

# BRIDGES WEEKLY

Global trade news from a sustainable development perspective

VOLUME 17, ISSUE 20, 6 JUNE 2013

## RENEWABLE ENERGY

European Commission Imposes Duties on Chinese Solar Panels.. 1

## WORLD TRADE ORGANIZATION

Lamy: July the "Last Petrol Stop" on the Road to Bali ..... 3

## POST-2015 DEVELOPMENT AGENDA

UN Panel Outlines Recommendations for Post-2015 Development Agenda ..... 6

## FISHERIES

EU Clinches Major Overhaul to Fisheries Policy ..... 8

## WORLD TRADE ORGANIZATION

ITA Expansion Efforts Aim for Final Product List by July ..... 10

## IN BRIEF

China Studying Prospect of Joining TPP Talks, Ministry Says. 12

Canada, EU Aim for June Agreement ..... 12

EU Officials Warn of Possible WTO Complaint Against Russia. 13

## EVENTS & RESOURCES

Events ..... 14

Resources ..... 16

## RENEWABLE ENERGY

# European Commission Imposes Duties on Chinese Solar Panels

The European Commission [confirmed](#) on Tuesday that it would be imposing anti-dumping duties on imports of Chinese-made solar panels, as well as their component wafers and cells. The provisional duties, however, have been temporarily scaled-back in order to allow some time for the two sides to seek an amicable solution.

The duties, which entered into force yesterday, will amount to 11.8 percent for the first two months. Following that period, the average duty will increase to 47.6 percent, with a range of 37.2 to 67.9 percent depending on the specific producer involved. These fees, the Commission says, are aimed at "levelling the playing field" in response to alleged dumping by Chinese producers – defined as selling products abroad at prices below their normal value.

The investigation is still ongoing, however, with final results required by 5 December. At that stage, the Commission may decide either to maintain, revise, or revoke the duties.

The news comes following weeks of rising tension between the EU and China, the bloc's second-largest trading partner, after reports emerged that the Commission was planning to impose 47.6 percent average duties. Beijing officials had warned that the original duties, if imposed, could incur a response from China, without specifying details.

The row had ultimately prompted a split among EU member states, with reportedly 18 of the 27 – particularly Germany – telling Brussels that they were against the move. While the European Commission can impose provisional duties without the approval of member states, the final duties – if imposed – will require their sign-off. (See Bridges Weekly, [8 May 2013](#) and [30 May 2013](#))

Brussels' investigation began in September 2012, after a coalition of European solar panel manufacturers, led by the German-based SolarWorld, filed a formal request with the European Commission. (See Bridges Weekly, [3 October 2012](#))

A separate case regarding alleged unfair subsidies is still ongoing; Brussels has said that it will announce the provisional results of the latter probe in early August.



International Centre for Trade  
and Sustainable Development

### **De Gucht: Phased-in duties a "one-time offer"**

Commission officials said on Tuesday that the decision to stagger the duties is important from a negotiating perspective and in order to give European industry a chance to gradually increase its supply of solar panels to meet demand.

"This staggered response allows a smooth transition for our markets to adapt – and it is a one-time offer to the Chinese side, providing a very clear incentive to negotiate," EU Trade Commissioner Karel De Gucht [said](#) in announcing the duties. "The ball is now in China's court," he continued, stressing that – should a negotiated solution not be reached by 6 August – the originally-planned 47.6 percent average duty would apply.

"Let me be very clear: my sincere aim since the outset has been an amicable solution," the EU trade chief stressed. Earlier informal talks with Chinese officials, such as the ones held last week, were unable to lead to a negotiated solution because EU law requires formal negotiations to begin only after duties are legally confirmed.

De Gucht has said that an amicable solution between the two sides should take the form of "price-undertaking" – in other words, a deal that would require Chinese producers not to sell these products below an established minimum price.

### **China: Open to negotiation, "resolute opposition" to duties**

In a [statement](#) released by China's Ministry of Commerce yesterday, Beijing officials were quick to outline their "resolute opposition" to the European Commission's decision.

"Ministry of Commerce spokesman Shen Danyang has issued a statement today noting that the Chinese government and industry made great efforts to solve problems through dialogue and consultations, showing great sincerity," the statement said, adding that the proposed duties are "unfair."

Referring to the staggered imposition of the duties, the ministry said that it hopes "the EU will further show their sincerity, their flexibility, through consultations to find mutually acceptable solutions."

