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PREFERENTIAL AGREEMENTS

TPP Talks "Intensify" in Brunei as Year-End Deadline Looms 1

WORLD TRADE ORGANIZATION

Roberto Azevêdo Takes Office as WTO Director-General..... 3

RENEWABLE ENERGY

EU-China Solar Panel Deal in Place; Subsidies Probe to Continue 5

DISPUTES

Compliance Questions Tabled in Country-of-Origin, Clove Cigarettes Disputes..... 7

DISPUTES

Disputes Roundup: Panel Rules in US' Favour in China Broiler Products Row; New Cases Filed . 9

IN BRIEF

AGOA Review Focuses on Need for 2015 Update 11

EVENTS & RESOURCES

Events..... 12

Resources..... 14

PREFERENTIAL AGREEMENTS

TPP Talks "Intensify" in Brunei as Year-End Deadline Looms

Negotiators meeting in Brunei last week "intensified" their work in the hopes of completing the Trans-Pacific Partnership (TPP) Agreement by year's end, officials said on Friday. However, the talks remain "difficult," some say, despite the hope that the talks could be near their final stage.

Notably, the Brunei talks began with a meeting of TPP ministers in order to provide political momentum to the negotiations and narrow gaps on sensitive issues – particularly given the limited time remaining before the end of the year. This TPP "ministerial" included discussions of possible "landing zones" for the more contentious areas, along with the sequencing of some topics as the negotiations reach their end stages.

The ministerial included both joint and bilateral meetings, according to a [statement](#) released following the event. Negotiators then met through 30 August, building their discussions off their ministers' guidance.

The Brunei talks [reportedly](#) saw progress in the areas of competition, environment, financial services, investment, intellectual property, market access, and rules of origin. However, groups dealing with other topics – such as those involving technical barriers to trade, e-commerce, and legal issues – did not meet during the nine-day talks, though they are expected to hold discussions in the weeks ahead.

Current members of the TPP include Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, the United States, and Vietnam.

Self-imposed 2013 deadline remains in focus

TPP countries – a 12-strong group that only just added Japan to its ranks this summer – had previously floated the idea of completing an agreement in time for next month's Asia-Pacific Economic Cooperation (APEC) leaders' meeting in Bali. Officials from TPP members have traditionally met on the sidelines of major APEC gatherings in order to review progress in the negotiations.

The October plan now appears to have been shelved, with TPP ministers [referring](#) to the APEC meeting instead as an important "milestone" in the process. However, ministers have pledged to "maintain our active engagement" ahead of the Bali event.



International Centre for Trade
and Sustainable Development

Officials have publicly said in recent weeks that they still hope to conclude the negotiations by the end of 2013. Mike Moore, New Zealand's Ambassador to the US, has said that this is a "doable" goal, a sentiment that US Trade Representative Michael Froman has similarly expressed.

Some stakeholders, however, have questioned whether holding to a year-end goal is still possible, or even advisable. Trying to resolve all of the remaining issues in that timeframe could lead to a less ambitious outcome, US Chamber of Commerce President and CEO Thomas Donohue recently [warned](#).

"We must not short circuit our ambitious goals for the sake of expediency," he said.

Even some TPP negotiators have reportedly expressed scepticism over the 2013 timeline, with a Malaysian official telling AFP that this goal may not be "realistic." This latest round, for instance, was itself a "difficult" one, the official said. Major disagreements still remain in several areas, such as on state-owned enterprises (SOEs), intellectual property, and rules-of-origin, among others.

The dates of the next negotiating round have not been announced; however, TPP negotiators are expected to meet in mid-September in Washington, Japanese officials have said. Intersessional discussions will also be held in the coming month.

Japan involvement

Trade observers were also watching this Brunei round closely to see how Japan's participation could affect the process. Tokyo became a formal member of the TPP group in July, just two days before the end of the last round, which was held in Malaysia.

In Brunei, Japan held bilateral tariff negotiations with nearly all of its TPP partners, with the exception of Chile and Peru. Japan has already tabled tariff elimination proposals with six of those countries, Tokyo's chief negotiator Koji Tsuruoka told reporters. Exchanges of proposals with Australia and the US are expected later this month.

Agricultural market access is expected to be a major sticking point between Japan and its fellow TPP members, with Tokyo hoping to maintain its famously high tariffs on rice, as well as on beef, pork, dairy, wheat, and sugar.

