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LEAD STORIES

G-33 MINISTERS CALL ON DEVELOPED COUNTRIES TO TAKE FIRST STEP TO BREAK DOHA DEADLOCK

Members of the G-33 bloc of developing countries called on industrialised nations to take the lead in breaking the deadlock in the Doha Round trade negotiations by offering greater cuts to their farm subsidies, during a summit in Jakarta on 20-21 March.

"It shouldn't be on the developing countries to be the ones to move faster or more than the developed countries," Indonesian Trade Minister Mari Pangestu told a press conference.

The 42-member G-33 has been the principal advocate of allowing developing countries to designate up to 20 percent of farm products as 'special' for more lenient tariff treatment based on food security, livelihood security and rural development concerns. Many of the countries in the group have substantial numbers of subsistence farmers, whom they are eager to shield from potentially disruptive levels of additional import competition. The group also supports creating a 'special safeguard mechanism' to allow them to afford farmers some protection from import surges.

Several developed and developing country farm exporters have sought to limit the scope of both types of flexibilities, fearing compromised access to new markets. The US has been particularly vocal in its opposition, describing them as a 'black box' of loopholes partly to blame for its inability to offer up the deeper subsidy cuts that many other Members desire.

Brazilian Foreign Minister Celso Amorim noted that the G-33's demands sprang from a need to mitigate the effects farm subsidies and "excessive" tariff and non-tariff barriers in rich countries. The "G-20 fully subscribes" to the goals of livelihood, rural development and food security, he said. Brazil leads the G-20 bloc of developing countries, some of whose members have been ambivalent about the G-33's demands (see BRIDGES Weekly, 29 March 2006, <http://www.ictsd.org/weekly/06-03-29/story3.htm>). A

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highly competitive agricultural producer, it does not belong to the G-33.

G-33 countries emphasised that backing down on their demands could open the floodgates to cheap, heavily-subsidised products from developing countries, such as the US. They also argued that liberalising developing country agricultural markets was never one of the objectives of the Doha Round. "This round is a development round, it's all focused on market access from the developing countries into the developed countries, not the other way around," Indian Commerce Minister Kamal Nath said in Jakarta. "We cannot negotiate the livelihood of our farmers," he stressed.

Nevertheless, Indonesian minister Pangestu stressed that the G-33 was willing to be flexible if the developed countries were. "We're moving. We're doing our homework and we're ready to negotiate once there is movement on the other issues," she said.

EU Trade Commissioner Peter Mandelson attended the summit. Prior to leaving for Indonesia, he issued a statement indicating that he would brief the ministers there about the various bilateral talks that have been taking place among the EU, the US, Brazil and India as they attempt to identify components of a potential agreement (see BRIDGES Weekly, 7 March 2007, <http://www.ictsd.org/weekly/07-03-07/story1.htm>). He also planned to discuss steps their countries could take to help bring the talks to a successful conclusion. "I will be reviewing with them the progress made by the G-4 since the beginning of the year and sharing my assessment that whilst we have made progress, we are now running into very serious time limitations as the clock ticks to the expiry of the US negotiators' trade promotion authority at the end of June," he said via a spokesperson.

Kamal Nath took a different view on the constraints imposed by the expiry of the US presidential administration's mandate to submit trade agreement to Congress for a yes-or-no vote without the possibility of amendments, generally thought to be a prerequisite for finalising a deal. "The question is whether the developed countries are willing to make things move forward to move towards an artificial deadline which arises out of their own political, their own domestic situation," he told reporters. Nevertheless, he said that ministers at the meeting had agreed to work towards a breakthrough.

Geneva-based diplomats say that several other countries are growing increasingly frustrated with these 'quiet discussions' among major trading powers, both due to the lack of progress and a sense of marginalization. WTO Director-General Pascal Lamy last week called for a renewed emphasis on the

multilateral negotiation process (see BRIDGES Weekly, 14 March 2007, <http://www.ictsd.org/weekly/07-03-14/story4.htm>).

ICTSD reporting; "G-33 ministers call on rich nations to give more concessions," DEUTSCHE PRESSE AGENTUR, 21 March 2007; "WTO Negotiations Need Developed Countries' Initiative," BLOOMBERG, 21 March 2007; "Cut farm subsidies: Nath," REUTERS, 21 March 2007; "India urges rich nations to give ground as G33 meets," REUTERS, 21 March 2007; "Mandelson: Trade Talks Have Limitations," ASSOCIATED PRESS, 20 March 2007; "Developed countries urged to take initiative in WTO negotiation," XINHUA, 21 March 2007.