In the same announcement, the ministry also noted that Beijing is launching its own anti-dumping investigation into imports of wine from the EU, which some observers have suggested could be a tit-for-tat response to the duties.

### **25,000 jobs at stake, Commission says**

The Commission has said that the duties are necessary to secure the current 25,000 jobs in EU solar production. According to their investigation, China is producing 150 percent of total world consumption in solar panels and in 2011/2012 had 80 percent of EU market share. EU industry, in comparison, held a 13 percent share during the same period.

"[Chinese producers] are simply producing too much," De Gucht said, noting that the US also imposes its own anti-dumping and anti-subsidy duties on Chinese-made solar products. (See Bridges Weekly, [10 October 2012](#))

The row has spilled over into the EU solar industry itself. Several producers of solar panels, such as the EU ProSun coalition, have insisted that duties are necessary for levelling the playing field and ensuring the survival of the EU's solar industry. However, the Alliance for Solar Energy – a separate group said to represent 450 European companies, including raw materials suppliers, installers, and project developers – [warned](#) on Tuesday that "any level of tariffs will seriously damage the European solar industry."

ICTSD reporting.

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## WORLD TRADE ORGANIZATION

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# Lamy: July the “Last Petrol Stop” on the Road to Bali

With just weeks before the WTO's annual summer break, “time is turning against us,” Director-General Pascal Lamy warned members on Monday, referring to the pace of efforts to prepare a package of deliverables for the organisation's ministerial conference this December in Bali, Indonesia.

Members have spent the first half of the year attempting to craft a deal from the overall Doha Round of trade talks, which were declared at an impasse at the WTO's last ministerial in December 2011. The proposed deal, if completed, would include an agreement on trade facilitation, as well as components relating to agriculture and some developing and least developed country (LDC) issues.

However, at Monday's meeting of the Trade Negotiations Committee (TNC), which is tasked with the Doha negotiations, members grimly noted that much more progress is needed between now and the end of July if they still wish to see an ambitious outcome in Bali at year's end.

“Despite the challenges in front of us, China does not believe that there is a ‘Plan B’ for this organisation, and actually we have no route of retreat,” Chinese Ambassador Yi Xiaozhun said on Monday – a sentiment that sources say was expressed by various others. “We all know what is at stake here: the negotiating function of this organisation, the confidence of the outside world in this system and, most importantly, the interests of each and every of us, particularly the weak ones.”

### Paris mini-ministerial

The week before this Monday's TNC, Australia convened over a dozen trade ministers and senior officials at the Organisation for Economic Co-operation and Development's (OECD) annual meeting in Paris in order to take stock of the current negotiations.

These “mini-ministerials” have traditionally served as an exercise for WTO members to evaluate the status of the Doha talks. Following last week's meeting, ministers said that June and July must demonstrate results – particularly with regards to cleaning up the trade facilitation draft text – in order to ensure the Bali conference's success.

“If there is only moderate progress between now and July then time will have beaten us,” Australian Trade Minister Craig Emerson told reporters last Thursday following the meeting, in comments reported by Reuters.

### Trade facilitation: More than 500 brackets remain

An agreement on trade facilitation – which deals with topics such as easing customs procedures and cutting times at border crossings – is meant to serve as the centrepiece of any package for this December's ministerial. However, despite the removal of some brackets from the hundreds scattered throughout the current draft text, well over 500 remain.

Since late March, four senior officials – Michael Stone of Hong Kong, Ambassador Mario Matus of Chile, Ambassador Remigi Winzap of Switzerland, and Ambassador Yonov

Frederick Agah of Nigeria – collectively referred to as the “Friends of the Chair,” have been consulting with members on the remaining points of contention in the current draft text, under the guidance of Ambassador Eduardo Ernesto Sperisen-Yurt of Guatemala, who chairs the trade facilitation talks. (See Bridges Weekly, [20 March 2013](#))

The Friends of the Chair presented the latest results of their consultations at a formal meeting of the trade facilitation negotiating group, held during the week of 24 May. While they are now aiming to turn the convergence that has emerged in some parts of the text toward consensus, the Friends have said that they expect ambassadors to join the technical experts currently involved in the negotiations, in the hope that this can lead to additional progress on the more political subjects.

“The progress that is being made is still not fast enough to provide assurance that we are on track to produce a good result at MC9,” Lamy warned on Monday, calling for more flexibility on trade facilitation, such as that offered by some members at a senior officials’ meeting in late April.

“No one can seriously expect that the many areas of disagreement that still exist in the text can be left until the autumn and can then be sorted out in time for Bali,” he added.

