



Bridges Weekly Trade News Digest

Weekly trade news from a sustainable development perspective

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LEAD STORIES

EU Resumes Trade Talks with Mercosur, Concludes Talks with Central America

The European Union made significant headway on opening up commerce with Latin America this week, re-launching talks with Mercosur, wrapping up trade negotiations with Central America, and signing deals with Colombia and Peru. Announcements on all fronts were made at a summit of European, Latin American and Caribbean heads of state, who met in Madrid from 17-19 May.

EU-Mercosur talks restarted

The European Union started negotiating a trade deal with Mercosur – the South American customs union made up of Argentina, Brazil, Paraguay and Uruguay – in 1999, but the talks froze in October 2004, when the two sides hit a stalemate on the liberalisation of agricultural trade. The Mercosur countries wanted the European market to be more open to imports of their farm products, but the EU, facing strong pressure from European farming lobbies, refused to yield.

Five and a half years later, negotiators will be picking up where they left off. The resumption of the talks has been a critical goal of Spain, which holds the rotating EU presidency until the end of next month. The first round of negotiations will be held in early July, at the latest, said European Council President Herman Von Rompuy.

If agreed, officials say that an EU-Mercosur deal would create one of the largest free trade areas in the world, covering some 750 million people. (In contrast, the North American Free Trade Agreement covers a population of roughly 450 million.)

But many European farmers are less than pleased that the talks will resume, and they have some strong supporters in capitals around Europe. Ten EU member nations – Austria, Cyprus, Finland, France, Greece, Hungary, Ireland, Luxembourg, Poland and Romania – issued a statement this month opposing the resumption of the negotiations. “The strategic agricultural interests of the European Union are clearly at stake,” they said.

France, which has historically been a strong supporter of government protections for European agriculture, appears to be especially sympathetic to farmers’ concerns. Addressing a meeting of the European Commission’s Agriculture and Fisheries Council, French Agriculture Minister Bruno Le Maire pointed out that when the EU-Mercosur talks were launched in 1999, Brussels vowed that the negotiations would move hand in hand with global trade talks at the WTO. The WTO talks are now stalled, with no end in sight to the political impasse, as the Mercosur negotiations pick back up.

The European Commission says it is entirely justified in resuming negotiations with the South American bloc. “The Commission has a mandate from the member states” to negotiate a deal, noted Antonie Kerwien, a press officer for the Commission, and “the timing question is” a separate matter. “It’s really just re-opening the talks,” she added. “It doesn’t say anything about when or if they will be concluded.”

Argentine President Cristina Kirchner appeared to have little sympathy for the concerns of the detractor EU member states. “Everyone knows the reason” why some European countries do not want the talks with Mercosur to resume, she said: they “fear for their subsidies.”

“We must tackle the concept of protectionism from all angles,” Kirchner added. “Many think it is tariffs paid in ports. But it is also subsidising production,” she said.

A region-to-region FTA would be a boon for economies on both sides of the Atlantic, officials said, although Mercosur countries would benefit the most. A deal would bring a 10 percent jump in Paraguay’s gross domestic product, a 2.1 percent

increase for Uruguay, 1.5 percent for Brazil, 0.5 percent for Argentina and 0.1 percent for the EU, Spanish Prime Minister Jose Luis Rodriguez Zapatero said at the summit. An EU-Mercosur deal would inject a total of US\$4.5 billion into the signatories’ economies each year, officials predicted.

EU-Central America trade talks come to a close

The Madrid summit also witnessed the official closing of trade negotiations between the EU and six Central American countries: Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama.

The region-to-region trade talks were launched in 2007 but hit a snag last year thanks to political unrest in Honduras. The EU effectively withdrew from the talks after a military coup in June unseated then-President Manuel Zelaya. But negotiations got back on track after Honduras held a presidential election at the end of November. Since then, the talks have moved apace.

Heads of state signed off on the “trade pillar” of the association agreement between the European Union and a group of Central American countries at a ceremony on 19 May. In a joint statement, leaders said that they had achieved “an ambitious, comprehensive and balanced” outcome.

The trade deal will include “100 percent market opening for industrial products on both sides,” the statement said. The agreement will also allow European cars to enter the Central American countries’ markets free of tariffs over a ten-year period. New quotas will be implemented for trade in beef and rice, allowing more of each product to enter the European Union.

