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LEAD STORIES

MIND THE GAPS: DIVISIONS PERSIST AS AG, NAMA CHAIRS AND G-4 STEP UP SEARCH FOR COMPROMISE

Trade negotiators at the WTO are saying that it is "now or never" for the troubled Doha Round talks, and that the next two months will either see a framework agreement or a prolonged breakdown.

WTO Director-General Pascal Lamy on 6 June once again called on Member delegations to soften their negotiating stances, "so that effective bargaining can take place." He said that meetings over the upcoming weeks would be crucial for efforts to agree on 'modalities' for determining tariff and subsidy cuts in the agriculture and industrial goods talks.

The negotiations are effectively being driven forward by two parallel but related processes: efforts by the chairs of the Doha Round negotiating groups on agriculture and non-agricultural market access (NAMA) to prepare new draft agreement texts based on Members' input, and a series of meetings outside the WTO among various combinations of influential trading powers, most importantly the 'G-4' of the US, Brazil, India, and the EU.

Sources expect the agriculture and NAMA chairs to issue draft modalities texts with formulae and figures for tariff and subsidy cuts later this month. Ambassador Crawford Falconer (New Zealand) and his NAMA counterpart Ambassador Don Stephenson (Canada) are coordinating closely on the timing and content of their papers. However, it is not clear whether they will release them before or after a 19-22 June meeting in Potsdam near Berlin, where G-4 ministers will try to iron out their differences. The latter is thought to be more likely -- the more signals the chairs receive from Members, the less they will have to speculate about where an acceptable compromise might lie. However, the chairs will press forward with their consultations and papers even if the G-4 do not manage to agree on anything.

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In an attempt to try to drum up support for bringing the Doha Round to conclusion, Lamy is set to attend the 6-8 June summit of heads of state from the Group of Eight (G8) industrialised nations in Heiligendamm, Germany. He told the informal session of the Trade Negotiations Committee on 6 June that he would send the leaders there "a strong message that we need their active support in order to achieve the successful and balanced outcome everyone is seeking." Representatives from five key developing countries - Brazil, China, India, Mexico, and South Africa - will be present for part of the summit in Germany.

The WTO chief may feel a sense of *déjà vu* as he travels to the Baltic Sea resort to call on the G8 to work towards an accord. Last July, he went to the group's summit in St. Petersburg to urge them to make concessions at the WTO. However, despite of the leaders' call for progress, he was forced to suspend the Doha Round only two weeks later, when talks broke down primarily over differences on farm trade (see *BRIDGES Weekly*, 19 July 2006, <http://www.ictsd.org/weekly/06-07-19/story1.htm>).

In any event, prospects for a deal now appear brighter than they have in recent months, according to several Geneva-based delegates. They suggest that various countries have hinted at yielding on long-held demands in the deadlocked farm trade negotiations -- the hints alone represent a welcome change (see related story, this issue). One negotiator went so far as to call this the "best moment... in terms of Members' engagement" on the entire range of issues in four years of working on the talks. Despite the improved atmospherics in the agriculture talks, sources warn that many issues still need to be resolved.

As for NAMA, negotiators say that even the mood music has not improved. Ongoing talks this week have largely seen delegations repeat their standard bargaining positions. Developing countries such as Brazil and India complain that the US and the EU are still asking them to make tariff cuts that are disproportionate to what they are willing to undertake themselves. At a meeting on 6 June, Brazilian Ambassador Clodoaldo Hugueneu emphatically dismissed the demands made by the EU and the US. Capping industrialised tariffs at 10 percent for rich countries and 15 percent for poor ones "is not attainable, is not possible, and it's out," he said, stressing that developing countries should not have to make larger liberalisation-related adjustments than developed ones.

Alongside the chair-led discussions in Geneva, G-4 representatives have been meeting with each other to discuss different hypothetical tradeoffs. Trade and agriculture ministers from the EU and the US met in

Brussels on 1 June. The following day, US Trade Representative Susan Schwab traveled to London to meet with Brazilian officials led by Foreign Minister Celso Amorim. Brazil and India reiterated their call for farm subsidy reform by developed countries during Brazilian President Luiz Inacio Lula da Silva's visit to New Delhi earlier this week.

Senior officials from all of the G-4 countries appear set to meet in Paris the week before the ministerial-level meeting in Potsdam. The near-total secrecy about the G-4's specific discussions has led some observers to wonder whether they are in the process of putting together a compromise, or simply trying to manage the political fallout from an eventual collapse.