Members also noted that some new brackets have been added to areas of the draft agreement that had previously been deemed closed, sources said. Brazil reportedly suggested on Monday the objective of removing 50 percent of the brackets in the trade facilitation draft text by the end of July, an idea that was supported by the EU.

“We should not, however, fool ourselves into thinking that minor drafting changes can replace a serious negotiation on the key issues on the text,” EU Ambassador to the WTO Angelos Pangratis [said](#). “A serious engagement has so far been lacking. I hope this will change in the coming days and few weeks.”

### **G-20, G-33 agriculture proposals**

Members have also spent the past several months discussing proposals regarding agriculture. Two of these are from the developing country G-20, a coalition that seeks farm policy reform in the developed world. The third has been tabled by the G-33, another developing country group that has large populations of smallholder farmers.

The G-20 proposal on the administration of tariff rate quotas (TRQs) is in “pretty good shape,” Lamy said. Members have generally said that the TRQ proposal is one of the most technically-advanced ones on the table, and is well-calibrated to the overall package.

The more recent G-20 proposal on export competition, however – which was circulated on 21 May – has sparked a range of reactions among members, with the US and EU being among those that have reportedly opposed it. (See Bridges Weekly, [30 May 2013](#)) Speaking for the EU on Monday, Pangratis noted that the G-20 proposal “comes at a very bad time and it is extraordinarily unbalanced in a way that is difficult to comprehend,” while adding that the EU is ready to explore ways to look at the export competition subject within the broader agriculture talks.

Others, such as Brazil, said on Monday that the 2013 deadline for developed countries to phase out their export subsidies should not pass in silence, and that negotiations should at least yield a “step forward in this area.”

“A more in-depth exchange of views to seek to identify the way forward is urgently required,” Lamy said regarding the export competition proposal, noting that the chair of the agriculture negotiations will be working in this vein.

The G-33 proposal on food stockholding and domestic food aid, meanwhile, continues to generate controversy among members, with consultations on the subject still ongoing. While some elements of possible convergence have emerged, members now need to explore "a possible landing strip" to sort out the specifics, the Director-General reported.

Some, such as the US, have accused other WTO members of holding up progress on trade facilitation in order to get what they want in the agriculture negotiations, particularly with regards to the G-33 proposal. "The only chance for success at Bali is for this hostage-taking to stop," US Ambassador to the WTO Michael Punke [said](#) ahead of the Paris OECD meeting, in what many assumed was an implicit criticism of India, who has been one of the main advocates for increased flexibility for developing countries to purchase food at administered prices when building food stocks or providing domestic food aid.

### **LDC proposal circulated**

Meanwhile, discussions regarding the development-focused component of the Bali package are also ongoing, in both informal ambassadorial consultations as well as under the Committee on Trade and Development's (CTD) Special Session.

The work in this area has been focused around three clusters. The first involves the 28 Cancún proposals, which are part of a group of 88 proposals aimed at strengthening the special and differential treatment (S&DT) provisions in the various WTO agreements that were agreed, but not harvested, ten years ago. The second involves the so-called Monitoring Mechanism, which would review the functioning of provisions in WTO rules for S&DT treatment in favour of developing countries and potentially suggest improvements.

There have been positive advances in both of these areas, Lamy said on Monday, which could "potentially translate into concrete progress" in the weeks ahead. However, in the third cluster – proposals involving the Sanitary and Phytosanitary Measures and the Import Licensing Procedures Agreements – similar progress is needed.

Last Friday, the LDC Group also submitted its proposal for LDC-specific issues to be considered for the ministerial. It includes the implementation of the duty-free quota-free (DFQF) market access decision taken at the 2005 Hong Kong Ministerial Conference; preferential rules-of-origin; the operationalisation of the services waiver agreed at the 2011 ministerial; and trade and development assistance with regards to cotton.

While many members welcomed the submission of the LDC proposal and pledged to review it in the coming days, trade sources note that not all LDCs are in agreement on the DFQF issue, due to concerns that some countries' preferential treatment under existing schemes could be eroded as a result.

Ambassador Steffen Smidt of Denmark will serve as a facilitator for the consultations regarding the LDC component of the Bali package. The full proposal is available at <http://docsonline.wto.org>, under the name (TN/C/W/63)

### **Formal TNC at end of July**

"We have about 40 working days left before the end of July, which I see as the last petrol station before the Bali highway," Lamy told members. "We must make substantive advances in this period if we are to have any chance of successfully delivering in Bali and preparing a post-Bali roadmap."

