



Bridges Weekly Trade News Digest

Weekly trade news from a sustainable development perspective

Volume 13 · Number 23, 24 June 2009

LEAD STORIES

- EU, US Target Chinese Export Restrictions 1
- Gust of Optimism Lifts Geneva Ag Talks:
Sudden Squall or Steady Breeze? 3
- New Issues Arise in EU-US Beef Trade Dispute 5

IN BRIEF

- Peru Overturns Land Laws in Wake of Violence 7
- ILO Summit Inks 'Global Jobs Pact' 8
- EU, West Africa Push EPA Deadline from June
to October 9

WTO In BRIEF

- WTO Appoints Ramírez, Van den Bossche to
Appellate Body..... 10

EVENTS & RESOURCES

- Events..... 11
- Resources 12

ICTSD News

- Ambassador Sergio Marchi Joins ICTSD..... 13

Bridges Weekly Trade News Digest© is published by the International Centre for Trade and Sustainable Development (ICTSD), an independent, not-for-profit organisation based at Ch. de Balexert 7, 1219 Geneva, Switzerland, tel: (+41) 22-917-8492; fax: 917-8093.

To subscribe to Bridges Weekly Trade News Digest or access back issues, visit <http://ictsd.net/news/bridgesweekly/>.

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.

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.

Contributors to this issue of Bridges Weekly Trade News Digest© are Andrew Aziz, Trineesh Biswas, Jonathan Hepburn, Paige McClanahan and Allison Whiteman. Editor: Paige McClanahan. Director: Ricardo Meléndez-Ortiz.

LEAD STORIES

EU, US Target Chinese Export Restrictions

After months of speculation, the EU and the US on Tuesday launched a WTO case against Chinese export restrictions on a range of raw materials, saying that they intend to level the playing field for their domestic manufacturers. Beijing countered that the export curbs are justified on environmental grounds and that it intends to contest the accusations.

Washington and Brussels have targeted Chinese export quotas, export duties, and other export restraints on nine materials they say are critical to their domestic steel, aluminium, and chemicals sectors: bauxite, coke, fluorspar, magnesium, manganese, silicon metal, silicon carbide, yellow phosphorus and zinc. China produces 60 percent of the world's supply of coke and is a major supplier of the other materials. Beijing's export restrictions keep prices for those materials unfairly low in China, US and EU officials said Tuesday, while decreasing supply for the rest of the world and causing an increase in their prices on the global market.

"After two years of discussion and dialogue with no resolution, it was well past the time to take this step," US Trade Representative Ron Kirk said yesterday. "China's policies on these raw materials put a giant thumb on the scale in favour of Chinese producers. It's our job to make sure we remove that thumb."

The WTO does not generally regulate its Members' use of export taxes, which can act as indirect subsidies to domestic industries. Roughly a third of the WTO's 153 Member countries currently impose such measures, according to a 2004 report by the WTO's Roberta Piermartini, although some developed countries have

proposed an agreement that would eliminate them.

Beijing promised to drop restrictions upon accession

But when China joined the global trade body in December 2001, it promised to do away with “all taxes and charges applied to exports” on all but 84 of its goods. The products that the US and the EU are targeting in their WTO challenge are not included in that list of exceptions, which is outlined in Annex 6 of the country’s accession package, the office of the US Trade Representative said Tuesday. The numerous and wide-ranging commitments that countries make when they join the WTO are enforceable under the organisation’s dispute settlement system.

But while, in most cases, the WTO does not ban its Members from imposing export taxes, it does regulate – quite strictly – their use of quotas on exported goods. With a few exceptions, such measures are prohibited under Article XI of the General Agreement on Tariffs and Trade (GATT), which bans the implementation of “prohibitions or restrictions other than duties, taxes or other charges” on exports.

The US and EU have reportedly been mulling a case against the Chinese export curbs for many months, but have only now moved forward with the request for consultations, the first step in the WTO’s lengthy dispute settlement process. USTR Kirk indicated at a press conference on Tuesday that the launch of the case is in keeping with the Obama administration’s tough line on trade enforcement.

“We will always, and that's always, expect our trading partners to play by the rules,” Kirk said. China defends policies

But China’s Ministry of Commerce has insisted that the export curbs are justified and has said that it will work to defend them.

“The goal of the Chinese side's policy on the relevant exports is to protect the environment and natural resources, and the Chinese side considers the relevant policy to be compliant with WTO

regulations,” the ministry said in a written statement.

The goal of the restrictions is to place some limits on the domestic production of the materials since the extraction and processing of the products can cause tremendous amounts of pollution in certain areas of the country, a Chinese official said on Wednesday. Beijing has also argued that the export measures help the country ensure the sustainability of critical domestic resources.

But China took a conciliatory step on Tuesday, with the announcement that it was lifting export duties on wheat, rice, soybeans, vitriol and steel wire, and reducing them on chemical fertilisers and non-ferrous metals. None of those products, however, is targeted in the new case.

