



International Centre for Trade
and Sustainable Development

Bridges

Weekly Trade News Digest

7 August 2008

Volume 12 Number 27

NOTE TO SUBSCRIBERS

LEAD STORIES

DOHA: CLOSE, BUT NOT ENOUGH 1

AGRICULTURAL SAFEGUARD CONTROVERSY
TRIGGERS BREAKDOWN IN DOHA ROUND
TALKS 5

WHERE DOES TRIPS GO FROM HERE? 8

STRONG SIGNALS SENT ON SERVICES 11

EVENTS & RESOURCES

EVENTS 12

RESOURCES 13

BRIDGES Weekly Trade News Digest is [also available online](http://www.ictsd.org/subscribe) and is updated every week. To subscribe to BRIDGES Weekly Trade News Digest, please visit the ICTSD website at <http://www.ictsd.org/subscribe>. If you require any assistance setting up your BRIDGES Weekly Trade News Digest subscription, please contact Paige McClanahan, Editor, by email at: bridges_weekly@ictsd.ch, or by telephone at: (41-22) 917-8498

NOTE TO SUBSCRIBERS

This special edition of BRIDGES Weekly offers an analysis of the WTO mini-ministerial conference that took place in Geneva from 21-30 July.

BRIDGES Weekly will not be published during the WTO's August recess. The next issue, Vol. 12, No. 28, will be published on 3 September. We thank you for your continued support, and welcome your comments on how we can improve our publication.

LEAD STORIES

DOHA: CLOSE, BUT NOT ENOUGH

For the third summer in a row, a push for breakthrough WTO accords on agriculture and manufacturing trade has ended in failure.

The collapse of talks among trade ministers on 29 July makes it virtually impossible for governments to conclude a deal in the Doha Round of trade talks in the foreseeable future. The road ahead for the multilateral trade negotiations is uncertain, with elections in the US this fall and India next year. Political interest in Washington for pursuing WTO agreements -- whether on the part of Congress or the next presidential administration -- is far from clear.

From a technical standpoint, striking a deal this year should have been easier than in the past two, after incremental progress by trade negotiators in lower-profile technical work at the WTO since last September left governments with a clearer idea of what they stood to gain in the complex agriculture talks.

Nevertheless, hopes for an agreement were low going into the 'mini-ministerial' meeting, which started 21 July. Not only did substantial differences persist on cuts to industrial tariff ceilings and allowable spending on trade-distorting farm subsidies, political conditions in some of the principal players were not propitious. The Bush administration was deeply unpopular and lacked a negotiating mandate from Congress. France and other EU member states were loudly proclaiming that Trade Commissioner Peter Mandelson did not have the support he claimed. The Indian government faced a parliamentary confidence vote during the deliberations in Geneva.

A potent symbol of the expectations for the summit was the complete absence of protesters outside the WTO's lakeside headquarters. Even the indefatigable Korean farmers seemed to have concluded that nothing at all -- good or bad -- was going to emerge.

In hindsight, therefore, perhaps the most surprising thing about the summit was not that it broke down, but

rather how close ministers came to reaching an agreement. By WTO Director-General Pascal Lamy's reckoning, they made it "80-85 percent of the way" to 'modalities' deals with formulae and figures for future subsidy and tariff ceilings during the nine days of gruelling discussions -- the longest such meeting in the WTO's history. Of some 20 issues in the talks on agriculture and non-agricultural market access (NAMA), he said that positions had converged on 18. Differences on the ease with which developing countries should be allowed to raise tariffs beyond current legal limits to protect farmers from import surges under a 'special safeguard mechanism' (SSM) proved "irreconcilable," Lamy conceded. The twentieth issue, cotton, was never discussed, to the irritation of African countries in particular, some of which have seen already-meagre earnings severely hit by the effects of US cotton subsidies in particular.

A set of potential compromise parameters floated by the WTO chief on 25 July, after governments had failed to make significant headway during the first few days of talks, played a major role in furthering what convergence was achieved. Notably, governments appeared to substantially narrow gaps on the seemingly intractable issue of what constituted a fair 'exchange rate' between concessions on agriculture by rich countries and on the NAMA tariff reduction formula and related flexibilities by developing nations, albeit with major misgivings from Members such as South Africa and Argentina.

Officials made significant progress towards reconciling the concerns of Latin American countries seeking expedited liberalisation for tropical agricultural products and the former European colonies that feared the erosion of longstanding trade preferences. They also moved towards agreement on issues related to tariff rate quotas for farm commodities, demands from Bolivia, Venezuela, and Mongolia for special tariff treatment in the NAMA negotiations, on preference erosion for certain textiles and clothing products, and on 'modalities' language for participation in sector-specific industrial tariff liberalisation initiatives.

"Negotiators were prepared to reach out beyond their entrenched positions to seek compromise," Lamy told WTO Members after the meeting.

But there is an axiom at the WTO that "nothing is agreed until everything is agreed." Not everything was agreed last week, and so, in the end, nothing was.

That disagreements over the trigger for a subset of remedies under the SSM emerged as the proximate cause of the breakdown left many trade diplomats professing disbelief. The 'G-7' group of seven leading

trade powers that came to be at the centre of the Geneva summit proved unable to find common ground on the issue despite dozens of hours of talks. The US reportedly refused to budge from Lamy's proposal that imports of a farm commodity must surge by 40 percent or more before safeguard remedies can surpass current (i.e. pre -Doha) tariff ceilings in a limited number of cases. India, and less vocally, China, insisted that the threshold must be set lower, at 10 or 15 percent, for the SSM to fulfil its objective of protecting farmers. Several developing countries, including the G-33 group, expressed similar views. "An irresistible force met an unmovable object in the negotiating room, and the rest is history," said Mandelson of the clash.

US Trade Representative Susan Schwab warned that setting too low a threshold would roll back decades of trade liberalisation, giving rise to a "free-for-all where developing countries were raising barriers every year." Indian officials countered that fears of misuse of the SSM were overblown, since developing countries fighting inflation would hardly impose safeguard duties on foods for which prices were rising.

Political optics in Washington and New Delhi might have factored into the impasse. US farm groups wanted guaranteed market access elsewhere as the price for accepting lower spending limits on trade-distorting subsidies. On the other hand, the Indian government needed political cover for allowing the US to come out of the Doha Round with a cap on trade-distorting subsidies about twice as high as current spending, said Commerce Secretary GK Pillai -- cover that would have been provided by an SSM promising protection against potential floods of subsidised farm imports.

The SSM trigger may have become a proxy for dissatisfaction with the broader package on the table. Many trade diplomats expressed resentment about how some countries, notably the US, were presenting Lamy's proposed compromise as a "sacrosanct", "take-it-or-leave-it" package that was not subject to negotiation. Some speculated that the US took such a firm stance on the SSM -- even declining to set the issue aside and return to it later -- because it did not want a spotlight trained on its cotton subsidies.

