



# Bridges Weekly Trade News Digest

*Weekly trade news from a sustainable development perspective*

Volume 14 · Number 25, 7 July 2010

## LEAD STORIES

- Political Paralysis Poisons WTO Agriculture Talks ..... 1
- Officials Seek to Ease Fears of Privacy Violations under ACTA..... 2

## OTHER NEWS

- WTO Environmental Goods Talks Focus on Climate ..... 4

## IN BRIEF

- Argentine Import Ban Complicates EU, Mercosur Talks ..... 6

## WTO IN BRIEF

- WTO Rules on EU Aircraft Subsidies; Boeing Claims Victory..... 7
- Private Standards, Mediation Cause Conflict at WTO Committee Meeting..... 8

## VACANCY: ICTSD

- Communicate with Global Policymakers ..... 9

## EVENTS & RESOURCES

- Events..... 10
- Resources ..... 12

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. Your support to BRIDGES and the BRIDGES series of publications is most welcome; if interested, please contact Andrew Crosby, Managing Director at [acrosby@ictsd.ch](mailto:acrosby@ictsd.ch) or (+41) 22 917 8335.

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 ([bridges\\_weekly@ictsd.ch](mailto:bridges_weekly@ictsd.ch)) or the director ([rmelendez@ictsd.ch](mailto:rmelendez@ictsd.ch))

Contributors to this issue of Bridges Weekly Trade News Digest© are Sofia Alicia Balaño, Trineesh Biswas, Jonathan Hepburn, Paige McClanahan and Joachim Monkelbaan. Editor: Paige McClanahan. Director: Ricardo Meléndez-Ortiz.

## LEAD STORIES

### Political Paralysis Poisons WTO Agriculture Talks

Paralysis at the political level continues to stymie attempts to move forward in the WTO Doha talks on farm trade, sources said this week, after a meeting on the controversial “special safeguard mechanism” for developing countries produced no further progress.

“We agreed that we’re not going anywhere” said one delegate familiar with the small-group discussion that took place on Tuesday. Others reported that the debate remains polarised between G33 members, which favour a more flexible safeguard so that developing countries can defend producers from import surges and price depressions, and developed and developing exporting countries, which favour tighter restrictions.

The unproductive exchange was a symptom of the broader political deadlock over Doha, sources said, with one negotiator mentioning the lukewarm endorsement of the trade talks at the recent G20 summit in Toronto.

The US has repeatedly argued that larger developing countries such as Brazil, China and India need to provide more access to their markets if a Doha deal is to be reached. At this point - nearly nine years into the trade round - both industrial goods and agricultural products remain critical sources of contention. However, these countries have resisted lowering tariffs and providing other commitments in the absence of further concessions from the US.

According to some delegates, the US has held bilateral talks with emerging economies to discuss their demands, although those meetings have not led to any meaningful breakthroughs in the talks.

One delegate warned that progress was unlikely as long as the US remains reluctant to engage with other countries on the basis of the latest draft negotiating text tabled by the chair of the farm talks at the WTO.

### **Data: G20 warning**

In the absence of progress on the outstanding negotiating issues in the Doha Round, the chair of the agriculture negotiations has focused negotiators' attention on the data that members will need to provide when scheduling their commitments when the farm trade talks eventually reach a conclusion. However, at a meeting on Tuesday, the WTO's G20 developing country group (not to be confused with the G20 world economic powers) warned against politicising what they said should be an essentially technical process.

Discussions on data, and the templates in which this data should be provided, should remain "a politically neutral exercise," the group emphasised, according to an informal submission seen by Bridges. The group also stressed that "the primary objective of the Agriculture negotiations is to complete the current Draft Modalities in Agriculture," in a reference to the latest draft text for a Doha deal, and warned that "template formats can only be finally completed when the ongoing substantive work on modalities is concluded."

The group proposed that a distinction be made between those elements of the talks in which the structure of the negotiations can be separated from its substance, and others in which it could not, because the "level of ambition" would be affected by whatever members agreed. A number of WTO members reportedly disagreed with the distinction drawn by the G20, including the EU and the G10 group of countries with highly protected farm sectors.

### **Senior officials discuss process**

Senior officials and ambassadors were due to meet on Wednesday and Thursday this week to discuss how the Doha talks should now move ahead, trade sources said. The cross-regional group of some two dozen countries first met at the end of

May, without taking any major decisions on next steps. The meeting was again due to be hosted by the EU and India, with a slightly expanded group of countries from the original gathering.

The chair of the agriculture negotiations, Ambassador David Walker of New Zealand, was also due to convene informal talks on tariff simplification on Thursday afternoon, to be followed by a "transparency" meeting open to all members the following day. Negotiators suggested that the consultations this week were likely to be the last informal agriculture discussions to be held at the WTO before the organisation closes for its traditional summer break over August.

