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LEAD STORIES

HIGH FOOD PRICES LEAVE DEVELOPING COUNTRIES STRUGGLING TO COPE

For over six years, negotiators from governments around the world have been haggling over cuts to farm subsidies and barriers to agricultural trade in talks at the WTO. Competitive exporters seeking greater liberalisation have met stiff opposition from countries determined to protect their farm sectors from the full force of international competition. The wrangling continues, as WTO Members push for a deal in the troubled Doha Round of global trade talks.

Away from the halls of the WTO headquarters in Geneva, however, many developing country governments have in recent months found themselves following very different policies. Import-sensitive countries have slashed duties to zero, and even competitive exporters have moved to limit rather than promote exports, as they struggle to help consumers cope with skyrocketing food prices.

Prices for rice, the staple food for about half of the world's 6 billion people, have soared to record highs, with key benchmarks touching \$1000-per-tonne earlier this month, more than double the rate at the start of the year. Prices for a wide range of foods have risen sharply since the end of 2006, affecting commodities from corn, cereals, and soybeans to dairy products, meat, and edible oils.

The high prices have spurred food riots in countries such as Cote d'Ivoire, Haiti, Mauritania, Mexico, Senegal, and Yemen. In Egypt, where anger over food prices has caused political unrest in the past, the army has been ordered to bake cheap bread for the hungry.

Anxious importing countries such as the Philippines and Bangladesh have been unable to buy the amount of rice they wanted to boost their dwindling inventories, as trading companies wait to see if prices will rise even higher.

Meanwhile, rice exporters such as Vietnam, India, Cambodia, and Egypt have moved to curtail the amount of the grain that can be exported. These export restrictions are a double-edged sword: though they may

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bolster domestic supplies to help keep costs within control, they also undermine farmers' incentives to step up future production. Moreover, for commodities like rice, for which only a small proportion of global production is traded internationally, supply concerns about key exporters can cause especially dramatic fluctuations in the international market price.

Most fundamentally, export bans can threaten basic food security in import-dependent countries. Joachim von Braun, the head of the International Food Policy Research Institute, has called the bans "starving thy neighbour" policies.

Many reasons for high prices

The rise in basic commodity prices has been driven by a wide range of factors. Farm commodity prices are famously cyclical. Part of this is because it takes an entire growing season for supply to catch up with increased demand. The building up and drawing down of global stockpiles also affects prices. High oil prices have pushed up the cost of fertilizer and transportation, further boosting costs.

Failed crops due to drought in Australia and Turkey, and bad weather in Ukraine and parts of North America, have dramatically disrupted the supply - and therefore upped the price - of commodities such as rice and wheat. These supply shortages may swing back, with corresponding price downswings. This is why the G-33 bloc of developing countries - some of whose members are busily lowering their own applied farm duties - remains eager, in talks at the WTO, to retain the ability to raise tariffs to their current bound maximum levels on some 'special products' for food and livelihood security reasons.

The bulk of attention has focused on two sources of increased food demand: growing appetites for cereals and meat as incomes rise rapidly in fast-growing developing economies such as China and India, and biofuels. The diversion of crops and land for the production of grain and oilseed-based biofuels, along with blending mandates, high tariffs and subsidies in western countries, have contributed to the rapid rise in food prices.

The UN special rapporteur on the right to food, Jean Ziegler, has been scathing about the effects of turning massive quantities of agricultural commodities into biofuel, calling it a "crime against humanity" that is causing people to go hungry by raising the price of staples.

Unlike biofuel-related demand for food crops, which is directly policy-driven, demand growth resulting from

population and income growth cannot be avoided. But even the supply of agricultural commodities faces uncertainty over the medium- and long-term, as urbanisation and industrialisation affect land and water use. Also significant are the likely effects of climate change on rainfall and other weather patterns. Some see the decade-long drought in Australia as a sign of things to come.

