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WORLD TRADE ORGANIZATION

WTO Members Aim for "Realistic" Doha Deliverables for 2013

One year after the Doha Round of trade talks was formally declared at an impasse, WTO members are beginning to show signs of re-engagement in the negotiations, according to WTO Director-General Pascal Lamy. However, he warned delegates last Friday, members must be realistic and pragmatic in the months ahead to avoid jeopardising the small Doha deliverables package that they aim to clinch by next December's ninth ministerial conference (MC9) in Bali, Indonesia.

"MC8 left us with a long to-do list," the Director-General [told](#) WTO members, referring to last year's ministerial conference in Geneva, where trade ministers formally directed the global trade body's members to explore new negotiating approaches in light of the stalemate in the talks.

However, Lamy added, members now appear to be showing "encouraging signs" that they are ready to resume their negotiations in earnest, despite 2012's admittedly slow start.

"The activities of 2012 have contributed to building some momentum. You have put on your negotiating caps again. And we cannot afford to lose it," he said, urging members to transform this renewed sense of engagement into concrete proposals during the first quarter of 2013. "Our credibility in the next phase will depend on our ability to make tangible progress on specific issues as they mature."

Progress in some areas, standstill in others

Chairs of the various Doha negotiating groups also spoke at Friday's meeting of the WTO's Trade Negotiations Committee (TNC) – which is tasked with all negotiating aspects of the Doha Round – in order to give delegates the current state of play on the different topics under negotiation.

Topics such as trade facilitation, agriculture, special and different treatment (S&DT), least developed country (LDC) issues, and dispute settlement have advanced over the past twelve months, they said, while others – such as the WTO's negotiations on services – have barely moved at all, and are unlikely to move forward in the months ahead.

The possibility of a trade facilitation deal by end-2013 – an area of the talks that deals with easing customs procedures and other border restrictions – has gained



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increased prominence over the past several months. Negotiators have been working toward finding internal balance within the subject-specific talks, as well as trying to find deliverables from other areas of the Round to go with it, in response to concerns from some members that a deal focused solely on trade facilitation would not be "self-balancing."

On trade facilitation, negotiating group chair Eduardo Ernesto Sperisen-Yurt – who serves as Guatemala's WTO ambassador – noted that talks in this area have shown promising developments over the past year, with members demonstrating a willingness to continue negotiating further in the year ahead.

In his oral report to the TNC, Sperisen-Yurt also stressed that members should not be alarmed by the various unresolved parts of the trade facilitation draft text.

"Those who don't follow these negotiations closely could see themselves tempted to count the brackets that still remain in the text," he said. "But I'd warn them that it would be an error to see that as an indicator of current progress," he added, noting that in many cases, just one area of disagreement is the source of many of those brackets.

Notably, the topic of S&DT in the trade facilitation talks was raised by many members in their interventions, and is expected to feature prominently in upcoming negotiations.

In parallel, three proposals on agriculture – two from the G-20 coalition of developing countries, and one from the G-33 developing country group – have been debated as possible components to pair with a trade facilitation deal, earning a cautious welcome from fellow WTO members. (See Bridges Weekly, [21 November 2012](#))

Australia, speaking on Friday on behalf of itself and for the Cairns Group of agricultural exporters, reportedly commented that the new proposals have been a positive development, given that they have helped re-establish agriculture as a key element of the negotiations. However, sources note that Switzerland, on behalf of itself and the G-10 coalition of countries with highly-protected farm sectors, remarked that agriculture is not the only issue on the table.

Steer clear of surprises, Lamy cautions

In preparing for MC9 in Bali next year, members should "go back to our well-known principle of 'no surprises'," the Director-General cautioned on Friday. "Any kind of Christmas-tree syndrome as we get closer to MC9 would have destabilising effects on the entire process, jeopardise the ministerial conference itself, and dent the credibility of the WTO."

Efforts last year at building an LDC-focused "Doha-light" package in time for the December 2011 Geneva ministerial ultimately fell apart, due to members being unable to agree on which LDC – and non-LDC – issues to include in such a deal, in what was also referred to as a "Christmas-tree" problem.

In order to achieve results in time for Bali, Lamy added, members should pursue "realistic" demands that account for other members' so-called "red lines," while avoiding unattainable goals or being confrontational in the negotiating process.

He also said that proponents of any new proposals should take on the responsibility themselves to build consensus among other members, and that members must avoid setting "new and unworkable deadlines."

MC9: a Doha Round stepping stone

While a small package of Doha deliverables for next December now appears to be members' current goal, many made clear at Friday's meeting that the Bali event would not mark the end of the organisation's efforts to conclude the entire Round.

"Of course, we should be under no illusion about the breadth of what we can achieve in the short timeframe between now and MC9," Lamy said. "Nor should we create unrealistic expectations. The main stumbling blocks of the [Doha Development Agenda] are still standing and many of the toughest nuts will likely not be cracked by the time ministers meet in Bali."

"But we should also not wait for the last minute to engage," the trade chief warned. "One more housekeeping ministerial conference in Bali would not suffice to keep the Doha House alive."

Various delegations who spoke on Friday echoed the Director-General's comments, noting that Bali is just one step in a longer process. Many also cautioned that the year until Bali's meeting is – in practice – less time for negotiating than it sounds.

"A successful MC9 appears today clearly as a necessary precondition for the conclusion, at a later stage, of the whole Round," EU Ambassador Angelos Pangratis [commented](#). "Progress achieved is fragile; the road ahead is long and the time to MC9 is in fact very short."

"Bali is not a deadline, but it has already emerged as a milestone. One way or the other, Bali will mark a moment when not only we but the world outside of Geneva take stock of our work and the health of the trading system," US Ambassador Michael Punke [added](#).

ICTSD reporting.

WORLD TRADE ORGANIZATION

WTO General Council: Ukraine Renegotiation Request Under Fire

Ukraine's request to renegotiate nearly 400 tariff lines again came under fire from several of its fellow WTO members yesterday, which had been set as the deadline for Kiev's trading partners to state their interest in negotiating compensation for the proposed revisions. The Geneva-based organisation, in an earlier meeting this week, also formally approved Tajikistan's accession to the global trade body, leaving domestic ratification as the last remaining step before Dushanbe can become a full member.

Members criticise Ukraine request

Ukraine's request to renegotiate 371 tariff lines just four years after acceding to the 157-member WTO was criticised by some members at the General Council – the organisation's highest decision-making body outside of the ministerial conference – yesterday. The comments came just two weeks after nearly 30 members had asked Kiev at a meeting of the Goods Council to withdraw the controversial request. (See Bridges Weekly, [28 November 2012](#))

Ukraine had submitted a notice late last year alerting members that it would seek to invoke a provision in the General Agreement on Tariffs and Trade (GATT) – Article 28 – that indeed allows for renegotiating accession terms. However, details about the proposed size of the request – which Ukraine tabled in September – has alarmed other WTO members over the past few months, specifically over the systemic and commercial implications of such a move by Kiev.

