



Bridges Weekly Trade News Digest

Weekly trade news from a sustainable development perspective

Volume 13 • Number 34, 7 October 2009

LEAD STORIES

Brazil Plans Doha Meeting for Nov. as US Kicks Off Bilateral Talks 1

OTHER NEWS

Milk Crisis Continues as EU Ministers Weigh Response..... 3

New Deal Could Slash Tariffs on Green Goods in OECD, China..... 4

WIPO Looks to Engage on Global Challenges, but How Much Can it Deliver?..... 6

Housekeeping Keeps WTO Ag Delegates Busy . 8

IN BRIEF

Colombia and Peru in Final Trade Talks with EU 9

WTO In BRIEF

Chair of IP Talks Challenges Members to 'Move Forward'..... 10

EVENTS & RESOURCES

Events..... 11

Resources 14

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 Ahmed Abdel Latif, Andrew Aziz, Ammad Bahalim, Thais Macedo and Paige McClanahan. Editor: Paige McClanahan. Director: Ricardo Meléndez-Ortiz.

LEAD STORIES

Brazil Plans Doha Meeting for Nov. as US Kicks Off Bilateral Talks

Brazil, the EU and the US are engaging in high-level political manoeuvres on the WTO's Doha Round of trade talks this week, maintaining at least some of the momentum generated by the G20's recent call for swift progress in the negotiations. Meanwhile, trade officials back at WTO headquarters in Geneva continue to plough through some of the technical details of the talks.

Brazil is planning to host a meeting of trade ministers to focus on the Doha Round talks, sources said this week. The meeting, which is set to take place somewhere in the Geneva area just before the WTO's full ministerial conference kicks off on 30 November, will bring together trade ministers from the WTO's G20 coalition of developing countries (not to be confused with the G20 economic grouping that met in Pittsburgh last month). Ministers from countries that coordinate other developing-country negotiating coalitions will also be invited to participate, as will Pascal Lamy, the director-general of the WTO, one source said.

The agenda for the meeting, set for 28 and 29 November, has not yet been finalised, the source continued, but for the time being, the talks are set to focus on the WTO's agriculture negotiations. However, it is possible that the scope of the discussions will expand, the source said.

The Doha Round will officially be off of the agenda of the WTO's three-day ministerial conference, and will instead focus on the WTO's 'regular work'. The organisation's membership decided earlier this year that the mandated meeting should not centre on the negotiations, which have suffered numerous setbacks since they were launched in the Qatari capital in November

2001. But with so many trade ministers in town for the conference, sideline meetings devoted to the Doha talks are inevitable, said one trade source, who expected that many of the WTO's negotiating coalitions would hold meetings similar to the one now being organised by Brazil.

But officials will not have to wait until November to see some high-level political engagement on the Doha Round talks.

The US held quiet bilateral meetings with Brazil in Paris on Tuesday and Wednesday of this week to discuss various unresolved Doha Round issues, an informed source said. Negotiators hope that such bilateral sessions between the major players in the Doha Round will be able to generate a breakthrough in the technical discussions that are now in full swing back at WTO headquarters.

US Trade Representative Ron Kirk "has stressed the need for sustained bilateral engagement with key players in the Doha round to assess and address existing gaps, to supplement and give momentum to the overall multilateral negotiations," USTR spokeswoman Carol Guthrie said in an email message.

Another high-level meeting is set for Thursday, when Kirk will host Japan's new agriculture minister, Hirotaka Akamatsu, in Washington. The Japanese minister plans to bring up Doha Round issues during the meeting, a Japanese official told Dow Jones.

The United States is certainly getting pressured on Doha, if indirectly, by some of its major trading partners. Officials emerging from a Brazil-EU summit that was held in Brussels on Tuesday released a joint statement that seemed at least partially directed toward their counterparts in Washington.

"Both Brazil and the EU express their determination to conclude in 2010 the negotiations on the Doha Development Agenda," the joint statement said. In a subtle jibe at the United States, which has hesitated to accept the most recent draft negotiating texts as the basis for future talks, the statement stressed that Brazil and the EU want future Doha Round talks to "take place on the basis of progress already made."

Brazil and the EU also called on their fellow WTO members "to set out any specific demands they may have" for the talks, and added that it will be necessary for officials to "take stock of the situation no later than early 2010." If substantial progress is not made soon, "the objective of closing the Round in 2010 will be at risk," the joint statement said.

Delegates discuss trade facilitation, services

Meanwhile, trade delegates at WTO headquarters in Geneva are staying busy as negotiations continue to follow the very full schedule that Director-General Lamy presented last month (see Bridges Weekly, 23 September 2009, <http://ictsd.net/i/news/bridgesweekly/55785/>). The negotiating group on trade facilitation – the committee tasked with cutting the red tape that can impede cross-border commerce – has meetings scheduled for Monday through Friday of this week. The talks, which this week are focused on freedom of transit and the publication and administration of trade regulations, "showed some progress," one delegate said.

The chair of the talks, Sperisen Yurt of Guatemala, is urging the committee to come up with a 'consolidated text' by the end of the group's next set of meetings, which are set to take place the week of 9 November. Given the progress made thus far, that goal seems within reach, the trade official said.