The US and Japan have also begun to hold bilateral talks in parallel to the formal TPP process, in line with the deal announced earlier this year between the two sides that effectively paved the way for the Asian economy to join the regional negotiations. (See Bridges Weekly, [18 April 2013](#))

"We are looking to Japan to work with us in a constructive manner to address the barriers that have impeded our access in key areas," Froman [told](#) the Japan National Press Club ahead of the Brunei round, noting that some bilateral meetings have already taken place.

"Barriers to access to Japan's automotive and insurance markets and non-tariff measures in other sectoral and cross-cutting areas hold back growth and innovation," the US official argued. "[These barriers] hurt workers, business, and consumers in both our countries."

ICTSD reporting; "TPP talks on tariffs advance as Brunei round ends," KYODO NEWS INTERNATIONAL, 30 August 2013; "Pacific trade deal negotiators finish 'difficult' round," AGENCE FRANCE PRESSE, 30 August 2013; "U.S. Trade Representative Addresses Trade Conflicts With Japan Ahead of TPP Brunei Talks," WALL STREET JOURNAL, 19 August 2013; "Brunei TPP round ends in 'success'," THE JAPAN TIMES, 30 August 2013.

WORLD TRADE ORGANIZATION

Roberto Azevêdo Takes Office as WTO Director-General

Roberto Carvalho de Azevêdo formally began his term as WTO Director-General on Sunday, succeeding Pascal Lamy in the role. The leadership transition comes as the organisation's 159 members gear up for their December ministerial conference, where they hope to clinch a package of deliverables from the long-running – and often troubled – Doha Round of trade talks.

The arrival of Azevêdo, who was previously Brazil's Ambassador to the global trade body, marks the first new WTO chief in eight years. Azevêdo will give his inaugural speech to members next Monday at a meeting of the General Council, where he is expected to outline his initial plans and priorities for his four-year term.

One of the first major tests for the new Director-General, trade observers and officials alike have said, will be in helping to facilitate the preparations for the upcoming ministerial. The Doha Round negotiations were declared at an impasse in 2011, and members have since been focusing on extracting deliverables in three areas – a trade facilitation agreement, selected agriculture components, and issues of relevance to developing and least developed countries – to agree upon for the December gathering.

Preparations for the Bali conference to date, however, have been difficult, with many warning that the pace seen before the WTO's annual summer break – while just enough to keep the process afloat – must be increased in order to ensure a successful ministerial. (See Bridges Weekly, [25 July 2013](#))

With just three months to go until Bali, Azevêdo has [pledged](#) to do "everything I can" to ensure that agreement is reached at the December ministerial. However, he warned in his welcome message on Sunday, "there is no such thing as a sure thing," urging members to advance their efforts in the weeks ahead in concluding a deal.

"Regardless of the outcome in Bali, the WTO and its members will face the inevitable question: 'What next?'" he said. "But what is evident to all is that the options available would be considerably richer and more diverse in the event that negotiations in Bali are successful."

On the international stage, Azevêdo will first represent the WTO at the G-20 Leaders' Summit in St. Petersburg, Russia, which will be held on Thursday and Friday of this week.

Lamy exits

Azevêdo's entry comes on the heels of the departure of Pascal Lamy, a French national who served as Director-General from 1 September 2005 until 31 August of this year. Notably, Lamy's eight-year tenure saw the organisation launch the Aid for Trade initiative, along with taking an active role in monitoring the rate and number of protectionist measures implemented by WTO members during the financial crisis.

Other major WTO developments during this period included the finalisation of a revised Government Procurement Agreement (GPA), an update to the organisation's guidelines for least developed country (LDC) accessions, and the adoption of a transparency

mechanism for regional trade agreements. Eleven new members have joined the WTO since Lamy took office in 2005, including Russia, bringing the current total to 159.

"Together, we have strengthened the WTO as the global trade body," Lamy said in his farewell [remarks](#) to the General Council in July, noting that the last eight years have been "transformational."

However, those eight years also saw WTO members attempt – and repeatedly fall short – of bringing the Doha Round talks to a successful conclusion, despite Lamy's untiring efforts, with the negotiating setbacks being broadly blamed for hurting the organisation's credibility as a whole.

"I do believe critics have a point when they suggest that the manner in which we conduct multilateral negotiations could be improved," Lamy said.

