



INTERNATIONAL CENTRE FOR  
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## Weekly Trade News Digest

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### LEAD STORIES

BLAME GAME STARTS UP AGAIN AS MINISTERS  
HEAD TO DAVOS 1

WTO PANEL CREATED ON EU-BRAZIL RETREADED  
TYRE DISPUTE 2

### OTHER NEWS

IP STANDARDS IN US-PERU FTA TO AFFECT TALKS  
WITH COLOMBIA AND ECUADOR? 4

### IN BRIEF

OMAN, US SIGN FTA 6

### EVENTS & RESOURCES

EVENTS 7

RESOURCES 8

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January speech in Berlin, insisting, as he had before and during the Hong Kong ministerial, that Brussels would not consider doing so until large developing countries such as Brazil and India proffered greater access to their own industrial goods and services markets.

Meanwhile, as a week of agriculture talks kicked off at the WTO in Geneva on 23 January, negotiations Chair Ambassador Crawford Falconer of New Zealand called on trade diplomats to engage in intensive, text-based technical negotiations over the next three months so that Members are able to meet a 30 April deadline for agreeing on 'full modalities' -- specific numbers and formula structures for reducing tariffs and subsidies -- for farm trade liberalisation.

### Mandelson: "the blockage in the round is not in Brussels"

To his audience of business and political leaders in Berlin, Mandelson said that it was misleading to believe that "all that stands between the stalemate we are in and a successful, pro-development conclusion of the round is the need for a further agricultural market access offer by the EU." "There is no place in this multilateral negotiation for further unilateral concessions from Europe," he announced.

Saying that "no other Member of the WTO has made offers or concessions that remotely match ours," Mandelson criticised countries demanding further cuts to EU farm tariffs for offering cuts of their own that would not require reductions to the tariffs they actually apply on farm and industrial products. He said that "Europe cannot envisage a Doha Round that would be concluded on the basis of 'real cuts by Europe, paper cuts by others.' Ambition for Europe. Inhibition for everyone else."

Unlike the EU, which applies agricultural tariffs that are largely as high as it is permitted to, several Members levy duties on farm and industrial products that are far lower than what their WTO commitments allow.

Mandelson also reiterated his controversial demand for differentiation among developing countries in the WTO, saying that "we have to break the politically correct fallacy that developing countries are all alike and have the same interests." Several developing country WTO

### LEAD STORIES

#### BLAME GAME STARTS UP AGAIN AS MINISTERS HEAD TO DAVOS

As they head towards a meeting in Davos, Switzerland on 27-28 January, ministers from prominent WTO Member governments have picked up where they left off at the December Ministerial Conference in Hong Kong, blaming each other for failing to take steps to break the deadlock in the Doha Round negotiations.

The US and the EU in particular remain divided over what needs to be done to move the talks forward: Washington believes, as do many other Members, that the EU must come forward with an offer of deeper farm tariff cuts. However, EU Trade Commissioner Peter Mandelson summarily rejected this view in a 23

Members are firmly opposed to the idea of such differentiation. The EU has not tabled a set of objective developmental or economic criteria for identifying which Members would fall into the category of 'emerging' or 'advanced developing' countries, but an EU official suggested that the concept referred to "key target markets... largely congruent with the G20." The official expected that a modality would emerge in the course of the upcoming negotiations.

The EU trade chief repeated his desire to see progress on services, geographical indications, and anti-dumping, as well as non-agricultural market access (NAMA) and agriculture, and insisted that the onus was on the larger developing countries to push the negotiations forward.

Throughout the Hong Kong Ministerial Conference, Brazil and India consistently argued that the EU's demands would require them to cut NAMA bound tariff levels by close to 75 percent (although the ensuing reductions in applied tariffs would be lower), far higher than the 39 percent in farm tariff cuts that it was offering. However, Mandelson said in Berlin that EU calculations indicate that the NAMA tariff reduction formula and flexibilities that India and Brazil were seeking would lead to no new market access for EU exports.

