



# Bridges Weekly Trade News Digest

*Weekly trade news from a sustainable development perspective*

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Contributors to this issue of Bridges Weekly Trade News Digest© are Jonathan Hepburn, Ana Maria Kleymeyer, Thais Macedo, Paige McClanahan, Mahesh Sugathan and Marie Wilke. Editor: Paige McClanahan. Director: Ricardo Meléndez-Ortiz.

## LEAD STORIES

### Bangkok Climate Talks See Little Progress as December Deadline Nears

The most recent round of multilateral negotiations on climate change concluded last week in Bangkok, Thailand.

A stone's throw away, tropical storm Ketsana hit the Philippines, Vietnam, Cambodia and Laos; a tsunami rocked the foundations of Samoa; a 7.6 magnitude earthquake shook Indonesia; and a second typhoon collided into Parma, in the Philippines. Tens of thousands of lives were devastated in this cluster of developing countries as negotiators and observers discussed how to avoid the impact of disasters similar to these caused by the imminent – or perhaps not so – effects of climate change.

The two weeks of talks carried forward work initiated last month in Bonn, Germany where parties to the UN Framework Convention on Climate Change (UNFCCC) focused on two main tracks of negotiations: Kyoto Protocol discussions (AWG-KP) and a new climate deal (called the Ad-hoc Working Group on Long-term Cooperative Action or AWG-LCA). The latter is expected to generate a new international agreement under the UNFCCC to strengthen previously inadequate global efforts to address climate change.

Among the most contentious issues at the meetings in Bangkok was the question of the future of the Kyoto Protocol, the agreement that first established concrete targets for emissions reductions industrialised countries. A number of developed country parties have pushed for the Kyoto Protocol to be terminated after its first commitment period comes to an end in 2012. However, the agreement leaves open the possibility of subsequent commitment periods,

and the parties have spent the last year negotiating the details for a second such round of emission-cutting obligations.

### **Developing countries push for Kyoto extension**

But some developing countries are loudly protesting the potential end of Kyoto. These pro-protocol countries argue that the treaty should be continued because it represents the only concrete commitment that reflects the equitable responsibility of those parties to take the lead on climate mitigation. In these countries' view, a new agreement should simply complement the Kyoto Protocol by bringing the US on board and enhancing mitigation actions from developing countries through the provision of technology and financial support, as agreed under the UNFCCC.

"Please," requested the delegate of the Maldives, "do not kill Kyoto." His plea was joined by dozens of others. But another delegate reportedly noted that, considering the lack of progress in these meetings, the Kyoto Protocol already has one foot in the grave.

Those wishing to dispatch with Kyoto say that there is too much overlap between the two tracks and underline the need for more efficiency. They argue that the old agreement is inadequate as it does not include major economies like the US, China, and India.

This complex and heated debate – so fundamental to the international community's next step on climate change – has slowed the pace of the negotiations at a critical juncture in the talks: fewer than a dozen negotiating days remain before officials meet in Copenhagen to make a final push for a deal. Not all countries are ready to show their cards, which means that the negotiations have tended to focus less on how much countries will do and more on how the international system can help.

Broadly speaking, the eventual agreement will include a three-part package: a political framework, a financing package, and a series of practical steps announced by all major regions to begin cutting emissions. The political framework comprises a stronger commitment for developed

countries to cut their emissions sharply, complemented by some kind of agreement from developing countries to significantly increase their mitigation actions at home. The mitigation push will require a dramatic increase in the transfer and sharing of climate-friendly technology between developed and developing nations, including a robust financing arrangement.

### **Trade issues keep a low profile**

Several trade-related issues surfaced during the Bangkok talks, but on the whole they did not feature as prominently as they have in previous negotiating rounds. For the most part, the issues remained on the table without dramatic change. These include: the treatment of intellectual property rights (IPRs), as related to climate-friendly technologies; national measures, such as border tax adjustments; and sectoral approaches to addressing climate mitigation and adaptation, especially in the agricultural and energy sectors.

On the question of IPRs, a group of developing countries is asking rich nations to exempt clean technology from intellectual property rights so that developing countries can use such technology to cope with the adverse effects of climate change. They proposed the "use of the full flexibilities" in the World Trade Organization's Trade-Related Aspects of Intellectual Property Rights (TRIPS) agreement, including compulsory licensing, which some developing countries have applied to override patent-holders of life-saving drugs. But defenders of IPRs, including many developed countries and stakeholders from the private sector, argue that intellectual property rights are absolutely necessary for developing clean technology and maintaining a competitive environment in the sector.