With yesterday being the deadline for members to claim their rights to negotiate with Ukraine for compensation for the proposed tariff schedule revisions, various spoke to express their concerns at Kiev's move, and to reiterate their calls for Ukraine to drop the renegotiation proposal.

Among the concerns raised were whether Ukraine would be able to adequately compensate members for such changes, and the timing of the request – given that Kiev's WTO membership only took effect in 2008. The size of the request is also unprecedented, some noted; while Article 28 has been used by other members in the past, this has usually been for making small, technical adjustments to a member's tariff schedule, and not for a widespread revision of this scale.

The issue of transparency was also brought up by various members, trade sources commented to Bridges, given that there is little information about the new level of bound tariffs that Ukraine is seeking. While some members have asked for this information, Kiev has reportedly not yet provided these details.

"There's been disappointment that here we are at the end of the 90-day period and yet we have seen no real transparency from Ukraine," one developed country delegate commented to Bridges ahead of the meeting.

Some worry that, should the process proceed further, it could prompt other new members – current and future – to follow suit with their own renegotiation requests, a result that could have larger systemic implications for the global trade body and, they say, potentially undermine the predictability of the multilateral trading system.

"Everyone is looking at Russia most immediately – they've been very quiet about it," one delegate commented; Moscow is one of the WTO's newest members, and underwent a long and difficult negotiation process.

"Ukraine has not been shy to say that the Doha Round is nowhere near ending, and that we have high bound lines and others do not," the delegate continued, noting other newly acceded members could theoretically make the same argument.

Ultimately, several members at Tuesday's meeting did notify the General Council of their claim of interest for negotiating compensation with Ukraine. However, those that did so stressed that submitting such a claim does not mean that they accept Ukraine's proposal.

In response, Ukraine noted that it has held several rounds of technical meetings with members and is ready for more constructive discussions, adding that such negotiations under Article 28 are not easy. Trade policy "is a living thing," Ukraine said in conclusion.

General Council approves Tajikistan accession

In a separate meeting of the General Council the day prior, WTO members formally signed off on Tajikistan's accession to the global trade body. Dushanbe will now have until 7 June 2013 to ratify the accession package, and will become a full WTO member 30 days afterward.

"For Tajikistan, a small and landlocked country, WTO accession is a road leading to the world economy. For the WTO, it is another step towards universality and a sign of confidence in the values and benefits of the multilateral trading system," said Director-General Pascal Lamy.

The Working Party tasked with Tajikistan's membership negotiations had signed off on Dushanbe's accession terms in late October. (See Bridges Weekly, [31 October 2012](#)) The Central Asian country had launched its efforts to join the WTO in 2001.

Tajikistan's accession would make it the WTO's 159th member.

Meanwhile, Laos – whose accession terms were approved by members in late October – ratified its accession package last week and is set to deposit the instrument of ratification at the WTO in the coming days. Vientiane's membership would therefore become final in January, ahead of Dushanbe.

While members welcomed the expected accessions of Laos and Tajikistan at the longer General Council meeting on Tuesday, some also used the opportunity to raise their concerns over another accession that had been expected for 2012 – specifically, that of Yemen.

While Yemen and Ukraine had reached a bilateral agreement in market access for goods at the July General Council, little has happened since, some said. Ukraine is the only member that still needs to formally agree to Yemen joining the 157-member trade body.

All members that spoke on Tuesday on the subject ultimately urged Ukraine to finalise any remaining issues it has with Yemen, especially given the latter's status as a least developed country.

ICTSD reporting.

CLIMATE CHANGE

Moderate Progress Achieved in Doha as UN Climate Talks Shift into New Phase

Negotiations went into overtime at year-end UN climate talks last week, as countries grappled with the details of closing one familiar set of negotiating tracks and operationalising a new track aimed at securing a new global climate deal by 2015. Many climate observers vocalised their concerns that delegates attending the UNFCCC's eighteenth Conference of the Parties (COP 18) lacked the sense of "urgency" needed to achieve meaningful progress.

In the end, however, parties managed to accomplish much of what they set out to do in Doha. As planned, discussions in the ad hoc working groups on Long-term Cooperative Action (LCA) and Kyoto Protocol (KP) came to a close and a second – though much less ambitious – phase of the Kyoto Protocol was agreed to.

Countries also established a rough timeline for how they intend to work on striking a new global climate treaty under the Durban Platform (ADP) negotiations and set up plans to address future "loss and damage" in developing countries that may arise as a result of climate change – ranging from a rise in sea levels to severe weather events.

Deflated Kyoto given second period

Negotiations to ensure there was no gap between the first and second commitments periods of the 1997 Kyoto Protocol began in 2005. This working group saw remarkable ebbs and flows over the past seven years as many developed countries began to reconsider their support for the Protocol, often citing the lack of binding commitments for emerging countries as an unacceptable oversight.

The first commitment period of Kyoto included binding emissions reduction targets of five percent below 1990 levels for 37 industrialised countries and the EU member states. With the loss of support from several key countries – including Canada, Japan, New Zealand, and Russia – the number of industrialised countries signing onto another round has dropped to EU member states and seven others: Australia, Belarus, Kazakhstan, Monaco, Norway, Switzerland, and Ukraine. Experts say this group accounts for less than 15 percent of global greenhouse gas emissions.

The second phase of Kyoto will cover the gap years 2013-2020, when a new global treaty is expected to take its place. But critics say the agreement will not prevent the planet from warming more than two degrees Celsius above pre-industrial levels, the agreed ceiling for avoiding some of the most catastrophic effects of climate change.

In order to address the lack of binding commitments from the world's top emitters, countries in Doha agreed that one of the two work streams established under the Durban Platform would focus on ramping up ambition before the 2020 pact takes effect.

End of one process, beginning of another

ADP discussions in Doha took a back seat to the more contentious issues being discussed at the meet, specifically the Kyoto Protocol and the closure of discussions under the Ad

Hoc Working Group on Long-term Cooperative Action (AWG-LCA). While parties at COP 17 in Durban last year agreed to close LCA discussions in Doha in order to allow Durban Platform negotiations to move forward on clinching a deal by 2015, it was not clear what would happen to unresolved LCA issues. This led to heated discussion, at times, with some observers questioning whether efforts to finish the LCA would indeed be successful.

Ultimately, intense negotiation and trade-offs allowed negotiators to bring the talks to a close as scheduled. Issues that proved particularly difficult to resolve include financing, the aforementioned issue of "loss and damage," and "unilateral measures." The latter refers to unilateral measures taken by a country to mitigate climate change, such as the EU's controversial inclusion of aviation into its emissions trading scheme at the beginning of 2012.

