



Bridges Weekly Trade News Digest

Weekly trade news from a sustainable development perspective

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LEAD STORIES

G8+G5 Call for Doha Conclusion in 2010

Heads of state from 13 major world economies vowed last week “to seek an ambitious and balanced conclusion to the Doha Development Round in 2010,” just as trade officials at WTO headquarters in Geneva prepared to ramp up their negotiations before the organisation’s annual summer break.

But such high-level promises have been made before. The recent statement from the G8+G5 countries has been preceded by dozens of political vows for a quick end to the global trade talks, which were launched in 2001 to help developing countries prosper through trade. But after nearly eight years of slow progress and missed deadlines in the negotiations, the ongoing economic slump has made a world trade deal – a deal that the WTO’s director-general says would save the global economy more than US\$ 130 billion each year – appear more pressing than ever.

The call for a push to conclude the talks emerged from a summit of the G8 countries – Canada, France, Germany, Italy, Japan, Russia, the United Kingdom and the United States – that was held in L’Aquila, Italy last week. The G8 were joined by the G5 major emerging economies – Brazil, China, India, Mexico and South Africa – for talks on the second day of the three-day summit. The declaration was signed by both groups.

But the Doha talks will not have to start from scratch. The leaders said that the negotiations should build “on the progress already made, including with regard to modalities” – the WTO’s term for the framework deals on tariff and subsidy cuts – that officials have been negotiating over the past several years. But the statement also stressed the need to enhance “the transparency and

understanding of the negotiating results to date,” a nod to recent calls from Washington, which has insisted that its exporters need greater clarity on how they might be affected by a deal.

The heads of state also called on their trade ministers “to explore immediately all possible avenues for direct engagement within the WTO” and to meet in advance of the next G20 summit, which will be held in the industrial city of Pittsburgh in the US in September. India has already begun preparations to host such a meeting; the gathering is set to take place in New Delhi on 3 and 4 September (see Bridges Weekly, 8 July 2009, <http://ictsd.net/i/news/bridgesweekly/50291/>).

The Doha Round aside, the world leaders vowed to “reject all protectionist measures in trade and investment” and to “rectify promptly” any such measures already incorporated into domestic policy. But that promise, an almost verbatim reiteration of a pledge made by the G20 leaders in London in April, may be difficult to keep, given that many leaders are facing strong domestic pressures to protect local industries. The G8+G5 statement also renewed a call for the WTO and other international bodies to “report publicly” on any slides toward protectionism, a task that the secretariat of the global trade body has already taken up (see Bridges Weekly, 8 July 2009, <http://ictsd.net/i/news/bridgesweekly/50305/>).

Lamy pushing for new texts in October

WTO Director-General Pascal Lamy, who attended the three-day summit last week, is pushing hard for progress in the technical aspects of the negotiations. After several months of relative quiet, the talks are picking up in the final weeks before the WTO breaks for its annual summer holiday: industrial goods negotiations are taking place this week, and the agriculture talks are set to pick back up next week, WTO sources said. An informal meeting of the entire Membership has been scheduled for the morning of Friday, 24 July. Negotiations in the rules group are set to begin soon after delegates return from their holidays.

In an effort to “inject momentum” into the negotiations, in the words of one WTO official,

Lamy has called on the chairs of the various negotiating committees to produce new texts or reports by October, sources said. But one trade delegate acknowledged that this deadline would pose a significant challenge, as “no substantial progress” has been made since the last draft texts were released in December 2008. But another WTO source called the October deadline “a reasonable timeline,” especially if the talks are going to be wrapped up next year.

October texts or no, there is no question that Lamy will keep pushing delegates and ministers alike to move forward. The director-general is reportedly considering how to schedule high-level meetings on Doha around the full ministerial conference that is set to take place in Geneva from 30 November to 2 December. The Doha Round is officially off the agenda for that meeting, which will focus on the organisation’s ‘regular work’, not its trade negotiations. But a WTO source said Monday that Lamy has not ruled out organising a Doha-focused gathering of ministers for sometime before the full ministerial conference kicks off. If that timeline proves too short, however, the director-general will be under pressure to convene trade ministers in early 2010, the source said. A lack of significant progress in the talks in the next six to seven months would make it particularly challenging to wrap up the talks by the end of next year.

But it is an open question as to whether world leaders are truly ready to sign on to an agreement that might limit their ability to protect domestic producers in dire economic times. Some observers remain unconvinced.