In an interview published in the daily *O Estado de Sao Paulo* newspaper on 4 June, Amorim said that Members had moved closer to reaching a Doha Round accord even though much ground remained to be covered. He insisted that would not agree to anything that would "de-industrialise" Brazil and its Mercosur bloc. He said that the US and Brazil were now "closer to a possible convergence" in the farm trade talks, though subsidies remained unresolved. The G-4 meeting in Postdam would be "decisive," he added.

EU Trade Commissioner Peter Mandelson offered a less optimistic take on recent developments, though he stressed the importance of the upcoming month. "What I am seeing in the last week is both a slight hardening of position, but also a lowering of ambition, both on the part of the US and of the developing countries, Brazil and India," he said in a 5 June interview, reports Bloomberg. Mandelson suggested that this could force Brussels to weaken its own offer - even though what he termed the bloc's "maximalist" offer still falls short of the 54 percent average farm tariff cut proposed by the G-20, not to mention the 66 percent favoured by the US.

Once the agriculture and NAMA chairs produce their draft modalities texts - with or without joint input from the G-4 - they will be submitted to Members for comments, and potentially revised based on the response. If consensus seems within reach, Lamy could summon ministers to Geneva for a meeting in late July to try to hammer out the final details of a modalities deal prior to the WTO's August holiday.

Some sources speculate that if Members react unfavourably to the chairs' texts, Lamy himself might try to propose a compromise. For his part, the WTO director-general reiterated that the multilateral TNC, open to all Members, would remain at the head of the talks. He indicated that he would convene more such meetings over the coming weeks, in addition to his consultations with individual delegations and ministers.

It is widely believed that governments need to reach a modalities deal before August to wrap up the talks by the end of this year. Should the latter not happen, the round may remain frozen till at least 2010: US leaders will be loath to make controversial concessions ahead of next year's presidential elections. Indian politicians will face a similar problem during the general election campaign in 2009.

ICTSD reporting; "Não vamos desindustrializar o Brasil," O ESTADO DE SAO PAULO, 4 June 2007; "US, India, Brazil Lower WTO Deal Ambitions, EU Says," BLOOMBERG, 5 June 2007; "Brazil wants WTO deal without 'de-industrialising' Mercosur," DPA, 4 June 2007; "Guest countries go to G8 summit with united front, Brazil says," DPA, 6 June 2007; "WTO Hope G-8 Words Help Talks This Time," ASSOCIATED PRESS, 6 June 2007.

AG: HINTS OF RAPPROCHEMENT AMIDST DIFFERENCES, AS DRAFT 'MODALITIES' TEXT LOOMS

Trade diplomats report signs of movement and an improved atmosphere in the troubled Doha Round agriculture talks, saying that long-awaited concessions on market access and subsidy reform may finally be emerging as the chair of the negotiating group puts together a new draft 'modalities' text to release later this month.

Chair Ambassador Crawford Falconer (New Zealand) is expected to issue the new text, which will describe the controversial formulae and numbers for farm tariff and subsidy cuts as well as exceptions to them, during the week of 25 June. However, some suggest that he might issue it even before a 19-22 June meeting of the 'G-4' group of major trading partners - Brazil, the EU, India and the US - during which they have promised to try to bridge their differences. Falconer has acknowledged that a joint contribution from the G-4 would help him put together a text. However, he will do so regardless of whether they manage to converge.

Farm trade negotiators described a new sense of urgency in the deliberations as the chair conducted a series of informal consultations with Members, beginning 28 May, to gauge their reactions to his 'challenges' papers describing where he thought consensus might lie on many issues in the talks. One delegate reported a renewed atmosphere of active engagement amongst Members, describing the mood as "really positive, really constructive". Another spoke of the "best moment I remember in terms of Members' engagement" on the entire range of issues in four years of working on the talks.

While noting some rapprochement amongst the major players, negotiators nonetheless sounded a note of caution about the gaps that need to be overcome, warning that "fundamental differences remain."

Market access

According to delegates, the G-20 group of developing countries, the Cairns Group of agricultural exporters and the US appeared to be coalescing on "something around 75 percent" for the reduction to the steepest farm tariffs. Members had already agreed that the tiered formula would slash the highest tariffs in the top 'band' most sharply. However, the magnitude of tariff cuts remained divisive. The US in particular had been insisting that unless its demands on market access were met, including an 85 percent cut for the highest tariffs, it would not even contemplate the deeper subsidy cuts many WTO Members say that Washington must accept as part of a deal.