Varied effects

Josette Sheeran, who heads the UN's World Food Programme, described how the food crisis was affecting people at different socioeconomic levels across the developing world. "For the middle classes, it means cutting out medical care," she said, according to a report in *The Economist*. "For those on \$2 a day, it means cutting out meat and taking the children out of school. For those on \$1 a day, it means cutting out meat and vegetables and eating only cereals. And for those on 50 cents a day, it means total disaster."

The WFP has called the rising food prices a "silent tsunami" that has pushed millions of people into the "urgent hunger category" in the past six months. The World Bank estimates that the growth in food prices could push 100 million people further into poverty.

Poor people in developing countries are especially exposed to commodity price fluctuations: not only do they spend over half of their incomes on food, they eat basic commodities or semi-processed foods, such as milled rice, or corn meal.

In contrast, basic commodities account for a relatively small proportion of the cost of more processed foods. For instance, at a bakery in Geneva, wheat flour might account for only a fifth of the cost of a loaf of bread, with labour costs making up a substantially higher share of the price customers pay.

Can the trading system help?

World Bank President Robert Zoellick and others have suggested that a Doha Round deal on cutting farm subsidies and tariffs could play a role in addressing the food crisis. "The poor need lower food prices now," Zoellick recently told a Washington audience. "But the world's agricultural trading system is stuck in the past. If ever there is a time to cut distorting agricultural subsidies and open markets for food imports, it must be now. If not now, when?"

"Wait a second," responded Harvard University professor Dani Rodrik on his blog (<http://rodrik.typepad.com/>). "Wouldn't the removal of

these distorting policies raise world prices in agriculture even further? And in fact aren't these price effects the main channel through which agricultural trade liberalisation in the North is supposed to benefit the South?" Rodrik pointed to World Bank data suggesting that the removal of trade restrictions would raise the price of wheat, rice, and other grains.

Indeed, part of the reason for launching the Doha Round negotiations was to address rich country farm policies that had been depressing the prices received by poor farmers in the developing world. But if low prices were so bad, how come high prices are bad too?

There is a reason for the apparent contradiction, explained Per Pinstrup-Andersen, a professor of food, nutrition, and public policy at Cornell University and the University of Copenhagen. Years of low farm prices caused by reasons external to poor farmers in developing countries - notably, rich country farm subsidies - meant there was no incentive for developing country governments or the private sector to invest in agricultural production, and to build roads and the other rural infrastructure necessary to support it. Low productivity and low farm prices meant that farmers often looked for other sources of income, and became net buyers of food. Now, with prices rising, "they get caught in the middle."

"We need to get rid of the trade-distorting subsidies in OECD [industrialised] countries," the World Food Prize laureate said, adding that the time was ripe for doing so since farmers did not need them now, and production levels were currently being determined by the high market prices. Reducing import restrictions in the EU and other developed nations would also help create clear incentives for developing country agriculture.

Since the 1980s, government spending on agricultural research in developing countries has declined. Instead of research, the bulk of public farm spending has often been used to purchase social peace or electoral support by ensuring low prices for food or agricultural inputs like seeds and fertiliser. The Economist last week cited World Bank data suggesting that over the two decades since 1980, developing country crop yields grew by steadily declining rates.

Continued high prices could help many developing country farmers who are net buyers of food to become net sellers, Pinstrup-Andersen said. They could ultimately even drive up wages for landless labour, and boost demand for rural goods and services that would generate employment. To help this happen, however, there would need to be greater investment in farmers' associations and rural infrastructure, and better price

transmission mechanisms to ensure farmers actually feel the higher prices in their own pockets.

"One of my concerns is that governments are going to introduce the wrong policies" in response to high prices, he said. Price controls and export taxes, he warned, could discourage the necessary additional investment in agricultural production.