Carin Smaller, of the Institute for Agriculture and Trade Policy, suggested that the SSM debate was rooted in far more fundamental divisions. "I think this small technical issue exposed an ideological divide between the Members, between a belief that free markets will solve everything, and a view that sometimes, protection mechanisms are necessary to stop disruptions to local markets and domestic farmers," she said.

A defence of the latter perspective came from the Carnegie Endowment for International Peace's Sandra Polaski, who said that in times of low or volatile commodity prices, "tariffs may be the only policy tool available to resource-constrained governments in low income countries to assure poor farmers that they will not be wiped out and thus to encourage more planting and attract desperately needed agricultural investment."

Before the meeting in Geneva, many believed that high food prices that had pushed down subsidy payments to farmers would facilitate a WTO deal, by enabling the US and the EU to accept lower spending limits. However, the opposite seems to have been the case, according to Kim Elliott, a senior fellow with the Centre for Global Development and the Peterson Institute in Washington. As a result of food security concerns, even countries that are frantically cutting tariffs to combat inflation "wanted to maximise their flexibility and not take any risks with committing to increased market access at all," especially India and China, she said.

Going forward

In their initial reactions to the summit's collapse, governments largely refrained from the acrimonious blame game that has marked similar breakdowns in the past. Subsequent exchanges became tetchier, with the US and India trading insinuations and open accusations about intransigence on the SSM. Even the EU pointed out that it had sought to balance farm subsidy cuts with access to developing countries' industrial and services sectors, not to their farm markets (unlike Washington, was the clear implication). Nevertheless, all agreed that the talks had come very close to agreement.

"No one is throwing in the towel," Lamy insisted at the end of July, saying that Members' had indicated that they believed that the deal under consideration "is worth fighting for." He said that the chairs of the agriculture and NAMA negotiating committees would produce papers "capturing the work" done during the mini-ministerial. These would accompany his own report on the services sector market-opening that several countries indicated that they would be prepared to provide under a Doha deal during a widely-praised 'signalling conference' on 26 July.

But whether countries can pick up where they left off remains to be seen. Despite various pledges and pleas to retain what is currently on the table, governments have no obligation to honour non-binding commitments offered in the course of the negotiations.

Kim Elliott suggested that the breakdown of the talks in Geneva meant that Members did not accomplish enough to allow a new US president to simply put the

finishing touches on a Doha agreement, and then try to push it through Congress. Elliott suggested that either Barack Obama or John McCain would probably "want to do something" at the WTO -- but the question would be whether they would want to continue with the Doha agenda, or "declare it dead...and start over."

A change of administration in the US need not be fatal even to a struggling multilateral negotiation, noted Gary Horlick, a well-known trade lawyer based in Washington. The then-faltering Uruguay Round survived the transition from George H. W. Bush's administration to Bill Clinton's at the beginning of 1993; Clinton's trade representative was briskly confirmed by Congress, and the accord that gave birth to the WTO was concluded just over a year later. "It has happened one time before, and it worked," he told Bridges.

Horlick said that Members could start trying to work out their differences on the SSM and other issues "if enough people realise how much stands to be lost," but that it remained too early to say whether they would. He also downplayed the significance of US campaign rhetoric about trade and economic globalisation, noting that the debate had centred on bilateral trade agreements. "No one's actually discussed the Doha Round yet," he said. Horlick did not rule out the possibility that a new administration could take an active interest in trade policy. One of the first things on the new president's agenda would be "to reach out to the rest of the world," he suggested -- trade could be one way of doing so.

Appetite in much of the rest of the world for a WTO deal also seems in doubt. Several developing countries were never convinced about the need for a new trade round in the first place, and only agreed to the launch of talks in Doha in November 2001 -- two months after the September 11 attacks on the US -- when promised that the "development round" would help rebalance a set of multilateral trade rules that they felt were tilted against them. Apart from a de facto circumstance-based differentiation among developing countries, which would, for instance, accord laxer tariff treatment to groups such as 'small and vulnerable economies', many of their requests for tweaking WTO rules in order to help them better participate in international trade have been sidelined, or subsumed into an 'aid for trade' initiative.

The EU's interest in the Doha Round talks diminished as issues such as rules governing foreign investment and competition policy have fallen from the table in the face of developing country objections.

Part of the apathy might result from the steadily declining projected welfare gains from concluding a

Doha Round deal. Lamy's estimate -- some \$130 billion in duties forgone -- is less than one percent of the value of global merchandise exports in 2007.

Business groups in the US and the EU, so active during the Uruguay Round when pursuing global rules on intellectual property and services trade, have not been similarly enthusiastic about the Doha Round, complaining that the manufacturing tariff cuts on offer in the developing world would not entail major reductions in currently applied duties.

These views miss the point, argues Patrick Messerlin, an economics professor at the Institut d'Etudes Politiques in Paris. Under their current legal commitments at the WTO, developing countries like Brazil and India could double or even triple average industrial tariffs without penalty. 'Binding' these tariffs at the current low applied rates would provide certainty that duties would not be raised from 11 or 12 percent to over 30 percent. The real value in the Doha negotiations, he concludes, would be in preventing backsliding, particularly in the event of a serious global economic crisis.

Tariff certainty aside, the failure to strike a deal last week risked further injury to "the credibility of the WTO, which is already losing its place as the central rule-maker and dispute settler" in global trade, according to Paul Blustein, a trade specialist at the Brookings Institution who is writing a book about the WTO. "Looking back in history, we might see this as a big blow to the multilateral trading system," he said.

Many governments, with the notable inclusion of heretofore WTO-focused Brazil, have already vowed to step up their pursuit of bilateral trade agreements.

Gary Horlick was less concerned that countries might slowly start ignoring WTO dispute rulings if the institution is seen as unable to deliver further trade liberalisation, even though politicians, particularly in the US, have vociferously questioned the legitimacy of some WTO decisions. "I don't think the rate of compliance will change," Horlick said. "The US wins as many cases as it loses, and doesn't complain about about the ones it wins." The US derives major economic benefits from WTO rules, he added, and has an interest in their enforcement.

Questions about the future of trade rule-making

As after every collapse of talks at the WTO, there has been new spate of questions about the viability of rule-making under the institution's system of all-encompassing rounds. Some trade analysts have suggested that it may be more practical to try to make

rules in specific areas, outside the scope of a trade round.