Rather than abandoning the unilateral measures issue, it was forwarded to the "Forum on the Impact of the Implementation of Response Measures," which was established at COP 17 to discuss the possible consequences of actions taken by developed country parties to reduce their greenhouse gas emissions. These actions can often have trade implications, but prior to Doha it was unclear whether the scope of the forum would include trade. Some delegates have interpreted the inclusion of unilateral measures as a green light for discussing trade issues in the forum.

With the two major issues of Kyoto and LCA now resolved, countries will have room to focus more directly on moving the ADP discussions forward. In order to achieve this, parties established a rough timetable for cementing a 2020 pact by 2015, but were unable to agree to any further details for moving the discussions forward.

In 2013, parties will meet in Bonn, Germany from 29 April to 2 May, with another possible meeting in September. A minimum of two sessions will also be held in both 2014 and 2015. ADP negotiations will take place under two work streams, with one looking at tackling climate change post-2020 and another looking at ramping up ambition over the next eight years.

UN Secretary General Ban Ki-moon in Doha announced his intention to convene a meeting of world leaders in 2014, to help keep the world's attention focussed on climate change at a crucial time.

Loss and damage complicates financing

Financing, which has been one of the more difficult issues to resolve in recent years, made little progress in Doha. At the troubled 2009 climate meet in Copenhagen, developed countries agreed to provide US\$10 billion per year in "fast start" financing for the period of 2010-2012 to help developing countries begin adapting to a changing climate. They also agreed to a separate goal of providing US\$100 billion in 2020, leaving a void for the period from 2013-2019. With many developed countries facing austerity measures at home, most have been hesitant to agree to further financial commitments. The agreed text emerging from Doha – dubbed the "Doha Climate Gateway" – merely "encourages" developed countries to provide financing at the same level or greater than their fast start financing commitments from 2013 to 2015.

The Doha package includes language aimed at establishing a possible mechanism for addressing loss or damage resulting from climate change – including "extreme weather events" and "slow onset events" – in countries that are particularly vulnerable to the adverse effects of climate change.

The issue has been somewhat controversial, with the United States reportedly adamant that any financial commitments established under the deal would not be in addition to US\$100 billion already promised for 2020. The Australian newspaper reports that US climate envoy Todd Stern vowed to scupper the provision, but proved unsuccessful.

Developing countries welcomed the text as a positive move in the right direction. However, some critics say the language could lead to an unwieldy surge of long-term financing claims for natural disasters that occur in the developing world.

Trade issues also factored into some discussions on financing, with the issue of whether the international shipping and aviation sectors could be used as a means to generate funds to combat climate change. Japan and China said they were against a proposal seeking to establish an expert group – comprised of the UNFCCC Secretariat, International Civil Aviation Organization (ICAO) and the International Maritime Organization (IMO) – to examine the issue. Saudi Arabia further noted that such an international tax scheme on shipping or aviation would negatively impact developing countries and would be a violation of WTO member country obligations to the global trade arbiter.

New negotiating landscape

In his closing remarks in Doha, COP 18 president Abdullah bin Hamad Al-Attiyah told delegates that the meeting “has opened up a new gateway to bigger ambition and to greater action.” That said, the president also acknowledged that the package falls short of what could have been achieved.

In the short time since the close of the meeting, several of the 9,000 COP participants – from government officials to NGO representatives to the media – say they feel disheartened by the lack of ambition and progress in Doha.

Some observers have been critical of host country Qatar – the first Middle Eastern country to hold a UNFCCC COP – saying that more should have been done to push countries to achieve greater results over the two-week conference. Others, however, say that the missing sense of urgency compared to previous COPs lies in the fact that the focus was placed on tying up loose ends and transitioning to a new set of negotiations.

Moving forward, several changes lie in store, not only in structure of the negotiations, but in the structure of the alliances. The past year has seen cracks develop in the traditional developed / developing country “firewall,” with some poorer developing countries – particularly low-lying island states – acknowledging that they have less in common with emerging developing countries, such as India and China.

A new negotiating group – comprising Chile, Colombia, Peru, Costa Rica, Guatemala, Panama, and Peru – emerged this year and spoke formally for the first time in Doha. The group, known as the Association of Independent Latin American and Caribbean States (AILAC), say they are committed to supporting the UNFCCC as the “most effective way to achieve the objective of a below-2 degree world.”

Another developing country group, known as the “like minded group,” say they are committed to upholding the UNFCCC’s principle of common but differentiated responsibility (CBDR), equity, and developed countries’ collective responsibility for climate change. With several developed countries adamant that any new climate pact include binding emissions reduction targets for all countries, including advanced developing countries, the issue will surely be worth following closely.

ICTSD reporting; “Summary of the Doha Climate Change Conference: 26 November – 8 December 2012,” EARTH NEGOTIATIONS BULLETIN, 11 December 2012; “Doha climate talks throw lifeline to Kyoto Protocol,” REUTERS, 10 December 2012; “Despair after climate conference, but UN still offers hope,” REUTERS, 9 December 2012; “Doha sets up \$3bn hit for taxpayers as climate deal fails to deliver on emissions targets,” THE AUSTRALIAN, 10 December 2012.

DISPUTES

Argentina Trade Rows Escalate at WTO

Tensions between Argentina and some of its major trading partners became further strained last week, as consultations over various contested trade policies failed to produce agreement. Buenos Aires has now requested that a WTO dispute settlement panel examine complaints it had filed earlier this year on Washington's curbs on imports of Argentine beef and lemons and Brussels' rules regarding biodiesel imports. Meanwhile, the EU, US, and Japan have joined Mexico in formally asking the global trade arbiter to hear their complaints over Argentina's import policies.

US, EU, Japan join Mexico in advancing challenge to Argentine import restrictions

The requests by the US, EU, and Japan for the WTO to form a panel to rule on the Argentine import controls follow a similar request by Mexico last month, and signal the next stage in the WTO's dispute settlement process ([DS438](#), [DS444](#), [DS445](#), and [DS446](#)). First launched by Brussels in May, the initial action challenging the Argentine measures was subsequently supported by Washington, Tokyo, and Mexico City, who all decided in August to file similar complaints of their own. (See Bridges Weekly, [30 May 2012](#) and [12 September 2012](#))

Representing some of Argentina's biggest trading partners, the complainants criticise the measures for discriminating between imported and domestic goods and for being based on policies which they say are protectionist.

"Argentina's persistent use of import restrictions broadly impacts all US exporters of goods to Argentina," US Trade Representative Ron Kirk said in a [statement](#). "Today's step reflects the Obama Administration's commitment to ensuring that our trading partners play by the rules so that our companies can compete on a level playing field."

Since February 2012, Buenos Aires has subjected all imports to a registration and pre-approval regime. Meanwhile, the list of products subjected to non-automatic import licensing requirements has been expanded significantly, the complainants say. In addition, they note, imports into Argentina are systematically delayed or refused on non-transparent grounds.

