



# Bridges Trade BioRes

*Biweekly news, events and resources at the intersection of trade and environment*

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## CLIMATE CHANGE

### Bangkok Meeting Recalibrates Pace of Climate Talks

The first round of climate negotiations for 2011 concluded last Friday not with a bang, but a whimper. Following a successful set of decisions at the recent Conference of the Parties in Cancun, Mexico last December, there were expectations that the negotiations could move swiftly to clarify new institutional measures and address unresolved issues from Mexico. But alas, last week's meeting in Bangkok, Thailand served as a reminder of the political complexities that underlie these negotiations.

The Bangkok meeting, which ran from 3-8 April, hosted sessions of the Ad Hoc Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol (AWG-KP), the Ad Hoc Working Group on Long-Term Cooperative Action (AWG-LCA), as well as three pre-session workshops, which focused on technology development and transfer, developed country mitigation, and developing country mitigation — issues that are crucial for creating forward momentum.

Following the three workshops - the working groups set out to organise their work for 2011. Their main task was to agree to an agenda of issues that would allow each group to achieve its mandate for the year in order to produce results at the Seventeenth Conference of the Parties (COP 17) in Durban, South Africa at the end of the year. As simple as it may sound, however, the task proved painfully complicated and difficult.

### Kyoto stalemate

The future of the Kyoto Protocol is a critical issue this year. Although some argue that the Cancun

Agreements effectively killed the Protocol and paved the way for it to be replaced by a new set of agreements, many developing countries continue to call for a second commitment period for Kyoto. Whichever way the coin falls, countries must address the potential “gap” between the end of 2012, when Kyoto’s first period ends, and whenever the next instrument or commitment period kicks in. The gap will have implications for a number of climate instruments developed under Kyoto, such as the clean development mechanism (CDM), joint implementation, and the emissions trading schemes upon which the current global carbon markets depend.

Discussions in the KP working group focused on whether to launch into negotiation on technical issues or to secure political support for a second commitment period, as demanded by the Group of 77 and China. Reacting in part to the renewed message by Japan, the Russian Federation, and the United States that they would not participate in any future binding treaty, Tuvalu supported by numerous developing countries insisted that technical discussions were useless without developed countries’ political commitment to the Protocol. Considering the stalemate, it was curious to hear an unusually open exchange of views on current levels of ambition and the relationship between components under the two distinct working groups. To conclude the session, the chair of the group, New Zealand’s Adrian Macey, presented a paper outlining possible ways forward for discussions over the coming months. The current buzz indicates a need for clear political signals from ministers in Durban regarding the future of the Protocol’s second commitment period. There is some indication that there may be a need for discussions outside the negotiating context to examine the numbers currently on the table, as well as how to deal with the widening gap between countries’ conditional and unconditional targets and goals.

### Slow start to LCA talks

The AWG-LCA talks also stumbled off the starting block. It took the entire week to conclude the agenda, effectively losing any precious time for discussions on substance. The main quarrels were over items left off the Chair’s agenda. The G77

and China proposed an alternative version, which received no support from the industrialised countries. Finally, following three days of discussion the Chair was able to compose a compromise agenda, which all delegations approved.

The agenda includes: preparation of a comprehensive and balanced outcome to enable the full, effective and sustained implementation of the Convention through long-term cooperative action now, up to and beyond 2012; review of the definition of its scope and development of its modalities; continued discussion of legal options with the aim of completing an agreed outcome; and other matters, including countries with economies in transition and those with special circumstances.

### Trade issues re-emerge

A new item on sectoral approaches was introduced by several developed countries, opening the way for renewed discussions on agriculture with the understanding that future discussion on the topic will cover adaptation as well as mitigation. Agriculture was dropped at the last minute in Cancun because of sensitivities around trade implications. Bunker fuels, another controversial trade issue to be dropped in Cancun, has not yet returned to the playing field.

Notably, during the pre-session workshop in Technology Development and Transfer, parties addressed a number of issues with trade implications. Bolivia noted that the Climate Technology Centre (CTC), which is charged with facilitating a network to promote climate-friendly technological innovation in developing countries, should, among others: promote technology acquisition and innovation; remove technology transfer obstacles, particularly those related to Intellectual Property Rights (IPRs); enhance endogenous capacities; and help with adaptation to local conditions.

An agenda heading on unintended consequences of “response measures,” which is a topic that often raises discussion around competitiveness, trade, and economic development implications, continues to figure prominently on the agenda for

this year. A novel two-session forum on response measures is scheduled to take place at the upcoming meetings in Bonn (6-17 June) and Durban (28 November-9 December).

On a positive note, following the difficult week of negotiations - which was characterised by frustration and a sense of backsliding - UNFCCC Executive Secretary Christiana Figueres commented that the meeting allowed countries to recollect themselves and urged them to forge ahead with their work.