In the negotiations on sectoral approaches, developed and developing nations continued to find common ground on agriculture. A small drafting group led by Uruguay and New Zealand put together some language that was annexed to the negotiating text and survived the final session.

A similar drafting group on bunker fuels – dirty fuel used in the shipping industry – facilitated by Egypt and Canada had a much rockier road. Critics of the initiative say that caps on bunker

fuels could undermine trade and tourism in developing countries, especially small island states. But bunker fuels are a major source of greenhouse gas emissions, and most countries agree that they require special treatment. Along similar lines, some countries have proposed a global agreement to address emissions from international aviation and maritime transport. Parties will continue to work on all sectoral approach issues at the next session.

The negotiating group that addresses cost-effective ways to mitigate greenhouse gas emissions is a key fault line in the negotiations. The group's discussions have been dominated by proposals for a global carbon market and sectoral crediting mechanisms tied to 'nationally appropriate mitigation actions' (NAMAs) for developing countries. Many industrialised nations, particularly the European Union, assert that a robust carbon market would be an efficient means to reduce carbon emissions. They further argue that the market is the best way to finance mitigation and adaptation in developing countries, as the amount of funds required for both far exceed what is available in public coffers.

Broad discussions on financing continue to evolve as parties attempt to shape a possible architecture for global climate finance. Opinions in this debate are divided over whether there will be a financing mechanism that consolidates governance under one institutional framework, or if the UNFCCC will help to coordinate and report on financing that takes place through various national, regional and international financial institutions worldwide.

The financing debates are vital to the success of the talks: until there is more clarity on how much developed countries are willing to contribute, there will not be significant movement from the major and other developing countries to agree to mitigation in any form. But instead of clarifying quantity or source, most industrialised countries are debating the governance and monitoring of eventual finance.

Donor countries repeatedly indicate that they wish to be able to direct their funding towards the issues of their choice. One particularly sensitive issue in this debate is whether developing countries will be required, expected, or allowed to

contribute finances voluntarily to whatever funds are provided

Border tax adjustments (BTAs), which emerged as a major issue of contention in the previous climate talks, were left almost untouched this session (see Bridges Weekly, 9 September 2009, <http://ictsd.net/i/news/bridgesweekly/54721/>).

The next meeting of the UNFCCC, set to take place in Barcelona from 2 to 6 November, will be the last chance for parties to carve out further consensus before the Conference of the Parties (COP) convenes in Copenhagen in December.

ICTSD reporting.

## OTHER NEWS

### Ag Chair Consults on Market Access; Banana Deal Reportedly Closer

Agriculture negotiators in Geneva met in small group consultations convened by the chair of the farm trade talks, Ambassador David Walker of New Zealand, amid reports of gradual convergence on the controversial issue of bananas.

Walker's small-group consultations are focusing this week on a set of market access issues, several of which were inter-related. These include the conditions under which members might be allowed to establish new tariff quotas (tariff quota creation); rules on the 'sensitive' products that importers would be allowed to shield from tariff cuts in exchange for expanded market access through quotas; tariff simplification; and tariff caps. The meetings followed discussions last week on domestic support, which focused on production-limiting blue box payments and on cotton.

The chair has told delegates that he plans to go through the draft negotiating text that was prepared last December by his predecessor, Ambassador Crawford Falconer, examining issues that are bracketed (indicating lack of consensus)

or annotated as requiring further work. Some members have cautioned, however, that the draft also contains unresolved issues that were not placed in brackets by Falconer.

Negotiators told Bridges that the next set of consultations were due to address outstanding issues regarding the 'special safeguard mechanism', which would allow developing countries to protect domestic producers by imposing additional duties in the event of a price depression or a sudden surge in import volumes. Disagreement over the safeguard was a critical factor in derailing the Doha trade talks in July 2008 (see Bridges Weekly, 7 August 2008, <http://ictsd.net/i/news/bridgesweekly/18034/>).