“Everybody's talking a good game, but the question is whether they can play a good game,” Jagdish Bhagwati, an economics professor at Columbia University, told the Associated Press last week. “You have to distinguish between containing protectionism and actually liberalising further. I can't think of any example of liberalisation when the macroeconomic stress is this enormous.”

“This is just a ritual assertion,” Bhagwati added, referring to the G8+G5 statement. “When it comes to actually liberalising trade, they have to face their parliaments and their publics.”

ICTSD reporting; "World leaders vow to restart stalled trade talks," ASSOCIATED PRESS, 10 July 2009.

Climate Talks in US Senate Expose Divide among Democrats

The US Senate is grappling with political pressure from home and abroad as it moves forward on a climate bill that was passed by the House of Representatives in June. Carbon border tariffs have emerged as a flashpoint issue in the discussions, especially among Democrats.

The American Clean Energy and Security Act of 2009 – known as the 'Waxman-Markey' bill after its sponsors in the House – would establish a cap-and-trade scheme for reducing greenhouse gas (GHG) emissions, requiring a 17 percent reduction in 2005-level emissions by 2020. Initially, 85 percent of emissions permits would be distributed for free, but the bill would begin phasing out free allowances in 2026.

The House version of the bill contains a 'carbon tax adjustment' provision that would allow the president to place tariffs on goods manufactured in countries that fail to regulate GHGs by 2020. The measure is intended to protect domestic carbon-intensive industries, such as metal and chemical manufacturing; some analysts say it would heavily impact rapidly emerging economies like Brazil, China, and India.

Domestic Pressures

The bill squeaked through the House in a vote of 219-212 at the end of June (see Bridges Weekly, 1 July 2009, <http://ictsd.net/i/news/bridgesweekly/49962/>), but the Senate remains a foreboding obstacle. Senate Democrats, who now hold a 60-seat majority, are fractured between those who support stronger environmental legislation and those who want to protect their local manufacturing industries. Republicans are largely opposed to the bill.

Proponents argue that the legislation would send an important signal of Congress' commitment to emission caps before President Barack Obama takes part in international climate negotiations in December. "We won't get an agreement in Copenhagen, pure and simple, if the United States doesn't lead," Democratic Senator John Kerry said at a Senate Finance Committee last week, referring to the upcoming climate meeting. Kerry, who chairs the Foreign Relations Committee, has taken a lead role in building support for the bill.

Other senators, primarily from states with large manufacturing industries, say that they will only support the bill if it includes trade protections, such as the border tariff. "This bill doesn't pass if it doesn't take care of manufacturing," Democratic Senator Sherrod Brown said in an interview. "And I don't think you can fully take care of manufacturing without some border equalisation."

"My biggest concern is we keep the border tariffs," Senator Debbie Stabenow, also a Democrat, told reporters after the Finance Committee hearing on 8 July. Stabenow's constituents in Michigan rely heavily on the auto industry, which has been hit hard by the global financial crisis.

Brown, Stabenow, and others worry that US manufacturing companies will be disadvantaged if they are forced to compete with goods made in countries without carbon regulations. US companies may face unfair competition and high costs, causing jobs and emissions to move to less-regulated economies, a trend called 'carbon leakage', they claim.

But Kerry argues that manufacturing can be protected. Citing a new report from the Government Accountability Office, the Massachusetts senator said that only a 'narrow set of industries' would be vulnerable to unfair competition without the tariff provision, but added that those industries could be protected using other means. "I am convinced that within the allowance scheme, let alone other options, there is enormous capacity to address those concerns," Kerry said.

Research from the Pew Center on Global Climate Change also gives some credence to Kerry's

position. Using a US\$15 per ton carbon price on US emissions, the Pew Center calculated that the affected industries might lose about 1 percent of production to imports in the absence of the border tariffs. The impacts "would be fairly modest and readily managed with [various] policy instruments," Pew Center president Eileen Claussen said at the hearing.

International Concerns

Even if the border tariff provision is included in the final version of the legislation, analysts say it is not clear whether the trade measure would violate world trade rules.

A new report from the WTO and the UN Environment Programme has shed some light on that question. It concluded that carbon tariffs issued in conjunction with a cap-and-trade scheme for climate change regulation may be WTO-legal "under certain conditions" (see Bridges Weekly, 1 July 2009, <http://ictsd.net/i/news/bridgesweekly/49959/>).