Taking an offensive move, the Chinese ministry issued a statement on Wednesday indicating that it is moving forward with a WTO challenge to a five-year-old US ban on imports of Chinese poultry, on the grounds that the restrictions are unfair and have hurt Chinese poultry producers. The US embargo has been in place since an outbreak of bird flu in 2004.

The poultry issue aside, the US and the EU maintain that they have an air-tight case against Beijing’s export restrictions. At least one analyst agrees.

“China has made a specific commitment not to apply export restrictions on certain products and it is applying those restrictions, so it’ll lose,” Daniel Crosby, a Geneva-based trade lawyer, told Bloomberg on Tuesday.

There is a measure of irony in the recent challenge, as the US has recently focused its enforcement efforts on stopping Beijing from selling Chinese exports at artificially low prices in the US market, a practice known as ‘dumping’ in trade parlance. But the current case ultimately aims to bring down the US market prices of the raw materials in question. Some observers say moves such as these will likely become more common as countries looking to shore up domestic industries amid the ongoing economic slowdown pursue their trade disputes at the WTO.

The parties to the dispute will begin consultations within 30 days of yesterday's request, as per the WTO's rules on dispute settlement. If a resolution has not been reached after 60 days of talks, the EU and the US will have the right to ask a WTO dispute panel to hear their complaint. Both sides have said they hope to resolve the matter before it reaches that stage.

Additional information

To read Roberta Piermartini's report on export taxes, please see http://www.wto.org/english/ress/e/booksp/e/discussion_papers4_e.pdf

To read the announcement from the Chinese Ministry of Commerce regarding the lifting of certain export restrictions, please click here <http://english.mofcom.gov.cn/article/newsrelease/commonnews/200906/20090606352494.html>

ICTSD reporting; "EU, US complain at WTO over Chinese export curbs," BLOOMBERG, 23 June 2009.

Gust of Optimism Lifts Geneva Ag Talks: Sudden Squall or Steady Breeze?

The new chair of the WTO agriculture talks has told Members that he will restart consultations with a selected group of negotiators in July, following signs of re-engagement from major trading powers such as the US and India. Geneva-based officials welcomed the move, although many privately queried whether progress could be achieved without ongoing involvement at a more senior level.

Chairing his first informal meeting open to all Members, Ambassador David Walker (New Zealand) announced that he aimed to complete a round of consultations with delegations and groups before re-launching in July talks with a few dozen Members from a cross section of negotiating interests – dubbed 'room E' talks at the WTO. The long-awaited move was broadly

welcomed by officials at the 18 June meeting, who nonetheless underscored that the talks must respect core principles of transparency, inclusiveness and accountability.

The talks, which had practically ground to a standstill following a setback last December, have been given a new lease of life following fresh promises of engagement by trade ministers at a meeting in Bali earlier this month (see Bridges Weekly, 10 June 2009, <http://ictsd.net/i/news/bridgesweekly/48343/>). The gathering of the Cairns Group of agricultural exporters, attended by guests US Trade Representative Ron Kirk and Indian Minister of Commerce and Industry Anand Sharma, emphasised the importance of concluding the Doha Round – although one sceptical negotiator in Geneva warned that similar ministerial statements in the past had often not been followed by concrete action or new indications of flexibility.

Trade delegates had been waiting for the Obama administration to complete an internal review of trade policy, and for the recently re-elected Indian government to appoint a trade minister, before attempting to discern the future direction of the Doha talks. The US told the 18 June meeting that it had now completed its review, delegates present said – although it remained unclear how trade policy might change, if at all.

Negotiators familiar with the talks also reported that the US has yet to appoint a chief agriculture negotiator to oversee talks in this area. Despite assurances that this would not affect the country's ability to negotiate, other Geneva-based negotiators are questioning how the US will be able to sustain senior-level engagement in the talks while this post remains unfilled.

Chair "Still Finding Way Around"

At the meeting, Walker told delegates that the 'room E' meetings would seek to establish which issues were 'technical' and which were 'political' – thus requiring ministerial involvement for decisions to be taken. A third category would cover political issues that could benefit from further technical work, he said. Speaking afterwards, delegates suggested that it remains

unclear whether Walker envisioned the discussions would be substantive or procedural.

While the chair also reported briefly on the consultations he had held to date, delegates mentioned that he had provided little detail on whom he had met with or what his discussions had covered. One mentioned that his meetings with groups and delegations seemed not yet to have actually begun substantive discussions on technical issues, suggesting instead that the chair was “still finding his way around.”

'Scheduling Workshop'

Controversially, the chair also announced plans to hold a 'scheduling workshop' in July, to establish the type of information that Members would need to supply when establishing detailed tariff line level commitments – a process known as 'scheduling' at the WTO. Developing countries in particular have opposed a suggestion from the US and Canada that would have countries move straight to scheduling without agreeing first on 'modalities' – the formulas and figures that govern tariff and subsidy cuts, and exceptions to them (see Bridges Weekly, 6 May 2009, <http://ictsd.net/i/news/bridgesweekly/46289/>).

The chair emphasised that the workshop would aim to establish the type of information that countries would need to provide, and not the information itself. However, developing country delegates remained especially sceptical, and in private comments to Bridges queried whether the timing of the meeting was appropriate.