WTO HIGH-LEVEL MEETING ON COTTON EXCEEDS LOW EXPECTATIONS

Participants at a 15-16 March WTO conference on cotton indicated that the meeting had been constructive and that a positive atmosphere had prevailed. However, they also emphasised that many of the cotton-producing countries had low expectations for the 'high-level session', and had not anticipated that it would produce any significant new developments on the crucial issue of US subsidies.

In 2003, low prices linked to the extensive subsidies provided to US cotton producers prompted four African countries -- Benin, Burkina Faso, Chad and Mali -- to introduce a "sectoral initiative on cotton" in the Doha Round negotiations. They sought the ultimate elimination of cotton subsidies along with compensation to be paid in the interim. In the July 2004 Framework, Members agreed to address cotton "ambitiously, expeditiously, and specifically" in the agriculture talks, as well as work to promote associated development assistance efforts. Since then, however, the 'cotton four' group's proposals for deeper-than-standard subsidy cuts have languished alongside the overall negotiations (see BRIDGES Weekly, 8 March 2006, <http://www.ictsd.org/weekly/06-03-08/story2.htm>).

The recent meeting aimed "to take stock of initiatives and action in the implementation of the mandates on the development assistance and trade policy aspects of the cotton issue." This included the July Framework's instruction to the WTO Director-General to consult with relevant international organisations "to direct effectively existing programmes and any additional resources towards development of the economies where cotton has vital importance."

Participants included ministers from several cotton-producing developing countries, as well as representatives from bilateral and multilateral donors, in addition to international organisations such as the IMF,

the World Bank and the UN Conference on Trade and Development (UNCTAD). Some participants noted that while several African countries sent ministers to attend the meeting, others, including the US, were represented by Geneva-based ambassadors.

Discussions focused on the development assistance and trade aspects of the cotton issue. Sources indicated that the US was initially reluctant even to place the latter on the agenda.

During the meeting, participants pointed to the need for the US to implement a March 2005 WTO dispute ruling against several of its cotton subsidy and export credit payments. In that case, Brazil successfully argued that certain payments that Washington had notified as 'green box' measures were in fact distorting trade and production, violating the US' own WTO commitments in addition to being prejudicial to Brazil's trade interests. The two countries now disagree over whether the US has brought its cotton support programmes into accordance with the ruling. A separate panel is currently determining whether the US is indeed in compliance (see BRIDGES Weekly, 4 October 2006, <http://www.ictsd.org/weekly/06-10-04/story4.htm>).

"Litmus test" for development in the round

WTO Director-General Pascal Lamy told the meeting that cotton remained one of the "litmus tests" of the development content of the Doha Round, and that there would be "no round without cotton being on board." He reiterated the mandate for an ambitious, expeditious, and specific outcome on cotton across all three pillars of the agriculture negotiations (export competition, domestic support, and market access).

Earlier, while briefing participants on the state of the talks, agriculture negotiations Chair Ambassador Crawford Falconer (New Zealand) said that "if we do not have an outcome on cotton, there'll be no outcome for the Doha Round."

Cotton-producing African countries indicated that this recognition of the centrality of cotton to the overall negotiations was one of the main achievements of the conference, along with the reiteration of the cotton-specific mandate. Developing countries in general were united in support of the mandate and the need for rapid action, trade sources said.

Compensation fund

Speaking at the end of the conference, Lamy also noted that consensus existed "neither on the idea of a 'compensation fund', nor on who should fund it." However, participants did express interest in various approaches for dealing with income decline and price

volatility, such as the "smoothing mechanisms" or 'fonds de lissage' presented by the French development agency AFD at the meeting. Delegates saw this option as a potential compromise that merits further exploration.

These funds typically include market-based mechanisms (such as insurance taken by producers), as well as a safety net to address cases of market failure. Cotton producing developing countries welcomed the fact that Lamy had urged the donor community to follow up on this interest.

Sources noted that the World Bank claimed at the meeting that, even if cotton subsidies were in fact eliminated, many African countries would have difficulty competing with more competitive producers in countries like Brazil. However, African cotton producers rejected this assessment. In total, 36 African countries produce and trade cotton, along with other developing countries, such as Brazil and India.