ICTSD reporting.

---

## **Officials Seek to Ease Fears of Privacy Violations under ACTA**

Although controversy continues to dog a potential multi-country agreement on strengthening intellectual property enforcement, government negotiators made progress towards an accord during talks in Lucerne, Switzerland last week, and reaffirmed their commitment to work to conclude a deal as soon as possible in 2010.

The prospective "Anti-Counterfeiting Trade Agreement" has attracted controversy for a wide range of reasons, going well beyond the secrecy surrounding the talks. Critics charge that the terms being negotiated go well beyond what is necessary to target counterfeiting, and would create new intellectual property protections that surpass existing multilateral rules and upset the carefully constructed balance in the WTO's agreement on intellectual property. They worry that an ACTA deal could threaten internet freedom, access to technology, and the availability of affordable medicine in poor countries.

They also fear that the mostly developed countries negotiating the treaty will then try to foist their terms upon developing countries that have not been part of the negotiations.

Participating governments, which include Australia, Canada, the EU, Japan, Korea, Mexico,

Morocco, New Zealand, Singapore, Switzerland and the US, are taking increasing pains to respond to these concerns. To that end, on the first day of the negotiations, ACTA negotiators exchanged views with representatives of civil society at meetings hosted by the Swiss government.

The parties to the talks stress the importance of ACTA in establishing an international framework for their efforts to more effectively combat the proliferation of counterfeiting and piracy, which undermines legitimate trade.

Following the 28 June – 1 July talks in Lucerne, the participating governments issued a joint statement emphasising that while ACTA sought to establish “effective enforcement standards for existing intellectual property rights,” it was “not intended to include new intellectual property rights or to enlarge or diminish existing intellectual property rights.”

“ACTA will be consistent with the WTO Agreement on Trade Related Aspects of Intellectual Property Rights (TRIPS Agreement) and the Declaration on TRIPS and Public Health,” it continued, referring to two multilateral instruments that specify flexibilities in the protection of intellectual property that can be used for the legal production and export of cheap generic versions of patented drugs.

“ACTA will not interfere with a signatory’s ability to respect fundamental rights and liberties,” the statement added.

But digital rights activists and public health advocates will have to take the governments at their word for the moment: no draft text was released after the meetings in Lucerne. Intellectual Property Watch, a reporting service, quoted Swiss and European officials as saying that one delegation had blocked consensus on making the text public.

Participating governments said that negotiators made progress towards agreement on a number of areas including general obligations, civil enforcement, border measures, criminal enforcement, enforcement measures in the digital environment, international cooperation and institutional arrangements.

Based on an earlier draft of the treaty, an international group of academics, lawyers, and public interest organisations that met last month at American University in Washington concluded that governments’ claims of consistency with basic freedoms and existing multilateral rules did not hold water.

“Negotiators claim ACTA will not interfere with citizens’ fundamental rights and liberties; it will,” the group said. “They claim ACTA is consistent with the WTO Agreement on Trade Related Aspects of Intellectual Property Rights (TRIPS); it is not. They claim ACTA will not increase border searches or interfere with cross-border transit of legitimate generic medicines; it will. And they claim that ACTA does not require ‘graduated response’ disconnections of people from the internet; however, the agreement strongly encourages such policies.”

For instance, potential ACTA provisions would encourage online service providers to police the activities of internet users, by making access to “safe harbours” that would shield them from penalty conditional on meeting monitoring requirements. Moreover, these surveillance requirements, including the possibility for rights holders to obtain internet users’ identities, would happen without adequate oversight or due process, the group concluded. Customs authorities would be authorised to seize goods in transit on the suspicion that they are counterfeit, even when they do not infringe any laws of the producing or importing countries. This could include legal, non-counterfeit, generic drugs being shipped from one country to another. And the manufacturers of active pharmaceutical ingredients whose materials are used in mislabelled products without their knowledge could face legal liability – a disincentive from doing business.

Seizures of generic drugs in transit have been in the spotlight over the past year. India and Brazil recently initiated WTO dispute proceedings against the EU after several batches of medicines en route between the two countries were temporarily held by border officials in European ports. The medicines in question did not have patent protection in either developing country; they were, however, patent protected in the EU.

In general, the expert group faulted the draft ACTA text for upsetting the balance of international intellectual property law by introducing highly specific rights and remedies for rights holders without setting out related exceptions, limitations, and process safeguards for users.