#### **Portman calls on EU to come forward with new farm tariff offer**

On 20 January, a few days before Mandelson's speech, US Trade Representative Rob Portman told journalists that "unless the EU steps forward on agriculture, the emerging developing countries including India and Brazil and others will not step forward on industrial tariffs or services." He added that the US would even withdraw its existing farm subsidy reduction proposal unless the EU came up with a new proposal on agricultural market access.

Portman said that not only would the EU's proposed tariff reduction formula and special tariff treatment for 'sensitive' products fail to deliver substantially increased access to the EU and other developed country markets, the reductions it would require of developing countries would mean little, if any, increase in the ability of US agricultural producers to export to key markets such as Brazil, India, and the Philippines. He pointed out that the EU formula would force few reductions in the farm tariffs applied by developing countries. According to US calculations, the reductions required by the EU formula would, for example, lower the EU's 22 percent tariff on snack foods to 17.6 percent. The Philippines' bound tariff on oranges would fall from 45 percent to 31.5 percent, with no effect on its applied rate of 10 percent. Portman suggested that the EU's proposal for sensitive

products would allow Canada to increase access to its heavily-protected poultry sector by an amount equivalent to only 0.7 percent of domestic consumption.

Although the US has proposed that developed countries cut farm tariffs by an average of 75 percent, it has yet to come forward with specific demands for corresponding cuts by developing countries.

#### **Davos to provide political direction to talks?**

In spite of the persistent divisions in the overall negotiations, Geneva-based negotiators were largely favourable to Chair Falconer's suggestion that they focus on a series of technical issues in the agriculture negotiations, and work on developing draft text that could set the stage for political input from senior officials when necessary on the way to the 30 April deadline.

Whether any such guidance will emerge from the mini-ministerial at the World Economic Forum, or the numerous ministerial-level meetings that will follow, remains to be seen. According to Portman, the Davos gathering will bring together representatives from 30-35 governments, representing the WTO Members and country groupings that were present in the 'Green Room' meetings in Hong Kong. Brazilian Foreign Minister Celso Amorim, however, said on 24 January that the position that EU negotiators were taking made progress in Davos unlikely.

ICTSD reporting; "Brazil's Amorim: EU Showing Signs of Backpedaling at WTO," DOW JONES, 24 January 2006.

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### **WTO PANEL CREATED ON EU-BRAZIL RETREADED TYRE DISPUTE**

The WTO Dispute Settlement Body (DSB) on 20 January agreed to create a panel to consider an EU complaint against Brazil's import restrictions on retreaded tyres. The EU argues that the measures are quantitative restrictions forbidden by WTO rules, and also violate the GATT principles of most-favoured nation (MFN) and national treatment by differentiating among Brazilian, Mercosur, and other producers. Brazil counters that the problems associated with the disposal of such tyres mean that the restrictions are necessary to protect public health and the environment, and has suggested that it may invoke the general exceptions set out in Article XX of the GATT in its defence.

## The measures in question

'Retreaded tyres' are car tyres which have been used once and reprocessed so that they can be used a second time, after which they become waste. In early 2004, at the behest of a tyre producers' group, the EU sent a team to Brazil to examine records and rules regarding the importation of such tyres. The investigation found in September 2004 that a number of measures were GATT-incompliant. These included Brazil's import ban on retreaded tyres; its imposition of a fine of 400 Brazilian reais (BRL, roughly equivalent to 145 euros at current exchange rates) per unit on the marketing, transportation, storage, and warehousing of imported -- but not domestic -- retreaded tyres. Significantly, the investigation drew attention to the exemption of other Mercosur countries from the import ban and the financial penalties, as per the ruling of a Mercosur dispute panel in response to a Uruguayan complaint about the measures.

After informal talks with Brazil failed to resolve the issue, the EU requested consultations under the WTO dispute settlement understanding (DSU) on 23 June 2005 (WT/DS332/1). After the 20 July consultations also failed to resolve the issue, the EU requested the establishment of a WTO panel to settle the dispute at a 28 November 2005 meeting of the DSB. Although Brazil blocked its establishment at the time, WTO dispute rules prohibited it from doing so again, as a result of which the panel was created automatically on 20 January.

