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LEAD STORIES

Rising Protectionist Pressures Cast Shadow on G-20 Agenda

With tomorrow marking the launch of the annual Group of 20 heads of state summit in Cannes, France, the international community is watching closely to see if the leaders of twenty major economies can make headway in resolving the European debt crisis amid new reports of growing trade protectionism.

However, recent reports on rising trade protectionism in G-20 countries, food price increases, and the continuing debate on exchange rate policies are also expected to feature prominently at the high-level gathering.

The 3-4 November summit comes in the wake of EU leaders announcing a bail-out deal designed to end the 27-member bloc's sovereign debt crisis. With Greek Prime Minister George Papandreou making a surprise announcement on Monday that his country would vote on the bail-out package in a referendum, the eurozone's ongoing struggles are expected to dominate G-20 discussions over the next two days.

WTO says trade protectionism on the upswing

Last week, the WTO released a report that found trade protectionism continues to rise among G-20 members. The report is a follow-up to an earlier study published in May of this year (see Bridges Weekly, [25 May 2011](#)).

The report found that “disappointingly weak growth in some G-20 countries and continuing macroeconomic imbalances globally are testing the political resolve of many governments to abide by the G-20 commitment to resist protectionism.”

The WTO report is part of a joint exercise by the WTO, the Organisation for Economic Co-operation and Development (OECD), and the UN Conference on Trade and Development (UNCTAD) to monitor the leading economies' adherence to their promises not to engage in trade and investment protectionism during the financial crisis. The three organisations have issued reports approximately every six months monitoring both types of protectionism – and any moves toward liberalisation – since September 2009.

According to the latest figures from the global trade body, the number of restricting – or potentially restricting – trade measures introduced by G-20 economies since the beginning of May 2011 has fallen slightly to 108 from the 122 recorded during the preceding six months.

While not all G-20 economies introduced such measures – and some even engaging in trade facilitation efforts – the WTO found “no indication that, over the past six months, recourse to new trade restricting measures by the G-20 as a group has slackened nor that efforts have been stepped up to remove existing restrictions.”

The global trade body cautioned that unilateral protectionist measures, while attractive in the short term, are no solution to global problems. “On the contrary [these actions] may turn the situation worse by triggering a spiral of tit-for-tat reactions in which every country loses.”

Business leaders meeting in Cannes for their own “B-20” summit have also issued similar calls against trade protectionism in the G-20 countries.

Laurence Parisot, head of the French business confederation Medef that is hosting the B-20, told the Financial Times that “we don’t understand [this increased protectionism] because governments are always ready to make clear statements against protectionism and then through the back door they take measures that are actually protectionist.”

The B-20 delegation was scheduled to meet today with French President Nicolas Sarkozy to press its concerns; France currently holds the presidency of the Group of 20.

Food prices, agricultural export restrictions expected to attract notice

The ongoing food crisis has also drawn the attention of policymakers worldwide in advance of the G-20 summit, with the World Bank releasing a new issue of its Food Price Watch yesterday. Upon the report’s release, World Bank Group President Robert Zoellick warned that the “food crisis is far from over.”

The report found that grain prices rose 30 percent between September 2010 and September 2011; the price of maize increased by 43 percent in that period, rice by 26 percent, and wheat by 16 percent.

Zoellick urged G-20 leaders to remember that “averting crisis is not just about banks and debt. Millions of people around the world face a daily crisis of hunger and malnutrition.” Developing countries also have limited resources to protect vulnerable populations in the face of the economic crisis. He added that the G-20 should take steps at this week’s summit to address the problem head-on.

European Commission President José Manuel Barroso and European Council President Herman Van Rompuy, in a joint letter to G-20 leaders on Sunday, echoed Zoellick’s concerns.

The two European leaders urged G-20 heads of state to “address the global food security challenge by fully endorsing the Action Plan on Food Price Volatility and Agriculture agreed by G-20 Agriculture Ministers.” In June, G-20 agriculture ministers held their first-ever meeting, culminating in an Action Plan to tackle high and volatile food prices (see Bridges Weekly, 29 June 2011).

Agricultural export restrictions – a common issue in the food security discussion – also featured in the WTO report. Those measures have often come under scrutiny for exacerbating price increases and food shortages, adversely affecting consumers in developing countries.

The global trade body noted that the May monitoring report’s finding of an upward trend in G-20 use of export restrictions, mainly with regards to food products and some minerals, has

now been confirmed. In addition, more new measures were set in place between May to mid-October than in the past.

“Although the majority of these actions were justified on the grounds of national responses to rising food prices, to secure domestic supply, or to address resource depletion, they nevertheless go against the G-20 standstill pledge in this respect, and have the potential to seriously affect trading partners,” the WTO cautioned.

Washington, Beijing likely to square off on Chinese currency

The ongoing feud between Beijing and Washington over China’s currency policies is also expected to play out at the G-20 summit, with a top US Treasury official telling reporters that the issue will indeed be addressed in the coming days.

US President Barack Obama is expected to urge China President Hu Jintao at the meeting to allow the yuan to appreciate further. While China has allowed the yuan to rise gradually since June 2010, rising seven percent against the dollar since then, some observers argue that the currency is still vastly undervalued.

Washington critics have long argued that China’s strict control of its currency has created, in effect, an export subsidy, making Chinese exports cheaper relative to their foreign counterparts. The US Senate recently passed legislation that targets countries that undervalue their currencies (see Bridges Weekly, [12 October 2011](#)). The legislation reportedly has widespread backing in the US Congress’ other chamber, the House of Representatives; the House Republican leadership, however, has resisted against bringing the bill to the floor for a vote.

The currency issue also featured at a G-20 finance ministers and central bank governors meeting in mid-October, with reports indicating that Chinese negotiators had prevented the G-20 ministers from going beyond wording issued at their previous meeting in Washington on the need for emerging market economies’ currencies to be more flexible (see Bridges Weekly, [19 October 2011](#)).

Just a day after US Treasury official Lael Brainard confirmed that China’s currency policies would indeed feature at the G-20 heads of state gathering, state-run Chinese newspaper Xinhua responded with an editorial stating that it would be “unadvisable and unhelpful to squander valuable time at the summit squeezing China over its currency policies.”

“Finding a scapegoat [for the financial crisis] is much easier than confronting the problem head-on,” the editorial continued, noting that China has made efforts to reform its exchange rate regime and would continue to make “incremental progress in that regard.”

More information

The Group of 20 includes the following members: Argentina, Australia, Brazil, Canada, China, the EU, France, Germany, India, Indonesia, Italy, Japan, Mexico, Russia, Saudi Arabia, South Africa, South Korea, Turkey, the UK, and the US.

ICTSD reporting; “EU Leaders Set to Push Greece on Bailout in Emergency G-20 Talks,” BLOOMBERG, 2 November 2011; “Business to press for G20 unity,” FINANCIAL TIMES, 30 October 2011; “Greece dominates G20 preparations,” FINANCIAL TIMES, 2 November 2011; “G20 to keep focus on China currency flexibility: U.S.” REUTERS, 31 October 2011; “GLOBAL MARKETS-Europe calmer after storm; U.S. futures up pre-Fed,” REUTERS, 2 November 2011; “Joint letter from Herman Van Rompuy and Jose Manuel Barroso to G20: in full,” THE TELEGRAPH, 30 October 2011; “Targeting yuan is no antidote to global economic woes,” XINHUA, 2 November 2011.

OTHER NEWS

WTO Accession Process Heats Up as Ministerial Approaches- UPDATED

Breaking News: Top Russian negotiator Maxim Medvedkov announced late Wednesday night that Russia and Georgia have come to an agreement on Moscow's WTO accession bid. Representatives from both countries are reportedly meeting today in Geneva to confirm that they are indeed in agreement.