However, sources said that the EU remained reluctant to cut high tariffs by more than 60 percent. The G-10 countries with highly-protected agricultural sectors (such as Japan, Norway and Switzerland) were opposed to anything more than 40 percent. Falconer has suggested that agreement would eventually be found somewhere between the EU and US positions.

The thresholds for the tariff bands would most likely be those proposed by the G-20, sources said, which would mean the highest band would include all tariffs above 75 percent. Members also seemed to be reaching consensus on a 5 percent difference between the cuts applicable to adjacent bands.

There was less clarity in the discussions of the tariff reduction formula for developing countries, sources suggested.

Flexibilities to shelter products from tariff reduction have deeply divided farm exporters from more import-sensitive countries. One delegate said that Members "don't really have a common language" on 'sensitive products', on which both developed and developing countries will be able to make lower tariff cuts in exchange for creating new import quotas. The EU had reportedly indicated that it might be able to designate a smaller number of tariff lines than the 8 percent originally proposed, discussing options for 4 to 5 percent instead.

Some signs of change were also evident in the debate on the 'special products' that developing countries will be able to shield from tariff cuts on the basis of food security, livelihood security and rural development criteria. The number and tariff treatment of such products remains undecided. The US in particular

appeared to soften its stance, indicating willingness to discuss 'indicators' that would demonstrate the importance of a potential special product to the agreed criteria - so long as a cap on the total number of special products is also debated. Indicators would have to be based on "internationally verifiable data", the US has argued. The US had long taken a very restrictive stance on the issue, insisting that developing countries be allowed to designate no more than five tariff lines as special - scarcely enough to cover powdered and fresh milk, for instance, and fewer than 1 percent of agricultural tariff lines for many countries.

Falconer has suggested that a plausible Doha Round accord could allow 1 to 5 percent of tariff lines to be designated as sensitive, and 5 to 8 percent as special. The G-33 group of developing countries, at the opposite end of the spectrum from the US, wants at least 20 percent to be eligible for special product status. It has tabled a list of indicators for guiding the selection of special products, but also noted that a single set might be insufficient to account for circumstances in different countries.

The 'special agricultural safeguard' (SSG), which mainly developed countries have been able to use since the Uruguay Round to raise tariffs sharply in the event of import surges, remained the subject of disagreement. Cairns Group members, who want the SSG to be phased out under the Doha Round, rejected the chair's attempt at compromise. They argued that even the substantial limitations he recommended would be useless, since in practice the safeguard is only applied to a limited number of products such as sugar, dairy and beef.

More progress was made in the debate on the 'special safeguard mechanism', which developing countries alone will be able to use to defend themselves from import surges and price depressions. Delegates described the exchange on the issue as constructive. Members appeared to have agreed that the mechanism was specifically intended to address products that were produced domestically, or their close substitutes. However, it was less clear that consensus had been reached on Falconer's suggestion to limit the mechanism to products important to food security, livelihood security and rural development.

Agreeing on how to liberalise trade in tropical products while addressing the erosion of long-standing trade preferences proved more intractable. Banana exporting countries that do not benefit from trade preferences vehemently rejected Falconer's assessment that the issue could realistically be solved only by an accord outside a main Doha agreement.

Domestic support

In his 'challenges' paper, Falconer said that he expected a deal to require the US to reduce its overall trade-distorting domestic support to less than USD 19 billion, but more than USD 10 billion. In a hint at flexibility, the US was reported to have indicated that this range appeared reasonable - even though it is below the USD 22 billion ceiling that it has proposed thus far. Although other countries have complained that Washington is seeking a spending limit well above the USD 19 billion it is now spending, the US had thus far insisted that it could not envisage further subsidy cuts without assurances of substantially expanded market access.

A number of Members continued to insist that only the 'lower end' of Falconer's range would be acceptable. The EU warned that the limit would have to be no higher than USD 15 billion if any deal was to be reached. The G-20 has asked the US to cap trade-distorting agricultural spending at around USD 12 billion.

More controversial still were the arrangements for product-specific disciplines on subsidy spending, intended to prevent Members from concentrating all of their payments on a small number of commodities (as the US does, resulting in greater distortions). Washington in particular has resisted moves to establish strict disciplines in this area. Also unresolved is the discussion of appropriate 'base periods' that will help determine future spending entitlements: most Members favour the 1995-2000 period, but the US prefers the 1999-2001 period instead because its spending levels were much higher.