## The EU complaint

At the 20 January meeting, the EU noted that it had raised its objections to the Brazilian import restrictions several times. In its earlier request for a panel, it had argued that the measures were inconsistent with GATT Article XI:1, which prohibits the use of most quantitative restrictions on imports. They specifically objected to policies including import licence requirements as well as the 400 BRL/unit fine.

The EU has argued that the 400 BRL fine on imported retreaded tyres is also in violation of the GATT's national treatment provision in Article III:4, which requires WTO Members to treat products produced in other Members' territories the same as those produced domestically. In his speech, the EU delegate noted that the WTO requires its Members to be consistent in its application of health and environmental measures by having the same regulations for domestic products as for foreign imports, and contended that by failing to have domestically-applicable regulations on retreaded tyres, Brazil was not WTO-compliant.

The EU also claimed that that Brazil disobeys the MFN provision in Article I:1 of the GATT by not levying the 400 BRL fine on retreaded tyres imported from Mercosur member states, while continuing to do so on imports from other countries including the EU. They say this violates the Article XIII:1 rule against applying a quantitative prohibition or restriction on some but not all WTO Members.

## Brazil's defence: environmental, health factors

Brazil has said that it intends to use GATT Article XX to justify exempting their measures from GATT rules on health and environmental grounds. They point to the adverse affects of used tyres, including their slow decomposition rates, fire risks, contribution to the spread of viral diseases, contamination of air, water and soil when burnt, high waste processing costs and hazardous pollutant content.

On 20 January, the Brazilian delegate pointed out that the EU itself had long recognised the health and environmental risks posed by retreaded tyres, drawing attention to Brussels' extensive system of legislation and regulation on the matter, including its Waste Incineration Directive of 2000 and other directives dating back to 1975. He suggested that the EU "seems to count on Brazil to help it get rid of large volumes of unwelcome rubber wastes in a cheap and efficient manner," an allegation that the EU delegation described as "completely unfounded."

In an information document distributed the same day, Brazil pointed out that tyres are made of highly combustible and pollutant material, and are subject to extensive environmental controls in many countries. Open burning of tyres, it argues, is difficult to control or put out and leads to the release of highly toxic substances such as heavy metals, dioxins and furans which are known to cause cancer and other health problems. In addition, they suggest that stockpiled tyres are ideal breeding places for mosquitoes, which in turn transmit diseases such as yellow fever and dengue. The Brazilian government has suggested that its measures are supported by its constitutional duty to "defend and preserve the environment for the present and future generations" and to guarantee the right to health "by means of social and economic policies aimed at reducing the risk of illness."

## The Mercosur case

The WTO case will thus undoubtedly address whether the Brazilian measures are in fact legitimate health and environmental measures and thus qualify for an exemption to rules on quantitative measures and national treatment. To do so, they must be proven to be "necessary to protect human, animal or plant life or

health" under GATT Article XX(b), and Brazil must demonstrate that the measures do not constitute arbitrary or unjustifiable discrimination between countries where the same conditions prevail, or a disguised restriction on international trade.

However, the second issue at question is the fact that Mercosur countries are exempt from the import restrictions applicable to all other WTO Members including the EU. Although Article XXIV of the GATT permits states to confer preferential tariff treatment to fellow parties to recognised regional trade agreements (RTAs), no jurisprudence has yet clarified conclusively whether they can apply different quantitative or specifically environmental measures to RTA partners vis-a-vis other WTO Members

Brazil does not subject Argentina, Paraguay, and Uruguay to the tyre import measures as a result of a January 2002 decision by a Mercosur arbitration panel ordering it to change its laws. The panel was created in response to a Uruguayan complaint about the import ban. Although the 1980 Montevideo Treaty -- which binds all members of the Latin American Integration Association (ALADI) including all Mercosur countries -- has plant and animal safety exemptions similar to those in GATT's Article XX, Brazil did not use environmental or health reasons to defend its measures before the arbitration panel. The arbitrators did not raise the issue either, and Brazil amended its domestic laws in 2002 and 2003 to exempt Mercosur from the import measures.