Medvedkov told reporters that the two countries had agreed that trade in the Abkhazia and South Ossetia regions – which had long been a subject of disagreement between the two countries – would be monitored by an independent company, working in concert with Russian and Georgian customs officials. The deal is the result of a Swiss-brokered compromise that had been presented to the two parties last week.

“Now we only have some little technical details to approve our bid; the most important things are left behind,” Medvedkov told reporters.

ICTSD will provide an updated story as more details become available. For the original story published in Wednesday's version of Bridges, please see below.

ICTSD reporting; “Russia Reaches Agreement with Georgia on WTO, Negotiator Says,” BLOOMBERG, 3 November 2011; “Russia Declares Deal to Join Trade Group,” NEW YORK TIMES, 3 November 2011; “Russia Deal With Georgia Clears Way to Join WTO,” WALL STREET JOURNAL, 3 November 2011.

*** Previous Bridges Story

Trade negotiators are making a concerted push to finalise Russia's entry to the WTO by the December Ministerial Conference, with reports emerging that Russia's long-standing disagreements with neighbour and WTO member Georgia could be resolved within days. The past

weeks have also seen major strides in the accessions of Vanuatu and Samoa to the global trade body.

Russia's membership bid has been in the works since 1993, making it the largest economy and only Group-of-20 nation still outside the WTO. Late last month, Russia and the EU announced that they had reached a deal on the outstanding issues between them, leaving Russia's disagreements with Georgia as the only remaining hurdle to WTO membership (see Bridges Weekly, [26 October 2011](#)).

Traditionally, members have joined the WTO only with the consensus of all current members; until recently, it had appeared that Tbilisi might attempt to block the bid due to ongoing political disputes with Moscow.

The two neighbours have long quarrelled over Russian-controlled enclaves in Georgia – South Ossetia and Abkhazia. The two countries fought a five-day war in 2008, and tensions after the war have remained.

Georgia has been seeking trade-monitoring missions on its border with Russia, refusing to back Russia's WTO bid otherwise. A Swiss-brokered compromise proposal that would allow private contractors, hired by neutral parties, to conduct trade-monitoring on the Russia-Georgia border received backing from Georgia on 27 October. This is reportedly a softer position from Georgia's prior request to have government employees run the monitoring process.

A meeting of the formal Working Party on Russian accession is now scheduled at the WTO for 10-11 November. The decision to hold the Working Party was made at the 27 October informal meeting of the Working Group on Russia's accession.

If Russia's outstanding concerns regarding the Swiss-backed proposal are addressed at the formal Working Party next week, then Arkady Dvorkovich – the top adviser to the Russian President – has stated publicly that he sees no “substantial impediment” to approving Russia's accession documents at the meeting.

US lawmakers continue pushback

Though the US has officially been backing Russia's WTO bid, many US lawmakers have lately been protesting against Moscow joining the global trade body unless certain policy changes are made.

On 29 October, Republican and Democratic leaders of both the powerful Senate Finance and House Ways and Means committees jointly addressed a letter to US Trade Representative Ron Kirk on the issue. The congressional leaders expressed concerns over a range of areas, particularly Russia's intellectual property rights protections, blockage of market access for US agricultural products, and automobile investment policies.

"While we recognise that Russia has made progress in opening its economy since 1991, the accession should address the serious problems that remain," the letter added.

The US Congress still needs to repeal the Jackson-Vanik amendment – a Cold War era restriction on trade with Russia that allows the US to deny most favoured nation (MFN) status to nations with limited freedom of emigration – and restore permanent normal trade relations with Russia.

Vanuatu, Samoa also on the accession track

Though recent headlines have largely centred on the Russian accession process, the global trade body has also made moves over the past weeks toward welcoming two more WTO members that, like Russia, launched their accession bids over a decade ago.

The WTO currently has 153 full members, and announced last week that the General Council – the organisation's highest decision-making body outside of the biennial Ministerial Conference – had approved Vanuatu's accession package. Upon ratification by Vanuatu's parliament, the country will become the WTO's 154th member; Vanuatu had launched its membership bid in 1995 (see Bridges Weekly, 26 October 2011).

With another announcement on 28 October that the formal Working Party on Samoa's 12-year

membership bid had adopted its accession package and would be forwarding it on to trade ministers at the December gathering, the global trade body could potentially have three new members by the end of the WTO Ministerial Conference in six weeks' time.

ICTSD reporting; "US lawmakers urge Russian reforms for WTO bid," AFP, 31 October 2011; "Russia Expects WTO Entry by December After 18-Year Wait After Swiss Talks," BLOOMBERG, 30 October 2011; "Russia's 18-Year WTO Quest Nears Fruition as Georgia Backs Swiss Proposal," BLOOMBERG, 27 October 2011; "Deal for Russia to Join W.T.O. Is Accepted by Georgians," NEW YORK TIMES, 27 October 2011; "Russian Aid Says Issues With Georgia on Joining Trade Group May Be Settled Soon," NEW YORK TIMES, 30 October 2011; "After 18 years, Russia on verge of WTO membership," REUTERS, 27 October 2011; "Swiss mediators hope Russia can join WTO this year," REUTERS, 30 October 2011.

US House of Representatives Targets EU Aviation Emissions Scheme

The ongoing aviation emissions row between the EU and several non-EU countries took another twist last week, with the US House of Representatives passing a bill that would make it illegal for US airlines to comply with the controversial EU scheme. The move comes just weeks after the release of an official opinion from the European Court of Justice (ECJ) Advocate General, which found that the EU's plan to extend its emission trading system (ETS) to aviation was fully compatible with international law (see Bridges Weekly, 12 October 2011).

The House-backed measure prohibits US passenger and cargo airlines flying to and from Europe from participating in the EU ETS should the scheme be unilaterally imposed. The bill also directs US federal agencies to take measures that ensure US airlines do not suffer penalties under the EU scheme.

Despite the House vote, EU Climate Commissioner Connie Hedegaard said on 25 October that the EU is “confident that the US will respect European law, as the EU always respects US law.”

Tensions have escalated in recent months between the EU and a group of countries opposed to the initiative. The latter group last month adopted a declaration in New Delhi demanding that the EU cancel the inclusion of aviation in the ETS (see Bridges Weekly, [5 October 2011](#)).

India, which has taken a lead in the opposition, has promised retaliation if the EU does introduce the measure as planned in January 2012.

The International Civil Aviation Organisation’s (ICAO) governing council is expected to adopt the New Delhi declaration, along with a set of resolutions calling on the EU to allow non-EU carriers to be exempt from the ETS, when the Montreal-based organisation meets later today. Reuters reports that the ICAO has claimed that the ETS issue poses “major challenges and risks for aircraft operators.”

While many observers say they doubt whether this challenge will have any effect on Brussels’ plans, some claim there is a possibility that the challenge will be a key step towards a formal dispute procedure, mediated by the president of the ICAO.

The recent developments out of Washington further complicate the dispute; should the bill receive both Senate and presidential approval, thus becoming law, US-based airlines will be put in a difficult legal position.

Should they continue to fly to Europe, these airlines would be in breach of US law if they comply with the ETS and in breach of European law should they not. Some experts say the row could potentially lead to a trans-Atlantic trade war.

Alternative fuels as a response?

Despite the strong opposition to the ETS measure from the International Air Transport Association (IATA) and many states, a number of airlines are now taking innovative steps to increase their

carbon efficiency and bolster the use of alternative fuels, partly in response to the EU measure.

The initiatives, many of which were announced in recent weeks, include fuel replacements, biofuels, and carbon reduction measures. This comes at a time of increased volatility in the price of oil and significant wider political pressure on the aviation industry to take green concerns more seriously.