Shoring up the WTO's credibility is especially important in today's current trade context, he stressed, noting the potential difficulties – as well as opportunities – being raised by the proliferation of regional and plurilateral agreements.

"I do not wish to be misunderstood. I am not against trade opening outside the WTO," Lamy said. "But I do think we would do well to recognise that the issue is not trade opening in the WTO as opposed to trade opening outside the WTO. The issue today is with the difficulties involved in trade opening."

While the organisation's negotiating pillar has attracted the most public attention, the outgoing trade chief also warned that members should also work to improve the WTO's functioning in other areas.

During Lamy's tenure, the organisation "came out of its shell," said Ricardo Meléndez-Ortiz, head of ICTSD (and publisher of Bridges). Many observers concur with the view that in the past eight years, the trade body's capabilities were enhanced all-around, notably with respect to its research and analytical functions, and the handling of participation of non-state stakeholders. A number of collaborative studies on key global policy matters were also undertaken in timely and groundbreaking fashion.

The next steps for Lamy remain unclear. The former EU Trade Commissioner has long been rumoured to be a contender for a place in the French government's cabinet; however no formal announcement of his future plans has been made.

Deputy D-Gs named

Along with his international commitments and work with members, the Director-General also serves as the head of the WTO secretariat in Geneva. In this context, Azevêdo has already announced his picks for Deputy Directors-General, though what specific responsibilities each will have in executing his vision and agenda has not yet been made clear.

The four deputies will be Yi Xiaozhun, China's WTO Ambassador; Karl-Ernst Brauner of Germany, a senior officer in his country's Federal Department of Economics and Technology and the representative to the Trade Policy Committee in Brussels; David Shark, US Deputy Permanent Representative to the WTO in Geneva; and Nigerian Ambassador to the WTO Yonov Frederick Agah, who was General Council Chair in 2011.

Tim Yeend, who was Australia's WTO Ambassador for the past three years, will be the Chef de Cabinet, or principal advisor to the Director-General's office. The four deputies and the Chef de Cabinet will all take office on 1 October.

ICTSD reporting.

RENEWABLE ENERGY

EU-China Solar Panel Deal in Place; Subsidies Probe to Continue

The EU and China reached a deal this summer on their high-tension row over solar panel trade, with Beijing agreeing to a "price undertaking" arrangement that will effectively exempt participating companies from anti-dumping duties. However, a separate investigation by the European Commission into allegedly unfair Chinese solar subsidies is still ongoing, with definitive results due by year's end.

The deal announced in late July came after months of burgeoning tension between the EU and its second-largest trading partner, due to the Commission's announcement in June that it had found evidence of Chinese solar panels and their components being "dumped" on the EU market – in other words, being sold at lower prices abroad than their normal value. (See Bridges Weekly, [6 June 2013](#))

Brussels had subsequently imposed provisional duties of 11.8 percent on these imports, with the warning that these would increase to an average of 47.6 percent should EU and Chinese officials not reach a negotiated solution by early August.

The Commission's investigation had begun a year ago, following a complaint filed by EU ProSun – a coalition of EU solar panel makers led by the German-based SolarWorld. (See Bridges Weekly, [3 October 2012](#))

The EU currently imports €21 billion in solar panels and their component wafers and cells from China each year. The Commission had argued that the anti-dumping duties were necessary to protect the 25,000 jobs in the EU solar sector, with the industry taking a hard hit in recent years as it struggled to keep up with lower-priced imports from abroad.

Price undertaking agreement: terms

Under the terms of the agreement, participating Chinese exporters have committed to respecting minimum import prices. According to the Financial Times, Chinese companies will be able to export up to 7 gigawatts per year of solar products without having to pay the anti-dumping duties, as long as the price does not fall below 56 cents per watt.

Non-participating Chinese companies will, however, be subject to the 47.6 percent average anti-dumping duty.

The deal reportedly received nearly unanimous support by EU member states, which had been divided over the earlier duties. None voted against it, according to Reuters.

"We are confident that this price undertaking will stabilise the European solar panel market and will remove the injury that the dumping practices have caused to the European industry," EU Trade Commissioner Karel De Gucht [said](#) in announcing the agreement. "We have found an amicable solution that will result in a new equilibrium on the European solar panel market at a sustainable price level."