Some negotiators speculated that WTO Director-General Pascal Lamy may be pressuring Walker to hold the scheduling workshop, which parallels a similar event being organised for the talks on industrial products. “There's no doubt the Director-General is pushing him hard,” said one delegate, who also noted that the move to skip modalities had nonetheless “been rejected as an idea” following widespread opposition from developing countries.

In a statement last month, Lamy encouraged Members to consider a 'two-track approach', in which further work on modalities would be accompanied by 'outcome testing' to provide

“greater clarity on the use of flexibilities and through it, on the value of the deal” (see Bridges Weekly, 27 May 2009, <http://ictsd.net/i/news/bridgesweekly/47407/>).

The US has suggested that it would be unable to accept a Doha deal unless it had further clarity on new market access opportunities for its exporters, especially in the larger developing countries.

Walker nonetheless told Members that, while they were welcome to engage in bilateral or plurilateral discussions amongst themselves, he did not see 'outcome testing' as part of the agriculture negotiations that he chairs. Some sources suggested that major trading powers would have to meet informally for these conversations under their own initiative once they were ready to do so.

Principles

In a thinly-veiled response to the US, the G-20 developing country group put forward a set of five principles that they argued should be observed as negotiations resume.

The group argued that the draft modalities text currently on the table should serve as the basis for further talks, and opposed 'a selective re-opening of the package'. It also argued that no one WTO Member is worse off than another in the negotiations; underscored the importance of the 'development dimension' of the talks; and insisted that the negotiating process “must remain multilateral.”

Other interventions also echoed the group's insistence that the December 2008 draft modalities text should remain the basis for a deal, as it reflects many years of patient negotiations and a balance of concessions amongst Members.

Bananas deal?

Unconfirmed reports suggest that Latin American banana exporters and the EU are close to reaching agreement on a trade deal on bananas, although ongoing talks in Brussels between producers in the Africa, Caribbean and Pacific (ACP) group and the EU were holding up final agreement on the issue.

Latin American exporters have sought faster and deeper liberalisation for bananas and other tropical products in the Doha Round, whereas ACP producers have argued for the opposite. WTO dispute settlement findings that have ruled in favour of the Latin American exporters have added further impetus to the talks. The highly sensitive issue seemed close to an accord last July, when a tentative agreement was reached between the EU and Latin American producers (see Bridges Daily Updates, 28 July 2008, <http://ictsd.net/i/wto/englishupdates/14789/>). However, that deal fell through when high-level Doha talks collapsed.

The emerging deal is broadly based around the July accord, say trade sources familiar with the talks. While Latin American producers remain eager to agree on a framework for EU tariff reduction, the EU is reportedly also keen to establish a final accord that would definitively settle the issues that have been brought to the WTO's formal dispute settlement mechanism. At the same time, any deal is expected to include clauses referring back to the Doha negotiations, sources say, in order to ensure that the EU is not obliged to undertake further liberalisation at a later stage.

ACP countries are pressuring the EU to provide a package of adjustment aid that would allow them to restructure and invest in their banana industries to make them more competitive, or alternatively to provide assistance to farmers wishing to diversify away from bananas. However, while the EU has reportedly offered to provide up to 100 million euros in adjustment aid, the ACP is believed to be seeking a larger package of 500 million euros instead. Inability to reach agreement on this issue is holding up progress on a wider accord, said diplomats familiar with the talks.

Next steps

The chair has told Members that he will soon confirm the exact date of the first 'room E' meeting, which is due to be held in the week of 29 June. Other meetings would then be held in various formats in July, culminating with another meeting open to all members at the end of the month – before WTO activity halts during the organisation's traditional summer break in August.

A gathering of trade ministers on the sidelines of this week's meeting at the OECD later this week could also provide further political impetus for the Doha talks, said one negotiator, whilst others pointed to similar such opportunities at the G-8 summit in Italy from 8-10 July or the APEC trade ministers meeting in Singapore in a month's time.

However, other more cautious voices warned that both the US and Indian trade ministers were still relatively new in their posts, and had yet to follow up their political statements of goodwill with concrete indications of flexibility. "Everyone knows the US is not ready for a detailed technical discussion," one official acknowledged.

ICTSD reporting.

New Issues Arise in EU-US Beef Trade Dispute

In May, the US and the EU struck a deal promising to end a long-standing feud over trade in beef. But that agreement came under fire last week, when several other beef-producing countries said that the deal would unfairly discriminate against their exports.

Under the memorandum of understanding that Washington and Brussels agreed 'in principle' last month, the EU would get to maintain its ban on imports of beef from cows treated with growth hormones. But the 27-nation bloc would also create a new tariff-free import quota for high-quality hormone-free beef, providing increased commercial opportunities for American ranchers. Meanwhile, the US would limit and possibly reduce retaliatory duties levied on EU exports after WTO dispute panels ruled against Brussels' import ban.

Officials in the administration of US President Barack Obama have described the deal as an example of a "practical, problem-solving approach to trade barriers."

