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WTO TALKS RESUME: AG NEGOTIATING COMMITTEE MEETS FOR FIRST TIME SINCE SUSPENSION

Following the full-scale resumption of the Doha Round trade talks last week, WTO Members on 9 February held the first regular multilateral 'special session' meeting of the agriculture negotiating committee since June 2007. In spite of this return to standard practice, delegates believe that any progress in the still-deadlocked negotiations will occur in the quiet, informal bilateral and small-group meetings that have continued to take place (see BRIDGES Weekly, 7 February 2007, <http://www.ictsd.org/weekly/07-02-07/story1.htm>).

At the gathering (which was in off-the-record, 'informal' mode), Chair Ambassador Crawford Falconer (New Zealand) described how discussions were moving forward, and mapped out his plans for future meetings. In practice, it was little different from the informal 'transparency forums' that he has convened in recent months for negotiators to share what they had been discussing elsewhere. Falconer said that the next 'special session' meeting open to the entire Membership would likely be held in two weeks, and a further one in about four weeks' time. In the meantime, Members would also continue their own attempts to search for convergence, whether bilaterally or in small groups.

The agriculture chair added that he would continue to convene informal "fireside chats" with a group of around two dozen ambassadors speaking for a representative cross-section of different negotiating interests. Any progress in these, or in the other small-group and bilateral consultations, would then be reported to other Members multilaterally.

Assuming that some movement takes place, Falconer said he would then return to the pattern of intense negotiations that had marked the ultimately unsuccessful push for an agreement last July: a series of 'Room F' meetings limited to around 20 representative delegations, alternating with others open to the full membership.

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Members were particularly emphatic about the need to 'multilateralise' the results of informal consultations, by relating them back to the entire Membership. While they acknowledged that these smaller meetings were necessary to foster agreement at this stage of the negotiations, they stressed the importance of transparency and inclusiveness – in other words, for smaller countries to not be left completely on the sidelines.

In another reference to the last push for a deal, Falconer suggested that he might also prepare 'reference papers' indicating areas of convergence and divergence on different issues in the negotiations, building on those he produced last year. He also indicated that the draft 'modalities' text which he circulated last June could form the basis of future work. Although 'modalities' entail formulae and figures for tariff and subsidy cuts as well as exceptions to them, the lack of consensus between Members meant that Falconer was unable to outline any specific parameters for an eventual agreement in that document. Instead, the text reflects almost every proposal that has been put forward in the negotiations, pointing to hundreds of outstanding differences that need to be resolved (see BRIDGES Weekly, 28 June 2006, <http://www.ictsd.org/weekly/06-06-28/story2.htm>).

However, he said a change of attitude since last summer might have made dealing with the 72-page text less unwieldy. While many Members had previously been afraid that the intense negotiations amongst the 'G-6' major trading powers – Australia, Brazil, the EU, India, Japan and the US – risked marginalise their own concerns, Falconer suggested that they were now more confident that the negotiating process would be inclusive. This greater trust might help them accept a more streamlined text that better reflects progress in the areas where there has been some convergence.

Sources report that most of the countries that intervened at the meeting agreed that some sort of breakthrough was required in the weeks ahead.

Fireside chat focuses on domestic support, sensitive products

Sources reported that Falconer hosted a 'fireside chat' on 12 February at which roughly two dozen ambassadors discussed possible ways forward on domestic support and on the tariff reduction formula for the 'sensitive products' that both developed and developing countries will be able to shield from the full force of cuts in return for creating new import quotas.

At this meeting, participants explored options for disciplining product-specific subsidies in ways that could enable them to achieve their objectives, rather

than focusing on the controversial 'headline numbers' for overall percentage cuts to trade-distorting support. These latter have tended to preoccupy negotiators to date, with little success. No real movement was apparent, however, either on this issue or on sensitive products.

Following the earlier gathering on 9 February, Falconer had told journalists that issues of specific interest to developing countries, such as 'special products' and the 'special safeguard mechanism,' would be the subject of future fireside chats. Developing countries will be allowed to exempt, at least partially, a to-be-determined number of 'special' farm products from regular tariff reduction, on the basis of food security and livelihood concerns. The 'special safeguard mechanism' would afford them a measure of protection from import surges.

Fischer Boel visits Washington for talks

Meanwhile, EU Agriculture Commissioner Mariann Fischer Boel visited Washington on 8-9 February for talks with senior US officials, including Agriculture Secretary Mike Johanns and members of Congress. She also met with US Trade Representative Susan Schwab.