Not all, however, think the report justifies the protectionist measures. "What I take from the WTO/UN press release is that the director general of the WTO is trying to advertise that the WTO is not a hidebound opponent of all carbon border measures," said Gary Clyde Hufbauer, a trade policy expert at the Peterson Institute for International Economics. "That's a correct sentiment, but not a slam-dunk pass for Waxman-Markey."

Even if the provision is legal, others point out that the US could face justified trade retaliation from countries affected by the provision, particularly India and China. "We'll open ourselves to trade sanctions, and we'll have hurt our manufacturers twice, once by imposing a cap [on emissions] in the first place and then by compounding the problem by giving other nations license to sanction us," Republican Senator Charles Grassley said during the Finance Committee hearing.

The border tax provision has drawn criticism from China and India, who will be major players at the Copenhagen conference (see Bridges Weekly, 8 July 2009, <http://ictsd.net/i/news/bridgesweekly/50301/>).

"India will not accept any emissions targets – period," India's environmental minister Jairam Ramesh told reporters. "It is the bottom line; a non-negotiable stand." Similarly, China's Ministry of Commerce issued a statement that the tariffs would "seriously hurt the interests of developing countries" and "disrupt the order of international trade."

But the US is not expected to back down easily. "They gotta be put in the same category as we are; they can't be listed as a developing country," Senator Tom Harkin (D-Iowa) said in an interview with Bloomberg. The US never ratified the Kyoto Protocol because the treaty did not require developing countries to curtail emissions.

Regardless of the bill's fate in the Senate, Washington has its work cut out on climate change for the second half of 2009. A total of 60 senators must vote for the climate bill to ensure it is not blocked by a filibuster. Sixty-seven Senators are required to ratify an international climate treaty, a difficult feat without previously passed climate legislation.

"There's a fine line here between what the rest of the world is expecting the US to do and what may be politically possible in the Senate," Duncan Marsh, director of environmental group the Nature Conservancy, told reporters.

ICTSD reporting; "Democrats Try To Walk Fine Line On Tariffs," NATIONAL JOURNAL, 9 July 2009; "Senate May Pass U.S. Climate Bill, Reject Treaty, Kerry Says," BLOOMBERG, 2 July 2009.

Conference Signals Growing WIPO Engagement on Public Policy

A high-profile conference hosted by the World Intellectual Property Organization held in Geneva this week reflected WIPO's growing willingness to engage on public policy issues such as climate change, public health, biodiversity and food security.

Speakers included a number of heads of UN agencies and multilateral organisations - such as

the World Health Organization (WHO), the World Trade Organization (WTO) and the International Fund for Agricultural Development (IFAD) - in addition to government officials, representatives of the private sector and civil society.

The proposal to hold such a conference originated from a recommendation of the WIPO patent body, the Standing Committee on Patents (SCP).

At the closing of the two-day conference, the Chairman of the SCP, Maximiliano Santa Cruz, from Chile, hailed a successful conference which had been "useful to open our minds to new solutions and an invitation to think outside the box." He recalled that "intellectual property is not an end in itself, but an instrument to promote innovation, creativity and the dissemination of knowledge." He added that "while the IP may have an adverse effect on some areas of development, it can also be an important part of any solution."

The Director General of WIPO, Francis Gurry, underlined that the conference deepened dialogue on the issues discussed. The meeting "reflected the efforts of the intellectual property community to reach out to the social and economic context that intellectual property is designed to address."

Climate change took a centre stage at the conference in view of the looming international negotiations on climate change in Copenhagen in December, when the parties to the United Nations Convention on Climate Change (UNFCCC) will try to ink a new deal to mitigate global warming.

The role of intellectual property in technology transfer has emerged as a controversial subject in the negotiations. At the WIPO conference, the gap in perspectives on this issue was apparent.

David Lammy, the United Kingdom's Minister for Higher Education and Intellectual Property, underlined that the IP system is critical in delivering a global solution that provides for the widespread diffusion and transfer of climate change technologies. He also indicated that his country favoured pooling patents to help companies from developed and developing

countries build on the benefits of each others' technologies.

Haroldo Machado Filho, a Brazilian science and technology official, pleaded for the establishment of a public multilateral fund for purchasing licenses with a view to facilitating the transfer of climate change technologies. Filho added that there is a need to consider criteria for compulsory licensing based on situations of national emergencies or urgency related to climate change.