Secretariat table of development assistance

The WTO Secretariat was asked to make a number of improvements to a 'working table' it had prepared to track cotton-related development assistance. In particular, the revised version should distinguish between money specifically related to cotton and other funds that were not; it should distinguish between development funds, which are in principle 'available', those that donors have already 'committed', and those which have been 'disbursed'. It should also differentiate between completed and ongoing projects.

Lamy nonetheless noted that the gap between 'available' and 'disbursed' funds remains too wide, and must be narrowed through further dialogue between donors and recipient countries.

Campaigners disappointed

Development campaigners voiced disappointment at the lack of results from the conference. Celine Charveriat, head of Oxfam International's Make Trade Fair campaign, said "the high level session on cotton at the WTO failed to produce concrete results. It seems donors did not commit additional funds to support a safety net for African producers, and the problem of US subsidies was hardly discussed."

Pointing to the implications of the slow progress for farmers in poor countries, she added that "there is still a long way to go before African producers benefit from international trade negotiations and in the meantime, the burden of low cotton prices will continue to be borne by producers in Africa."

WTO competence on development issues

One observer pointed to a significant shift in the WTO's position over the last three years: at a March 2004 conference on the cotton initiative in Cotonou, the WTO Secretariat argued that development assistance fell outside the organisation's competence, whereas the recent meeting explicitly addressed both development assistance and the trade dimensions of the issue.

In private remarks, delegates from cotton-producing developing countries suggested that progress in the overall Doha Round now depended on shifting the focus of the negotiations away from informal talks amongst the major trading powers, and back to the multilateral setting in Geneva.

The next meeting of the agriculture negotiating committee has been scheduled for 23 March.

ICTSD reporting.

TRADE FACILITATION NEGOTIATIONS SLOWED BY LACK OF PROGRESS ON AG, NAMA

Even the Doha Round negotiations on reducing red tape and other obstacles to the movement and transit of goods are being affected by the lack of progress in the agriculture and industrial goods talks.

Although Members actively discussed their proposals at the Trade Facilitation negotiating group's meeting on 12-13 March, several delegates expressed doubt whether negotiations on a single draft text for a future potential WTO agreement could start in the absence of movement elsewhere.

The group's gathering was its first since the full-scale resumption of negotiations in early February. It was also the first held under new Chair Ambassador Eduardo Sperisen-Yurt (Guatemala).

Sources report that negotiators continued to examine various proposed elements of a text for an eventual agreement. In particular, they focused on the topics 'third-generation proposals'; that is, those refined by the sponsoring coalitions of Members to take into account concerns expressed at previous meetings (see BRIDGES Weekly, 7 February 2007, <http://www.ictsd.org/weekly/07-02-07/wtoinbrief.htm>).

One trade diplomat said that it appeared that the issues that were the subject of these third-generation proposals were strong candidates for inclusion in an eventual text that would serve as the basis for final negotiations. According to one trade source, the EU

would like the chair of the negotiating group to present his own version of a unified text for further negotiation, along with a deadline for agreement. Most delegations reportedly consider this 'too ambitious' and are not in favour.

One developing country trade delegate said that despite a great degree of engagement and a general eagerness to understand and clarify the language in existing proposals, there was a lack of interest in moving forward. The negotiator said that the general tone for the two-day meeting was clear from the outset when the Philippines stated that Members could not negotiate in a 'vacuum', in the absence of progress on key issues such as agriculture and non-agricultural market access (NAMA). Another trade diplomat, however, characterised even the 'engagement' as average, saying that as far as results were concerned, little or no progress was made.

There was no agreement on if and when to start 'text-based' negotiations, said one source. Delegates doubt whether this could happen without a breakthrough in agriculture and NAMA. As a result, Members have not yet had to explicitly state which issues they believe should -- or should not -- make it to a text. Other delegates believe that the distinction is largely artificial, since the 'third-generation' proposals currently under discussion contain legal language for potential clauses in a future agreement.

Members are specifically mandated to clarify GATT articles on the 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).

Revised papers on 'single window' and release time

Only two new proposals were submitted at the meeting. Both were revisions of earlier ones.