Producing more with less

For global farm policy to result in reasonable food prices and reasonable farm incomes, "the only solution is to produce more with less." This includes less use of natural resources, he emphasised. Therefore, not only do governments need to create an appropriate facilitating environment for farmers, consumers need to pay for the land, air, and water costs of agricultural production in the price that they pay for food. Unless these costs are "endogenised" in food prices, "we're just going to borrow from our grandchildren to get our food prices down. Not a good thing."

As for the low-income food importing countries that are most vulnerable to further increases, Pinstrup-Andersen said that they should be given grants of the foreign exchange that they require to import the food they need at the going international rate. Unlike in-kind food aid, "this would send a signal to governments and farmers to make the investments they need."

He described the argument that low food prices are good for poor food importing countries as a "short-term, static argument." Most African countries are net importers of food. A "longer-term, dynamic view" would suggest that a lot of these countries could produce more food "if the conditions were right." After the last wave of high oil and food prices in 1973-74 - when food prices were almost double what they are today, adjusted for inflation - public investment in rural infrastructure and private investment in farming went up, as did agricultural productivity, he noted.

Even with high prices, the Institute for Agriculture and Trade Policy cautions that few of the benefits may accrue to farmers in poor countries, because of the "the incredible market power" held by the handful of transnational corporations that dominate international agricultural production value chains. It has called for multilateral monitoring of how these "highly untransparent" value chains operate, to better assess where profits are distributed along them.

The Minneapolis-based think tank, which is sceptical about the potential positive effects of a Doha accord on food markets, supports intergovernmental efforts to stabilise commodity prices. Although government

attempts to control commodity prices have had a spotty record of success in the past, Carin Smaller, with the institute's Geneva office, said that the predictability arising from more stable prices was necessary "both for poor consumers, who spend 50 percent and more of their resources on food, and for small producers, who have to take risks to get the credit to plant and who, in many cases, are poor consumers themselves."

Food prices are now firmly on the international policymaking agenda, featuring prominently at the ongoing UN Conference on Trade and Development meeting in Ghana. The World Bank has called for a 'new deal' on food, and has appealed for \$500 million in emergency support for the World Food Programme. The Group of Eight leading industrialised nations are also set to address the issue at their annual summit in July.

Despite growing alarm about the cost and availability of food, high prices were hardly the only cause of hunger in the world, or even the most important, noted Pinstrip-Andersen. "860 million people could not get access to food when prices were low" five years ago, he said. However, unlike the urban protestors making news headlines today, most of them live in rural areas.

"We should have been demonstrating five years ago."

ICTSD reporting; "U.N. Expert: Biofuels A 'Crime,'" ASSOCIATED PRESS, 26 October 2007; "Rice traders hit by panic as prices surge," FINANCIAL TIMES, 17 April 2008; "A global approach is required to tackle high food prices," FINANCIAL TIMES, 21 April 2008; "Countries rush to restrict trade in basic foods," FINANCIAL TIMES, 2 April 2008; "The new face of hunger," THE ECONOMIST, 17 April 2008; "Food prices give Asian nations a wake-up call," FINANCIAL TIMES, 3 April 2008; "High Rice Cost Creating Fears of Asia Unrest," NEW YORK TIMES, 29 March 2008; "Poor nations defend farm import tariffs," FINANCIAL TIMES, 21 April 2008; "Across Globe, Empty Bellies Bring Rising Anger," NEW YORK TIMES, 18 April 2008; "A Drought in Australia, a Global Shortage of Rice," NEW YORK TIMES, 17 April 2008; "Filipino diners face half portions of rice," FINANCIAL TIMES, 27 March 2008; "Japan to take up rising food prices at G8 summit, WTO," THOMSON FINANCIAL, 22 April 2008; "Food price crisis tops agenda at UN trade conference," XINHUA, 22 April 2008.

TNC: LAMY SAYS HORIZONTAL PROCESS "COMING SOON," BUT WHEN?