“I feel that we now have a solid basis to move forward collectively and that governments can deliver further good results this year, provided every effort is made to compromise and show the necessary flexibility to achieve that goal,” Figueres said of the LCA talks. On the future of the Kyoto Protocol she noted that there was “a strong desire to build on the Kyoto rules and a desire to find a political solution in 2011.”

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### **Delegates Tackle Technology Mechanism at Bangkok Climate Talks**

Seeking to operationalise the outcomes of the Cancun conference, parties to the United Nations Framework Convention on Climate Change (UNFCCC) delved into the details of the institutional set up and design of the new Technology Mechanism. The agreement to create the mechanism was hailed as one of the important results of Cancun.

The decision comes as the culmination of a three year negotiating process on the means to enhance the transfer of climate friendly technologies – particularly to developing countries. It is built upon the premise that the worldwide accelerated diffusion of these technologies is critical to global efforts to reduce green house gas emissions.

However, the decision left several pending issues to be agreed upon in 2011. These include finance and a number of institutional matters regarding

the relationship between the mechanism’s two main bodies – the Technology Executive Committee (TEC) and the Climate Technology Centre and Network (CTCN). More generally, many of the mechanism’s functions need to be further “fleshed out” so that new body can become fully operational in 2012.

#### **Need for “specifics”**

During the 4-5 April workshop, which took place alongside formal negotiating sessions of the AWG-KP and AWG-LCA (see [related article, this issue](#)), countries put forward suggestions and proposals on how to make the mechanism work concretely and, in particular, how to structure the Climate Technology Centre and Network (CTCN). Apart from countries, presentations were also made by the United Nations Environment Programme (UNEP) and the Consultative Group on International Agricultural Research (CGIAR).

Delegates discussed many ideas over the course of the workshop, with many agreeing that discussions would need to move toward establishing specifics in order to move substantially forward. US negotiator, John Pershing, called the CTCN one of the “good outcomes” of Cancun, and stressed the “need to elaborate specifics to move rapidly to operationalise the CTCN, including enabling the issuance of Request for Proposals in Durban.”

“Many models for the CTCN could work, but they should be ‘results oriented, cost effective, and efficient’,” Pershing said. He suggested the network could be arranged in sectoral areas, such as renewables, efficiency, water, and agriculture, and emphasised that the private sector and academia should have an important role in the network

Bangladesh emphasised that “technology transfer proposals should have balanced emphasis on both adaptation and mitigation.”

#### **North-south divide on relationship between bodies**

The relationship between the mechanism’s two main bodies – the Technology Executive

Committee (TEC) and the Climate Technology Centre and Network (CTCN) was much commented upon by countries.

The EU said it believes the CTC should operate independently within its terms of reference and only take into account “the strategic guidance provided by TEC.” But many developing countries – such as China, India and Bangladesh – would like to see the TEC as the body overseeing the CTCN. China suggested that the TEC should guide the CTCN and provide the “broad framework, directions and strategy for technology development and transfer under the Convention.”

In another point of contention, the EU suggested the CTC should be hosted by an intergovernmental institution in the UN system, while India said it should instead be preferably hosted in a developing country. Bangladesh also proposed that Regional Climate Technology Centres (RCTCs) be set up in all the UN Regions as Networks of the CTC.

### Intellectual property rights back in?

Intellectual property rights (IPRs) has been one of the most divisive issues in the climate technology negotiations. Since the UNFCCC’s Thirteenth Conference of the Parties (COP 13) in Bali, developing countries have been pressing for the consideration of IPRs as one of the possible barriers to the transfer of climate friendly technologies.

However, developed countries opposed such a view, given the essential role they consider that IPR protection plays in providing incentives for innovation in clean technologies. As a result, all the language on IPRs remained bracketed during negotiations and, ultimately, there was no reference to IPRs in the final text of the Cancun Agreements.

At the Bangkok workshop, China, Ecuador, Bolivia, and Bangladesh argued in their presentations that the Technology Mechanism should - in one way or the other - address the role of IPRs in the transfer of climate friendly technologies.

China indicated that the mechanism should “properly deal with IPRs” while Bangladesh mentioned that the CTC should “resolve issues related to IPRs.”

Ecuador argued that IPRs impede the diffusion of certain technologies in the developing world. The Latin American country said the TEC should thus “ensure that environmental-climate related technologies are in the public domain and free of patents” and “influence multilateral entities to enact policies to facilitate the transference of clean technologies and reduce IPRs barriers.” Ecuador further called the TEC to apply a flexible system of IPRs with respect to clean technologies.