While import licenses are permitted under WTO rules, they must be approved automatically; any non-automatic import licenses must comply with specific WTO requirements, including that they be issued within 60 days.

Detractors also complain of informal trade balancing requirements adopted by the Argentine government, under which local importers must agree to export goods of equal value, increase local content of the products they manufacture in Argentina, or refrain from transferring revenues abroad.

The Argentine measures are said to affect products ranging from cars and clothes to agricultural goods and chemicals.

"Argentina's import restrictions violate international trade rules and harm EU exports," EU Trade Commissioner Karel de Gucht said in a [statement](#). "The consultations we held with

Argentina at the World Trade Organization did not bring any positive solution. Today's decision is also the outcome of close co-operation with the US, Japan, and Mexico."

Argentine spat with EU, US over biofuels, lemons, and beef ramps up

Argentina, for its part, had also last week already formally requested panels in its own WTO complaints launched earlier this year ([DS443](#), [DS447](#), and [DS448](#)). Describing the subsequent action by the EU and US as "regrettable," the Argentine government dismissed the request for panels as a distraction from its own complaints against the US, and EU, in particular.

"[Argentina] laments the untimely, but obviously coordinated, complaints made against our country at the World Trade Organization (WTO). These are the best demonstrations of how – when faced with specific demands made by our own country – they respond with a generalised action that looks to distract public opinion rather than resolve the trade barriers that are hurting Argentine products," the Argentine Foreign Ministry said in a [press release](#).

The complaints, brought by Argentina against the EU on its rules regarding non-EU biofuels and the US over its ban on Argentine beef and lemons, only add to the growing tensions between President Cristina Kirchner's government and some of Argentina's trading partners.

The US stands accused by the South American country of blocking imports of Argentine beef and lemons without justification, while the EU is called on to defend a Spanish law that specifically favours biofuels produced in the EU and is said to, in effect, discriminate primarily against Argentine-produced biofuels. (See Bridges Weekly, [12 September 2012](#))

Both are being denounced by Buenos Aires as amounting to protectionist measures, with the timing of the Spanish legislation in particular being described by some observers as a direct response to the nationalisation earlier this year of the Argentine subsidiary of Spanish-owned oil and gas company Repsol YFP. (See Bridges Weekly, [18 April 2012](#))

"The measures against Argentine exports that led to this demand have generated a lot of damage to Argentine producers and thousands of job losses," the Argentine Foreign Ministry said in a [statement](#).

The respective requests for the establishment of a panel are likely to be addressed at the next meeting of the Dispute Settlement Body, which is scheduled for 17 December. Under WTO rules, defending countries are entitled to object to the establishment of a panel on the first occasion, but will be unable to block the same request a second time.

In the case of the complaints against Argentina over its import restrictions, a single panel would be established to hear the four cases of the EU, US, Mexico, and Japan. The beef, lemons, and biofuels cases, however, would be heard by separate panels.

ICTSD reporting; "Update 3 – EU, US step up WTO action in Argentina trade row," REUTERS, 6 December 2012.

SERVICES

WTO Member Group Eyes Possible Launch of Services Talks for 2013

A subset of WTO members that has been examining over the past year possible ways to lower barriers in services trade hope to formally launch negotiations for a services liberalisation agreement in 2013, sources familiar with the discussions have told Bridges.

The group exploring such a move – known as the “Real Good Friends” (RGF) of Services – met last week in Geneva for both expert and ambassador-level meetings, during which time they reviewed a series of proposals from the participating members. The proposals touched on topics such as government procurement, postal and courier services, professional services, and mode 4 – where services are provided by foreign nationals abroad – among others.

Based on the discussions held over the past year, RGF members now have an agreement in principle for a framework for negotiations, sources say. The framework is meant to help those members who need a mandate from their capitals to formally participate in negotiations, once those are launched. For others, the framework essentially serves as a summary of the talks to date.

“We can’t call it guidelines for negotiation, because it doesn’t have that status,” one delegate said, noting that the framework instead serves to outline what is the proposed scope for negotiations, and what the general commitments are.

Members are tentatively planning to start negotiations in the first few months of next year – possibly in March – though no formal date has been set, sources say.

“There are some members that think we should have a product that shows all the work that we have done and all of the intentions and commitments of this group in time for Bali,” one developing country delegate involved in the talks commented, referring to next year’s ministerial conference being held in Indonesia. “There are others, however, that think we shouldn’t impose a date,” the delegate added, while noting that participating members generally wish to conclude negotiations quickly.

“There is no set timeline right now, as everyone needs to confirm [after discussing with their capitals] whether they’re on board or not,” a developed country official explained. “The ambition is still there, and that of course is extended to the question of timing. We’re hoping not to start another Doha type of exercise.”

The RGF also gained a new member recently – Iceland – bringing the group total to 21 members, or 47 countries, given that the 27-member EU counts as one member.

Doha services stalemate in the background

The efforts to deepen services trade among a subset of WTO members comes as services negotiations in the WTO’s Doha Round of trade talks remain stalled.

Reporting to the WTO’s Trade Negotiations Committee on Friday, Fernando de Mateo – Mexico’s ambassador to the global trade body, and chair of the WTO’s negotiating group on services – noted that talks among the organisation’s 157 members in this area have seen little progress in the past year.

"There has been very little movement on these issues," he said. "Looking to the next six months, so far I can see no signs that the situation will change."

Some WTO members not participating in the RGF talks have expressed scepticism over whether a plurilateral approach, such as that of the RGF, might end up undermining the Doha Round efforts and the broader multilateral trading system as a whole. Emerging economies – such as Brazil, China, and India – have been among those to raise such concerns.

WTO Director-General Pascal Lamy, however, speaking to delegates at yesterday's meeting of the General Council – the organisation's highest decision-making body outside of the ministerial conference – noted that the RGF discussions are worth watching.

"You also know that a group of members is working in different configurations to achieve further services opening," he told members. "The shape of an agreement remains open, but I think that you should all keep an eye on the outcome of this process because such engagement may be a positive starting point for further progress next year."

ICTSD reporting.

WASHINGTON

US Senate Votes to Lift Russia Trade Restrictions

In the penultimate step along the road to normalising trade relations between Washington and Moscow, the US Senate voted last Thursday in favour of a bill that repeals a Cold-War era law restricting trade between the two nations. The highly-anticipated legislation – which passed by a margin of 92 in favour, four against, with four senators not voting – now requires the approval of President Barack Obama to become law.

Specifically, the bill will nullify the application of the Jackson-Vanik amendment – a 1974 piece of legislation denying most favoured nation (MFN) treatment to countries that limit their citizens' freedom of emigration – to Russia. Along with establishing permanent normal trade relations (PNTR) with Russia, the legislation will also do the same for Moldova.

