

# BRIDGES WEEKLY

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## WORLD TRADE ORGANIZATION

### WTO Ag Negotiators Begin Charting Post-Bali Course

Two months after the WTO's ninth ministerial conference in Bali, Indonesia, talks on the organisation's farm trade agenda remain shrouded in uncertainty, officials say. Key questions, negotiators told Bridges, include which issues the membership should tackle next, and what is the best approach to take.

A meeting last Wednesday of the "regular" Committee on Agriculture – the body tasked with monitoring WTO members' commitments under current rules – reportedly led to some progress in setting out how the Bali agreements on farm trade should be implemented.

But members remain unclear over how separate talks on the future of the Doha Round will proceed, trade sources said. These are normally held in "special sessions" of the committee, convened by the chair, New Zealand Ambassador John Adank.

"The political environment remains very sketchy," one trade source acknowledged.

#### Food stockholding

As part of a decision on public stockholding for food security purposes, WTO members agreed in Bali to establish a work programme in the Committee on Agriculture to pursue "this issue," with the aim of making recommendations for a permanent solution.

Led by India, the G-33 coalition had called for more flexibility for developing countries to be able to purchase food for public stockholding at "administered prices" set by the government. The group argued that price inflation in the two decades since WTO subsidy ceilings were agreed had effectively eroded their ability to provide schemes of this sort.

In Bali, WTO members agreed that they would refrain from challenging these programmes, so long as certain conditions were met. The conditions include reporting its farm subsidy programmes to the WTO, and notifying the Committee on Agriculture if the country is exceeding – or risks exceeding – current limits on farm support spending.

However, no country has yet provided the additional information required to the committee, sources said. The committee has also yet to begin discussing what a



International Centre for Trade  
and Sustainable Development

"permanent solution" in this area might look like.

Some members questioned whether this work should take place in the regular session of the committee, or instead in the "special session."

### **Export competition**

Export subsidies and similar measures, grouped together at the WTO under the heading of "export competition," are slated to be the focus of the committee's third meeting this year, in June.

WTO delegates told Bridges that the secretariat is due to compile a report, drawn from the results of a questionnaire being sent to all members. An annex to the Bali declaration on export competition provides the basis for this questionnaire, sources said.

At the December ministerial, members agreed that they would prioritise work on those issues on which legally binding outcomes could not be achieved – such as export competition.

### **Tariff quota administration**

The third area of the Bali package on agriculture – tariff rate quota administration – does not require any immediate action by the Committee on Agriculture, sources said.

The agreement reached by ministers would allow members to start monitoring import quotas in the committee if these are consistently underfilled.

However, the body does not have a specific role to play, beyond its normal work, until a country raises a concern about a particular tariff quota and asks the committee to look into this further.

### **Doha dynamic**

Trade sources told Bridges that the fate of the broader Doha Round is also preoccupying delegates – and could even have an impact on how negotiators engage on implementation of the Bali package.

"We started to see people put down their markers [on this] last week," one delegate said.

In Bali, ministers gave the Trade Negotiations Committee twelve months to prepare "a clearly defined work programme" on the remaining Doha issues.

However, negotiators acknowledged that there was still a lack of clarity over whether members would continue to seek agreements on "small packages" of the Doha agenda that seem politically more manageable, or seek agreement on a more comprehensive deal.

The Bali package itself was intended to be a down-payment or "early harvest" of progress that had been achieved to date.

### **Signal from Davos**

A subset of WTO ministers who met last month at the Swiss mountain resort of Davos [agreed](#) that the trade body needed to return to negotiations on the "core" issues of agriculture, industrial goods, and services. (See Bridges Weekly, [30 January 2014](#))

One source told Bridges that they understood the US to be only interested in negotiating agricultural market access, and was only willing to address domestic support if industrial goods and services were also on the table.

However, others said that the Cairns Group of competitive agricultural exporters, which includes both developed and developing countries, is currently preparing papers on all three core elements of the agricultural part of the Doha talks – domestic support, market access, and export competition.

