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WORLD TRADE ORGANIZATION

Davos: Trade Ministers Call for Credible, Realistic Path to Finish Doha Round 1

POST-2015 DEVELOPMENT AGENDA

UN Member States Begin Post-2015 Development Agenda Negotiations..... 5

RENEWABLE ENERGY

US Agency Confirms Final Duties on China, Taiwan Solar Products 8

INTELLECTUAL PROPERTY

WHO Agrees to Establish Contingency Fund in Wake of Ebola Crisis..... 10

AFRICA

South Africa, US Seek Solution on Poultry Row Ahead of AGOA Renewal..... 13

BIODIVERSITY

UN Group Calls for Legal Pact on High Seas Biodiversity 15

EVENTS & RESOURCES

Events..... 17
Resources..... 19

WORLD TRADE ORGANIZATION

Davos: Trade Ministers Call for Credible, Realistic Path to Finish Doha Round

Trade ministers from 21 WTO members called on Saturday for negotiators to instil a sense of urgency in their efforts to elaborate a work programme by July, which would need to set out a "credible and realistic path" towards concluding the long-running Doha Round talks.

Meeting on the sidelines of the World Economic Forum's Annual Meeting in the Swiss ski resort of Davos, the officials' comments appeared geared toward giving a political push to the negotiating process, which resumed back in Geneva last week.

"We should be aware of each other's interests and constraints, focus on what is doable, consider new ways of engaging in order to move ahead more efficiently, and be prepared to review longstanding negotiating positions," said Swiss Federal Councillor Johann Schneider-Ammann, who chaired the meeting, in his [personal remarks](#) summarising the discussions.

The 21 WTO members represented by either their ministers or deputy ministers included Brazil, Canada, China, Colombia, Costa Rica, Egypt, the European Union, Indonesia, Japan, Kenya, Korea, Malaysia, Mexico, New Zealand, Norway, Russia, South Africa, Switzerland, Thailand, Turkey, and the US, according to a [list](#) published by Switzerland's State Secretariat for Economic Affairs (SECO).

Geneva process kicks off

"What I have seen and heard in Davos and Geneva in recent days is encouraging. A spirit of urgency and realism begins to sink in," WTO Director-General Roberto Azevêdo said on social media site Twitter on Saturday following the Davos discussion.

"I've heard things in recent days that I've not heard in years. Ministers fully understand that we can't keep dusting off tired positions," he continued.

WTO members had met in Geneva at the ambassadors' level in an informal Trade Negotiations Committee (TNC) just days ahead of the Davos ministers' gathering, at the behest of the Director-General.

"We must maximise the time we have available to us before July – and maintain the momentum that we regained at the end of 2014," the WTO chief said at last

Wednesday's TNC, calling for a detailed, substantive discussion on the various Doha Round areas.

Negotiators would need to discuss new trade rules on agriculture, manufactured goods, and services, as well as the other issues mandated when the talks were launched in 2001.

"Development and issues of interest to LDCs" would also need to be examined, the Director-General said, in a reference to the group of least-developed countries. "Today we are restarting on all of these issues. So be ready – and get involved."

Following up on last week's TNC and Saturday's Davos meet, the Director-General has already convened successive small group consultations this week with sets of ambassadors – dubbed "Green Room" talks by delegates – and is planning additional meetings with the full WTO membership in a bid to promote transparency and inclusiveness in the process.

These so-called "Room W" meetings, named for the room at WTO headquarters in Geneva where they are held, are a throw-back to the days when members were preparing for the December 2013 ministerial conference in Bali, Indonesia, where ambassadors were brought together regularly by the Director-General for intense negotiations.

These meetings were widely seen by negotiators at the time as successful in part due to the attempt to ensure all countries were included in the discussion for the eventual Bali deal.

The next such meeting with all WTO members is scheduled for this Thursday, following "Green Room" discussions on Monday and Tuesday, and another meeting on Wednesday convened by the chair of the WTO agriculture negotiations, New Zealand ambassador John Adank.

Push for Nairobi deal?

Delegates told Bridges that some members – reportedly the EU and Mexico – had argued that the organisation should try to conclude the Bali deal by the time of the next WTO ministerial conference in the Kenyan capital of Nairobi this December.