Some progress was also reported in the negotiations on cotton, with preliminary indications that the US may be willing to enter into discussions on this issue with African cotton-producing countries. To date, the US has emphasised that the outcome of negotiations on cotton would have to depend on the overall agreement for farm subsidy and tariff cuts.

To conclude discussion of his challenges paper, Falconer has scheduled consultations on 'green box' subsidies for the morning of 7 June, followed by an informal meeting open to all Members that afternoon.

Falconer is then expected to await the outcome of the G-4 meeting before issuing his draft. Sources suggest, however, that the draft modalities document would likely be revised based on Members' comments. The 'door would not be shut' once the first draft was produced, one delegate said.

ICTSD reporting.

OTHER NEWS

EU, ACP DETERMINED TO MEET END-OF-YEAR DEADLINE FOR EPAs

Leaders from African, Caribbean and Pacific (ACP) states have vowed once again to work to finalise a set of free trade agreements with the EU before a critical end-of-year deadline, although many issues in the negotiations remain unresolved.

Meeting in Brussels from 22-24 May, the ACP ministers expressed their commitment to moving forward with the economic partnership agreement (EPA) negotiations, provided the EU heed their calls to include a number of specific concessions in the deals on issues such as adjustment aid and rules of origin.

Mohlabi K. Tsekoa, Lesotho's foreign minister and the current ACP chairman, rejected suggestions that the tight timeline risks yielding deals detrimental to the developing countries' interest. "We have no doubt we will be enhancing the development of our people," he said.

Critics have suggested that the EU is asking ACP countries to sign up for market-opening measures and intellectual property protections that are inappropriately strong. Even members of the European Parliament have urged caution about the potential effects of the talks on the EU's developing-country partners -- an overwhelming majority of them recently appealed to the European Commission not to make excessive demands of the ACP during the EPA talks. They called for allowing the ACP countries safeguard mechanisms that would allow them to protect local industry from surges of EU imports, especially farm products.

Trade deadline looms

The EPAs are intended to replace longstanding preferential trade deals under which the EU accords duty-free access to most ACP exports. These unilateral preferences have been deemed incompatible with WTO rules, but WTO Members in 2000 agreed to a waiver allowing the EU to maintain them through the end of 2007. Given the waiver's impending expiration, the two sides are now under pressure to establish new bilateral trade agreements before the 31 December deadline. WTO rules for such reciprocal FTAs are less demanding than those governing unilateral-preference schemes: no waivers are necessary, and FTAs are protected as long as they remove tariffs on 'substantially all trade' -- a concept that remains undefined. The prospect of a new waiver for the

existing preferences is believed to be unlikely, as some Members have expressed opposition to the idea.

Actual progress toward finalising EPAs has varied: EU negotiations with Central African, West African, East African, and the Pacific countries have been rather slow, while talks with Caribbean and southern African countries have seen greater progress.

New, two-way agreements lower barriers to trade

While the details of the EPAs have not been finalised, they would most certainly require that ACP states make significant cuts to their trade barriers. However, the developing nations would be allowed extended transitional periods to phase in tariff cuts on EU products; Brussels has suggested that these periods could last up to 25 years for duties on some sensitive products if local producers would be threatened by faster liberalisation.

For its part, Brussels has offered to eliminate quotas and tariffs on 'substantially all' ACP products, including beef, dairy, cereals, and fruits and vegetables, which are currently subject to EU import duties. All tariff cuts would take effect immediately upon the signing of an agreement, with the exception of duties on rice and sugar, both of which would be phased out over extended periods (see BRIDGES Weekly, 18 April 2007, <http://www.ictsd.org/weekly/07-04-18/story3.htm>).

Although many least-developed country (LDC) members of the ACP group already receive duty free access to the EU under the latter's Everything But Arms (EBA) policy, more than 30 of the 79 ACP countries are not LDCs, including Papua New Guinea, Ghana, Botswana, Jamaica, the Bahamas, and Nigeria.