Carl Holton, Chief IP counsel of General Electric, underlined that intellectual property and market incentives play an essential role in facilitating technology transfer. "Companies do not transact business unless they have confidence they can protect their investments," he added. Holton emphasised that WIPO should be the world authority on clean technology and IP.

Gurry also stressed that the IP system offers a proven means of encouraging investment in clean technologies, while also pointing to the fact that many climate change technologies are not protected by intellectual property rights, or IPRs, and that technology transfer goes much beyond intellectual property.

The Bolivian ambassador in Geneva recalled, during the discussion, her country's position at the UNFCCC that environmentally sound technologies should be mandatorily excluded from patenting in developing countries.

In addition to climate change, health was an important subject debated at the conference.

The Director General of the World Health Organization (WHO), Dr. Margaret Chan, mentioned that "market forces and the incentives, such as patent protection ...cannot by themselves adequately address the health needs of developing countries. Incentives need to be found to overcome the problems arising from this market failure." She called for "strong collaborative action" among international organisations to address questions relating to public health, trade and intellectual property.

Pascal Lamy, Director-General of the WTO, applauded the timely initiative taken by WIPO.

"This initiative reaffirms that the international IP system cannot operate in isolation from broader public policy questions such as how to meet basic human needs for health, food and a clean environment," he added. He also underlined that "no one international agency has a monopoly on these diverse areas of expertise, and the challenge of ensuring practical access to medicines requires a comprehensive, multidisciplinary effort."

Speaking on the role of IP in sustainable agriculture, Kanayo F. Nwanze, President of the International Fund for Agricultural Development (IFAD), said that while agricultural research had delivered great results in terms of increasing yields and reducing poverty and hunger, there is an urgent need for "an open debate on the elements, tools and limits of intellectual property protection in the agricultural sector, and the need to reconcile the commercial interests of the IPR holders with public concerns."

Discussions at the conference reflected a wide variety of views on intellectual property and public policy challenges held by a diversity of stakeholders.

The level of maturity of the discussion differs from one area to the other, Santa Cruz emphasised in his closing remarks. He pointed to the greater maturity of discussions in the area of intellectual property and public health, where problems had been identified and solutions advanced, compared to climate changes where discussions were just starting and are still characterised by a wide divergence of views.

Sisule Musungu, President of IQsensato, noted in a comment on the conference, that while "WIPO can play a useful coordinating role in dealing with or addressing the relationship between IP and a range of public policy issues. It would be dangerous, however, if it was left alone to determine the rules that govern the relationship between those public policy issues and IP." He added that the conference would be an "interesting indicator as to whether WIPO will coordinate or control the agenda going forward."

For many observers, the conference was a long overdue development as WIPO had shied away in

past years from openly addressing public policy concerns and had pursued a narrow intellectual property agenda. In addition, member states had demanded that WIPO collaborate more closely with other UN agencies, particularly in the context of the WIPO Development Agenda recommendations.

Looking beyond the conference, there is a growing realisation that ensuring that intellectual property policies and rules are made supportive of public policy objectives is a longer term challenge that needs sustained action.

"WIPO Conference on IP and Public Policies Wraps Up," IP WATCH, 15 July 2009; "WIPO Looks At Mandate On IP And Climate Change, Access For Reading Impaired," IP Watch, 14 July 2009.

IN BRIEF

G8 Pledges US \$20 Billion for Food Security

G8 leaders pledged US \$20 billion in food security aid during its annual summit, held 8-10 July in L'Aquila, Italy. The funds are meant to help farmers in developing countries boost agricultural production in order to curb hunger and stabilise world food prices. The G8 countries – Canada, France, Germany, Italy, Japan, Russia, the United Kingdom and the United States – had been expected to pledge US \$15 billion, but that figure was later increased to US \$20 billion, to be paid over three years.

The statement comes in the wake of a global spike in food prices that triggered public protests in many developing countries last year. For most of the past decade the world has consumed more grain than farmers could produce, due in part to demand from the rapidly growing middle classes in emerging economies like China and India.

"Since June 2008, international prices have come down but average prices are still 25 percent above the levels of 2005 and 2006 in real terms," Jacques

Diouf, director-general of the U.N's Food and Agriculture Organization, told Dow Jones Newswires Thursday.

In this context, the new aid pledge looks different from other food security initiatives. Past food aid programs have put a strong emphasis on emergency assistance during famines. Last week's statement, in contrast, places a focus on establishing a stable and sustainable food production system.