A further wrinkle to the Mercosur story arose when Uruguay lost a case against a similar import ban on retreaded tyres in Argentina. In October 2005, a different Mercosur panel upheld Argentina's measures, which it had defended on health and environmental grounds under the Montevideo Treaty. However, the trade bloc's appeals tribunal reversed this decision in December 2005, saying that the measures did not fulfil the environmental and health criteria in Mercosur rules. It subsequently reconfirmed this decision in January 2006.

### **The WTO panel process**

Argentina, Australia, Korea, Japan and the US have already requested third-party status in the WTO case, and other Members have until 30 January to do the same. According to the timeline set out in the DSU, the terms of reference and composition of the panel must be agreed upon by 9 February, and the actual proceedings of the panel would begin by 8 March at the latest.

To access relevant WTO documents, Brazilian statements and fact sheets, information on the

Mercosur case and past reporting, visit ICTSD's web site for the case at <http://www.trade-environment.org/page/theme/tewto/tyrescase.htm>

ICTSD reporting.

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## **OTHER NEWS**

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### **IP STANDARDS IN US-PERU FTA TO AFFECT TALKS WITH COLOMBIA AND ECUADOR?**

Stepping away from nearly one and a half years of negotiations that had also included Colombia and Ecuador, Peru signed a bilateral free trade agreement (FTA) with the US on 7 December 2005. Peru's decision to do so, acquiescing to some US demands on intellectual property (IP) that had been proving controversial in the four-way negotiations, provoked criticism within and outside the region. Various academics, national and international civil society organisations, such as Oxfam and the Consumer Project on Technology (CPTech), and other trade observers have argued that the IP provisions of the US-Peru Trade Promotion Agreement are inadequate, in particular with respect to health and biodiversity related concerns. Supporters of the agreement counter that it secures unprecedented assurances from the US with regard to these very matters.

Ecuador and Colombia will try to revive their stalled FTA negotiations with the US in meetings scheduled for the next two weeks, and have agreed to come up with a common position on agriculture and IP in an attempt to strengthen their bargaining power during the talks.

FTA negotiations among the US, Colombia, Ecuador, and Peru began in May 2004 after Washington announced that it would not renew the Andean Trade Preferences and Drug Eradication Act, a trade preference scheme for the three countries, as well as Bolivia, scheduled to expire in December 2006. However, continuing disagreement over certain issues in the talks, including IP, had prevented the Andean countries from reaching a joint agreement with the US (see BRIDGES Weekly 30 November 2005 <http://www.ictsd.org/weekly/05-11-30/story7.htm>).

When discussions remained unfruitful through November 2005, Peru decided to move ahead alone, and struck a bilateral deal with the US in December.

### **An unhealthy outcome? CAFTA-plus IP provisions**



At the outset of the negotiations, the three Andean countries had pushed for the inclusion of some form of public health safeguards in the actual text of the agreement, such as a direct reference to the flexibilities for the pursuit of such objectives that exist in WTO intellectual property rules. Instead of such a reference, Peru has signed a separate "Understanding Regarding Certain Health Measures" with the US. While this understanding notably emphasises that the obligations set out in the FTA's IP chapter "do not affect a Party's ability to take necessary measures to protect public health..." the legal value of such side letters as opposed to the integration of such measures in the actual text of an agreement, remains uncertain.

A greater source of concern, however, has been the new language included in the chapter's provisions on 'data exclusivity.' This refers to the 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.

All recent US FTAs include data protection periods, in spite of consistent criticism by many health groups. However, while past FTAs, such as the Central American Free Trade Agreement (CAFTA), have required the protection of 'undisclosed' information, the US-Peru FTA covers all safety and efficacy information submitted by firms. This is significant as this language could potentially include information on clinical trials that has already been made public, say by the government or through scientific publications, and could also set a precedent for future US FTAs. The FTA does include a separate letter specifically clarifying that the 'understanding' on public health measures applies to the provisions on data protection, something that has not appeared in any FTA before. While Peru views this as a considerable negotiation success, it does not provide any further indication about the legal value of such side letters and understandings.