The talks on trade facilitation were officially launched when the WTO's General Council enacted the 'July Package' on 1 August 2004. Members are mandated to clarify and improve the sections of the General Agreement on Tariffs and Trade (the GATT) that cover freedom of transit (Article V), fees and formalities associated with exporting and importing (Article VIII), and the publication and administration of trade regulations (Article X). The talks also aim to improve technical assistance and capacity building and streamline interactions among customs authorities.

Also this week, WTO delegates are also diving into a full slate of meetings on liberalising trade in services. At time of writing, annual reports had been submitted by the Committee on Trade in Financial Services, the Working Party on

Domestic Regulation, and the Working Party on GATS [General Agreement on Trade in Services] Rules. The Services Council met on Monday and Tuesday. A meeting of the Financial Services Committee is set for Thursday morning, while the Specific Commitments Committee will meet that afternoon. On Friday, delegates will meet again to discuss domestic regulations, and to negotiate during a 'special session' of the Services Council. The next issue of Bridges Weekly will provide a more detailed update on the full week of meetings on services and trade facilitation.

ICTSD reporting; "EU, Brazil pressure US on Doha deadline," REUTERS, 5 October 2009; "Japan agriculture minister to meet this week with USTR, USDA," DOW JONES, 6 October 2009.

OTHER NEWS

Milk Crisis Continues as EU Ministers Weigh Response

As dairy farmers continued to pour millions of litres of milk onto their fields in protest, agriculture ministers from across the EU met in Brussels on Monday to discuss the recent plunge in milk prices that has stunned dairy producers. The lunchtime gathering, which was called by the Swedish government, was not intended to provide a final solution to the crisis. But the gathering did provide EU farm commissioner Mariann Fischer Boel with an opportunity to brief ministers ahead of a more formal meeting high-level meeting scheduled for 19 October.

In addressing ministers, Fischer Boel lamented that expectations of the meeting were too high and that they were unlikely to be met by the proposals offered. She described three proposals that would allow EU member states to pay individual dairy farmers €15,000 as a crisis measure, change rules on buying up milk quotas to raise prices, and include the dairy sector in existing European measures to address market disturbances. For the longer term, Fischer Boel said she would like to create a 'High-Level Group' of experts to make policy recommendations on the transition to reduced EC support on dairy.

European farmers were not satisfied with the outcome of the Tuesday meeting. The European Milk Board (EMB), the largest organisation of dairy producers in the EU, has repeatedly called for a 'reasonable dairy policy'. Sieta van Keimpema, Vice President of the EMB, told Bridges that European policymakers should bring the supply of milk into balance with demand, reduce production quotas, and otherwise overhaul the bloc's policies so that dairy farmers would not continue to lose 30 to 50 percent of their incomes, as they have since last year.

The EU's proposals attempt to address fundamental problems in the dairy sector. As such, the proposed 'High-Level Group' will be chaired by the EU Director-General for Agriculture and Rural Development, Jean-Luc Demarty, and will discuss the possibility of creating a futures market in dairy products, strengthening farmers' bargaining power in the supply chain, and implementing new policies to increase competitiveness, among other measures. The EMB commented that the involvement of farmers groups, such as itself, would be essential to finding solutions that are tenable to farmers.

It is unclear how the potential new emergency measures will affect the industry. But Van Keimpema of the EMB was not impressed with the proposal to allow member states to give farmers €15,000 each. "Every measure that is put back to national level is bad," she said, adding that "we didn't start EU [Common Agricultural Policy] to go back to national policy." Such a shift, she said, would unduly distort competition.

But Micheal Mann, spokesperson for EU Commissioner Fischer Boel, told Bridges that the Commission proposed the €15,000 figure because it was at a level that they deemed would help the farmers without causing too much disruption in the market.

The EU, which is engaged in an ambitious plan to reform its Common Agricultural Policy (CAP), has come under sharp criticism from some farmers for recently enacted cuts in agricultural support. According to the EMB, the decline in milk prices, which was triggered by both a strong euro and a fall-off in global demand, demonstrates

the EU's now-limited ability to shield farmers from volatility in international markets.

But European officials say their policies have had some positive impact. Citing the increase in average EU milk prices, which rose from 25 cents per litre in July to 26 cents in August, Fischer Boel declared that the EU's "measures are working!"

European farmers are members of one of the world's most subsidised and protected agriculture sectors. Earlier this year, under the threat of declining dairy and poultry prices, the EU reinstituted export subsidies to help farmers. However, under a draft trade deal now being negotiated at the WTO, the EU would have to phase out these measures by 2013. The current CAP reform process requires the EU to reduce quotas by one percent each year, and eliminate production quotas for dairy by 2015.