Bolivia emphasised that the Technology Mechanism should attempt to identify the concrete IPR obstacles facing the transfer of climate-friendly technologies. It further suggested that the mechanism should propose alternatives, such as supporting the use of flexibilities available within the TRIPS Agreement – including compulsory licenses, exceptions to patent rights, regulating voluntary licenses and strict application of patentability criteria. Bolivia also suggested that the mechanism support the development of proposals for national legislation that allow more flexibilities in IPRs and initiatives to promote and fully benefit from innovations that are in the public domain.

If countries are able to agree on issues relating to design and the institutional set of the Technology Mechanism at COP-17 in Durban, the mechanism could be fully operational by 2012.

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## DOHA ROUND

### WTO Negotiators Eye “Soft Landing”

Negotiators may need to prepare a “soft landing” to salvage progress in the WTO’s decade-long Doha trade talks, say some, as time is running

short and positions remain divided ahead of an Easter deadline for agreement.

However, others are warning that it would be premature to abandon a push to finalise the talks this year, given high-level consultations being held by WTO Director-General Pascal Lamy. Lamy is engaging in a series of one-on-one high-level meetings - dubbed 'confessionals' - to gauge the size and nature of the remaining obstacles to a deal.

Lamy recently outlined the next steps in the process, specifying that the chairs of the various negotiating groups would table documents - which sources indicate could be in the form of reports or new text, depending on the topic - on 21 April for members to reflect on during the four days the WTO breaks for Easter holidays. He would then meet with groups of key members. On 29 April, Lamy is planning to convene heads of delegations in the Trade Negotiations Committee, the WTO's top negotiating body.

However, the negotiations are in jeopardy following inconclusive talks between the US and India and China (see Bridges Weekly, [30 March 2011](#)), largely over market access for manufactured products but also for farm goods.

"We are looking at what we can salvage from the whole thing," one official sighed. A "soft landing" would involve WTO members agreeing that the 2011 deadline would not be reached, and seeking to salvage progress achieved to date, another said. However, "it would be premature to enter into a mode of soft landing" before the confessionals held by Lamy are finished, one official argued.

"No one wants to call it quits," said another.

### **Chairs to issue "documents"**

Several major trading powers have explicitly opposed Lamy's bid to generate new draft texts at this stage, trade sources said. Without progress in the talks, the chairs of the negotiating groups risked creating an impression of consensus where none exists, negotiators cautioned.

"You won't produce something from nothing," one source glumly observed.

Talks on trade facilitation and intellectual property rules could prove notable exceptions, officials said, as some progress has been made in these areas.

In agriculture, negotiators said they expected the chair to issue a report, rather than a revised text. However, given the stalemate, some queried the usefulness of this. "A report only gives a picture of the fact things are difficult," said one.

Trade delegates told Bridges that the chair of the agriculture negotiations, New Zealand Ambassador David Walker, had convened only one informal consultation since last Tuesday - intended to be the start of a ten-day negotiating period characterised by consultations in various formats. The discussion, which was a "room E" meeting involving some three dozen countries from different coalitions and regions, did not lead to any significant progress, sources said.

Some pointed to the limits of what could be achieved by reviewing the negotiating process in Geneva. "If the political signals from capitals don't work, what's the point?" one negotiator asked.

With the current draft text on agriculture already dating from the end of 2008, many fear that the absence of new texts could compromise the ability of trade officials to reach a deal. "Frankly speaking, in the absence of texts, we don't have a basis for negotiation," said one.

### **No stone unturned**

Doha is "not dead, it's in a coma," said one negotiator, cautioning that countries should not give up on the round just yet.

Others emphasised the need to "wait and see" what emerges from Lamy's "confessionals" and the TNC meeting, at which Lamy is likely to report back on any progress and consult members on what should happen next.



“Let’s not leave any stone unturned,” said one official who hoped that the discrete consultations could yet yield some fruit.

Another source emphasised that Lamy still seemed to be hoping to produce revised negotiating texts, even if the target date for doing so may have slipped.

One negotiator suggested that part of the problem had been that members had hardly discussed the draft texts in over two years, while they waited for a more propitious political climate to re-establish itself. The source emphasised the need to complete a “clarification exercise” that members have been conducting, aimed at reviewing the entire draft and developing a shared understanding of any ambiguities.

“Not all members may have the same understanding,” the official observed, noting that the current draft was “a very complex text.”

#### **“Real negotiations” this summer?**

One negotiator claimed that, despite the current stalemate, the “real negotiations” will take place in June or July - a scenario that another delegate said was highly improbable. Lamy would be unlikely to invite high-level negotiators to Geneva unless there was a good chance of clinching a deal, the source said - an outcome that seems increasingly distant under current circumstances.

Trade officials are increasingly looking towards APEC and OECD ministerial meetings in May as the next chance for political leaders to signal their determination to move ahead on Doha.