Deal receives mixed response from EU industry

The industry group that had lodged the original complaint with the Commission, EU ProSun, has already announced that it will be filing a case before the EU General Court

against the agreement, claiming that it contravenes EU law by not sufficiently removing the "injurious" effect of dumping.

"The agreement endangers the very existence of the European solar industry, which has already lost 15,000 jobs due to Chinese dumping and illegal state subsidies, and now is at risk of losing remaining producers in Europe," EU ProSun President Milan Nitzschke [said](#).

Many European solar manufacturers had wanted at least 80 cents or more per watt out of the price undertaking agreement, arguing that anything less would not sufficiently level the playing field for EU producers.

Meanwhile, the Alliance for Affordable Solar Energy (AFASE) – a separate coalition of downstream solar producers that has been critical of the ProSun case – gave a lukewarm welcome of the price undertaking deal, while warning that it could create problems for some renewable energy projects in the 28-member EU bloc.

"The current price undertakings are not perfect but provide some of the much needed certainty in the market," the group said in a [statement](#). "They will nevertheless jeopardise commercial rooftop installations in some member state markets and prevent large ground-mounted installations in many markets."

AFASE had argued that imposing duties on Chinese imports would only hurt EU producers that require these panels for renewable energy projects.

What the EU-China deal could mean for Beijing's discussions with Washington on solar trade remain to be seen, given that imports of Chinese solar cells to the US are also being subjected to anti-dumping and anti-subsidy duties. (See Bridges Weekly, [10 October 2012](#)) While the EU, US, and China had reportedly discussed reaching a final agreement jointly on the subject, no such Washington-Beijing deal has been announced.

EU solar subsidy probe continues; no duties imposed

Just weeks after the price undertaking agreement was announced, the European Commission [confirmed](#) that it would be continuing a separate probe into whether Chinese solar panel producers had been provided with unfair subsidies. Brussels will not be imposing any provisional duties for the time being, officials said in August.

However, the Commission noted that not imposing provisional duties now does "not, in any event, prejudice any subsequent decision which may be taken at the definitive stage of this proceeding," leaving the door open for future duties once the investigation concludes.

The Commission has also flagged the possibility of including the anti-subsidy investigation into the price undertaking deal, "should such action be warranted."

The anti-subsidy investigation had kicked off last November, shortly after the anti-dumping probe began. (See Bridges Weekly, [14 November 2012](#)) The subsidies case was also launched as the result of a complaint by EU ProSun; definitive findings in both cases are due by 5 December.

While the EU has not formally said whether the provisional investigation results have shown evidence of unfair subsidies, unnamed officials familiar with the probe told Reuters last week that such proof was indeed found. Beijing has already been informed of the provisional outcome.

ICTSD reporting; "EU says China guilty of giving illegal aid to solar industry," REUTERS, 27 August 2013; "EU signs off on China solar deal, no state votes against," REUTERS, 2 August 2013; "EU and China settle trade fight over solar panels," FINANCIAL TIMES, 27 July 2013.

DISPUTES

Compliance Questions Tabled in Country-of-Origin, Clove Cigarettes Disputes

The high-profile WTO disputes regarding the US' clove cigarette ban and country-of-origin labelling for meat products have once again heated up, with the complainants in both cases arguing that Washington has not brought the respective measures in line with its international obligations. While a compliance panel in the latter case was blocked by the US last month, the former case has already proceeded to arbitration.

Both cases at issue involve the implementation of US consumer protection policies, and have attracted particular notice in the trade community – together with the US-Mexico dispute on dolphin-safe tuna labelling – for their potential to clarify the WTO's Agreement on Technical Barriers to Trade (TBT). In all three instances, Washington lost at both the panel and Appellate Body stages.

Arbitration underway in clove cigarettes dispute

Last month, Indonesia requested that the WTO authorise retaliatory measures against the US, on the grounds that Washington has allegedly failed to comply with the global trade arbiter's ruling in their dispute regarding clove cigarettes ([DS406](#)).

The Appellate Body had confirmed in April 2012 that the US' Family Smoking Prevention and Tobacco Control Act of 2009 was discriminatory against imports of Indonesian clove cigarettes, with the US being given until late July to comply with the ruling. (See Bridges Weekly, [11 April 2012](#))

The original US legislation in question bans the production and sale of clove cigarettes, as well as most other flavoured cigarettes, in the United States – but not menthol-flavoured ones. Indonesia is the world's main producer of clove cigarettes, and clove cigarettes consumed in the United States prior to the ban were mostly imported from the Southeast Asian nation.