Others were more cautious, suggesting that members still had a lot of work to do in determining which aspects of the previous draft deal might be acceptable to members, and how any aspects that needed modifying should be changed.

The US and some large developing countries continued to disagree over the extent to which a draft text tabled in 2008 should form the basis for further talks.

An [opinion piece](#) by US Trade Representative Michael Froman in Reuters last week argued that the Doha talks "haven't kept pace with tectonic shifts in the global economy, most notably the rise of the emerging economies."

It argues that India and China are now among "the top four users of trade-distorting agricultural subsidies in today's world," and called for the discussion at the WTO to keep in mind current conditions.

"If the debate over the next few weeks makes it apparent that others will not support an ambitious outcome – in opening markets to manufactured goods, services, as well as the full array of agricultural issues – the time has come to deal with that reality," the US trade chief warned, while noting that an ambitious outcome is still Washington's preferred option.

If support for an ambitious outcome is lacking, he said, then a "more focused and tailored agenda" could then be another way forward.

India reportedly retorted that it would not accept "differentiation" among developing countries in the talks, sources said.

Beyond the rhetoric

One developed country negotiator told Bridges that the US focus on emerging economies was "a great talking point - but without specifics, they may be using it as an excuse" for inaction.

Other negotiators also argued that instead of writing off the draft text as a whole, Washington now needed to provide specifics about where and how they thought the text should be changed.

"Restating well-known positions won't help the chairs," one developing country official observed.

Adank has previously warned WTO members against sparring fruitlessly over whether the latest draft should be the basis for further talks. (See Bridges Weekly, [3 April 2014](#))

On Wednesday, he is expected to revisit questions on market access and domestic support that he originally posed delegates in July.

These are addressed to members who consider that some aspects or elements from past negotiations need to be reconsidered, and ask them to specify "what alternative approaches would you suggest?"

Similarly, negotiators pointed out that in reality the draft text on the table already "differentiates" between different groups of developing countries, by treating China differently from Chad, for example.

The draft deal also spells out different types of rules for "small, vulnerable economies," least developed countries, recently-acceded members – as well as other categories such as developing countries with high tariff bindings. A number of country-specific exceptions are included, ranging from Moldova and Venezuela to the United States.

"Concrete" work programme

Regardless of the feasibility of concluding Doha by December, negotiators told Bridges that Azevêdo appeared to be determined to establish a "concrete" work programme by the July deadline, with something that negotiators would recognise as a "modalities" text – a draft document setting out formulas and figures for tariff and subsidy cuts that members could consider.

However, some speculated that new farm policies introduced in major trading powers since the 2008 text was drafted could affect the ability of some capitals to accept proposed concessions.

The US in particular passed a new version of the Farm Bill last year, which some experts say could lead to an increase in trade-distorting farm subsidies, especially in a low-price scenario. (See Bridges Weekly, [15 January 2015](#))

"I think the truth is no one can really handle high ambition," one delegate from an agricultural exporting country told Bridges.

MC10 approaching

Officials have touted 2015 as having the potential to be a pivotal year for the global trade body, with the WTO celebrating both its 20th anniversary and its 10th ministerial conference.

The upcoming ministerial in Nairobi, Kenya from 15-18 December will also mark the first time that the WTO's highest level of meetings will be hosted by a Sub-Saharan African country.

While the potential for injecting new momentum into the long-stalled Doha talks will likely draw most of the attention in the coming months, ministers have also raised the timely ratification of the WTO's Trade Facilitation Agreement (TFA) as another element that would help ensure success at the Kenya ministerial, Switzerland's Schneider-Ammann said on Saturday.

The US became the [third member](#) to deposit their instrument of acceptance for the TFA, with US Trade Representative Michael Froman giving the document to WTO Director-General Roberto Azevêdo in Davos. Singapore and Hong Kong had already submitted theirs.

Two-thirds of the global trade body's 160 members must ratify TFA domestically in order for the deal to come into force for those members. While the 2013 Bali package had set July 2015 as the original deadline for this, that target was removed in November as part of an overall deal reached on implementing the Bali decisions on TFA and public food stockholding.

