is "needed" to others which are simply "interested." The devil may well prove to be in the detail: in spite of the General Council's approval for creating a monitoring mechanism, delegates have thus far been unable to agree on its scope, aim and location (see, for example, BRIDGES Weekly, 28 November 2002, <http://www.ictsd.org/weekly/02-11-28/story2.htm>). On scope, delegates need to decide whether the mechanism will monitor the implementation of the WTO agreements in their entirety; all S&D provisions; or only the S&D provisions added by the Doha Round.

The EU said that it supported transparency and notification measures that ensure the effective implementation of WTO rules, including the monitoring mechanism. It added that if Members wanted to be particularly ambitious, they could consider "guidelines" that could apply different S&D to different developing countries. Although several developing countries immediately expressed their disinterest in this sort of differentiation in S&D rules, sources suggest that delegates privately recognised that the EU had not explicitly linked the monitoring mechanism to differentiation as it had in earlier submissions on the issue. This enabled countries such as China and Mexico to suggest that talks on the nature, scope and location of the monitoring mechanism continue, but without a link to differentiation.

Some trade sources suggest that the shift in position on cross-cutting issues could be attributed to the relative movement achieved on the agreement-specific ones -- 27 proposals were agreed to in principle at the 2003 Cancun Ministerial Conference, and a key set of five LDC proposals were adopted in Hong Kong -- or to a hope among Members that enough time has elapsed since the relatively unproductive 2002-3 discussions for them to expect that they will not be repeated.

SPS, waiver proposals examined

Earlier in the day, delegates continued negotiations on agreement-specific proposals (see BRIDGES Weekly, 1 March 2006, <http://www.ictsd.org/weekly/06-03->

01/WTOinbrief.htm#2). Draft amendment text put together on the basis of two separate proposals, one from the African Group and another the other from a group of largely Asian developing countries (proposals 24 and 25, from TN/CTD/W2 and W/3/Rev.2 respectively) called for developing country Members to be granted 'special consideration' under Article 10.3 of the Agreement on Sanitary and Phytosanitary Measures (SPS), which provides for developing countries to receive, upon request, "specific, time-limited exceptions" to their SPS obligations. Although the chair urged delegates to lift the many brackets in the text that indicated disagreement on wording, differences between the two groups of countries, as well as within the African group itself, rendered this impossible.

The Hong Kong decision requiring developed countries to grant duty-free and quota-free access to 97 percent of the tariff lines for LDC exports was not discussed at the meeting, though it was on the agenda. LDCs want the monitoring and implementation of the decision to take place in the CTD-SS. The US, the EU and others, however, believe that this should happen in the LDC Sub-Committee.

Exactly when developed countries have to implement such market access for LDC exports also remains a matter of some contention. According to the Hong Kong Declaration, they have to do so "by 2008 or no later than the start of the implementation period [for Doha Round commitments]." Trade sources suggest that in informal consultations with each other, LDCs have argued that the decision has to be enforced by 2008, while the US maintains that it must be done as part of the single undertaking of the Doha Round, whenever it is concluded. They also disagree on whether the Hong Kong mandate to "ensure that preferential rules of origin applicable to imports from LDCs are transparent and simple, and contribute to facilitating market access" requires further negotiation to make sure that it is adequately operationalised. The LDCs tend to think so; the US does not.

Informal consultations are likely to continue on the eight remaining agreement-specific proposals, which have been grouped into five potential draft amendments. The CTD-SS will likely hold a formal meeting shortly before the 15-16 May session of the General Council.

ICTSD reporting.

G-6 OFFICIALS UNABLE TO OVERCOME DIVISIONS ON MARKET ACCESS FLEXIBILITIES

Two days of meetings among senior officials from six influential WTO Members yielded no substantial progress in the troubled Doha Round farm trade negotiations, as divisions persisted with regard to flexibilities in tariff treatment for both developed and developing countries.