Despite widespread criticism over the unintended environmental impacts of the use of biofuels, Hong Kong-based Cathay Pacific – one of Asia’s largest airlines – has announced its intention to “pin its hopes” on the use of alternative fuels. With almost 20 percent of the company’s flights expected to fall under the new ETS rules if implemented on schedule, Cathay is moving quickly to reduce its carbon footprint. As part of its initiative, Cathay Pacific is planning to develop a dedicated supply chain in Asia to ensure a consistent supply of biofuels for itself and its subsidiary Dragonair.

The current generation of biofuels, while ready for commercial use, carry a price premium. In the current economic climate most airlines are unwilling to either absorb this cost or pass it on to their consumers.

Other airlines are looking into possible alternatives to both traditional aviation fuel and biofuels. Richard Branson of Virgin Atlantic claims that he will introduce a “green aviation fuel” within three years. The technology could reportedly supply 20 percent of global annual consumption of aviation fuel at current levels, and is currently being trialled out in New Zealand.

ICTSD reporting; “EU to implement airline pollution law despite US congressional opposition,” ASSOCIATED PRESS, 25 October 2011; “India, Russia threaten to retaliate against EU ETS,” AVIATIONWEEK, 3 October 2011; “European ETS, Biofuels put aviation at a crossroads on environmental issues,” CATHAY PACIFIC, 27 September 2011; “Virgin Atlantic unveils plan to use ‘green’ fuel,” THE GUARDIAN, 11 October 2011; “IATA Disappointed with CJEU Opinion - Urges Global Solution through ICAO,” INTERNATIONAL AIR TRANSPORT ASSOCIATION, 6 October

2011; “Airlines ready for next battle against carbon law,” REUTERS, 31 October 2011; “U.S. seen respecting EU carbon law-EU climate commissioner,” REUTERS, 25 October 2011; “Cathay pins hopes on biofuels,” SOUTH CHINA MORNING POST, 24 October 2011; “Steel Statistical Yearbook,” WORLDSTEEL ASSOCIATION, 2010.

Peru Meeting Sees Progress in Trans-Pacific Trade Talks

Negotiators of a proposed Trans-Pacific Partnership (TPP) agreement are pushing to finalise an outline of the nine-country accord in time for next week’s Asia-Pacific Economic Cooperation (APEC) Leaders’ Meeting. The ninth round of talks for the TPP, held last week in Lima, Peru, reportedly saw progress in various areas; speculation is also growing over whether Japan might join the talks at the upcoming APEC summit.

Despite strides made on “issues of small- and medium sized enterprises, regulatory coherence, competitiveness, and development,” according to US Trade Representative (USTR) Ron Kirk, delegates reported that further talks are needed on intellectual property rights and market access.

The intellectual property provisions of the accord have been long-standing points of contention between policymakers and civil society organisations. At the eighth round of talks in Chicago, the US introduced a drug plan that received a cool response from NGOs, which cited qualms over the vagueness of the plan and the potential obstacles it might pose for access to medicines (see Bridges Weekly, 21 September 2011).

Building on bilateral meetings between TPP members in Lima, countries are now preparing revised offers and requests for improvements within specific areas of the deal, the USTR’s office reported.

Negotiators are hoping to have an outline of an agreement by the APEC Leaders’ meeting 8-13 November. All nine TPP negotiating parties are

members of the 21-country APEC group; observers have suggested that a TPP agreement could pave the way for a similar pact among all 21 APEC countries.

The nine countries involved in the TPP talks are Australia, Brunei, Chile, Malaysia, New Zealand, Peru, Singapore, the US, and Vietnam.

With the APEC meeting drawing closer, Kirk has singled out three issues where negotiators are seeking “concrete and meaningful outcomes”: promoting green growth, strengthening regional economic integration, and expanding trade and advancing regulatory co-operation and convergence.

US President Barack Obama has promised that this will be a state-of-the-art trade deal that goes beyond simply addressing tariffs by looking at non-tariff barriers as well, along with considering labour and environmental standards.

US seeks rules on state-owned enterprises

The topic of state-owned enterprises drew substantial discussion at the ninth round of negotiations in Lima, with the US tabling a draft text on the subject before the start of the talks. Kirk told reporters that the “unfair advantages given to state-owned enterprises [is] an issue that has united labour and business groups in the United States.”

However, Vietnam publicly pushed back against the US proposal, with trade negotiator Tran Quoc Khanh telling reporters that, “we don’t think there is a need for specific provisions for state-owned enterprises.” He stated that Vietnam’s state-owned enterprises were already compliant with WTO rules, making such a proposal unnecessary.

Malaysia, which also has state-controlled companies, admitted it needed to study the US proposal further before taking a side on the matter.

Japan to join TPP?

Speculation has lately been rife over whether Japan could join the nine countries negotiating the TPP, with Prime Minister Yoshihiko Noda having

indicated an interest in joining the talks by the APEC summit. His predecessor, Naoto Kan, had attempted to get involved in the TPP talks, only to face pushback from his cabinet and the ruling Democratic Party.

The Japanese business community has largely supported joining TPP as a counter to the surging yen and to keep up with competitor South Korea, which recently saw its free trade deal with the EU come into force (see Bridges Weekly, [4 May 2011](#)) and is expected to eventually ratify a trade pact with the US (see related article in this issue).

However, the pact's impacts on the competitiveness of the Japanese farming industry have prompted increasing debate in Tokyo. Critics worry that farmers may struggle against losing the present 778 percent import tariff on rice by joining onto the pact.

Making up only four percent of the workforce and contributing only one percent of the country's gross domestic product, the farm lobby still holds political sway in Tokyo. Reports from the agricultural lobby have stated that 350 of the 722 parliamentarians oppose joining TPP talks.

However, the prime minister has cautioned against waiting too long to join the negotiations because "the bar may be higher if we join after the rules are fixed."

Despite facing domestic opposition to Japan joining the pact, the prime minister appears committed to talking with opposition groups and having an answer for TPP negotiators as to whether Japan will join the nine-country talks at the APEC summit.

ICTSD reporting; "US says trans-Pacific trade deal on track," AFP, "Kirk Says U.S. Making Proposals to Curb State-Owned Business," BUSINESSWEEK, 26 October 2011; "Trade talks offer leadership test for Noda," FINANCIAL TIMES, 25 October 2011; "Passage of trade agreements creates momentum for expanded agenda," THE HILL, 26 October 2011; "Reformist Japan farmers urge free trade to spur change," REUTERS, 27 October 2011; "Vietnam rejects US push on state firms in trade talks," REUTERS, 28 October 2011; "In Japan, possible

free trade deal comes with an argument," WASHINGTON POST, 30 October 2011; "Noda Pursues Trade Pact Despite Opposition," WALL STREET JOURNAL, 2 November 2011.

Australian Cigarette Labelling Legislation Faces Renewed Controversy at WTO

A proposed Australian bill intended to make cigarette packaging less appealing to consumers and decrease tobacco consumption has once more met opposition at the WTO with a number of tobacco-producing developing countries, citing competitiveness concerns. The Australian government announced today that cigarette companies will be given additional time to comply with the public health measure, due to repeated delays in moving the legislation through Parliament.

The Australian legislation would require that all cigarettes sold in Australia be packaged with one colour and shape only, and that a significant portion of the front and back packaging be used for health warnings.

Some developing country tobacco producers – such as Nigeria, the Dominican Republic, Honduras, and Cuba – say such a law would curtail competitiveness in the cigarette market and may not effectively address intended public health objectives.

They echo a sentiment also expressed by big tobacco companies, particularly Philip Morris International, which is currently pursuing litigation to stop these efforts claiming that they violate international trade and investment obligations.