A paper from South Korea, Singapore and Thailand dealt with 'single window clearance' (TN/TF/W/138/Rev.1). 'Single window' systems attempt to speed up the passage of goods through customs by consolidating all trade documentation requirements in a single office also responsible for customs clearance. The submission proposed that, when setting up single window systems in accordance with their administrative capacities, Members should refer to relevant international standards and practices where practicable. These included the World Customs Organisation's (WCO) rules for customs procedures and the UN Centre for Trade Facilitation and Electronic Business (UN/CEFACT) guidelines for single windows, which calls for trade-related information to only be submitted

once, in order to fulfil all import, export, and transit requirements.

The second paper, from South Korea, dealt with the 'release time' of goods by customs authorities (TN/TF/W/139/Rev.1). It would require Members to periodically measure and publish their own average time for the release of goods using tools such as WCO data. It further calls on them to endeavour to continuously reduce these times. It also provided that in case of a significant delay in the release of goods, Members shall provide traders who have made written requests with the reasons for the delay, except when such notification would impede the pursuit of legitimate policy objectives.

The two submissions reportedly received a more or less positive response from Members, although some delegations sought to clarify conceptual issues on the single window proposal.

The notion of using international standards in trade facilitation discussions proved somewhat contentious, according to one source, who said that it provoked debates about the implications for WTO Members that are not part of the committee that sets the standard in question.

US identifies issues for further examination

The trade facilitation mandate is unique in that Members will not be required to implement commitments unless they receive the technical assistance necessary to do so. Thus, there have been a number of submissions proposing steps for countries to take throughout this process, from the identification of assistance needs through to the acquisition of the capacity to implement obligations and thus the legal responsibility for doing so.

A 'core group' of developing countries (TN/TF/W/142) and a more diverse group comprising developed, developing, and transition economies (TN/TF/W/137), have both proposed textual language and detailed steps for the implementation of trade facilitation commitments based on a self-assessment of technical assistance and capacity needs, and the provision of aid (see BRIDGES Weekly, 7 February 2007 accessible at <http://www.ictsd.org/weekly/07-02-07/wtoinbrief.htm#1>).

Despite the broad similarities between the two proposals, one delegate spelled out some differences between them. The core group wanted the determination of capacity acquisition to be decided bilaterally between donor and recipient countries, while the other proposal envisaged a multilateral mechanism. The latter proposal also provided for Members to notify capacity acquisition to the WTO within six months, after

which the obligation would apply. Some core group countries feel that this 'lock-in' of commitments would reduce countries' ability to seek necessary technical assistance. They argue that it would be better to notify obligations that could not be successfully implemented, thereby retaining the possibility for future help. An additional distinction is that the core group envisioned space for some commitments to remain 'best-endeavour', whereas the other proposal required full implementation of all obligations once capacity was acquired.

The US read out a number of questions that were described as an attempt to trigger further reflection on the ideas in both proposals. It proposed isolating different specific issues for detailed work, including entry into force, transition periods, technical assistance, implementation, and enforcement of commitments. This, the US, argued, would allow them to be improved upon and 'stitched' back together in a more efficient way. The intervention reportedly received support from Canada, Australia, Jamaica, and Malaysia.

The session also saw presentations from the different international organisations that have participated in the negotiations, such as the World Bank, the Organisation for Economic Cooperation and Development, UNCTAD, the WCO, and the International Monetary Fund. They reported on their trade facilitation-related activities. The World Bank, in cooperation with the WTO Secretariat and the Zambian government, described the results from a pilot project in the African country to evaluate the needs and costs associated with trade facilitation.

The next formal meeting of the negotiating group has been tentatively scheduled from 30 April-1 May.

ICTSD reporting.

OTHER STORIES

INDIAN GOVT DENIES REPORTS OF INTERNAL DISAGREEMENT ON SPECIAL PRODUCTS

The Indian government has vehemently denied media reports of internal disagreement over the number of 'special' farm products for which it will seek lenient tariff treatment in the Doha Round trade negotiations. These reports suggest that the ministry of commerce wants the agriculture ministry to lower its estimate for the number of 'special' products from about 80 -- a figure already significantly below New Delhi's past demands.

An article published 16 March in The Hindu Businessline newspaper claimed that the Indian agriculture ministry had identified a list of some 80-odd special products. These included many cereals, edible oils, and dairy products, and covered about 12 percent of India's 690 agricultural tariff lines at the 6-digit harmonised system (HS) level. The story cites 'official sources' to say that commerce ministry officials want this number substantially reduced. Although these officials did not specify a precise number, the sources were quoted as saying that "80 is far too large and reduces flexibility for negotiations."