However, sector-specific approaches have their limits too, particularly when it comes to agricultural reform. Although WTO Members managed to finalise agreements on financial services and telecommunications in the mid-1990s, a 'built-in agenda' in the Uruguay Round agreements for Members to negotiate further cuts to farm subsidies and tariffs proved more problematic. Indeed, part of the reason that the EU in particular pushed for the start of a new round was to obtain trade-offs in other sectors for the mandated agricultural liberalisation.

The shifting balance of global economic power has also dramatically altered the crafting of trade rules. The fact that the talks foundered over the SSM was another confirmation of this, wrote the Carnegie Endowment's Polaski : "The seven-year old negotiations coincided with the full emergence and rapid growth of China, India, and other developing economies as important exporters, import markets and self-assured negotiators. They now insist that matters affecting their own development and incomes of their poor must be taken into account. Any agreement that is reached will be substantially different from the current trade regime, and it will offer a better deal to developing countries. If not, there will be no deal at all, as these countries have effective blocking power."

Developing countries, and even least-developed countries, have varied trade interests. Some of these differences were underlined during the mini-ministerial: giving Bangladesh unrestricted access to the US garment market could hurt Lesotho's exports there. Brazil could live with Lamy's figures for the SSM; fellow G-20 members India and China could not.

When asked whether the G-20 was splintering, Brazil's Amorim and India's Nath pointed out that the developing country group, which came together in opposition to a joint EU-US position on agriculture in 2003, never had a common position on parameters for the SSM. Both stressed that the broad contours of the current agriculture package, from percentage cuts to trade-distorting subsidy spending to the tiered tariff reduction formulae for developed and developing countries, largely corresponded to the G-20's joint proposal. "It's because of the positions of the G-20 that we've been able to get this far," said Nath.

"One thing that we can celebrate is that rules here are no longer made by the rich countries," said Amorim, speaking to reporters alongside the Indian minister at WTO headquarters on 30 July. "They have to take us into account, and that will continue to be so."

"That's the difference with the Uruguay Round," said Nath.

Patrick Messerlin's paper is available at http://www.gmfus.org/doc/GMF_MesserlinBrief_NAMA_Final.pdf.

ICTSD reporting.

AGRICULTURAL SAFEGUARD CONTROVERSY TRIGGERS BREAKDOWN IN DOHA ROUND TALKS

A seemingly technical agricultural safeguard clause led to the collapse of an end-July WTO mini-ministerial that was meant to establish a blueprint 'modalities' deal for the faltering Doha Round of trade talks. Given the progress achieved on more controversial questions, such as cuts in countries' overall trade-distorting subsidies or top-level tariffs, negotiators expressed surprise that the round had stumbled on the special safeguard mechanism (SSM), a tool intended to allow developing countries to raise tariffs temporarily when import volumes increase or prices fall suddenly.

WTO Director-General Pascal Lamy told a 30 July meeting of the entire Membership - the informal Trade Negotiations Committee - that the talks had collapsed because "we were not able to find convergence in the area of the special safeguard mechanism." Similarly, US Trade Representative Susan Schwab told reporters that "negotiations deadlocked" on this issue, as did Indian Commerce and Industry Minister Kamal Nath.

Some trade sources have suggested that other matters - or the balance of gains and losses in the package as a whole - may in fact have been to blame. However, while theories on governments' motivations abound, negotiators agree that the talks did reach a stalemate after some 15 hours of negotiations on the safeguard.

After initial negotiations among some 30 countries stalled, Lamy convened a smaller group of seven economic powerhouses, dubbed the 'G-7', in a bid to strike a deal. But even in that more intimate setting, intensive efforts to find a compromise ended when Members were unable to reach agreement. The seven countries were Australia, Brazil, China, the EU, India, Japan and the US.

Controversy: can maximum 'bound' tariff rates be exceeded?

Particularly critical in those discussions was the question of whether, and by how much, developing

countries would be allowed to raise tariffs beyond current (pre-Doha) 'bound' levels - the cap agreed to in the 1986-94 Uruguay Round, or, for countries that joined the WTO more recently, in their accession commitments.

At root may be a difference of principle. Ambassador Schwab told journalists on 30 July that allowing the SSM to exceed bound rates would have amounted to rolling tariffs "back to 1979 rates" prevailing at the end of the previous Tokyo Round. Responding, developing countries argued that the mandate for the new safeguard never included a ceiling on remedial duties, which would compromise their ability to protect small farmers and rural communities effectively. They have also argued that the SSM must be no less flexible than the existing special agricultural safeguard (SSG), which has been used extensively primarily by developed countries since the end of the Uruguay Round.

Developing countries have further warned that they will need to have an effective SSM as long as WTO rules allow developed countries legally to continue providing substantial trade-distorting subsidies to farmers. Nath said that a 25 July compromise package circulated by Lamy would have allowed developed countries to make payments "which are twice those subsidies that are being given; and if developing countries want to guard themselves against a surge of subsidised products, of course they need a special safeguard mechanism."

One trade source suggested that both sides had in practice seemed to overcome these objections of principle, as negotiations did in fact take place on the extent to which bound tariffs could be exceeded, and under what conditions. However, others suggested that the 'philosophical' debate over breaching pre-Doha bound rates ultimately derailed the talks.

A series of potential compromises

Lamy's 25 July package proposed compromises on the most controversial issues in the talks, including the question of when safeguard levels could exceed bound levels. It would have allowed safeguard measures to exceed bound rates only when import volumes surged 140 percent above a three-year rolling average. Countries could then impose safeguards that are 15 percent of the bound tariff or 15 ad valorem points, whichever is higher. India however said that the trigger for the safeguard was too high.

One delegate pointed out that the special safeguard mechanism was the only element of the package that did not broadly fall within ranges set out in a 10 July draft text circulated by the chair of the agriculture

negotiations, Ambassador Crawford Falconer (New Zealand).

Two days after Lamy's 'package' appeared, the G-33 coalition of developing country proponents of the SSM proposed allowing safeguard duties to exceed bound rates when volume surges were 115 percent greater than import averages over the previous three years. Under these circumstances, the safeguard 'remedies' should be 30 percent of the bound tariff, or thirty percentage points, the group said.

In subsequent negotiations, the US reportedly argued that, if developing countries were to be allowed to impose remedies of this size, the safeguard should only be triggered in the event of a much larger surge - at least 150 percent or 155 percent.

Lamy then circulated a compromise proposal on Monday night, which did not contain any numbers. The draft would have required a country to notify the WTO's committee on agriculture when imposing a safeguard, and be able to prove that the surge had caused 'demonstrable harm' to its food security, livelihood security and rural development needs. A Panel of Experts could be asked to review the necessity, level and duration of the safeguard, but decisions taken by the panel could not be appealed.

India subsequently indicated that it could accept the compromise, whereas the US reportedly rejected it. Some analysts expressed surprise that this approach had found favour with G-33 countries, warning that the requirement to prove injury may mean that domestic producers' livelihoods would already be undermined by the time that governments would be able to act.