These issues were raised at the WTO's Council on Trade-Related Aspects of Intellectual Property Rights (TRIPS) on 24-25 October, having also prompted discussion at the previous TRIPS Council meeting in June (see Bridges Weekly [15 June 2011](#)).

The bill was passed by the Australian House of Representatives on 24 August; the Senate vote, however, has been delayed. Nevertheless, despite

threats of litigation and procedural delays, the bill is expected to move forward in Australia.

"Big tobacco companies do have big tentacles that reach far and wide across the world. I've made very clear to my international colleagues that they need to look at this not only from a health perspective, but from a trade perspective," Australian Health Minister Nicola Roxon told Reuters on 6 October.

Some developing countries express apprehension

During the TRIPS Council discussions, the developing countries likely to be affected by such legislation argued that the proposed bill might reduce prices and could even backfire by inciting illicit consumption.

According to the Dominican Republic, competing products would not be able to be differentiated from one another should such legislation enter into force. They also argued that the plain packaging requirement would likely reduce cigarette prices, since competition by use of trademark would be restricted. Cigarette quality would drop, they added, potentially paving the way for an illicit market.

The Dominican Republic – which noted that tobacco represents 10 percent of its agricultural production – also suggested that the plain packaging requirement could be inconsistent with Australia's obligations under TRIPS Article 20 on special requirements and Article 10bis of the Paris Convention for the Protection of Intellectual Property.

Article 20 of the TRIPS Agreement forbids trademark usage from being “unjustifiably” held back by special requirements, which pertain to “use in a manner detrimental to its capability to distinguish the goods or services of one undertaking from those of other undertakings.”

Uruguay, WHO back Australia

Uruguay – another key player in the cigarette packing debate – supported the proposed measures in the Australian bill at the meeting, stressing that the legislation is indeed consistent

with TRIPS and the flexibility that the agreement provides for WTO members.

Phillip Morris sued Uruguay over a similar cigarette packaging law at the World Bank's International Center for Settlement of Investment Disputes (ICSID) in February 2010. The company opposed Uruguay's decision to include large warnings and graphic imaging in cigarette packages and contended that Uruguay failed to treat their investment fairly and equitably.

On 21 October, Philip Morris announced it would shut down its plant in Uruguay, saying that its operations are no longer viable, according to a statement from its local unit. This is partly because of “fiscal and regulatory measures that limit our capacity to commercialize our products profitably,” it claimed.

Abal Hermanos – the subsidiary Philip Morris company – will continue to sell its products in Uruguay, but will now manufacture them in Argentina.

The World Health Organization (WHO) also spoke in favour of the Australian bill at the TRIPS Council discussions, recalling that plain packaging is one of the measures recommended under the WHO's Framework Convention on Tobacco Control [Punta del Este Declaration](#).

Earlier this month, WHO Director-General Margaret Chan called out “big tobacco” companies for using lawsuits to try to subvert national efforts to curb tobacco consumption.

"It is horrific to think that an industry known for its dirty tricks and dirty laundry could be allowed to trump what is clearly in the public's best interests," Chan said at a WHO meeting in Manila on 10 October.

“The high-profile commercial and investment arbitrations targeting Uruguay and Australia are deliberately designed to instil fear in other countries wishing to introduce similarly tough tobacco control measures,” she added.

“Big tobacco” warns of legal action in Australia

Yet in Australia – a much bigger market for cigarettes than Uruguay - Philip Morris has vowed to continue fighting back. Estimates place Australian cigarette sales at 22 billion cigarettes each year.

“The Australian government seems intent on ignoring [the] adverse consequences on [public health from] introducing such a regulation,” Hermann Waldeme, chief financial officer of Philip Morris, recently told analysts.

“We are therefore vigorously pursuing several legal avenues to challenge this unreasonable proposal and protect our valuable brands.”

However, procedural delays on the implementation of the bill have won tobacco companies time, since the Australian government acknowledged that tobacco companies will need substantial investments to recalibrate and retool their machinery to comply with these changes.

"I don't agree with the tobacco industry about very much," Health Minister Roxon said. "However, they are a legal business and like any business they are entitled to some proper lead time to implement new measures."

The bill was originally expected to take effect on 1 July 2012; due to the delays in the Senate vote, tobacco companies will now have until 1 December 2012 to make the necessary changes, the Australian government announced today.

ICTSD reporting; “Philip Morris to close Uruguay plant,” AFP, 21 October 2011; “Plain-packet cigarettes delayed in Australia,” AFP, 2 November 2011; “WHO chief accuses ‘big tobacco’ of dirty tricks,” AFP, 10 October 2011; “Roxon says procedural delay may hold up plain packaging,” THE AUSTRALIAN, 31 October 2011; “Philip Morris fumes at ‘plain’ Australian plan,” FINANCIAL TIMES, 20 October 2011; “Australia seeks world backing on tobacco legal fight,” REUTERS, 6 October 2011.

US Eyes Deal Outside WTO on Environmental Goods, Services

The US will take advantage of several high-level meetings in Asia this month to address barriers to trade in environmental goods and services (EGS). Tensions between Washington and Beijing have been high in recent months as US lawmakers and manufacturers have increasingly sought action against China’s green subsidies.

US Trade Representative (USTR) Ron Kirk told a business group last week that he would push for a voluntary tariff binding of five percent on a “basket of issues” relating to green technologies, facilitating trade between a number of nations competing for a stake in the new energy sector.

The US will raise the issue with China and other Asia-Pacific Economic Cooperation (APEC) partners at a meeting of the regional body in Honolulu next week. The US will also have the opportunity to discuss the arrangement one-on-one with China shortly after the APEC summit at the US-China Joint Commission on Commerce and Trade, and in meetings on the sidelines of APEC with eight additional members that are involved in the ongoing Trans-Pacific Partnership talks.

While Kirk says he has the support of Australia, New Zealand and others, a trade diplomat told Reuters that China prefers to leave the matter to the WTO. Keeping the negotiations in Geneva would allow China to cut a tariff deal in exchange for trade concessions from other WTO members, while also preventing the deal from moving forward on a voluntary basis. If the tariff bindings are to become WTO-enforceable, observers suggest that EGS negotiations could become far more complex.

US-China tensions over green subsidies build

The USTR announcement comes after a string of events that have placed Washington in a more confrontational stance toward Beijing, with increasing criticism of China’s green subsidies by US lawmakers (see Bridges Weekly, [19 October 2011](#)).

On 6 October, the USTR submitted to the WTO a list of nearly 200 Chinese subsidies that it claimed China had failed to announce in violation of WTO rules. On 11 October, the US Senate passed a bill that would punish China for allegedly undervaluing its currency (see Bridges Weekly, [12 October 2011](#)). The legislation has received substantial backing from lawmakers in the US House of Representatives, but has not been put up for a House vote – largely due to opposition from that chamber’s Republican leadership.

Whether or not the currency legislation would receive presidential approval even if it did pass Congress’ other chamber is also largely unclear, with the administration of US President Barack Obama avoiding a definitive stance on the subject.

Most recently, on 19 October, seven US solar companies banded together in Washington to file a formal trade complaint against China, claiming it dumped solar panels in the US and has provided subsidies to solar manufacturers in violation of WTO rules.

The US Commerce Department is expected to decide whether or not to launch an investigation into China’s solar practices in response to the US manufacturers’ complaint on 9 November, just days before the US will meet its APEC partners in Honolulu.

The US companies allege that China used billions of dollars to subsidise its manufacturers of “crystalline silicon photovoltaic cells” – a common type of solar panel – in order to undercut US manufacturers and gain US market share. According to Reuters, they list subsidies not only in the form of direct cash payments, but also tax breaks, preferential loans, discounted raw materials, land, utilities, export assistance grants, and preferential export insurance.