Representatives from the so-called G-6 countries -- the US, the EU, Australia, Brazil, India, and Japan -- met informally in Geneva from 4-5 April to discuss some of the contentious issues in the agriculture talks ahead of an 18-21 April week of negotiations at the WTO and the end-April deadline for 'full modalities,' i.e., a comprehensive agreement on subsidy and tariff cuts.

Japan, EU modify sensitive product proposals

Much of the discussions focused on 'sensitive products' -- products which both developed and developing countries will be able to designate for relatively lower rates of tariff reduction so long as there are 'substantial improvements' in market access. According to the July 2004 Framework, these improvements are to be achieved through a combination of tariff cuts and tariff rate quota (TRQ) expansion which also "reflects the [degree of] sensitivity" of the product concerned.

Members remain divided on both the number of products that they should be allowed to classify as 'sensitive' and precisely how to expand TRQs for them. These are both crucial to the overall negotiations: many governments estimate that as few as 20-50 tariff lines could account for virtually all of their agricultural exports to major markets. Moreover, they believe that most of the new export opportunities for the heavily-protected products likely to be designated as sensitive will not come from tariff cuts, but rather from increases to the quota of imports eligible for the lowest tariff rates.

Officials who attended the meeting report that Japan and the EU put forward modified versions of their earlier proposals for how to expand TRQs for sensitive products, but that the enlarged increases in market access did not prove sufficient to provoke any immediate changes in other Members' positions.

Some Members, including the G-20 and the US, want future TRQ levels to start from a certain minimum percentage of the importing country's domestic consumption of the product in question. Other countries counter that this would fail to take into account the product's sensitivity. They would rather have the increase correspond more to current TRQs or import

volumes of the product -- as the most sensitive products are liable to be imported in the lowest amounts, and thus likely to see the smallest expansions.

The G-10 -- a group of mostly developed countries that afford their farm sectors a high degree of protection but are net importers of food -- proposed a 'hybrid' approach in January 2006, which would base TRQ expansion on both domestic consumption and existing TRQ levels (see BRIDGES Weekly, 1 February 2006, <http://www.ictsd.org/weekly/06-02-01/story2.htm>).

Trade sources report that at the recent meeting, Japan, a G-10 member, announced a revision that made the extent of TRQ expansion vary in accordance with a country's overall level of agricultural imports, so that major importers -- like the G-10 -- would have to make relatively small increases.

The EU, too, came forward with a hybrid proposal of its own. Its October 2005 comprehensive Doha Round proposal based the size of TRQ increases on the extent to which a product was protected (with smaller expansions for products with higher tariffs). Now, for products with low import volumes, the EU accepts a limited link to domestic consumption, and says that this change would lead to significantly higher TRQ commitments than its original proposal.

Members repeat positions on special products

While both developed and developing countries are to have recourse to 'sensitive products,' developing countries alone will have the right to designate a to-be-negotiated number of 'special products' (SPs) for flexible tariff treatment. According to the Hong Kong Declaration, they will "self-designate" these products "guided by indicators based on the criteria of food security, livelihood security and rural development." The nature of the tariff treatment that SPs will receive remains undetermined.

Negotiators at the meeting simply reiterated their past positions with regard to SPs. India, which is one of the G-33 developing countries that had lobbied for the SP designation, reiterated the group's demand to be allowed to assign up to 20 percent of all tariff lines as SPs, with these choices to be informed by a non-binding, non-exhaustive list of indicators. In the run-up to the Hong Kong Ministerial Conference in December 2005, the G-33 proposed cutting tariffs on SPs by between zero to ten percent, although they would qualify for a complete exemption if 90 percent of a Member's SPs had tariffs bound at 50 percent or below.