Subsequently, a senior EU negotiator, Jean-Luc Demarty, set out another attempt at compromise, using a 'tiered' approach in which countries could impose heavier duties when larger import surges occurred. The lower tier would have covered surges of at least 115 or 120 percent, but less than 135 or 140 percent, and the higher tier would have covered larger surges of at least 135 or 140 percent. The exact numbers would have had to be agreed by negotiators.

In smaller surges, developing countries could impose safeguard duties of 33 percent of the bound tariff or 8 percentage points, whichever is higher; in larger surges, these duties could be up to 50 percent of the bound tariff or 12 percentage points - again, whichever is higher. Countries would only be allowed to impose the safeguard on 2.5 percent of tariff lines in a year, and prices would also normally have to be declining before they could do so.

Exceptionally, however, if domestic prices fell particularly steeply (a to-be-determined drop of somewhere between 7.5 to 15 percent), developing countries would be allowed to impose the higher remedies usually reserved for large surges only - but only on 1 percent of tariff lines. The US said it could not accept the Demarty proposal, however.

EU Trade Commissioner Peter Mandelson described his frustration with the US position in an online diary. "When Lamy reconvenes the Group of Seven negotiators at midday, the Indians and the Chinese express reservations and the US rejects the proposal outright, much to Lamy's understandable frustration" wrote Mandelson. "Europe, the Brazilians and Australia argue that the 'Demarty solution' offers a way out of the impasse."

The diary suggests that the US was the first to concede that talks on the issue were failing. "Although Demarty's technical group continues to refine the formula, at one point the US official simply does not show up when the group reconvenes after a break. On her way to what can only be the final Green Room, the US negotiator Susan Schwab goes via the press room to get her rebuttal in first," the Commissioner claims.

What were the US' concerns?

At a press conference after the collapse of the talks, Schwab claimed that, if the safeguard could be triggered by a 140 percent surge, it could affect trade in key products for some importers in most years. "At 140, China could have used this mechanism in eight out of ten years to raise their tariffs at above bound rates. In the case of poultry, China could have used the mechanism six out of nine years to raise their tariffs above WTO rates. India could have used the mechanism in three out of six years to raise palm oil tariffs" she claimed.

Although the US does not export palm oil, Malaysia has traditionally expressed concerns about their exports of this product to India.

Mandelson's diary also reports that "the US complains that previous proposals set the trade flow 'trigger' for safeguards too low: that the measure would effectively mean a guaranteed new tariff on US exports of soy and cotton." The Demarty draft was intended to "give the US what they are asking for in certain bulk commodities," he writes.

Other trade sources indicate that US beef exports may also have been a concern.

For both soy and cotton, recent trade statistics from the US Department of Agriculture's Economic Research Service indicate that China is by far the largest export destination. Soy exports to China in the nine months up to May 2008 totalled 11,806,339 metric tons, about three and a half times the volume exported to the next largest export destination; similarly, cotton exports to China for the same period equalled 495,631 metric tons, or nearly twice the amount exported to the next largest export destination.

China was required to slash many of its tariffs to very low rates as part of the tough requirements imposed on it by trading partners as a condition for joining the WTO. Soybean tariffs are thus only 3 percent. US exporters appear to be worried that even a relatively small tariff increase in absolute terms, such as the 15 percentage point safeguard foreseen in Lamy's proposal, would lead to a dramatic increase in relative terms - from 3 percent to 18 percent.

China had reportedly expressed willingness to explore solutions that would constrain its ability to raise tariffs by several times the bound rate, in the interests of reaching a compromise.

Other countries with relatively low bound tariffs include Côte d'Ivoire, Honduras, Peru, Panama and the Philippines; however, sources indicate that the US and other exporters were primarily concerned with market access in the larger developing countries.

Trade sources familiar with the talks also suggested that the US had focused on establishing a high trigger for breaching pre-Doha bound rates, as the proposed structure for safeguard remedies meant that this was its only remaining line of defence.

More technical work on the SSM in the weeks and months leading up to the mini-ministerial could have decreased the odds of the talks breaking down on this issue, said delegates: "technically, they'd not done their homework." Another concurred, pointing out that in the run-up to July negotiators had focused heavily on market access for 'sensitive' agricultural products instead.

Cotton controversy lurking on the sidelines

At 40 percent, Chinese out-of-quota cotton tariffs are higher than those on soybeans; however, its in-quota tariffs are as low as 1 percent. In a 22 July press conference, US Undersecretary for Agriculture Mark Keenum seemingly made cuts to US cotton subsidies conditional on lower cotton tariffs in China. "That will be a big factor on what we're able to negotiate as far as the specifics on cotton," Keenum said. African countries

have long insisted that the US must respect a Doha Round mandate to address cotton "ambitiously, expeditiously and specifically" by cutting its subsidies on the product.

Chinese Ambassador Sun Zhenyu subsequently told informal Trade Negotiations Committee that it was surprising that the US had "started this finger pointing. I am surprised because they are now talking about cotton, sugar, rice of China." Sun argued that China's import quotas for wheat, corn and rice would dramatically exceed those offered by developed countries in the Doha Round. Another senior official, Zhang Xiangchen, stated in separate comments that "the US is not in a position to discuss with developing Members on cotton tariff until they eliminate their cotton subsidies as requested by African Cotton Four."

G-7 ministers were not able to begin actually discussing figures for cotton subsidy cuts before the talks broke down, however.

Importers' concerns: the problem of rice in India

A second problem was that faced by importers such as India, one negotiator suggested. In India, both the maximum permitted 'bound' rates and the actual applied rates on rice are at around 70 percent, leaving no room to manoeuvre unless bound rates are breached. In this case, importers warn that the relatively small increase of 15 percentage points allowed by Lamy's 25 July proposal could be of only limited use if import volumes increased dramatically.

Other Indian products have a greater gap between bound and applied rates, providing a cushion that could protect farmers from surges. For example, tariff lines for palm oil are bound at 300 percent, but applied rates are at only 70 and 80 percent. Some observers therefore suggest that India may be more concerned by proposed restrictions on the size of safeguard remedies than it is with the disciplines on safeguards that exceed pre-Doha bindings.

Raul Montemayor, President of the Federation of Free Farmers of the Philippines, notes that historical data from six developing countries suggests that volume surges exceed 3-year import averages about twenty percent of the time. Ten percent of the time, the volume surge is more than 140 percent. This means that, under the 25 July Lamy proposal, half of the time when there is a volume surge the SSM cannot be invoked. Montemayor suggests however that a more serious problem for developing countries is the fact that, by the time a surge has reached 140 percent, the harm inflicted on domestic producers may already be so

serious that imposing additional safeguard duties may no longer be an adequate or meaningful response.