The negotiations have closed, but the proposed deal must overcome several more hurdles before it can take effect – namely, it has to be approved by the European Council, the European Parliament, and legislatures in each of the Central American countries.

“It’s really difficult to say” when the deal might actually take effect, said Kerwien, the Commission

press officer. “The first thing the [European] Parliament has to vote on is the Korea deal,” she noted, referring to the free trade agreement with South Korea that has been signed but has yet to be ratified. “Once this has been done, we will see what the general mood is. If all goes well for Korea, I don’t think that there are major problems for Central America,” she said.

The summit also saw the official signing of EU free trade deals with Colombia and Peru. Negotiations on both of those agreements concluded in March.

ICTSD reporting; “EU and Mercosur agree to re-launch trade talks next July,” MERCOPRESS, 18 May 2010; “EU, Mercosur agree to resume free trade talks,” AGENCE-FRANCE PRESSE, 17 May 2010.

OTHER NEWS

US Climate Bill Strives for Broad Domestic Support

The most recent attempt at national climate change legislation in the United States surfaced last week as two senators – backed by a team of business and industry hot-shots – released the draft American Power Act (APA).

Previous climate bills have garnered some support either in the US Senate or the House of Representatives but have failed to achieve buy-in from a broad range interested parties. In contrast with earlier versions of climate legislation, the APA is lighter on costly carbon reduction strategies and heavier on incentives for those who have traditionally opposed forceful action to slash greenhouse gases.

The draft legislation, sponsored by Senators John Kerry (a Democrat) and Joe Lieberman (an Independent), aims to strengthen national action to address climate change while accelerating economic growth and creating jobs at home. The bill adopts economy-wide greenhouse gas (GHG) emission reduction targets and timetables similar

to the Waxman-Markey bill that was passed by the House in June 2009 (H.R. 2454, the “American Clean Energy and Security Act”).

Under the Kerry-Lieberman draft, the cap on GHG emissions would begin in 2013, one year later than it would take effect under Waxman-Markey. The upper limit would be set at a level equal to 4.75 percent below 2005 emission levels, with a 17 percent reduction below 2005 levels required by 2020, 42 percent by 2030, and 83 percent by 2050. Notably, these numbers maintain the goals that the US has put forward internationally within the context of global negotiations on climate change, thereby locking in their maximum possible contribution.

The bill proposes to phase in regulation of four sectors that are major contributors to GHG emissions —electricity generation, industrial operations, natural gas distribution, and petroleum-based fuels. It also lays out an offset programme that would grant polluters the right to accrue credits for reducing emissions beyond their targets, or to purchase credits when necessary.

The bill allows a maximum of two billion tons of offset credits to be made available to regulated sources. Offset credits are quantified reductions in GHGs that are generated by specific projects; firms or other actors who cannot reduce emissions in their own practices can purchase the offset credits to meet their regulatory requirements. Kerry-Lieberman states that a maximum of 500 million tons of the credits can be generated by projects outside the United States. The bill also imposes restrictions on the number of credits that can come from projects to reduce emissions by containing tropical deforestation.

Like Waxman-Markey, the APA allocates “allowances” – permits to pollute – to electric and natural gas local distribution companies, which then pass on the value to consumers. In addition, allowance allocations are directed toward a fund to help reduce the federal deficit; energy-intensive, trade-exposed industrial sources; merchant coal generators that retire their plants or switch to “less emissive fuels” like natural gas; and surface transportation infrastructure projects designed to

reduce GHG emissions. The bill's proponents hope that these allowances, and others like them, will help the draft legislation achieve broad support, especially among Republicans and senators from carbon-intensive states.

Border measure language toned down

The Kerry-Lieberman bill, like earlier attempts at climate legislation, would allow the use of "border measures," a tariff or other added cost on imports from countries that have not enacted strict regulations on emissions of greenhouse gases. In Kerry-Lieberman, the measures are veiled as an emissions permit reserve, contained in a section entitled "Job Protection and Growth - Protecting Manufacturing Jobs and Preventing Carbon Leakage." The authors of the bill explain that such measures are meant to help the US achieve "environmental objectives in the event that no global agreement on climate change is reached."