And the focus on sustainability was explicit. "Effective food security actions must be coupled with adaptation and mitigation measures in relation to climate change, sustainable management of water, land, soil and other natural resources, including the protection of biodiversity," according to a joint statement the leaders issued on Friday.

The statement also cited "open trade flows and efficient markets" as a means of improving food security. "We are committed to improve access to information, promote conducive business environments, and investment in rural infrastructure, such as transportation, processing, storage facilities and irrigation schemes," the document stated.

Some observers consider the agreement a significant step. Kanayo Nwanze, president of the International Fund for Agricultural Development, praised the commitment to agriculture. "In the past, food security was a mere bullet point at the G8," he told The Washington Post.

Based on the G8's track record on aid, others are not holding their breath. The G8 admitted last week that it is unlikely to meet a 2005 pledge of US \$50 billion to the world's poorest countries.

Otite Igbuzor, head of the HungerFREE campaign at ActionAid, said the food aid agreement was "a welcome step in the right direction," but he is unsure that the funds will be enough. "The sums just aren't adding up," he told the Dow Jones Newswires. "Is this all really new money?"

Others have questioned the motivations behind the statement. The aid plan prioritises "better seeds and fertilisers" for farmers, a statement that some in civil society consider a nod to

agribusinesses and chemical manufacturers, not to poor farmers.

"[L]anguage on high-yield seeds may just be shorthand for the false technological panacea of genetically modified crops as a solution to hunger, drought and climate change," according to Food & Water Watch Executive Director Wenonah Hauter. Hauter added that "no drought-tolerant genetically modified seeds exist," suggesting that the development of bio-engineered seeds has not addressed the real issues facing many farmers.

ICTSD reporting; "Summit pledges \$20B in food aid," THE WASHINGTON POST, 11 July 2009; "G8 admits its failure to meet Gleneagles aid pledges," THE INDEPENDENT, 11 June 2009; "UPDATE: G8 Pledges \$20B For Food Security To Poor Nations," THE WALL STREET JOURNAL, 10 July 2009.

EU, South Korea Conclude FTA Talks

Officials from South Korea and the European Union said on Monday that they had concluded free trade talks and that they expect to finalise the deal before the end of 2009. The pact – which analysts say could be worth up to US\$ 100 billion – would be Seoul's largest bilateral trade agreement to date and would mark Brussels' first such deal with a major Asian economy.

"The finalisation of the agreement will follow during the Swedish presidency," said Swedish Prime Minister Fredrik Reinfeldt, whose country holds the rotating presidency of the EU for the remainder of the year, Reuters reported. But some internal hurdles remain, Reinfeldt added.

"When you finalise this kind of agreement with the European Union, we need to also finalise it with our different member countries," Reinfeldt said after meeting with officials in Seoul on Monday, according to a report in The New York Times. "There might still be some outstanding questions, and we need to follow up on them before we could say that it's absolutely all clear and all ready to sign."

The two sides have been working toward a trade deal since 2007, but the negotiations hit a few stumbling blocks along the way. Particularly controversial topics included the discussions on auto imports and rules of origin (See Bridges Weekly, 3 June 2009, <http://ictsd.net/i/news/bridgesweekly/47839/>).

Officials predicted breakthroughs in the talks both in 2008 and earlier this year, but, until Monday, the conclusion of the talks remained elusive.

South Korea, in an effort to boost its export-orientated economy, has pursued a number of free trade deals in recent years, including bilateral agreements with the US, Chile, India, Singapore, the European Free Trade Association and a partial agreement with the Association of Southeast Asian Nations.

If the deal with the EU goes through, it could put significant pressure on the US to ratify its own free trade deal with Seoul. Negotiations for such an agreement were concluded in April 2007, but the US Senate has failed to ratify it, largely out of some lawmakers' concerns over the impact it might have on the US auto industry (see Bridges Weekly, 4 April 2007, <http://ictsd.net/i/news/bridgesweekly/7581/>).

US automakers are certainly paying close attention to the EU-South Korea deal. In an interview with Reuters on Monday, Ford Motor Company's Chief Financial Officer, Lewis Booth, said the agreement could be bad news for Western automakers.

"Right in the middle of the worst economic crisis for 50 or 70 years, some parts of the European [Commission] are advocating a free trade agreement with Korea that is very, very one sided in favour of Korea," Booth said.