Price trigger: negotiators admit little discussion took place

While officials negotiated intensively on duties that could be imposed to protect against volume surges, little discussion took place on safeguards that could be used when prices fell suddenly. Negotiators have agreed that both systems will function in parallel.

Ironically, many developing countries may find the volume-based SSM harder to use in practice than the price-based mechanism. Monitoring real time monthly import volumes is a major challenge for many developing countries, as most do not collect systematic data for many products: prices, however, can be more easily tracked by officials.

Price depressions also affect domestic markets more seriously than volume surges do, noted one observer.

While the SSM could indeed restrict market access in the event of volume surges, as exporting countries have argued, the price-based SSM currently under review is not likely to have the same effect. Falconer's 10 July draft text states that additional duties must cover no more than 85 percent of the difference between domestic and international prices, meaning that imports would always be cheaper - although the G-33 have since proposed that safeguards should bridge the full price gap.

As the 25 July Lamy package makes no mention of the price trigger, some delegates assume that the Falconer text will be the basis for any future deal. Others point out that Falconer's earlier text did not explicitly indicate whether pre-Doha bindings would also constrain the price-based mechanism.

ICTSD reporting.

WHERE DOES TRIPS GO FROM HERE?

Please see a separate paper on these issues by Frederick M. Abbott at <http://ictsd.net/i/publications/16949/>.

Disagreement over intellectual property issues did not cause the collapse of July's mini-ministerial summit at the WTO. Because the talks foundered for other reasons, we do not know what might have happened on the IP front had delegates successfully agreed package deals on liberalising trade in the agricultural and

industrial sectors. Continuing strong disagreement on substance channeled mini-ministerial talks on IP-related issues toward the "process" through which an agreement might be reached.

At issue are three topics on which talks have largely stalled since the launching of the Doha Round in 2001, namely: extending to all products the stronger protection currently accorded to geographical indications of wines and spirits (GI extension); making it mandatory for patent applicants to disclose the origin of any genetic resources and/or associated traditional knowledge involved in their inventions; and the establishment of a register for geographical indications (GIs) of wines and spirits.

Each of these issues has been on the table for quite some time. Indeed, the GIs question is a holdover from the Uruguay Round, and discussions of the relationship between the TRIPS Agreement and the Convention on Biological Diversity (CBD) was underway during and after the Rio Earth Summit negotiations in 1992. These are not new issues, and the proposals and parameters for solutions are not new either.

At the mini-ministerial conference in Geneva last month, WTO Director-General Pascal Lamy entrusted the disentanglement of these issues to Norwegian Foreign Minister Jonas Gahr Støre. Støre's aim was to help construct a compromise under which Members would agree, as part of a modalities deal, to intensify discussions on the TRIPS questions. Over the course of the 10-day summit, Minister Støre held a number of informal meetings in which specific elements of a larger deal were discussed and apparent movement was made.

In the weeks and months leading up to the meeting, the TRIPS issues saw substantial movement. On 26 May, an unprecedented coalition of developed and developing countries announced their agreement to include the IP issues "as part of the horizontal process" of the Doha Round, advocating that the three controversial intellectual property issues be included in the 'single undertaking' negotiations. This coalition, joined by a few new members, subsequently submitted in mid July a 'draft modalities text' that detailed "the key parameters for negotiating final draft legal texts with respect to each of these issues."

The coalition included more than one hundred WTO Members, and was led by Brazil, the EU, India, and Switzerland. But the group's proposal did not generate support from all quarters: it was strongly rebuffed by Australia, Canada, Chile, Mexico, New Zealand, South Korea, Taiwan and the US. Those countries rejected "the artificial parallelism" among the three intellectual

property matters. "Each of the TRIPS issues...has its own terms of reference, and particular subject matter," they argued. "The extent and interest of Members in the content and potential outcomes for each issue varies considerably." As an example, they pointed out that, on the issue of GI extension, "even basic objectives are far apart, discussions have revealed no consensus, and the suggested draft modalities text presented by the demandeurs prejudices an outcome."

Moreover, the 8-country group maintained that including intellectual property issues in the horizontal negotiations on modalities in the industrial and agricultural sectors would substantially set back efforts to arrive at a viable way forward for the Doha negotiations.

Støre's attempt to untangle the issues

As trade ministers set about the task of hammering out modalities deals on agricultural and industrial goods trade, Norwegian Minister Støre held intensive consultations with Members on both sides of the TRIPS issues. While Støre did not make a formal report of his work, elements of his plan have emerged. As it has been reported (see BRIDGES Daily Update, Issue 8, <http://ictsd.net/i/wto/englishupdates/14789/>), a proposed deal put forward by the Norwegian minister included bargain elements that were unrelated to TRIPS, such as a 'peace clause' insulating US farm subsidies from legal challenge at the WTO. Here we focus on the IP-related elements of the plan advanced by Støre.

The Register

Out of the three issues, the registry for wines and spirits proved to be the easiest for Støre to handle, thanks to the general understanding that, under the TRIPS Agreement, there is a mandate to negotiate the establishment of a multilateral system of notification and registration of GIs for wines eligible for protection in those Members participating in the system. Indeed, that mandate was reaffirmed in 2001 in the Doha Ministerial Declaration. This distinction between the registry issue and the other two IP issues -- GI extension and the TRIPS-CBD relationship -- prevailed in the informal discussions.

The grand coalition's 'draft modality text' presented in mid July stated that Members "shall provide that" their domestic authorities "consult the register and take its information into account." Importantly, the text also stated that, "in the absence of proof to the contrary," the very fact that a product is listed on the register will be considered "prima facie evidence that it meets the definition of 'geographical indication.'"

Historically, the main points of disagreement have been over the participation in the register, and over the consequences and legal effects of registration. Members such as the EU want all WTO Members to participate in the register; indeed, Brussels has fought for a requirement that countries must consult the register "when making decisions on registration and protection of trademarks and GIs in accordance with national laws."

Others, including Argentina, Australia, Canada, and the US, propose that participation in the system should be voluntary and that the participating Members should be obligated "to ensure that its procedures include the provision to consult the Database when making decisions regarding registration and protection of trademarks and geographical indications for wines and spirits in accordance with its domestic law."

Against this background, Minister Støre undertook his delicate mission. Working under Støre's guidance, trade officials reportedly considered whether a register should be a factor in taking decisions on GIs by national authorities, as well as if further negotiations should address whether and to what extent domestic decisions should treat as *prima facie* evidence the information contained in the register and the possible generic nature of the product. Regarding participation, Members were also asked to consider whether wider participation in the register should be dependent on an understanding of the legal consequences of registration, and how domestic law should treat those legal consequences. The special and differential treatment to be extended to developing countries and least developed countries (LDCs) was also put forward.