The legislation would create two programmes, one aimed at domestic producers and one aimed at foreign producers. For domestic producers from sectors covered by the APA's emissions trading regimes, the US Environmental Protection Agency would offer rebates to those firms most damaged by the costs of complying with the bill. In essence, this rebate would act as a subsidy for compliance to ensure that the bill does not hurt domestic firms' competitiveness.

For foreign producers from sectors covered by the emissions trading regimes of the APA, the Act would enable the president to establish an "International Reserve Allowance Program." The programme would create a reserve of emissions permits that foreign producers could buy if they wished to export their products to the United States. Unlike a straight "carbon tariff," which from a domestic perspective would be the equivalent of a "carbon tax," this regime would subject foreign exporters to (presumably) the same sectoral cap-and-trade regime that would govern the actions of US companies. In theory, the measure would treat foreign and domestic producers equally.

A number of conditions must be met before the International Reserve Allowance Program could

take effect. First, US President Barack Obama would have to authorise its creation. Second, there would have to be no comprehensive multilateral carbon regime; the presence of such an agreement would nullify the programme. Third, regardless of these other conditions, the programme could not be created until 2020 at the earliest, and not enforced until 2023. Fourth, the programme would only affect producers from countries with carbon regimes weaker than the US regime, as determined by the US president.

"This leakage of emissions and jobs has the potential to undermine both the economic and environmental goals of energy and climate legislation," said Leo Gerard, president of United Steelworkers, the largest union in the US. Gerard said border measures must be implemented to deal with "products from countries that do not share America's commitment to reducing greenhouse gas emissions through effective, meaningful and comparable policies."

The US House of Representatives passed its own draft climate legislation last summer. That bill also included a measure that would impose a form of "carbon adjustment" at the border, although the provision would not take effect until 2014.

Offshore oil: a sticky issue in US

The recent oil spill in the Gulf of Mexico has placed in question provisions in the APA that would allow for additional offshore drilling. Although the bill allows states to maintain a 120 kilometre buffer zone along their coasts, the risks of offshore drilling may result in changes to this section. President Obama pointed out that the recent spill highlights the need for major reform in national energy policies, adding that he hopes the climate bill passes this year. The Kerry-Lieberman draft legislation envisions a 40 percent reduction in foreign oil imports by 2030.

The bill also contains provisions for further development of nuclear power; incentives to retire coal generators and convert others to "less emissive fuels" such as natural gas and renewable sources; incentives for the transportation sector; and support for the development and use of Carbon Sequestration and Storage (CSS), a

technology that in effect pumps the carbon from coal and oil burning into the empty reserves created from initial extraction.

Reeling it in

Next steps for Kerry-Lieberman include an economic analysis from both the US EPA and the Energy Information Administration, followed by a Senate debate of the bill. Whether the bill will be able to attract the 60 votes that would be needed to break a Republican filibuster depends on many factors, including the response of the coal industry and the controversial issue of offshore oil drilling.

More information

An official 21-page summary of the bill is available at

<http://kerry.senate.gov/americanpoweract/pdf/APASectionbySection.pdf>.

The full 987-page American Power Act (APA) is available at

<http://kerry.senate.gov/americanpoweract/pdf/APAbill.pdf>.

The communiqué addressing the manufacturing sector aspects of the bill (including border measures) can be found at <http://kerry.senate.gov/americanpoweract/pdf/manufacturing1page.pdf>.

ICTSD reporting; “US unveils climate bill,” STRAITS TIMES, 13 May 2010; “Global Cap And Trade Decades Off, U.S. Unveils Plan,” REUTERS, 13 May 2010; “Industry welcomes US climate bill, but fears for manufacturing jobs,” BRIGHTER ENERGY, 13 May 2010; “After long wait, Senate takes up climate,” AGENCE-FRANCE PRESSE, 12 May 2010; “Kerry, Lieberman to end the suspense with climate bill rollout today,” CLIMATEWIRE, 12 May 2010.

WHO Meeting Tackles H1N1, MDGs, Intellectual Property

The 63rd session of the World Health Assembly (WHA), the annual meeting of World Health Organization (WHO), opened in Geneva on Monday. The meeting is examining a wide range of issues, including the organisation’s response to the H1N1 outbreak and the achievement of health-related Millennium Development Goals. Health ministers are also expected to decide on WHO’s future work in areas such as how to fund and coordinate health research, prepare for pandemic influenza, and stem the production of counterfeit medicines.