WTO Director-General Pascal Lamy said last week that "solid progress" since February meant that governments were "now much closer to the finish line" in the troubled Doha Round talks. Nevertheless, it remains unclear whether ministers from around the world will be in a position to hammer out a framework global trade deal by the second half of May.

Tentative plans had started to take shape to bring ministers to WTO headquarters in Geneva during the week starting 19 May. Trade diplomats are now suggesting that this might be too soon for countries to resolve enough of their differences to give ministers a reasonable chance of agreeing on controversial cuts to tariffs and subsidies, particularly due to slow progress in the agriculture negotiations.

A summit that week is "still possible," said one delegate, though it would "not [be] very easy." For it to happen, the official explained, the chairs of the negotiations on agriculture and industrial goods trade would have to issue new draft deals in "the very first few days of May." Moreover, these texts would have to meet with a relatively favourable response from the Membership, with no sharp opposition - an even bigger if. Late June or even July seem more likely dates for a ministerial gathering, sources suggest.

Lamy told the WTO Trade Negotiations Committee on 17 April that "the time is coming soon" to start what delegates call a 'horizontal process' - negotiations involving trade-offs across agriculture and non-agricultural market access (NAMA) in an attempt to satisfy countries' respective interests.

While cross-sectoral comparisons have long featured in the negotiations, this has generally taken the form of countries complaining about the level of farm trade liberalisation versus manufacturing tariff cuts on offer, or vice versa. These horizontal talks, similar to final-stage negotiations in the past, would openly look for a consensus-winning balance between the two. The discussions would start at the level of senior trade officials, with ministers likely to step in to take the ultimate decisions if a deal seems within reach.

The WTO chief did not mention any specific dates for a ministerial-level gathering. He did, however, suggest that senior officials could start meeting to discuss services trade from the week of 5 May. Over the weekend, at the UN Conference on Trade and Development summit in Ghana, Lamy said that a

ministerial meeting could take place "by the end of May."

During the meeting of the Trade Negotiations Committee, which oversees the Doha Round talks, several delegations, including Mauritius and the African Group, stressed that the talks must be driven by substantive progress, rather than by artificial deadlines. However, some, such as Singapore, also stressed the need for urgency.

In his address to the committee, Lamy described the process he would follow while attempting to shepherd Members towards an accord. He also focused on how the agenda of the upcoming talks might be kept manageable, while simultaneously assuring countries that their concerns in areas other than agriculture and NAMA would not fall by the wayside.

Lamy repeatedly sought to allay concerns expressed by some smaller countries such as Bolivia and Cuba about being left out of the negotiating process while the real bargaining happens in invitation-only 'green room' meetings to which many WTO Members are not invited.

"Modalities can only be established by the full Membership," he said, referring to the formulae, figures, and exceptions that will determine countries' future subsidy and tariff levels. "Transparency and inclusiveness are fundamental."

While informal consultations among smaller groups of countries "are essential to narrow differences," he stressed that "they must feed into multilateral arena in a continuous loop." He also emphasised that the countries invited to the green room meetings would represent "the full spectrum of Members' views and interests."

Aside from the need to reconcile these smaller groups with the WTO's entire 151-nation Membership, Members have faced another conundrum in their ongoing push for a modalities deal on agriculture and NAMA: how to "provide sufficient reassurance," as Lamy said, that their other priorities are advancing as well.

The issue is delicate: Lamy has warned that bringing a 'Christmas tree' of complex demands onto the table now would decrease ministers' chances of agreeing on agriculture and NAMA (see BRIDGES Weekly, 20 February 2008, <http://www.ictsd.org/weekly/08-02-20/story2.htm>).

Lamy told the meeting last week that his discussions with Members had revealed that they particularly

wanted "more clarity" on services, rules, and two intellectual property-related issues.

In order to provide countries "a certain level of comfort" regarding services market-opening, Lamy described how a "signaling conference" held at the same time as an agriculture and NAMA modalities deal would function.