Additionally, the agreement text on IP does not provide for 'second-use patents,' as the US had originally been seeking. It appears that Peru successfully argued that protection for new uses of existing inventions could lead to an effective extension of the term of protection, which could further delay the entry of generic competition in the market. Furthermore, the Peruvian negotiators also avoided the incorporation of a US proposal to allow the patentability of therapeutical methods, such as particular medical procedures.

Nevertheless, civil society organisations, academics and government officials have criticised the IP provisions in the US-Peru FTA for going beyond WTO requirements. Paul Hunt, a UN Special Rapporteur on public health, had warned the Peruvian government during the negotiations about their potential implications, cautioning that they could even "water down internationally agreed health standards, leading to higher prices for essential drugs that millions of Peruvians would find unaffordable." An economic assessment by the Peruvian Office on Intellectual Property and Competition had also predicted that the protection of test data could significantly raise the price of medicines in Peru.

### **Controversy over biodiversity and traditional knowledge**

The US-Peru FTA may also prove to have considerable implications for national biodiversity and conservation policies. Links between trade and biodiversity can be found in the IP chapter, the environment chapter and a separate understanding outside the agreement's text.

In the IP chapter, three new obligations will affect policies aimed at the sustainable use of biodiversity. The first is the obligation to ratify UPOV 1991, a treaty that requires the protection of new plant varieties through patent or breeders' rights as opposed to other possible options. The second obligation relates to 'best efforts' to make patent protection available for plants, potentially paving the way for the patentability of biotechnological inventions that have not fulfilled the access and benefit-sharing criteria set out in the Convention on Biological Diversity (CBD). The third obligation is an expansion of the scope of what is patentable in Peru today to include methods, as opposed to inventions alone.

During the negotiations, Peru had taken a very active stand on trade and biodiversity matters in other fora, namely the WTO, the World Intellectual Property Organisation (WIPO) and the CBD (see BRIDGES Weekly, 10 March 2004, <http://www.ictsd.org/weekly/04-03-10/story1.htm>). This had generated expectations in the conservation community that biodiversity concerns would be part of any Andean FTA.

Article 18.8 of the environment chapter emphasises the parties' commitment to the conservation and sustainable use of biodiversity and preservation of traditional knowledge (TK). The US-Peru FTA also includes for the first time an additional understanding on biodiversity and traditional knowledge. The understanding recognises, in greater detail than the environmental chapter, the importance of a) prior informed consent as the mechanism under which

genetic resources should be accessed; b) equitable sharing of benefits derived from access to traditional knowledge and genetic resources and, most significantly, c) appropriate examinations to ensure the quality and validity of patents granted on inventions regarding biodiversity or TK. It also recognises that access to genetic resources or TK can be adequately addressed through contracts, which corresponds to the US negotiating position in WIPO and the WTO.

Neither the environment chapter nor the related 'understanding' contain mandatory obligations, but only a set of best-endeavour clauses encouraging information sharing on biodiversity cooperation programmes and for the purpose of evaluating the existence of 'prior art' in inventions related to TK. Thus, critics argue that the biodiversity provisions in the FTA do not improve the status quo to effectively tackle concerns over misappropriation of biodiversity and TK. Others counter that the very fact that the US has accepted and agreed to the inclusion in an FTA of a series of concepts regarding biodiversity and traditional knowledge is already an achievement, particularly given that the US has never ratified the CBD.

### **Colombia and Ecuador join forces**

Peru's agreement to the above obligations came as something of a surprise to observers of the negotiations, in light of its past objections to some of the provisions present in the final text. Trade sources report that the Peruvian government had advocated the option of waiving data exclusivity provisions in case of a national emergency (see BRIDGES Weekly, 30 November 2005 <http://www.ictsd.org/weekly/05-11-30/story7.htm>); it is unclear whether the understanding on public health and its clarifying side letter data protection will suffice to do so in a case of dispute. Furthermore, Peru had called for the incorporation of stronger provisions on biodiversity, including the disclosure of origin and minimum standards for the protection of TK.

The US' FTAs have tended to become templates for its subsequent trade deals. It is possible that the US will seek to use this agreement as a precedent in its negotiations with Colombia and Ecuador. In a reaction to the US-Peru FTA, Colombia and Ecuador have agreed to develop joint positions on negotiating issues, among them IP.