The so-called Doha implementation issues

Informal deliberations on the other two outstanding issues simply redrew the dividing lines that have characterised the TRIPS discussions since the launch of the Doha Round. Minister Støre, aware of these complexities, approached the issues at a process level, hoping at least to get ministers to agree on how to go about trying to bridge the gaps between the two camps.

GIs extension

In line with the long-standing position of the EU, Switzerland and some developing countries, the 'draft modalities' submitted by the grand coalition in mid July would extend to all products the extra level of protection for geographical indications that the TRIPS Agreement currently gives to wines and spirits. This additional protection would require all Members to provide the legal means to prevent the use of a geographical indication on a product that does not originate from the

place indicated by the GI in question. This requirement would even extend to food labels in which the geographical indication is used in translation or accompanied by expressions such as "kind," "type," "style," "imitation" or the like.

The approach taken by the EU and its allies has persistently been opposed by countries such as Argentina, Australia, Canada, Chile, Korea and the US, on the grounds that many GIs have become generic or semi-generic product names that are widely used around the new world. As mentioned by Professor Frederick M. Abbott in his separate note (available at <http://ictsd.net/i/publications/16949/>), for the United States, extending a stronger form of protection to "other agricultural products" (and non-agricultural products) would be a challenging task. US restaurants, for example, commonly use and advertise foreign geographic designations for their products. This industry would find geographical extension a significant problem.

Against this complex background, Minister Støre approached the GI extension in a cautious manner. The primary component of Støre's modality package reportedly included an acknowledgement of three factors: the economic and legal importance of the extension of protection beyond wine and spirits; the continuous need to better understand these implications; and the need to set up a work programme to take into account stakeholders' different views. On this last point, potential matters to be addressed include the TRIPS coverage of GIs other than wine and spirits; the economic and legal implications of GIs extension on holders of trademarks (or other identification signs); the effects on products that do not come from the protected location in third-country markets; and the use of the existing exceptions for wine and spirits on products other than wine and spirits.

The disclosure requirement

The third IP issue concerns the relationship between TRIPS and the CBD. Støre's approach to this topic was allegedly similar to that he took on GIs extension.

The notion of negotiations on a disclosure requirement in the Doha Round has been pushed by about 100 developing countries - India, Brazil and China among them. These countries consider a disclosure requirement necessary to prevent the granting of 'bad' patents that use biological resources or traditional knowledge without proper acknowledgement or compensation. Preventing such 'biopiracy' is important for ensuring a supportive relationship between the TRIPS Agreement and the Convention on Biodiversity, the most important international agreement on the

subject. They argue that the amendment should recognise the sovereign rights of states over their natural resources; require patent applicants to disclose the source and origin of biological resources as a way to assure the proper application of patentability standards by the patent office; and provide evidence of compliance with access and benefit sharing requirements of host countries. The penalty for noncompliance would include forfeiture of patent rights.

During the long process of negotiations since the Doha Round was launched, the EU and Switzerland have been neutral, while remaining sympathetic to the concept of disclosure, although not necessarily through a TRIPS amendment. Switzerland, for example, has traditionally favoured finding a solution in the World Intellectual Property Organisation via amendments to the regulations of the Patent Cooperation Treaty (PCT).

The countries that have opposed the parallelism among the three IP issues do not share a common position on the relationship between TRIPS and CBD, and some have been more flexible than others in this respect. The US, for example, has refused to ratify the CBD because of specific concerns about the application of its intellectual property provisions. To this extent, as noted by Professor Abbott, the US' refusal to seriously engage with the CBD-related proposals at the WTO has been at least "consistent" with its past practice.

Against this backdrop, Minister Støre sought to find some sliver of common ground. The modalities he put forward reportedly proposed that Members should first recognise some parameters to guide future work on the TRIPS-CBD relationship, and that Members should also establish a work programme for the talks.

Under these parameters, the two international instruments would need to be mutually supportive. Specific questions that would need to be worked out include how to avoid erroneous patents using genetic resources; how to bring national regimes into compliance on prior informed consent (PIC) and access and benefit sharing on mutually agreed terms (ABS); how patent offices could be equipped with the necessary information to deal with patentability issues in these areas; and whether the patent system should maintain its role as a provider of innovation incentives.

The suggested process and way forward

On the precise modalities for the continuation of the work, Støre reportedly suggested that the register negotiations should continue under the aegis of the Council for TRIPS in Special Session. He further proposed that the talks on GIs extension and TRIPS-CBD should be carried out in dedicated meetings under

the responsibility of the Director-General, who will report on the agreed conclusions and recommendations.

The high-level TRIPS discussions at July's ministerial summit represented the first serious attempt to attempt to tackle the three complex and contentious issues together in the Doha Round. If the Doha talks resume, the way forward on the TRIPS issues might follow the plan suggested by Minister Støre, but his proposal cannot guarantee that a solution is near at hand. Indeed, negotiations could still founder on GIs extension and the TRIPS-CBD relationship.

ICTSD reporting.

STRONG SIGNALS SENT ON SERVICES

Surprising, encouraging, positive and constructive were among the terms used by participants after the half-day 'signalling conference' on services held during the Geneva mini-ministerial in July.

The event marked the first time that services liberalisation had been discussed at the ministerial level since the launch of the Doha Round in 2001. Together with agriculture and industrial goods, services form the 'holy trinity' of the round's market access negotiations, but many WTO Members had repeatedly complained that most offers tabled so far did not even reflect current levels of openness, not to speak of creating new export opportunities.

The purpose of the signalling conference was to give countries keen on expanding their access to foreign services markets a sense of what the 30 or so trading partners actively involved in the negotiations could potentially offer. Although the outcome of the meeting is in no way binding, the indications put forward at the meeting seem to have held at least some promise to WTO Members such as Australia, the EU, India and the US that more robust market access commitments could be secured in services if an acceptable deal were struck in agriculture and non-agricultural market access.

Most of the participants were developing countries, in whose markets the demanders of the high-level services meeting are seeking deeper and broader concessions in a large number of sectors. In contrast, the main developing country demands centred on more access for their temporary service providers (movement of natural persons or mode 4 of services supply) and cross-border services, such as business outsourcing (mode 1).

WTO Director-General Pascal Lamy, who chaired the meeting, summed up the outcome in a report, which did not attribute the potential commitments to individual countries (JOB(08)/93).

New Commitments Outlined on Market Access

According to the report, Members signalled potential new market opening concessions across a wide range of sectors, including business and financial services, telecommunications, tourism, distribution and postal services, health, education, transport and construction, as well as energy, environmental and audiovisual services.