Developed countries and the larger developing countries that have sponsored or received plurilateral requests for market access would 'signal' the sort of binding liberalisation commitments they were prepared to undertake. Lamy would then report on these signals to the entire WTO Membership in the Trade Negotiations Committee. He said that such indications could "give a credible signal that the services negotiations are moving forward," while falling short of the revised final offers detailing specific liberalisation commitments that would be the end-point of the services talks.

Lamy warned Members against turning a signaling conference into a "finger-pointing exercise." Governments have been accusing each other of seeking far more access than they themselves are willing to put on offer.

As for the rules talks, the head of the WTO said "there is wide agreement that this is not an issue for ministerial negotiations" at the time of agriculture and NAMA modalities, though he did not rule out that "some discussion may take place."

Several countries have heavily criticised a draft anti-dumping text that Chair Ambassador Guillermo Valles Games (Uruguay) issued last November, objecting to the fact that it would, under certain circumstances, explicitly legalise 'zeroing', a controversial calculation methodology used by the US that they claim inflates anti-dumping duties (see BRIDGES Weekly, 30 January 2008, <http://www.ictsd.org/weekly/08-01-30/story2.htm>). Some of them, such as Japan and Canada have even called for the text to be comprehensively revised before the horizontal process starts.

Lamy said that many countries want the chair to produce "a document" - more than a report of positions though not necessarily a fully-fledged text - "which would give reassurance to domestic stakeholders." He said that Valles Games was determining how to proceed.

One delegate told Bridges that although several Members are firmly opposed to the chair's text, many can "more or less can live with a statement and a commitment to negotiate." Anti-dumping rules were too

complicated for ministers to negotiate anyway, the source observed.

A "fundamental divide" exists between Members on whether to extend additional intellectual property protections to geographically-linked foods such as Roquefort cheese, as well as on whether patent applicants should be obliged, on pain of patent revocation, to disclose any biological resources or traditional knowledge used in their inventions. The former issue divides 'new world' countries such as Argentina and the US from the EU and Switzerland. The latter pits many developing and least-developed countries against the US, the EU, and some other industrialised nations. Lamy warned the different camps that the issues had the potential to lead to "a big clash during the modalities exercise."

Many Members stressed that complete modalities texts on agriculture and NAMA should be issued before the horizontal process starts. India said that the text should reflect the concerns of all, saying that in the farm trade talks, there were too many unresolved issues on flexibilities for developing countries to shield some products from liberalisation for the horizontal process to start.

If a ministerial meeting cannot be held before the end of May, sources suggest that it would not be possible until late June or even July, due to reasons unrelated to the Doha Round talks. Trade ministers from Asia-Pacific Economic Cooperation countries are set to meet for two days in Arequipa, Peru starting 31 May. Ministers from the industrialised world and major developing economies will attend the Organization for Economic Cooperation and Development's annual summit in Paris from 4-5 June. And finally, the European football championship taking place in June in Switzerland and Austria will make both security arrangements and hotel rooms in Geneva hard to come by.

ICTSD reporting.

OTHER NEWS

LITTLE PROGRESS IN EU-CENTRAL AMERICA FTA TALKS

A third round of free trade agreement negotiations between the European Union (EU) and Central America concluded last week with little progress on the thorniest

issues, though officials said that they better understood each other's interests and positions,

Johanna Hill, the Salvadorean vice-minister of the economy, stated that during the 14-18 April talks, negotiators exchanged proposals and counterproposals on goods and services trade, rules of origin, safeguards, and a programme for gradual tariff elimination. The contours of a potential agreement, however, are still uncertain.

For El Salvador, Guatemala, Honduras, Costa Rica, and Nicaragua, the agreement should lock in and improve preferential market access currently granted by the EU. Panama is participating in the talks as an observer. As part of the two-way agreement, the Central American countries will have to open their own markets to goods from the EU.