In Geneva, the WTO will be closed for the Easter break for four days from 22 April - a chance, as one negotiator observed, to review the chairs’ reports or texts “and evaluate the consequences of failure”.

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## **ANALYSIS**

### **The Climate Technology Mechanism: Issues and Challenges**

The agreement to establish a new Technology Mechanism is one of the concrete outcomes of the Cancun climate change conference in December 2010 that requires a closer look. The main goal of the Mechanism is to enhance action for technology development and transfer, particularly to developing countries, in support of climate change mitigation and adaptation. It is premised on the recognition that the large-scale deployment and diffusion of these technologies is pivotal to worldwide efforts to reduce greenhouse gas emissions.

However, the Mechanism faces many challenges before it can become operational in 2012. Many of its functions need to be further ‘fleshed out’ and a number of institutional issues such as the relationship between its two main components – the Technology Executive Committee (TEC) and the Climate Technology Centre and Network (CTCN) – still need to be agreed. This paper seeks to shed some light on the main features and functions of the Technology Mechanism and on some of these challenges.

#### **The technology mechanism: Background and general considerations**

Technology transfer has been a key objective of the United Nations Framework Convention on Climate Change (UNFCCC) since its inception as reflected in its Article 4.5 of the Convention which requires developed countries to “take all practicable steps to promote, facilitate and finance, as appropriate, the transfer of, or access to environmentally sound technologies and know-how to other Parties, particularly developing country parties to enable them to implement the provisions of the Convention.”

For many years, developing countries have been demanding concrete steps and measures to operationalise these provisions in a meaningful way. The Copenhagen Accord (2009) signalled

growing consensus on the creation of a Mechanism as signatories agreed to establish a “Technology Mechanism to accelerate technology development and transfer in support of action on adaptation and mitigation.”

Between Copenhagen and Cancun, parties further fleshed out the precise mandate, structures, and functions of the new entity. Thus, the decision to establish the Mechanism at the Cancun Conference represents a potentially positive development, particularly in view of the long-standing demands by developing countries for the institutional strengthening of the technology transfer ‘pillar’ under the UNFCCC.

More broadly, it has the potential to become an important meeting point for developed and developing countries to work together in a positive spirit to accelerate the deployment and transfer of technologies for climate change mitigation and adaptation.

### **Technology transfer or technology diffusion?**

Industrialised countries and private sector organisations voiced their well-known misgivings about the concept of ‘technology transfer’, preferring the term ‘technology diffusion’. They consider the latter as reflecting real world dynamics more accurately.

Developing countries remained attached to the concept of ‘technology transfer’ and point out that a significant share of clean energy technologies are developed by public institutions which use public funding – thus dispelling the argument that technology is solely in the hands of the private sector. Against this background, it is interesting to note that the entity created at Cancun is ultimately a ‘Technology Mechanism’ and not a ‘Technology Transfer Mechanism.’

In the course of climate negotiations, industrialised countries began to increasingly perceive emerging economies such as China, India and Brazil as competitors in the ‘clean energy race’. The success of developing countries in clean energy industries created concern within industrialised countries, particularly the US, of concessions in the technology discussions which

could adversely impact their competitiveness. These preoccupations cast a shadow over the run up to Cancun.

Another challenge was the diversity of technological ‘needs’ within the large, heterogeneous grouping of ‘developing countries’. References to national needs, circumstances and country-driven approaches are recurrent throughout the mandate to ensure the primacy of national needs and country ownership in guiding the work of the Mechanism.

In addition, special consideration is given to LDCs for at one point there was a feeling that negotiations were paying more attention to the needs of middle income countries and mitigation technologies and not sufficiently to LDCs and adaptation technologies.

### **Deadlock on Intellectual Property**

The issue of Intellectual Property Rights (IPRs) was one of, if not the most divisive in the technology negotiations. Leading up to Cancun, developing countries had pressed for the consideration of IPRs as one of the possible barriers to technology transfer. Meanwhile, developed countries opposed such a view because of the essential role they consider IPR protection plays in providing incentives for innovation in clean technologies.

A ‘polarised’ debate followed, in which there was little chance for meaningful discussion based on evidence rather than rhetoric. As a result, all the language on IPRs remained bracketed during negotiations and, ultimately, IPRs were not referenced in the final text of the Cancun Agreements.

In an assessment of the outcome of Cancun, BASIC countries – Brazil, South Africa, India, and China – indicated that the important issues of equity, IPRs, and trade had been left out of the Cancun agreements. “We will make every effort to bring these issues back to the mainstream discussion,” the Indian Minister of Environment said.

### **Mandate, structure and functions of the technology mechanism**

The COP established a Technology Mechanism to “facilitate the implementation of actions for achieving the objective of enhanced action on technology development and transfer, is to support action on mitigation and adaptation in order to achieve the full implementation of the Convention”.