A formal meeting of the Trade Negotiations Committee is scheduled for 22 July, with a meeting of the General Council currently slated for 24-25 July.

ICTSD reporting; "Trade ministers say running against time to save global WTO talks," REUTERS, 30 May 2013.

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## POST-2015 DEVELOPMENT AGENDA

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# UN Panel Outlines Recommendations for Post-2015 Development Agenda

The world should aim to end extreme poverty by 2030, [according](#) to a report released last week by a UN panel tasked with advising on a post-2015 development framework. The report aims to advise on the direction of a global development agenda when the Millennium Development Goals (MDGs) expire in two years' time.

The 27-member "High-Level Panel of Eminent Persons" that authored the report was formed last year by UN Secretary-General Ban Ki-moon, and was co-chaired by President Ellen Johnson Sirleaf of Liberia, President Susilo Bambang Yudhoyono of Indonesia, and UK Prime Minister David Cameron.

Along with holding multiple substantive meetings, the group also solicited input from a range of actors across several different forums, including internet consultations and face-to-face meetings, as it conducted its preparations. (See Bridges Weekly, [11 April 2013](#))

The report issued last Thursday outlines five "transformative shifts" that are needed for driving a post-2015 agenda, with one of the most ambitious being a goal to end extreme poverty – defined as the number of people living on less than US\$1.25 per person per day – by 2030. The MDGs had attempted only to halve that number by 2015.

"This is something that leaders have promised time and again throughout history," the panel said. "Today, it can actually be done."

However, to reach such a goal, the panel stressed that sustainable development must be "at the core" of any post-2015 agenda, particularly given the potential for climate change to affect the world's poorest. "The cost of taking action now [on climate change] will be much less than the cost of dealing with the consequences later," they warned.

In order to meet the goals highlighted within the report, the panel also noted trade's potential to affect efforts at pursuing sustainable development. Inclusive growth, they said, must be supported by a global economy that encourages "development-friendly trade."

"More than aid is needed to implement sustainable development worldwide," the panel said, calling for increased engagement with the international trade system and faster trade-related reforms

Overall, the final report outlines 12 universal goals, with an accompanying 54 targets. The goals focus on topics such as poverty, gender equality, quality education, food security, universal access to water and sanitation, and natural resource management, among others.

### Civil society response

The report has garnered a mixed response from civil society groups. While many have supported the report's goal of ending extreme poverty and the increased attention on the links between environment and development – which many had seen as lacking in the current MDGs – criticisms have been raised by some around the fact that no standalone goal exists on tackling inequality.

"The panel has failed to recognise the growing consensus that high levels of inequality are both morally repugnant and damaging for growth and stability," Oxfam Deputy Advocacy and Campaign Director Stephen Hale [said](#) in a statement. Development economist Andy Sumner, meanwhile, cautioned recently in remarks to The Guardian that the report's goal of ending poverty can only be met "if inequality falls," prompting questions concerning the absence of an inequality-specific goal.

[Others](#) have cited the report's perceived lack of detail regarding how to actually meet the specified goals and targets. The report's interaction with the current progress of the Rio+20-mandated Open Working Group (OWG) on the Sustainable Development Goals – a separate process also meant to feed into the post-2015 agenda – has also left some with fears over wasted efforts and duplication.

### **Next steps**

While the release of the report marks the end of the High-Level Panel process, work still remains with regards to actually negotiating a concrete set of goals to succeed the MDGs.

The outcomes of both the OWG and High-Level Panel process are expected to merge either in September this year, when both groups report back to the UN General Assembly, or when the OWG programme of work comes to an end next year.

ICTSD reporting; "The good, the bad and the ugly in the long-awaited UN development report," THE GUARDIAN, 30 May 2013; "New UN goals call for end to extreme poverty by 2030," THE GUARDIAN, 30 May 2013.

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## FISHERIES

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# EU Clinches Major Overhaul to Fisheries Policy

The European Union announced last Thursday that it will implement major reforms aimed at putting a stop to decades of overfishing and rebuilding its dwindling stocks by 2020. The move is part of a once-in-a-decade reform of the bloc's Common Fisheries Policy (CFP), a policy framework that manages domestic fisheries and fishing activities beyond EU waters.

The reforms will see EU fishing nations reduce the size of their fleets to reflect their overall quotas or face the loss of some subsidies. Observers say the move will quell annual haggling over catch quotas by EU ministers in Brussels, which are widely blamed for prioritising short-term economic gains over the long-term health of Europe's fish stocks.