During this week’s discussion, delegates discussed lessons that can be drawn from last year’s outbreak of the H1N1 “swine flu” virus. Responding to criticisms that WHO had over-reacted, Dr. Margaret Chan, WHO Director-General, emphasised that “had things gone wrong..., we would have a very different agenda before us today.” She pointed out that the H1N1 outbreak was the most closely watched and carefully scrutinised pandemic in history. “It is normal that every decision and action, especially on the part of WHO, will likewise be closely scrutinised and critically assessed. We welcome this process,” she added.

Senegal and a handful of other countries mentioned the difficulties that African countries had in dealing with the H1N1 pandemic. There is a “need for equal and timely access to vaccines through transfer of technology and transfer of knowledge to allow countries to produce their own vaccines,” the countries said. Morocco echoed that sentiment, arguing that intellectual property rights (IPRs) “should not be monopolised” during an epidemic. However, Japan stressed that intellectual property “should be appropriately protected when developing vaccines and medical products, as it is essential to innovation,” the Japanese delegation said.

The achievement of health-related Millennium Development Goals also received much attention in interventions by health ministers as they looked ahead to the next MDG summit, which will be held in September in New York. Chan underlined

the need to “draw on every lesson, every approach, instrument, and innovative way of raising funds or collaborating together, from heads of state to civil society” to work toward achieving the MDGs within the next five years.

Delegates at the meeting also discussed access to vaccines and how drug makers around the world might be able to share influenza viruses to aid their research. In 2007, the WHA adopted a resolution that calls on member states to share, on equal footing, influenza viruses with pandemic potential. Since then, countries have clashed over the question of whether the sharing of benefits related to pandemic influenza preparedness should be mandatory or voluntary and how far Intellectual Property Rights (IPRs) should be enforced in this context.

Delegates agreed that the open-ended group examining this issue should continue its work in looking into the pertinent areas of disagreement. It also decided that the group should report to the WHA next year.

In discussions on the implementation of the Global Strategy and Plan of Action on Public Health, Innovation and Intellectual Property, the report of the Expert Working Group on Research and Development Financing generated much heated debate. The Working Group was established by the WHA in 2008 to look into new and innovative ways to fund and stimulate R&D for diseases that affect the world’s poorest nations.

Several developing countries – including Ecuador, speaking on behalf of South American countries, India, Brazil and Kenya – argued this week that the Expert Working Group had not appropriately implemented its mandate. According to these countries, the report did not place enough emphasis on the central issues of delinking the cost of research and development from the cost of treatment or the intellectual property rights dimension. According to India, the report “failed to capture the variety of problems that are linked to IP.”

Michelle Childs, Director of Policy and Advocacy for the Access Campaign for Médecins Sans Frontières, said that her organisation shared

concerns that insufficient attention was paid to “the need to de-link the costs of research and development from the price of health products.” “The criteria used to evaluate proposals did not take proper account of the relevant aspects of intellectual property rights,” Childs added.

Citing such concerns, a number of developing countries put forward a proposal to create a new intergovernmental working group that would take up the issues related to new and innovative ways to fund R&D under the Global Strategy and Plan of Action. However, this proposal was rejected by the EU, the US and Switzerland, who argued that such a committee could not be set up “without a mandate or expected outcome.”

The US mentioned that it “had no problem in the way the Expert Working Group interpreted its mandate,” which it said was “quite broad.” Japan also mentioned that it “appreciated an excellent report.”

No consensus was achieved the developing countries’ proposal. Informal discussions will be held through the remainder of this week to decide whether a new expert group should be formed or if an intergovernmental committee will be established.

The issue of counterfeit medicines will also be discussed later on during the week.

The WHA will close on 21 May.

ICTSD reporting.

IN BRIEF

Cameroon, EU Ink Deal to Combat Illegal Timber Trade

After 31 months of negotiations, Cameroon and the EU have signed a Voluntary Partnership Agreement (VPA) aimed at ensuring that only legally harvested timber from the West African country enters the European market. Once implemented, the VPA will apply to all wood products harvested or produced in Cameroon, one of Africa’s largest exporters of tropical hardwood.