Sources report that delegations including the US and Australia said that the number of SPs should be lower, and that the tariff cuts should be larger and more

predictable than those that the G-33 has proposed. They said that there should be improvements in market access for SPs as well. The Indian ambassador countered that the mandate to provide increases in market access applied to sensitive products, not to SPs. Notably, one source said that EU officials have privately suggested that there should be some sort of correlation between the number of SPs and sensitive products.

Top US lawmaker vows to scuttle low ambition round

Meanwhile, as the talks in Geneva remained blocked, US Senator Chuck Grassley vowed in a 6 April speech that he would work to prevent Congressional approval of a "minimalist deal" on farm subsidy and tariff cuts in the Doha Round negotiations. According to the Iowa Republican, who chairs the Senate committee with jurisdiction over trade, a "bad deal" would be one that goes only slightly further than the 36-percent average Uruguay Round tariff cut, leaves tariff peaks unaffected, or "undermines market access by long lists of special exemptions."

"I will not try... to spin some minimalist deal into some sort of political victory," Grassley told the Senate. "In fact, I will not even allow it to be brought up for consideration in the Finance Committee or, if I was overruled by my own committee, I would fight it on the floor, if it ever got that far."

The EU has called for developed countries to cut agricultural tariffs by an average of 46 percent; many of its trading partners argue that the various flexibilities in its proposal mean that the real figure will be closer to 36 or 39 percent.

Nevertheless, EU Trade Commissioner Peter Mandelson continues to reject suggestions that Brussels should sweeten its offer. Speaking to journalists on 10 April, he said once more that it was out of the question unless the US agreed to deeper farm subsidy cuts and larger developing countries to more substantial industrial tariff reduction. Other countries' demands remain "too high, while their offers remain too low," he said, leaving the EU with "precious little incentive" to budge from its position.

ICTSD reporting; "WTO Farm Talks Reveal a Little Movement, But No Solution to Sensitive Products Issue," WTO REPORTER, 7 April 2006; "US senator warns he'll kill minimal WTO farm deal," REUTERS, 6 April 2006; "EU trade chief slams US, Brazil for tough WTO stance," DEUTSCHE PRESSE-AGENTUR, 10 April 2006.

IN BRIEF

ADB REPORTS WARN AGAINST TRADE BILATERALISM IN ASIA

As multilateral trade negotiations remain deadlocked at the WTO, the Asian Development Bank (ADB) has issued a new report warning that the proliferation of bilateral accords among Asia's emerging economies could hinder growth in the region. The ADB's latest 'Annual Development Outlook,' released on 6 April, drew attention to the costs to traders of complying with each agreement's distinct set of rules of origin, and urged Asian countries to focus on regional and multilateral processes instead.

The set of overlapping and intertwined rules arising from the ever-increasing number of customs unions, common markets, regional and bilateral free trade areas, trade preference schemes, and other trade pacts has often been characterised as a "spaghetti bowl" (see BRIDGES Weekly, 19 January 2005, <http://www.ictsd.org/weekly/05-01-19/story1.htm>).

Referring to the situation in Asia as a growing "noodle bowl," the authors of the ADB report wondered how to mitigate essentially contradictory rules within it. The authors warned that the increased number of bilateral agreements in the region and beyond foster "closed reciprocity" instead of a more advantageous "open regionalism."

Larger economies like China receive disproportionate gains in bilateral trade deals, the report found. These "hubs" are thought to isolate smaller trading partners, the "spokes." Different sets of rules of origin between countries can be difficult, costly, and risky for businesses to administer, and generally marginalise poorer countries, it said. The complexity of the "hub and spoke system" means that there is little hope for harmonising the various bilateral rules into a set of regional rules of origin. The authors argued that regional and multilateral agreements generate greater and more equitable gains for those involved.

The report concluded that the challenge would be to minimise inconsistencies and frictions among multilateral, regional, and bilateral agreements, warning that diverting attention from the fragile multilateral trade system would, over the long term, likely have negative effects for everyone involved.