It is possible that some of these concerns have been addressed in Lucerne. According to the statement released after the meeting, “participants reiterated that ACTA will not hinder the cross-border transit of legitimate generic medicines, and reaffirmed that patents will not be covered in the Section on Border Measures.” It also stressed that ACTA would not oblige border authorities to search travellers’ baggage or their personal electronic devices such as computers or iPods for infringing materials such as improperly procured MP3s or movies.

Nevertheless, it is clear that the countries participating in the ACTA negotiations are seeking to agree on issues that could not be agreed in multilateral negotiations because they were too divisive.

Michael Geist, a law professor at the University of Ottawa who is an expert on internet and e-commerce issues, said ACTA seeks to secure agreement on issues that WIPO members rejected in the 1990s, when negotiating agreements collectively known as the WIPO internet treaties. Speaking in Geneva on 28 June at a meeting on ACTA organised by Knowledge Ecology International and IQsensato, two civil society groups that work on intellectual property issues, Geist noted that several proposals in the ACTA text were “WIPO-plus.” They set out very specific prescriptions for the legal remedies that countries should provide to rights holders, say, to counter attempts to get around technological measures that protect works by limiting access to them. In contrast, the WIPO internet treaties left individual governments significant latitude to implement remedies in a manner they deemed fit.

ACTA, therefore, could have long term implications for countries’ flexibilities in implementing WIPO treaties, he said.

At the same meeting, negotiators from developing countries not part of the ACTA negotiations argued that ACTA could conflict with the TRIPS agreement, narrow countries’ ability to use TRIPS flexibilities, and overburden the limited capacity of government customs authorities. They fear that developing countries will come under pressure to apply more restrictive ACTA-type standards in the future.

In the WTO’s TRIPS council, several developing countries have raised similar concerns. Countries participating in the ACTA negotiations, on the other hand, insist that TRIPS is a minimum standard, and that ACTA, as an independent initiative, does not interfere with the WTO’s intellectual property rules.

The next round of ACTA negotiations will be hosted by the United States.

ICTSD reporting; “ACTA Negotiators Vow To Mesh With National-Level Rights; Withhold New Text,” INTELLECTUAL PROPERTY WATCH, 2 July 2010.

## OTHER NEWS

### WTO Environmental Goods Talks Focus on Climate

The WTO’s negotiations to open up trade in environmental goods and services saw solid progress last week, according to sources with knowledge of the 30 June and 1 July special session of the Committee on Trade and Environment (CTE-SS).

Progress was stimulated by a new proposal from Qatar that identifies specific tariff lines for environmental goods, a submission by Singapore that also identifies environmental products, a communication from Brazil on biofuels, and a joint proposal from Argentina and Brazil on special and differential treatment for developing countries. Climate-friendly goods – specifically those related to energy efficiency – continued to be at the heart of the various proposals.

Members appeared to be responding to the chair's request that members identify products of trade interest; several delegates stressed that this generated a positive atmosphere in the negotiations. Some delegates noted that there had been less progress on the most contentious issues — namely whether to use a list approach, a project approach, a request-offer system, or an integrated approach to identify environmental goods and services for liberalisation. Others, however, contend that such negotiations are too time consuming and would be better tackled after delegates have determined a specific basket of goods.

### Highlights of the meeting

The submissions by Brazil, Argentina, Singapore and Qatar were a continuation of contributions from countries like Korea and Taiwan that are outside the 'Friends of Environmental Goods' group. The 'Friends' group comprises Canada, the EU, Japan, Korea, New Zealand, Norway, Switzerland, Taiwan and the United States.

The joint proposal from Brazil and Argentina on special and differential treatment (TN/TE/W/76) attracted a fair amount of attention. The WTO agreements include certain provisions that accord developing countries special rights and privileges that are often referred to as "special and differential treatment" (or S&DT). The provisions generally allow the global trade body's poorer members greater flexibility in cutting their tariffs and subsidies. Exactly how this special treatment should be structured, however, is a matter of ongoing debate.

The Brazil-Argentina submission does not propose specifically how much smaller the tariff cuts should be for developing countries compared to developed countries. It does, however, outline a guideline that would offer developing countries longer implementation periods for the liberalisation of goods and services, although it does not precisely indicate how much longer the implementation periods for developing countries should be.

The Brazil-Argentina proposal also contains a clause that would require developing countries to provide importers of their products with

information about any subsidies they have provided to developers, suppliers and traders of environmental goods before the developing countries could qualify for any reduction or elimination of tariffs. One delegate stressed that it would be good to keep in mind that subsidies for the production of environmental goods are not the only subsidies that affect the development and diffusion of the products. Subsidies for fossil fuels, for example, might have a substantial impact as well.