Both government and civil society observers say that if implemented properly, the deal could end illegal logging in the heavily forested country. Cameroon has struggled with illegal and unsustainable logging for many years. From 1990-2005, 13.4 percent (3.3 million hectares) of the country's forest cover was lost.

Non-governmental organisations following the progress of the deal have praised the process of the negotiations for being "transparent" and "inclusive." Observers say the bilateral process sets an excellent example for future negotiations, but caution that transferring the good intentions on paper into practice will not be easy.

"The negotiation process in Cameroon has shown how well the Commission and country governments can work together," said Iola Leal Riesco of the Brussels-based green group FERN. "We must remember however that forests benefit from good implementation of good policies, not good policies alone."

The implementation date for the deal is set for 2012. When the VPA takes effect, all wood products exported from Cameroon to the EU will have to be accompanied by a license proving that they were legally obtained and that they were harvested in a way that retains the health of the nation's forests and gives benefits back to forest communities.

Stefano Manservigi, Director General for Development of the European Commission, says it's a win-win trade deal.

"As producers and consumers of tropical timber, Cameroon and the EU have a joint responsibility to eradicate illegal logging and related trade," Manservigi said in a press release. "This is good for Cameroon and good for European consumers, who remain as concerned as ever about climate change, which has forest degradation and illegal logging as one of its causes."

Civil society groups following the negotiations said the open process has been exceptional. The government of Cameroon has committed to making information publicly available, continuing independent monitoring of the forestry sector, carrying out legal framework reforms applicable to

the forestry sector, and including civil society in the implementation process.

"One of the strengths of this agreement lies in the fact that it clearly identifies the information that must be publicly disclosed," said Symphorien Azantsa, Coordinator of the Cameroon-based EC Forest Platform, an organisation that is closely monitoring the agreement.

Cameroon exported nearly US\$500 million worth of wood and wood products in 2006. Approximately 80 percent of the country's processed wood is exported to the EU, while 60 percent of its raw logs are shipped to China.

This is the third VPA to be signed in Africa in as many years. [Ghana signed an agreement](#) in 2008 and the Republic of Congo - also known as Congo-Brazzaville - [clinched a deal in 2009](#).

VPAs lie at the core of the European Forest Law Enforcement, Governance and Trade (FLEGT) Action Plan, the EU's response to a call for action at the 2002 World Summit on Sustainable Development in South Africa. Beyond VPAs, Brussels promised to require EU member states to purchase sustainable forest products, and to introduce a legislative measure discouraging the importation of wood from unknown - and thus, potentially illegal - sources.

There is currently no EU law preventing illegally harvested wood from entering the European market.

ICTSD Reporting; "Cameroon agrees to cut illegal wood out of its supply chain," MONGBAY, 10 May 2010; "Cameroon signs timber licence agreement with EU," TIMBER TRADES JOURNAL, 10 May 2010.

Malaysia Sees Possible WTO Case against EU Palm Oil Limits

Malaysia's minister of plantation industries and commodities, Tan Sri Bernard Dompok, has claimed that the EU's Renewable Energy Directive unfairly excludes palm oil from the European market. The minister made the statement at 3 May meeting that also saw the

launch of the Indonesia-Malaysia Palm Oil Group, a coalition of six Malaysian and Indonesian palm oil producer associations. The group aims to address concerns over the sustainability of palm oil production.

Dompok said he would seek legal advice from the WTO and consult informally with his Indonesian counterpart regarding the possibility of launching a WTO dispute to redress the situation. Under a new directive on renewable energy, which was adopted in 2009 and will enter into force by the end of this year, biofuels must make up ten percent of transport fuel in EU countries. However, the EU has put in place a system of checks and balances to ensure that these biofuels are sustainable.

Notably, biofuels entering the EU market must be at least 35 percent more carbon efficient than fossil fuels, and they cannot be derived from cleared forest or wetlands. In practice, these sustainability criteria would keep Malaysian and Indonesian palm oil off the EU market, while European rapeseed biodiesel, for example, would meet the criteria.