Walker has also invited all WTO members to participate in technical discussions over the data that governments will ultimately be required to provide when formally presenting their commitments as part of an eventual Doha deal (see Bridges Weekly, 7 October 2009, <http://ictsd.net/i/news/bridgesweekly/56535/>). Sources reported that members had discussed updating EU data to account for the bloc's expansion to 27 members, as well as issues such as how data on the value of countries' agricultural production could be verified.

At the same time, Geneva-based delegates indicated that there had been 'progress' in moving towards agreement on bananas, in an attempt to resolve one of the longest-running trade disputes in the multilateral system to date. The controversy has pitted mainly Latin American countries that do not receive EU trade preferences against those in the African, Caribbean and Pacific (ACP) region, which do. Reports indicate that the tentative deal that was struck in July 2008 could eventually be the basis of the accord (see Bridges Daily Updates, 28 July 2008, <http://ictsd.net/i/wto/englishupdates/14789/>).

Reportedly, members were close to resolving the question of when the new arrangement would become legally binding on the EU. Sources emphasised that any deal would need to establish how the WTO's Doha Round would provide faster liberalisation for 'tropical products', and slower and gentler liberalisation for products that have traditionally benefited from trade

preferences. Again, Latin American and ACP countries have disputed the products that should be subject to these provisions. ACP countries also cautioned that the agreement would also need to resolve outstanding questions regarding the amount of adjustment aid that the EU would provide to them.

Some insiders say that a deal may not be as imminent as recent rumours would suggest. Brussels is asking the Latin American countries to give up too much, a Geneva-based delegate explained. The source pointed out that the EU wants to condition the deal on approval from Washington, and on a satisfactory Doha Round outcome on preference erosion and tropical products for ACP countries.

Costa Rica, for one, has publicly rejected the proposed deal. "I don't feel close to an agreement," Costa Rica's trade minister, Marco Vinicio Ruiz, said earlier this week, according to a report in La Nación.

ICTSD reporting. "Comex rechaza versión de acuerdo bananero," LA NACION, 10 October 2009.

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## Services Talks Gear Up for November Sessions

While some negotiators in last week's services talks at the WTO showed a degree of enthusiasm for re-energising the process, in particular the negotiations on market access, others were more sceptical. Ultimately, however, the week-long talks resulted in little forward movement, sources said, as members largely repeated their long-standing positions.

But the latest cluster of services meetings, held at the WTO's Geneva headquarters the week of 5 October, was largely meant to lay a foundation for more substantive meetings next month, according to sources close to the talks. The director of the WTO Secretariat's Trade in Services Division, Hamid Mamdouh, said that last week delegates were focused on preparing "substantively, politically and mentally" for the next set of meetings, which are slated to take place over two

weeks, beginning on 2 November. WTO members will hold 'regular' talks during the first week of the cluster before diving into intensive negotiations covering a full range of services issues during the second week. Several delegates said that they expect that WTO members will hold a range of bilateral and plurilateral meetings on the sidelines of those intensive multilateral talks.

But officials indicated that the services talks could go nowhere in the absence of significant progress in other areas of the Doha Round trade talks – namely the negotiations on agriculture and industrial goods. Several services negotiators said they remain frustrated with the overall pace of the talks and the low levels of political support that have been given to their segment of the Doha Round negotiations. Services negotiators stress that the strong focus that has traditionally been placed on the negotiations on agriculture and industrial goods puts the services talks at a disadvantage. Unless political leaders signal a change in priorities, countries' commitments to open their markets to trade in services are unlikely to increase, officials said.

Discussions on the rule-making aspect of negotiations, specifically the negotiations on disciplines on domestic regulation remain complicated. During last week's talks a group of countries that included Australia, Chile, India and New Zealand expressed enthusiasm for resuming talks on rules before engaging further in market access negotiations. But the so-called 'demandeurs' – those countries looking to secure significant new market opportunities for their service providers – are in "no hurry" to conclude negotiations on said disciplines, one official said. Washington seemed particularly hesitant on that front. "The US said that discussions on that can be moved to next year," one delegate reported.

"We know that the biggest gains to the global economy are likely to derive from multilateral services liberalisation, but the offers on the table right now fail to deliver on that promise," US Trade Representative Ron Kirk said in a speech in Washington on Tuesday. "We have said flat-out that there will be no deal without a solid result on services which would result in new market opportunities, but we believe that a positive outcome is still achievable. So we will continue to

put forth new ideas that may help us to build a better outcome," he added.