ICTSD reporting.

POST-2015 DEVELOPMENT AGENDA

UN Member States Begin Post-2015 Development Agenda Negotiations

A series of talks between UN member states geared towards agreeing on a post-2015 development agenda kicked off last week with a three-day session reviewing the preparatory efforts undertaken over the past two years. Delegates welcomed the work of a dedicated UN group to craft a list of proposed sustainable development goals (SDGs) to include in a new agenda.

The talks also addressed possible key messages that should be included in an eventual declaration on the post-2015 development agenda, scheduled to be adopted by world leaders at a summit in New York in September. Some remaining gaps were reportedly apparent in member states' views around how to achieve equitable development and associated responsibilities.

Born out of a high-level UN [meeting](#) held in 2010 on the existing Millennium Development Goals (MDGs), which are set to expire at the end of this year, the new agenda would design a new vision for sustainable development out to 2030.

The SDGs, following the mandate set at the Rio+20 conference on sustainable development held in Rio de Janeiro, Brazil in 2012, are slated to replace the MDGs when they expire.

Trade tools for sustainable development

During last week's discussions, several member states pointed to the role of trade as a means of implementation for achieving the proposed sustainable development goals.

According to Earth Negotiations Bulletin (ENB), Benin said on behalf of the least developed countries (LDCs) that given the limited potential for domestic resource mobilisation among this group, other sources should be tapped for implementation. These could include aid, trade, private capital flows, and debt relief, Benin suggested.

Niger also reportedly told the meeting that trade could play a "catalytic role" in helping landlocked developing countries (LLDCs) mobilise the resources they need for sustainable development. Aid for Trade, a WTO-led initiative geared towards helping developing countries better integrate into the global trading system, was also cited as a useful tool.

The WTO is set to hold the [Fifth Global Review](#) of Aid for Trade from 30 June-2 July. This year, the biennial event will focus on the theme of "Reducing Trade Costs for Inclusive, Sustainable Growth," given the post-2015 development agenda context.

Trade tools are featured across the proposed set of SDGs put forward last July by the Open Working Group on Sustainable Development Goals (OWG).

The group's proposed SDGs include trade targets deployed as means of implementation (MOI) for meeting specific goals, such as aid for trade in support of economic growth. In other cases these are posited as targets within a goal, such as eliminating fisheries subsidies to support the sustainable use of marine resources.

Several more systemic trade-related targets are included under a final proposed goal on MoI for the entire framework. In that section, language is included referring to the promotion of a "universal, rules-based, open, non-discriminatory, and equitable multilateral trading system under the WTO," including the conclusion of the current Doha Development Agenda (DDA) negotiations. (See BioRes, [23 July 2014](#))

After stalling on several occasions since first being launched in 2001, WTO members are now in the process of defining a work programme designed to conclude the Doha Round, and have set July as the deadline to elaborate such a plan. (For more on the WTO talks, see related story, this edition)

More generally, a number of UN member states said last week that delivering the eventual SDGs would be impossible without sufficient MoI and partnerships, underlining the interconnections between the SDGs and the Third Conference on Financing for Development (FfD3) due to be held in July in Addis Ababa, Ethiopia.

Some observers have suggested, however, that these important links between the post-2015 talks and FfD3 have not yet been clearly defined.

Some suggestions were reportedly provided last week on how to manage the overlap between the two processes including, for example, using FfD3 outcome document language in the post-2015 agenda texts. Some other member states, however, voiced a preference for establishing a firewall between the two negotiations in order to minimise work duplication.

The year ahead

"We now begin a seminal year, which should kick-start a new era of sustainability for all humankind," UN Secretary General Ban Ki-moon [said](#) at the opening the post-2015 stocktaking last Monday, drawing attention to three important meetings in the coming months: FfD3 in July, the September post-2015 summit, and the Paris UN Framework Convention on Climate Change (UNFCCC) talks in December.

"To secure a future of dignity for all, we must radically reform our economies, tackle inequalities, and protect our planet," the UN chief continued.

In December, Ban issued a synthesis report on the post-2015 agenda process to date and suggested that UN members should prioritise six essential elements when crafting the outcome document: dignity, people, prosperity, planet, justice, and partnership.