At WTO headquarters in Geneva, the EU's export subsidies came under heavy criticism from efficient agricultural exporters like New Zealand and Australia at a recent WTO Agriculture Committee meeting. Observing that world milk prices were stabilising and that the export subsidies were intended to be temporary measures, delegates from Australia and New Zealand questioned their European counterparts on why the export subsidies had not been removed. Brussels responded by suggesting that prices had not improved enough and that it would wait until they had. A delegate present at the meeting said she hoped that the continuation of European export subsidies did not mean that Brussels has begun to waver in its commitment to completing the Doha Round talks. But Mann declared that the reinstatement of export subsidies "does not in any way change our commitments."

Criticism of European export subsidies has also come from civil society. The measures are "ruining the structure [of dairy production] in other countries" as well as in the EU, says van Keimpema of the EMB. "This policy is bringing poverty in EU and the third world," she added, as European milk surpluses are being "bought by EU and dumped in third world countries... ruining farmers."

Export subsidies are one of the most contentious issues in agricultural trade policy, but European dairy production quotas are arguably far more important in determining prices within the trading bloc.

Marit Paulsen, the Swedish Vice-Chair of the Agriculture Committee and Member of the European Parliament, told Bridges that the 27-nation bloc needs short-term solutions that do not result in long-term problems. Perhaps more importantly, she called for an 'exit policy' from whatever strategies the EU eventually implements to address the milk crisis.

But milk production definitely has a future in the European Union, several observers commented, although it will continue to need the help of supportive government policies. Paulsen cautioned that "price volatility will be even greater in the future" and that the industry will require "further market based solutions such as favourable loans and mutual guarantee schemes." Mann pointed out that there will be "growing demand in the future" and that the EU was committed to the CAP reform process.

But for now, all observers are looking ahead to the meeting on 19 October, when ministers will decide which proposals they will implement. In the meantime, the Agriculture Committee of the European Parliament is expected to issue a non-binding opinion on the issue.

ICTSD reporting.

New Deal Could Slash Tariffs on Green Goods in OECD, China

Key players in the climate change puzzle are negotiating a deal that could eliminate duties on environmental goods in China and the 30 rich-country members of the Organization for Economic Cooperation and Development (OECD). The EU and the US are spearheading the closed-door talks in an attempt persuade China to make hefty emissions reduction commitments during December's climate talks in Copenhagen.

Reuters reports that the proposed deal would phase out import tariffs on goods such as wind turbines, renewables, and green technologies – excluding environmentally friendly hybrid cars – in the 30 OECD countries and China. There is no word on how this would affect trade with countries that are not a part of the deal.

Reuters quotes an unnamed EU diplomat as describing the talks to be at an advanced stage. "Brussels and Washington hope this could be one of the incentives needed to get China on board in the lead up to the Copenhagen climate change talks," the diplomat said.

Doha frustrating efforts on EGS

Many key businesses involved in environmental goods and services (EGS) say they are frustrated by the slow pace of Doha Round negotiations at the WTO. Several US companies have called on US President Barack Obama to pursue alternatives to help boost EGS trade.

And while the current deal suggests Washington is doing exactly that, the office of the US Trade Representative says that it remains committed to the Round. "We remain eager to move ahead with negotiations to eliminate tariff barriers on climate-friendly technologies and spur momentum on a larger WTO Doha package on environmental goods and services," said USTR spokeswoman Carol Guthrie.

Paragraph 31 (iii) of the Doha Ministerial Declaration calls for a reduction, or as appropriate, elimination of tariff and non-tariff barriers (NTBs) on EGS. However, because the mandate does not define environmental goods or indicate the pace, depth or sequencing of liberalisation vis-à-vis 'other' goods and services, WTO members are deadlocked over what environmental goods to liberalise.

Informal consultations and meetings of delegations have continued under the guidance Philippine Ambassador Manuel Teehankee. The next phase of work will therefore involve a more substantive examination of the different sectors or categories identified in earlier discussions, namely air pollution control, renewable energy, waste

management and environmental technology, among others.

China in position to profit from deal

Chinese manufacturing of the machinery needed to create renewable energy surged in recent years. The country is poised to become the world's largest producer of wind turbines this year and the its skyrocketing production of solar panels has triggered competition concerns among manufacturers in the West (see Bridges Trade BioRes, 18 September 2009, <http://ictsd.net/i/news/biores/55441/>).

China has been under immense pressure from developed countries to engage meaningfully at the fifteenth Conference of the Parties of the UN Framework Convention on Climate Change, scheduled to kick off on 7 December. The US and Europe maintain that as the world's largest polluter China should commit to significant carbon dioxide (CO₂) emissions cuts as a part of a new climate change deal.

For its part, China – and other developing countries – says the advanced state of global warming is the product of industrialisation in the West. As such, Beijing is requesting billions of dollars from developed countries to assist its adaptation to greener technologies.

The deal now being negotiated is thought to be an incentive to China, whose export-oriented economy could benefit greatly from slashed duties in strategic countries. "This deal would save Chinese exporters billions of euros and dollars and could form a large part of the overall package offered to Beijing to cut emissions," another unnamed diplomat told Reuters.

EU trade ministers approved the negotiations earlier this month. Sources told Reuters that an update on the duty discussions was released to member states on 6 October. If approved, officials say formal discussions between the OECD and China could move forward before the start of the Copenhagen conference.

While negotiations will be convened among WTO representatives, the deal would be external to the WTO process.