But many developing country delegates say that if the domestic regulation talks get pushed back, they will not be ready to engage in the talks on market access, a key area of interest for most rich countries. In response to Washington's statement, a delegate suggested that the group "push the market access negotiations also to the next year." Since the onset of the financial crisis last year, many countries – developed and developing alike – have become more sensitive with regard to domestic regulation as well as broader issues covered by the Committee on Trade in Financial Services. Pakistan, for instance, has submitted a proposal for a closer examination of e-banking and respective regulatory mechanisms in the light of insufficient regulatory frameworks in developing countries.

During the G20 meetings in London and Pittsburgh earlier this year, convened in response to the economic crisis, political leaders reiterated their commitment to conclude the ongoing WTO Doha negotiations by 2010 to "maintain openness and move toward more sustainable growth." While the trade community appreciated these statements in the light of the stalling negotiations, negotiators now face the challenge to translate these statements into concrete processes and commitments.

But the services talks face at least two major barriers – a lack of political support for market access commitments and a dearth of enthusiasm among certain developed countries for the talks on domestic regulation. If delegates remain stuck on either of those fronts, next month's services meeting may fail to produce any tangible results, despite urgent calls for progress from even the highest levels.

ICTSD reporting.

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## Chirac, African Leaders Call for Action on Fake Drugs

Former French President Jacques Chirac and six African heads of state signed a declaration, titled "Call of Cotonou," on 12 October calling for an international convention to crack down on trade in fake medicines. The convention would impose harsher penalties for counterfeiting and strengthen manufacturing and distribution controls.

"Informal co-operation is not enough," said Chirac in an interview. "Fake medicines have become a real market that is poised to overtake that for narcotics. It is essential to mobilise all parts of society. An international convention ratified by the UN will provide a framework to attack criminal networks," he added.

The World Health Organisation (WHO) claims that 100,000 Africans are killed annually by counterfeited anti-malarial drugs, and another recent study found that about 60 percent of drugs sold in private pharmacies near the Thai-Cambodian border were fake or altered. Trade in counterfeited drugs is estimated by the WHO to be valued around US\$67 billion – representing roughly 10 percent of the pharmaceutical industry – while black market trade causes losses in government revenue.

"Developing countries, which often lack the capacity to stop counterfeit products from entering markets, are hit hardest. Unscrupulous counterfeiters take advantage of poverty, illiteracy and rural isolation to sell worthless products to innocent victims," Ban Ki-Moon, UN Secretary General noted in a statement. "We stand ready to work with other international agencies, non-governmental organisations, drug authorities, law enforcement bodies, the pharmaceutical industry, health professionals and consumer groups to protect the vulnerable from falling victim to this insidious and illicit trade," he added.

The declaration signed on Monday states that the production and sale of fake medicines is a crime that undermines public order. It also stipulates that the international trade in fake medicines is detrimental to peaceful relations among countries.

The declaration calls on states to adopt appropriate national measures against this phenomenon. It also calls on them to pursue policies of universal access to quality medication, in agreement with the Millennium Development Goals. It further recommends that quality generic medicines, particularly those on the World Health Organization's list of essential medicines, be made available to all.

"With this appeal, (they) vow to fight against the acceptance of the manufacturing and sale of fake pharmaceutical products," Chirac said of the leaders of Benin, Burkina Faso, Niger, Central African Republic, Congo-Republic and Senegal.

Finally, the Declaration calls on heads of state and government, leaders from international organizations, NGOs and the private sector to meet in Geneva in 2010 for an international conference aiming to define the basic principles of an international convention to fight fake medicines.

The Cotonou Declaration is the latest in a series of initiatives aimed at combating counterfeit medicines at the international and regional levels. The Council of Europe has also recently prepared a convention to address counterfeit medical products.

Several health NGOs have expressed their concerns that some of these initiatives do not distinguish adequately between fake medicines (products that look like a legitimate product but are not that product as a result of trademark infringement and deliberate criminal activity); substandard medicines (the product of a legitimate drug producer that does not meet the standards set by the relevant drug regulatory authority); and generic medicines (legitimately produced medicines that contain the same active ingredients as the original brand name product and will have the same effects but are not made by the company that first developed and often patented the drug). During past year, generic drugs in transit have been temporarily detained in some developed countries, in the context of the fight against counterfeit drugs, reinforcing such concerns.