WTO Members have agreed to let developing countries designate special farm products "guided by indicators" linked to food and livelihood security as well as rural development concerns. Agreement on their number and treatment has been prevented by deep divisions between several competitive agricultural exporters eager for new market access opportunities (notably the US), and countries keen to retain the ability to shield some sectors from further liberalisation.

New Delhi has thus far been a staunch defender of making at least 20 percent of tariff lines eligible for special product status, in accordance with the demands of the G-33 group of developing countries. The government issued a press release "categorically" denying the news reports within hours of their publication, describing them as "factually incorrect in many important respects." It insisted that the agriculture and commerce ministries had been following a common approach "without any exceptions." In addition, the statement added that it would be "premature" to discuss numbers for special products before the thus-far inconclusive discussions on indicators are finalised.

US officials have been among the most vocal opponents of extensive special product flexibilities, arguing that they are part of a 'black box' of loopholes that could potentially undermine the value of market access offers. They insist that they cannot agree to deeper cuts to its farm subsidies – thought by many countries to be necessary to break the deadlock in the Doha Round negotiations – unless it can assure farm groups that they will receive expanded export opportunities.

At the other end of the spectrum from the G-33, Washington has proposed limiting developing countries to five 'special' tariff lines at the 6-digit HS level. This would not be enough to cover fresh and powdered milk and cream.

According to the sources cited in The Hindu Businessline article, the Indian agriculture ministry wanted to accord special product status to crops on

which more than 100,000 families were dependent for their livelihoods, but was feeling pressure to be flexible.

A 17 March news article related to the reports dismissed by the Indian government provided greater detail about the potential special products that had allegedly been identified by the ministry. According to the Asian News International agency, the cereals included rice, wheat, maize, sorghum, and millet. Soybean, rapeseed, and castor oil were also present on the list. Onions and garlic were included, as were several spices, dairy products, poultry, coffee, and tea.

Although India's current applied tariff rates are currently far below the bound ceiling level for some of these commodities, crop failures can result in drastic changes in domestic production from year to year. The government is thus particularly eager to preserve its latitude to levy duties to the maximum extent possible – not least because fluctuating food prices have helped determine election results in the past.

Palm oil was excluded from the ministry's list – potentially in a nod to Malaysia's considerable interest in exporting it. Other noteworthy omissions from the list were cotton, sugar, and pulses.

Whiskey and wines were also reported to be on the agriculture ministry's list, despite tenuous links to livelihood security and rural development.

How to address special products in the Doha Round farm trade negotiations is one of the key issues under discussion at the G-33 group's ongoing ministerial meeting in Jakarta (see related story, this issue). The Indian government said that the release of the "inaccurate" news reports days before this gathering made them "all the more unfortunate."

ICTSD reporting; "Agri Ministry identifies 80 products for lower tariff cut," HINDU BUSINESSLINE, 16 March 2007; "Agri Ministry identifies 80 products for lower tariff cut," DAILYINDIA.COM/ASIAN NEWS INTERNATIONAL, 17 March 2007; "Commerce, Agriculture Ministries Have Closely Coordinated Position on WTO Agriculture Issues – News Report on Special Product Incorrect, Say Commerce and Agriculture Secretaries," GOVERNMENT OF INDIA PRESS INFORMATION BUREAU, 16 March 2007; "Not import liberalisation, but justified protection needed for farm sector," FINANCIAL EXPRESS, 19 March 2007; "Saving Doha," BUSINESS STANDARD, 19 March 2007.

IN BRIEF

**US, KOREA, CONTINUE PUSH FOR FTA
AHEAD OF END-MARCH DEADLINE**

Lead negotiators from South Korea and the US started a week of high-level informal discussions in Washington on 19 March, in an attempt to resolve the final outstanding issues in their free trade agreement (FTA) talks.

"I'll make my utmost efforts to narrow remaining differences as much as possible this week," South Korean chief negotiator Kim Jong-hoon said on the first day of negotiations. He stated that fewer than ten issues remained resolved; automotive and agriculture matters being the most contentious among them. Another controversial issue is whether products made in the Kaesong Industrial Complex (a South Korean-owned complex in North Korea) could be covered by the agreement.

Jong-hoon said he was still confident that the negotiations could be completed by the 30 March deadline, in time to take advantage of the Bush administration's 'fast-track' trade promotion authority (see BRIDGES Weekly, 14 March 2007, <http://www.ictsd.org/weekly/07-03-14/story6.htm>).