According to a trade analyst at the ACP Secretariat in Brussels, the developing nations, though committed to meeting the end-of-year deadline, remain firmly resolved that the pacts must come with a number of concessions. Specific demands include the provision of more flexible rules of origin, extended transitional periods, assistance with adjustment and implementation costs, and the extension of existing commodity protocols on rice and sugar. Brussels has been lukewarm to ACP demands for explicit aid promises to be included in the text of the trade pacts (see BRIDGES Weekly, 29 November 2006, <http://www.ictsd.org/weekly/06-11-29/story2.htm>).

Short timeline raises concerns

It is unclear what will happen if talks on a particular EPA fail to conclude before the 31 December deadline. In theory, following the waiver's expiration, the

countries' trade regimes would operate under the EU's Generalised System of Preferences (GSP). Alternately, the EU could continue to provide ACP countries their existing preferential access, although this would become vulnerable to dispute in the absence of a new waiver. Some observers believe that developing countries not receiving the ACP's level of preferential access might be convinced to refrain launching a formal WTO dispute if they were reasonably sure that a long-term EPA deal would be reached within a year or 18 months.

Concerns have been raised from several quarters that the tight timetable places an unfair burden on ACP countries, whose negotiating teams are much smaller than those of the EU. Indeed, the developing nations previously asked for more time - up to three additional years - to negotiate the pacts (see BRIDGES Weekly, 14 February 2007, <http://www.ictsd.org/weekly/07-02-14/story3.htm>).

Despite the ACP leaders' recently announced commitment to work toward the end-of-year target, some ACP civil society groups remain concerned that Brussels is using the upcoming deadline to extract extra concessions from its developing-country partners.

More harm than good?

Others oppose the agreements on pure economic grounds, claiming that the free trade deals would result in net losses for the ACP group of countries.

In principle, the EPAs are intended to spur economic growth by enhancing regional integration, building stronger South-South trade networks, and facilitating access for ACP products to EU markets.

Yet, civil society groups in both EU and ACP countries maintain that regional integration among the developing nations might result in economic gains for the strongest ACP economies, but would bring few, if any, benefits to the weaker members of the group.

Furthermore, ACP industry groups fear that removing tariffs on cheap European imports would undercut local producers and lead to unemployment and lost government revenue. Indeed, the Kenya Association of Manufacturers has warned that Eastern and Southern African states stand to lose up to USD 241 million annually if an EPA is enacted.

One civil society leader, Ibrahim Akalbila, Coordinator of the Ghana Livelihood Coalition, has said that his organisation plans to pressure individual ACP governments not to ratify the agreements.

The EU's goals for intellectual property provisions in the EPAs are also drawing criticism. In a letter to the Financial Times published on 24 May, a group of academics and trade experts claimed that Brussels was seeking intellectual property standards so strict that they would ultimately hinder economic progress in the developing countries. They argued that the EU proposals risked limiting the availability of educational materials in ACP countries and restricting the right of ACP farmers to save and reuse seed, thus threatening food security. "All available evidence indicates that increased levels of greater intellectual property protection will generate more costs than benefits to for [sic] ACP countries," the writers said. Moreover, they argued that the EU's demands were unnecessary, since WTO rules were "unequivocally clear" that there is no requirement to negotiate intellectual property.

The EU's chief negotiator, Heidemarie Wieczorek-Zeul of Germany, emphasised Brussels' commitment to respecting the position of the EU's developing-country partners. "It is our common concern to ensure these agreements promote development," she said.

ICTSD reporting; "EU lawmakers appeal for softer line with ACP countries," CARIBBEAN NEWS, 24 May 2007; "ACP members confident of agreement by deadline," TONGA NOW, 29 May 2007; "EPAs could be signed by December," GHANA NEWS AGENCY, 29 May 2007; "L'UE et les ACP s'engagent à conclure un accord en 2007," REUTERS, 25 May 2007; "New EU market access offer unacceptable -- region's sugar group," Starbroek News, 30 May 2007; "EU and ACP states vow to clinch free trade deals by end-year," DEUTSCHE PRESSE-AGENTUR, 25 May 2007; "MEPs call for less onerous conditions imposed on ACP countries," EUROPEAN PARLIAMENT NEWS RELEASE, 23 May 2007; "ACP officials talk tough with the EU," BBC NEWS, 24 May 2007; "EU in danger of breaking its promise to the poor," FINANCIAL TIMES, 24 May 2007.

IN BRIEF

G8 CLASHES OVER CLIMATE CHANGE IN RUN-UP TO SUMMIT

Heads of state from the Group of Eight leading industrialised nations remained divided on climate change as they headed into the first day of a 6-8 June summit in Heiligendamm, Germany.