Irish agriculture and fisheries minister Simon Coveney revealed that quotas will be set on the basis of maximum sustainable yield levels to ensure that an underlying fish breeding stock is protected. Maximum sustainable yield is the optimal catch that may be taken from a fishing stock every year without endangering its capacity to regenerate for the future.

Discarding – the practice of throwing unwanted fish overboard – will also be banned in phases between 2015 and 2019. European fishermen [throw](#) almost 2 million tonnes of unwanted fish back into the sea annually.

In a statement following the announcement of the deal, British liberal MEP and head of the European Parliament's "Fish for the Future" group Chris Davies described the landmark move as a major step in promoting sustainable fishing.

The deal is now waiting to be rubber-stamped by EU governments and the full European Parliament before entering force next year, but analysts say the details are unlikely to change since they were already intensely involved in the negotiations.

### **Decades-old fishing crisis for Europe a "disgrace"**

Green groups say the situation has been dismal for Europe's fish stocks and fishing sector. According to [WWF](#), some two thirds of assessed fish stocks are over-fished. The organisation also revealed that 9 out of 10 stocks will be at unsustainable levels by 2022 if nothing is done about the existing policy.

The current policy, adopted by European Parliament in late 2002, only allows Brussels to suggest fishing quotas that should be implemented by the member states. However, Brussels has no power to enforce these limits. (See Bridges Trade BioRes, [23 January 2003](#)) This has led to annual political haggling over quotas among member states, with powerful fishing industry lobbies heavily involved.

Environment groups have criticised the current CFP for driving decades of overfishing. The most recent data from the UN Food and Agriculture Organization (FAO) reveals that Europe had the third-highest fish catches in 2010, with half of its catches coming from Denmark, Spain, Britain, and France.



Generous subsidies under the current CFP have also encouraged massive overcapacity in the fishing fleet. Overcapacity is when too many fish are caught by a fleet given its inputs and resource condition. A 2011 European Court of Auditors report revealed overcapacity to be one of the main reasons for the failure of the current CFP, despite past attempts at reform, including a ban on subsidies for the construction of new vessels.

"Our treatment of Europe's seas has been a disgrace," Davies said. "But we have learnt lessons. Across Europe there is a strong desire now to listen to the scientists, rebuild fish stocks, cut discards, and give our fishing industry a better future."

### **Responses toward reforms**

Against this backdrop, many environmental groups have cautiously applauded the proposed reforms. The overarching aims of the reforms are meant to end overfishing and make fishing more environmentally, economically, and socially sustainable. The changes also aim to create job opportunities in coastal areas and ensure that EU citizens can continue to have a healthy and sustainable supply of fish.

"The success of any policy depends on two things: what's written and how we implement it," said Amelie Malafoffe, policy advisor at Oceana. "The 2002 CFP was by no means perfect, but a better implementation would have offset many of its shortcomings."

Officials are more optimistic about the reform, claiming that following scientific advice more closely when setting quotas could increase EU fish stocks by up to 15 million tonnes by the end of the decade.

The next few months will see finalisation, formal adoption, and validation by the Council, followed by a second reading in the European Parliament. Once this is done, the reforms are expected to enter into force by 1 January 2014 with a progressive implementation of the new rules.

ICTSD reporting; "EU Seals Reform Deal to Replenish Fish Stocks," REUTERS, 30 May 2013; "Questions and Answers on the New, Reformed Common Fisheries Policy," EUROPEAN COMMISSION, 30 May 2013.

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## WORLD TRADE ORGANIZATION

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# ITA Expansion Efforts Aim for Final Product List by July

Negotiations aimed at expanding the coverage of the WTO's Information Technology Agreement – a plurilateral pact aimed at liberalising trade in information and communication technology products – are expected to be completed by mid-July, sources familiar with the talks confirmed to Bridges this week.

The 25 members involved in the talks are reportedly aiming to have a draft final list later this month, in order to then have "more serious and intensive" negotiations from 24 June onward, sources said after a 27-31 May working week hosted by Japan. A meeting during the week of 15 July will be geared toward finalising the talks.

### **Progress streamlining list, though sensitivities remain**

The process to update the 1996 Agreement has been underway for just over a year, after six countries – Canada, Japan, Korea, the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu, Singapore, and the US – presented a concept paper calling for increased product coverage and membership.