In line with the submission by Argentina and Brazil on special and differential treatment, a number of delegations stressed the need for technical assistance and capacity building.

Singapore submitted a list of 35 environmental products in seven categories: waste management, air pollution control, noise pollution control, wastewater treatment, environmental monitoring, analysis and analysis equipment, renewable products and energy sources, and energy-efficient products. The list was based on Singapore's own trade data analysis — an approach that could be useful for determining the impacts of EGS liberalisation and that could help ease market-access concerns.

Saudi Arabia clarified that it would put carbon capture and storage (CCS) into its own category, separate from air pollution control, renewable energy, waste management and water treatment and environmental technologies. Saudi Arabia also added standards (conformity assessment, certification and labeling) and intellectual property rights to its list of non-tariff barriers.

### Less polluting fuels: environmental?

Brazil and Qatar made submissions on fuels (natural gas and biofuels) that are supposed to be cleaner than crude oil and coal.

Qatar's submission contains a list of gas to liquids (GTL), natural gas, CCS, gas flaring and fuel cell products. This submission complements Qatar's 2003 proposal (TN/TE/W/19) and identifies specific HS tariff lines at the 6-digit level and product descriptions of energy sources that are "relatively cleaner" than crude oil and goods that can be used to make fossil fuel production more

sustainable (both in terms of carbon dioxide and sulphur, nitrogen and other particulate emissions).

Interestingly, the Qatari proposal identifies components of these goods by ex-outing them from corresponding tariff lines. In the language of trade negotiations “ex outs” are goods that are not separately identified at the 6-digit level of the HS code and have to be identified in national tariff schedules at the 8- or 10-digit level.

In line with Qatar’s submission, Brazil’s proposal praises the climatic benefits of biofuels relative to traditional fossil fuels. Brazil also raises the issue of energy security through the use of biofuels. Thus, Brazil called for biofuels to be recognised as relevant goods for liberalisation under the EGS negotiations.

All submissions stated that they were without prejudice to the submitters’ positions on the specific items that would be included in any final coverage of environmental goods. Thus, the submitting members retain the right to add, withdraw or revise items in their submission or make appropriate proposals on other items. On the implementation side, a practical issue to be solved is the question of HS codes vs. ex-outs. Some delegates have indicated an interest in converting ex-outs into HS sub-headings for specific environmental or climate-friendly goods in the countries that have the required data and substantial trade in these products.

While ex-outs may make the negotiations more complicated, most members that have submitted product lists so far offer ex-outs in their proposals. However, one problem with ex-outs is that they can produce extra work for national customs authorities. It is unclear whether members that criticise certain ex-outs would be willing to liberalise the entire HS code that it falls under instead.

Some experts say that even if the codes are not harmonised, members might at least agree on common product descriptions of ex-out items to be liberalised and implement those tariff reductions in their national codes.

Looking ahead, members are expected to continue to revise different lists of environmental goods for

liberalisation. However, some delegates believe that it would be most efficient to start identifying a single list of specific goods that all members can agree on as a basis for further negotiations. Further technical discussions will be needed to identify the environmental goods more precisely.

The next CTE SS meeting is planned for the end of September or October this year.

ICTSD reporting.

## IN BRIEF

### Argentine Import Ban Complicates EU, Mercosur Talks

Allegations of an Argentine import ban against EU food products are continuing to generate tension between the European Union and Mercosur, South America’s largest trade bloc. The two parties met last week in Buenos Aires to discuss a potential EU-Mercosur trade pact, despite the opposition of some EU member states.

Argentina is currently under fire for allegedly imposing an informal ban on food imports – a subject that raised similar tensions between the South American country and its largest trading partner, Brazil, last month.

While there is no formal documentation of the ban, João Aguiar Machado – Deputy Director General for Trade at the European Commission – insisted at a 2 July press conference that the embargo does exist.

Argentine officials, however, deny that a ban is in effect. “I reaffirm that there does not exist any ban of any type of EU imports,” said, Minister of Industry Débora Giorgi, according to a report in the Argentine newspaper Clarín.

She also insisted that all trade measures being taken by the Argentine government fall within WTO rules and regulations. The Argentine government has warned, however, that it will



block imports that constitute “disloyal competition.”

Argentine Industry Secretary Eduardo Bianchi took an even stronger tone. “If there is anyone who is protectionist, that would be the European Union,” he said, according to Clarín. He accused the European Union of using “sophisticated mechanisms” to hide its agricultural subsidies, and criticised the EU’s own high tariffs on imports.

### EU calling for WTO involvement

Deputy Director General for Trade at the European Commission, João Aguiar Machado threatened last week that he would complain about the ban to the WTO’s Council for Trade in Goods. That promise was fulfilled at the council’s meeting on 5 July, when the EU expressed its unease over an internal Argentine government note that mentioned the restriction of food imports from the EU and other importers.