According to Dompok, the sustainability criteria represent green protectionism. Purboyo Guritno, Indonesian Palm Oil Association Chair, said his industry has been victimised by developed country environmental activists. “Indonesia and Malaysia must take a more proactive approach in protecting the growth of the oil palm industry that supports tens of millions of livelihoods,” he stressed.

The environmental claims of certified sustainable palm oil have been in question recently as Unilever, the world’s largest purchaser of palm oil, blacklisted two major Indonesian members of the Roundtable on Sustainable Palm Oil (RSPO) for engaging in “unsustainable” practices. While the oil is primarily used as an ingredient in food and detergents – products like margarine, cooking oil, soaps and shampoos – it is increasingly being used as a biofuel.

Nestlé, the world’s biggest food and nutrition company, has also made a move to promote palm oil sustainability. The Swiss-based firm announced this week that it has partnered with The Forest Trust, an international non-profit group, to help

the company achieve its goal of getting 100 percent of its palm oil from sustainable sources by 2015. As part of this initiative, Nestlé is promising to scrutinise its supply chains and enforce strict new standards.

“Nestlé’s actions will focus on the systematic identification and exclusion of companies owning or managing high risk plantations or farms linked to deforestation,” the company said in a statement posted on its website on Monday.

For years, several green groups have been campaigning against the palm industry, which they say destroys wildlife habitat, causes widespread forest loss and releases huge quantities of greenhouse gases into the atmosphere, primarily in Southeast Asia.

Together, Malaysia and Indonesia produce 85 percent of the world’s palm oil.

“Malaysia, Indonesia palm oil groups unite against critics,” AFP, 5 May 2010; “Indonesia, Malaysia seek WTO advice on EU biofuel policy,” REUTERS, 6 May 2010; “The EU must reshape its palm oil policies,” MALAYSIA STAR, 11 May 2010; “Move to have WTO’s ear on palm oil fight,” MALAYSIA BUSINESS TIMES, 13 May 2010.

WTO IN BRIEF

WTO Ag Talks in Limbo: Delegates Seek New Way Forward

With the WTO Doha Round of trade negotiations trapped in political limbo, senior officials are meeting on Wednesday and Thursday this week to try to map out a way forward for the troubled talks. But the cracks between countries’ visions of how to resolve the ongoing stalemate were also evident in a separate meeting on agricultural safeguard measures for developing countries, and in informal proposals on the negotiating process at the WTO.

Capital-based officials and Geneva ambassadors from around 19 countries with divergent interests

met on Wednesday at the EU mission to identify how talks should progress in the months ahead, sources said. One delegate familiar with the informal G-19 talks said that participants would be asking “What are the processes involved in the next stage, and what are the politics required to do it?” ahead of a ministerial level gathering on the margins of an OECD meeting next week.

The G-19 discussion follows talks held in late April among Brazil, China, the EU, India and the US. Developing countries at the April talks underscored the need to include a wider group of participants in order to ensure an inclusive and transparent process.

Argentina, China and India: more wide-ranging talks needed

Argentina, China and India have circulated an informal document that argues for more wide-ranging talks on the draft “modalities” – the outline Doha farm deal containing the formulas and figures for cutting tariffs and subsidies, and exceptions to them.

The co-sponsors claim that “there are a number of provisions which need to be clarified” in order to avoid differences of interpretation, listing some three dozen questions that in their view still need to be addressed. To date, the chair of the farm trade talks has focused discussion on ten categories of unresolved issues that are “annotated” or “bracketed” in the draft text – such as cuts to cotton subsidies, or the number of “sensitive products” that countries will be allowed to shield from tariff cuts in exchange for expanded import quotas.

The three countries behind the latest informal proposal suggest that technical talks need to go beyond these ten issues. They suggest that questions warranting further clarification include the cuts to overall trade-distorting support; cuts to trade-distorting subsidies in the WTO's “amber” and “blue” boxes; arrangements for eventually amending the current Agreement on Agriculture; the general formula for tariff cuts; sensitive products; and proposed disciplines on tariff escalation and tariff simplification, among other issues.

Special Safeguard Mechanism

Sources told Bridges Weekly that no significant progress was achieved in an informal small-group consultations on the special safeguard mechanism (SSM) – a tool intended to allow developing countries to defend domestic producers from surges in the volume of imports, or price depressions. Delegates from the G-33 developing country coalition that favours a strong SSM said they were disappointed that there had been almost no substantive discussion on technical submissions that they made earlier in the year, on flexibilities for small, vulnerable economies (SVEs) and on pro-rating the calculation of average import volumes so as to discount months in which safeguards had been imposed.