"El Precedente Peruano en Propiedad Intelectual," APORREA, 24 January 2006 (accessed at [www.bilaterals.org](http://www.bilaterals.org)); "Incidencia de Los Derechos de Propiedad Intelectual en el Gasto de las Familias en el Marco del TLC," May 2005, INDECOPI; "Colombia, Ecuador to set common position in FTA talks," DOW JONES, 17 January 2006; "The 'not so awful truth'

about the US-Peru FTA in the area of biodiversity and traditional knowledge," by Manuel Ruiz, forthcoming BRIDGES Monthly, January 2006. "Peru Attempts Strong WTO Position On Disclosure Despite Weaker US Deal," INTELLECTUAL PROPERTY WATCH, December 2005; "UN expert concerned US-Peru free trade accord could deprive poor of medicine" UN NEWS CENTRE, 13 July 2005.

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## **IN BRIEF**

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### **OMAN, US SIGN FTA**

On 19 January, Oman became the fifth Middle Eastern country to sign a free trade agreement (FTA) with the US. The agreement must still be approved by legislators in Oman and the US Congress, which US Trade Representative Rob Portman expects to happen early this year.

Concluded in October 2005 after only seven months of negotiations, the deal calls for immediate and deep tariff cuts to take effect upon its implementation. "On the first day it is in force, 100 percent of bilateral trade in industrial goods will flow duty-free. In addition, Oman will provide immediate duty-free access for 87 percent of agricultural products," Portman said in a speech on Thursday. Textiles and clothing, a major Omani export, are a notable exception, with the US retaining the right to maintain some duties.

The deal will also liberalise services trade, and includes intellectual property rights and investment provisions that establish "a predictable and secure legal framework" for US companies doing business in Oman, according to US officials.

The US-Oman FTA is the latest in a series of deals between the US and Middle Eastern countries. The US has been actively pushing for trade liberalising deals in the region in an effort to establish a Middle East Free Trade Area (MEFTA). MEFTA proposes bringing 23 Middle Eastern countries -- including Israel -- into a trade pact with the US by 2013. Israel, Jordan, Morocco and Bahrain have already established FTAs with the US.

While the US and Bahrain signed an FTA in May 2004, implementation has been delayed over modifications to the latter's intellectual property laws. Bilateral talks between the US and the United Arab Emirates (UAE) are currently underway, and formal discussions with Egypt are expected to begin this year.

"Oman, US sign free-trade pact," TIMES OF OMAN, 1 January 2006; Oman, US sign FTA," AL BAWABA, 22 January, 2006; "United States and Oman Sign Free Trade Agreement," USTR PRESS RELEASE, 19 January 2006; "Oman pact boosts US agenda in the Middle East," INTER PRESS SERVICE, 21 January 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](mailto:events@ictsd.ch).

Upcoming Events: 26 January - 1 February

25-29 January, Davos Switzerland: WORLD ECONOMIC FORUM: MASTERING OUR FUTURE. This annual meeting of the World Economic Forum will bring together leaders from business, government, international institutions, non-governmental organisations, universities and other communities to discuss key global challenges related to geopolitical, economic and environmental dilemmas. For further information contact the World Economic Forum, tel: (+41) 22-869-1212; fax: (+41) 22-786-2744; e-mail: [contact@weforum.org](mailto:contact@weforum.org); internet: <http://www.weforum.org/site/homepublic.nsf/Content/Annual+Meeting+2006>.

30 January - 3 February, Granada, Spain: FOURTH MEETING OF THE AD HOC OPEN-ENDED WORKING GROUP ON ACCESS AND BENEFIT-SHARING. This Convention on Biological Diversity (CBD) meeting will discuss issues such as the implementation of the Bonn Guidelines, developments in relevant international processes and capacity-building, the status of the negotiation of an international regime on access and benefit-sharing, and the nature, scope, potential objectives and elements to be considered for inclusion in any such regime. For further information contact the CBD Secretariat; tel: (+1) 514-288-2220; fax: (+1) 514-288-6588; email: [secretariat@biodiv.org](mailto:secretariat@biodiv.org); internet: <http://www.biodiv.org/doc/meeting.aspx?mtg=ABSWG-04>.