Uruguay, Argentina, Australia, Brazil, and some other WTO Members disagree.

These countries, most of them beef exporters, fear that the US-EU memorandum of understanding deliberately defines 'high-quality' beef in a way that privileges the kind of meat produced in the US at the expense of that produced elsewhere. Grain-fed beef would qualify for the new import quota, while grass-fed beef would not.

They voiced their concerns at a 19 June meeting of the Dispute Settlement Body, seeking confirmation that the EU's new tariff rate quota (TRQ) would truly provide equal access for all beef exporters.

Guillermo Valles Galmes, Uruguay's ambassador to the WTO, said that the EU-US agreement "defined as high-quality meat only that of the type exported by the US," without any justification for doing so.

He claimed that the agreement could potentially cause the US' share in EU imports of high-quality beef rise from 19 percent to 54 percent. Other exporters, including Uruguay, would continue to face the 20 percent in-quota tariff within the existing TRQ, and would be displaced.

The Uruguayan ambassador also criticised the notion that the US and EU could bilaterally agree on compensation without taking into account the interests of others. "Accepting such an approach," he said, "would definitely hurt the principle of non discrimination." He stressed that compensation should be temporary, and should not "nullify or impair" others' rights. WTO dispute rules state that the implementation of panel rulings is preferable to sanctions or alternative compensation.

EU-US agreement

The memorandum of understanding signed by the US and the EU in May provides for a potential multi-phase expansion in EU market access for high-quality beef, accompanied by reductions in retaliatory duties levied by Washington on certain EU exports.

In the first phase, the EU would open a new, tariff-free import quota of 20,000 tonnes by 3 August. The US would refrain from applying

increased retaliatory duties it announced in January.

In early 2011, the two governments would have the option of proceeding to a second phase, under which the EU would expand the new quota to 45,000 tonnes, and the US would suspend all retaliatory duties related to the beef hormones dispute. Under a potential third phase, the EU would maintain the larger quota level, and the US would formally cease the increased duties.

At the centre of the controversy lies the memorandum's definition of "high quality beef": "Beef cuts obtained from carcasses of heifers and steers less than 30 months of age which have only been fed a diet, for at least the last 100 days before slaughter, containing not less than 62 percent of concentrates and/or feed grain co-products on a dietary dry matter basis that meet or exceed a metabolisable energy (ME) content greater than 12.26 megajoules (MJ) per one kilogram of dry matter. The heifers and steers fed this diet shall be fed, on average, not less than 1.4 percent of live body weight per day on a dry matter basis."

Current EU practice: different rules for different exporters

The EU's WTO obligations, dating back to 1995, explicitly divide its import quota for high-quality beef among Argentina, the US and Canada, Australia, and Uruguay. The in-quota duty is 20 percent; the over-quota tariff is 100 percent.

Under current legislation, introduced in August 2008, the European Commission sets out different rules for beef from different exporters to qualify as "high-quality."

Beef from the US and Canada must be mostly grain-fed: "Carcasses or any cuts obtained from bovine animals not over 30 months of age which have been fed for 100 days or more on nutritionally balanced, high-energy-content rations containing not less than 70 percent grain and comprising at least 20 pounds total feed per day."

Beef from Argentina, Uruguay, Brazil, New Zealand, and Paraguay, on the other hand, has to be grass-fed – "exclusively fed through pasture grazing" – to qualify as "high-quality" for their

separate quota shares. Cattle in these countries are primarily grass-fed (while that in the US and Canada is primarily grain-fed).

Asked by Bridges about the similarity of the US/Canada-specific rules to the definition of high-quality beef in the recent EU-US memorandum of understanding, Lutz Guellner, European Commission Spokesman for Trade, said: "The new TRQ for high-quality hormone-free beef will be non-discriminatory, open to any country that can meet the requirements. It is true that the definition in the new TRQ will be different from those in existing EU quotas, but the legislation creating this TRQ is not due to be adopted until August."

At the DSB meeting, the EU countered the criticism that countries benefiting from its existing beef TRQ would continue to do so. The new quota, it insisted, would be "non-discriminatory" and "origin-neutral," with any country producing beef that met the definition qualifying for import licenses under the new quota.

Sources report that the EU declined to respond to Uruguay's question about how a single definition for high-quality beef could take the place of the multiple definitions currently applied.

The US, for its part, "confirmed the EU's statement that the [memorandum of understanding] provides for the establishment of a tariff rate quota for beef that meets a definition that is origin-neutral." The "pragmatic" agreement with the EU was "a better way forward" than further litigation, it said. The US also reiterated its belief in the safety of hormone-treated beef for consumers.

ICTSD reporting.

IN BRIEF

Peru Overturns Land Laws in Wake of Violence

Two controversial laws that loosened development restrictions in Peru's Amazon regions have been repealed after dozens were killed in clashes between indigenous protesters and police. Observers say the move could trigger a re-evaluation of the US-Peru Trade Promotion Agreement, which entered into force on 1 February.