In its [statement](#) at a special Dispute Settlement Body (DSB) meeting on 23 August, the US said that it "has taken and is taking a number of actions in relation to menthol cigarettes," which among others includes the US Food and Drug Administration (FDA) seeking public comment on alternative regulations, as well as the release of a preliminary scientific evaluation comparing the public health effects of menthol and non-menthol cigarettes.

Washington argues that its efforts have brought the United States into compliance with the DSB's rulings. Jakarta, however, has countered that such measures are insufficient, and is reportedly requesting authorisation for retaliation in the amount of US\$50.5 million. This number is based on the value of clove cigarette exports to its North American trading partner in the three-year period before the ban, taking inflation into account.

The DSB has agreed to refer those matters to an arbitration panel, which will be composed of the same panellists that heard the original dispute. Under WTO rules, arbitrators must issue their decision within 60 days after the "reasonable period of time" in such a case has expired – in this instance, by the end of September. In [practice](#), however, the length of this process varies, taking an average of 15 months.

COOL saga continues

Two months after the US introduced changes to its controversial country-of-origin-labelling (COOL) measure, Canada and Mexico have requested that the DSB establish a compliance panel to rule if the changes are compatible with WTO law ([DS384](#), [DS386](#)).

The Appellate Body confirmed earlier this year that the US labelling rule was inconsistent with WTO rules as it made the processing of imported livestock prohibitively costly, along with being more trade restrictive than necessary to achieve the objective of providing consumer information. (See Bridges Weekly, [23 May 2013](#) and [4 July 2012](#)).

However, both Canada and Mexico have complained that the amended COOL measure – which would require muscle cuts of meats to be labelled with information on where the animal was born, fed, and slaughtered – is even more trade-restrictive and discriminatory than the original US policy.

On 30 August, following the US' objection, the DSB deferred the establishment of a compliance panel. According to sources familiar with the meeting, the United States had argued that the new measure both ensures that US consumers are provided with detailed information as to the origin of muscle cuts of meats, and meets WTO rules.

In a [joint statement](#), Canadian Trade Minister Ed Fast and Agriculture Minister Gerry Ritz said that they had hoped to avoid resorting to the global trade arbiter once more on the subject. "However, despite consistent rulings by the WTO, the US government continues its unfair trade practices, which are severely damaging to Canadian industry and jobs," they explained.

In anticipation of the US blocking the panel, Mexico has already [announced](#) that it will continue to defend its livestock sector in the WTO against the US' allegedly discriminatory practices, and will submit a second panel request in the coming weeks. Under the global trade arbiter's rules, a second panel request must automatically be granted.

Meanwhile, a coalition of meat and livestock organisations in the US, Canada, and Mexico is pursuing a domestic legal challenge to the new COOL rule, having filed a motion with a US court seeking a preliminary injunction to prevent its implementation. One of the plaintiffs, the Canadian Cattlemen's Association, has [suggested](#) that the US bring its COOL measure into compliance with WTO rulings by allowing either a single mandatory label for all US-produced meat or voluntary labelling.

Tuna dispute: Compliance proceedings in the making?

Compliance proceedings could soon be underway in the third high-profile TBT case before the WTO, the US-Mexico row over dolphin-safe tuna labels. Washington lost the case ([DS381](#)) at the global trade arbiter last year. (See Bridges Weekly, [16 May 2012](#))

In July, the US announced a modification to its labelling rule that would require captains – and where available, qualified and approved observers – to certify that no dolphins were killed or seriously injured during fishing operations occurring outside the Eastern Tropical Pacific (ETP). (See Bridges Weekly, [18 July 2013](#))

In a [statement](#) following the US announcement, Mexico argued that the new system is still stricter on Mexican fisheries in the Eastern Tropical Pacific compared to those outside the ETP. Mexico says that the US has therefore not implemented the WTO's rulings sufficiently, reserving the right to request approval for retaliation. According to an agreement announced in August between Mexico and the US, Mexico City may request the establishment of a compliance panel at any time.

ICTSD reporting.

DISPUTES

Disputes Roundup: Panel Rules in US' Favour in China Broiler Products Row; New Cases Filed

A WTO panel has sided with the US in its row with China over trade remedies being imposed on imported poultry products, officials announced last month. The global trade arbiter's annual August recess proved to be a busy few weeks on the disputes front, with three new cases filed in a matter of weeks, along with the establishment of a panel in the row between Brussels and Beijing on steel imports.