The synthesis report makes several mentions of the role of trade and investment as a tool to help achieve the new agenda's aims. A section on "shared ambitions," for example, calls for reforms to the international trade system as well as the effective regulation of markets and financial actors in order to help the global economy transition towards more sustainable growth models. (See Bridges Weekly, [11 December 2014](#))

Speaking at the World Economic Forum's Annual Meeting in the Swiss ski resort of Davos last week, however, Ban said that the meeting, along with the Group of 20 (G-20) summits of major developed and emerging economies, had failed to take sustainable development seriously. The UN chief warned that a lack of focus on green investment in global governance conversations remained troubling.

Some climate sceptics argue that stringent green policies and reform can affect energy costs and export competitiveness, among other concerns.

Others argue growth and environmental protection can co-exist. A report released by the a group of leading economists last year, dubbed the [New Climate Economy Report](#), found that it was possible to reconcile economic growth with a shift to a low-carbon economy.

For example, cutting the near US\$600 billion in fossil fuel subsidies provided per year could release resources for other purposes, the authors argued.

Next steps for the post-2015 agenda

This past December, the UN General Assembly adopted a decision outlining the modalities for negotiations on the post-2015 development agenda.

A further six sessions are scheduled over the next six months in order to hammer out an "outcome document" on the new agenda, which will then be adopted by UN members at a high-level summit in September.

According to the resolution, the outcome document prepared over the coming months may include four key components: a political declaration; a set of SDGs and targets; means of implementation and partnerships; and follow-up and review systems.

The next four sessions will in turn look at each of these components. Two meetings in June and July are then scheduled for intergovernmental negotiations on the draft outcome document for September.

Among the work that still needs to be done is developing a set of indicators for the SDGs. During the closing session last Wednesday, David Donoghue – a Co-Facilitator of the negotiations and Ireland's Permanent Representative to the United Nations – said that the UN Statistical Commission will present a draft set of indicators before the March negotiation session that will focus on the proposed SDGs.

Others, including Ban in his Synthesis Report, have called for a "technical review" of the proposed goals and targets by experts within the UN system. This idea met with mixed reactions last week, according to ENB, with some delegates not willing to re-open the OWG outcome document.

In preparation for the next meeting, which will focus on the post-2015 declaration, Donoghue and Macharia Kamau – Kenya's Permanent Representative to the UN and also a Co-Facilitator – will soon release a list of possible items to include in the section to guide delegates' preparations.

ICTSD reporting; "Ban Ki-moon: Lack of focus on green investment "troubling,"" RTCC, 23 January 2015; "Summary of the First Intergovernmental Negotiation on the Post-2015 Development Agenda: 19-21 January 2015," IISD REPORTING SERVICES, 24 January 2015.

RENEWABLE ENERGY

US Agency Confirms Final Duties on China, Taiwan Solar Products

The US International Trade Commission (US ITC) said late last week that allegedly unfair trade practices by Chinese and Taiwanese solar product manufacturers had indeed caused material injury to US producers, ensuring that Washington would be levying hefty duties in response.

The [vote](#) by the US agency on 21 January is the final step in an investigation that began a year ago in response to petitions filed by SolarWorld Industries America, Inc., which had alleged that Chinese producers were skirting a set of existing duties on these products, specifically by using foreign-made cells in their production processes.

The US Commerce Department had already determined the level of these duties in December, after confirming the presence of both dumping and unfair subsidies. The products under investigation involved modules, laminates, and/or panels made using crystalline silicon photovoltaic cells. Those goods already covered by the 2012 duties were not part of the probe. (See Bridges Weekly, [18 December 2014](#))

The anti-dumping probe had involved both China and Taiwan, focusing on whether imports from these countries had been sold in the US at prices below their normal value. The dumping margins were set between 26.71 and 165.04 percent for Chinese products and from 11.45 to 27.55 percent for Taiwanese goods.

The countervailing duty investigation had targeted only Chinese producers, regarding whether they had been the recipients of illegal state aid. These subsidies were determined in December to be between 27.64 to 49.70 percent.

All five of the six US ITC commissioners who voted approved the duties on China, while the Taiwan duties received four votes in favour and one against.