Protests over the laws – which demonstrators say would have opened areas of the rainforest to mining and energy development – had been simmering since April. Some 15,000-20,000 indigenous people took part in the demonstrations, which included blockading highways, shutting down an oil pipeline pumping station, and obstructing rural airports.

But tensions boiled over on 5 June when security forces attempted to remove a roadblock on a stretch of highway near the town of Bagua Chica. Reports estimate that at least 34 people were killed in the botched operation.

President Alan García eventually issued an apology for the violence and for failing to consult with indigenous groups. "There comes a time to recognise that there were a series of errors," he said in a speech before Congress.

García requested that Congress throw out legislative decrees 1090 and 1064, which were initially passed to bring Peru's regulatory framework in line with the country's bilateral trade deal with the US – seven less controversial laws remain. Indigenous leaders said they were satisfied with the government's decision and requested that demonstrators cease protesting.

"This is a historic day for all indigenous people in Peru," said Daysi Zapata, director of the Indian rights group Aidesep. However, Zapata also cautioned that because seven laws remain, more protests could be in the pipeline.

García's minority government is still struggling with the backlash over the way the government handled the protests. The government's chief of staff has announced his resignation and political analysts say a cabinet reshuffle will likely come in July.

Since being sworn in as president in July 2006, García has pursued a strong free-trade agenda. In addition to approving the US trade pact, he is actively seeking similar deals with Canada, China, the EU, and Japan.

In seeking these agreements, García has not shied away from promoting private investment as a means to boost the economy. But political analysts speculate that the mis-handling of the protests will force him to alter his agenda.

Still, Luis Carranza, Peru's finance minister said despite the government's reconsideration of the two decrees, there will not be a shift in economic policies.

A recent Ipsos Apoyo poll revealed that García's approval rating has dropped precipitously since the clashes. The pollster also found that 90 percent of Peruvians believe the president should have consulted with indigenous groups before passing the controversial laws.

Political analysts have said that while García will likely be able to complete the remaining two years of his term, it will not be easy.

While indigenous leaders have called off protests in the Amazonian regions of the country, demonstrations over other issues – such as highway improvement, mining concessions, and hydroelectric projects – continue in other areas of the country.

ICTSD Reporting; "Peru's Congress Repeals Laws Behind Amazon Clashes," REUTERS, 21 June 2009; "Peruvian troops patrol Amazon towns after 60 die over forest protests," REUTERS, 9 June 2009; "ANALYSIS-Peru's García to struggle for rest of term," REUTERS 23 June 2009; "Amazonian Indians End Protest After Peru's Congress Repeals Decrees," ENVIRONMENT NEWS SERVICE, 19 June 2009.

ILO Summit Inks 'Global Jobs Pact'

Heads of state, ministers, and labour specialists from over 160 countries discussed job creation strategies at the International Labour Organisation's Summit on the Global Jobs Crisis, held 15-17 June in Geneva.

At the heart of the summit was the Global Jobs Pact, or GJP, an ILO proposal offering a multifaceted approach to creating and maintaining jobs. The Global Jobs Pact "is not an international legal obligation," ILO Director-General Juan Somavia explained to reporters Monday. Instead, it is "based on a series of tried and tested policies which, if adopted in a comprehensive fashion, could reduce social tensions, protect people in the downturn and most importantly stimulate aggregate demand and prepare the growth of tomorrow."

The GJP is "an open and evolving portfolio of policy options" available for governments, employers, and workers, according to a report submitted by Somavia to the International Labour Conference. The director-general's proposed policy alternatives include credit flows for small and medium enterprises, unemployment benefits that promote job-seeking, and support mechanisms for disadvantaged youth. Conference participants discussed policy options and adopted the GJP at the meeting's close. All nine heads of state that attended the Summit endorsed the Global Jobs Pact.

Another hot topic was the response – or lack thereof – from international financial institutions on the economic crisis. Speakers from around the world denounced the 'Washington Consensus', a term that loosely refers to the World Bank's and the IMF's policies toward developing countries and is associated with free-market economics.

Some criticisms were particularly direct. "Why should the IMF interfere in our social and development policies?" Alicia Barcena, the executive secretary of the Economic Commission for Latin America and the Caribbean, said to reporters. "The IMF is the lender of last resort and should not impose conditions that lead to

problems in social systems, education and health. They must stop this prescriptive lending.”

Brazilian President Luiz Inacio Lula da Silva went off script during an address to the summit to bash the financial institutions, saying that the economic crisis will mark the end of the Washington Consensus. He observed that the IMF and World Bank have been offering ready-made solutions to poverty but argued that they had put forward no proposals to address the current crisis, a remark that brought loud applause from the audience. “We need to build a new world based on equitable distribution of wealth,” he said.

French President Nicolas Sarkozy stressed the need for long-term solutions to the crisis and called for greater regulation. “For those who think this is a temporary crisis, it’s a suicidal approach. We can’t wait ... we have waited too long. We must act now,” he warned.

While the summit’s tone was not always negative, experts were under no illusion that job recovery would be easy. Raymond Torres, director of the ILO’s International Institute for Labor Studies, said in an interview before the meeting that recovery of the labour market may be slow, despite earlier signs of economic recovery elsewhere in the market.