Recent weeks have seen the US spar with Germany and other EU member states about whether the G8 would agree to specific emissions reduction targets during the meeting. German Chancellor Angela Merkel has been pushing a "two-degree" proposal, aimed at limiting global temperature increases to no more than two degrees Celsius. She proposed adopting a commitment to cut emissions to half of 1990 levels by 2050, which is what scientists say will be necessary to reach this goal.

The US has refused to go along with the German plan, which it considers overly strict. Washington has maintained that it would not agree to any plan that requires specific targets or timetables. However, in a high-profile announcement last week, the Bush administration released a new plan for climate change, calling for the world's 15 biggest polluters including to get together, discuss the issue, and then establish their own goals - not necessarily binding - for long-term emissions reductions and technology-sharing. This provoked criticism from some G8 countries including Germany, which said that the move sought to bypass the UN and derail Merkel's plan. However, the UK, Canada, and Japan welcomed what they viewed as a shift in the US' position.

The extent to which developing nations like China and India should be required to reduce their carbon emissions - although they are major and growing polluters, their historical and per capita emissions remain far lower than those in the industrialised world - has been a major sticking point in climate negotiations. The US says that it will not be part of any emissions reduction plan that does not include these countries. Critics say it is using China and India as a pretext.

Beijing, for its part, this month released its first comprehensive report on climate change, in which it declared that conserving energy and managing emissions will now figure prominently in the country's economic and energy policies. It did not, however, include specific targets, and emphasised that Chinese plans for emissions reductions could not take precedence over economic development.

The world's governments are currently discussing the shape of a global emissions regime after 2012, when reduction commitments under the Kyoto Protocol expire.

ICTSD reporting; "Bush, Merkel Far Apart on Climate Change," ASSOCIATED PRESS, 6 June 2007; "China is shouldering its climate change burden," THE FINANCIAL TIMES, 3 June 2007; "Beijing refuses to commit itself to emissions reduction targets," THE FINANCIAL TIMES, 5 June 2007; "U.S. to oppose greenhouse gas cuts at G8: official," REUTERS, 6 June

2007; "China climate stance challenges UK," BBC NEWS, 4 June 2007.

WTO IN BRIEF

JAPAN PROPOSES 'BOTTOM-UP' APPROACH TO FISHERIES SUBSIDIES, INSTEAD OF BLANKET BAN

Japan on 1 June tabled a proposal calling for a 'bottom-up' approach to fisheries subsidies disciplines under the Doha Round WTO negotiations. Unlike the blanket bans on most types of fisheries subsidies proposed by the US and Brazil, Japan wants to ban only specific types of payments, leaving the rest permissible.

The Japanese proposal sets out draft treaty language that would ban a range of subsidies. These would include payments supporting the acquisition, modification, or construction of fishing vessels, except in cases where expenditures actually lead to a reduction in fishing capacity, or are intended to improve safety or replace a vessel following a natural disaster. Subsidies for shipyards are also prohibited, as is the permanent transfer of vessels to countries that do not belong to regional fisheries management organisations. The proposal also stresses that payments to vessels engaging in illegal, unreported, and unregulated fishing would be banned.

The push for prohibitions on specific forms of financial assistance, rather than a sweeping ban, is strongly backed by other large fishing Member states, including Korea and Norway. The EU, too, has expressed support for such an approach. The 'bottom-up' method, they claim, will make the fisheries regulations clearer, workable, and more effective.

As for subsidies that would be protected from challenge, Japan would include government-to-government payments for allowing one country's fishing fleet to access another state's waters, so long as the payments are published and the fisheries are adequately managed. It would also exempt assistance for vessel decommissioning programmes. The proposal includes an additional carve-out for support to small-scale fisheries, provided that they are authorised, managed, and do not exceed a to-be-determined size. The paper also puts forward regulations intended to increase transparency and more effectively monitor global fish stocks.

In its text, Japan also defines possible disciplines for special and differential treatment, stating that its main objective is to strike a balance between prohibiting overcapacity while still accounting for the significance of the sector for developing economies.

Delegates are studying the Japanese proposal, but said that they would prefer to comment only after the next meeting of the Negotiating Group on Rules, which is scheduled for 11 June.

ICTSD reporting.