Australia, Canada, Colombia, Japan, Switzerland, and the US all cited similar concerns regarding the consistency of these measures with WTO regulations, according to the WTO. Argentina defended itself at the meeting, claiming that the note was purely for surveillance purposes and noting that food imports from the EU to Argentina increased from January through May of this year.

While Machado acknowledged at a 2 July press conference that the problem is, primarily, a bilateral one, he emphasised that the ban does have “implications at the bi-regional negotiations level,” alluding to the Mercosur-EU talks. He added that it was important to “alert [Argentina] that it is advisable to find a solution,” according to Clarín.

Argentine Commerce Secretary Guillermo Moreno released a letter on 23 April stating that he would be reviewing foreign purchases in an effort to assess the competitiveness of the Argentine market. New import controls were first announced – in verbal form only – in May.

The recently re-launched Mercosur-EU talks are likely to face other problems, mainly as a result of

internal EU dissent over a potential free trade accord between the two regions.

Karel De Gucht, the European Trade Commissioner, noted that the talks were likely to be complicated, given that the “level of ambition depends on the political will of the EU itself to come to that kind of agreement,” according to BusinessWeek. The nine European countries that have already taken a public stance against the pact include France, Ireland, and Poland.

European farmers have also expressed intense opposition towards the trade pact, out of concern that they will lose their subsidies while at the same time facing competition from Mercosur’s cheaper imports.

ICTSD reporting; “EU-Mercosur Free-Trade Accord Is ‘Not Clear Cut,’ De Gucht Says,” BUSINESSWEEK, 29 June 2010; “Argentina contraataca: ‘La proteccionista es Europa,’” CLARÍN, 1 July 2010; “Importaciones: la Unión Europea lleva sus quejas contra Argentina a la OMC,” CLARÍN, 2 July 2010; “La UE igual pide que se levantan las trabas,” CLARÍN, 3 July 2010; “EU takes Argentina’s ‘restrictive measures’ on trade to the WTO,” MERCOPRESS, 5 July 2010.

## WTO IN BRIEF

### WTO Rules on EU Aircraft Subsidies; Boeing Claims Victory

Several of the European Union’s subsidies to aircraft maker Airbus violate world trade rules and should be removed, a WTO dispute settlement panel concluded last week.

In a 1,200-page final ruling that was released to the public on 30 June, the panel backed several points put forward in the initial complaint, which was filed by the United States in 2004.

Jim McNery, CEO of Boeing, Airbus’s only major competitor, called the ruling a “landmark decision and sweeping legal victory” over the EU’s “launch aid” subsidies – export-contingent

support measures that were the focal point of Washington's complaint.

On that point, the panel found that subsidies provided by Germany, Spain and the United Kingdom for the development of Airbus's A380 jet were "contingent in fact upon anticipated export performance," rendering them illegal under the WTO's Agreement on Subsidies and Countervailing Measures (SCM).

But the European Trade Commission insisted in a statement that, according to the panel's conclusions, "the use of Repayable Launch Investment (RLI) as a financing system is fully compatible with WTO rules, as long as the terms of financing are based on market conditions."

However, the ruling further concluded that certain forms of infrastructure support provided by EU member states – the extension of a runway, the construction of manufacturing and assembly facilities – also violated the SCM Agreement, as did certain government loans offered at below-market interest rates.

"This final report needs to be read together with the forthcoming interim report on subsidies provided in the US to Boeing. Only then will we have a full and more balanced picture of this dispute," said EU Trade Commissioner Karel De Gucht. "The EU remains committed to a negotiated outcome to the dispute with no pre-conditions on either side," he said.

The European Union has launched its own dispute case against Washington's subsidies to Boeing. A ruling in that case has yet to be released.

Boeing supporters hope that last week's announcement might improve the American company's chances of winning a US\$ 35 billion contract to build aerial tankers for the US military. Boeing and Airbus parent company EADS were due to submit their bids this week, and a decision is expected in November. However, the US Department of Defense has insisted that the WTO ruling will play no part in its decision.

Also in question is whether the ruling will affect the ongoing development of Airbus's new A350

airplane. The A350 is not addressed in the ruling, as it was conceived after the US filed its complaint.

The transatlantic fight over aircraft subsidies is likely far from over. Rainer Ohler, the head of public affairs and communications for Airbus, hinted last week that the EU will likely ask the WTO Appellate Body to review the panel's findings.