#### **Trade Negotiations Committee: informal meeting**

Negotiators said that they expected a clearer sense of direction to emerge after the informal meeting of the Trade Negotiations Committee, which was currently underway as Bridges went to press on Thursday.

Some also suggested that the speed of implementation of the Bali package could depend in part on progress in separate talks aimed at operationalising the agreement on “trade facilitation” that was also struck at the ministerial conference.

Negotiators have a July deadline for completing work in this area, sources said. A meeting of the Preparatory Committee on Trade Facilitation was held last Friday, with members naming Philippine Ambassador Esteban Conejos, Jr., as chairperson. Conejos has pledged to start consultations with members on the subject this week.

ICTSD reporting.

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## WASHINGTON

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# "Fast Track" Trade Debate Ramps Up in Washington

The fight over whether to grant the White House "fast track" trade powers is growing increasingly acrimonious in Washington, leaving the fate of the legislation unclear. The rule, which lapsed in 2007, is essential for advancing both the Trans-Pacific Partnership (TPP) Agreement and the US-EU Transatlantic Trade and Investment Partnership (T-TIP), once those respective negotiations are completed.

While the political infighting continues in Washington, efforts to advance the TPP and T-TIP are continuing on the international stage, with major meetings set this month for both negotiations.

### **Obama-Reid stand-off?**

US President Barack Obama made a public call in his State of the Union address last week for Congress to pass "fast track," known formally as Trade Promotion Authority (TPA). The provision allows the executive branch to negotiate international trade deals and submit them to Congress for straight up-or-down votes, without amendments.

Though trade watchers had generally agreed that some reference to TPA was necessary in the State of the Union – Obama's most high-profile speech of the year – many had noted that the language was relatively muted, with no endorsement of any specific version of the legislation. (See Bridges Weekly, [30 January 2014](#))

In the days since the State of the Union, a growing divide has developed between Obama and some of the highest-ranking members of his own party over the measure, with Senate Majority Leader Harry Reid telling reporters last week that he remains "against fast track."

"Everyone would be well advised just not to push this right now," Reid said.

Obama Administration officials, in response, have been quick to downplay Reid's remarks, seen by many as a major hurdle for bringing TPA to the Senate floor once it clears that chamber's Finance Committee.

Reid's position on fast track is "well known," White House Press Secretary Jay Carney [told](#) reporters last week.

"The President is going to make clear in the days and weeks ahead why he supports expanding American exports, why trade agreements with Asia and Europe are good for American workers, good for the United States, good for our economy," Carney added, noting that Obama would be engaging with members of both major US political parties – Republicans and Democrats – in that discussion.

However, in a meeting with Reid at the White House earlier this week, Obama reportedly did not raise the issue, according to the New York Times.

US Secretary of State John Kerry, in a [speech](#) in Munich this past weekend, similarly downplayed Reid's remarks. "I think all of us have learned to interpret a comment on one day in the United States Senate as not necessarily what might be in the situation in a

matter of months or in some period of time," Kerry said, referring back to his own experience as a member of that chamber.

"I've heard plenty of statements in the Senate on one day that are categorical, and we've wound up finding accommodation and a way to find our way forward," he added.

### **Political climate**

Trade Promotion Authority has long been a divisive subject, with the previous version of the legislation – which was in force from 2002 to 2007 – having passed Congress by a razor-thin margin.

The push for its renewal comes in a midterm election year, with voters set to go to the polls in November. Democrats are struggling to keep their hold on the Senate, with their chances of retaking the House of Representatives being deemed slim to none.

Given the growing clamour from that party's base on what mega-deals like TPP and T-TIP might involve, particularly regarding environmental and labour provisions, Democratic lawmakers have been reticent to back TPA in an election year without assurances that they will have sufficient say in the negotiating process.

Some Democrats, such as Sander Levin of Michigan – the ranking member in the House Ways and Means Committee – have said that the current draft of TPA making its way through Congress lacks sufficient improvements over the 2002 version, particularly regarding its provisions on transparency and negotiating objectives.