WTO panel grants US victory in China trade remedy dispute

A WTO panel has ruled primarily in favour of the US in its row with China on the latter's anti-dumping and anti-subsidy duties on imports of US chicken "broiler" products, with the findings distributed to members on 2 August. ([DS427](#))

Broiler products include nearly all chicken products, aside from live, cooked, and canned chicken. The Chinese duties at issue entered into effect in late 2010.

The original complaint had largely focused on procedural concerns in Beijing's trade remedy investigations, along with the substantive analysis conducted by the Chinese Ministry of Commerce (MOFCOM).

"This decision sends a clear message that the Obama Administration can fight and win for American farmers, businesses, and workers in the global trading system, ensuring that America gets the benefit of the rules and market access we have negotiated in our international trade agreements," [said](#) US Trade Representative (USTR) Michael Froman in response to the ruling.

China, for its part, has [said](#) that it will "evaluate seriously the panel's report, and will handle the follow-up work in line with the dispute settlement procedures."

Both parties have up to 60 days to appeal the results of the panel ruling. If an appeal is filed, the Appellate Body will be able to revise aspects of law – such as legal interpretation – but may not revisit the facts of the case.

US, New Zealand file challenge Indonesia over alleged import restrictions

The US and New Zealand both filed WTO challenges against Indonesia last month, specifically regarding measures involving the imports of horticultural products, animals, and animal products.

Washington and Wellington argue that Jakarta applies unfair import restrictions, imposes non-automatic import licences and quotas, conducts pre-shipment inspections that slow trade, and in other ways provides imports with less favourable treatment than their domestic counterparts.

A separate case between the US and Indonesia on the same products is already at the panel stage at the WTO; however, Washington says that this new dispute is meant to

address modifications Jakarta has made to its policies since the first case was filed, as well as to make it easier for coordinating strategy with New Zealand. ([DS455](#))

"Consultations with Indonesia earlier this year failed to resolve our concerns with Indonesia's unjustified and trade-restrictive import licensing system," USTR Froman [said](#) in a statement. "To the contrary, although Indonesia has revised its measures, they continue to pose a serious impediment to US agricultural exports."

Under WTO rules, the parties will have to hold consultations on the subject for at least 60 days in the hopes of achieving a mutually agreed solution; after that date, the complainants may ask that a panel be established to hear the case.

Zeroing again under fire in new US-Korea case

Also in August, Korea announced that it had filed a request for consultations with the US regarding anti-dumping and anti-subsidy – also known as countervailing – measures that the latter applies to imports of large washing machines from the Asian country. ([DS464](#))

At issue in the case is the US Department of Commerce's controversial "zeroing" methodology. Specifically, Washington 'zeroes out', or ignores, instances where the good in question is actually being sold at a higher price in the US than in its home market when calculating dumping margins.

The US already agreed to end its use of zeroing in administrative reviews last year, following a series of adverse panel and Appellate Body rulings on the subject, though Washington has argued that the practice is not WTO-inconsistent. (See Bridges Weekly, [8 February 2012](#))

Panel to hear EU-China steel case

A WTO panel was also established last month to hear the EU's complaint over China's anti-dumping duties on imports of high-performance stainless steel seamless tubes (HP-SSST) from the 28-nation bloc. ([DS460](#))

This was the EU's first panel request in the case, which China did not block. Under WTO rules, Beijing – or any other member – has the option of rejecting a first panel request, but not a second. A separate dispute on the subject has also been filed by Japan, which was also hit by the Chinese duties; the latter case is already at the panel stage. A single panel is likely to hear both cases.

Brussels had filed a request for consultations on the subject back in June, arguing that Beijing's anti-dumping duties – which range from 9.7 to 11.1 percent – violate WTO rules on both substantive and procedural grounds. (See Bridges Weekly, [20 June 2013](#))

"The EU continues its fight against unjustified Chinese trade defence measures, which do not comply with WTO rules and often seem to be motivated by retaliation," EU Trade Spokesman John Clancy [said](#) in announcing the news, noting that the timing of Beijing's duties came shortly after the EU launched its own steel case against China.

"Given its obvious technical weaknesses, we are confident that the WTO will support our claims against these anti-dumping duties," he said.