31 January- 2 February, New York City, United States: A BLUEPRINT FOR BUILDING & ENFORCING INTELLECTUAL PROPERTY (IP) VALUE IN CHINA.

This conference, organised by the World Research Group, will discuss issues such as adapting patent systems to protect investment in China, understanding the development of IP rights in response to bilateral and multilateral trade agreements, and procuring patents and managing intellectual property rights in China. A registration fee is required for this event. For further information contact the World Research Group, tel: (+1) 866-742-9763; fax: (+1) 646-742-9610; e-mail: [infowrg@worldrg.com](mailto:infowrg@worldrg.com); internet: <http://www.worldrg.com/FW611/wrg.asp>.

### WTO Events

An updated list of forthcoming WTO meetings is posted at: [http://www.wto.org/english/news\\_e/meets.pdf](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.

26 January: WORKING PARTY ON STATE TRADING ENTERPRISES

27 January: COMMITTEE ON AGRICULTURE

30 January: NEGOTIATING GROUP ON RULES - REGIONAL TRADE AGREEMENTS

31 January: SUB-COMMITTEE ON COTTON

1 February: TRADE POLICY REVIEW BODY - ISRAEL

1 - 2 February: COMMITTEE ON SANITARY AND PHYTOSANITARY MEASURES

1 - 3 February: NEGOTIATING GROUP ON RULES

### Other Upcoming Events

2-4 February 2006, New Delhi, India: DELHI SUSTAINABLE DEVELOPMENT SUMMIT (DSDS) 2006: DRIVING THOUGHT LEADERSHIP AND STIMULATING ACTION. The DSDS 2006, organised annually by The Energy and Resources Institute (TERI), will place an emphasis on linkages across the Millennium Development Goals (MDGs). The event hopes to facilitate the formation of such linkages by exploring opportunities for partnerships among governments, communities, organisations, and

emerging technological breakthroughs. For further information contact Vishal Narain, tel: (+91) 11-2468-2100; fax: (+91) 11-2468-2144; e-mail: [vishaln@teri.res.in](mailto:vishaln@teri.res.in); internet: <http://www.teriin.org/dsds/2006/index.htm>.

3 February, Munich, Germany: ASIA PACIFIC FINANCE CONFERENCE. This event, organised by the Asia-Pacific Committee (APA) of Bundesverband der Deutschen Industrie (BDI), a German business association, in cooperation with the World Bank Group, will discuss issues such as financing infrastructure in the Asia, market access for financial services and research and development. A registration fee is required for this event. For further information contact Eckart von Unger, tel: (+49) 30-2028-1633; fax: (+49) 30-2028-2633, email: [e.unger@bdi-online.de](mailto:e.unger@bdi-online.de), internet: <http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/EASTASIAPACIFICEXT/0..contentMDK:20775723~menuPK:208943~pagePK:146736~piPK:146830~theSitePK:226301,00.html>.

6-7 February, London, England: THE WTO AND THE SUSTAINABLE DEVELOPMENT AGENDA: PROSPECTS AFTER HONG KONG. This conference, organised by Chatham House in partnership with the International Institute for Sustainable Development (IISD) and the International Centre for Trade and Sustainable Development (ICTSD), will address the question: what does the outcome of the WTO Hong Kong Ministerial Conference mean for sustainable development? For further information contact Dino Ribeiro, tel: (+44) 20-7957-5753; fax: (+44) 20-7321-2045; e-mail: [dribeiro@chathamhouse.org.uk](mailto:dribeiro@chathamhouse.org.uk); or Fraser Mcgruer, e-mail: [FMcgruer@chathamhouse.org.uk](mailto:FMcgruer@chathamhouse.org.uk); internet: <http://www.chathamhouse.org.uk/index.php?id=5&cid=67>.