Agriculture negotiators meeting in South Korea at the beginning of the week agreed only on their disagreements. Washington still wants immediate tariff reductions on sensitive products, while Seoul continues to push for a ten year phase-out period. The US is still trying to include rice in the FTA, despite Korea's adamant rejection.

Separate talks on textiles also failed to iron out remaining disagreements.

Speaking to a Congressional committee on 20 March, Deputy US Trade Representative Karan Bhatia acknowledged that "significant issues remain in a number of chapters." Nevertheless, he called on them to support the prospective FTA, warning that the proliferation of trade pacts in the region risked leaving US companies on the sidelines.

Bhatia and South Korean Trade Minister Kim Hyun-chong will meet in Seoul from 26 March for a final attempt to conclude a deal before the deadline. Wendy Cutler, who has been the US' lead negotiator thus far, will stay in Washington to address legislators' qualms and try to solidify Congressional support for an FTA.

ICTSD reporting; "Sticking points in talks for South Korea- US trade deal," YONHAP NEWS, 18 March, 2007; "Last-ditch FTA talks making progress: Seoul official," YONHAP NEWS, 19 March 2007; "The final round of ROK-US FTA negotiations set," DONG-A, 21 March 2007; "South Korea-US FTA talks near agreement: Seoul's negotiator," YONHAP NEWS, 20 March 2007.

WTO IN BRIEF

**TURKEY REPEATS CALL FOR WTO
REVIEW OF TEXTILE QUOTA PHASEOUT;
CHINA OPPOSED**

Turkey has once again called for the establishment of a formal WTO work programme to review the ramifications of the removal of quotas on textile and clothing trade at the end of 2004, raising the ire of other exporters, including India and China. It most recently reiterated its request at a 19 March meeting of the WTO Council for Trade in Goods (CTG).

The effects of the quota phase-out have been hotly debated. For instance, Turkey asserts that least-developed countries have faced increased job losses, while China has experienced a dramatic expansion of its textile exports to major markets.

In a communication to Members dated 6 March 2007 (G/C/W/673), Turkey announced its plans to advance its proposal for a comprehensive review of the consequences of the phase-out, along with an examination of how developing countries might diversify economies heavily reliant on the textiles and clothing sector. Turkey claimed that its proposal had "the support of a vast majority" of Members.

The Turkish delegation justified the timing of its move for a work programme, the first since April 2006, by arguing that sufficient time had elapsed to provide enough data for a reliable analysis of the effects of the eradicated quotas. Increased support from other Members, such as Jordan, El Salvador, and the US, also played a role in Turkey's decision.

Turkey's submission proposed an outline for the work programme, suggesting that it analyse production, trade, and investment in the sector before and after the quota phase-out; examine future developments that could affect the industry (including the Doha negotiations); and provide increased access to

information on policy options and technical advice for countries struggling with the transition.

At the recent CTG meeting, Members including China, India, Indonesia, and Thailand expressed opposition to the Turkish proposal. The Indian delegation cited "systematic issues" as its cause for opposition and said that they would continue to veto it in the future. China made a lengthy statement contending that Turkey had no policy-based reasons for disagreeing with the quota elimination, but was simply targeting the Chinese market directly. It promised to resist any move to limit its textile exports.

Members thus remain far from consensus on the Turkish proposal. The next meeting of the Council for Trade in Goods is scheduled for 21 May.

ICTSD reporting.

DISPUTE PANEL TO RULE ON EU'S BANANA IMPORT REGIME

WTO Members on 20 March agreed to establish a panel to examine whether the EU's banana import policies violate multilateral trade rules, in response to a complaint by Ecuador. Brussels blocked Ecuador's initial request for a panel earlier this month, but was prevented by WTO practice from doing so a second time when Quito repeated its request at a meeting of the Dispute Settlement Body.

The spat, which has lasted for over a decade, pits several Latin American banana producers and the US, against the EU's trade preferences for bananas from its former colonies in the African, Caribbean, and Pacific (ACP) group of countries.

Since the late 1990s, Ecuador has claimed that Brussels' banana import rules violate its WTO obligations, including a series of adverse dispute rulings, by discriminating in favor of bananas from ACP countries. It remains unhappy with the EU's latest reform, introduced at the beginning of 2006, under which it levies a 176 euros per ton tariff along with a duty-free quota of 775,000 tonnes for ACP bananas (see BRIDGES Weekly, 28 February 2007, <http://www.ictsd.org/weekly/07-02-28/wtoinbrief.htm>).