ICTSD reporting; "African leaders, Chirac attack fake drug trade," REUTERS, 12 October 2009;



“African leaders agree to fight against fake drugs,” AFRIQUE EN LIGNE, 12 October 2009; “Chirac demands tough action on fake medicines,” FINANCIAL TIMES, 12 October 2009.

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### **CTE: Chair Calls for Members to Submit Specific ‘Environmental Goods’**

Trade officials made slow progress toward liberalising trade in ‘environmental goods’ at the most recent meeting of the WTO’s Committee on Trade and Environment (CTE).

At the informal special (negotiating) sessions of the CTE, which took place on 24 and 25 September, the Committee chair, Ambassador Manuel Teehankee of the Philippines, invited WTO members to table submissions on specific environmental goods before the next round of CTE special sessions scheduled for two or three days during the week of 16 November, including those that would be targeted as part of a ‘request-offer’ process.

Members were also invited to submit concrete proposals on how the committee might address cross-cutting or development-related issues, such as technology transfer, special and differential treatment, and technical assistance and capacity building. On Paragraphs 31 (i) and (ii) – the sections of the Doha Declaration that deal with the relationship between WTO rules and multilateral environmental agreements – the chair also suggested that members should start preparing for text-based negotiations in upcoming meetings in November and in February of next year. The chair proposed to continue consultations and discussions on environmental goods liberalisation (Paragraph 31 (iii)) in the upcoming meetings. The secretariat will start preparing a compilation document based on the submissions received from WTO members.

But according to a developing country trade delegate, not all WTO members appeared ready or willing to start tabling product-specific proposals. Argentina and India pointed out that besides the

‘list’ and ‘request-offer’ approaches, other proposals, such as the project-integrated approach were still very much on the table. But the chair reportedly clarified that the process he had suggested did not rule out alternative approaches to liberalisation.

A number of developing countries, including China, stressed that the CTE should also focus on the development aspect of the negotiations, in addition to questions regarding market access environmental issues, and technology transfer. Japan reportedly submitted a list for the November meeting that includes products such as electric cars and energy-efficient photocopiers. According to a trade delegate from the ‘Friends of Environmental Goods,’ group -- which is made up of Canada, the European Union, Japan, Korea, New Zealand, Norway, Switzerland, Taiwan and the United States -- the ‘Friends’ will shortly submit a convergence list of 153 environmental goods to be liberalised. (The list had previously been submitted informally.)

### **Brazil pins progress in environmental goods to other areas of talks**

Brazil also pledged to submit further details on how it thinks the ‘request-offer’ process would operate. A Brazilian delegate reiterated that the reduction of tariffs and non-tariff barriers on environmental goods would largely hinge on progress in the negotiations on agriculture and industrial goods. Given the lack of closure in those two areas of the Doha Round talks, Brazil reportedly stated that, at this point, it is not ready to subscribe to any deadlines for the environmental goods negotiations.

Additional liberalisation in environmental goods would be a positive step in the global fight against climate change, a Brazilian delegate said, and it would also support the development goals of the Doha Round of trade talks. The outcome of negotiations on environmental goods would have to allow sufficient policy space for developing countries to set up policies to create or enhance their environmental industries, the delegate added. Last week, Brazil circulated a ‘non-paper’ outlining a procedure for the request and offer in environmental goods. It consisted of a nine-step process including presentation of initial requests,

presentation of initial offers, a two-week period of negotiations following presentation of initial offers a collective evaluation meeting, and a presentation of final schedules.

ICTSD reporting.

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## IN BRIEF

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### Large Informal Sectors Limit Trade Benefits in Some Developing Nations: ILO, WTO

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Developing countries with relatively high levels of 'informal employment' – below-the-radar jobs that are not subject to government laws or regulations – tend to experience fewer benefits from trade liberalisation, according to a new report from the World Trade Organization and the International Labour Organization (ILO). Informal employment creates poverty traps for workers in between jobs, the study concluded, and social protections and employment-friendly trade reforms are critical to helping countries fully benefit from open trade.