Levin has said that he will be submitting his own version of TPA for consideration, and has called for Trade Adjustment Assistance – which provides support to US workers displaced by the effects of trade – to be renewed in tandem.

Republicans, meanwhile, have generally backed "fast track," though whether some of the more conservative members of that chamber will sign on is still an open question. Even so, many Republicans have said that the Obama Administration needs to take a more active role in bringing Democrats on board, insisting that the White House cannot afford to "lead from behind" in this endeavour.

### **TPP, T-TIP ministerial meetings forthcoming**

US Trade Representative Michael Froman has said that the TPP and T-TIP negotiations, for the moment, remain "on track" even with the TPA fight, telling the Financial Times earlier this week that the key to convincing Congress will be to reach deals of "high standards, ambition, and comprehensiveness."

"That will form the foundation for support," he added.

Froman has meetings scheduled in Lima, Peru and Santiago, Chile this week to discuss the TPP, including a strategy to close the negotiations, according to a USTR [press release](#).

Chief TPP negotiators are set to meet during the week of 17 February, with ministers then gathering in Singapore from 22 February onward, for a meeting expected to span several days. The 12 countries involved in this Asia-Pacific initiative missed an earlier target to finish the talks in December, and though they hope to close the talks quickly, some major chapters remain open. (See Bridges Weekly, [12 December 2013](#))

The continued divide between the US and Japan, which are conducting parallel bilateral negotiations on agriculture and automobiles, are also threatening to slow the pace of the talks.

The US-EU negotiations are on a comparatively slower timetable, given that these were only launched last year. However, Froman and EU Trade Commissioner Karel De Gucht are planning to meet from 17-18 February to conduct a political review of the T-TIP discussions to date, in a meeting expected to set the tone – and possibly the timeframe – for subsequent negotiating rounds.

Officials from both sides have said that they want to advance the negotiations quickly, given its potential for providing a massive boost to growth and jobs on both sides of the Atlantic.

"[T-TIP] is a major initiative for us, for Europe, for the relationship, for the world," Kerry said in Munich. "And when you combine it with the TPP, it really has a capacity to achieve what the WTO has not been able to succeed in, and it could have a profound impact on jumpstarting the economies for all of us. It's worth millions of jobs, and in the end, jobs are a very powerful political persuasion."

However, a growing public interest in the talks – particularly over the investment and regulatory provisions of the proposed pact – has prompted Brussels to make additional efforts to build support among the European people.

For instance, the European Commission announced last month that it will be publishing its negotiating position regarding T-TIP's investment protections – pausing that aspect of the talks temporarily to do so. The release of the document, slated for March, will be followed by a three-month public comment period. (See Bridges Weekly, [23 January 2014](#))

Brussels has also [released](#) its negotiating position on financial services, making clear that it is interested in covering the subject in T-TIP – despite Washington's long-held view that the topic should be dealt with elsewhere. The EU has said that establishing a framework for regulatory cooperation in this area is key to ensuring that the rules of both sides can work together, in order to help prevent future financial crises.

ICTSD reporting; "Trade Issue Goes Untouched as Obama and Reid Meet," THE NEW YORK TIMES, 3 February 2014; "Tariff disagreement with U.S. stands in way of TPP," THE JAPAN TIMES, 2 February 2014; "US trade deals remain on track, says Froman," FINANCIAL TIMES, 2 February 2014.

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## CLIMATE CHANGE

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# European Parliament Prepares for Aviation Emissions Clash

The European Parliament's environment committee voted last Friday to apply the EU's Emissions Trading System (ETS) to any portion of a flight that falls within the bloc's airspace, regardless of whether the flight originates inside or outside the EU's 28 member states.

With a resounding 49-6 votes in support of the measure, the result sets the Parliament up for a tough negotiating process with member states in the European Council, given that many have called for the ETS' aviation component to apply only to flights operated exclusively within EU borders.