The US and the EU have sparred over government support for aircraft manufacturers ever since Airbus emerged as a major market player nearly four decades ago. In 1992, the two sides set out subsidy rules in their Agreement on Trade in Large Civil Aircraft. But in 2004, Washington pulled out of the deal and promptly launched a WTO challenge against European subsidies. Brussels soon hit back with its own lawsuit.

Governments on both sides of the Atlantic heavily subsidise the civil aircraft industry, a sector characterised by long investment cycles, vulnerability to external shocks, and high barriers to entry.

ICTSD reporting; "Boeing's US allies see tanker boost in Airbus case," BLOOMBERG, 1 July 2010; "In ruling, WTO faults Europe over aid to Airbus," THE NEW YORK TIMES, 30 June 2010.

---

### Private Standards, Mediation Cause Conflict at WTO Committee Meeting

WTO delegates failed to find common ground on multiple issues during the latest meeting of the Sanitary and Phytosanitary Measures (SPS) Committee on 29-30 June. The issue of private sector standards in food safety and animal health was one of the major areas of disagreement, with delegates split on the committee's legal authority to even get involved in the matter.

The SPS Agreement, like other WTO agreements, primarily concerns government measures, which has made it difficult for the committee to decide



whether they have any control over private standards.

The agreement's text states that governments should ensure that non-governmental entities comply with the agreement, without giving further information on how exactly they should do so.

Despite the legal uncertainty on this issue, some delegates chose to tackle the subject head-on, suggesting that the committee would be a good forum for discussing private standards on a regular basis. These delegates also proposed that the committee work to clarify how private standards fit into the SPS Agreement, which could help resolve some of the uncertainty surrounding the committee's authority in that area.

Less contentious suggestions included clarifying the definition of "private standards," and building closer working relationships with other international organisations dealing with the same issues.

In past meetings, some WTO members have argued that private standards can boost trade, as exporters that meet those standards will find it easier to sell their products. Others have argued that these standards, set without consultation, could conflict with national and international norms, and would be difficult for small economies to implement.

This issue has been a concern since 2005, when St. Vincent and the Grenadines found that standards set by commercial supermarket chains made it difficult for them to access the EU market. Many developing countries have taken a particularly strong stance on the subject, concerned that private standards could undermine the SPS Agreement.

### **Mediation suggestions lead to dissent**

How to settle member disagreements was another source of discord, and was also left unresolved.

Two competing proposals for settling differences split the delegates. One of these proposals is for the committee to wait until the Doha Round talks on non-agricultural market access (NAMA) are completed. The NAMA negotiations include a

suggested system for addressing non-tariff barriers on a broad level. If this system is agreed upon, committees could then adapt the mechanism to fit their own needs in resolving member disputes. India and Switzerland were among the countries supporting this proposal.

Some delegates, concerned over the slow progress of the Doha Round talks, have recommended that the committee instead adopt its own "ad hoc" method of resolving disagreements. The system they suggest would use the committee chairperson as the mediator in such situations, and could theoretically help prevent disagreements from turning into expensive legal disputes. Argentina was one of the main proponents of this system, warning that deliberations could be "held hostage" by waiting for the NAMA talks – and the broader Doha Round negotiations – to conclude. The US joined Argentina in supporting this method.

Suggestions for a middle ground between these two stances were also presented at the meeting. One recommendation was that both systems be put in place, giving members the option to choose which system best suits their needs. Another suggestion was that the committee use the "ad hoc" method until the Doha Round is finalised, with the committee then switching over to the NAMA system.

The next SPS meeting will be held in October of this year.

ICTSD reporting.

## **VACANCY: ICTSD**

### **Communicate with Global Policymakers**

ICTSD is looking for journalists with a background in international trade policy and sustainable development, along with written/electronic journalism experience.

ICTSD's Periodicals Team releases regular publications in six different languages, delivered both electronically and in print. The combined

subscription base of ICTSD's periodicals currently amounts to 65,000 separate subscriptions. ICTSD occasionally has some remunerated positions available on its editorial staff, and is also seeking interns.

The ability to write and edit on strict deadlines and a strong personal commitment to sustainable development are expected, along with native ability in one or more of the languages ICTSD publishes in (English, French, Spanish, Portuguese, Russian, Chinese, and Arabic). Bi- and multi-lingual candidates are especially encouraged to apply, as are journalism school graduates.

For more information, please visit <http://ictsd.org/i/jobs/79580>.