The Technology Mechanism is ultimately placed “under the guidance of the COP” to facilitate the implementation of actions and accelerate action at different stages of the technology cycle - such as research and diffusion and transfer of technology.

The Mandate appears rather intricate and convoluted compared to previous formulations in the negotiations. It stands in contrast to the more direct and assertive wording in previous drafts – as well as in the Copenhagen Accord.

The Technology Mechanism consists of two components: the TEC and CTCN. Both should “facilitate the effective implementation of the Technology Mechanism, under the guidance of the Conference of the Parties”.

Overall, the TEC’s primary focus appears to be to service the UNFCCC and its Parties. Its main functions, particularly in making recommendations and providing an overview of technological needs, are close to those of a policy ‘oversight’ body. The objective of the CTCN is to “facilitate a Network of national, regional, sectoral and international technology networks, organisations and initiatives with a view to engaging to participants of the Network in a number of functions.”

The negotiating text just prior to Cancun, stated that the Climate Technology Centre (CTC) would “*establish* and facilitate” a Climate Technology Network (emphasis added). The elimination of the term ‘establish’ from the final Cancun Agreements is significant. The creation or establishment of a network of regional innovation centres with the aim of accelerating the diffusion of climate-friendly technologies was considered during the pre-Cancun negotiations as one of the concrete

new measures that the Mechanism would bring about. Thus, the fact that the CTC is now confined to only facilitate such a network marks a scaling down of ambition compared to the original intent. This change might stem from concerns about the cost implications associated with the creation of new entities. In any case, a number of questions remain as to how the facilitation of the Network would take place concretely.

The relationship between the TEC and the CTCN remains undefined due to apprehensions that the TEC could become a ‘politicised’ body that intervenes in technology matters were it given power to oversee the work of the CTCN. Without an oversight function, the two bodies would report separately to the Convention’s subsidiary bodies thus potentially resulting in some duplication.

### **Next steps and challenges ahead**

According to the Cancun decision, the Technology Mechanism should be fully operational in 2012, although there are a number of steps to be taken and challenges to address in order to ensure it is also effective.

The Cancun decision establishes a work programme on technology development and transfer for 2011 as preparation for COP 17 in Durban in December 2011. The work programme calls for continued dialogue among parties on the matters of the relationship between the TEC and the CTCN, the governance structure, the procedure for calling for and evaluating proposals, the links between the Technology Mechanism and the financial mechanism, and further functions for the TEC and CTCN.

The Mechanism needs to be endowed with sufficient resources if it is to play any meaningful role and make a ‘real’ difference.

### **Conclusion**

Overall, the new Technology Mechanism potentially represents a step to move beyond the ‘conventional’ approach to technology transfer under the climate regime – based essentially on capacity building and technology needs



assessments – to a more ‘dynamic’ one geared towards fostering public-private partnerships; promoting innovation; catalysing the use of technology road maps or action plans; mobilising national, regional and international technology centres; and facilitating joint R&D activities.

The task facing the Technology Mechanism is arduous. Governments and other stakeholders, especially the private sector, have an important role in ensuring its success.

In this context, discussions on the road to COP 17 in Durban will play a critical role in settling outstanding institutional matters relating to the design of the Technology Mechanism and in elaborating further the exact manner in which its main bodies will operate. Concomitant deliberations on finance will also be essential in ensuring the Mechanism’s future viability.

The success of these discussions will put the Mechanism on solid ground in order for it to be operational in 2012, and more importantly to become an integrated and coherent entity which is both flexible in its design and operations and effective in carrying out its tasks.

*This article is drawn from a longer ICTSD Information Note, which can be accessed [here](#).*

## IN BRIEF

### Environment Included as Grounds for European GM Crop Bans

European Ministers have voted to include “general environmental policy objectives” as legal justification for member states to independently outlaw the cultivation of genetically modified (GM) crops. The 12 April vote amended a European Commission policy proposal that would grant individual nations the right to ban GM crop cultivation within their territories due to reasons relating to maintaining public order (See Bridges Trade BioRes, [7 February 2011](#)).

According to the Ministers, the addition of environmental grounds to the proposal is expected to give member states better legal protection to challenges of such bans at the WTO.

“Our proposal offers states a solid, legal basis,” said the French MEP Corinne Lepage, who drafted the amendment.

Maintenance of nature, habitats, and ecosystem functions were identified as acceptable rationale behind an environmental policy objective in the text. Proper examples cited by parliament included concerns over the invasiveness of GM species, pesticide resistance, and biodiversity protection.

The ability to cite environmental grounds for a ban would also act as a national means of complementing the European Food Safety Authority’s (EFSA) evaluation of health and environmental implications, said the MEPs.