Some MEPs contend that Airbus stakeholder states – such as the UK, France, and Germany – have given way to “economic blackmail” from China, who reportedly threatened to halt purchases of Airbus planes if the EU maintains its aviation emissions rule. In 2012, a letter from Airbus' CEO Fabrice Brégier to Chinese officials caused a stir by revealing the company was “very active” in petitioning the Commission in favour of Beijing's position.

“There is no reason why we should give in to the Council,” said Gerben-Jan Gerbrandy, the Member of the European Parliament (MEP) who serves as the environment committee's vice chair. “If we [the EU] are to remain credible in our commitment to the fight against climate change, we have to send a clear signal to the rest of the world that we will not exclude sectors like aviation.”

The committee's position also backed a proposal from the Parliament's rapporteur on the subject, MEP Peter Liese, which would earmark funds generated from carbon permits for climate mitigation and adaptation measures. Up until now, national finance ministries have cashed in on the revenue.

### ICAO deal in the background

The original EU regulation required the surrender of carbon permits from airlines landing or taking off from EU airports – together with Iceland, Liechtenstein, and Norway – for the entire duration of the flight, including the portions outside the bloc's airspace. Carriers were, however, only required to purchase permits worth 15 percent of those emissions, with the remaining 85 percent initially being provided to them for free.

The move to include aviation in the ETS was meant to spur discussions at the UN's International Civil Aviation Organization (ICAO) for a global market-based mechanism to regulate airline emissions, which had languished for years.

However, the EU decision was met with fierce resistance from countries such as the US, China, and Russia, who threatened countermeasures – including a potential WTO complaint – in response to what they deemed was a breach of their national sovereignty. Brussels, for its part, had originally maintained that it would not be changing its policy, despite the uproar.

The European Commission later announced that it would “stop the clock” on including aviation emissions to and from non-EU countries in the ETS for one year, effective from April 2013 to April 2014, in response to signs of movement in the ICAO talks. Under the

policy, only intra-European flights would fall under the ETS. (See Bridges Weekly [15 November 2012](#))

EU Climate Commissioner Connie Hedegaard explained that the decision was necessary in order to give the UN body enough time to come up with a global solution. The Commission later declared that it would table an amendment to its original aviation rule to cover any emissions within European airspace, regardless of the flight's origin (see Bridges Weekly [16 September 2013](#)) – the legislation now supported by the Parliament.

A two-week meeting of the UN civil aviation body last October resulted in a pledge to draft a global aviation carbon market proposal by 2016, to enter into force by 2020. The resolution also included text requiring countries to seek agreement from other nations before imposing their own aviation market-based measures, leaving the fate of the EU ETS unclear. (See Bridges Trade BioRes, [29 October 2013](#))

### **April deadline**

The pressure is now on for the EU's three institutional bodies – the Commission, Parliament, and the European Council – to reach a compromise before the April 2014 deadline. Failing agreement by that date, the law will revert to the original 2012 system.

Discussions will take place in a fast-tracked "trilogue" form – informal meetings between all three institutions designed to reach agreement on a joint text.

Bill Hemmings of Transport & Environment (T&E), a green think tank, has urged member states to hold out against "extreme lobbying." T&E contend that the new commission proposal cuts emissions covered and environmental impact of the aviation rule by two-thirds, compared with the original regulation.

"The big fight will now be between Parliament and member states," Hemmings said after last Friday's vote.

ICTSD reporting; "Aviation emissions law 'puts Europe's global power to the test', MEPs say," EURACTIV, 27 February 2014; "MEPs defy states on aviation emissions law," EURACTIV, 31 January 2014; "EU Parliament sets up clash over aviation emissions," REUTERS, 30 January 2014.



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## Keystone Report Brings Pipeline Controversy Back to the Fore

An executive decision on the controversial Keystone XL pipeline inched closer last Friday, after the US State Department released a long-awaited environmental impact [assessment](#). While the report found that the project would be unlikely to alter greenhouse gas emissions on its own, the White House has stressed that this marks just another stage in the process and does not indicate a final decision.