The EU's reformed banana import regime was supposed to "at least maintain total market access" for countries like Ecuador that did not benefit from preferences. Quito claims that this has not been the case, and that since 2006, its exports have fallen by 3 percent. Brussels refutes these numbers.

Brussels expressed disappointment with Ecuador's decision to pursue the creation of a panel to rule on its compliance with WTO obligations. Spokesperson Michael Mann said that bilateral consultations aimed at settling the spat "were going rather well."

The long-running dispute, with its various rulings against the EU, has generated much debate about the ability of developing countries to enforce WTO rulings, particularly against major developed economies.

The panel will have 90 days to issue its opinion.

ICTSD reporting, "WTO to Rule Whether EU Still Flouts Decisions on Banana Imports" BLOOMBERG, 20 March 2007.

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.

Coming Up: 22-28 March

26-29 March, Geneva, Switzerland. SOUTH CENTRE WORKSHOP ON TRADE IN SERVICES. Organized by South Centre, an intergovernmental organisation of developing countries, the theme of this year's workshop is "Linking Multilateral and regional processes of negotiations on trade in services: What is at stake for LDCs?" Some of the issues to be discussed include the development challenges of LDCs arising from WTO and EU Economic Partnership Agreement (EPA) negotiations, development strategies, and the strategic role of services. internet: http://www.southcentre.org/Events/2007Mar_ServicesWorkshop.htm

28-30 March, Oslo, Norway. THE OSLO CONFERENCE ON GOOD GOVERNANCE, SOCIAL AND ENVIRONMENTAL RESPONSIBILITY. The Oslo Conference aims to take the ongoing debate about business and sustainability beyond corporate social responsibility by providing a platform for an integrated approach comprised of key players from government, business, academia, trade-unions, and non-governmental organisations (NGOs). The conference is hosted by the Norwegian Ministry of Foreign Affairs in cooperation with the World Business Council for

Sustainable Development, UN Environment Programme (UNEP), the Global Reporting Initiative (GRI), the Norwegian Ministry of the Environment, and the City of Oslo; internet: <http://www.csr-oslo.org/>.

WTO Events

An updated list of forthcoming WTO meetings is posted at: http://www.wto.org/meets_public/meets_e.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.

21-22 March: COMMITTEE ON TECHNICAL BARRIERS TO TRADE

21, 23 March: TRADE POLICY REVIEW BODY - CANADA

22 March: SUB-COMMITTEE ON LEAST - DEVELOPED COUNTRIES

23 March: COMMITTEE ON AGRICULTURE - SPECIAL SESSION

28 March: COMMITTEE ON AGRICULTURE

28-29 March: ITA SYMPOSIUM

Other Upcoming Events

3-4 April 2007, Rio de Janeiro, Brazil. BIOFUELS AND CARBON MARKETS AMERICAS. This meeting of industry experts, organized by Green Power Conferences, will address the challenges and opportunities of the biofuel, biogas, and carbon industries in Latin America through three concurrent sessions. For more information, contact annie.ellis@greenpowerconferences.com. internet: www.greenpowerconferences.com.

30 April-11 May, New York, US: UN CSD-15. The fifteenth session of the UN Commission on Sustainable Development (CSD-15) will focus on the areas of energy for sustainable development, industrial development, air pollution/atmosphere, and climate change. For further information contact the Division for Sustainable Development, Department of Economic and Social Affairs; tel: +1 212 963 8102; fax: +1 212 963 4260; e-mail: dsd@un.org; internet: <http://www.un.org/esa/sustdev/csd/policy.htm>.

24-26 April 2007, São Paulo, Brazil. SECOND IBERO-AMERICAN CONFERENCE ON SUSTAINABLE DEVELOPMENT. Organized by the World Business Council on Sustainable Development (WBCSD) and its Brazilian affiliate (CEBDS) with the support of UNESCO, UN University and UNEP, the conference will bring together businesses, academics, specialists, policy makers, and NGOs from Latin America to address the challenges of sustainable development for society, business, and government, and share experiences with sustainable practices. internet: <http://www.sustentavel.org.br> (in Portuguese) or <http://www.wbcsd.ch>.