ICTSD reporting.

IN BRIEF

AGOA Review Focuses on Need for 2015 Update

With the African Growth and Opportunity Act (AGOA) set to expire in September 2015, African and US representatives have begun to explore how Washington can improve and renew the 13-year old legislation so that it is more compatible with the changing economic landscape in Africa.

AGOA provides about 6500 African products with preferential quota and duty-free access to the US market. The bill expands upon the US Generalised System of Preferences (GSP), a set of formal exceptions from the WTO's most-favoured nation (MFN) principle that allows Washington to offer developing countries preferential treatment on specific goods.

The GSP expired in late July; however, trade observers expect it to be renewed in the months ahead.

The Obama Administration has already committed to a "seamless" AGOA renewal, while also stressing that it wants to review and update the programme. African delegates are pushing for a ten-year extension of the arrangement to foster long-term investments.

For instance, the US is looking to learn from Africa's existing trade relationships with the EU and its member states, US Trade Representative Michael Froman [said](#) at the AGOA Forum, an annual event that was held in Addis Ababa, Ethiopia last month. The European Commission is working to conclude Economic Partnership Agreements (EPAs) with several African countries by 2014; these would, if fully ratified, enable the establishment of a free trade area between the EU and these nations.

Unlike EPAs, AGOA is non-reciprocal and unilateral. Therefore, the preferences apply only to imports entering the US, and the renewal of the legislation depends on US lawmakers. Some US experts argue that Washington should focus more on two-way trade agreements with Africa, particularly with more advanced countries like South Africa, given their rapid economic growth in recent years.

The Obama administration plans to examine the thousands of duty-free tariff lines covered by AGOA to determine if some sectors or countries should gradually be eased out as they become more competitive, along with reviewing options for lowering trading costs in the African continent.

"As we think about renewing AGOA, we certainly do not want US firms to be put at a competitive disadvantage in the rapidly growing and dynamic African market," Froman said.

Froman stressed that AGOA has helped African firms become more competitive both in the US and internationally. Some commentators however, argue that AGOA has actually had only a limited impact on least developed countries' (LDCs) economic transformation, given that key products – such as dairy, sugar, cocoa, peanuts, and cotton – are excluded. (See Bridges Africa, [17 June 2013](#))

ICTSD reporting; "US seeks better access to Africa as part of trade pact review," THE FINANCIAL TIMES, 12 August 2013.

EVENTS & RESOURCES

Events

Coming soon

5-6 September, St. Petersburg, Russia. G-20 LEADERS' SUMMIT. The annual summit of leaders from the Group of 20 major developed and emerging economies is being hosted this year by Russia, which holds the rotating presidency of the group. Topics on the agenda for the high-level meeting include: strong, sustainable, and balanced growth; jobs and employment; international financial architecture reform; strengthening financial regulation; energy sustainability; development for all; enhancing multilateral trade; and fighting corruption. For more information, please click [here](#).

8-10 September 2013, Coimbra, Portugal. ENERGY FOR SUSTAINABILITY 2013. "SUSTAINABLE CITIES: DESIGNING FOR PEOPLE AND THE PLANET." Organised by the Institute for Research and Technological Development in Construction Sciences, this forum brings together stakeholders, researchers, and academic practitioners from interdisciplinary fields to discuss and share their expertise on how to tackle the need for a more sustainable world. This year, the challenges posed by the increasing concentration of the world's population in cities will be debated under four main categories: smart cities, buildings and end-uses, clean energy supply, and policy and assessment. For more information or to register, please click [here](#).

10 September, London, UK. THE SPEED OF ECONOMIC TRANSFORMATION IN ASIA. This Chatham House event will feature Jesus Felipe, Adviser to the Chief Economist at the Asian Development Bank's Economics and Research Department, as its main speaker. He will examine what the economic transformation seen in various Asian countries implies for the rest of the region, especially given the varying pace at which this transformation has taken place. For more information, please click [here](#).

11 September, Dalian, China. ANNUAL MEETING OF THE NEW CHAMPIONS 2013. This annual business gathering, hosted by the World Economic Forum (WEF), will focus on the following theme: "Meeting the Innovation Imperative." Also referred to as the "Summer Davos," this meeting aims to create an opportunity for exchange among leaders from multinationals and other companies, as well as decision makers from government, media, academia, and civil society. This year's event is expected to bring together over 1500 participants from 90 countries to share strategies and solutions and discuss global issues and risks. More information is available on the WEF [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.