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## RESOURCES

ENVIRONMENT AND TRADE: A HANDBOOK - SECOND EDITION. By the United Nations Environment Programme (UNEP) Division of Technology, Industry and Economics - Economics and Trade Branch and the International Institute for Sustainable Development (IISD), 2005. This IISD / UNEP handbook is primarily geared towards providing those with a working knowledge of trade, environment or development with information on what happens when these three areas intersect. It also aims to be a practical reference tool for policy-makers and practitioners. The handbook looks at understanding how trade can affect the environment, for better and for worse, and how environmental concern can work through the trading system to foster or frustrate development in both rich and poor

countries. This second edition of the handbook has been completely updated since the first edition was published in 2001. Moreover, new sections on the Doha agenda, regional trade and investment agreements, and analysis of recent WTO panel rulings have been added. Available online at <http://www.iisd.org/publications/pub.aspx?id=754>.

ESSAYS: LESSONS LEARNED FROM THE DRAGON (CHINA) AND THE ELEPHANT (INDIA). By Joachim von Braun, Ashok Gulati, Shenggen Fan, Montek S. Ahluwalia, and Jian Liu. International Food Policy Research Institute (IFPRI) 2005. This collection of three essays on India and China has been released as the most recent edition of IFPRI's Annual Report Essays. In the first of the three essays, "Agricultural and Economic Development Strategies and the Transformation of China and India," von Braun, Gulati, and Fan discuss the differing roles of agriculture in the fast-paced economic growth seen in the respective countries. Ahluwalia's essay, "Reducing Poverty and Hunger in India: The Role of Agriculture," discusses various aspects of the role of agriculture in poverty alleviation such as irrigation, agricultural diversification, and the role of public investment. Finally, Liu's essay "The Achievements and Experiences of Poverty Alleviation in Rural China," looks at government leadership, social participation, and self-reliance to illustrate the remarkable influence of agriculture on the poor in rural China. The collection of essays is available online at [http://www.ifpri.org/pubs/books/ar2004/ar2004\\_essay.asp](http://www.ifpri.org/pubs/books/ar2004/ar2004_essay.asp).

TRADE AND AID: PARTNERS OR RIVALS IN DEVELOPMENT POLICY? Edited by Sheila Page. Cameron May Publishing, 2006. Developed countries have committed themselves to making all countries achieve the Millennium Development Goals and called the current round of WTO negotiations a 'Development Round'. While there is already extensive research on how trade and aid can each contribute to development, this book asserts that there is less understanding of how their effects interact. The authors begin by analysing the current understanding of how trade and aid work, and then examine a range of specific examples identifying how one has been used to support the other and how both developed countries and developing countries have encountered difficulty in reconciling the different approaches. Some of the worst apparent conflicts come from badly designed aid or trade policies, not from any intrinsic inconsistency, and there is evidence that aid can be used to assist in trading more effectively than it has been in recent years, and that the resulting trade may be 'good for development'. Ultimately, the authors conclude that trade and aid can be complementary, but they are not substitutes, nor can they replace effective national



policy. Further information can be found at <http://www.jus.uio.no/lm/cm.books/1905017189>.

AFTER THE WTO HONG KONG MINISTERIAL MEETING: WHAT IS AT STAKE? By Ken Heydon. Organisation for Economic Co-operation and Development (OECD). Trade Policy Working Paper No. 27, 2006. While the WTO Ministerial Meeting in Hong Kong in December 2005 made some progress in advancing the Doha Agenda, much remains to be done, particularly in settling negotiating modalities in agriculture and non-agricultural market access (NAMA) and in putting some flesh onto the bones of the General Agreement on Trade in Services (GATS). The paper argues that the limited progress that was made in Hong Kong was qualified, whether in dealing with the concerns of African cotton producers or in improving market access for the products of the least developed countries. Given the work still to do, it is not guaranteed that new deadlines will be met or that the Doha Agenda will be concluded on time. Heydon contends that charting the way ahead will require that trade policy be seen in a broader domestic context which recognises that market opening works best when it is backed by sound macroeconomic policies, flexible labour markets, a culture of competition and strong institutions. Available online at <http://www.oecd.org/dataoecd/51/40/35984888.pdf>.

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