To access this section of the ADB's report, see <http://www.adb.org/Documents/books/ado/2006/documents/ado2006-part3.pdf>.

ICTSD reporting; "ADB attacks bilateral trade deals," FINANCIAL TIMES, 6 April 2006.

WTO IN BRIEF

CTE-SS EXAMINES ENVIRONMENTAL MERITS OF RENEWABLE ENERGY, AID POLLUTION GOODS

At an informal meeting of the WTO Committee on Trade and Environment Special Session (CTE-SS) on 4-5 April, Members evaluated proposals seeking expedited liberalisation for certain renewable energy and air pollution control products as 'environmental goods' under Article 31(iii) of the Doha Declaration. The technical discussion focused on lists of such products that had been submitted by the EU, Canada, Japan and Taiwan.

Delegates did a product-by-product examination of the lists for the two categories, to see which met the criterion of having a single, clear environmental end use (see BRIDGES Trade BioRes, 3 March 2006, <http://www.ictsd.org/biores/06-03-03/story3.htm>).

During the discussions, several developing countries said that many of the proposed products failed to qualify. Brazil, China, Malaysia, Thailand and others -- some of them were part of the group of developing countries that in February had proposed the evaluation process followed at the meeting -- suggested that the presence of products on the lists had less to do with their environmental value than with their export interest to the Member seeking liberalisation.

While the evaluation was conducted without prejudice to the ultimate approach that will be followed with regard to cutting tariffs on environmental goods, some developing country delegates expressed disappointment with the discussions, saying that list-based approach appeared to primarily benefit developed countries. They said that it seemed less likely to address their own environmental problems, which is what they had been hoping for.

Another technical discussion on products in the categories of wastewater management and hazardous waste management will be held on 10-12 May. Sources suggested that the US, Brazil, India and China may present papers on approaches to the negotiations at the next formal meeting of the committee, scheduled for 14-15 June.

ICTSD reporting.

AMIDST GLOBAL UNCERTAINTY, WTO PROJECTS MODEST INCREASES IN TRADE FLOWS

The WTO released a report on 11 April projecting modest increases in international trade and GDP growth in 2006, primarily due to looming uncertainties in the global economy and trade regime. Global income is expected to rise 3.5 percent in 2006 from 3.3 percent the year before; the real growth in international goods trade will likely rise from 6 percent in 2005 to an estimated 7 percent in 2006. Both had declined in 2005 after a particularly strong 2004. The value of world goods exports increased by 13 percent in 2005, after a 21 percent rise the previous year.

WTO Director-General Pascal Lamy said that the global trading system is in a period of transition. The world economy started to weaken in 2004, causing a deceleration in trade growth that lasted close to a year. Lamy urged Member governments to continue to strengthen the international trade system.

Rising energy and commodity prices had a significant effect on trade in 2005. Several oil importing countries experienced only moderate export growth, while fuel exporters reported sharp rises in exports. Africa, the Middle East, Central and South America, and the Commonwealth of Independent States -- all net exporters of fuel -- experienced dramatic export growth in 2005, with the value of exports rising by 29 to 35 percent.

Fuels and other mining products accounted for 16 percent of world merchandise trade last year, their highest share since 1985. In comparison, the share of farm products -- the subject of some of the most strident disagreements in the ongoing Doha Round negotiations -- fell to a record low level of 9 percent.

Developing countries, in general, experienced high rates of GDP and trade growth, which are expected to continue into at least the first half of 2006. Merchandise imports grew by 35 percent in India, highest among leading importers.

The press release can be found at http://www.wto.org/english/news_e/pres06_e/pr437_e.pdf.

ICTSD Reporting; "WTO forecasts slowdown in global commerce," INTERNATIONAL HERALD TRIBUNE, 12 April 2006.