9 September: General Council

10 September: Dispute Settlement Body

Other Upcoming Events

16 September, online. SUSTAINABLE URBAN MOBILITY IN DEVELOPING COUNTRIES. This web-based course is being hosted by the UN Institute for Training and Research (UNITAR), in partnership with GIZ (Deutsche Gesellschaft für Internationale Zusammenarbeit). The course aims to enhance the capacity of local decision makers and urban and transportation planners to formulate and implement policies that contribute to sustainability in urban transport in developing countries. The class will address various issues related to sustainable transport, including environmental protection and gender, along with topics related to means, such as economic and financial instruments, institutional improvements, capacity building, regulation of markets, and environmental standards. For more information, or to register, please visit the UNITAR [website](#).

27 September, Geneva, Switzerland. BRIDGES CHINA DIALOGUE 2013: INNOVATION FOR SUSTAINABLE GROWTH. This annual event is being organised by the International Centre for Trade and Sustainable Development (ICTSD) in collaboration with the Swiss Chinese Chamber of Commerce and the Swiss Bankers Association, among various other partners. This year's meeting is focused on "Innovation for Sustainable Growth," and will focus on China's rise as a technology power and its national innovations strategy to upgrade its technology and industry. As China has signed an FTA with Switzerland, participants will also examine the new opportunities and challenges in the areas of financial, trade, investment and R&D cooperation between China and Europe. For more information, please visit the official event [website](#).

27 September, Geneva, Switzerland. BORDER CARBON ADJUSTMENT: EVERYTHING YOU EVER WANTED TO KNOW (AND MORE). This half-day workshop, co-convened by the International Institute for Sustainable Development and the Geneva Office of the Friedrich-Ebert-Stiftung, is aimed at answering the key questions around border carbon adjustments (BCA) for the trade policy community: how strong is the rationale for BCA? Is BCA legal, effective? What are the broader political considerations? To register, email acosbey@iisd.ca. An in-depth background document is available [here](#), and the agenda [here](#).

30 September – 18 November, online. RENEWABLE ENERGIES FOR DEVELOPING COUNTRIES: ENVIRONMENTAL NECESSITY - ECONOMIC OPPORTUNITY. This web-based course, developed by the UN Institute for Training and Research's (UNITAR) training centre CIFAL Scotland, in partnership with the University of Strathclyde, aims to enhance the capacity of policymakers to make informed decisions on which renewable energy technologies will meet the needs of their countries, communities, villages, or neighbourhoods. Course organisers aim to provide an overview of clean, secure, and sustainable technology options for the development and management of renewable energy projects. The enrolment deadline is 23 September. More information about the course and registration process is available [here](#).

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. Issues related to the upcoming WTO ministerial conference in Bali, Indonesia will also be on the agenda. More information can be found at the Public Forum [website](#).

Resources

THE RENMINBI BLOC IS HERE: ASIA DOWN, REST OF THE WORLD TO GO? By Arvind Subramanian and Martin Kessler for the Peterson Institute for International Economics (August 2013). In this working paper, the authors consider the prospects for the "renminbi bloc" to move beyond Asia, based on a comparison of the renminbi's situation today and that of the Japanese yen in the early 1990s. If trade were the sole driver, the authors argue, a more global renminbi bloc could emerge by the mid-2030s, but complementary reforms of China's financial and external sectors could considerably expedite the process. For more information, or to read the paper, please click [here](#).

MONTHLY STATISTICS OF INTERNATIONAL TRADE, VOLUME 2013 ISSUE 7. Published by the Organisation for Economic Co-operation and Development (OECD) (August 2013). This publication features a range of statistics on the international trade of OECD countries. It aims to provide a detailed insight into the most recent trends in trading patterns for these countries with the rest of the world. For more information, or to access the statistics, please click [here](#).

EXPLAINING THE US 'PIVOT' TO ASIA. By Kurt Campbell and Brian Andrews for Chatham House (August 2013). This paper aims to address the questions that have been raised about Washington's commitment to building diplomatic, economic, people-to-people, and security ties with the Asia-Pacific region. The authors argue that such concerns are misplaced, and that the US' future requires that greater attention be paid to this region – a priority, they note, for the current Obama administration. For more information, or to download the paper, please click [here](#).

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