The pipeline has become a litmus test for the current administration's commitment to tackling climate change, particularly after US President Barack Obama promised last year that the Keystone pipeline would not be built unless it was clear that it would not increase net carbon emissions. (See Bridges Weekly, [27 June 2013](#))

The proposed oil-and-gas pipeline would transport up to 830,000 barrels of heavy crude oil per day from Canada's western province of Alberta and the US states of North Dakota and Montana to refineries in the US' Gulf Coast. It would require the construction of new pipelines from the Canadian border through to southern Nebraska, and then connect to existing pipelines from there.

First floated in 2005, the project has prompted heated debate in both countries. Environmental campaign groups claim that the pipeline would lock North America into a high-carbon future, and could have devastating effects for wildlife. Industry representatives argue that it would protect the region's energy supplies and create numerous employment opportunities.

In the US, approval of the pipeline falls under the State Department's jurisdiction, since it crosses an international boundary. No timeline has yet been given for US Secretary of State John Kerry's final recommendation, although eight government agencies – including the Environmental Protection Agency and the departments of Defense and Energy – together with the public, will have the opportunity to make their views known over a set comment period.

Pundits suggest that the high-profile decision will reveal the politician's true environmental colours: though Kerry has been a vocal advocate for climate action, he has not publicly made comments regarding this specific pipeline. "To some extent, Secretary Kerry has gotten a pass to date," said Tiernan Sittenfeld, senior vice president of the League of Conservation Voters.

### Report highlights emissions, spill risks

The report suggests that a barrel of crude from Canada's Alberta tar sands would be 17 percent more carbon-intensive than an average barrel, but between 2 and 10 percent higher than the heavy crude currently processed in Gulf Coast refineries.

Echoing comments from a draft version released in March 2013, the assessment suggested that blocking the project was unlikely to "significantly affect" the rate of oil sands extraction, given that other transport methods – such as rail – would likely fill the gap.

Looking at alternative transit models, the report offers a detailed comparison of the direct and indirect greenhouse gas emissions in each scenario, suggesting that rail and tanker

alternatives would actually range between 27.8 to 41.8 percent higher than the XL pipeline.

The 11-volume assessment also undertakes an examination of the spill risks – in comparison with different scenarios – as well as weighing threats to endangered species, wildlife and terrestrial vegetation, and fisheries. The final report finds that, if it spills, bitumen – the type of crude oil extracted from the Albertan sands – is more difficult to clean up than lighter crude.

The current impact assessment estimates that the project would create 1950 annual construction jobs over a two-year period, once in operation, and contribute a total of around US\$3.4 billion to US GDP.

### **Political battles**

The project itself has faced an uphill political struggle since it was first tabled. An earlier version of the pipeline received Canadian governmental approval in March 2010. Canadian Prime Minister Stephen Harper has largely built Ottawa's economic policy around natural resource extraction, and officials such as Natural Resource Minister Joe Oliver have been vocal advocates for the project.

Over in Washington however, Obama delayed granting permission after Congressional and voter backlash, finally snuffing the pipeline plans in January 2012. (See Bridges Weekly, [18 January 2012](#))

At the time however, he did leave open the possibility of endorsing a new application from TransCanada – the firm behind the proposal – at a later date. The company duly filed a new Presidential Permit application in May 2012, including revised routes.

After the US President's State of the Union speech in February 2013, pundits speculated that a reference to developing technology for cleaner natural gas, as well as reduced dependence on imported oil, was a veiled hint that the pipeline plans would be panned a second time round. (See Bridges Weekly, [13 February 2013](#))

In the months that followed, lawmakers in Washington have become increasingly divided over the subject. Some Republicans slammed the March draft environmental impact assessment, while others suggested that hesitation over the pipeline could play into the hands of economic rivals such as China. (See Bridges Weekly, [13 March 2013](#))

### **Environmental groups react**

Many environmental groups have slammed the report's findings, warning that it may be downplaying the project's actual risk. Others were more optimistic, suggesting that the report might still provide the Obama Administration with grounds for project refusal.