The companies also allege that China dumped its panels at prices lower than what it cost to put them on the American market, contributing to the bankruptcy of three US solar firms since August. They seek restitution in the form of 100 percent tariffs on future imports of Chinese solar panels.

Two US Democratic Senators from Oregon, Ron Wyden and Jeff Merkley, strongly support the

case. At a press conference announcing the complaint, they made statements accusing China of “cheating” and “rogue practices” in solar trade.

Oregon-based SolarWorld Industries America, the US arm of a German solar giant, filed the complaint at the US Department of Commerce and the US International Trade Commission last Wednesday, 26 October. Six other US companies joined SolarWorld in making the complaint, but have chosen to remain anonymous, reportedly to avoid a potential backlash in China.

The US government must legally review the case and determine whether or not to take formal action against China at the global trade body.

ICTSD reporting; “India confronts US, EU at WTO over national solar power generation programme,” *ECONOMIC TIMES*, 26 October 2011; “US Solar Panel Makers Say China Violated Trade Rules,” *NEW YORK TIMES*, 19 October 2011; “Chinese solar firms face growth risk after US petition,” *REUTERS*, 20 October 2011; “U.S. eyes ‘green growth’ trade deal at APEC,” *REUTERS*, 26 October 2011.

IN BRIEF

South Korean Opposition Builds Against US Trade Pact

Tensions between South Korea’s major parties are ramping up over a free trade pact with the US, shortly after the trade deal’s long-delayed ratification on the US side.

On 12 October the US Congress approved three free trade agreements (FTAs) with South Korea, Colombia, and Panama that had been the subject of nearly five years of back-and-forth political wrangling between US political parties (see Bridges Weekly, [12 October 2011](#)). US President Barack Obama signed the three pacts into law on 21 October.

With attention moving away from the US political process on these trade deals, the focus has now

turned to the ratification process in South Korea, the largest of the pacts.

The US-Korea FTA, which was negotiated under the previous Korean President Roh Moo-hyun and his counterpart, then-US President George W. Bush, has proven tough for Korea's ruling conservative Grand National Party (GNP) to push through the assembly.

Current Korean President Lee Myung Bak and the GNP have moved their unofficial deadline for ratification from the end of October to early November, in hopes that such a date would allow for the trade pact to come into force by 1 January 2012.

However, the main congressional opposition – the Democratic Party (DP) – has expressed concerns over how this FTA could affect farmers and small business owners. To address these issues, DP legislators have proposed a “ten plus two” renegotiation, which would revise ten items in the deal, as well as add two extra measures intended to minimise the impact on domestic workers.

Without a new renegotiation, Kim Jin-Pyo, the DP floor leader, told officials and legislators that his party will resort to blocking tactics if the GNP attempts to push the bill through without DP support.

The GNP has a substantial majority in the legislature, granting them the option to pass bills without DP backing; however, the GNP has avoided doing so, presumably given the upcoming general parliamentary and presidential elections that are scheduled for next April.

Civil society, industry opposition grows

Further placing pressure on the Korean legislature is the resurgence of anti-FTA protests in the capital city, Seoul. Event organisers of recent Occupy Seoul rallies mentioned the pact as one source of concern, arguing that only the top one percent of Korean society would benefit from this FTA.

Large rallies were also held in 2007, immediately following the initial signing of the deal.

The Korean agriculture and livestock industries are especially worried of an influx of cheaper imports. Estimates from the US International Trade Commission suggest that US agricultural exports, once the pact is fully implemented, could increase by anywhere between US\$1.9 billion to US\$3.8 billion.

Meanwhile, Korean automobile, electronics and chemicals exporters are expected to benefit greatly from the increased trade surplus expected from the accord, according to a statement from the Korean Ministry of Strategy and Finance. Estimates cited by the Ministry find that the pact will generate 350,000 new South Korean jobs.

The trade pact underwent a partial renegotiation in 2010 to resolve the two countries' differences over US access to the Korean beef and automobile market, and Korean access to the US automobile market (see Bridges Weekly, 2 December 2010). These changes, the opposition DP argues, have tipped the scales in the US' favour and will require further trade talks prior to Korean ratification.

Lee Sung Kwon, chief economist at Shinhan Investment Corp. in Seoul, told Bloomberg that nations must expect to make gains in some areas and losses in others when dealing with FTAs: “there's no way any country can have benefits only.”

ICTSD reporting; “South Korean opposition resists US trade pact,” AFP, 13 October 2011; “South Korea's Lee Urges People to Support Free-Trade Agreement with US,” BLOOMBERG, 30 October 2011; “DP opposes swift passage of KORUS FTA,” KOREA TIMES, 17 October 2011; “Second ‘Occupy’ protests held in Seoul,” KOREA TIMES, 23 October 2011; “South Korea to miss self-imposed deadline on US trade pact,” REUTERS, 28 October 2011.

US Lawmakers Miss Farm Bill Deadline

Members of US congressional farm committees missed a self-imposed deadline yesterday on a proposal for cuts to farm spending. US Senate and House Committees on Agriculture were due to outline spending for a farm bill to the US “Super Committee,” a congressional body set up to reach a compromise on federal spending cuts.

The Super Committee, formally known as the US Congress Joint Select Committee on Deficit Reduction, is made up of twelve members equally split between House and Senate members, and Democrats and Republicans. The results of the negotiations will lead to an “up or down” vote on 23 December by both chambers (see Bridges Weekly [26 October 2011](#)).

Farm bill legislators had proposed US\$23 billion in cuts over a ten-year period in response to mounting pressure to rein in federal spending. The bulk of the cuts - US\$15 billion - were expected to affect commodity programmes and direct payments in particular. The US notified the WTO of a total US\$114 billion in farm subsidies for 2009 alone (see Bridges Weekly, [7 September 2011](#)).

In recent weeks, farm lobby groups have failed to reach a compromise with their Congressional representatives on the precise makeup of these budget cuts. US agricultural payments slated for cuts support some crops better than others: rice farmers, for example, receive a greater subsidy per hectare than those growing corn. This disparity has pitted some agriculture groups against others in the budget process.

Some farm bill watchers in Washington are “not very optimistic” about the Super Committee process. If the Super Committee fails to reach a compromise before the 23 December vote, US\$1.5 trillion in “automatic” cuts across the board, split evenly between defence and non-defence spending, could go into effect. Committees with oversight of federal spending, such as agriculture, have therefore been rushing to draft proposals in an attempt to control the direction, if not the scale, of cuts in their areas.

With direct payments politically unpopular and most likely to go, analysts such as Robert Thompson of Johns Hopkins University warn that a shift from minimally trade distorting WTO ‘green’ box spending towards restricted ‘amber’ box would be “one more blow in the credibility of the US in the multilateral process.”

A beefed-up crop insurance programme is expected by many observers of US agriculture policy. The programme would cover “shallow” losses and insure farmers for 90 to 95 percent of their revenue.

Changes in farm spending could hurt areas that need federal support the most. Cornell University’s Chris Barrett told Bridges that, although legislators may preserve spending on commodities, they will likely gut the research programmes that drive future productivity growth.

The task of preparing a farm bill remains difficult. To date nearly 20 [proposals](#) from legislators and major farm lobbies have been circulated in Washington.

ICTSD reporting; “Farm bill talks drag amid regional differences,” ARGUS LEADER, 1 November 2011.

WTO IN BRIEF

WTO Members Table Proposals on Agricultural Export Restrictions

Two groups of WTO members have presented separate proposals on the controversial issue of agricultural export restrictions, as an unofficial deadline for submitting items for the agenda of the global trade body’s December ministerial conference was reached on Wednesday 2 November.