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: 13 -19 April

10-14 April, Paris, France: CODEX COMMITTEE ON GENERAL PRINCIPLES (23rd SESSION). The committee deals with rules, principles, and procedures referred to by the Codex Alimentarius Commission, particularly those which define the purpose and scope of Codex work and the nature of Codex standards. The committee will also address the economic impact of standards. For more information, internet: http://www.codexalimentarius.net/download/report/656/gp23_01e.pdf

13-14 April, Kuala Lumpur, Malaysia: CORPORATE SOCIAL RESPONSIBILITY -- AGENDAS FOR ASIA. Organised by the International Centre for Corporate Social Responsibility. As Asian businesses become increasingly important in the global marketplace, questions of social, ethical, and environmental responsibility have become more pressing than ever. This conference is the second in a series that seeks to provide a place for academics and practitioners interested in these debates to come together and find inspiration, fresh ideas, and new insight on some of the most pressing issues facing Asian business today. For more information, e-mail: elyon@csr-asia.com; internet: <http://www.nottingham.ac.uk/business/ICCSR/AsiaConf06/CSRAsiaFlyer.pdf>

14 April, Paris, France: STUDIES ON THE IMPACT OF TRADE AGREEMENTS ON SUSTAINABLE DEVELOPMENT: ASSESSMENT AND PROSPECTS. Organised by the French Ministry of Ecology and Sustainable Development, and GRET, Research and Technological Exchange Group. The seminar, which will be in French and English, aims to bring together experts involved in impact assessments and sustainable development (the ministries of EU member states, international organisations, research institutes, the private sector, and non-governmental organisations) in order to take stock of impact assessments and reflect on ways to improve this tool. For further information, contact Isabel Berest, tel: +33 1 40 05 61 51; email: berest@gret.org.

18-20 April. Lima, Peru: UNFCCC LATIN AMERICAN REGIONAL WORKSHOP ON ADAPTATION. Organised by the United Nations Framework Convention on Climate Change (UNFCCC) and the National Environment Council for Peru (CONAM), the workshop aims to facilitate information exchange and integrated assessments to assist in identifying specific needs and concerns with regard to the Convention and the impacts of climate change. For more information, internet:

http://unfccc.int/meetings/unfccc_calendar/items/2655.php?id=473&out=detail

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.

18-21 April: AGRICULTURE WEEK

19-21 April: NON-AGRICULTURAL MARKET ACCESS (NAMA) WEEK

19 April: DISPUTE SETTLEMENT BODY

Other Upcoming Events

16-17 May, Paris, France: OECD GLOBAL FORUM ON AGRICULTURE CONSTRAINTS TO DEVELOPMENT OF SUB-SAHARAN AGRICULTURE. The aim for the Global Forum on Agriculture, organised by the Organization for Economic Cooperation and Development (OECD), is to foster an informed dialogue between OECD countries and non-member developing and transition economies on agricultural policy issues. In recent years, the focus has been on the agricultural policy concerns of developing countries, in particular the links between domestic policy reforms, trade, liberalisation, economic development and poverty reduction. For more information, e-mail: Jean-Paul.Pradere@oecd.org; internet: http://www.dakardeclaration.org/IMG/doc/OECD_Global_Forum_on_Agriculture.doc

17-23 June, Bryn Mawr, Pennsylvania, US: GLOBALIZATION, CULTURE, AND COMMUNITY. This seminar, sponsored by A World Connected, aims to encourage a discussion about a wide range of current issues with top students from around the world. Here, students can explore the dynamics of

development, customs, and traditions including how trade and development affect people and cultures around the world. For more information, e-mail: info@WorldConnected.org; internet: <http://www.aworldconnected.org/subcategory.php/107.html>