"The State Department has given Obama all the room he needs to do what he promised in both campaigns, to take serious steps against global warming," said Bill McKibben, co-founder of 350.org, a non-profit that has opposed the pipeline. Other experts remain divided on the scheme's importance as a contributor to future climate change.

State Department officials indicated that the report was designed to focus on environmental analysis, rather than the broader question on how the project would fit into energy security considerations, or national and international climate change efforts.

ICTSD reporting; "Report Opens Way to Approval for Keystone Pipeline," NEW YORK TIMES, 31 January 2014; "State Department releases Keystone XL final environmental impact statement," WASHINGTON POST, 31 January 2014, "Keystone XL pipeline closer to reality after State Department review," THE GUARDIAN, 31 January 2014.

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## CONSERVATION

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# Australian Coal Export Boost Sparks Reef Conservation Concerns

The Australian-based Great Barrier Reef Marine Park Authority (GBRMPA) approved the creation of the world's largest coal port last Friday. The plan will require the disposal of around three million cubic metres of dredged mud near the world heritage listed site.

The decision follows years of bitter debate between miners and environmentalists, with the former arguing that the port is essential to unlocking tens of billions of Australian dollars of coal exports from the Galilee Basin in the state of Queensland. Australia is the world's second-largest exporter of coal.

Conservationists have warned that the move would threaten the fragile ecosystem supported by the reef.

In a [statement](#), GBRMPA Chairman Russell Reichelt emphasised that Abbot Point – a 30-year old deep-water port selected for the coal-linked expansion – was better placed than other ports along the reef to accommodate the development. "The capital and maintenance required will be significantly less than what would be required in other areas," he said.

"It's important to note the seafloor of the approved disposal area consists of sand, silt, and clay and does not contain coral reefs or sea grass beds," Reichelt continued.

Bruce Elliot, GBRMPA's General Manager for Biodiversity, Conservation and Sustainable Use, emphasised that the decision was complemented by 47 environmental conditions aimed at minimising the impact on the reef's biodiversity.

The decision follows approval of the expansion by Federal Environment Minister Greg Hunt in December. However, Hunt conditioned the green light on North Queensland Bulk Ports Corporation – the port authority responsible for the area in question – identifying alternate disposal sites within a set investigation zone.

### **Biodiversity at risk?**

Stretching some 2600km along Australia's eastern coast, the reef has been built up over the past 600,000 years by tiny creatures known as coral polyps. The living structure is home to around 600 types of soft and hard coral, 1625 species of fish, and 133 varieties of sharks and rays.

Prior to the ruling, 230 scientists signed a petition opposing the plan. Experts pointed towards modelling which showed that dumped sediment would drift onto vulnerable areas.

"Dumping millions of tonnes of sediment near the reef could smother the corals and sea grasses while dredging risks releasing poisons in the seabed," said signatory Selina Ward, a marine biologist at Queensland University.

In a 2012 monitoring mission report on the reef, the United Nations Educational, Scientific and Cultural Organization (UNESCO) emphasised that "climate change, catchment runoff,

coastal development, ports and shipping and direct extractive use pose the most important threats to the long-term conservation of the property."

The organisation's World Heritage Committee again [expressed concern](#) for the site in June 2013, requesting that the Australian government submit an updated report on the state of the reef's conservation by February 2014. The Committee also indicated that, "in the absence of substantial progress," it would consider inscribing the property on the list of World Heritage sites in danger.

The government's report has since been filed, and the assessment of the situation will be made public in May of this year, one month ahead of the next Committee meeting.

### **New political context**

Ahead of the federal elections last autumn, Prime Minister Tony Abbott campaigned to abolish mining and carbon taxes, naming them his top priority as part of a broader strategy to boost Australia's cooling growth. Abbott, of the Liberal Party, won a landslide victory last September over opponent Kevin Rudd, following six years of Labor holding power in Canberra.

The mining and carbon taxes, both introduced during the tenure of Prime Minister Julia Gillard – also of the Labor Party – have proven divisive in Australia, with many questioning the impact these would have on the country's status as a major coal exporter, as well as its effect on energy prices and jobs.