“[W]e will still need to create at least 300 million jobs globally over the next five years just to maintain a pre-crisis level of unemployment,” he said.

The summit took place alongside the International Labour Conference, running 3-19 June and also sponsored by ILO.

ICTSD reporting; “ILO chief stresses need for adopting jobs pact, social protection,” TIMES OF INDIA, 16 June 2009; “Summit to make the future work,” THE NATIONAL, 16 June 2009, “ILO seeks Global Jobs Pact to abate crisis,” ABS-CBN NEWS, 15 June 2009.

EU, West Africa Push EPA Deadline from June to October

June will come and go without the expected conclusion to trade talks between the European Union and a group of West African countries, the parties said after meeting in Brussels last week. Instead, the parties now expect to sign an economic partnership agreement (EPA) in October.

“Nigeria along with other major regional stakeholder nations such as Ghana, Côte d’Ivoire and Senegal had a meeting and looked at the entirety of the hurdles that need to be scaled to conclude the EPA and at the end it was clear that we cannot finish all the outstanding tasks before the June 30 deadline,” said Ken Ukaoha, Nigeria’s top trade official, according to a report in his home country’s This Day newspaper.

The announcement came after a 17 June meeting between EU Trade Commissioner Catherine Ashton, West African commerce ministers, as well as leaders of the Economic Community of West African States (ECOWAS) and the Economic and Monetary Union of West Africa (UEMOA).

The October agreement is expected to cover trade in goods, development co-operation, and some trade rules, according to a joint statement. At a meeting earlier this month in Cotonou, Benin, the negotiators reached compromises on export taxes, free circulation, and development issues.

Negotiators were pleased that they had made progress despite the setbacks, according to the European Commission. “Our latest meeting is a clear sign that we are back on track - making steady progress with our West African partners,” said EU Commissioner for Development and Humanitarian Aid Louis Michel, who stressed that their ultimate objective continues to be the negotiation of a full-fledged EPA.

But the deal could still be tripped up by a few critical issues. The parties remain at a standstill on the EU’s ‘Most Favoured Nation’ status, as well as the non-execution clause and financing for the ‘EPA Programme for Development’ (PAPEP).

In West Africa, the deal will have the biggest impact in Nigeria, whose oil exports alone account for more than half of all of the region's exports to the EU. Nigeria is currently entitled to export oil to the EU duty-free under the Generalised System of Preferences. Thirteen of the 16 ECOWAS member states have Least Developed Country status, which entitles all of their exports except weapons to enter the EU duty- and quota-free under the 'Everything but Arms' initiative.

The prospect of an EPA is somewhat complicated by trade agreements previously signed between the EU and individual West African states. Ghana penned an interim EPA with the EU in July 2008, and Côte D'Ivoire followed suit in November. Some provisions of the Ghanaian and Ivorian deals are being re-negotiated by ECOWAS or have been rejected other members (see 'Trade Negotiations Insights, June 2009, <http://ictsd.net/i/news/tni/47684/>). It is unclear whether the EU will seek to re-work these provisions or offer concessions in order to close the deal with the regional group. An EPA between the EU and ECOWAS would supersede the interim EPAs with Ghana and Côte D'Ivoire.

But some observers have argued that if Ghana and Côte D'Ivoire individually pursue permanent EPAs, the result could distort efforts at regional integration by undermining the authority of ECOWAS and UEMOA. Some civil society members think regional integration should take precedence over trade deals with the EU.

According to Kwabena Nyarko Otoo of Ghana's Trades Union Congress, his country would be better off if it put as much effort into penetrating the ECOWAS market as it is doing to access the EU. "Unfortunately, all our attempts are geared towards the EU market, instead of the ECOWAS market where demand for our products exists," he told news agency Graphic Ghana.

ICTSD reporting; "Don't sign economic pact with EU," GRAPHIC GHANA, 18 June 2009; "EPA: EU bows to pressures, moves deadline," THIS DAY, 22 June 2009.

WTO IN BRIEF

WTO Appoints Ramírez, Van den Bossche to Appellate Body

Ricardo Ramírez Hernández of Mexico and Peter Van den Bossche of Belgium will become the next two members of the WTO's highest court, the organisation announced on Friday. David Unterhalter of South Africa has been appointed to a second term on the seven-member Appellate Body.

The appointments were officially made at a meeting of the WTO's Dispute Settlement Body on 19 June.

Ramírez, who will replace Luiz Olavo Baptista of Brazil, will take up his post as of 1 July, while Van den Bossche's term is set to commence on 12 December of this year. The Belgian national will replace Giorgio Sacerdoti of Italy, whose second and final four-year term will expire that month.

Ramírez works as the Counsel and Head of the International Trade Practice for Latin America in the Mexico City office of the law firm of Chadbourne and Parke. Prior to that post, he spent more than ten years serving as Mexico's deputy general counsel for trade negotiations.

Van den Bossche is currently a professor of economic law and head of the Department of International and European Law at Maastricht University, the Netherlands. From 1997 to 2001, he was a counsellor and subsequently the acting director of the WTO Appellate Body Secretariat.