Under its Generalised System of Preferences Plus (GSP Plus) scheme, intended to reward and encourage efforts to combat drug production and trafficking, Brussels provides the Central American countries enhanced market access for around 7,200 products (200 more than the 'ordinary' GSP). Roughly half of these enjoy duty free access while the rest are classified as 'sensitive' and benefit from tariffs 3.5 percentage points below the standard most favoured nation (MFN) rate paid by countries that do not receive preferences.

Although Central America has benefited from this scheme, most of the region's competitive exports, including beef, dairy products, and sugar, are considered 'sensitive', and still face tariffs approaching 100 percent in some cases.

Roberto Echandi, Costa Rica's chief negotiator, stated that Central America would push for the inclusion of all products that already receive duty-free treatment as well as those with export potential in the future.

Central American officials complained that the current EU tariff offer lacked ambition. The EU's lead negotiator, Joao Aguiar Machado, said that at this point in the negotiations, 'securing' existing preferential market access was not a *fait accompli*.

Products such as bananas and pineapples - key exports and potential 'deal breakers' for the Central Americans, but highly sensitive for the EU - were absent from Brussels' first market access offer.

The 'economic partnership agreement (EPA)' under negotiation is similar to but distinct from the identically-named two-way trade agreements that the EU recently

signed with several members of the African, Caribbean, and Pacific (ACP) group of countries. In fact, some ACP members are direct competitors with Central America in the EU market for products such as bananas; whether the Central Americans will get the same tariff treatment as the ACP countries for these crops remains an open issue.

Political issues were also contentious last week, as the EU demanded that Central American governments make a series of commitments regarding human rights and the proliferation of nuclear weapons. Nicaraguan Chancellor Manuel Coronel said that although Central American countries were not opposed to joining international agreements on either issue, the EU demands were an inappropriate attempt to interfere with their autonomy to legislate on the matter.

The EU denied that it constituted interference, arguing that since the GSP plus requires beneficiaries to ratify a series of labour, human rights, and environmental conventions, the EPAs should also ensure that other important international frameworks are ratified.

Most Central American countries have ratified the majority of the conventions required by the GSP Plus with the exception of El Salvador, where an International Labour Organization (ILO) convention on the right to organise has not yet entered into force. Differences between the two regions on political, commercial and cooperation issues, hence, remain highly relevant and will most likely continue to represent an important challenge for negotiators trying to reach an agreement.

The 'fourth round' will take place in Brussels, from 14-18 July.

ICTSD reporting; "Concluye III Ronda de negociación Centroamérica-UE", "Nicaragua objeta condiciones de Acuerdo con Unión Europea", CENTROAMÉRICA EN 7 DÍAS, No. 215, 14-20 Abril, 2008; "Stagno critica 'hipocresía' de UE en tema de armas", LA NACIÓN, 10 de Abril, 2008.

IN BRIEF

INDIA TO EXTEND DUTY FREE MARKET ACCESS TO LDCs

India earlier this month announced plans to grant unilateral market access to most exports from least-developed countries (LDCs).

Indian Prime Minister Manmohan Singh said that the duty- and quota-free access scheme would cover products that account for 92.5 percent of LDCs' total global exports (and 94 percent of India's total tariff lines). Covered products of interest to African countries in particular - Africa is home to 34 of the world's 50 LDCs -- include cotton, cocoa, sugar cane, and copper and aluminium ores.

Singh made the announcement at the first Indo-African Forum summit in New Delhi on 8 April. At the gathering, South African President Thabo Mbeki, whose country is not an LDC, praised the decision as beneficial for all of Africa. "This will allow us to fight our common enemies - poverty and underdevelopment," he said. "Without this cooperation, our economies would remain localised and fail to grow."

India is hoping to catch up with China in terms of access and influence in Africa. Over the past decade, China has surpassed India in trade with the continent; its trade with African countries amounted to some \$55 billion in 2006-07, compared to only \$20 billion for India. Like Beijing, New Delhi is eager to gain access to the continent's rich oil and mineral reserves.