“By promoting complementarity between decent work objectives and trade, financial and labour market policies, developing countries are much better placed to benefit from trade opening, advance the social dimension of globalisation, and to cope with the current crisis,” said Juan Somavia, ILO Director-General.

The study also found that economies that are more liberalised tend to have lower levels of informal employment. Over the long term, trade opening generally strengthens countries' formal employment sectors, provided that governments implement employment-friendly reform policies.

“Trade opening needs proper domestic policies to create good jobs. This is all the more evident with the current crisis, which has reduced trade and thrown thousands into informal jobs,” said WTO Director-General Pascal Lamy.

Informal workers, who by definition do not pay taxes, lack access to government-run social programmes such as insurance and pension funds,

which means that they suffer a disproportionate blow when an economic crisis hits.

“The higher the incidence of informality, the greater the vulnerability of developing countries to shocks like the ongoing global crisis. Countries with larger informal economies suffer more frequently from shocks and experience lower sustainable growth rates,” the ILO and WTO said in a joint statement.

The absence of a social safety net also translates into lower levels of entrepreneurship and other forms of risk-taking in countries with large informal sectors, the study concluded..

But no two countries have the same experience: the interplay between trade openness, trade benefits and the informal sector hinges largely on “country-specific circumstances and the design of trade and domestic policies,” the study found.

Indeed, levels of informality vary widely from region to region. A handful of Latin American countries have rates as low as 30 percent, while some African and South Asian nations register levels of more than 80 percent.

More information

The report is available online at [http://www.wto.org/english/res\\_e/booksp\\_e/jobs\\_devel\\_countries\\_e.pdf](http://www.wto.org/english/res_e/booksp_e/jobs_devel_countries_e.pdf)

ICTSD reporting; “World's poor see few job benefits from trade boom,” REUTERS, 12 October 2009; “Informal jobs account for 93% of India's workforce: ILO,” THE TIMES OF INDIA, 12 October 2009.

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## WTO IN BRIEF

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### US Challenges EU Restrictions on Poultry Imports

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The United States has asked the WTO to set up a panel to determine whether European restrictions on imports of US poultry products violate the EU's commitments at the global trade body, the office of the US Trade Representative announced last week. Brussels – citing food safety concerns –



has long refused to accept shipments of poultry products treated with certain chemicals that are widely used in the US.

Slaughterhouses routinely rinse their meat products to reduce the risk of bacterial contamination. European regulations dictate that any meat that is sold within the EU – regardless of where the meat came from – can only be rinsed with water or an approved substance.

Slaughterhouses in the United States routinely use cleansing methods known as pathogen reduction treatments (PRTs), which the EU banned in 1997. When that regulation was imposed, it stopped imports of “virtually all US poultry,” according to a statement from the office of the USTR.

In 2002, Washington appealed to Brussels to accept four PRTs – chlorine dioxide, acidified sodium chlorite, trisodium phosphate, and peroxyacids – that had already been approved by US regulators. But European agriculture ministers rejected that request in December of last year, leaving the regulation unchanged.

“This rule is part of wider EU legislation ensuring a high level of safety throughout the food chain, from farm to fork,” the European Trade Commission said in a statement on Thursday. “We will defend our food safety legislation, which does not discriminate against imported products,” commission spokesman Lutz Guellner added.

But Washington says food safety concerns are misplaced. “The US poultry subject to the EU ban is safe,” said Nefeterius McPherson, a USTR spokeswoman. “There is no scientific evidence that the use of pathogen reduction treatments pose any health risk to consumers,” she added.

The WTO’s Dispute Settlement Body will consider Washington’s request for the establishment of a panel at its meeting on 23 October.

ICTSD reporting.

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## Tech Transfer Group Talks Food Production

Delegates participating in the WTO’s Working Group on Technology Transfer focused on agricultural productivity at a morning meeting on Tuesday.

The session featured a presentation from Andrea Sonnino of the UN Food and Agricultural Organization on the links between technology transfer and agricultural productivity. The ‘Green Revolution’ of the late twentieth century improved the livelihoods of several million farmers and significantly increase per-capita food availability, Sonnino said, but added that agriculture sectors will need more investments in research and development if farm productivity is to keep pace with growing global demand.

An Indian official intervened in response to the FAO presentation to point out that new technologies played a critical role in helping India boost its domestic food production dramatically since the 1940s, when the country was hit hard by the Bengal famine.