Approval by the US agency is necessary for the US Commerce Department to impose final duties; had the US ITC voted in the negative, the duties previously approved by the Commerce Department would not go into force.

The US ITC announcement was widely expected, in light of the previous Commerce Department findings. Responding to the news, SolarWorld's US President Mukesh Dulani [praised](#) the vote as giving American solar manufacturers "additional certainty" as they work to establish new facilities or build upon existing ones.

"This additional capacity will help us meet the need in the market for American-made solar," Dulani added, suggesting that it could lead to increased jobs and economic growth.

Other voices in the US solar sector were more critical of the news. Jigar Shah, President of the Coalition for Affordable Energy (CASE), called the US ITC vote "disappointing," warning that it could make solar power more costly for US consumers and have a negative impact on the American solar sector.

CASE is a group that is said to represent several solar companies, such as project developers and installers, which use these types of imports from China and Taiwan in their manufacturing processes.

"It's particularly troubling that US trade policy is working to increase the cost of solar products through tariffs when we know that more affordable solar energy creates more American solar jobs," Shah [said](#), calling for governments from the countries involved to continue efforts toward a negotiated solution.

Chinese officials, for their part, have warned that moving forward with these duties will only serve to hamper the development of the American solar sector, rather than improve it, according to comments reported by Bloomberg. Beijing reportedly pledged it would act to protect its own interests, both within Washington and under the WTO system.

ICTSD reporting; "China Says U.S. Solar Ruling Will Hurt Clean Energy Development," BLOOMBERG, 21 January 2015; "U.S. solar product trade ruling opens way to import duties on China, Taiwan," REUTERS, 21 January 2015.

INTELLECTUAL PROPERTY

WHO Agrees to Establish Contingency Fund in Wake of Ebola Crisis

The World Health Organization's (WHO) Executive Board signed off on Sunday on [plans](#) to establish a contingency fund that will empower the organisation to respond quickly and independently to international health emergencies, as part of a broader set of reforms aimed at ensuring a more rapid, coordinated response to Ebola-like threats in the future.

The planned contingency fund would aim to ensure adequate resources for the WHO's preparedness, surveillance, and response work, said the resolution, which was approved by the 34 member state-designated individuals that make up the Executive Board.

The fund still needs formal sign-off by the World Health Assembly, and Director-General Margaret Chan has thus been asked to prepare possible options on the fund's size, scope, financing sources, and sustainability.

The resolution also focused on issues such as improved WHO coordination of the deployment of foreign medical teams; invites Chan to consider assigning a "Special Representative" within the Geneva-based organisation to be in charge of all aspects of WHO coordination regarding the outbreak; and requests that Chan set up mechanisms for using "emergency stand-by capacities" on medical assistance, in consultation with member states.

The Ebola virus has ravaged West Africa over the past 12 months, with [WHO figures](#) from this week placing the total number of cases – both confirmed and suspected – in Guinea, Liberia, and Sierra Leone at 22,057, of which 8795 have led to deaths. These three countries have been the hardest-hit by the disease and have also suffered severe socio-economic setbacks as a consequence.

In recent weeks, there have been fewer new cases reported, leading some to hope that the worst of the crisis may be passing. However, David Nabarro, the UN Secretary-General's Special Envoy on Ebola, [told](#) WHO member states on Sunday that the disease "will not be gone in any country until it is gone from every country."

Despite the downtick in new cases in the region, the global health body's response to the outbreak has drawn harsh rebukes on several fronts for what critics say was an initially sluggish and poorly organised response, which the WHO Director-General openly acknowledged during Sunday's special Executive Board session.

The crisis had revealed "some inadequacies and shortcomings in this organisation," [Chan told](#) the Executive Board, warning that "never again should the world be caught by surprise, unprepared."

Medicins Sans Frontiers (MSF) has been among the more vocal critics of the international response to Ebola. In its [intervention](#) on Sunday, the organisation suggested that many Ebola deaths were the result of "international negligence," citing the global community's failure to develop medical products to tackle a disease like Ebola earlier on, given that it was first discovered nearly four decades ago.