For months, the EU and the US have been in a circular argument about what is necessary to break out of the impasse in the Doha Round agriculture talks: Brussels says that the US needs to lower the ceiling on its trade-distorting farm subsidies substantially beyond its current offer; Washington counters that it won't do so until the EU and others agree to expand access to their agricultural markets. In more recent weeks, their negotiators have been attempting to go beyond the contentious percentage figures for overall tariff and subsidy cuts to try to flesh out details about the various product-specific exemptions and rules that will determine the extent to which market access will expand and subsidy spending be restrained. In theory, they will use this knowledge to "reverse engineer" the potential outlines of an overall accord.

In an interview with Reuters, Fischer Boel described her meetings in Washington as positive, but appeared to suggest that agreement was not yet near. "We need to see a willingness from other players to find a common ground," she said.

While in Washington, the EU agriculture chief paid special attention to the debate over the 2007 US farm bill, the legislation that Congress will write in consultation with the White House to set out farm spending over the next five years.

On 9 February, Fischer Boel made a speech at the Carnegie Endowment for International Peace in which

she urged the US to follow Brussels' lead and reform farm support programmes to make them less trade-distorting. Such reforms would in turn allow it to offer deeper subsidy cuts in the trade negotiations. "I can only urge the US Congress not to write a farm bill that would be detrimental to the Doha Round," she said. "The 2002 farm bill rightly faced worldwide criticism when it was passed, as a move away from market-oriented farm policy. The 2007 Farm Bill should correct mistakes made in 2002, not reinforce them."

Although the Bush administration's proposals for the farm bill take some steps to reduce incentives for overproduction, officials from the EU and elsewhere have said that they do not appear to go far enough (see BRIDGES Weekly, 7 February 2007, <http://www.ictsd.org/weekly/07-02-07/story2.htm>).

Fischer Boel also took pains to argue that the EU was already offering valuable commercial opportunities to agricultural exporters elsewhere in the world. Rejecting the notion that new market access would arise predominantly from tariff reduction, she said that the EU's subsidy cuts would lead to "some shrinkage in domestic production," and the eventual elimination of export support would reduce exports from the EU. "Between them, these two developments will make space for our competitors on our markets and on third country markets," she argued. "Our current formal offer would slice many billions of euros off our farm sector receipts, handing corresponding gains to others."

Calling for "leadership and a sense of realism in what each party asks for and offers," she urged Washington to "give the right signals."

ICTSD reporting; "EU nudges US on Doha, farm bill," REUTERS, 10 February 2007; "EU agriculture commissioner talks with U.S. officials on Doha round, subsidies," ASSOCIATED PRESS, 8 February 2007.

USTR SCHWAB SETS OUT CASE FOR TPA RENEWAL, AS TRADE DEFICIT HITS RECORD HIGH

US Trade Representative Susan Schwab on 12 February called on the new Democrat-controlled Congress to renew the presidential administration's trade promotion authority (TPA), warning that a failure to do so would "signal to the world that the United States has lost faith" in the Doha Round negotiations. "We must not let that happen," she said.

The administration's trade policy came under fire from senior Democratic lawmakers this week, as new data

revealed that the US' trade deficit had reached an all-time high.

President George W. Bush's TPA will expire at the end of June. Without a renewal, the administration will lose its ability to negotiate trade agreements and submit them to Congress for a yes-or-no vote without the possibility of making changes. In the absence of this mandate, other countries are reluctant to finalise trade deals with Washington, since they might subsequently get picked apart by Congress.

Speaking in Washington at an event sponsored by business groups that want to see the mandate extended, Schwab indicated that the administration would work closely with members of the House and the Senate to flesh out the details of TPA legislation.

Most Democrats voted against the current trade promotion mandate in 2002, and seven senators have vowed to "aggressively oppose" extending it this year. However, the senior lawmakers who now chair the powerful Congressional committees responsible for trade policy have suggested that they would be willing to approve new TPA legislation – if the administration takes heed of their concerns, principally on labour rights, the environment, and support for affected workers (see BRIDGES Weekly, 15 November 2006, <http://www.ictsd.org/weekly/06-11-15/story3.htm>).

Indeed, Schwab said that she had been "encouraged" about the prospects for TPA renewal by her conversations with House Ways and Means Committee Chair Charles Rangel (Democrat-New York) and Senate Finance Committee Chair Max Baucus (Democrat-Montana).