ICTSD reporting; "Seoul says European trade deal is near," THE NEW YORK TIMES, 13 July 2009; "EU plans to sign \$100 bln S. Korea trade pact in '09," REUTERS, 13 July 2009; "EU-South Korea trade pact marks trouble, Ford says," REUTERS, 10 July 2009.

WTO IN BRIEF

Lamy Presents Protectionism Report, Warns against 'Excessive Optimism'

WTO Director-General Pascal Lamy officially presented a report on Members' new trade-restricting measures at a meeting of the Trade Policy Review Body on Monday.

Lamy said that the report, which is the third in a series of such updates, "presents a mixed picture" of new trade policy developments. On one hand, there has been 'further slippage' toward protectionism since the last such review was released in March, Lamy said. But there has also been "some signs of improvement" as governments begin dismantling trade restrictions that were enacted in response to the onset of the economic crisis last year (see Bridges Weekly, 8 July 2009, <http://ictsd.net/i/news/bridgesweekly/50305/>).

Lamy opened the meeting on Monday with words of warning on the state of the global economy.

"I would caution against excessive optimism," Lamy told delegates. "Although financial markets are showing signs of stabilising, the crisis is far from over, in particular in many developing countries that are only now starting to feel its full force on their trade and economic growth."

The director-general has long maintained that "protectionism is not the answer," and that the free flow of international commerce will be one of the keys to global economic recovery.

Responding to Lamy's opening comments, most Members said they were satisfied with the report, and were happy to be working with the secretariat in providing the information necessary for its production. Bolivia, however, raised a dissenting opinion; the country reiterated its previous claim that the global trade body lacks an appropriate mandate to produce such reports. Other Members said that the report had mis-categorised some of their trade policies.

Several delegations responded directly to the report's prediction that anti-dumping activity – one of the ways that the WTO allows its Members to take remedial action against imports that are hurting their home economies – will become more frequent as the global economy continues to struggle.

The Friends of the Anti-dumping Negotiations group said that such an increase was to be expected and urged members to abide by WTO disciplines.

The US, however, cautioned against the report's 'dire predictions' of Members' use of trade remedies, and pointed out that anti-dumping levels will most likely remain below historic peaks, even with significant increases.

At the close of the meeting, Lamy told delegates that he intends to present a similar analysis of recent protectionist trends to G20 heads of state at their summit in Pittsburgh in September.

The secretariat is expected to produce an additional report in October that will provide an overview of all of the trade-restricting measures that have been put in place since the onset of the global economic crisis last year. That report will inform the work and discussions of the trade ministers who will meet from November 30 to December 2 in Geneva at the organisation's seventh full ministerial conference.

Additional information

To download a copy of the July protectionism report, please click here: <http://ictsd.net/downloads/2009/07/tpr-report.pdf>

To read the full text of Lamy's address to the Trade Policy Review Board on 13 July, please see: http://www.wto.org/english/news_e/news09_e/tpr_13jul09_e.htm

ICTSD reporting.

Russia to Resume Unilateral WTO Bid

In a second about-face in fewer than five weeks, Russia indicated on Thursday that it intends resume its bid to join the WTO as a single member state. Moscow appeared ready to drop the 16-year-long effort last month, when Russian Prime Minister Vladimir Putin made a surprise announcement that the country would only seek WTO Membership as a customs union with Belarus and Kazakhstan (see Bridges Weekly, 10 June 2009, <http://ictsd.net/i/news/bridgesweekly/48333/>). But now the country appears to have reverted to its earlier position.

"Russia will be conducting talks regarding WTO Membership on its own," Arkady Dvorkovich, Russian President Dmitry Medvedev's top economic advisor, told reporters on Thursday, AFP reported.

"As consultations have shown, the entry of the customs union to the WTO will be a hard, years-long process. Therefore another scenario is parallel accession of the three customs union member countries, which coordinate their positions and enter the WTO at the same time but as three sovereign states," Dvorkovich added.

"What is important is that Russia is interested in joining the WTO and hopes that that happens quickly," he said.

The Marrakesh Agreement, which established the global trade body in 1995, contains no provision for the admission of customs unions to the WTO, a fact that several delegations made clear to Russian envoys in consultations at the WTO in recent weeks.

WTO Director-General Pascal Lamy said last month that he was 'perplexed' by the proposed customs union approach. Similarly, US Commerce Secretary Gary Locke, who visited Russia with US President Barack Obama last week, said he was a 'bit mystified' by Moscow's decision to switch tactics, especially since Russia's unilateral membership bid appeared to have been gaining

momentum just before Putin made his announcement.