16-17 November, Terrassa, Spain: FIRST INTERNATIONAL CONFERENCE ON SUSTAINABILITY MEASUREMENT AND MODELING. The conference, hosted by the UN Educational, Scientific, and Cultural Organisation (UNESCO) Chair in Sustainability, will launch a forum for those organisations, institutions, and experts to further integrate their knowledge and ideas. Dialogue will focus on the creation of measurements, models and evaluations for sustainable development. The conference topics are organised in order to gather together works, studies, projects, and experiences related to sustainability measurement and modelling. For more information, phone: +34 934 017 441; e-mail: icsmm@cimne.upc.edu; internet: <http://congress.cimne.upc.es/icsmm06/frontal/default.asp>

RESOURCES

THE IMPACT OF DISASTERS ON INTERNATIONAL TRADE. By Martin Gassebner, Alexander Keck, and Robert Teh. WTO, March 2006. This paper examines the impact of major natural disasters on international trade flows using a gravity model. It finds that the driving forces determining the impact of such events are the democracy level and, to a lesser extent, the area of the affected country. The less democratic and the smaller a country, the more are its trade flows reduced in case it is struck by a disaster. The authors were also able to distinguish between the effect of a disaster on an importing and an exporting country. Available online at http://www.wto.org/english/res_e/reser_e/ersd200604_e.htm

THE SOUTH CENTRE QUARTERLY ON TRADE DISPUTES: TRACKING DEVELOPMENTS IN INTERNATIONAL TRADE DISPUTES. By the South Centre. January-March 2006. This quarterly publication provides analysis, from a developing country perspective, of the various legal, political, and process-related issues arising from the WTO dispute settlement system. This particular issue reviews the Canada Wheat Board dispute on state trading enterprises (STEs), Chile and the negotiations on a 'special safeguard mechanism (SSM)', Brazil and imports of retreaded tyres, and Turkey and the importation of rice. Available online at

<http://www.southcentre.org/info/scquarterlytradedisputes/TradeDisputesQtrly2006q1.pdf>

GUIDE FOR FIRST TIME DELEGATES TO CODEX MEETINGS. Codex Alimentarius Secretariat, March 2006. This is a guide, available in English, French, and Spanish, for first-time delegates to Codex meetings. The information is especially intended for help host governments to Codex Committees to prepare for forthcoming meetings. The guide can be downloaded from the Codex website: http://www.codexalimentarius.net/web/index_en.jsp

HANGING BY A THREAD: PERSPECTIVES ON THE WTO MINISTERIAL IN HONG KONG. By CUTS Centre for International Trade, Economics, and Environment, 2006. With the 30 April deadline for 'full modalities' in the Doha Round negotiations fast approaching, the Consumer Unity and Trust Society (CUTS) has published a book that compiles the various points and views expressed by a wide range of expert commentators on the WTO. The viewpoints were expressed prior to, during, and after the Ministerial Conference in Hong Kong and were gathered with the intention of providing assistance to trade negotiators, trade policy officials, and the trade community at large while conducting research and advocacy on WTO issues. The book is available online at <http://www.cuts-citee.org/HK-book.htm#>

ANALYSIS OF OPTIONS FOR IMPLEMENTING DISCLOSURE OR ORIGIN REQUIREMENTS IN INTELLECTUAL PROPERTY APPLICATIONS. By Joshua D. Sarnoff and Carlos M. Correa. UNCTAD, 2006. In the Bonn Guidelines to the Conference of the Parties of the Convention on Biological Diversity, governments and international organizations are encouraged to disclose the country of origin of any genetic resources or associated traditional knowledge used in an invention in applications for intellectual property. The World Intellectual Property Organization (WIPO) and the UN Conference on Trade and Development (UNCTAD) have been invited to analyse issues relating to implementation of disclosure of origin requirements in the intellectual property law system. The paper is online at http://www.unctad.org/en/docs/ditcted200514_en.pdf

NOTE TO SUBSCRIBERS

Due to a public holiday, the next issue of BRIDGES Weekly Trade News Digest will be published on 26 April.

Back issues of *BRIDGES Weekly Trade News Digest*® can be accessed at: <http://www.ictsd.org/weekly/archive.htm>.

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