"Personally, I think every president should have the comprehensive authority to negotiate and to implement state-of-the-art trade deals," the US trade chief added. "The broader the better, the longer the better," she subsequently clarified, reports Reuters. Some observers have suggested that the Democrats might be more amenable to granting the Bush administration a short-term extension limited to the multilateral Doha Round talks.

Setting out her case for TPA renewal, Schwab said "the equation is simple... trade agreements mean more exports, and more exports mean better jobs." She noted that the US' exports to countries with which it had implemented bilateral free trade agreements between 2001 and 2006 had grown twice as fast as those to the rest of the world. She also linked trade and investment agreements, specifically the North American Free Trade Agreement (NAFTA), to increased employment, industrial production, and wages.

In a letter to Congress the same day, President Bush reiterated the case for extending his negotiating mandate, saying it was “the only way we can complete the Doha Round and make headway on other trade agreements.”

Data on deficit sparks row over trade policy

The tone of the debate on trade became much sharper on 13 February, after the US Census Bureau announced that the country's trade deficit had risen to a record high for the fifth straight year, amounting to USD 763.3 billion in 2006, a 6.5 percent rise over the year before.

The data sparked a new row between Congressional Democrats and the Bush administration about the wisdom of its trade policy. US Commerce Department officials pointed out that 2006 marked the first time in a decade that exports grew faster than imports, and argued for maintaining the existing course.

House Speaker Nancy Pelosi and several other senior Democrats, including Rangel and Trade Subcommittee Chair Sander Levin (Michigan), responded with a call for a “new direction in US trade policy.” In a letter to Bush dated 13 February, they blamed the administration's policies for the cavernous trade deficits as well as job losses, and argued that the wage stagnation experienced by most Americans was at least partially caused by “globalisation and trade.”

Nevertheless, they stopped well short of demanding a halt to negotiating trade agreements. In fact, while they implicitly criticised the administration for having focused on signing FTAs with countries that accounted for “less than 5 percent” of US trade, they specifically urged it to pursue commercially “meaningful trade liberalisation opportunities,” especially at the multilateral level.

“Congress is prepared to approve a strong and ambitious WTO agreement that achieves core US objectives, including in the areas of agricultural, manufacturing – including the dismantling of non-tariff barriers – [and] services,” the letter said.

The 19 representatives targeted the ‘Big 3’ economies of China, the EU, and Japan and gave the administration 90 days to develop and present Congress with a plan to “eliminate” the trade deficits that the US runs with each “by tearing down market access barriers and eliminating unfair trading practices.” They said that the US should not hesitate to take these countries to WTO dispute settlement to pursue its objectives, and must pressure China and Japan to let their currencies appreciate, accusing them of “currency manipulation.”

Notably, when calling for the US to use “vigorously” anti-dumping duties when necessary, they specifically called for them to be calculated with a controversial methodology that the WTO has ruled against several times (see BRIDGES Weekly, 17 January 2007, <http://www.ictsd.org/weekly/07-01-17/story4.htm>).

According to the letter, ‘zeroing’ is “provided for under the WTO rules as written” -- but presumably not as interpreted by WTO dispute panels.

The lawmakers also called for expanded investment in education, research, and innovation in the US to help Americans adapt to open markets.

Several labour and environmental groups, for their part, were harshly critical of the Bush administration's call for TPA renewal. The Washington Times quoted the Sierra Club's executive director as saying that TPA stands for “trust the president always.” The United Steelworkers and AFL-CIO also urged Congress not to delegate its authority over trade issues to the president.

ICTSD reporting; “For 5th Year, Trade Gap Hits Record,” NEW YORK TIMES, 14 February 2007; “Labor, greens denounce trade policy,” WASHINGTON TIMES, 14 February 2007; “US trade bill renewal vital for Doha: Schwab,” REUTERS, 12 February 2007.

OTHER STORIES

WEST, CENTRAL AFRICAN COUNTRIES TO TRY FOR EPAs WITH EU BY END- 2007

West and Central African countries have agreed to try to conclude their Economic Partnership Agreement (EPA) negotiations with the EU in time for a December 2007 deadline. They appear to have dropped requests to extend talks beyond this date in exchange for more binding promises of aid from Brussels.

Chief trade negotiators from the two regions met separately with their EU counterparts in Brussels during the first week of February to review progress in the talks and provide guidance for the next round of discussions.