An obligation of WTO membership, MFN status requires that all members treat their trading partners in a way no less favourable than other members. Despite Russia's accession to the Geneva-based trade body earlier this year – following nearly two decades of protracted negotiations with current WTO members – Washington's longstanding trade restrictions on Moscow have remained intact, sparking concerns among US producers that they could be placed at a competitive disadvantage relative to their European and Asian counterparts.

As a result, US lawmakers have been urged to move quickly in repealing Jackson-Vanik by business officials, many of whom have expressed frustration over the fact that it has taken so long to remove the restrictions. Those irritated have been quick to point out that other

nations also subject to these trade restrictions – including China – had PNTR restored in time for their own WTO accessions.

"This legislation is about giving US business a fair shake in Russia – it's about locking in rules and defending the rights of [US] companies in the ninth largest market in the world," Ed Verona, President of the US-Russia Business Council, said in a statement prior to the Senate vote. "It's time for the Senate to take this over the finish line."

Magnitsky provision passed

Although both nations have expressed their eagerness to normalise trade ties, the Senate's vote has – as expected – fuelled tensions with Moscow, due to the inclusion of human rights provisions in the otherwise trade-specific legislation.

Worried that repealing the Jackson-Vanik trade restrictions would remove a point of leverage on a number of foreign affairs disagreements with Moscow, US lawmakers attached the Sergei Magnitsky Rule of Law Accountability Act in order to sanction Russian officials charged with human rights violations. The bill is named after the anti-corruption lawyer who died in a Moscow jail in 2009.

The Magnitsky bill will require the public identification of those Russian officials implicated in alleged human rights violations, including those said to be involved in the lawyer's death. It will also freeze the US financial assets of suspected human rights violators, while denying them visas for US entry.

The human rights legislation's lead sponsor in the Senate – Ben Cardin, a Democrat from the US state of Maryland – had hoped to extend the bill's language to cover human rights violators worldwide. However, following an internal debate, lawmakers in the House of Representatives endorsed Russia-specific language, approving the Act's linkage to the trade bill last month (See Bridges Weekly [14 November 2012](#)). The Senate version ultimately became Russia-centric as well.

Cardin has promised to "continue to work with [the bill's] bipartisan co-sponsors towards passage of the Magnitsky sanctions for other countries."

Moscow, meanwhile, has pledged that it will retaliate against Washington if the human rights bill becomes law, such as by similarly denying entry to Russia for US citizens guilty of human rights violations.

ICTSD reporting; "Senate expected to take up Russia trade bill on Wednesday," THE HILL, 4 December 2012; "US-Russia Business Council Welcomes Senate's Move to Take Up Russia PNTR Legislation," THE SACRAMENTO BEE, 4 December 2012; "Bill on Russia Trade Ties Sets Off New Acrimony," NEW YORK TIMES, 7 December 2012.

AGRICULTURE

FAO: Poor Countries Must Invest in Farming to Tackle Hunger

Poor country governments should invest more in "public goods" for agriculture in order to tackle rural poverty and hunger, the UN's Food and Agriculture Organization has said.

The FAO's flagship annual [report](#) on the "State of Food and Agriculture," which was released on 6 December, shines a spotlight on the need for increased investment in the sector – and also finds that on-farm investment by farmers themselves is currently by far the most significant investment source.

Farmers in low- and middle-income countries invest more than US\$170 billion a year in their farms, the agency says, with annual investment in on-farm agricultural capital stock exceeding government investment by more than four to one. Domestic spending by farmers and businesses therefore dwarfs public support from governments, overseas development aid, or foreign companies.

"We need good investments – infrastructure, research, extension services, health, education, and other public goods," said FAO Director-General José Graziano da Silva at a press conference in Rome last week. The report warns that while other types of spending are frequently politically popular, such as fertiliser subsidies, they are "often captured by rural elites."

The FAO also emphasises that investment per farm worker has been lowest in South Asia and sub-Saharan Africa – two world regions where progress in improving food security has been particularly slow. "Those parts of the world where hunger and poverty are most severe have seen stagnant or negative rates of investment over the past three decades both by farmers and governments," the authors warn.

Farmers: "the main investors"

"Governments need to create the climate for agricultural investment," said Jakob Skoet, the FAO economist who led work on the report, in comments to Bridges.

The report argues that "transparent and stable trade policies" are a key element in creating "a good general investment climate." It also warns governments to take care not to discriminate inadvertently against farmers through other policies such as exchange rates or taxation.

"The farmers are the main investors," Skoet added. Governments can help smallholder farmers in particular by ensuring access to land and tenure, building rural infrastructure, and supporting producer organisations, he told Bridges.

Current WTO rules place few restrictions on support for agriculture which does not distort trade and production – including support for research, advisory services, rural infrastructure, and other 'public goods' that the FAO says are needed. The WTO allows these and similar payments to be notified as "green box" payments, which are exempt from cuts or any ceiling at the global trade body.

Both China and India have dramatically increased their farm support in recent years, notifying almost all payments as causing not more than minimal trade distortion –

although levels of support per agricultural worker remain low. (See Bridges Weekly, [19 October 2011](#) and [15 June 2011](#), respectively)

Quality and quantity

While African countries signed up to the Maputo Declaration in 2003, committing to allocate at least ten percent of national budgets to agriculture and rural development within five years, the report says that only seven nations have done so to date.

Burkina Faso, Guinea, Ethiopia, Niger, Mali, Malawi, and Senegal have met the target, while nearly twice as many others are on their way towards it. However, some two dozen countries have either not made a clear move towards the goal or have moved away from it.

The declining share of agriculture in government spending is mostly due to increased spending on other priorities, rather than governments providing less money to farming, the agency says. "On average, governments in all regions currently spend more on defence than on agriculture," the report notes.

The FAO blames the low government spending levels on several factors – including poor governance, corruption, powerful interest groups, and long lead times and diffuse benefits for farm investments. "Strengthening rural institutions and promoting transparency in decision-making can improve the performance of governments and donors," the report finds.

Smallholders "need to be involved"

Luca Chinotti, Oxfam's GROW campaign spokesperson, [said](#) in a statement that the report sent "exactly the right message" to governments. Smallholder farmers should be recognised as the "real 'blue-chip' investors in global agriculture" and treated accordingly, he said.

Speaking to Bridges, he welcomed the report's focus on increased support for public goods, but cautioned against imposing a blanket policy approach. "In some cases it may make sense to invest in input subsidies – even though in the long term you may have sustainability issues," he said.

"In all these decisions, smallholder farmers need to be involved," Chinotti added.

Skoet acknowledged that there were "different views" on the question within the agency itself. However, he warned that some input subsidy schemes have ended up imposing onerous fiscal burdens – with fertiliser subsidies in Malawi absorbing 16 percent of the government's budget.

The FAO report instead urges governments to consider supporting the poorest smallholders through social transfers and safety-net schemes, which it says can be critical in enabling them to overcome their lack of savings and access to credit, and their lack of insurance against risk.