Darren Yeates, chief executive of GVK-Hancock indicated that coal projects in the Queensland area would create more than 20,000 direct and indirect jobs, as well as generating A\$40 billion – around US\$35 billion – in taxes and royalties.

A number of Indian firms, including GVK Group and Adani Enterprises Ltd., have signalled their intention to build export terminals at Abbot Point to ship coal to meet the emerging economy's growing electricity demand.

Before the dredging goes ahead, however, interested firms must demonstrate to the North Queensland Bulk Ports Corporation that they have secured sufficient funding for any planned ventures.

ICTSD reporting; "Australia approves dredging near Great Barrier Reef," FINANCIAL TIMES, 31 January 2014; "Australia Permits Coal Port Dredge Dumping Near Barrier Reef," BLOOMBERG, 31 January 2014, "Great Barrier Reef: Governments say world heritage site not in danger from development," SYDNEY MORNING HERALD, 3 February 2014.

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**IN BRIEF**

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## **US Senate Approves Farm Bill**

The US Farm Bill cleared its penultimate hurdle on Tuesday, passing the Senate by a 68-32 margin just days after the House had approved the compromise legislation.

There was little doubt that the Senate would clear the bill, after negotiators from both congressional chambers announced a compromise on the details last week. (See Bridges Weekly, [30 January 2014](#)) The legislation now requires presidential approval in order to become law; the White House has indicated that President Barack Obama will sign the bill.

The bill, which sets US agricultural spending for the next five years, would cost taxpayers nearly US\$100 billion annually, with the bulk of the spending directed towards domestic food stamps. Though debate around the bill was vicious at times, dragging out the process over a two-year period, lawmakers ultimately compromised by slashing direct payments, instituting new crop insurance subsidies, and trimming US\$16 billion over 10 years from the bill when compared to existing policy.

Some Farm Bill watchers are now concerned with the sorts of programmes that US farmers will adopt, including over whether the shift to crop insurance – which is where the bulk of commodity-related spending will be directed – could potentially distort trade. The bill's key insurance provisions require that farmers select from one of two insurance options: Price Loss Coverage (PLC) or Agricultural Risk Coverage (ARC).

Some experts have argued that these types of crop insurance programmes are likely to be considered trade-distorting support, and therefore subject to WTO limits within the "amber" box category. US farm support in recent years has trended towards growth in what is considered minimally trade-distorting, which is not subject to limits and is notified under the WTO's "green" box.

ICTSD reporting.

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## EVENTS & RESOURCES

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# Events

### Coming Soon

7 February, Washington, US. FORGING AHEAD: RESTORING MOMENTUM TO THE U.S.-INDIA RELATIONSHIP. At this event, hosted by the Carnegie Endowment for International Peace, a group of leading Indian public figures will discuss issues such as the slowing Indian economy, policy paralysis in the Indian government, and New Delhi's relationship with Washington. To learn more, visit the Carnegie [website](#).

12 February, Washington, US. FOOD SECURITY IN A WORLD OF GROWING NATURAL RESOURCE SCARCITY. This event, organised by the International Food Policy Research Institute (IFPRI) on the sidelines of a global agricultural summit, will serve as the launch for the new report "Food Security in a World of Growing Natural Resource Scarcity: Role of Agricultural Technologies." The publication aims to demonstrate how innovations can impact yields of maize, wheat, and rice in 2050, and the related impact on farm productivity, commodity prices, hunger, and trade flows, among other topics. The summit will feature academics, policymakers, and experts in this area. For more information, visit the IFPRI [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.

11 + 13 February: Trade Policy Review Body - Tonga

14 February: Committee on Budget, Finance and Administration

17 February: Trade Policy Review Body - Overview of Developments in the International Trading Environment

### Other Upcoming Events

19 February, Tokyo, Japan. THE NEW LANDSCAPE OF TRADE POLICY IN ASIA AND THE PACIFIC: TPP, RCEP, AND MORE? This seminar, hosted by the Asian Development Bank Institute, will focus on various trade initiatives underway in the Asia-Pacific region, including the Trans-Pacific Partnership (TPP) and Regional Comprehensive Economic Partnership (RCEP). The main speaker will be Peter Petri, the Carl J. Shapiro Professor of International Finance at the Brandeis International Business School (IBS), a senior fellow of the East-West Center in Honolulu and a visiting fellow at the Peterson Institute for International Economics in Washington. To learn more, visit the ADBI [website](#).