China is the only developing country now involved in the negotiations. However, there are reports that India and Brazil – also key countries in the climate change talks – have been contacted by Brussels and Washington as well, but observers say they are unlikely to participate.

ICTSD Reporting; “EU, U.S. Eye Green Goods Tax Pact In Climate Fight,” REUTERS, 29 September 2009.

WIPO Looks to Engage on Global Challenges, but How Much Can it Deliver?

The recent annual meeting of the World Intellectual Property Organization (WIPO) signalled the organisation’s eagerness to be at the centre stage of efforts to address challenges facing the global IP system. This year’s General Assemblies, which lasted from 22 September to 1 October, were chaired by Ambassador Alberto Dumont of Argentina. For the first time ever, the meetings included a high-level segment that brought together more than 40 ministers, who shared their perspectives and national priorities on the role of IP in economic growth and development.

In his opening statement, WIPO Director-General Francis Gurry provided an overview of the changes he has introduced in the organisation since assuming his post last year. He also discussed some of the ways that WIPO could address several of the global challenges facing the IP system, which is in the midst of a “long term trend of steady intensification in the use of intellectual property,” he said.

As a reflection of this trend, Gurry pointed to the increasing number of countries that are seeking to establish national innovation and intellectual property strategies. WIPO would “promote the greater use of these strategies as vehicles for the delivery of capacity-building activities,” he added.

Turning to the establishment of norms on intellectual property, Gurry appealed to member states “to find a balanced way forward.” “If

[WIPO] is to retain its relevance in rule-making ...It must be able to make rules both for the latest advances in technology and for traditional knowledge systems,” he said.

Agreement on traditional knowledge mandate after difficult negotiations

Traditional knowledge proved to be the most contentious issue in this year’s meetings. The Intergovernmental Committee on Genetic Resources, Traditional Knowledge and Traditional Cultural Expressions (known as the IGC) was not able to agree on its future mandate at its July session, leaving the matter to be decided at the Assemblies. Discussions in the IGC have been taking place for several years but have thus far not delivered any tangible results in terms of norm setting.

Against this backdrop, the African Group maintained that, under the committee’s new mandate, negotiations should move towards a “legally binding” instrument, a position supported by many Latin American and Asian countries. But developed countries were of the view that the mandate should not predetermine the nature of the instrument to be discussed. In the view of the United States, for example, the committee should simply “work towards a convergence of views.” For its part, the EU had submitted a proposal for a renewed mandate that included the adoption by the General Assembly of a declaration on the value of traditional cultural expressions and genetic resources and their protection against misappropriation.

After intense consultations, a compromise was finally reached in which the IGC would undertake “text based negotiations” with the objective of reaching agreement on an international “legal” instrument (or instruments) that would ensure the effective protection of genetic resources, traditional knowledge, and traditional cultural expressions. The 2011 session of the General Assembly would then decide whether to convene a diplomatic conference on the matter.

Gurry described this as “a real step forward” for the organisation and member states expressed their satisfaction to see that consensus was finally reached. Some observers wondered about the

practical significance of the renewed mandate, pointing out that ultimately only the political will of all countries could lead to the conclusion a legally binding international instrument. After all, such observers noted, the convening of a diplomatic conference has eluded other norm setting issues for years, as in the case of the broadcasting treaty.

Implementation of the Development Agenda: A Key Priority

Many delegations stressed in their interventions that the implementation of the WIPO Development Agenda should be a key priority for the organisation. In this regard, Gurry called for a “collaborative effort and engagement on the part of the member states and the secretariat to achieve a more ambitious implementation.”

“We need to identify and execute projects that make a difference, and that are not just a continuation of standard technical assistance under another guise,” he added.

In his statement, the Brazilian Ambassador underlined that “a key element to strengthening the role played by WIPO is to make progress in the implementation of the Development Agenda.”

The EU reaffirmed its commitment to the implementation of the WIPO Development Agenda (DA) recommendations and indicated that progress had been achieved in the Committee on Development and Intellectual Property (CDIP), which proved the ability of member states to “build common ground.” The United States did not make any specific mention of the WIPO Development Agenda in its general statement.

Many countries, particularly developing countries, emphasised the need to agree on a mechanism for coordination, assessing, monitoring and reporting on the implementation of the DA recommendations and to ensure adequate budgetary resources for such implementation.

Developing countries also highlighted the relevance of the WIPO DA principles in different areas of work of the organisation, in particular in relation to any reform of the Patent Cooperation Treaty (PCT).

More broadly, some countries flagged the need for institutional reform for WIPO to effectively deliver the changes required by the Development Agenda. In this regard, the Deputy Minister of Trade and Industry of South Africa suggested that WIPO’s mandate “should be revisited in order to align it properly with the broader objectives of the United Nations.” Egypt called for consideration of “institutional reform of WIPO that encompasses its governing bodies and the various committees, including substantive committees, in a comprehensive framework that reflects the active participation by developing countries.”

Addressing Global Challenges: Yes, but How?