Unterhalter, who has served on the Appellate Body since 2006, previously worked as a law professor and lawyer in South Africa.

Ramírez and Van den Bossche emerged as likely nominees for the two openings on the Appellate Body after a competitive selection process that included candidates from Argentina, Brazil, Costa Rica and the Netherlands (see Bridges Weekly, 22 April 2009, <http://ictsd.net/i/news/bridgesweekly/45429/>).

According to WTO custom, one place on the high court is reserved for Latin America and one for the EU, a norm that helps preserve a representative composition of the legal systems and geographical origins of the WTO's Members.

The WTO's Appellate Body is charged with conducting reviews of reports from WTO Dispute Settlement panels.

ICTSD reporting.

EVENTS & RESOURCES

Events

If you would like to submit an event, please email bridges_weekly@ictsd.ch.

Coming up: 25 June – 1 July

25 June, Geneva, Switzerland. **SERVICES TRADE AND POLICY: WHAT DOES THE DATA SHOW?** This seminar, organised by the World Bank Institute, will focus on one segment of trade that has weathered the financial crisis somewhat better than others: trade in services. In general, goods trade receives a lot of attention, predominately because data on trade and policy are easily available. New data-collection efforts are beginning to remedy our ignorance about services trade and policy. This seminar presents new evidence on range of questions: What are the trends in services trade? Is developing country participation growing? Has the crisis hurt services trade as badly as goods trade? How open are countries to services trade? Where is the protection? What has been accomplished in the numerous regional and bilateral negotiations on services? What has been accomplished so far in the services dimension of Doha? If interested, RSVP to Isabelle Taylor at itaylor@worldbank.org.

28-30 June, Marseille, France. **CITIES AND CLIMATE CHANGE: RESPONDING TO THE URGENT AGENDA.** This symposium, supported by the World Bank, OECD, UN Habitat, UNFPA and other donors, will address the impacts of city and urban growth on climate

change; measuring and anticipating the consequences of climate change on urban quality of life, city assets, and local and national economies; and assessing alternatives to increase the resilience of cities and related costs and incentives required for successful implementation. The symposium is structured around five broad research clusters that represent the most relevant issues faced by cities and peri-urban areas on climate change. These clusters include: science and indicators of climate change, infrastructure and energy efficiency, institutions and urban planning, economics and finance, and the social aspects of climate change. For more information contact: urbansymposium@worldbank.org or visit <http://www.urs2009.net/index.html>.

29-30 June, Paris, France. **GLOBAL FORUM ON AGRICULTURE.** The 2009 Global Forum on Agriculture will examine the medium- and longer-term prospects for the sector and what policies are required to enhance future food security. The Forum will draw on recent analytical work, primarily from the Organisation for Economic Co-operation and Development (OECD) and the UN Food and Agriculture Organisation (FAO). The agricultural sector remains of primary importance for many non-OECD economies; therefore, the aim of the Global Forum on Agriculture is to foster an informed dialogue between OECD member and non-member economies on agricultural policies issues. This dialogue is based on regular monitoring and analysis to evaluate and strengthen the process of policy reform and trade liberalisation through forward-looking analysis, and addresses emerging agricultural policy issues. For more information, visit http://www.oecd.org/document/41/0,3343,en_2649_33797_42071145_1_1_1_37401,00.html.

WTO Events

An updated list of forthcoming WTO meetings is posted 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.

25 June: World Bank Institute Seminar on Services Trade

26 June: Working Party on Domestic Regulation

29 June: Council for Trade in Goods

29 June-3 July: Negotiating Group on Trade Facilitation

Other upcoming events

10 July, Geneva, Switzerland. BOOK LAUNCH: IMPLEMENTING THE WORLD INTELLECTUAL PROPERTY ORGANIZATION'S DEVELOPMENT AGENDA. The latest in the Geneva Seminars for Development Research (GSDR) series, this seminar marks the global launch of Implementing the WIPO's Development Agenda, a new book containing insights on reforming international intellectual property policies and institutions. It is edited by Jeremy de Beer with a foreword by Daniel J. Gervais and an afterword by Christopher May. Publication of this book is the first stage in an ongoing project involving a multidisciplinary network of experts from developing and developed countries working to monitor, assess and advance implementation of development-oriented reforms at and beyond WIPO. The objective of the GSDR seminars is to provide an international platform for researchers, academics and practitioners, particularly from developing countries, to share and test the results of their research on the development dimension of issues that are the subject of discussion and/or standard-setting in key Geneva-based international organisations. To register, please send an email to alexander@iqsensato.org.

16-17 July, Paris, France. WORKSHOP ON TRADEMARKS AND TRADEMARK DATA. This workshop is co-organised by INNO-tec and the Organisation for Economic Co-operation and Development (OECD), with the support of the Strike network. The goal of this workshop is to present and discuss current work and analyses conducted on trademarks from various perspectives, so as to better understand their

functioning and their effect on firms and markets. Despite their importance in economic life, trademarks and trademark data have long been neglected in the economic literature on industrial organisation, contrasting with the larger attention paid to patents. For the last ten years, a growing number of researchers have taken an interest in this topic. It has been noted that trademarks could bring interesting information on firm and market dynamics, as they seem to be related to key-variables such as firm performance or innovative activity. For further information, please contact Ms Valentine Millot: valentine.millot@oecd.org.