The customs union idea does not appear to have been completely cast aside, however. In remarks on Tuesday, Medvedev said that Russia could join the WTO “in one of two ways.” One way, via a customs union “would be nice but quite difficult,” the leader acknowledged.

“Or we can join a different way. Having agreed on some common standards and positions within the tripartite Customs Union, we could accede separately, which in my view would be the simpler and more realistic option,” he added.

The recent switch in tactics is not the first time that Russia has taken an abrupt step back in its bid to join the WTO. Last year, under pressure from the US and the EU over Moscow’s role in separatist conflict in South Ossetia and Abkhazia, Putin said that Russia did not “feel or see any advantages from Membership” in the WTO (see Bridges Weekly, 4 September 2008, <http://ictsd.net/i/news/bridgesweekly/27680/>). Just two months later, however, the negotiations appeared to be back on track (see Bridges Weekly, 30 October 2008, <http://ictsd.net/i/news/bridgesweekly/32395/>).

Russia is by far the world’s largest economy that remains outside the WTO, which counts 152 states plus the European Union as Members.

ICTSD reporting; “Russia may still pursue solo WTO membership: official,” AGENCE FRANCE PRESSE, 10 July 2009; “Russia’s WTO bid within customs union ‘not workable,’” BLOOMBERG, 8 July 2009; “Russia’s WTO prospects still unclear - WTO chief,” RIA NOVOSTI, 24 June 2009.

EVENTS & RESOURCES

Events

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

Coming up: 16 – 22 July

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.

20-22 July, Tallinn, Estonia. SEVENTEENTH INTERNATIONAL CONFERENCE ON MODELLING, MONITORING AND MANAGEMENT OF AIR POLLUTION. This conference, organised by the Wessex Institute of Technology, will bring together researchers who are active in the study of air contaminants. Air pollution is a growing problem, and the rate of global economic development brings new pressures: the willingness of governments to regulate air pollution is often balanced by concerns over the cost of such regulation. Participants will exchange information through the presentation and discussion of papers dealing with the wide variety of topics, including air pollution modelling, aerosols and particles, pollution in developing countries, and urban air management. Scientists working in industry, research organisations, government and members

of academia are encouraged to attend. For more information, email Jenna Solanki at jsolanki@wessex.ac.uk or visit <http://www.iisd.org/calendar/event.aspx?id=5413>.

23-24 July, Montreal, Canada. WORKSHOP ON BEST PRACTICES IN ASSESSING THE ENVIRONMENTAL AND ECONOMIC SUSTAINABILITY OF BIO-BASED PRODUCTS. This workshop, hosted by the Organisation for Economic Co-operation and Development, will identify emerging Best Practices for assessing the environmental and economic sustainability of bio-based products. It will compare existing methodologies, articulate what constitutes a comprehensive assessment, and identify key elements of best practices. Participants will include experts from industry, government, academia and policy makers. The workshop is by invitation only. For more information, please contact Mr Alexandre Bartsev at alexandre.bartsev@oecd.org for further details.

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.

- 20 July: Dispute Settlement Body
- 23 July: Committee on Trade and Development – Special Session
- 24 July: Working Party on the Accession of Azerbaijan

Other upcoming events

29 July, Geneva, Switzerland: UNCTAD AD HOC EXPERT MEETING ON CONTRIBUTION OF MIGRANTS TO DEVELOPMENT: TRADE, INVESTMENT

AND DEVELOPMENTAL LINKS. The twelfth session of UNCTAD, held in Accra, Ghana in April 2008, mandated the secretariat in relation to the contribution of migrants to development to (a) conduct research and analysis on the potential benefits and opportunities of trade, investment and developmental links between countries of origin of migrants and their communities abroad; (b) analyse the potential of migrants' remittances to contribute to development, maximise benefits derived and minimise costs through policies such as expanding migrants' access to financial services. This subject will be discussed in the context of the impact of the financial crisis. Topics of discussion will include migration trends; the impact of the economic crisis on migration; trade, investment and development linkages of migration; and policy frameworks to enhance migrants' contributions to development. For further information contact Mina Mashayekhi or Deepali Fernandes, tel: (+41) 22-917-5866/5652; fax: (+41) 22-917-0044; e-mail: mina.mashayekhi@unctad.org or deepali.fernandes@unctad.org; internet: <http://www.unctad.org/Templates/meeting.aspx?intItemID=2068&lang=1&m=17729&info=not>

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/>.