Environmental grounds joins public morality, public order, and divergent socio-economic justifications on the Commission’s [indicative list](#) of legitimate reasons for a country to prohibit cultivation of certified EU GM crops.

MEPs supporting the initiative maintain that the socio-economic implications are in connection to the consequences that GM contamination could have on more traditional forms of agriculture, such as organic farming.

“Given the very real concerns of cross-contamination of conventional crops by GM crops, we welcome the broad consensus to make anti-contamination measures mandatory,” said Belgian MEP Bart Staes.

Apprehension continues to surround the proposal due to concerns over the possible legal uncertainties created by internally fragmenting biotechnology policy. Some argue the move could lead to confusion among those in the European agriculture industry (See Bridges Trade BioRes [21 March 2011](#)).

The debate continues over whether the proposal itself would be violate WTO rules.

“MEPs back national freedom to ban GM crops,” EURACTIV, 13 April 2011; “EU countries should be able to ban GMOs on environmental grounds – MEPs,” EP PRESS RELEASE, 13 April 2011; “Europe strengthens legal grounds to provide ban on GM crops,” CLICKGREEN, 12 April 2011.

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### **EU, Colombia, Peru FTA to Slash Fisheries Tariffs, Promote Sustainable Development**

A much-anticipated free trade agreement that will eliminate over half a billion Euros in duties, including those targeting fisheries products, was signed last week between the EU, Colombia, and Peru.

Once implemented, the trade agreement will eliminate tariffs in all industrial and fisheries products, increase market access for agricultural products, improve access to public procurement, services, and investment markets, reduce technical barriers to trade, and establish common disciplines on intellectual property rights, transparency, and competition.

The agreement also includes a clause that guarantees that trade and investment between all three participating economies promotes sustainable development by preserving a high level of labour and environmental protection.

Talks for the agreement began in January of 2009 and had initially included Ecuador. Ecuador, however, dropped out of the discussions that summer (see Bridges Weekly, [5 August 2009](#)). After nine rounds of trade negotiations, the remaining countries reached an agreement and initialled the deal in March of this year (see Bridges Trade BioRes, [4 April 2011](#)).

EU Trade Commissioner, Karel De Gucht, has praised the treaty, calling it a “milestone” that “creates the right framework to boost trade and investment relations on both sides.”

Eduardo Ferreryros, Peruvian Minister of Foreign Trade and Tourism, has also commented that the

treaty represents a huge economic opportunity for Peruvian producers, particularly those in fisheries and agriculture markets where tariffs have been eliminated or substantially reduced.

Analysts have predicted that the agreement will have significant economic impacts for the Latin American countries. Imports and exports in Colombia and Peru have been predicted to grow by six percent in the medium run and up to eight percent in the long run. GDP too will be affected in the long run, analysts say, with an expected increase of 1.3 percent for Colombia and .7 percent for Peru.

The agreement also looks towards the future by including an ascension clause, leaving open the possibility for increased trade cooperation between the EU and the Andean Region.

ICTSD Reporting; “Colombia & Peru & EU Sign Trade Agreement,” BERNAMA.COM, 14 April, 2011; “EU Announces Trade Agreement with Colombia and Peru, WIREUPDATE, 13 April, 2011; “EU Seals Trade Deal with Colombia, Peru,” AFP, 13 April, 2011; “Peru and European Union Sign Free Trade Agreement,” LIVINGINPERU.COM, 13 April, 2011.

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### **US Senate Rejects Efforts to Quash EPA Authority over GHGs**

The US senate has rejected four bills aimed at curbing the authority of country’s Environmental Protection Agency (EPA) when it comes to regulating greenhouse gas (GHG) emissions. The most controversial bill, proposed by Republican Mitch McConnell, would have completely prevented the EPA from continuing to regulate emissions (see Bridges Trade BioRes, [4 April 2011](#)).

The bill fell just 10 votes short of the 60 needed to pass. Also rejected were three other, more moderate bills that had been proposed by Democrats as alternatives to the McConnell legislation. Collectively, these bills earned only 12 votes.

Following the 6 April vote in the Senate, the Republican-dominated House of Representatives passed a bill on 7 April limiting the EPA's regulating capabilities and repeals the validity of its assertion that carbon dioxide and other greenhouse gases pose a threat to human health. However, the bill's passing was largely negated by the earlier vote in the Senate, which currently holds a Democratic majority. Analysts predict that this majority will continue to deter any efforts to curb the EPA's power.

"The administration is encouraged by the Senate's actions today to defend the Environmental Protection Agency's ability to protect public health under the [Clean Air Act](#)," the White House said in a communiqué. "By rejecting efforts to roll back EPA's common-sense steps to safeguard Americans from harmful pollution, the Senate also rejected an approach that would have increased the nation's dependence on oil, contradicted the scientific consensus on global warming, and jeopardized America's ability to lead the world in the clean energy economy."