16-22 August, Stockholm, Sweden. 2009 WORLD WATER WEEK. Organised by the Stockholm International Water Institute (SIWI), the 2009 edition of this annual event will focus on the theme: "Responding to Global Change: Accessing Water for the Common Good." This event will bring together experts, practitioners, decision makers and leaders from around the globe to exchange ideas, foster new thinking and develop solutions. By harnessing and linking best practices, scientific understanding, policy insight and decision-making, the program aims to transcend rhetoric and provide real answers to the world's water-related problems. This event features a comprehensive agenda of workshops, seminars and side events that undertake in-depth examinations of the most critical issues, complemented by prize ceremonies, field trips and events that provide an abundance of opportunities for the professional networking. For more information, visit <http://www.worldwaterweek.org/>.

Resources

THE AFRICA COMPETITIVENESS REPORT 2009. The World Economic Forum, the World Bank, and the African Development Bank, June 2009. This annual report finds that African businesses can become far more competitive, but African governments and their international partners will need to improve access to finance, resist pressure to erect trade barriers, upgrade infrastructure, improve healthcare and educational systems, and strengthen institutions. The conclusions reflect research efforts of three

institutions – the World Economic Forum, the African Development Bank and the World Bank. Limited access to financial services remains a major obstacle for African enterprises, but underdeveloped infrastructure, limited healthcare and educational services, and poor institutional frameworks also make African countries less competitive in the global marketplace. The report also points to a number of success stories in the region that highlight steps countries can take to improve the business environment. To download this report, visit: <http://www.weforum.org/documents/AFCR09/index.html>.

THE CONSUMER BURDEN OF A CARBON TAX ON GASOLINE. Kevin A. Hassett, Aparna Mathur, Gilbert E. Metcalf; The American Enterprise Institute for Public Policy Research, May 2009. This paper measures the incidence of a carbon tax on gasoline using current income and two measures of lifetime income to rank households. The results suggest that carbon taxes on gasoline are more regressive when annual income is used as a measure of economic welfare than when lifetime income measures are used. In addition the authors found that the regional variation in the gasoline tax burden is likely to be modest varying by less than one-half of a percentage point with little fluctuation over the years of our analysis. These results carry through when we consider the incidence of the current state gasoline taxes, both across income deciles as well as across regions. To download a copy of this working paper, visit <http://www.aei.org/docLib/Consumer%20Burden%20AEI%20WP%20147.pdf>.

REFORMING AND REINFORCING THE REVOLUTION: THE POST-TRIPS POLITICS OF PATENTS IN LATIN AMERICA. Kenneth Shadlen, Global Development and Environment Institute, Tufts University, April 2009. Throughout the developing world, national policies toward intellectual property (IP) were revolutionised in the 1990s as countries adopted new systems to conform to the World Trade Organization's (WTO) Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPs). Most governments faced pressures to reform aspects of their IP systems regarding pharmaceutical patents. At the same time, most

governments have also faced pressures to modify aspects of their patent systems more broadly related to science, technology, and indigenous innovation. There are cross-national variations in outcomes, but all around a common theme of trying to strengthen local actors' capacities to take advantage of the incentives of patent protection and creating new regulatory frameworks to link publicly funded scientific research with private industry. To download a copy of this working paper, visit <http://www.ase.tufts.edu/gdae/Pubs/wp/09-02PostTRIPSApril09.pdf>.

ICTSD News

Ambassador Sergio Marchi Joins ICTSD

Former Canadian Trade Minister and Ambassador to the WTO, the Honourable Sergio Marchi, has joined the International Centre for Trade and Sustainable Development (ICTSD), in Geneva. He will serve as a Senior Fellow.

"We are absolutely delighted that Ambassador Marchi has joined the ICTSD family," said Ricardo Meléndez-Ortiz, CEO of ICTSD. "His extensive diplomatic and political experience, particularly in the area of trade policy and a number of crosscutting sustainable development issues will be most valuable to our work."

"As a Senior Fellow", added Mr Melendez, "Mr Marchi will bring the leadership and substantive expertise that will enable ICTSD to serve its field more effectively, providing the trusted expertise, balance, and context upon which negotiators and sustainable development advocates alike have come to depend."

Ambassador Marchi also brings substantial private sector and academic experience to ICTSD. He is currently the advisor to the chairman of a holding company based in Geneva and he teaches in the International Relations Division of Webster University, and the Geneva School of Diplomacy and International Relations in Geneva.

ICTSD is a nonpartisan, international global think tank and policy network based in Geneva, Switzerland that partners globally to advance sustainable development in trade relations multilaterally through the World Trade Organization and numerous regional agreements as well as through national trade policy development processes.

For a short biography of Ambassador Marchi, please see the ICTSD website.