## EVENTS & RESOURCES

### Events

#### Coming up this week

9 July, Hong Kong, China. IMF GLOBAL ECONOMIC OUTLOOK. The Asia Society will be hosting a luncheon presentation, featuring Olivier Blanchard, Economic Counselor and Director of the Research Department at the International Monetary Fund (IMF). The presentation will focus on the IMF's world economy update report, which it released in January. The report found that the global slump appears to be "bottoming out" – yet the European sovereign debt crisis is now putting the global economy in new danger. Whether the debt crisis will actually spiral out of control, how the global recovery is likely to proceed, and the potential role of Asian economies, are among the several subjects that will be addressed in this presentation. For more information, please visit <http://www.asiasociety.org/events-calendar/imf-global-economic-outlook>.

9 July, London, UK. TRADE AND ENERGY POLICY: OPPORTUNITIES AND RISKS FOR GHANA. Ghanaian Vice President John Dramani Mahama will be speaking at the Chatham House at an invitation-only event. Ghana has lately shown increased commercial potential in several

industries, ranging from banking to agriculture, and is now the subject of growing interest from foreign investors, due to recent oil and gas finds. The Vice President, in a meeting with policymakers and members of the private sector, will discuss how this trend is affecting Ghanaian policy, along with addressing Ghana's growing role in regional and international affairs. For more information, please refer to <http://www.chathamhouse.org.uk/events/view/-/id/1627/>

12-13 July, Daejeon, Korea. ASIA: LEADING THE WAY FORWARD. The Government of the Republic of Korea will be co-hosting with the International Monetary Fund a high-level international conference, in which they aim to bring together leading figures to examine Asia's evolving role in international policy-making and its economic rise and potential. Conference organisers hope that participants will be able to take that opportunity to share lessons from Asia's rapid recovery from the economy crisis, in order to understand the benefits that Asia's economic progress can provide to other countries. Attendees will include economic policymakers from the Asia and Pacific region, private sector leaders, academics, and Asia experts from both regional and international institutions. For more information, please visit <http://www.asia21.org/>.

13 July, Geneva, Switzerland. CLIMATE CHANGE, TECHNOLOGY TRANSFER AND IPRS: ISSUES, OPTIONS AND CHALLENGES ON THE WAY TO CANCUN. This ICTSD roundtable aims to provide an overview of the variety of issues and options available regarding climate change, technology transfer and intellectual property rights (IPRs) that have been discussed to date in the climate change negotiations. The other major focus of the roundtable will be the potential implications of a Technology Mechanism. This mechanism has been discussed in the United Nations Framework Convention on Climate Change (UNFCCC) negotiations as a way to facilitate developing country access to affordable technologies designed for enhancing action in the areas of adaptation and mitigation. For more information, please visit <http://ictsd.org/i/events/dialogues/75977/>.

14 July, London, UK. ASIA'S RISE AND THE ECONOMIC IMPLICATIONS FOR EUROPE, THE UK AND AFRICA. The Overseas Development Institute will be hosting this meeting, which will focus on how Africa and Europe – with a specific focus on the UK – can develop stronger economic ties with Asia for a mutual advantage. Asia's rise during the financial crisis is likely to have both positive and negative implications for the global economy, along with both developed and developing countries. For Europe – and the UK specifically – to benefit from Asia's continuing success, its countries will need to develop and adopt new policies regarding trade and the environment. This meeting will attempt to address all of these issues, in order to develop policy suggestions for the future. For more information, please refer to <http://www.odi.org.uk/events/details.asp?id=2457&title=asias-rise-economic-implications-europe-uk-africa>.

### 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.

8 July: Committee of Participants on the Expansion of Trade in Information Technology Products

12 July: Committee on Budget, Finance and Administration

12-16 July: Negotiating Group on Trade Facilitation

13 July: Negotiating Group on Rules

### Other upcoming events

15 July, Lima, Peru. FOOD SECURITY AND TRADE IN LATIN AMERICA (SEGURIDAD

ALIMENTARIA Y COMERCIO EN AMÉRICA LATINA). The Pontificia Universidad Católica del Perú will be hosting a conference, featuring regional experts from a variety of subject areas. The participants will discuss food security, the impact of trade liberalisation on agriculture and biodiversity. The conference will specifically focus on the impacts of Peru's various free trade agreements, and the various options available for protecting and benefiting from biodiversity and genetically modified products. For more information, please visit [http://www.pucp.edu.pe/departamento/economia/index.php?option=com\\_content&task=view&id=260&Itemid=81](http://www.pucp.edu.pe/departamento/economia/index.php?option=com_content&task=view&id=260&Itemid=81).

19-20 July, Washington, US. CLEAN ENERGY MINISTERIAL. This event, which will be hosted by the US Department of Energy, aims to bring together ministers and stakeholders from over 20 countries, with the goal of fostering collaboration on policies and programmes that will accelerate the world's transition to clean energy technologies. The first day of the meeting will primarily feature ministerial discussions, while the second day will be a public forum. Topics discussed will include the opportunities that these technologies provide, and the current barriers – both financial and regulatory – that remain. For more information, please visit <http://www.cleanenergyministerial.org/>.