The group has now expanded to 25 members out of the current ITA's total 49 participants, with the additions of El Salvador, Guatemala, and Iceland last week. The 27-country EU counts as one participant. Toward the end of last year, members discussing the expansion presented a "consolidated list" of over 350 product lines for consideration; since then, they have been working on whittling this number down to a more focused set.

Though Japan reported progress last week in streamlining the list further, trade sources say that disagreements remain over the inclusion of specific items that are sensitive for some members. For instance, the EU has reportedly argued against including flat-screen displays, according to Reuters, due to fears that this could induce US and Asian manufacturers to relocate from their current hubs in Eastern Europe.

Members who have sensitivities were asked at last week's meeting to register these without prejudice to the draft final list, sources said. The topic of customs implementation was also raised during the discussions.

Though the ITA expansion is a separate process from the Doha-related preparations for the upcoming WTO Ministerial Conference in Bali, Indonesia (see related story, this issue), trade observers say that clinching a definitive agreement in time for the high-level gathering could help restore some faith in the organisation's effectiveness and members' ability to negotiate constructively.

### **Reflecting today's trade**

The agreement's current participants together represent 97 percent of trade in IT products. This tariff-cutting mechanism was the [first](#) to fully liberalise trade within a specific sector following the Uruguay Round of trade talks

The members negotiating the expansion aim not only to update the product list – which is nearly two decades old – but also to bring in new participants to the pact, given that many

of the countries who have become large traders in information technology products since 1996 are currently not parties to the agreement.

Some current ITA members that represent large information technology industries have decided to stay out of the expansion process, however. India and Indonesia, for example, have said that the expansion is contrary to their national interests and that they therefore will not take part in the discussions.

Global revenues from the sector have more than [doubled](#) since the agreement was put in place, from US\$500 billion in [1997](#) to US\$4 trillion in 2008.

ICTSD reporting; "U.S. groups expect WTO technology trade deal by July, REUTERS, 30 May 2013; "India to skip talks on expanding ITA scope," THE HINDU, 13 May 2013.

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**IN BRIEF**

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## **China Studying Prospect of Joining TPP Talks, Ministry Says**

China is analysing the advantages and disadvantages of joining the Trans-Pacific Partnership (TPP) Agreement, according to a statement released last week by the country's Ministry of Commerce. The announcement comes just over a month after Japan was invited to join the 11-country group currently negotiating the pact. (See Bridges Weekly, [25 April 2013](#))

Should Beijing eventually seek membership in the pact, all current members would have to sign off on China's entry. While many analysts have suggested that the TPP is being developed to help respond to the Asian economy's growing trade prowess, members have repeatedly said that Beijing is not being pre-emptively blocked from the talks. TPP countries welcome "any nation willing to meet the 21<sup>st</sup> century standards of the TPP – including China," then-US Secretary of State Hillary Clinton said last November.

Members have said that the TPP could serve as a template for a wider agreement that would encompass all 21 countries of the Asia-Pacific Economic Cooperation (APEC) Forum. China is currently involved in another process with 15 other countries – including some TPP members – to negotiate a Regional Comprehensive Economic Partnership, with a similar goal.

Current TPP members are aiming to bring the talks to a close by the end of this year, though trade observers have suggested that the process could drag out until early 2014.

ICTSD reporting; "China to study possibility of joining U.S.-led trade talks," REUTERS, 30 May 2013; "China to study joining U.S.-led trade accord after Japan added," BLOOMBERG, 30 May 2013.

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## **Canada, EU Aim for June Agreement**

Negotiations between the EU and Canada for a bilateral pact are in their final stage after almost four years of negotiations, officials said last week. The completion date for the agreement has been pushed back several times due to differences on issues such as public procurement, Canadian access to the EU's beef market, and intellectual property issues regarding pharmaceuticals.

Rumours have surfaced that the two sides are considering announcing an agreement "in principle" later this month, even if the full agreement has not been clinched by that time. The rush to conclude the Canadian-EU Agreement by June comes as Brussels prepares to shift its focus to the formal launch of its planned negotiations with Washington, which is expected in time for this month's G-8 summit in Northern Ireland.

ICTSD reporting; "Canada and EU down to final issues in trade talks," CBC NEWS, 31 May 2013; "Canada-EU trade talks at crucial stage," THE GLOBE AND MAIL, 31 May 2013;

"Canada Finance Minister: Canada-EU Free Trade Discussions 'at very serious level'," WALL STREET JOURNAL, 13 May 2013.

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## EU Officials Warn of Possible WTO Complaint Against Russia

EU officials warned last week that they are considering lodging a WTO complaint against Russia this summer, in what would – if launched – mark Moscow's first dispute at the global trade arbiter since its 2012 accession.