Although agriculture ministers from the G-20 group of major economies agreed in June to remove food export restrictions or extraordinary taxes on humanitarian aid purchased by the UN

World Food Programme, the same countries appear to have been unable to agree on proposals for adopting such language at the WTO (see Bridges Weekly, [29 June 2011](#) and [5 October 2011](#), respectively).

Agricultural export restrictions have been widely criticised for exacerbating price hikes and food shortages, penalising the poorest consumers in developing countries (see Bridges Weekly, [11 May 2011](#)).

The EU has therefore tabled the proposal along with various other G-20 countries, but without the support of Argentina, Brazil, China, India and South Africa, who have opposed the move, and also without the US, which is believed to favour more far-reaching disciplines on export restrictions.

Although they are not G-20 members, Costa Rica, Singapore, and Switzerland have also reportedly joined the EU as co-sponsors of the proposal.

According to a draft of the proposal seen by Bridges, the supporters propose that all WTO members adopt text stating that they “agree to remove food export restrictions or extraordinary taxes for food purchased for non-commercial humanitarian purposes by the World Food Programme (WFP) and we agree not to impose them in the future” - the same wording that was agreed upon by G-20 agriculture ministers this summer.

India is believed to have circulated alternative text stating simply that WTO members 'take note' of the G-20 farm ministers' statement.

While a WTO ministerial declaration would not be legally binding, it could, in theory, be taken into consideration by a dispute settlement panel. However, trade officials have questioned whether WTO members would in fact be likely ever to bring disputes on this issue (see Bridges Weekly, [5 October 2011](#)).

It remains unclear whether the G-20 summit in Cannes will endorse the agriculture ministers' action plan, given the continued divergence on the issue within the group (see related article in this issue). Russia, which is still officially in the process

of joining the WTO, has also tended to resist measures that might restrict its ability to impose agricultural export restrictions.

A WTO work programme on trade and food security?

A group of net food-importing developing countries (NFIDCs) have also submitted a proposal for ministers to consider in December, calling for a work programme to mitigate the impact of food price volatility on least developed countries (LDCs) and NFIDCs.

The draft text calls for a comprehensive work programme to ensure that NFIDCs and LDCs can access adequate supplies of basic foodstuffs; to “explore the possibility” of developing rules to exempt countries in these two groups from export restrictions imposed by other WTO members that are major exporters of these foodstuffs; and to help NFIDCs and LDCs access trade financing on concessional terms, possibly through a fund that would be set up for this purpose.

An earlier paper tabled by the NFIDC group as part of the Doha trade negotiations sought more extensive disciplines on agricultural export restrictions at the WTO (see Bridges Weekly, [6 April 2011](#)). The proposal would have expressly forbidden the imposition of export restrictions, along with prohibitions on exports to NFIDCs or LDCs from other countries.

Trade sources familiar with the proposal said that the new text was focused more specifically on restrictions imposed by major food exporters, in a bid to foster consensus more broadly across the WTO membership.

Consultations on both proposals are likely to continue ahead of the next meeting of the WTO's General Council, trade sources said. The General Council is the organisation's highest decision-making body outside of the ministerial conferences, and is next scheduled to meet on 1-2 December.

ICTSD reporting.

TRIPS Council: Anti-Counterfeiting Trade Pact Raises Eyebrows

A controversial multi-country intellectual trade property agreement drew attention at the WTO last week, with several developing countries citing the pact's potential implications on non-signatories as cause for concern. The Anti-Counterfeiting Trade Agreement (ACTA) was signed by eight countries, including the US, last month.

At the 24-25 October meeting of the WTO's Trade-Related Aspects of Intellectual Property Rights (TRIPS) Council, nine of the pact's eleven negotiating parties submitted the text of ACTA to the Council in a communication ([IP/C/W/563](#)), with Japan taking the lead in informing the Council on the signing of the pact in Tokyo.

The eight current signatories of ACTA are Australia, Canada, Japan, Morocco, New Zealand, Singapore, South Korea, and the US; the other three negotiating parties – the EU, Mexico, and Switzerland – have not yet signed the agreement, but have until May 2013 to do so (see Bridges Weekly, [5 October 2011](#)).

The pact will become binding only after six of the negotiating parties have ratified the agreement in their respective domestic legislatures.

ACTA seeks to establish new standards for the enforcement of intellectual property rights (IPRs) to combat rights infringements; some of these new standards go beyond the minimum requirements of the WTO's TRIPS Agreement. It includes four sections: namely, the legal framework of the pact, its enforcement practices, provisions on international co-operation with relevant international organisations, and institutional arrangements.

The final text of the agreement is available [here](#).

Pushback from developing countries

The pact has raised substantial debate since negotiations among the parties began in 2006, drawing the attention of civil society and policymakers alike. The primary focus has been over some ACTA provisions that go beyond the

terms outlined in the TRIPS Agreement – measures that are often referred to as “TRIPS-plus” – that might impact public policy objectives in the areas of access to medicines and access to knowledge in the digital environment.

Some countries fear that these TRIPS-plus provisions could potentially have implications even for non-signatories of ACTA. At the meeting, India argued that the most favoured nation provisions of the WTO's TRIPS Agreement requires that any TRIPS-plus measure “secured by any trading partner via an [regional trade agreement] or a plurilateral agreement is ipso facto applicable to all other WTO members.”

Concerns over ACTA have featured in previous meetings of the WTO's TRIPS Council, with some members questioning whether such an agreement might pressure countries to adopt similar TRIPS-plus provisions.

India also stressed that various members were worried that ACTA's TRIPS-plus provisions could potentially “disturb the fine balance of rights and obligations provided in the TRIPS agreement and negate decisions like the Doha Declaration on Public Health.”

The [Doha Declaration](#) asserts that “the TRIPS Agreement does not and should not prevent Members from taking measures to protect public health.”

ACTA legality questioned

Earlier this year, the Committee on International Trade of the European Parliament [asked](#) the Parliament's internal legal service to verify ACTA's legality in accordance with European laws. The Legal Service concluded in mid-October that, even though the pact appears on the surface to be in line with EU law, the fact that the agreement is open to the interpretation of other negotiating parties makes it [unclear whether the agreement is in line](#) with existing European provisions.

Across the pond, Democratic Senator Ron Wyden recently wrote a [letter](#) to US President Barack Obama pointing out that, “the executive branch lacks constitutional authority to enter binding

international agreements on matters under Congress' plenary powers" – responding to an argument that the Office of the US Trade Representative had made when announcing ACTA's signing (see Bridges Weekly, [5 October 2011](#)).

Negotiating parties come to pact's defence

In its intervention, the United States called it "curious that members oppose ACTA because it is 'TRIPS plus' on the one hand, but implement ACTA provisions in their law on the other." The US argued that several WTO members – including non-ACTA countries – have already adopted ACTA provisions in their domestic laws.

ACTA signatories also emphasised that the pact's standards for IP rights enforcement are consistent with and complementary to those provided in the TRIPS Agreement.

"The TRIPS Agreement is a minimum standards agreement, and Article 1 of the TRIPS Agreement provides that members "may...implement in their law more extensive protection than is required by this Agreement, provided that such protection does not contravene the provisions of this Agreement," the US argued.

Japan added that there is no conflict between provisions of ACTA and the existing obligations under TRIPS. Japan also explained that ACTA provides its members with flexibilities and options for implementations of enforcement provisions to ensure no distortion to international trade.

At the TRIPS Council meeting, India had also warned that the deal's border measures might pose a "grave threat to trade in generics." Responding to such concerns, Canada added that the agreement "will not hinder the cross-border transit of legitimate generic medicines," a stance backed by the EU.