India intervened a second time to urge major developed nations to share their technologies, echoing calls that it and other developing nations have made several times in the Technology Transfer Working Group.

But such statements have borne no fruit, sources report. “No [rich] country has come forward with a substantive response,” one delegate said.

Participants in the working group do not negotiate; their sessions are instead meant to serve as a forum for discussion about the relationship between trade and technology transfer, one delegate explained.

The Technology Transfer group is not known for producing big results, and the group’s discussions usually attract little attention outside the WTO. The notion of sharing of technological breakthroughs between developed and developing nations has been the topic of intense discussions during recent climate change negotiations, but global warming is unlikely to come up in the

WTO working group's agenda anytime soon. "They will not allow us to raise climate, because it's outside the mandate," one delegate said.

ICTSD reporting.

## EVENTS & RESOURCES

### Events

#### Upcoming Events: 14-21 October

16 October, London, United Kingdom. THE NEW POLITICS OF NORTH AFRICA-EU ENERGY TRADE. As EU countries try to diversify their imports of gas and oil away from Russia, North Africa has become an attractive strategic partner. Yet the terms, potential and limits of this partnership remain fluid as complex political ties with individual EU states as well as with the EU itself come into play. Amelia Hadfield and Jon Marks will discuss how this relationship develops as the EU attempts to secure energy resources through governance initiatives as part of the European Neighbourhood Policy, and domestic drivers in countries like Algeria, Libya and Egypt affect relations with the EU. Issues will include North African country responses to EU policy demands, bilateral deals with EU member states that are influencing the direction of trade, and the implications of new pipelines and renewable energy links between the continents. Attendance is by invitation only and there are limited spaces. For more information, please contact Tim Eaton at <http://www.chathamhouse.org.uk/contact/email/-/cid/275/sn/1/eid/1314/>

20-21 October, London, United Kingdom. CARBON FINANCE 2009: NEW OPPORTUNITIES IN THE GLOBAL CARBON MARKETS. Carbon trading is booming and further explosive growth is anticipated as the US prepares for a federal cap-and-trade market. The panel of experts at Carbon Finance 2009 will bring attendees up-to-date on how the carbon markets are affecting trading, investment and project finance decisions around the world. The conference will involve various discussion panels on issues such as global carbon

markets policy, trading and pricing trends, investment opportunities, risk management strategies, among others. Registration is available online at <http://www.environmental-finance.com/conferences/2009/CF09/register.htm>

#### WTO Events

An updated list of forthcoming WTO meetings is posted at [http://www.wto.org/meets\\_public/meets\\_e.pdf](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.

15 October: COMMITTEE ON REGIONAL TRADE AGREEMENTS

15 October: COMMITTEE ON RULES OF ORIGIN

15 October: COMMITTEE ON TRADE IN CIVIL AIRCRAFT

15 October: COMMITTEE ON TRADE AND DEVELOPMENT – SPECIAL SESSION

16 October: COMMITTEE ON TRADE-RELATED INVESTMENT MEASURES

16 October: WORKING PARTY ON STATE TRADING ENTERPRISES

16 October: WORKSHOP NON-PREFERENTIAL RULES OF ORIGIN

19 October: COMMITTEE ON SAFEGUARDS

19 October: COMMITTEE ON IMPORT LICENSING

19 October: COMMITTEE ON BALANCE-OF-PAYMENTS RESTRICTIONS

20 October: COMMITTEE ON SUBSIDIES AND COUNTERVAILING MEASURES -

## SPECIAL MEETING FOLLOWED BY REGULAR COMMITTEE

20 October: COMMITTEE ON SUBSIDIES  
AND COUNTERVAILING MEASURES

20-21 October: GENERAL COUNCIL

21 October: COMMITTEE ON ANTI-  
DUMPING PRACTICES

### Other Upcoming Events

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 Lucy Ellinas at [climateforest.registration@chathamhouse.org.uk](mailto: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](http://www.graduateinstitute.ch/ctei/home/ctei_events/energy_conference.html)