ICTSD reporting.

LATIN AMERICA

Bolivia Advances in Efforts to Become Full Member of Mercosur

Bolivia has signed the accession protocol for becoming a full member of South American customs bloc Mercosur, officials announced on Friday. Current Mercosur members will still have to ratify Bolivia's entry to the group for it to become formalised.

The news comes just a few weeks after the organisation's members – minus Paraguay, which remains under suspension – first tabled invites to both Bolivia and Ecuador. Along with Paraguay, Mercosur's members include Argentina, Brazil, Uruguay, and Venezuela.

"Evo, you are most welcome," Brazilian President Dilma Rousseff said to Bolivian President Evo Morales, in comments reported by MercoPress. "This has been good news for the summit. We have skipped years of negotiations with the Bolivian decision to sign the accession protocol."

Paraguayan officials, meanwhile, spoke out about not being able to formally weigh in on the invite to Bolivia, given Asunción's current suspension. Current Paraguayan President Federico Franco told Argentine newspaper La Nación last week that any decisions taken by Mercosur without Paraguay are "illegal and illegitimate."

Bolivia's joining of the customs bloc has drawn a mixed response domestically, however. For instance, industry groups are reportedly concerned that Bolivia's agricultural producers could face difficulty in having to compete with regional heavyweights Argentina and Brazil. Others have worried whether Bolivia will still be able to retain its membership in another regional customs bloc, the Community of Andean Nations (CAN).

Ecuador, meanwhile, is still weighing whether it is in its best interest to join Mercosur, with the country's president – Rafael Correa – telling reporters that his government plans to announce its decision in early 2013.

"For a country without a national currency such as Ecuador, entering into these accords presents both opportunities but also great risk," he told news agency Agence France Presse. "We need to do substantial reflection, and conduct detailed studies."

Venezuela settles into new role as full member

Meanwhile, the bloc's newest full member – Venezuela, whose membership took effect on 31 July – agreed during the Mercosur summit to adopt the Common External Tariff of the Southern Cone grouping. The 6-7 December summit was Caracas' first as a full member of the group.

The process of implementing the Common External Tariff will occur in four stages, slated to finish in early 2016, according to Spanish-language news agency EFE.

"I am very happy to see that Mercosur is consolidating itself into an ideal model of integration for South America," Rousseff [said](#) regarding Venezuela's entry. "As a bloc, we stand as the world's fifth largest economy. We have at our disposal an enormous energy potential and ample food production capacity, in addition to having a thriving and diverse set of industries."

Argentina, Brazil continue work to ease trade tensions

Meeting on the sidelines of the Mercosur summit, Argentine President Cristina Kirchner and Brazilian President Rousseff also discussed ways to ease their two countries' often contentious trade relationship. The neighbours – and regional economic powerhouses – have often quarrelled over issues such as import restrictions, a row that has often threatened to have spillover effects for the rest of the bloc.

According to statements made following the bilateral discussions, the environment was "constructive," with both presidents agreeing to continue these talks at another meeting in January.

ICTSD reporting; "Venezuela acuerda adoptar aranceles del Mercosur en cuatro etapas hasta 2016," EFE, 7 December 2012; "Bolivia ya es el sexto socio del Mercosur," CLARÍN, 8 December 2012; "Cristina y Dilma se reunieron para intentar destrabar el comercio," CLARÍN, 8 December 2012; "Bolivia signs Mercosur incorporation protocol and becomes sixth member," MERCOPRESS, 8 December 2012; "Bolivia pide oficialmente ingreso pleno al Mercosur, Ecuador decide en 2013," AFP, 8 December 2012; "El Mercosur avanzó hacia la inclusion de Bolivia," LA NACIÓN, 8 December 2012.

GOVERNMENT PROCUREMENT

China Tables Revised Government Procurement Offer

China's efforts to join the Government Procurement Agreement came under review last week, as parties to the pact discussed Beijing's third revised accession offer. While parties welcomed some of the improvements in this latest offer, sources say, China has been asked to make more revisions before it can formally join the deal.

The Government Procurement Agreement – a 42-country plurilateral pact under the aegis of the WTO – commits members to certain core disciplines regarding transparency, competition, and good governance, covering the procurement of goods, services, and capital infrastructure by public authorities.

The deal was revised in December, following a decade of difficult negotiations; an earlier version of the agreement took effect in 1996, and was negotiated during the Uruguay Round of trade talks. The revised GPA is set to liberalise US\$100 billion in public contracts, in addition to the US\$500 billion already covered by the original pact.

New offer: Some improvements, but more work remains

At the 5 December gathering of the Government Procurement Committee – which is tasked with administering the agreement – GPA parties reportedly welcomed the improvements in this latest offer, while noting that Beijing still has more work to do. The revised offer is "only another step, but far from what we have expected," the US said.

Sources say that Beijing's latest offer to join the 42-country deal included additional coverage at the sub-central level of government, specifically new entities associated with

the provinces of Guangdong, Shandong, and Fujian, which are among China's most developed regions.

However, despite these improvements, some parties argued that China's offer still included overly high thresholds, along with not incorporating any new coverage of state-owned enterprises.

Also criticised by some members were some of the exclusions or derogations from coverage, along with a request from Beijing for a five-year implementation period to take effect upon China's accession. The request for the five-year delay is "unacceptable," the US and Canada said last week.

Beijing, in response, told parties that China's difficulties should be taken into consideration during this negotiation process. Parties should also be realistic in tabling their requests, China added.

Earlier proposals had also been criticised by some of the current GPA parties for not going far enough. China's submission from last November had included sub-central entities, as well as agencies under the central government, in several of the Asian country's most economically advanced regions. At the time, current GPA parties had requested in response that Beijing include more entities, state-owned enterprises, and public utilities in this third revised offer, along with lower thresholds for triggering international competition for its public contracts.

China's accession to the GPA has been closely watched by trade observers, given the country's famously large procurement market. [Estimates](#) indicate that having the BRICS countries – Brazil, China, India, Russia, and South Africa – join the deal would, by itself, add between US\$233 to US\$595 billion annually to the value of market access agreements under the pact.

Beijing has been asked to submit a new offer by July of next year.

More information

Current GPA members include Armenia, Canada, the EU and its member states, Hong Kong, Iceland, Israel, Japan, Korea, Liechtenstein, the Netherlands, Norway, Singapore, Switzerland, Chinese Taipei, and the US, with the exclusion of 13 US states.

There are currently nine other countries attempting to join the GPA, in addition to China. These are Albania, Georgia, Jordan, Kyrgyzstan, Moldova, New Zealand, Oman, Panama, and Ukraine. There are also 16 other observers to the plurilateral pact that are not yet negotiating entry.

ICTSD reporting.