16 April, New York, USA. SPECIAL HIGH-LEVEL MEETING OF THE UN ECONOMIC AND SOCIAL COUNCIL (ECOSOC) WITH THE BRETTON WOODS INSTITUTIONS, WTO, AND UNCTAD. This tenth annual meeting, organized by the UN Financing for Development Office, brings together ECOSOC and the international finance and trade institutions to address issues related to financing for development, realizing the Doha development agenda through effective trade and investment policies, and achieving the Millennium Development Goals. A civil society preparatory forum will be held the day before. For more information, contact Nikhil Seth, Director for ECOSOC Support and Coordination, tel. +1 212 963 1881, email: ecosocinfo@un.org; or Oscar de Rojas, Director of the Office of Financing for Development, tel. +1 212 963 2587, email: ffdooffice@un.org. internet: <http://www.un.org/esa/ffd/>

RESOURCES

NEW TRENDS IN TECHNOLOGY TRANSFER: IMPLICATIONS FOR NATIONAL AND INTERNATIONAL POLICY. By John H. Barton, International Centre for Trade and Sustainable Development (ICTSD), February 2007. Part of ICTSD's Programme on Intellectual Property Rights and Sustainable Development, this paper describes the current ways in which technology is transferred to developing countries, the barriers affecting that transfer, and policy approaches to overcome such barriers. It addresses, in turn, the flow of human resources through international education, public sector technology support through research and licensing, and the flow of private technology in the developing world. The paper also addresses paradoxical relationship between regulation, international trade rules, and intellectual property rights that confronts developing countries when trying to promote a new technology sector. Access the paper online at <http://www.iprsonline.org/resources/docs/Barton%20-%20New%20Trends%20Technology%20Transfer%200207.pdf>

IMPLEMENTING COMPETITION-RELATED PROVISIONS IN REGIONAL TRADE AGREEMENTS: IS IT POSSIBLE TO OBTAIN DEVELOPMENT GAINS? United Nations Conference on Trade and Development (UNCTAD), February 2007. The new generation of bilateral and regional trade agreements has placed an increased importance on competition policy to ensure the gains from tariff liberalization are not substituted by private restrictive practices. This study considers the interrelationship between competition law and policy, economic development and trade. This publication investigates the constraints faced by developing countries in using existing cooperation mechanisms and suggests ways to foster a culture of competition in developing –country markets. It also stresses the importance of improving institutional capacities of competition authorities in LDCs, all the while underscoring the importance of competition policy to development. Download the full report at <http://www.unctad.org/Templates/webflyer.asp?docid=8088&intItemID=2068&lang=1>

WTO RULES FOR AGRICULTURE COMPATIBLE WITH DEVELOPMENT. Edited by Jamie Morrison and Alexander Sarris, Food and Agriculture Organisation of the United Nations (FAO), 2007. A compilation of papers presented at a FAO workshop of the same name in February 2006, the purpose of this volume is to contribute to the understanding of how WTO agriculture trade rules can be structured to achieve the goals of development and poverty alleviation. The book presents a wide range of topics and conclusions, organised in three topic areas addressing trade and development in the context of the WTO negotiations, structuring development friendly WTO rules, and regional experiences. Access the paper online at http://www.fao.org/documents/advanced_s_result.asp?QueryString=A0913.

INTERNATIONAL TRADE IN BIOFUELS: GOOD FOR DEVELOPMENT? AND GOOD FOR ENVIRONMENT? By Annie Dufey, International Institute for Environment and Development Briefing, 2007. Biofuels, though produced for more than thirty years, have only recently been seriously considered as an alternative to fossil fuels. This brief addresses some basic questions about the biofuels industry and examines some of the options for achieving a global biofuels sector that supports sustainable development. It attempts to draw attention to the interaction between the development of biofuels and agriculture, land, and energy. Existing policies, in both developed and developing countries, are not prepared to deal with a biofuel expansion, and trade offs between fuel and food production should be better understood. Read the brief online at <http://www.iiied.org/pubs/pdf/full/11068IIED.pdf>

UNITAR INSTITUTE FOR TRAINING AND RESEARCH (UNITAR) 2007 E-LEARNING COURSES. UNITAR has announced its 2007 e-learning course schedule for international finance sector officials. Upcoming courses include “Fundamentals of Capital Market Development and Regulation,” “Negotiation of Financial Transactions,” as well as five others throughout the year. email: dfmelearning@unitar.org. internet: <http://www.unitar.org/dfm/DFMelearning/Index.htm>.

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