The proposed complaint would target a Russian law that imposes an "utilisation fee" of five percent of the sale price on foreign manufacturers in order to cover the cost of recycling cars and imported agricultural machinery. Domestic producers, however, are not required to pay the duty.

The law "clashes with the most basic WTO rules," EU Trade Commissioner Karel De Gucht has [said](#). EU officials reportedly plan to discuss the subject during next week's bilateral summit in Yekaterinburg, though Russian Ambassador Vladimir Chizhov has called it a "non-issue" given Moscow's plans to address the subject domestically.

Russian authorities were warned earlier this year that Brussels would start proceedings by 1 July if Moscow did not change the law. While Russia submitted a bill to its State Duma last Friday that, if passed, would apply the fee indiscriminately towards domestic and foreign manufacturers, EU officials have said that the law must be approved by their deadline in order for Brussels to abandon plans to file a dispute.

The explanatory note attached to the Russian legislation notes that the bill is geared toward reconciling domestic law with the country's WTO commitments, in order to avoid potential disputes at the organisation. (See Mosty, [31 May 2013](#))

ICTSD reporting; "Russia faces WTO Action over Auto Scrap Tax," THE WALL STREET JOURNAL, 1 June 2013.

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## EVENTS & RESOURCES

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# Events

### Coming soon

6 June, multiple locations. AFTER THE POST-2015 HLP REPORT: RESPONSES FROM AROUND THE WORLD. The High-Level Panel, appointed by the UN Secretary General to advise him on the post-2015 agenda, reports on 30th May. This event, hosted by the Overseas Development Institute and held simultaneously in London, Nairobi, Dhaka, and Bogotá, provides a global audience with a chance to discuss the report with each other and with two panel members. In each location, an audience and speakers will discuss the report with each other and with participants in the other locations, to provide a global response. As well as responding to the HLP report, the event will provide an opportunity to consider its implications for the intergovernmental negotiations on post-2015 goals in the Open Working Group, and the lead up to the UN special event on the MDGs and post-2015 in September 2013. More information is available at the ODI [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.

10-12 June: Trade Policy Review: Suriname

11-12 June: Council for Trade-Related Aspects of Intellectual Property Rights

13 June: Working Party on the Accession of Serbia

### Other Upcoming Events

17 June - 14 July, online, OVERCOMING NEGOTIATION DEADLOCKS. This four-week online course aims to equip participants with the practical skills to improve individual negotiation capacity. Participants will be taught key components of effective negotiations, psychological factors that influence negotiation behavior, and how to lead through situations of deadlock. Government officials, diplomats, representatives of international organisations as well as private sector professionals are encouraged to apply. Post-graduate students with relevant experience in a multicultural working environment are also welcomed. For registration or more information, please visit UNITAR's [website](#).

24-25 June 2013, Geneva, Switzerland, UNCTAD PUBLIC SYMPOSIUM: "NEW ECONOMIC APPROACHES FOR A COHERENT POST-2015 AGENDA." This annual outreach event, hosted by the UN Conference on Trade and Development (UNCTAD), will bring together government officials, academics, civil society representatives, the private sector, and other interested observers to engage in an interactive discussion addressing developmental challenges beyond 2015 – namely rising inequalities, persistent high unemployment, growing economic insecurity, and environmental disasters. This year's event features a combination of moderated plenary sessions and parallel group sessions led by experts, and the themes of focus are macroeconomic and financial governance as well as trade and

investment rules for inclusive and sustainable development. Refer to UNCTAD's [website](#) for further details.

8-10 July, Geneva, Switzerland. FOURTH GLOBAL REVIEW OF AID FOR TRADE. This year's event, held at the WTO, will focus on the theme "Connecting to Value Chains." The meeting brings together ministers from developed and developing countries, heads of international agencies and regional organisations, representatives from private sector companies and associations, and an array of trade and development experts. The Review will examine the economic opportunities that trade in value added offers, the constraints that firms in developing, and in particular least-developed, countries face in connecting (and moving up) value chains and will focus on how Aid for Trade can assist in this process. The event builds on the results of an extensive monitoring and evaluation (M&E) exercise undertaken jointly by the OECD and WTO, in collaboration with various others. More information is available [here](#).