Other ACTA negotiating parties also reaffirmed the pact's consistency with the TRIPS Agreement, adding that it does not impose any obligations on non-member states and that it does not create new intellectual property rights.

The next meeting of the regular TRIPS Council is scheduled for February 2012.

ICTSD reporting.

Panel Rules EU Shoe Duties Illegal: EU, China Both Claim Victory

On 28 October, a WTO panel ruled EU anti-dumping duties on Chinese footwear illegal. The duties had been put in place in 2006 after European shoe makers from Italy, Spain, and other EU countries had complained about competition from the Asian trading giant.

Beijing had specifically challenged the EU's anti-dumping calculation method for non-market economies. Brussels denies Sino-based producers individual treatment during anti-dumping investigations, instead defining and applying duties for the economy as a whole. This stands in stark contrast to common practice for market economies and can result in considerably higher identified dumping margins. The panel ruling backed China on this main claim, but dismissed others.

In an emailed statement to Bridges, China welcomed the ruling: "China is appreciative of the fact that the Panel has reinforced its prior findings that the EU's practice of individual treatment is inconsistent with WTO law."

"The decision is a contribution towards consolidating the rules-based system that all WTO members have pledged to foster," China added.

Beijing had argued that the denial of individual treatment violated the WTO's principle of non-discrimination, as market economies automatically receive this preferential treatment.

Beijing had further criticised the EU's methods for original investigations and expiry reviews – two other regular stages of anti-dumping investigations – as well as the application of WTO transparency rules. The report, however, rejected these secondary claims.

“The panel rejected almost all of the claims advanced by China,” EU Trade Spokesman John Clancy commented. The three experts considered such investigations “to be legal under WTO law, with the exception of a few issues.”

In the eyes of the EU, the case does not have any direct implications. “Even with respect to individual treatment claims, the EU faces no implementation obligations, as the anti-dumping duties on Chinese footwear expired on 31 March 2011,” Clancy said.

Nonetheless, Beijing sees merit in the partial victory. “We expect that the European Union will not repeat the violations of the Anti-Dumping Agreement and will fully comply with regard to the individual treatment practice,” China said.

Shoe duties controversial even within EU

The duties had created substantial discomfort both with China and among some of the EU’s own member states. Brussels’ actions had been supported by footwear producing nations such as France, Italy, Poland, Portugal, and Spain, but were rejected by nearly half of the 27-member bloc’s states.

Domestic footwear producers had complained that they could no longer compete with cheap imports from China. But internationally producing companies, footwear importers, and European retailers saw the measures as adversely affecting their businesses. The European Footwear Alliance (EFA), representing several big shoe manufacturers including Adidas, Clarks, and Timberland, openly supported China’s case.

“Ironically, the measure hurts European business and consumers the most,” EFA had stated in 2010 when China initiated the dispute. “The EU’s decision [...] was based on a very questionable investigation and a flawed analysis of the economic facts,” the group explained at the time (see Bridges Weekly, [10 February 2010](#)).

The EFA is now demanding compensation payments from the EU for the anti-dumping duties that have been collected impermissibly over the last five years. The direct applicability of WTO rulings for EU businesses and consumers,

however, has been previously denied by the European Court of Justice. Also, WTO law does not provide for compensation payments.

This is the second case brought by China against the EU at the WTO. Last July, the Appellate Body ruled in favour of China in a similar case concerning anti-dumping measures on iron and steel fasteners from China. Both countries now have 60 days to appeal to the Appellate Body.

ICTSD reporting; “China and EU set for WTO clash over shoes,” EU OBSERVER, 4 February 2010; “WTO largely backs China over EU in shoe dumping case,” REUTERS, 28 October 2011.

EVENTS & RESOURCES

Events

Coming soon

3-4 November, Venice, Italy. RECENT TRENDS IN NON MARKET VALUATION. This workshop, co-organised by the International Centre for Climate Governance (ICCG) and the Euro-Mediterranean Centre for Climate Change (CMCC), will highlight recent trends in non-market valuation, which is the practice of placing a monetary value on goods that are not traded in regular marketplaces. Examples include environmental quality, health risks, artistic and cultural heritage, and natural resources used for recreational purposes. Research in hedonics, preferences, consumer-behaviour methods, contingent valuation, conjoint choice experiments, and travel cost methods will be presented. The goal of this workshop is to discuss and gain further insights into currently emerging methodological and technical issues, as well as to study applications and suggest solutions to present issues. For more information, including an event programme, please visit the [website](#).

8-13 November, Honolulu, US. ASIA-PACIFIC ECONOMIC COOPERATION FORUM 2011. The United States will host the 2011 meeting of the Asia Pacific Economic Cooperation (APEC) forum in November 2011, in Hawaii. APEC’s 21

member economies today account for 55 percent of global gross domestic product (GDP) and comprise a market of 2.7 billion consumers. The Concluding Senior Officials Meeting will take place from 8-9 November. The Finance Ministers will meet on 10 November, and a Ministerial Meeting will take place on 11 November. The APEC Economic Leaders Meeting will take place on 12-13 November. More information is available on the official event [website](#).

8-10 November, Geneva, Switzerland. AD-HOC EXPERT MEETING ON THE GREEN ECONOMY: TRADE AND SUSTAINABLE DEVELOPMENT IMPLICATIONS. Hosted by the United Nations Conference on Trade and Development (UNCTAD), in collaboration with UN Department of Economic and Social Affairs (UN DESA) and the UN Environment Programme (UNEP), this event will focus on the conditions needed for making the transition to a green economy. Key topics for discussion will include political and economic feasibility of this transition, technology and finance, investment in global supply chains, and more. Event organisers hope that these discussions will serve to elaborate recommendations for contribution to the United Nations Conference on Sustainable Development (UNCSD, or Rio+20) in June of next year. For more information, please visit the event [website](#).

9-11 November, Yogyakarta, Indonesia. TENTH ASIA PACIFIC ROUNDTABLE FOR SUSTAINABLE CONSUMPTION AND PRODUCTION (APRSCP). This meeting aims to enhance and strengthen regional co-operation through the discussion of development and implementation of Sustainable Consumption and Production (SCP) strategies, promotion of best practices and lessons learned from SCP-related projects in the Asia-Pacific, and similar topics. Co-hosted by the Ministry of Environment of the Republic of Indonesia and the Indonesia Solid Waste Association (InSWA), this meeting will review the SCP framework and activities to identify challenges and alternative solutions for implementing SCP strategy in relation to greening businesses and climate change mitigation. For more information and to view an agenda, please visit the APRSCP [website](#).

16 September – 9 December, online. PUBLIC CONSULTATION: REDUCING CO₂ EMISSIONS FROM ROAD VEHICLES. This consultation, launched by the European Commission's Directorate General for Climate Action, aims to obtain the views of individuals, organised stakeholders, institutions, NGOs, industry officials, and EU public authorities. Centred on the field of climate change, participants are asked to provide their opinions on EU strategy and proposed legislation for further reducing the amount of greenhouse gases emitted from road vehicles. The EU has already set emission standards for cars and vans; however the Commission intends to revise these standards for 2020 and will use relevant feedback from this consultation. The consultation consists of a 10 minute questionnaire and allows participants to skip questions about which they are unsure. The consultation may be accessed [here](#).

WTO Events

An updated list of forthcoming WTO meetings is posted [here](#). 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.