The new EPAs are meant to replace the Cotonou Agreement, a nonreciprocal scheme set to expire at the end of 2007 under which the EU provides duty free access to most exports from African, Caribbean, and Pacific (ACP) countries.

WTO Members have agreed to a special exception to allow the EU to maintain these nonreciprocal

preferences for ACP exporters. However, this waiver will expire at the end of 2007. The EPAs, in contrast, are supposed to phase in two-way free trade between the EU and each of the six blocs of ACP countries, and would thus not require a similar waiver.

The EU has been pushing to wrap up talks on the EPAs by the end of 2007, arguing that since a new waiver would be difficult to obtain, the one-way preferences would become vulnerable to WTO challenges after that point. Nevertheless, prior to the meeting in Brussels, some African countries had been asking to extend the deadline for concluding the EPAs by two to three years beyond December 2007. As recently as 23-26 January, a meeting between EU and West African negotiators in Burkina Faso came to a standstill over Brussels' insistence on the original deadline.

In Brussels last week, however, both the Western and Central African blocs agreed to the December 2007 deadline. They appeared to do this on the condition that a deal on opening markets would be accompanied by concrete EU commitments to fund assistance programmes aimed at boosting local productive capacity, supporting adjustment to liberalisation, and facilitating the implementation of the new rules. According to the 5 February text of the agreement between the West African group and Brussels "defin[ing] jointly the EPA accompanying programmes and their funding by the European Commission" would be a "prior condition" for signing an agreement.

Civil society sources say that ACP negotiators privately reported that they had come under heavy pressure from the EU to agree to the end-2007 date.

Some observers of the EPA negotiations believe that even if the Cotonou waiver were to lapse before there is an agreement, other WTO Members would be unlikely to bother launching a formal dispute against trade preferences granted to such small economies, if they were reasonably sure that a long-term deal would be reached within a year or two. An exception to this would be the Caribbean countries, whose duty-free access to the EU banana market has already been the subject of challenges from Central American banana producers. Unsurprisingly, the Caribbean is the ACP region that has made the most progress towards finalising an EPA.

In both sets of talks, the two sides reiterated that the objective of the EPAs was development, and pledged to design an agreement to support sustainable development, regional integration, and good economic governance, as well as to facilitate trade, attract private investment, and spur growth. Notably, they reiterated that competition, investment, and public procurement were "key issues for development," and that rules on all three would be part of both EPAs. These issues were

dropped from the WTO's Doha Round negotiations in 2003, after facing heavy opposition from most developing countries.

The chief negotiators from West and Central Africa agreed to meet with EU negotiators again in July to take stock of progress in the talks. In the meantime, they will immediately start work on drafting the legal text of the prospective agreements, and prepare their respective offers of market access for the negotiations.

According to EU Development Commissioner Louis Michel, "this agreement will be a powerful tool for development. It will boost the potential that trade and investment represent for the development of these countries and for regional integration".

ACP countries, however, have raised several concerns over the development implications of trade agreements with reciprocal market access commitments, such as the possibility of EU products flooding their markets and harming domestic industries. They are also worried about the costs of adjustment and implementation, promises of assistance notwithstanding. Some least-developed country officials have expressed concern over the very appropriateness of reciprocity between countries at such widely different levels of development (see BRIDGES Weekly, 5 July 2006, <http://www.ictsd.org/weekly/06-07-05/story2.htm>).

The EU insists that it will be flexible, and will not seek full reciprocity in market opening or immediate implementation of liberalisation commitments.

Many developing countries, with the vocal support of non-governmental organisations, have said that the EU has been too aggressive in its demands from the ACP countries. A wide range of civil society groups have spoken out emphatically against the EPAs claiming that they would do nothing to elevate poverty. Participants at the World Social Forum in Nairobi last month protested the reciprocal agreements outside the EU office there.

Brussels assured the African delegations of its commitment to comprehensive development packages to accompany the EPAs. The European Commission has promised 2 billion euros a year starting in 2010 in aid-for-trade to ACP countries, to be spent on training and infrastructure to facilitate exports.

Negotiations between the EU and individual ACP countries started in September 2002; regional negotiations commenced in October 2003.