WTO Members agreed in December 2005 that all developed countries, and developing countries "declaring themselves in a position to do so," would unilaterally accord unrestricted unilateral market access to exports from LDCs. However, this came with an exception for 3 percent of all tariff lines for countries unwilling to fully liberalise trade; some LDCs at the time said that this would suffice to block many of their very limited number of competitive exports.

Pradeep Mehta, head of CUTS International, told the Financial Express newspaper that New Delhi should ensure that "none of the items which are of interest to Africa find a place in India's negative list" of products for which tariffs would remain in place.

While opening the summit, Indian Prime Minister Singh spoke of the importance of increased market access to the development dimension of international trade. In addition to announcing the new trade preferences, he

announced that India would double its line of credit to African nations to \$5.4 billion, and begin more than \$500 million worth of infrastructure projects on the continent over the next five years.

ICTSD reporting, "Duty Free Access Scheme for LDCs" THE FINANCIAL EXPRESS, 9 April 2008. "India allows duty-free imports from poor African countries" LIVEMINT.COM, 9 April 2008.

EVENTS & RESOURCES

EVENTS

Coming up: 24- 30 April

28-29 April, Paris, France. MEETING OF THE ORGANIZATION FOR ECONOMIC COOPERATION AND DEVELOPMENT'S ENVIRONMENT POLICY COMMITTEE AT MINISTERIAL LEVEL: "ENVIRONMENT AND GLOBAL COMPETITIVENESS." OECD Environment Ministers will meet to discuss recent environmental trends and the projections in the OECD Environmental Outlook to 2030, environmental co-operation between OECD countries and emerging economies, challenges (competitiveness concerns) and opportunities (eco-innovation) associated with policies to address climate change, and the need for enhanced government-wide co-operation to shift towards a low-carbon society. For more information, please refer to the OECD website at http://www.oecd.org/site/0,3407,en_21571361_401729_21_1_1_1_1,00.html

28 April, Washington, DC, USA. TRADE COURSE: EXPLAINING EXPORT GROWTH. This one day course, offered by the World Bank, is designed to explore how exports grow. Results from firm-level studies will help to answer the following questions: What type of firms make exports grow? Are new exporters or incumbents more important in export growth? How important are new products and new trade partners? With this in mind, we will discuss specific policies that are likely to be effective or ineffective in enhancing export growth. Finally, we will examine the contribution of industrial policies in East Asia to export success, how countries in other regions have succeeded or failed to generate sustained export growth, and highlight important areas for future research. The agenda offers time for discussion at the end of each presentation. For more information, please see the course website at <http://go.worldbank.org/ZWC06XVAX0>

29 April, Washington, DC, USA. A SPECIAL AFTERNOON EVENT WITH SECRETARY OF AGRICULTURE ED SCHAFER. This event, hosted by the Washington International Trade Association, will feature a discussion by US Secretary of Agriculture Ed Schafer. Secretary Schafer will present his views on the nexus of trade policy with agriculture policy, including the trade implications of the Farm Bill and the WTO Doha Round. He will also share his thoughts on the importance of implementing the trade agenda for agriculture in the context of the FTA's with Colombia, Panama, and Korea. For more information, please refer to the WITA website at http://www.wita.org/index.php?tg=addon/4/form&id_app=25&trt_step=1&id_step=163.

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.