Member states, in general, welcomed WIPO’s growing engagement on global policy challenges, such as climate change, public health and food security. However, it was not clear what that engagement should look like, given the diversity of views on the appropriate responses to these challenges, including within and between different United Nations agencies where intellectual property has emerged as a contentious issue.

In this regard, the Deputy Minister of Trade and Industry of South Africa stressed that UN agencies dealing with development issues should harmonise their work on intellectual property.

Climate change illustrates the difficulties facing WIPO’s leadership. On one hand, the organisation wishes to affirm the centrality of its role in addressing global challenges. But at the same time, WIPO can only provide policy responses that will be widely supported by its membership.

In an interview with the Financial Times in March 2009, Gurry stated that “WIPO does not want to “wait passively” for climate change technology to become mired in the kind of acrimonious public debate that has beset pharmaceutical patents.” He also mentioned plans to explore the possibilities of creating an “open innovation” platform where companies would pledge to licence green technologies “on fair, reasonable and non-discriminatory terms.”

At the WIPO Conference on Intellectual Property and Public Policy Issues last July, Gurry's presentation was confined to a classical view of the role of the patent system in facilitating technology dissemination and did not refer to the suggestions previously mentioned.

In his opening statement to the Assemblies, Gurry insisted that intellectual property would not serve as an obstacle to technology transfer as countries struggle to reduce greenhouse gas emissions. "Intellectual property has a very positive contribution to make to our efforts to develop green innovation," he said.

Such mixed messages reflect the need for member states to provide guidance on the exact terms under which WIPO should engage, in coordination with relevant multilateral bodies, in order to deal effectively with these global policy issues.

ICTSD reporting; "UN agency targets clean technologies," THE FINANCIAL TIMES, 5 March 2009.

Housekeeping Keeps WTO Ag Delegates Busy

Discussions on creating schedules for commitments kept WTO agriculture delegates busy during the last week of September. Although the discussions were largely technical, a cloud that has recently been hanging over the scheduling talks has lifted. Officials have "laid to rest" the idea of 'skipping modalities' in the farm talks, meaning that they will continue to negotiate a broad framework deal instead of jumping straight into the nitty gritty of finalising tariff line schedules and other commitments.

In the run-up the full WTO ministerial meeting set to begin on 30 November, the chair of WTO farm talks, Ambassador David Walker of New Zealand, has decided to address some housekeeping issues, such as scheduling, that need to be resolved before a final agreement can be reached.

At the meetings last week, members discussed proposals from Uruguay, the United States, and the Cairns Group of agriculture exporting countries. In the proposal put forward by Uruguay, the country laid its vision for how the scheduling process should proceed. Delegates should first determine the data that would be needed for scheduling, the Uruguayan official said, and then set up a process of harmonising the information collected. Broad areas of negotiations would be examined in context to determine what information would be needed for members to comply with the 'modalities' – the broad outlines of a deal, which are now being negotiated – and members would then submit the data required. One official at the session offered an example: members could begin by selecting export competition and work together to determine what would need to be submitted by whom. The data submitted would then be subjected to a series of templates that would help ensure consistency.

Noting that some of the EU's 'notifications' to the WTO are dated, some delegates commented that the 27-nation European bloc presents a particular challenge for data consistency on subsidies and tariffs.

The proposal put forward by the US largely addressed market access, while the Cairns Group submitted detailed documents on areas of domestic support – the blue box, total aggregate measures of support (AMS), product-specific AMS, and overall trade-distorting support.

Officials agree that the committee will likely continue to focus on such technical work in the absence of a political breakthrough in the Round. In the coming week, chair Walker is expected to begin a series of consultations on sensitive products and other market access areas to gauge the membership's standing on those issues.

'Regular' meeting addresses transparency, China

While the recent negotiating sessions have kept delegates busy, the officials have not neglected the committee's 'regular work'. On that front, trade officials met on 24 September to continue their efforts to increase information transparency among members. The meeting also included a

customary segment in which members could ask each other questions about recent actions on subsidies and market access. Over the course of that week, trade officials participated in a workshop on notifications -- members' obligations to inform each other through the WTO about the trade measures they implement under the organisation's agreement on agriculture. The workshop is part of a plan to improve notifications and access to notified information. Other implemented measures of the plan include a subscription page in the WTO website that allows the submission of documents by email, and a "transparency toolkit" now available in the public section of the WTO website.

China's annual transitional review, in which members analyse the country's role in agriculture, also took place during the meeting. The review is required by under its membership agreement for the first eight years, and once more after 10 years. In the face of criticism from the US on its domestic support for pork, China said that its agricultural sector was still developing and needed support. In response to a question about whether a value-added tax was discriminatory against imports, China argued that it was not, since imports and production for farmers' use are exempt from this tax.

The committee also heard a report on South Korea's decision to increase its rice imports. South Korea had previously been allowed to restrict imports on rice for 10 years (between 2004 and 2014), given the sensitivity of the product. But the Korean delegation reported that it has imported the full amount of rice every year since 2004 (except in 2007, due to a failure to fulfil a contract). Members then posed questions on the contents of notifications, particularly in the area of dairy exports subsidies. Australia and Argentina also urged members to keep their notifications up to date, citing examples of overdue notifications in China, India, and the EU, among others.