AGRICULTURE

Indonesia, Egypt Invoke Safeguard Measures to Protect Sugar, Wheat Flour, Steel Rebar

Import surges in wheat flour for Indonesia and sugar and steel rebar for Egypt have caused both countries to introduce emergency safeguards to protect these sectors, the two nations announced late last week in notifications submitted to the WTO.

According to the notifications, which were filed in late November and published on 5 December, both countries are applying the maximum 200 days of provisional tariff protection permitted under the [WTO Agreement on Safeguards](#), in accordance with Article 19 of the WTO's General Agreement on Tariffs and Trade (GATT) 1994.

This GATT provision allows for emergency action on imports of particular products, should a member be faced with an import surge "in such increased quantities and under such conditions as to cause or threaten serious injury to domestic producers... of like or directly competitive products."

Wheat flour in Indonesia

In its WTO notification, Indonesia explained that the measures were introduced to avoid "irreparable damage" that would otherwise result in "capacity shut downs, plant closures, and eventual bankruptcy." It will be implementing an ad valorem duty of 20 percent, according to the document.

Indonesia has been under growing pressure over the past several months from industry groups – such as the Indonesian Wheat Flour Mills Association (APTINDO), which had submitted the request for a safeguard to the country's government in August – to protect struggling smaller producers in its wheat sector.

Some Turkish flour exporters, however – who are set to be hard hit by Jakarta's tariffs, given the high level of Turkish exports to the country – have argued that the damage that some of these Indonesian millers are facing is the result of having to compete with larger domestic wheat flour producers and not, as Indonesia claims, necessarily the result of a damaging import surge.

These wheat millers "cannot compete on a level playing field [against these larger Indonesian producers] because they don't have the same economies of scale," Turgay Unlu, chairman of the Turkish Cereals, Pulses, Oil Seeds and Products Exporters Union, told reporters in Jakarta last month.

Sugar, steel rebar in Egypt

Egypt's emergency measures, meanwhile, raise tariffs on raw sugar imports to 17 percent of the Cost, Insurance and Freight (CIF) value, or to a minimum of EGP 591 per tonne (approximately US\$96.38 at today's exchange rate). For white sugar, the new emergency tariff rate stands at 20 percent, or a minimum EGP 713 per tonne.

The Egyptian notification stated that the measures were required as a result of reduced sales and the rising indebtedness of its sugar farmers in recent months. The

implementation of the safeguards is also aimed at easing concerns surrounding the country's currently large stockpiles, which currently reduce storage capacity for the next harvest in February 2013.

Cairo will also be implementing safeguard measures on steel rebar – also known as steel reinforcing bars – according to a separate notification filed at the WTO's Safeguards Committee. The safeguards will take the form of tariffs of 6.8 percent, or no less than EGP 299 per tonne. Egypt argues that this measure is justified by a sudden rebound in import growth of 85 percent in 2011/2012, in comparison to the previous year.

ICTSD reporting; "UPDATE 1-Egypt puts emergency import tariffs on sugar and steel rebar," REUTERS, 5 December 2012; "Indonesia slaps 20 pct emergency tariff on wheat flour imports," REUTERS, 5 December 2012; "Indonesia Slaps 20% Emergency Tariff on Wheat Flour Imports," JAKARTA GLOBE, 6 December 2012; "Turkish exporters hit back over flour-dumping allegations," JAKARTA POST, 23 November 2012; "Indonesia readies new food law in self-sustainability drive," REUTERS, 20 November 2012.

EVENTS & RESOURCES

Vacancy

The United Nations Institute for Training and Research (UNITAR) Climate Change Programme is seeking young professionals or recent post graduate university students for its traineeship programme. The duration of the traineeship is at least four months on a full-time basis. The indicative start date is 1 February 2013, or earlier if possible. Applicants should have an advanced degree in a relevant subject – e.g. environmental studies, political science, communications, instructional design – and a solid understanding of climate change governance and capacity development. For more information, visit the UNITAR [website](#).

Events

Coming soon

13 December, Washington DC, US, EXPORT CONTROLS REFORM. This event, hosted by the Washington International Trade Association, will explore whether the current US export control system, although crucial, has become unwieldy to the point of no longer serving the country's national security. The cornerstone of the on-going Export Control Reform Initiative is to overhaul the control lists. The expert panel will focus on the progress of revising the two control lists, the national security benefits of clearer control lists, the proposed structure of the revised United States Munitions List and the Commerce Control List, and the engagement and role of the Congressional oversight committees. The panel will also discuss the Export Control Reform Initiative's prospects for the ultimate objectives of the "four singularities": single licensing agency, single control list, single IT platform, and single primary export enforcement department. For more information, visit the WITA [website](#).

14 December, Washington, US. LOW CARBON DEVELOPMENT IN THE UNITED STATES AND CHINA. This presentation, hosted by the Brookings Institution, will focus on China's past experiences with facilitating low-carbon development and its future prospects, with an emphasis on China's planned cap-and-trade system. Speakers will also discuss national and local action on climate change in the US, as well as the success and/or failure of efforts at meaningful collaboration between Beijing and Washington on climate change. For more information, visit the Brookings Institution [website](#).

17 December, London, UK. HOW DO DEVELOPING ECONOMIES GROW? Hosted by the Overseas Development Institute (ODI), this event will focus on what developing nations can do to help themselves, without the need of international assistance or influence. Using lessons from history, economic analysis, and practice, Justin Lin – the World Bank's chief economist, who will be the event's main speaker – will examine the methods countries have used to develop their economies, showing that economic development is a process of continuous technological innovation, industrial upgrading, and structural change driven by how countries harness their land, labour, capital, and infrastructure. For more information, visit the ODI [website](#).

17 December, Washington, US. ADAPTING TO CLIMATE CHANGE: ASSESSING WORLD BANK GROUP EXPERIENCE. This brownbag presentation, featuring Ken Chomitz – Senior Advisor for the Independent Evaluation Group of the World Bank Group – will be hosted by the World Resources Institute. The presentation will focus on a recent evaluation of the Bank Group's climate change activities, including a just-completed report on climate change adaptation. The report also looks at how – and how well – the World Bank Group has incorporated climate change risks into the design and appraisal of infrastructure, while assessing early lessons from new activities that address climate adaptation at the national level. For more information, visit the WRI [website](#).

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.

17 December: Dispute Settlement Body

17 December: Trade Policy Review Body – Overview of Developments in the International Trading Environment

18 + 20 December: Trade Policy Review Body – United States of America

Other Upcoming Events

16-17 January, Paris, France. OECD POLICY DIALOGUE ON AID FOR TRADE. This high-level dialogue event, hosted by the Organisation for Economic Co-operation and Development (OECD) with the support of the European Commission, will focus on how to continue delivering Aid for Trade results in a changing international environment for trade and development. The discussions – which aim to attract trade and development experts, providers of South-South co-operation, and representatives from the private sector and think tanks – will focus on issues such as how to deliver and manage aid for trade and development results; ease the binding constraints to trade expansion; promote regional aid for trade programmes; reduce the thickness of borders; link to value chains; and engage the private sector. Organisers hope that the outcomes can provide valuable inputs to the July 2013 Global Review of Aid for Trade. For more information, visit the OECD [website](#).