23-28 August, Nairobi, Kenya. SECOND WORLD CONGRESS ON AGROFORESTRY. The Second World Congress on Agroforestry will

assess opportunities to leverage scientific agroforestry in promoting sustainable land use worldwide. The overall theme of the Congress is “Agroforestry - The Future of Global Land Use.” Plenary, symposia, concurrent sessions, and poster sessions will be organised around three major topics: food security and livelihoods, conservation and rehabilitation of natural resources, and policies and institutions. . The conference is organised by ICRAF-The World Agroforestry Centre, in collaboration with UNEP and the Institute of Food and Agricultural Sciences (IFAS) of the University of Florida. For more information, email wca2009@cgiar.org or visit <http://www.worldagroforestry.org/wca2009/>.

28-30 September, Geneva, Switzerland. WTO PUBLIC FORUM 2009. Under the heading “Global problems, global solutions: towards better global governance,” the World Trade Organization (WTO) Public Forum 2009 will gather civil society representatives, governments and international organisations to discuss the role of the multilateral trading system and the Doha Round of negotiations within the context of the current global economic crisis. For more information, send an email to publicforum2009@wto.org , or see the event's website http://www.wto.org/english/forums_e/ngo_e/forum09_background_e.htm

Resources

WTO TARIFF DOWNLOAD FACILITY. The World Trade Organization, July 2009. This new website, launched by the WTO, provides comprehensive information on customs duties. Users can now search for Members' customs duty rates, as actually charged as well as legally bound maximums, and in many cases imports, down to a high level of detail. Users can also obtain and compare the legally bound commitments on customs duty rates, which act as ceilings on the tariffs that member governments can set and are known as ‘bound rates’, with the rates that governments actually charge on imports, which can be lower, are known as ‘applied rates’ and have a direct impact on trade. The tariffs in the database are for individual products, disaggregated

to the most detailed level available according to a standardised definition. The information on bound rates is based on the WTO's Consolidated Tariff Schedules (CTS) database, which covers the legal commitments on tariffs that member governments have made in the WTO. For more information, visit <http://tariffdata.wto.org/Default.aspx?culture=en-US>.

BUILDING A SUSTAINABLE ENERGY FUTURE: THE GREATER MEKONG SUBREGION. Asian Development Bank, June 2009. This report highlights how the Greater Mekong Subregion (GMS) holds huge promise for Asia. Access to energy services is critical in sustaining the pace of development achieved so far and in securing further prosperity for the future. The multitude of challenges -- from volatile global energy prices, increasing sustainability pressures, and widespread energy poverty within the GMS -- requires a strategic approach in developing the subregion's energy sector. The results of a formal energy modelling exercise make a strong case for pursuing an integrated regional energy strategy. Targeted and sustained policy actions, sector reforms, and private sector participation are necessary for a viable GMS energy strategy. This book synthesises the outputs of the consultative process undertaken by the Asian Development Bank's technical assistance to develop a GMS energy strategy, and proposes concrete actions for a cleaner, brighter energy future for the GMS. For a copy of the report, visit <http://www.adb.org/Documents/Books/GMS-Sustainable-Energy-Future/GMS-Sustainable-Energy-Future.pdf>.

DOING BUSINESS IN INDIA 2009. The World Bank and the International Finance Corporation, June 2009. This report is the first country-specific subnational report of the Doing Business series that measures business regulations and their enforcement across India. It builds on benchmarks previously published in the regional Doing Business in South Asia 2005–7 series. Doing Business in India allows for comparisons of specific Indian cities' performances in terms of business regulations and enforcement, and between these and 181 economies around the world. National and international comparisons

encourage competition between cities and align the incentives of public servants toward the reform and implementation of best national and international practices. The Indian cities and states covered in Doing Business in India 2009 were selected together with the Indian Ministry of Commerce and Industry. This report was requested by the Government of India. It was prepared by the World Bank Group with the support of the Department of Industrial Policy and Promotion of the Indian Ministry of Commerce and Industry. For a copy of the report, visit

[http://www.doingbusiness.org/Documents/Subnational/DB09 Subnational Report India.pdf](http://www.doingbusiness.org/Documents/Subnational/DB09%20Subnational%20Report%20India.pdf).