EVENTS & RESOURCES

EVENTS

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

Coming Up: 7 - 13 June

3-15 June, The Hague, Netherlands. FOURTEENTH MEETING OF THE CONFERENCE OF THE PARTIES TO CITES. Parties to the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) will consider 40 new proposals for rules changes regarding the protection of specific species. Participants will also discuss enforcement of CITES regulations, the control of illicit trafficking, and the effects of CITES rules on the rural poor. The meeting's agenda also includes the establishment of a new strategic vision for 2008 to 2013. For more information, email cites@unep.ch. internet: <http://www.cites.org/eng/cop/index.shtml>

6-8 June, Heiligendamm, Germany. G8 SUMMIT 2007. Heads of state and government from the Group of 8 (G8) leading industrialized nations will meet in Germany, which holds the current G8 presidency. German Chancellor Angela Merkel has declared growth and responsibility, including transparency, freedom of investment, protection of intellectual property, and sustainable resource consumption, to be the central concerns of her G8 presidency. internet: <http://www.g-8.de/Webs/G8/EN/Homepage/home.html>

8 June, Geneva, Switzerland. WATER AND FREE TRADE. This panel discussion will be co-hosted by the Permanent Mission of Bolivia, the UN Conference on Trade and Development (UNCTAD), the International Development Research Centre (IDRC), Agua Sustenable and ECLAC (the UN Economic Commission

for Latin America and the Caribbean). This half day event (15-18h) will look at issues related to the treatment of water in international trade agreements. The event will take place in UNCTAD, E - Building, Room XXVII. A reception will follow. For more information or to confirm your attendance, please contact denisse.rodriquez@bluewin.ch.

11-14 June, Riksgården, Sweden: SWEDISH "MIDNIGHT SUN" DIALOGUE ON CLIMATE CHANGE. Swedish Environment Ministers Andreas Carlgren has invited some thirty of his counterparts from elsewhere in the world to an informal ministerial conference in Riksgården. The purpose of the meeting is to engage informally in discussions and dialogue on how a future climate regime should be designed. internet: <http://www.sweden.gov.se/sb/d/8757>

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.

4-8 June: NAMA WEEK

4-8 June: SERVICES WEEK

7 June: COMMITTEE ON SPECIFIC COMMITMENTS

7 June: COUNCIL FOR TRADE IN SERVICES

8 June: COUNCIL FOR TRADE IN SERVICES - SPECIAL SESSION

11-12 June: COMMITTEE ON TRADE AND ENVIRONMENT - SPECIAL SESSION

Other Upcoming Events

15 June, London, UK. IMPACT OF EXTRATERRITORIAL REGULATION ON THE CROSS-BORDER FINANCIAL MARKETS. This event will focus on attempts being made on both sides of the Atlantic to resolve the current challenge of regulation. It will examine specific issues such as Sarbanes-Oxley, the impact of the evolving consolidation within the financial markets and the convergence of reporting standards. The conference, hosted by Chatham House, will bring together influential policymakers, business leaders and legal professionals to discuss the

approaches being taken by the respective governments and the future outlook for cross-border investment. Internet:

<http://www.chathamhouse.org.uk/index.php?id=5&cid=114>.

25-26 June, London, UK. CLIMATE CHANGE: POLITICS VERSUS ECONOMICS. Climate change is global, both in cause and consequence, and the response requires international action. Yet environmentalists, scientists, economists, foreign policy and security experts and investors all speak different languages and have different understandings of how best to tackle the issue. The aim of this conference, hosted by Chatham House, is to bring together well-respected representatives from each of these fields to discuss the connections and to debate whether it is international politics or economics or a mixture of both that will deliver a measurable progress in the global response to climate change. For information on the conference contact conferences@chathamhouse.org.uk.

25-26 June, Macau, China: 8th IEEM INTELLECTUAL PROPERTY SEMINAR ON INTERNATIONAL INTELLECTUAL PROPERTY LAW AND PHARMACEUTICALS. This seminar, hosted by the Institute of European Studies of Macau (IEEM), will feature lectures on the pharmaceutical industry in Asia, antitrust laws, and the effects of medicinal patents on public health in developing countries. For more information contact Beatrice Lam at beatrice@ieem.org.mo. internet: <http://www.ieem.org.mo/courses/ipl/index.html>.