ICTSD reporting; "Deadlock of Economic Partnership Agreements (EPA) in Ouagadougou," THIRD WORLD NETWORK AFRICA, 3 February 2007; "EU and West

Africa and Central Africa agree 2007 push for Economic Partnership Agreement," EUROPA, 6 February 2007; "Africa says deadline for EU trade deals in doubt," REUTERS, 14 February 2007; "W. Africa accepts year-end EU trade deal deadline," REUTERS, 7 February 2007.

US FTA WITH MALAYSIA STRUGGLES; HOPE YET FOR KOREA DEAL?

Prospects for a bilateral free trade agreement (FTA) between the US and Malaysia appear to be fading, as yet another round of talks ran aground over a handful of contentious issues.

"It would be very difficult to conclude an FTA with the deadline we have set," US lead negotiator Barbara Weisel told reporters on 9 February at the end of a week's discussions in the eastern Malaysian state of Sabah. She was referring to the end-June expiry of US President George W. Bush's 'trade promotion authority.'

In order to submit a deal to Congress under the mandate, which would require legislators to either approve or reject it without making changes, the Bush administration would need to conclude negotiations in time for the beginning of April, 90 days earlier.

Malaysia's trade minister on 13 February appeared to downplay the cost of failing to reach a deal, telling reporters that it would have "zero" adverse affect on foreign investment in the country. Releasing data that showed that foreign and domestic investment in Malaysia's manufacturing industry reached record highs in 2006, Rafidah Aziz said "the Americans have been here long before we talked about an FTA. The FTA is just another bonus if it happens."

The prospect of new investment inflows has been one of the key drivers motivating developing countries to agree to strong protections for foreign investors, whether as part of comprehensive FTAs or bilateral investment treaties. The evidence is less clear that these agreements attract investment that would otherwise have gone elsewhere.

Principal stumbling blocks in the negotiations remain services sector liberalisation and the Malaysian government's affirmative action scheme (see BRIDGES Weekly, 24 January 2007, <http://www.ictsd.org/weekly/07-01-24/story4.htm>).

The latter policy gives special privileges for contracts, jobs, and housing to majority 'bumiputra' ethnic Malays, as a way to help them catch up with the wealthier Chinese minority. Though often credited with promoting social peace in the country, the strategy has

complicated FTA negotiations. This is because in addition to shutting out domestic non-bumiputra companies from competing for government contracts, it also excludes US and other foreign businesses from the lucrative public procurement sector.

Other unresolved issues include access to Malaysia's heavily protected car market and some agricultural products. Another potential obstacle emerged earlier this month, when Tom Lantos, an influential member of the US Congress, called for halting the negotiations unless Kuala Lumpur blocked a private Malaysian company's USD 16 billion gas development deal with Iran. Malaysia has vowed not to back down on the matter.

Rafidah said both sides had identified issues on which they were unwilling to yield. She and her US counterpart, Susan Schwab, would explore whether it would be possible to compromise or remove them from the negotiations altogether, according to Agence France Presse. Malaysia's Business Times newspaper reports that Rafidah insisted that the affirmative action policy was beyond negotiation, as were imports of rice and tobacco.

Although informal discussions between the US and Malaysia are expected in the next few weeks, another round of talks has not been scheduled.

Korea-US negotiations on verge of breakthrough?

The US' FTA talks with Korea also seemed to be increasingly likely to miss the trade promotion authority deadline, foundering over anti-dumping rules and trade in automobiles and pharmaceuticals. The negotiating groups for all three issues remained suspended during the last round of talks in January, and top officials failed to make progress on any of them.

Beef remains another irritant in the talks, with Washington insisting that Korea fully reopen its market to US exports if it wants an accord. Although Seoul has dropped a three-year import ban it imposed after mad cow disease was found in the US, Washington argues that it has since blocked beef exports unfairly (see BRIDGES Weekly, 13 December 2006, <http://www.ictsd.org/weekly/06-12-13/story6.htm>).

Before the ongoing round of negotiations kicked off in Washington on 11 February, US officials appeared to suggest that they were not expecting a breakthrough during the four days of discussions.

Nevertheless, Korean press reports suggested that negotiators had made some headway by the end of the day on 13 February, so much so that both sides were now optimistic that a deal could be concluded in time

for the Bush administration's 'fast-track' mandate. They are believed to have agreed not to levy duties on digital songs and movies. Washington agreed that Korea would not have to further liberalise its logistics and cargo transport markets, according to the Chosun Ilbo newspaper.