Many participants indicated willingness to remove, or improve, limitations with regard to foreign ownership of enterprises involved in areas such as telecommunications, banking, insurance and postal and courier services.

Although Mr Lamy's report did not mention individual countries or the exact content of their signals, several press sources reported that India was willing to increase its foreign equity cap in the telecommunications sector from 50 to 74 percent, and to allow 51 percent foreign ownership in its hitherto closed asset management sector. Brazil's chief negotiator Celso Amorim said his country could consider improvements in telecommunications and reinsurance, while China indicated potential new commitments in financial and infrastructure-related services.

These moves were welcomed by the EU and the US, although both said they would like to have seen more on the part of the major emerging economies. Australia's Trade Minister Simon Crean also expressed positive surprise at some of the conditional offers made at the meeting.

Some Flexibility Signalled in Mode 4

The EU and the US were reportedly willing to improve existing offers in cross-border supply of services in a range of sectors; they also signalled more flexibility in granting access to foreign service providers.

However, such access is likely to concern skilled professionals rather than the non- or semi-skilled labour that is in most abundant supply in developing countries. The EU said it could eliminate the cumbersome economic needs tests for foreign workers when issuing temporary visas, but limit the number of such service providers through a numeric quota. US Trade Representative Susan Schwab said she was prepared

to work with Congress to increase the number of temporary H-1B visas for foreign professionals. Although this does not seem a major concession, the US had previously been reluctant to broach the subject at all, arguing that under US law only immigration services are authorised to deal with visa issues.

India's Commerce Minister Kamal Nath called Schwab's announcement a 'good move' that signalled new willingness to engage on the issue. His colleague Gopal Pillai was more sceptical, saying that, for the moment, the US statement was nothing more than a 'vague promise' and that much would depend on the specific details that the US includes in its revised services offer. Obtaining better mode 4 access is one of India's key priorities in the Doha Round negotiations.

Waiver to Cover Special Treatment for LDCs

WTO Members agreed in 2003 to give 'special priority' to providing market access in sectors and modes of supply of export interest to least-developed countries (LDCs). First and foremost, these countries seek better access for their temporary service providers, particularly in the semi- and non-skilled categories.

Although this topic was not addressed at the signalling conference, chair Fernando de Mateo's latest draft 'elements required for concluding the services negotiations' (TN/S/33) is more precise than its predecessor with regard to implementing the LDC mandate.

Since fulfilling the 'special priority' commitment would entail discrimination in favour of LDCs, Members have agreed that the most satisfactory outcome would be a 'waiver' that could be invoked by any country giving greater concessions to LDCs than to other WTO Members. Members 'shall strive', the chair's report said, to conclude negotiations on the 'specific principles and characteristics' of the waiver before the deadline for the submission of revised offers. This was initially set for 15 October 2008, but the date is now "subject to further confirmation in the light of the overall calendar" of the Doha Round.

It has also been agreed that the waiver negotiations will take into account the mechanism's impacts on other developing countries, many of which have export ambitions very similar to those of LDCs. In addition, Members will give 'due consideration' to the trade-related concerns of small economies, as well as 'take into account' the extensive market access commitments that recently acceded Members agreed to in their accession negotiations.

Next Steps Uncertain

At the time of writing, it was not entirely clear how the services talks will proceed. The 'elements' paper had originally set a 15 October 2008 deadline for revised offers, and a 1 December target date for submitting final schedules of market opening commitments. However, following the collapse of the mini-ministerial those dates will certainly be postponed, and the signals exchanged in July remain "subject to a satisfactory conclusion of the Doha Development Agenda."

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: 7 - 13 August

7 August, Trondheim, Norway. THE SECOND GLOBAL FISHERIES ENFORCEMENT TRAINING WORKSHOP. This workshop will present traditional and innovative approaches on monitoring, control and surveillance (MCS) and will be run prior to the Nor-Fishing trade show in Trondheim from the 12 to the 15 August. MCS practitioners will gather to share the latest information on combating illegal, unreported and unregulated fishing (IUU) and adjacent activities. Common problems exist in fisheries MCS regardless of region or fishery and occur in national zones and on the high seas and involve domestic fleets and foreign flag vessels. At the workshop, traditional MCS methods and innovative approaches to all of these situations will be presented. The five day programme will be hosted by the Government of Norway in cooperation with the International MCS Network, the European Union, and the Food and Agriculture Organisation and follows the success of the first workshop held in Kuala Lumpur, Malaysia in 2005. For further information, please refer to <http://www.qfetw.org/>.

7-23 August, Stockholm, Sweden. WORLD WATER WEEK. The World Water Week in Stockholm is the leading annual global meeting place for capacity-building, partnership-building and follow-up on the implementation of international processes and programmes in water and development. The theme of the week is 'Progress and Prospects on Water: For a Clean and Healthy World with Special Focus on Sanitation'. For further information, please refer to <http://www.worldwaterweek.org/>.

11-13 August, Manado, Indonesia. 30TH SESSION OF THE ASIA-PACIFIC FISHERY COMMISSION. This invitation-only formal session will deliberate on a range of current and emerging fisheries issues relevant to the Asia-Pacific Region. For further information please contact the Secretary; tel: +66-2-697-4149; fax: +66-2-697-445; e-mail:

simon.fungesmith@fao.org; and refer to the websites:
<http://www.apfic.org> and
<http://www.fao.org/fishery/nems/36390/en>.

12-13 August, New Delhi, India. GLOBAL PARTNERSHIP FOR DEVELOPMENT: WHERE DO WE STAND AND WHERE TO GO? CUTS International and the Federation of Indian Chambers of Commerce and Industry in association with the Commonwealth Secretariat and the World Bank will organise this major conference on Global Partnership for Development. With the backdrop of the slow progress made in the World Trade Organisation's 'development' round of negotiations, the Economic Partnership Agreement negotiations involving African, Caribbean and the Pacific countries and the European Union may not yield desired meaningful developmental outcomes. The specific objectives of the conference include: assessing the impact of failure of the Doha Round of negotiation on least developed and vulnerable states; discussing the scope of cooperation between the developed and developing countries, apart from the multilateral trade talks and regional trading arrangements, to strengthen the link between trade, growth and poverty reduction in the developing world; and to identify the scope for and measures by developed and the more advanced developing countries' playing a fuller and more effective role in advancing growth and development in the rest of the world. For further information, please refer to http://www.cuts-citee.org/pdf/Backgrounder_GlobalPartnershipforDevelopment-Aug12-13-2008.pdf.

Other Upcoming Events

15-17 August, Dhaka, Bangladesh. INTERNATIONAL CONFERENCE ON 'FINANCING FOR CLIMATE CHANGE - CHALLENGES AND WAY FORWARD'. This conference, arranged by Bangladesh-based think tank Unnayan Onneshan, will focus on financial mechanisms for supporting mitigation activities to combat climate change. For further information, please refer to <http://www.unnayan.org/>.