ICTSD reporting.

IN BRIEF

Colombia and Peru in Final Trade Talks with EU

Colombia and Peru are close to finalising a free trade accord with the European Union, officials said after their sixth and final round of negotiations, held in Geneva from 21 to 25 September. But despite recent progress, negotiators continue to clash in the talks on agricultural market access. The EU's banana tariffs remain a particularly delicate subject.

"The EU remains committed to concluding these agreements in mutual benefit," said Rupert Schlegelnich, Commissioner for Commerce in the European Commission. "This is something more than a trade agreement: it is part of the response to the crisis, and not part of the problem, as some are trying to make us believe," he added.

As of this most recent meeting, negotiators have almost reached agreement on trade in industrial goods and have made significant progress in the talks on intellectual property, services and health issues. The delegates have also broached questions related to biodiversity, sustainable development, and agricultural market access. At this point in the negotiations, the latter topic still requires more work, especially with regard to European tariffs on products like sugar and bananas.

"We are ever closer to reaching 100 per cent, but those smaller percentages that remain have a greater relative importance as far as the meaning of the agreement," Santiago Pardo, head of the Colombian delegation explained, according to a report from FIS.

The EU's treatment of banana imports, a long-standing sore point in Europe's relationship with Latin America, is the main obstacle in the negotiations. The debate is playing out simultaneously on two fronts: at the World Trade Organization in Geneva and in regional-level free trade talks between the EU and Central America, in addition to the talks with Colombia and Peru.

But in the regional talks, the EU position has remained static, as the 27-nation bloc says that it prefers to reach a deal on banana tariffs within the WTO. A preliminary (but not finalised) deal proposed during high-level WTO talks in July 2008 would gradually bring down banana import tariffs from €176 to €114 per tonne between now and 2014. But Colombia wants to reach agreement on a bilateral basis, and is looking for better terms than those set out in the preliminary agreement put forward last year. Colombia is the world's third-largest exporter of bananas, after Ecuador and Costa Rica.

Colombia and Peru took part in the most recent talks with the EU, but Ecuador, which participated in the previous round of talks, sat out this time, saying that it was not happy that the parties had abandoned the idea of negotiating a regional deal with the entire Community of Andean Nations (Bolivia, Colombia, Ecuador and Peru). Bolivia has stayed on the sidelines since the beginning of negotiations; the country says it strongly opposes the free trade talks with Brussels.

ICTSD reporting; translated and adapted from Puentes Quincenal, Vol. 6, No. 17; "Trade agreement with Colombia, Peru enters final stretch," FIS, 29 September 2009.

WTO IN BRIEF

Chair of IP Talks Challenges Members to 'Move Forward'

In a Friday-morning session that was open to the full WTO membership, Ambassador Trevor Clarke of Barbados, the chair of the intellectual property talks, briefed delegates on the negotiations on the establishment of a register for geographic indications for wines and spirits. The chair explained that he was trying to set an appropriate pace for the talks – one that would be steady enough to allow the group to keep in sight the goal of concluding the Doha Round talks by the end of next year – an objective that was set out by G20 heads of state last month – but not so brisk as to make members uncomfortable.

"I would like to challenge you to consider options to move forward ... when the time is right," Clarke said. But, he added, "I'm not here to push you beyond the brink, especially those of you who cannot swim."

The chair asked delegates to consider four questions for the next meeting: what minimum legal obligations would be acceptable for the register to facilitate the protection of GIs for wines and spirits; what significance national authorities should give the information in the register when making decisions on the registration and protection of trademarks and GIs; whether there are any other options for countries' participation in the register, other than mandatory and voluntary; and what kinds of special and differential treatment could be built into a GI register.

Delegates have been debating this issue since the launch of the Doha Round in 2001, but the talks are still marked by deep differences of opinion. Historically, the main points of disagreement have been over participation in the register and the consequences and legal effects of registration. Members such as the EU want all WTO Members to participate. But others, including Argentina, Australia, Canada, and the US, argue that participation in the system should be voluntary.

Significant progress in the talks is certainly possible before the end of the year, one delegate told Bridges, but "the pace of the [IP] discussions depends on the overall pace of the Round," he added. The negotiations on agriculture and industrial goods are widely considered the linchpins of a final agreement; without them, the talks would go nowhere.

Intellectual property negotiators will meet formally on 23 October and again five days later, after the conclusion of the TRIPS Council meeting, which is set for 27 and 28 October.

ICTSD reporting.