Yonhap news agency reports that Korean lead negotiator Kim Jong-hoon said that he could "perceive the smell of rice in its final stage of cooking." "A negotiator should not say too much as the talks approach their final stage," he added, admitting that he was not providing specific details. "I don't say too much, which you may interpret as a good sign."

However, although some progress may have been made on anti-dumping duties, automobiles, and pharmaceuticals, wide differences are believed to persist.

Meanwhile, the Bush administration is trying to get its trade promotion authority mandate extended beyond the end of June (see related story, this issue).

ICTSD reporting; "Malaysia, US free trade talks bog down," AGENCE FRANCE PRESSE, 9 February 2007; "Malaysia, US to take contentious issues 'off the table'," BUSINESS TIMES, 9 February 2007; "Malaysia says failure to reach free trade deal with US will have no impact on investment," ASSOCIATED PRESS, 13 February 2007; "US-Malaysia trade talks stalling," FINANCIAL TIMES, 9 February 2007; "MALAYSIA: Iran Deal Clouds Free Trade Plans With US," IPS, 7 February 2007; "Some headway made at Korea-US FTA talks," CHOSUN ILBO, 13 February 2007; "S. Korea FTA talks enter penultimate day amid signs of major headway," YONHAP NEWS AGENCY, 13 February 2007; "US Unsure of South Korea Trade Deal," ASSOCIATED PRESS, 11 February 2007.

IN BRIEF

INDIA, JAPAN SET OUT PARAMETERS FOR FTA NEGOTIATIONS

Senior officials from India and Japan wrapped up the first round of negotiations on a bilateral free trade agreement (FTA) on 2 February in New Delhi, setting out a framework for the prospective deal. They are aiming to conclude talks within two years.

The two sides agreed that the parameters for a Comprehensive Economic Partnership Agreement (CEPA) would include trade in goods and services, trade promotion, the facilitation and liberalisation of

investment flows, and measures for promoting economic cooperation in identified sectors. They decided to set up four working groups tasked with formulating an accord in these areas.

Japan finally agreed in December 2006 to include its heavily-protected agriculture sector in a future agreement, removing the final hurdle to starting negotiations.

The trade pact is part of a broader partnership agreement, signed on 2 February, which calls for annual summit meetings, institutionalised strategic dialogues between foreign ministers, youth exchanges, and cooperation in the fields of energy, environment, anti-piracy, and non-proliferation. Additional deals aimed to promote Japanese investment in India.

Indian Prime Minister Manmohan Singh stressed the shared values and interests of the two countries before a trip to Tokyo in December. "India and Japan are the largest and the most developed democracies in Asia. We share a strong commitment to freedom, the rule of law and respect for human rights," he said.

Progress towards an FTA started in April 2005 when a joint study group was launched to explore the possibility of a bilateral agreement. That committee concluded its work in 2006 with a recommendation to start negotiations.

Both sides believe the current bilateral trade volume, USD 6.8 billion in 2006, is far below potential. The second round of negotiations will be held in April 2007, in Tokyo.

ICTSD reporting; "Agriculture included in proposed India-Japan EPA," CENTAD, 6 December 2006; "India-Japan Negotiations on trade pact," CENTAD, 2 February 2007; "Highlights of documents signed between India and Japan," THE HINDU, 17 December 2007. "Japan-India Relations," THE MINISTRY OF FOREIGN AFFAIRS OF JAPAN, January 2007; "First round of negotiations on the Japan-India economic partnership agreement," THE MINISTRY OF FOREIGN AFFAIRS OF JAPAN, 26 January 2007.

WTO IN BRIEF

MEMBERS PICK UP WHERE THEY LEFT OFF ON GIs, TRIPS-CBD - STILL STUCK

WTO Members remain divided on how to address geographical indications and the relationship between biodiversity conservation and intellectual property

protection, even though discussions are set to pick up as the Doha Round negotiations fully resume after a gap of six months.

Both 'outstanding implementation issues' have been the subject of informal consultations conducted by WTO Deputy Director-General Rufus Yerxa. Delegates discussed how to address them at an informal meeting on 13 February.

Governments are debating whether to extend the higher level of geographical indication (GI) protection currently accorded to wines and spirits to other products. Sources report that the EU, India, Sri Lanka, and Switzerland called for negotiations to develop an agreement on GI extension. This met with opposition from Argentina, Australia, Canada, Japan and the US, which argued that there was no mandate for doing so.