Sources also reported that Canada had presented an informal submission on the special safeguard mechanism at the meeting, with the support of Australia and other unspecified WTO members. Delegates familiar with the document suggested that it drew quite heavily on a technical submission from Australia that was circulated in December 2009.

ICTSD reporting.

EVENTS & RESOURCES

Vacancy

Trade Policy Adviser / Trade Policy Officer

The Office of the Chief Trade Adviser (OCTA) is being established to provide independent advice and support to the Pacific Forum Island Countries in the PACER Plus trade negotiations with Australia and New Zealand. OCTA is seeking to appoint one or more suitably qualified and experienced Trade Policy Adviser / Trade Policy Officer. The position will involve providing the FICs with timely and high-quality policy advice and briefings, assistance with national and regional consultations, and advice and other assistance to the Forum Island Countries in trade negotiation meetings. The application deadline is 18 June. For more information, please see

http://ictsd.org/downloads/2010/05/octa-trade-adviser_officer-job-advert1.pdf

Events

Coming up this week

20 May, Geneva, Switzerland. HARNESSING SCIENCE, TECHNOLOGY AND INNOVATION FOR DEVELOPMENT: CHALLENGES FOR DEVELOPING COUNTRIES. Discussions at this roundtable meeting will centre on the results of a recently published book entitled: *Latecomer Development: Innovation and Knowledge for Economic Growth*, by Banji Oyelaran-Oyeyinka and Padmashree Gehl Sampath. The roundtable will seek to foster a discussion on the main findings of the book and their relevance for policy discussions on innovation in forums such as UNCTAD, UNIDO, WHO and WIPO. To register, please send an email to abhattacharya@ictsd.ch. For more information, please see <http://ictsd.org/downloads/2010/05/ip-event-announcement.pdf>.

21 May, Montreal, Canada. ADVANCING THE FRONTIERS OF INTERNATIONAL TREATIES FOR SUSTAINABILITY. This event, hosted by the Centre for International Sustainable Development Law, will consist of two experts panels: "A New Access & Benefit Sharing Protocol: Aspects of Agreement in Nagoya," and "The Future of the Kyoto Protocol: Potential for Commitments in Cancun." For more information, please see <http://www.cisd.org/news.html>.

24-28 May, Punta del Este, Uruguay. THE FOURTH ASSEMBLY OF THE GLOBAL ENVIRONMENT FACILITY (GEF). The Assembly, held once every three to four years, is the governing body of the GEF, in which representatives of 177 member countries participate. It is a strategic opportunity for GEF stakeholders to meet, take stock, and collectively strengthen strategies and actions for protecting the global environment and achieving sustainable development. The Assembly will combine plenary meetings and high-level panels, exhibits, side events and GEF project site visits. Prominent

environmentalists, parliamentarians, business leaders, scientists, and civil society representatives and community leaders will discuss global environmental challenges within the context of sustainable development and other international development goals. More information can be found at <http://gefassembly.org/j2/index.php>.

26-27 May, Barcelona, Spain. AGRICULTURAL PRICE VOLATILITY: PROSPECTS, CHALLENGES AND POSSIBLE SOLUTIONS. The agricultural sector has been deeply battered by both the food and financial crises and faces a looming climate change crisis. This seminar will examine current and projected trends in prices, review past policy responses, examine policy options available today and arrive at pragmatic recommendations on addressing volatility in the future. The meeting is being organised by the International Food and Agricultural Trade Policy Council (IPC), the University of Barcelona, and the International Centre for Trade and Sustainable Development. For more information, or to register, please see <https://www.z2systems.com/np/clients/agritrade/event.jsp?event=834>

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.