EVENTS & RESOURCES

Events

Upcoming Events: 7-14 October

8 October, London, UK. **IMPROVING MARKETS AND INSTITUTIONS.** An African green revolution - and even significant local advances in farm productivity - requires well-functioning agricultural markets. This includes market rules and market access, institutions for finance and contracts, and action on shared land-water issues, input and output delivery. This meeting will look at how African agricultural markets and institutions respond to emerging challenges, whether these issues are local, and how international involvement (donors, business) may help or hinder. For online registration and more information, please visit <http://www.chathamhouse.org.uk/events/view/-/id/1299/>

13-14 October, Washington, DC, USA. **GLOBAL SERVICES SUMMIT.** The Global Services Summit 2009 will raise the political and public profile of services by bringing together the key policy makers, thinkers, and stakeholders who can represent and advance services trade around the world. The meeting will also seek to generate support for a trade policy that recognises the central role that services play in economic growth and development. United States Trade Representative Ron Kirk will make the keynote address at this event, which will consider the role of international trade and investment in services in generating innovation and renewed economic growth, and strategies to obtain those benefits through a variety of initiatives. Register online and find more information at <http://uscsi.org/ServicesSummit2009.html>

12-16 October, Geneva, Switzerland. **UNECE TIMBER COMMITTEE WEEK.**

The Timber Committee Week will focus in particular on the impacts of the economic crisis on the forest sector and the opportunities for the sector's recovery and long-term development through its enhanced contribution to a green economy. Like many other sectors, the forest sector in UNECE countries has been badly hit by the economic crisis, which caused falling prices, reduced income, mill closures, job cuts and budget reductions. Yet the forest sector can make a significant contribution to the global effort to address both the socio-economic crisis and growing environmental challenges. The sector has strong potential to contribute to a greener economy and a more sustainable society by promoting the sustainable use of wood for wood energy, green building and other green products and services. For more information and to register, please visit <http://timber.unece.org/index.php?id=125>

WTO Events

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

7 October: **COUNCIL FOR TRADE IN GOODS**

7 and 9 October: **TRADE POLICY REVIEW BODY – CHILE**

8 October: **COMMITTEE ON BUDGET, FINANCE AND ADMINISTRATION**

8 October: **COMMITTEE ON TRADE IN FINANCIAL SERVICES**

8 October: COMMITTEE ON SPECIFIC COMMITMENTS

9 October: WORKING PARTY ON DOMESTIC REGULATION

9 October: COUNCIL FOR TRADE IN SERVICES - SPECIAL SESSION

12 October: COMMITTEE ON TRADE AND DEVELOPMENT

12 October: COMMITTEE ON TRADE AND DEVELOPMENT - SESSION ON AID FOR TRADE

13 October: WORKING GROUP ON TRADE AND TRANSFER OF TECHNOLOGY

Other Upcoming Events

14-16 October, London, United Kingdom. FIFTH INTERNATIONAL FORUM ON ILLEGAL, UNREPORTED AND UNREGULATED FISHING. This conference, hosted by Chatham House, will bring together experts and policy-makers working on issues related to illegal fishing from around the world to explore the latest initiatives, regulations and research in fisheries governance and trade in illegal fish products. Building on the success of previous meetings, the agenda will contain sessions on the new EU IUU fishing regulation, the economic implications of IUU fishing, addressing IUU fishing in Africa and the Asia-Pacific region, controlling & monitoring IUU fishing and fisheries governance. To kick off the conference, Chatham House and WWF will be hosting a screening of the film "The End of the Line: How Overfishing is Changing the World and What We Eat" on 14 October from 6.00 to 8.30 pm at Chatham House. The film will be followed by a discussion with panellists from industry, government and civil society. The Forum and film screening are open to all. However, pre-registration is

essential and must be received by Friday 2 October to guarantee admission. To register, please contact Tim Eaton at tea...@chathamhouse.org.uk and let us know which event(s) you would like to attend. More information on the forum is available at <http://www.chathamhouse.org.uk/events/view/-/id/1218/>.

22-23 October, Washington DC, USA. DIALOGUE ON FORESTS, GOVERNANCE, AND CLIMATE CHANGE. Jointly organised by Chatham House, the Rights and Resources Initiative and the World Resources Institute, this is the second in a series of meetings aiming to promote learning and frank discussion on the key issues facing forests and forest communities as the world scales up efforts to mitigate and adapt to climate change. The meeting will focus on the international implications of the Waxman-Markey bill now working its way through the US Congress, as well as the preliminary steps by the UNREDD and FCPF to establish REDD Readiness in developing countries to date. The meeting is open to all, and there is no charge for admission. However, preregistration is essential, and you must register by the end of Friday 15 October to be guaranteed admission. To register, please send your name and affiliation to climateforest.registration@chathamhouse.org.uk

22-24 October, Geneva, Switzerland. GLOBAL CHALLENGES AT THE INTERSECTION OF TRADE, ENERGY AND THE ENVIRONMENT. The conference will consider how trade rules may increasingly impact firms in the energy industries as well as manufacturers of energy-intensive traded products and providers of cross-border energy services. Topics to be covered at the conference include import, export and production restrictions on energy goods and services; energy transport and transit rules; environmental policies and their

impacts on energy trade and investment; and energy subsidies and pricing. There is no charge for attending the conference, but advance registration is required by 19 October. The Centre for Trade and Economic Integration (CTEI) at the Graduate Institute of International and Development Studies (IHEID), Geneva, has organised the event. Additional information about the conference, including the full program and instructions for registering, is available at:

http://www.graduateinstitute.ch/ctei/home/ctei_events/energy_conference.html

26-28 October, Geneva, Switzerland. THE 2009 BRIDGES CHINA DIALOGUE. CHINA AND GLOBAL SUSTAINABLE RECOVERY: TRADE, ENERGY CONSERVATION AND LOW-CARBON INITIATIVES. Against the backdrop of the current recession, China's economic and political landscape is of paramount importance in facilitating a speedy global recovery. The 2009 Bridges China Dialogue will bring together experts from government, business, academia and civil society organisations for an in-depth discussion and examination of China's market dynamics and policy implications with regards to a global sustainable recovery. For information on panels, speakers and attendance, please visit the meeting's website: www.bridgeschina.com