10-11 September, Beijing, China. ASIA-PACIFIC TRADE FACILITATION FORUM 2013: "TOWARDS MORE EFFICIENT AND INCLUSIVE SUPPLY CHAINS: PUBLIC AND PRIVATE SECTOR PERSPECTIVES." Attracting two to three hundred participants from 30 countries each year, this annual forum serves as a regional platform for exchanging information, experiences, and practices for trade facilitation in Asia-Pacific, identifying priority areas for regional cooperation and integration, and learning about new tools and services which can increase the efficiency of cross-border transactions. The event is being co-organised by the UN Economic and Social Commission for Asia and the Pacific (ESCAP) and the Asian Development Bank. Event organisers hope the gathering can help strengthen regional cooperation and coordination of Aid for Trade and related technical assistance and capacity building in trade facilitation. For more information, please visit their [website](#).

1-3 October 2013, Geneva, Switzerland. WTO PUBLIC FORUM: "EXPANDING TRADE THROUGH INNOVATION AND THE DIGITAL ECONOMY." This annual WTO event aims to provide a platform for public debate across a range of trade issues and topics. This year's forum specifically looks at the future of trade in an era of innovation and digitalisation. A call for proposals for sessions is now open, and online registration for attending the event is also available. More information can be found at the Public Forum [website](#).

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## Resources

BRUSSELS BRIEFING ON ENERGY: MAY 2013. Produced by viEUws (May 2013). This video covers the outcome of the 22 May Energy Summit, as well as topics such as the internal energy market, Chinese solar panels, unbundling rules, research, development, and innovation. The briefing, conducted by energy journalist Hughes Belin, outlines how EU leaders are working to adopt energy efficiency measures and standards in order to diversify the supply chain for smart meter distributors and to pursue integration of energy markets. To watch the video, click [here](#).

A MISGUIDED FIX ON SOLAR PANELS? By Gary Clyde Hufbauer for the Peterson Institute for International Economics (May 2013). This interview with Hufbauer explores the recent controversy behind the anti-dumping duties on imports of solar panels from China. Hufbauer argues that a rumoured US-EU-China accord to raise solar panel prices could end up harming consumers and the solar energy industry. To learn more, please access the video [here](#).

SCALING UP FINANCE MECHANISMS FOR BIODIVERSITY. Published by the Organisation for Economic Co-operation and Development (OECD) (May 2013) This report examines six mechanisms that can be used to scale-up financing for biodiversity conservation and sustainable use and to help meet the 2011-2020 Aichi Biodiversity Targets – namely environmental fiscal reform, payments for ecosystem services, biodiversity offsets, green markets, biodiversity in climate change funding, and biodiversity in international development finance. Covering more than 40 global case studies, the book addresses the features, financing, and scaling potential of the mechanisms. The authors also suggest how to design and implement mechanisms in a way that is environmentally effective, economically efficient, and distributionally equitable. To read the report in full, click [here](#).

GLOBAL BIOFUEL TRADE: HOW UNCOORDINATED BIOFUEL POLICY FUELS RESOURCE USE AND GHG EMISSIONS. By Seth Meyer, Josef Schmidhuber and Jesús Barreiro-Hurlé for the International Centre of Trade and Sustainable Development (ICTSD) (May 2013). This paper explores the issue of growth in global biofuels trade. It first analyses how the growth in global intra-industry biofuels trade arises due to uncoordinated environmental legislation in separate markets and jurisdictions. Recognising that policymakers are searching for best practices that can align environmental goals with broader public policy goals, such as the need to reduce poverty, enhance food security, and expand access to energy and improved technologies, the authors recommend that governments establish a "book and claim" system to help improve efficiency in markets and cut emissions. The full report is available [here](#).

DG TRADE STATISTICAL POCKET GUIDE. Published by the European Commission. (May 2013) This guide contains selected tables and graphs that outline the current state of and recent developments in the European Union's foreign trade with the rest of the world. Published by the statistical office of the EU (Eurostat) in collaboration with the World Bank, International Monetary Fund (IMF), UN, and WTO, statistics covered include trade in goods, trade in services and foreign direct investment. The full report can be found [here](#).



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PUBLISHED BY



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Bridges Weekly Trade News is made possible  
through generous contributions of donors and  
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DFID - UK Department for  
International Development

SIDA - Swedish International  
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of publications is most welcome; if interested,  
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Digest is edited by Sofía Alicia Baliño.

The Publisher and Director is Ricardo Meléndez-  
Ortiz. The Editor in Chief is Andrew Crosby.  
Comments and suggestions are welcomed and  
should be directed to the [editor](#) or the [director](#).

Price: €10.00  
ISSN 1563-0