26-27 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 sustainable 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. For information on panels, speakers and attendance, please visit the meeting's website: [www.bridges-china.com](http://www.bridges-china.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](http://www.unescap.org/tid/artnet/artnet_conference.asp). Please register by writing to [artnetontrade@un.org](mailto: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.unecce.org/trade/wp6/documents/2009/2009\\_ConferenceRisk.htm](http://www.unecce.org/trade/wp6/documents/2009/2009_ConferenceRisk.htm)

30 November – 2 December, Geneva, Switzerland. SEVENTH WTO MINISTERIAL CONFERENCE. This three-day gathering will be a regular gathering of ministers to engage in a broader evaluation of the functioning of the multilateral trading system. It is not intended to serve as a Doha Round negotiating session. The general theme for the discussions will be 'The WTO, the Multilateral Trading System and the Current Global Economic Environment.' For more information, please visit [http://www.wto.org/english/thewto\\_e/minist\\_e/min09\\_e/min09\\_e.htm](http://www.wto.org/english/thewto_e/minist_e/min09_e/min09_e.htm)

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## Resources

AGRICULTURAL SUBSIDIES IN THE WTO GREEN BOX: ENSURING COHERENCE WITH SUSTAINABLE DEVELOPMENT GOALS. The International Centre for Trade and Sustainable Development, October 2009. Current WTO requirements set no ceiling on the amount of green box subsidies that governments can provide, on the basis that these payments cause only minimal trade distortion. Governments are

thus increasingly shifting their subsidy spending into this category, as they come under pressure to reduce subsidies that are more directly linked to production. However, evidence suggests that green box payments can affect production and trade, harm farmers in developing countries and cause environmental damage. This information note summarises some of the findings of the forthcoming ICTSD book "Agricultural Subsidies in the WTO Green Box: Ensuring Coherence with Sustainable Development Goals", eds. Ricardo Meléndez-Ortiz, Christophe Bellmann and Jonathan Hepburn. To download the paper, please visit <http://ictsd.net/i/publications/56284/>.

CLIMATE AND TRADE POLICIES IN A POST-2012 WORLD. By the United Nations Environment Programme, 2009. This publication, a joint effort by UNEP and the ADAM project ("Adaptation and Mitigation Strategies: Supporting European Climate Policy"), provides a collection of short, forward-thinking articles by leading experts on the relationship between trade and climate change policies. The authors closely examine a number of timely trade and climate change issues, including the potential use of climate-related border adjustment measures and liberalising trade in climate-friendly technologies. The full publication may be accessed at <http://www.unep.ch/etb/publications/UNEP%20ADAM%20Climate%20and%20Trade%20Policies/UNEPADAM%20Climate%20and%20Trade%20Policies.pdf>

DO TRADING PARTNERS STILL MATTER FOR NIGERIA'S GROWTH? A CONTRIBUTION TO THE DEBATE ON DECOUPLING AND SPILLOVERS. By Kingsley Obiora. IMF Working Paper, 1 October 2009. Should policymakers still be concerned about their trading partners' economic growth? Have developing and emerging market countries decoupled from the US enough to grow despite significant recession in the US? This working paper addresses these questions for Nigeria in the context of the global crisis. The results seem to debunk the "decoupling theory" and suggest there are still significant spillovers from Nigeria's main trading partners, including the US, with trade and commodity price linkages being the dominant transmission channels. Given the sharp fall in

both trade financing and commodity prices in aftermath of the crisis, these results provide some explanation to the realisation of adverse second-round effects in Nigeria. For more information, please visit <http://www.imf.org/external/pubs/cat/longres.cfm?sk=23328.0>

**BENEFITS OF EXPORT TAXES.** By the Third World Network. September 2009. To ensure it can access a cheap supply of raw materials from developing countries, the European Union has been trying to discipline developing country use of export taxes and restrictions at the World Trade Organization and in its free trade agreements (FTAs), including economic partnership agreement (EPAs). Developing countries use export taxes today as a source of government revenue to encourage value added and infant industries, to attract foreign investment, to stabilise prices, to improve terms of trade, to deal with currency devaluations and inflation, and to address tariff escalation in importing countries. The paper provides a preliminary description of these uses of export taxes and gives examples and brief case studies, such as Indonesia's successful transformation into the largest plywood exporter in the world in a few years due to a combination of export taxes, export restrictions and government procurement of domestic plywood. To access this preliminary paper, please visit <http://www.twinside.org.sg/pos.htm>