25-27 June, Stanford, California. INTERNATIONAL ENERGY WORKSHOP (IEW). IEW is a network of global energy experts that meet annually to discuss a wide range of topics, with particular emphasis on global as well as regional energy issues. The annual IEW meetings focus on energy assessments and try to understand the reasons for diverging views of development in the energy sector. For more information contact John Weyant at weyant@leland.stanford.edu. internet: http://www.internationalenergyworkshop.org/Workshop_2007.html

RESOURCES

AID FOR TRADE INITIATIVE IN NEED OF A DEFINITIVE STRUCTURE. By Samuel G. Asfaha, South Centre, October 2006. This article posits that as the 'Aid for Trade (AFT)' initiative of the World Trade Organisation (WTO) gathers steam, there are some essential next steps that need to be taken. It argues that the initiative can only deliver if it is given a concrete

shape. To access this article visit <http://www.southcentre.org/wto-doha-round-aid-for-trade-South-Centre.html>.

WTO DISCIPLINES AND BIOFUELS: OPPORTUNITIES AND CONSTRAINTS IN THE CREATION OF A GLOBAL MARKETPLACE. By the International Food and Agricultural Trade Policy Council (IPC) and Renewable Energy and International Law (REIL), October 2006. This IPC Discussion Paper suggests that biofuels are a new technology to which existing WTO trade rules need to be adapted. The paper explores how biofuels should be categorised within WTO law; how subsidies to the existing biofuel sector should be considered from the perspective of WTO rules; and how domestic regulation on biofuel production should be viewed in light of WTO rules against non-tariff barriers to trade. To access this paper visit http://www.agritrade.org/Publications/DiscussionPapers/WTO_Disciplines_Biofuels.pdf.

A DEVELOPMENT ASSESSMENT OF THE CURRENT WTO NEGOTIATIONS. By Martin Khor, Third World Network, September 2006. This assessment argues that the suspension of the Doha Round negotiations should lead to a rethinking and revision of the frameworks of the round, instead of a resumption along the same lines. It posits that the original Doha proposals contained little development content and offered few benefits to developing countries, but instead contained dangerous potential costs to developing countries, including loss of policy space. To access the assessment, visit <http://www.twinside.org.sg/pos.htm>.

MILLENNIUM DEVELOPMENT GOALS: PROGRESS IN ASIA AND THE PACIFIC 2006. By the UN Economic and Social Commission for Asia and the Pacific (UNESCAP) and UN Development Programme (UNDP), with the involvement of the Asian Development Bank (ADB), October 2006. This report provides estimates of populations affected by social and economic poverty in the Asia-Pacific region and compares them with similar estimates of sub-Saharan-Africa, Latin America and the Caribbean. The report highlights that the Asia-Pacific region as a whole is on track to achieve most of the Millennium Development Goals (MDGs), but indicates that progress in many individual countries is slow; and performance on some of targets, including infant mortality and access to basic sanitation, is unsatisfactory. To access the report, visit <http://www.mdgasiapacific.org/2ndMDGReport/progress2006.htm>.

WORLD ECONOMIC OUTLOOK: FINANCIAL SYSTEMS AND ECONOMIC CYCLES. By the International Monetary Fund (IMF), September 2006. The World Economic Outlook (WEO) presents the IMF

staff's analysis and projections of economic developments at the global level, in major country groups (classified by region, stage of development, etc.), and in many individual countries. It focuses on major economic policy issues as well as on the analysis of economic developments and prospects. It is usually prepared twice a year, as documentation for meetings of the International Monetary and Financial Committee, and forms the main instrument of the IMF's global surveillance activities. To access the outlook visit <https://www.imf.org/external/pubs/ft/weo/2006/02/index.htm>.

"The WTO and the Shrinking of Development Space: How Big is the Bite?" in the JOURNAL OF WORLD INVESTMENT AND TRADE (7:5) 2006. By Alisa DiCaprio and Kevin P. Gallagher. The trade policy regimes that existed before and after the Uruguay Round of multilateral trade negotiations were strikingly different. Before 1994, the General Agreement on Tariffs and Trade (GATT) was the primary institution of international trade. Through the GATT Pillars of non-discrimination and reciprocity established text-based parameters on its Members' industrial policies, in practice the institution was relatively disengaged with its developing country Members and tended to overlook their policy violations (Hudec, 1987). In 1994, the World Trade Organisation subsumed the GATT through the Single Undertaking. This event ushered in a new policy regime that expanded both the scope and enforcement of new regulations. This article seeks to measure the extent to which policy implementation in the developing countries has reflected these changes.

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