24 April: COMMITTEE ON RULES OF ORIGIN

25 April: TRADE POLICY REVIEW BODY - MAURITIUS

28 April: COMMITTEE ON ANTI-DUMPING PRACTICES

28 April: COMMITTEE ON IMPORT LICENSING

29 April: COMMITTEE ON SUBSIDIES AND COUNTERVAILING MEASURES

29 April: COUNCIL FOR TRADE RELATED ASPECTS OF INTELLECTUAL PROPERTY RIGHTS - SPECIAL SESSION

30 April: COMMITTEE ON SAFEGUARDS

Other Upcoming Events

28 - 30 May, Yokohama, Japan. THE FOURTH TOKYO INTERNATIONAL CONFERENCE ON AFRICAN DEVELOPMENT. TICAD IV is a policy forum for African Development which Japan initiated in 1993 and has led with other co-organizers including the UN, UNDP and World Bank. Summit-level meetings are held every five

years, while four ministerial conferences and other meetings have been held in between. In order to strengthen the recent positive trends in Africa in both political and economic areas, concrete initiatives by the international community will be discussed under the theme of "Towards a Vibrant Africa: Continent of Hope and Opportunity." For more information, please see the conference website at <http://www.mofa.go.jp/region/africa/ticad/ticad4/index.html>.

RESOURCES

COMMODITY DEPENDENCE AND DEVELOPMENT: SUGGESTIONS TO TACKLE THE COMMODITIES PROBLEM. ActionAid and South Centre, 2008. A positive correlation has been found between dependence on primary agricultural commodities and poverty, as measured by the human development index. This is due to three prominent features of commodity markets: price volatility; the secular decline of long-term prices; and market concentration. This report argues that the development community should focus more attention on mobilizing the political will to make progress on issues affecting the multilateral trade community. It also attempts to bridge gaps in the current multilateral debates as well as highlight solutions that are controversial or not well known in order to provide more information to all involved. The paper is available online at http://www.southcentre.org/publications/CommodityReport/AA_SC_Commodity_Report.pdf.

IMPLICATIONS OF HIGHER GLOBAL FOOD PRICES FOR POVERTY IN LOW-INCOME COUNTRIES, By Maros Ivanic and Will Martin. The World Bank, 2008. In many poor countries, the recent increases in prices of staple foods raise the real incomes of those selling food, many of whom are relatively poor, while hurting net food consumers, many of whom are also relatively poor. The impacts on poverty will certainly be very diverse, but the average impact on poverty depends upon the balance between these two effects, and can only be determined by looking at real-world data. Results using household data for ten observations on nine low-income countries show that the short-run impacts of higher staple food prices on poverty differ considerably by commodity and by country, but, that poverty increases are much more frequent, and larger, than poverty reductions. The recent large increases in food prices appear likely to raise overall poverty in low income countries substantially. The paper is available online at http://www-wds.worldbank.org/external/default/WDSCContentServer/IIW3P/IB/2008/04/16/000158349_20080416103709/Rendered/PDF/wps4594.pdf.

THE CHALLENGE OF REDUCING INTERNATIONAL TRADE AND MIGRATION BARRIERS, By Kym Anderson and Alan L. Winters. The World Bank, 2008. While barriers to trade in most goods and some services including capital flows have been reduced considerably over the past two decades, many remain. Such policies harm most the economies imposing them, but the worst of the merchandise barriers (in agriculture and textiles) are particularly harmful to the world's poorest people, as are barriers to worker migration across borders. This paper focuses on how costly those anti-poor trade policies are, and examines possible strategies to reduce remaining distortions. Two opportunities in particular are addressed: completing the Doha Development Agenda process at the World Trade Organization (WTO), and freeing up the international movement of workers. A review of the economic benefits and adjustment costs associated with these opportunities provides the foundation to undertake benefit/cost analysis required to rank this set of opportunities against those aimed at addressing the world's other key challenges as part of the Copenhagen Consensus project. The paper concludes with key caveats and suggests that taking up these opportunities could generate huge social benefit/cost ratios that are considerably higher than the direct economic ones quantified in this study, even without factoring in their contribution to alleviating several of the other challenges identified by that project, including malnutrition, disease, poor education and air pollution. The paper is available online at <http://go.worldbank.org/DOCGZZMDP0>.

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