The EU and Switzerland believe that commercial opportunities arising from extending GI protection to products such as 'Parma ham' could help compensate their farmers for liberalisation under the Doha Round. Both delegations had earlier reiterated their demands on GIs during a 9 February session of the agriculture negotiating committee. Most 'new world' countries, such as Argentina, Canada, and the US, have few well known GIs, and remain adamantly opposed to extension. Indeed, at the agriculture meeting, Argentina questioned why countries were referring to the issue in the farm trade negotiations.

Well-established fault lines also reappeared on the issue of how best to minimise the granting of 'bad', or erroneous, patents incorporating naturally-occurring genetic resources without recognition or compensation (see BRIDGES Weekly, 7 June 2006, <http://www.ictsd.org/weekly/06-06-07/story2.htm>). Countries including Bolivia, Brazil, China, India, and Norway called for negotiations to amend the Agreement on Trade-related Aspects of Intellectual Property Rights (TRIPS) in order to make it mandatory for patent applicants to disclose the use of any biological resources or associated traditional knowledge in their inventions. Argentina, Canada, Korea, Japan, and New Zealand said that this would be premature; they have broadly argued in the past that changing WTO intellectual property rules was not necessary to pursue the objective.

Over the next two weeks, Yerxa will meet with ambassadors and intellectual property negotiators from individual delegations to determine how best to proceed on both issues.

In a separate development, the TRIPS Council was scheduled to meet on 13-14 February.

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.

Upcoming Events: 15-21 February

16 February, Geneva, Switzerland. FLEXIBILITIES IN THE PATENT SYSTEM. The World Intellectual Property Organization (WIPO) will present an afternoon colloquium featuring experts in patent law and intellectual property from the Max Planck Institute for Intellectual Property, Competition and Tax Law and the School of Legal Studies at the Cochin University of Science and Technology. email: patents.mail@wipo.int internet: <http://www.wipo.int/patent/colloquia/en/2007/02/index.html>

19-24 February, Nicosia, Cyprus. INTERNATIONAL CONFERENCE ON ENVIRONMENT: SURVIVAL AND SUSTAINABILITY. Organized by the Near East University, the conference features more than 100 keynote speeches, including three by Nobel laureates, which address environmental threats and challenges. The aim of the conference is to create a multi-disciplinary discussion between policy makers, researchers, and academics in order to produce policy options and materials for decision makers seeking to combat environmental problems. internet: <http://www.neuconference.org>.

21 February, Washington, D.C. THE FARM BILL AND THE DOHA ROUND. Organised by the Washington International Trade Association, this event features the participation of US Agriculture Secretary Mike Johanns. It will address the many questions about the 2007 Farm Bill and its implications on the Doha Round. For more information, contact events@wita.org. internet: http://www.wita.org/index.php?tg=addon/4/form&id_app=25&trt_step=1&id_step=163

21 February, Geneva, Switzerland. NEW TRENDS IN TECHNOLOGY TRANSFER: IMPLICATIONS FOR A WORLD INTELLECTUAL PROPERTY ORGANIZATION (WIPO) DEVELOPMENT AGENDA. Organised by the International Centre for Trade and Sustainable Development (ICTSD) on the sidelines of the meeting of the Provisional Committee on Proposals

Related to a WIPO Development Agenda. Professor John Barton, Emeritus Professor of Law at Stanford University and former chair of the independent UK Commission on Intellectual Property Rights, will present his views on recent trends in technology transfer and identify links with the current discussion on a WIPO Development Agenda. The side event will aim to: explore how technology is transferred today to and from developing countries; identify new channels and barriers that affect such transfer; highlight policy approaches that might be of assistance in increasing flows and overcoming barriers; and facilitate exchange between different stakeholders on the implications of new trends in technology transfer. For more information visit: http://www.iprsonline.org/unctadictsd/dialogue/2007-02-21/2007-02-21_desc.htm

WTO Events

An updated list of forthcoming WTO meetings is posted at: http://www.wto.org/english/news_e/meets.pdf. Please bear in mind that dates and times of WTO meetings are often changed, and that the WTO does not always announce the important informal meetings of the different bodies. Unless otherwise indicated, all WTO meetings are held at the WTO, Centre William Rappard, rue de Lausanne 154, 1211 Geneva, Switzerland, and are open to WTO Members and accredited observers only.