19 February, Beijing China. WORLD TRADE AND GLOBAL GOVERNANCE: A DIALOGUE WITH THE FORMER WTO DIRECTOR GENERAL. This lecture will feature former WTO Director-General Pascal Lamy, who will discuss his views on world trade and global governance based on his book "The Geneva Consensus." Lamy will also discuss a separate report called "Now for the Long Term," which was released in October by the Oxford

Martin Commission for Future Generations, a group that he chaired. The event is being co-hosted by the School of Public Policy and Management of Tsinghua University and the Brookings-Tsinghua Center of Public Policy and the Center for Industrial Development and Environmental Governance. To learn more, please visit the Brookings [website](#).

13-16 October, Geneva, Switzerland. WORLD INVESTMENT FORUM 2014: INVESTING IN SUSTAINABLE DEVELOPMENT. This year's World Investment Forum, hosted by the UN Conference on Trade and Development, will focus on the theme "Investing in Sustainable Development." The biennial event traditionally brings together heads of state, ministers, policymakers, global chief executive officers, and thought leaders for a discussion on key emerging investment-related challenges. More information will soon be available at the UNCTAD [website](#).

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## Resources

UNPACKING THE BALI PACKAGE: A SNAPSHOT OF THE BALI MINISTERIAL DECISIONS OF THE WTO MEMBERS. Published by CUTS International (January 2014). This paper aims to help identifying the challenges that WTO members may face in implementing the Bali package that was agreed by trade ministers in December 2013. The authors provide a brief history of each pillar of the agreement, note the possible next steps, and assess how each ministerial decision could affect a range of stakeholders, including consumers. The publication is available [here](#).

MONETARY POLICY WITH ABUNDANT LIQUIDITY: A NEW OPERATING FRAMEWORK FOR THE FEDERAL RESERVE. By Joseph E. Gagnon and Brian Sack for the Peterson Institute for International Economics (January 2014). In this paper, the authors discuss the US Federal Reserve's large-scale asset purchase programmes in recent years, and the resulting liquidity in the financial system. Gagnon and Sack argue that it will be difficult for the Fed to smoothly conduct monetary policy along the lines of the previous operating framework in such an environment, and propose a new operating framework that they say would allow the Fed to maintain an elevated balance sheet along with abundant liquidity in the financial system. To read the paper in full, click [here](#).

RECOMMENDATIONS ON THE OCEAN AND SEAS FOR THE UN GENERAL ASSEMBLY OPEN WORKING GROUP ON SUSTAINABLE DEVELOPMENT GOALS (OWG ON SDGS). Published by the UN Non-Governmental Liaison Service (UN-NGLS) (January 2014). This brief is one of a series being compiled by UN-NGLS for submission to the UN General Assembly Open Working Group on Sustainable Development Goals. This one includes recommendations specific to oceans and seas. Previous policy briefs include macroeconomic policy issues; energy; human rights; global governance; means of implementation; sustainable consumption and production/climate change mitigation; and women's human rights and gender equality. The brief is available [here](#).

TRADE FACILITATION AS A MEANS TO IMPROVE SME COMPETITIVENESS AND CONSUMER WELFARE IN DEVELOPING AND LEAST-DEVELOPED COUNTRIES. Published by CUTS International (January 2014). This briefing paper outlines the potential benefits of the WTO Trade Facilitation Agreement (TFA) agreed in Bali, Indonesia in December 2013. The benefits are reviewed from the perspective of least developed and developing country consumers, as well as small and medium-size enterprises (SMEs). The authors also urge that these countries be provided with the necessary capacity building assistance to help implement the new deal. The paper is available [here](#).

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