3 November: Council for Trade in Services

3 November: Working Group on Trade and Transfer of Technology

4 November: Working Party on Domestic Regulation

7 November: Council for Trade in Goods

8 November: Committee on Budget, Finance and Administration

8-9 November: Workshop – Technical Barriers to Trade

9-10 November: Committee on Regional Trade Agreements

9 November: Negotiating Group on Trade Facilitation (followed by Inf.)

Other Upcoming Events

16-18 November, Bonn, Germany. **BONN 2011 CONFERENCE.** This high-level conference, organised by the German Federal Government, along with the World Economic Forum, the World Wildlife Fund, and the International Food Policy Research Institute, will aim to make contributions to the 2012 UN Conference on Sustainable Development (UNCSD). Global Trends such as population growth and rising economic prosperity are expected to increase demand for energy, food, and water, which will in turn compromise the sustainable use of natural resources. This pressure on resources could result in shortages that may put water, energy and food security for the people at risk, hamper economic development, lead to social and geopolitical tensions, and cause lasting irreparable environmental damage, event organisers note. Action fields will focus on three dimensions: social, economic, and ecologic; these will encompass advocacy for the poor, creating more with less, and investing to sustain ecosystem services. The 500 event participants will include high-ranking decision-makers from politics, academia, the United Nations, civil society, and the private sector. For more information, visit the event [website](#).

16-18 November, Tokyo, Japan. **TOKYO GREEN INDUSTRY CONFERENCE 2011.** This conference aims to highlight environment/resource conservation practices that benefit businesses, the environment, employees, consumers, and communities. The event is being co-organised by the UN Industrial Development Organization (UNIDO) and Japan's Ministry of Economy, Trade and Industry. Discussions will centre on policy and business solutions for achieving a widespread uptake of proven techniques and technologies, along with enabling innovation for longer term solutions toward greater reductions in resource use and pollution. This event aims to position green industry as the sector strategy for green growth and green economy, while providing an opportunity for showcasing technology and related solutions

relevant to developing and emerging countries in Asia and worldwide. Over 700 participants are expected, including government officials from 26 developing or emerging countries. For more information, please visit the event [website](#).

21 November, Paris, France. **LAUNCH OF THE OECD PERSPECTIVES ON GLOBAL DEVELOPMENT 2012 – SOCIAL COHESION IN A SHIFTING WORLD.** Jointly organised by the Organisation for Economic Co-operation and Development (OECD) Development Centre and the Club of Madrid, this event will address the global economic transformations over the past two decades that have prompted the mass mobilisation of individuals over the past year, with people calling for more social and economic justice, political participation, and openness. The new geography of growth brings new financial resources to fast-growing countries, while at the same time uncovering new challenges that require action and long-term commitment from governments. How can governments best respond to these new expectations? What policy reforms can contribute to strengthening social cohesion? How can we learn from past experiences and existing practices? These are the questions that will be raised at the event, which will feature various high-level speakers, including Ricardo Lagos, former President of Chile; Wim Kok, former Prime Minister of the Netherlands; and François Bourguignon, Director of the Paris School of Economics. More details and an event agenda are available [here](#).

21-25 November, Kigali, Rwanda. **MINISTERIAL CONFERENCE ON RURAL INFRASTRUCTURE FOR IMPROVED MARKET ACCESS.** The African Union, with the Comprehensive Africa Agriculture Development Program (CAADP), will be hosting this conference. The event conference will explore possible areas to build upon to ensure regional and international market access for African smallholder farmers. Challenges facing this group are poor quality of rural infrastructure and affordable resource availability –two of several issues this conference will address. Under the umbrella of the CAADP efforts, discussion will also consider sustainable land management, food supply, and agricultural and technological

research. Five regional studies will also be conducted to provide insight into the problem solving process. For more information on this event, you may view the concept report [here](#).

22 November, New York, US. UNIDO PANEL: SUSTAINABLE ENERGY FOR ACCELERATED INDUSTRIAL DEVELOPMENT OF AFRICA. This interactive panel discussion, organised by the UN Industrial Development Organization (UNIDO) on the occasion of the 2011 African Industrialization Day, will focus on the theme of “Sustainable Energy for Accelerated Industrial Development in Africa.” This topic has received particular attention in light of the UN Secretary-General’s recently-launched global initiative on Sustainable Energy for all (SE4ALL). This platform aims to provide in-depth discussion of three energy objectives for 2030: ensuring universal access to modern energy services; doubling the rate of improvement in energy efficiency; and doubling the share of renewable energy in the global energy mix. For more information about UNIDO and its work, please visit the organisation’s [website](#).

5-6 December, Durban, South Africa. THE DURBAN TRADE AND CLIMATE CHANGE SYMPOSIUM. This symposium, co-organised by ICTSD, the WTO, and the Department of Trade and Industry (DTI) of the Republic of South Africa, will cover various topics within the trade and climate change sectors. By bringing together climate delegates, academics, policy analysts, and representatives from IGOs and NGOs, these discussions will analyse current issues in climate change and development, as well as consider the future of the linkages between the multilateral trade and climate change regimes. Event partners now include Cambridge Econometrics, Climate Strategies, Center for International Forestry Research (CIFOR), Environment and Trade in a World of Interdependence (ENTWINED), Food and Agriculture Organization of the United Nations (FAO), Friedrich Ebert Stiftung (FES), International Food Policy Research Institute (IFPRI), International Institute for Sustainable Development (IISD), National Foreign Trade Council (NFTC), South African Institute of International Affairs (SAIIA), Swedish Standards Institute (SIS) Trade Law Centre for Southern Africa (TRALAC), and the World Intellectual

Property Organization (WIPO). This will be held in parallel with the UNFCCC Conference of the Parties (COP). For more information, or to register, please click [here](#).

Resources

CARBON COALITIONS: BUSINESS, CLIMATE POLITICS, AND THE RISE OF EMISSIONS TRADING. By Jonas Meckling for the Massachusetts Institute of Technology Press (October 2011). With carbon markets reaching a net worth of US\$142 billion in 2010, carbon trading has emerged as the developed world’s main policy response to global climate change. The author presents a comprehensive study of how carbon trading gained such prominence and the business world’s role in setting this up as a key component of climate change governance. The book presents three case studies on the subject: the Kyoto Protocol, the EU Emissions Trading System, and the re-emergence of emissions trading on the US policy agenda during the 2000s. For more information on this book, please click [here](#).

LONDON’S CLIMATE POLICY SHOULD START IN BEIJING. Debate held at the Royal Society in London (20 October 2011). As many developed countries look to incorporate green policies as a way to support the environment, it has become a point of contention that there are some disparities in emission levels and growth between developed and developing countries. Some argue that it is cheaper to achieve carbon-cutting goals in emerging nations, where emissions are on the rise and businesses can be drawn in at potentially lower costs than their developed country counterparts. However, opponents have cited statistics showing that, based on a per-capita basis, developed nations may be emitting more and have argued that higher levels of emissions in developing nations are due to manufacturers outsourcing to developing countries. This debate specifically focuses on the UK’s climate change policies, in the context of its relationship with China. For more information on the debate and a link to the full video of the event, please visit this [website](#).

ASIA AND GLOBAL FINANCIAL GOVERNANCE. By C. Randall Henning and Mohsin S. Khan for the Peterson Institute for International Economics (October 2011). The notable growth of Asian economies and their rapid integration into the global trading scene has given them considerable clout in many international forums. However, Asia's role in the International Monetary Fund (IMF) and the Group of 20 (G-20) is not yet on par with its economic weight, the authors argue. The authors present a series of possible reasons for this, including some developed nations' resistance toward giving up quotas and votes at the IMF and Asian countries' own hesitance in the past in asserting themselves in these circles. Asian countries will need to establish unified and solid positions on matters of regional and systemic importance and lead a substantive agenda for the Fund. The authors further stipulate that Asia should focus on forming alliances with other G-20 nations, which could strengthen the position of Asian countries in the G-20. The working paper is available for download [here](#).