14 February: COMMITTEE ON GOVERNMENT PROCUREMENT

20 February: DISPUTE SETTLEMENT BODY

Other Upcoming Events

13-15 March, Copenhagen, Denmark. CARBON MARKET INSIGHTS 2007. Organised by PointCarbon, this year's event will consider, among other topics, the opening up of the EU emissions trading scheme to the global carbon markets. Three programme areas -- carbon trading, carbon projects, and carbon and energy -- will be explored through a series of presentations, roundtables, case studies, and workshops. Al Gore will give the keynote address. For more information, contact conference@pointcarbon.com. internet: <http://www.pointcarbon.com/Events/Carbon%20Market%20Insights/category401.html>

22-24 March, New Delhi, India. POLITICAL ECONOMY CONSTRAINTS IN REGULATORY REGIMES IN DEVELOPING COUNTRIES. Organised by the Consumer Unity and Trust Society International (CUTS), as part of their research programme 'Competition, Regulation, and Development Research Forum', the symposium will feature presentations on

research findings from the first phase of the programme. Authors and participants, including political economists, policymakers, government officials, and representatives from regulatory authorities, will identify and deliberate the political economy constraints developing countries face in implementing competition and regulatory regimes. For more information, contact cdrf@cuts.org. internet: www.circ.in/cdrfsymp.htm

26 February, Managua, Nicaragua: NICARAGUAN NATIONAL MEETING AND EXPERTS' ROUNDTABLE ON TRADE IN SERVICES AND SUSTAINABLE DEVELOPMENT. Organised by the International Centre for Trade and Sustainable Development (ICTSD), in collaboration with the Nitlapán Research Institute for Development at the University of Central America. The meeting will provide a forum for the presentation of the findings of a Nicaraguan case study commissioned by ICTSD. The case study, which focuses on tourism services, environmental services and logistics services seeks to analyse the relevance of the services sector in advancing the sustainable development goals of Nicaragua, the opportunities and risks appurtenant to liberalising trade in selected services sectors or modes of supply and possible options regarding the corollary regulatory reform and other flanking measures that may be needed to achieve these goals, will be presented. Following on from the National Meeting there will be an Experts' Roundtable which will focus on tourism services. This Experts' Roundtable will produce a Roadmap for Implementation which will constitute a practical tool for policy makers to take the next step and translate the domestic interests identified in each priority sector into specific domestic reform proposals. For more information e-mail: h.ullrich@ictsd.ch; tel: +41 (0)22 917 88 46; fax: +41 (0)22 917 80 93. http://www.ictsd.org/issarea/services/roundtable/2007-02-26/2007-02-26_desc.htm

RESOURCES

OVERVIEW OF THE REGIONAL EPA NEGOTIATIONS. European Centre for Development Policy Management (ECDPM), 2006. This 'InBrief' series provides a clear and comprehensive overview of the background, structure, phasing, challenges, and main developments in the negotiations of economic partnership agreements (EPA) between the EU and each of the six African, Caribbean, and Pacific (ACP) negotiating regions (the Caribbean, West Africa, Central Africa, East and Southern Africa, Southern Africa and the Pacific). Regularly updated, the series also includes references to other ACP international trade negotiations and the ACP regional economic integration process. The series can be accessed at: <http://www.ecdpm.org/regionalepainbriefs>.

GEOGRAPHICAL INDICATORS AS TRADE-RELATED INTELLECTUAL PROPERTY. By Swarnim Waglé. United Nations Development Programme Discussion Paper, January 2007. This paper illustrates that the protection of geographical indicators can contribute to better human development and reduce poverty through local earnings, paying particular attention to applications in the Asian-Pacific region. The paper argues that geographical indicators, included in the WTO Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS), are the most suitable form of intellectual property protection to prevent illegal appropriation and abuse of traditional knowledge. It also contains several interesting historical anecdotes about the use of geographical indicators. The paper can be viewed at http://www.undprcc.lk/Publications/Publications/TRADE/GI_Paper_13_Dec.pdf.

THE ECONOMICS OF ILLEGAL LOGGING AND ASSOCIATED TRADE. By Arnoldo Contreras-Hermosilla, Richard Doornbosch and Michael Lodge. Organisation for Economic Cooperation and Development (OECD), January 2007. This paper outlines the scale and consequences of illegal logging, current programmes on both the supply and demand side being implemented to combat the problem, and offers recommendations for action within the international trade system. The paper can be downloaded at http://www.illegal-logging.info/papers/OECD_background_paper_on_illegal_logging.pdf.

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

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