23-27 January, Davos-Klosters, Switzerland. WORLD ECONOMIC FORUM ANNUAL MEETING 2013. Organised by the World Economic Forum, this annual meeting aims to engage leaders in collaborative activities focused on shaping global, regional, and industry agendas. The conference will focus on fostering "resilient dynamism" and the goal of catalysing and facilitating global, regional, and industry transformation. For more information, visit the event [website](#).

25-27 March, Rio de Janeiro, Brazil. LATIN AMERICAN AND CARIBBEAN CARBON FORUM 2013. The Seventh Latin American and Caribbean Carbon Forum (LACCF) aims to promote a discussion and exchange of experiences among stakeholders and provide participants with the latest developments regarding emissions trading schemes, low emission development, and the future of the carbon markets. The Forum also aims to facilitate debates around the international and national climate change mitigation policies to promote greenhouse gases (GHG) emission reductions. Event organisers also hope that the event will generate new impulses for increasing the volume of low carbon investments in Latin America and the Caribbean. The Forum is being co-organised by the Inter-American Development Bank (IDB), the Latin American Development Bank (CAF), the

World Bank, the International Emissions Trading Association (IETA), the Latin American Energy Organization (OLADE), the UN Environment Programme (UNEP) Risø Centre, the UN Development Programme (UNDP), and the UN Framework Convention on Climate Change (UNFCCC). More information is available [here](#).

16-17 April, Washington, US. NATIONAL COMPETITIVENESS, SCALABILITY OF INTERNATIONAL VALUE CHAINS AND LOCATION OF PRODUCTION. This conference – hosted by the European Central Bank's Competitiveness Research Network (CompNet), the Peterson Institute for International Economics, and the World Bank's International Trade Department will address the growth in global value chain operations over the past two decades, which is due to the increased supply of cheap labour, growing domestic markets in developing economies, and reductions in economic barriers to international trade flows, transportation costs, and other trade costs. The conference will explore the domestic policy options for countries with different levels of income and economic endowment to attract investment and host segments of the value chains in the 21st century in a durable and profitable way. For more information, visit the World Bank's [website](#).

23-25 April, Lima, Peru. DELIVERING GROWTH, STRENGTHENING SOCIETIES. This event, hosted by the World Economic Forum on Latin America, will explore the critical factors behind the region's resilience and dynamic development models. Regional and global leaders will discuss the opportunities and challenges that lie ahead to achieve the region's full potential. Issues to be discussed include the following: ways for the region to consolidate the modernisation of its economies and institutions; which innovations might help create an inclusive society and ensure adequate responses to the demands of the next generation; and how the region might build resilience and continue on its path towards sustainable development. For more information, visit the World Economic Forum [website](#).

Resources

DEVELOPMENT CO-OPERATION REPORT 2012: LESSONS IN LINKING SUSTAINABILITY AND DEVELOPMENT. By the Organisation for Economic Co-operation and Development (November 2012). The Development Co-operation Report is an annual reference document for statistics and analysis on trends in international aid. This year's report seeks to provide insights into how to address today's sustainable development challenges, with a focus on inclusiveness and good governance to ensure that the world's finite resources are equitably distributed, now and in the future. The full text is available [here](#).

RELATIONSHIP OF ETS WITH AVIATION AND SHIPPING, JOS DELBEKE, DG CLIMATE ACTION. Published by viEUws (November 2012). This video features an interview by Sonja Van Renssen – an environmental journalist – with Jos Delbeke, the European Commission's Director General for Climate Action, to discuss aviation and the EU Emissions Trading System (EU ETS). The video focuses on the European Commission's efforts toward reducing emissions from transport, and the recent Commission proposal to "stop the clock" on including aviation to/from non-EU countries into the EU bloc into the ETS. The full video can be accessed [here](#).

TEN THINGS TO KNOW ABOUT CLIMATE FINANCE IN 2012. By Smita Nakhooda, Charlene Watson, Alice Caravani, Liane Schalatek, Sam Barnard, Nella Canales Trujillo and Nick Scott (Overseas Development Institute, November 2012). This article highlights one of the topics that was featured at the recent Conference of the Parties to the UNFCCC in Qatar: how to finance developing-country efforts to respond to climate change. Written

ahead of this year's climate talks, the authors aimed to inform the debate on how climate finance has been used to date, and how to mobilise more for the years to come. In doing so, the authors have highlighted ten insights from their efforts over the past year to monitor climate finance on Climate Funds Update (CFU). The article can be found [here](#).

PROFITING FROM INJUSTICE: HOW LAW FIRMS, ARBITRATORS AND FINANCIERS ARE FUELLING AN INVESTMENT ARBITRATION BOOM. By Pia Eberhardt and Cecilia Olivet, with contributions from Tyler Amos and Nick Buxton for the Corporate Europe Observatory and the Transnational Institute (November 2012). Given the impact that international investment treaties have had on governments, this paper explores the impact of such treaties on the legal industry. This report examines the key players in the investment arbitration industry, and argues that the current international investment arbitration regime is not fair or independent. The report can be found [here](#).

REGULATORY TRANSPARENCY IN MULTILATERAL AGREEMENTS CONTROLLING EXPORTS OF TROPICAL TIMBER, E-WASTE AND CONFLICT DIAMONDS. By Robert Wolfe and Shane Baddeley for the Organisation for Economic Co-operation and Development (OECD) (December 2012). Building on the concept that regulatory transparency can help ensure that measures to regulate trade in sensitive commodities conform with international obligations, this paper examines how three multilateral environmental agreements (MEAs) incorporate transparency into their regulatory regimes. These three MEAs are the Convention on International Trade in Endangered Species of Wild Fauna and Flora, or CITES (endangered species, especially tropical timber); the Basel Convention (hazardous e-waste); and the Kimberley Process (conflict diamonds). Using these studies, the authors find that the following characteristics can enhance transparency in such agreements: clarity of rules, obligations and information; a collective process of monitoring and review; the involvement of stakeholders including industry associations and non-government organisations; and evident benefits for following the rules, such as enabling legal and sustainable trade. The paper is available [here](#).

WORLD INTELLECTUAL PROPERTY INDICATORS – 2012 EDITION. Published by the World Intellectual Property Organization (WIPO) (December 2012). This WIPO report finds that, while the global economy continued to underperform, intellectual property (IP) filings worldwide kept growing strongly in 2011. It also finds that China's patent office became the largest in the world, as measured by the number of patent applications received. Before 2011, China already accounted for most filings of utility models (UMs), trademarks, and industrial designs. To download the report, please click [here](#).

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