US President Barack Obama continues to indicate that he will veto any bill that limits the EPA's regulating capabilities.

Despite the bills' failure in the Senate, Republicans and supporting Democrats remain optimistic that the EPA's regulating power will soon be limited. McConnell noted that although his bill fell short of earning the necessary votes, the total number of votes for all four proposals demonstrated a bipartisan majority in favor of curbing the EPA's capabilities.

McConnell further indicated that Senate Republicans will "continue to fight for legislation that will give the certainty that no unelected bureaucrat at the EPA is going to make efforts to create jobs even more difficult than the administration already has."

ICTSD Reporting; "House Nixes EPA Climate Rules but Senate Protects Them," USA TODAY, 7 April, 2011; "Senate Rejects Bill to Limit E.P.A's Emissions Programs, NEW YORK TIMES, 6 April, 2011; "Senate Rejects Measure To Stop EPA On Climate," REUTERS, 7 April, 2011.

## EVENTS AND RESOURCES

### Events

For a more comprehensive list of events for the trade and environment community visit the [BioRes online calendar](#).

#### Coming up in the next two weeks (18 April-2 May)

20 April, New York, US. ROUNDTABLE DISCUSSION FOR FOUNDATIONS ON THE UN CONFERENCE ON SUSTAINABLE DEVELOPMENT. The Secretariat of the United Nations Conference on Sustainable Development is organising this roundtable discussion as a foundation to the UN Conference on Sustainable Development (Rio+20). Roundtable participants will explore fundraising and outreach options for Rio+20 as well as facilitate dialogue on key environmental issues, including the green economy, biodiversity loss, and climate change. For more information, visit the [event website](#).

25-29 April, Geneva, Switzerland. FIFTH MEETING OF THE CONFERENCE OF THE PARTIES TO THE STOCKHOLM CONVENTION. This upcoming meeting will discuss matters related to the implementation of the Stockholm Convention on persistent organic pollutants (POPs). Topics will include measures to reduce or eliminate POP releases from international production and use of certain chemicals, releases from unintentional production, and releases from waste. Participants will also work to enhance co-operation and co-ordination between the Basel, Rotterdam, and Stockholm Conventions. For more information, visit the [event website](#).

2-4 May, Quebec City, Canada. STATISTICAL ISSUES IN FOREST MANAGEMENT WORKSHOP. This workshop topic is embedded in a larger context of optimising the supply chain from the forest to the final market-ready product. The workshop will focus on statistical issues related to the generation and the processing of information within the forest management system along all phases of the supply chain, from forest

inventory to timber supply analysis to forest management decisions and the value of wood products. A special emphasis will be given to the quantification and the management of uncertainty. For more information, visit the [event website](#).

2-13 May, New York, US. NINETEENTH SESSION OF THE UNITED NATIONS COMMISSION ON SUSTAINABLE DEVELOPMENT (CSD-19). As the policy session of the fourth implementation cycle, CSD-19 will continue to focus on transport, chemicals, waste management, mining, and the Ten-Year Framework of Programmes on Sustainable Consumption and Production Patterns. The outcomes of CSD-19 will be published in the CSD-19 Report, which will include policy decisions and the summary of the high-level segment. For more information, visit the [event website](#).

#### Other upcoming events

5 May, Washington DC, US. CANADA CRUDE TO CHINA? PROSPECTS AND BARRIERS OF INCREASING CHINESE IMPORTS OF CANADIAN OIL. This conference, cosponsored by the Canada Institute and the China Environment Forum of the Woodrow Wilson International Center for Scholars, will examine China's desire to import heavy crude oil from Canada. Discussions will explore completing the project, regulatory challenges, environmental concerns, and the larger implications for North American Energy Security. Keynote speakers will include Nathan Lemphers, an oil sands policy analyst at the Pembina Institute, and Robert Johnson, the director of Global Energy and Natural Resources for the Eurasia Group. For more information, visit the [event website](#).

10-11 May, Geneva, Switzerland. ACTION PLAN ON FORESTS AND THE GREEN ECONOMY. This meeting, co-organised by the United Nations Economic Commission for Europe and the FAO Forestry and Timber Section, seeks to further develop the Action Plan on Forests and the Green Economy, which will be presented as a regional contribution from the forest sector at the UN Conference on Sustainable Development (Rio+20). The main objectives of

the meeting are to review a draft Action Plan, to define focus areas for the forest sector, to consider implementation challenges, and to discuss conditions that will ensure the forest sector's move toward a green economy. For more information, visit the [event website](#).