22 July, Washington, US. EMERGING TRENDS IN ENVIRONMENT AND ECONOMIC GROWTH IN LATIN AMERICA AND THE CARRIBEAN. The US Agency for International Development (USAID), in partnership with the Woodrow Wilson International Center for Scholars, recently carried out a study regarding emerging issues and opportunities in environment and economic growth. Consultants from USAID and the Mexico Institute will present the trend analysis document that resulted from this study, which was based on the results of six workshops in Washington and a regional meeting in Panama on the subject. The consultants will be joined by experts from the Inter-American Development Bank, the University of Michigan, and other institutions; together, they will engage in a discussion on the study's findings. For more information, or to register, please visit

[http://www.wilsoncenter.org/index.cfm?fuseaction=events.event\\_summary&event\\_id=625079](http://www.wilsoncenter.org/index.cfm?fuseaction=events.event_summary&event_id=625079).

---

## Resources

**CARBON CONCERNS: HOW STANDARDS AND LABELLING INITIATIVES MUST NOT LIMIT AGRICULTURAL TRADE FROM DEVELOPING COUNTRIES.** By James Macgregor, ICTSD, May 2010. This paper examines the current status of carbon labelling initiatives in the food industry. It looks at how embedded carbon is likely to be marketed and how this phenomenon may affect agricultural trade from developing countries. The paper also makes a series of policy recommendations, such as suggesting that the roles of private standards and public legislation in addressing carbon concerns in the food system be clarified. For more information, or to download the study, please refer to <http://cts.vresp.com/c/?ICTSD/c8b691c5ec/4afcfeb9d/2d77f0c964>.

**CLIMATE CHANGE AND TRADE: TAXING CARBON AT THE BORDER.** By Daneil Gros, Christian Egenhofer, et al., Centre for European Policy Studies, May 2010. This study examines the economic and political consequences of imposing a tax on the carbon contents of imported goods at EU borders, and whether such a tax would be compatible with WTO rules. The report found that this tariff would increase global welfare, could be designed to be both practical and WTO-compatible, and how the proceeds from the tariff could be given to countries that would be otherwise unable to take on the burden themselves. For more information, or to download the report, please visit <http://www.ceps.eu/book/climate-change-and-trade-taxing-carbon-border>.

**CLIMATE CHANGE AND CHINA'S AGRICULTURAL SECTOR: AN OVERVIEW OF IMPACTS, ADAPTATION AND MITIGATION.** By J. Wang, J. Huang, and S. Rozelle, ICTSD, May 2010. This paper examines the issues around climate change and China's agricultural sector, taking into account the myriad challenges facing the country: economic

development, eliminating poverty, ensuring long-term food security, adapting to climate change and mitigating the effects of greenhouse gas emissions. China and the US are the two largest emitters of greenhouse gases, though China's emissions on a per capita basis are significantly lower. Economic studies have shown that climate change is likely to affect agricultural production and prices, along with trade and food self-sufficiency. For more information, or to download the study, please refer to <http://cts.vresp.com/c/?ICTSD/c8b691c5ec/4afcfeb9d/e8990e360e>.

**REGAINING MOMENTUM FOR INTERNATIONAL CLIMATE POLICY BEYOND COPENHAGEN.** By Michael Huettnner, Annette Freibauer, Constanze Haug, and Uwe Cantner, Carbon Balance and Management, June 2010. This policy review paper analyses the Copenhagen Accord, with the authors arguing that the Accord fails to deliver the political framework for a fair, ambitious and legally binding international climate agreement. The paper also examines on ways to revive momentum for upcoming climate negotiations. In this paper, the authors worked on combining insights from various areas, including social sciences, climate science, policy analysis and innovation economics. For more information, or to download the document, please visit <http://www.cbmjournal.com/content/5/1/2>.

**WTO ANNUAL REPORT 2010.** World Trade Organization, June 2010. This report, which the World Trade Organization releases on an annual basis, provides a detailed review of the WTO's activities in 2009. It is divided into five sections, highlighting the WTO's principal areas of activity. The report outlines the latest developments in the Doha Round, describes how WTO agreements are being implemented, summarises commercial disputes brought to the organisation's Dispute Settlement Body, discusses how the WTO is working to help developing countries improve their trade capacity, and describes the WTO's outreach efforts. For more information, or to download the report, please visit [http://www.wto.org/english/res\\_e/publications\\_e/anrep10\\_e.htm](http://www.wto.org/english/res_e/publications_e/anrep10_e.htm).