20 May: Council for Trade in Goods

21 May: Council for Trade in Goods

24 May: Whit Monday (WTO non-working day)

25 May: Committee on Budget, Finance and Administration

26 May: Committee on Balance-of-Payments Restrictions

Other upcoming events

28-30 May, Bonn, Germany. **FIRST WORLD CONGRESS ON CITIES AND ADAPTATION TO CLIMATE CHANGE.** Jointly hosted by Local Governments for Sustainability, the City of Bonn and the World Mayors Council on Climate Change, Resilient Cities 2010 will offer an opportunity for participants to share the latest scientific findings, state-of-the-art approaches and effective programmes on climate change adaptation and resilience-building in cities and urbanised areas. Case examples of local adaptation practice will illustrate approaches and experiences. The conference aims at setting the direction for future planning of and investment in urban infrastructure. For more information, please see <http://resilient-cities.iclei.org/bonn2010/home/>.

6-7 June, Ho Chi Minh City, Vietnam. **WORLD ECONOMIC FORUM ON EAST ASIA: RETHINKING ASIA'S LEADERSHIP AGENDA.** East Asia's lead in the global economic recovery has been underscored by increasing regional economic co-operation, robust domestic consumption and coordinated government stimulus measures. Alongside the remarkable economic momentum and progress of China and India, ASEAN's market of 580 million consumers is moving towards economic integration by 2015. The programme for the 19th World Economic Forum on East Asia will explore the many facets of the region's rising economic influence, such as how high-growth economies can improve their competitiveness through developing innovation-driven, green economies. At the same time, the discussions will consider to what extent ongoing regional integration will serve as the basis for Asian leaders to assume a greater leadership role in global co-operation. For more information, please visit <http://www.weforum.org/en/events/WorldEconomicForumonEastAsia2010/index.htm>.

7-11 June, Stockholm, Sweden. **THE FIRST SESSION OF THE INTERGOVERNMENTAL NEGOTIATING COMMITTEE TO PREPARE A GLOBAL LEGALLY BINDING INSTRUMENT ON MERCURY.** The government of Sweden, on behalf of the Nordic Council of Ministers, will be hosting the first

session of the Intergovernmental Negotiating Committee to prepare a global legally binding instrument on Mercury (INC1). The goal is to complete the negotiations before the 27th regular session of UNEP's Governing Council/Global Ministerial Environment Forum in 2013. More information is available at <http://www.respoint.se/itp/event/inc1/9475;sessionid=C836E798F1295D75ED7A479552DE7304>

Resources

FREE TRADE OF PHARMACEUTICAL PRODUCTS: THE LIMITS OF INTELLECTUAL PROPERTY ENFORCEMENT AT THE BORDER. By Xavier Seuba, The International Centre for Trade and Sustainable Development, March 2010. Recent detentions of generic medicines in transit have revived long-standing tensions between the principles of free trade and those of intellectual property. In this context, this paper provides an in-depth analysis of the complex legal issues raised by European custom border regulations and their relationship with the GATT, the TRIPS Agreement and subsequent WTO instruments. For more information, or to download the paper, please see <http://ictsd.org/i/publications/74589/>.

OPENING MARKETS, CREATING JOBS: ESTIMATED U.S. EMPLOYMENT EFFECTS OF TRADE WITH FTA PARTNERS. The US Chamber of Commerce, May 2010. To show the benefits of America's trade agreements for US workers, the US Chamber commissioned a study entitled Opening Markets, Creating Jobs: Estimated US Employment Effects of Trade with FTA Partners. It found nearly 18 million U.S. jobs depend on trade with America's free trade agreement (FTA) partners — 5.4 million of which were created by the increase in trade unleashed by the agreements. For more information, or to download the publication, please see http://www.uschamber.com/publications/reports/100514_ftajobs.htm.

INTERNATIONAL TRADE STRATEGY APPROACH PAPER: BACKGROUND TO

THE STRATEGY AND ISSUES FOR DISCUSSION. The World Bank, 30 March 2010. This paper outlines issues to be addressed in the forthcoming World Bank Group (WBG) sector strategy paper on international trade, which will be developed through consultations with stakeholders in the coming months. The strategy will focus on helping countries use trade to support economic growth and poverty reduction. The note briefly assesses lessons learned from current and past WBG trade activities, proposes priority areas for the new strategy and mechanisms to enhance the effectiveness of WBG trade assistance, and describes the consultation process for preparing the strategy paper. Based on these consultations, a draft strategy paper will be prepared and circulated for review in summer 2010. The final paper is expected to be released in late 2010. The paper is available online [here](#).