18-19 May, Rio de Janeiro, Brazil. EXPERT GROUP MEETING ON SUSTAINABLE URBAN TRANSPORT: POLICY OPTIONS FOR MODERNISING AND GREENING TAXI FLEETS IN LATIN AMERICAN CITIES. This meeting will enhance ongoing efforts in the Latin American region to develop sustainable transport schemes. Specifically, the expert groups aims to identify sustainable development issues related to taxi systems, consider related policies that can enhance investment, employment, and income generation, and discuss opportunities for improving the sustainability of existing taxi schemes to mitigate environmental impacts. For more information, visit the [event website](#).

23-24 May, London, England. NAVIGATING THE NEW GREEN ECONOMY: THE CHALLENGES OF CLIMATE CHANGE AND THE OPPORTUNITIES FOR CLEAN ENERGY. This conference, organised by the London School of Economics, aims to be a high-level forum for discussing issues at the intersection of climate change policy and politics, and the incentives, economics, and finance for clean energy. The program will allow participants to interact with government and industry leaders, academic scholars, and finance and legal experts from the European Union, the United Kingdom, and the United States. For more information, visit the [event website](#).

23-27 May, Geneva, Switzerland. FOURTEENTH SESSION OF THE UN CONFERENCE ON TRADE AND DEVELOPMENT (UNCTAD) COMMISSION ON SCIENCE AND TECHNOLOGY DEVELOPMENT. This meeting will bring together government representatives, civil society, international organisations, and the private sector to review the progress made in the implementation of the World Summit on the Information Society (WSIS) at the regional and

national levels. The commission will focus on the themes of measuring the impact of information and communications technology for development and technologies that can address challenges in areas such as water and agriculture. For more information, visit the [event website](#).

20-24 June, British Columbia, Canada. NINTH INTERNATIONAL CONFERENCE ON ENVIRONMENTAL COMPLIANCE AND ENFORCEMENT. The theme of this conference, convened by the International Network for Environmental Compliance and Enforcement (INECE), is “Enforcement Cooperation: Strengthening Environmental Governance.” The conference aims to demonstrate how enforcement cooperation at all levels is essential for achieving sustainable development objectives. For more information, visit the [event website](#).

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## Resources

If you have a relevant resource (books, papers, bulletins, etc.) you would like to see announced in this section, please forward a copy for review by the BioRes Team to [biores@ictsd.ch](mailto:biores@ictsd.ch).

CARBON OFFSETTING IN EUROPE POST 2012: KYOTO PROTOCOL, EU ETS, AND EFFORT SHARING. Published by KfW Bankengruppe (April 2011). This Climate Focus report provides an analysis of the regulatory situation in a post 2012 world for carbon offsetting and joint implementation. It identifies where uncertainties lie and assesses the current policy frameworks. The report ultimately aims to provide policy makers and investors with insight into the prospective situation for carbon offsetting in Europe as the continent approaches the end of the first commitment period under the Kyoto Protocol and the beginning of the Third Trading Period under the EU ETS. The full report is available [online](#).

BIODIVERSITY ASSESSMENT OF THE REDD COMMUNITY FOREST PROJECT IN ODDAR MEANCHEY CAMBODIA. Published by Birdlife International in Indochina and Pact

Cambodia (January 2011). This report details the results of field surveys that were carried out in 2010 to provide information on the distribution and status of birds and mammals within a proposed REDD project site. This biodiversity assessment provides biodiversity baseline data for the Climate, Community, and Biodiversity Alliance’s validation, identifies species and habitats of the High Conservation Value for prioritisation in future conservation efforts, and outlines suggestions and recommendations for developing a biodiversity monitoring plan for the REDD+ site. The full report is available [online](#).

THE ECONOMICS OF ECOSYSTEMS AND BIODIVERSITY IN NATIONAL AND INTERNATIONAL POLICY MAKING. Published by Earthscan (February 2011). This book aims to demonstrate the value of ecosystems and biodiversity to the economy, society, and individuals. It highlights the need for new public policy which integrates the many values nature has to offer. It explores instruments that will reward those offering ecosystem benefits while looking at fiscal, regulatory instruments to reduce the incentives of those running down natural capital. Overall, the book underlines the need to transform our approach to the environment and demonstrates how to take into account the value of ecosystems and biodiversity in national and international policy decisions. This book is available for purchase [online](#).

DROUGHT. Published by Earthscan (March 2011). The aim of this book is to provide a review of the historical occurrence of global drought and assess the likely potential changes over the 21<sup>st</sup> century under climate change. The book includes an analysis of contributing environmental and climatic factors that act to force, prolong, and dissipate drought. The authors further discuss the developing field of draught monitoring and seasonal forecasting. They describe how this field is vital for identifying emerging droughts and for providing timely warning to help reduce the impacts. The book is available for purchase [online](#).