17-23 August, Stockholm, Sweden. 2008 WORLD WATER WEEK. The 2008 World Water Week will revolve around the theme 'Progress and Prospects on Water: For a Clean and Healthy World'. For further information, please refer to <http://www.worldwaterweek.org/>.

18-20 August, Auckland, New Zealand. FOURTH AUSTRALIA-NEW ZEALAND CLIMATE CHANGE AND BUSINESS CONFERENCE. This conference, which is being sponsored by the Governments of New Zealand and Australia and various partner organisations, will focus on emissions trading, voluntary markets, investment issues, the Clean Development Mechanism and Joint Implementation. For further information, please refer to <http://www.climateandbusiness.com/>.

20-22 August, Basel, Switzerland. INTERNATIONAL SUSTAINABILITY CONFERENCE. The University of Applied Sciences Northwestern Switzerland and the University of Basel - are organising a follow-up conference. The theme of this second International Sustainability Conference is 'Creating Values for Sustainable Development'. From a socio-economic perspective we take this to be one of the major

tasks and challenges with regard to the expected societal transformation processes toward sustainability. For further information, please refer to <http://www.isc2008.ch/index.htm>.

26-29 August, Libreville, Gabon. FIRST INTER-MINISTERIAL CONFERENCE ON HEALTH AND ENVIRONMENT. The World Health Organisation and the UN Environment Programme, in partnership with the Government of Gabon, are organising the first inter-ministerial conference for health and environment in Africa. The main objective of the conference is to secure political commitment for catalysing the policy, institutional and investment changes required to reduce environmental threats to health, in support of sustainable development. For more information refer to, <http://www.unep.org/health-env/>.

25 September, New York, US. HIGH-LEVEL EVENT ON THE MILLENNIUM DEVELOPMENT GOALS (SEPTEMBER SUMMIT). The United Nations (UN) Secretary-General and the President of the UN General Assembly are organising the September High-Level Event on the Millennium Development Goals (MDG). The September summit will seek to be the central political development event of the year, setting the tone for the Doha Financing for Development Conference in late 2008. It will seek to mobilise world leaders including heads of state, major business leaders, civil society and religious leaders, the heads of foundations, and other stakeholders to agree on the practical steps that are needed to achieve the MDGs. The central objective of the Summit is to gather announcements of commitments for concrete initiatives from all participants that will translate their promise to support the MDGs into action on the ground. For further information contact: tel: +1 (212) 963 3125; e-mail: npls@un.org; and refer to the website <http://www.un.org/millenniumgoals/2008highlevel>.

RESOURCES

INTELLECTUAL PROPERTY RIGHTS AND TRADITIONAL KNOWLEDGE: BIOPIRACY OR BIOPROSPECTING? By Michael J. Krieger, June 2008. This working paper examines issues related to bioprospecting as addressed by the provisions of the Convention on Biological Diversity and the Agreement on Trade-Related Aspects of Intellectual Property Rights, as well as the friction created between the two treaties, in view of their differing goals. "Biopiracy" is a term used to describe the unauthorised use of traditional communities' knowledge of biological resources. Often, biopiracy is also associated with an unequal share of benefits between a patent holder and the indigenous community whose resource or knowledge has been used. Bioprospecting, on the other hand, is a term used by proponents of the commercialisation of appropriated biological samples, emphasising the mutual benefit that results from such transactions. Two international treaties, the Trade-Related Aspects of Intellectual Property Rights (TRIPS) agreement and the Convention on Biological Diversity (CBD), are employed to address the legal aspects of such prospecting agreements. However, the CBD and the TRIPS agreement have generated considerable friction and uncertainty regarding how to interpret such international contracts. This is no surprise, since the two treaties were

created with different goals. The CBD's focus is to protect biological diversity as "a common concern of humankind," whereas TRIPS promotes private ownership and exploitation of such resources through patents and other means. Harmonisation of the two treaties has been slow, and other solutions relating to a more equitable sharing of biological resources have been proposed. To access the paper, please refer to <http://www.bepress.com/ndsip/reports/art15/>.

WTO DISPUTE SETTLEMENT: ONE-PAGE CASE SUMMARIES (1995 - 31 DECEMBER 2007). Prepared by the Legal Affairs Division of the WTO with special assistance from the Rules Division and the Appellate Body Secretariat, 16 July 2008. This second edition publication offers case-by-case, single page summaries of panel and Appellate Body reports adopted by the WTO Dispute Settlement Body as of 31 December 2007. Intended to facilitate understanding of WTO dispute settlement cases among WTO Members by providing core facts, substantive findings contained in the adopted panel, summaries of key findings on significant procedural matters and, where applicable, Appellate Body reports for each decided case are documented. Other matters of particular significance raised during the proceedings are listed in accompanying footnotes to each case. Cases are indexed by article and by WTO agreement. For further information and to access the publication, please refer to http://www.wto.org/english/res_e/reser_e/dispu_settl_e.htm.

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

BRIDGES Weekly Trade News Digest® is published by the International Centre for Trade and Sustainable Development (ICTSD), <http://www.ictsd.org/>.

To subscribe to *BRIDGES Weekly Trade News Digest*, send an email to: bridges_weekly@ictsd.ch and type the words subscribe bridges in the message header.

To unsubscribe from *BRIDGES Weekly Trade News Digest*, send an email to: bridges_weekly@ictsd.ch and type the words unsubscribe bridges in the message header.

Contributors to this issue of *BRIDGES Weekly Trade News Digest*® are Trineesh Biswas, Anja Halle, Jonathan Hepburn, Paige McClanahan, Pedro Roffe, and Jessica Thorn. The work of Frederick Abbott is gratefully acknowledged. Editor: Paige McClanahan. Director: Ricardo Meléndez-Ortiz. ICTSD is an independent, not-for-profit organisation based at: 7, ch. de Balexert, 1219 Geneva, Switzerland, tel: (+41-22) 917-8492; fax: 917-8093. Excerpts from *BRIDGES Weekly Trade News Digest*® may be used in other publications with appropriate citation. Comments and suggestions are welcomed and should be directed to the Editor or the Director.

BRIDGES Weekly Trade News Digest is made possible through the generous support of the Government of the United Kingdom (DFID) and ICTSD's core donors including the Governments of Finland, Denmark, the Netherlands and Sweden; Christian Aid (UK) and NOVIB (NL). *BRIDGES Weekly* also benefits from support for the *BRIDGES* series of publications from donors including the Rockefeller Foundation and the Swiss Agency for Development and Cooperation.