2-3 November 2009, Bangkok, Thailand. ASIA-PACIFIC TRADE ECONOMISTS' CONFERENCE. Under the heading "Trade-led growth in times of Crisis," the conference will be an opportunity for trade researchers and policy makers to discuss implications of the global economic crisis for trade in the Asia-Pacific region. The conference will feature panel discussions led by eminent trade specialists and presentations by researchers on a wide range of trade-related issues, including trade governance, trade facilitation, trade liberalisation in services, and trade and development. The conference will celebrate the 5th anniversary of the Asia-Pacific

Research and Training network on Trade (ARTNeT) and is organised by the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP), in collaboration with the International Development Research Centre (IDRC), Canada, the United Nations Conference on Trade and Development (UNCTAD), the United Nations Development Programme (UNDP) Regional Centre in Colombo, and the World Trade Organization (WTO). The conference brochure can be viewed at <http://www.unescap.org/tid/artnet/mtg/ARTNeT%20conference-1.pdf> with organizational details listed on the Conference website

http://www.unescap.org/tid/artnet/artnet_conference.asp. Please register by writing to artnetontrade@un.org (no registration fee).

24-25 November, Geneva, Switzerland. INTERNATIONAL CONFERENCE ON RISK ASSESSMENT AND MANAGEMENT. Risk permeates all aspects of life. A professional management of uncertainty is essential for the resilience and effectiveness of all organisations, be they governmental or business. The conference is organised to promote an exchange of experience on the use of risk assessment and management techniques in: technical regulations; standards; conformity assessment; accreditation; metrology; and market surveillance. The conference will benefit from input from academia, governmental authorities, international standards organisations, conformity assessment bodies and business associations. For more details, please visit http://www.unece.org/trade/wp6/documents/2009/2009_ConferenceRisk.htm

Resources

MISADVENTURES OF THE MOST FAVORED NATIONS: CLASHING EGOS, INFLATED AMBITIONS, AND THE GREAT SHAMBLES OF THE WORLD TRADE SYSTEM. By Paul Blustein. PublicAffairs Books, 22 September 2009. In this book, financial journalist Paul Blustein tells the story of how the WTO is sliding into dysfunction—which poses a new and grave menace to globalisation itself. In more than seven years of global talks, the WTO has struggled and failed to resolve contentious differences between rich and developing nations. Now, with a worldwide recession underway, Blustein maintains that the WTO's failure is contributing to a rise in protectionism—a sign that the world may not be so flat after all. Misadventures of the Most Favored Nations recounts, in vivid detail, how the high-stakes negotiations went awry. At risk, Blustein argues, is the fate of the system that for six decades has opened the global economy and kept it from splintering. For more information, and to purchase a copy, please visit: <http://www.publicaffairsbooks.com/publicaffairs-books-cgi-bin/display?book=9781586487188>

DISTORTIONS TO AGRICULTURAL INCENTIVES: A GLOBAL PERSPECTIVE, 1955-2007. Edited by Kym Anderson. World Bank, October 2009. The fifth and last volume in the Distortions to Agricultural Incentives series focuses on distortions to agricultural incentives from a global perspective. Distortions to Agricultural Incentives series brings together analytical narratives of the evolution over the past half-century of policy-imposed distortions to farmer incentives and food prices in 80 countries, drawing on a new, consistent set of estimates that spans 90 percent of the world's agricultural markets. The first two titles in the series focus on Europe's transitional economies and Latin America. Other forthcoming titles in this series will focus on Africa and Asia. Copies are available to purchase online at http://publications.worldbank.org/ecommerce/catalog/product?item_id=8612665. A lower rate is available for developing countries by contacting <http://publications.worldbank.org/discounts>

WHEN COOPERATION FAILS: THE INTERNATIONAL LAW AND POLITICS OF GENETICALLY MODIFIED FOODS. By Mark Pollack and Gregory Shaffer. Oxford University Press, May 2009. The transatlantic dispute over genetically modified organisms has divided two long-time allies, pitting a largely acceptant United States against a deeply suspicious European Union, and has developed into one of the most bitter and intractable conflicts in international law and politics. In this comprehensive analysis, Pollack and Shaffer trace the origins of the dispute in domestic European and American law and politics, identify the multiple obstacles to resolving the dispute in bilateral and multilateral fora, and explore the prospects for the global governance of genetically modified foods and crops. More information can be found at <http://ukcatalogue.oup.com/product/9780199237289.do?keyword=when+cooperation&sortby=bestMatches>