Vaccine development a priority

One of the international shortcomings that has particularly drawn notice in the wake of the Ebola outbreak is the lack of economic incentives in developing remedies for neglected diseases. "Vaccine development only began after we realised Ebola was a threat to the world," Venezuela remarked at Sunday's Executive Board meeting, a sentiment that others reportedly echoed.

The global health body is now leading efforts to fast-track the development of vaccines, therapies and improved diagnostics against this disease. However, a Strategic Advisory Group of Experts on Immunisation recently [criticised](#) the implementation of WHO's overall Global Vaccine Action Plan (GVAP).

In an assessment report released late last year, the experts have asked countries to pay urgent attention to access to vaccines, and "to change the rules of the game on vaccine affordability," possibly by sharing pricing information. While the report was not specific to Ebola, the experts did note that "disruptive situations" like this sort of major disease outbreak can also hamper the delivery of vaccines.

The Resolution resulting from Sunday's WHO Special Session does not indicate special health-related flexibilities for developing countries, other than referring to the [Global Strategy and Plan of Action on Public Health Innovation and Intellectual Property](#). This strategy, adopted by the WHO in May 2008, called for the improvement of transfer of technology, delivery and access to medical resources and sustainable financing mechanisms.

The WHO Executive Board is set to consider a proposal by Argentina, Brazil, India, and South Africa later this week to extend this Global Strategy until 2022, according to a [report](#) by the NGO Knowledge Ecology International.

Chan has said that the WHO also hopes to change the way that new medical products reach markets, with Sunday's Executive Board resolution indicating that the global health organisation could play a "leadership role" in both prioritising research for Ebola and in linking pooled funds to global health research and development efforts on emerging neglected and tropical diseases.

Even as the outbreak begins to show signs of abating, many countries, such as India and Brazil, have pledged to continue supporting therapeutic research and the availability of vaccines and improved diagnostics to tackle Ebola.

WHO member states urge reform

In a speech to the UN Security Council last September, Chan had labelled the Ebola outbreak as the "greatest peacetime challenge that the United Nations and its agencies have ever faced."

While the Ebola crisis has brought the WHO's limitations to the fore, the questions about the global health body's capabilities and reach are not new. Chan noted on Sunday that a 2010 review found that the organisation in its current form is not sufficiently equipped to address "severe and sustained" health emergencies that carry global impact.

The "WHO we have is not the WHO we need," said Tom Frieden, Director of the US' Center for Disease Control and Prevention. Learning from the Ebola crisis, the US official explained, represents a "special moment" to change these incapacities, with the contingency fund approved on Sunday being one step in this direction.

Liberia, one of the countries worst affected by the outbreak, has called for a technically strong WHO that is independent and equipped to enforce the International Health

Regulations (IHR) agreed in 2005. While these regulations are the only internationally agreed rules specifically aimed at preventing and controlling the international spread of disease, some critics have charged that their provisions lack enforceability.

Economic impact, food insecurity

The economic impact of the Ebola crisis has particularly severe in West Africa, though officials have said that the economic ramifications of the outbreak have spilled over to other parts of the African continent. (See Bridges Weekly, [16 October 2014](#))

The World Bank, in two [new reports](#) released earlier this month, confirmed signs of economy-wide slowdowns in both Sierra Leone and Liberia. Concerns were raised in [Liberia's case](#) over the massive shedding of jobs, with nearly half of the country's households reportedly being unemployed, along with the likelihood of smaller harvests as farmers struggle to put work teams together.

Food insecurity has been flagged as a growing problem in Liberia, with many unable to afford basic foodstuffs such as rice. Similar issues have been raised in [Sierra Leone](#), the reports found, with job losses there blamed primarily on the "indirect effects of necessary preventative measures" to limit the spread of disease, along with Ebola's overall negative impact on the economy.

Sierra Leone, Guinea, and Liberia have all suffered severe disruption in their routine health systems, services, and infrastructure since the disease first began to spread. The African Union has lately warned about the possibility of "donor fatigue," emphasising the importance of robust and predictable funding that will continue until the last Ebola case has been remedied.

"We are not sure if we can meet the Millennium Development Goals now," Liberia's official said at Sunday's WHO meeting. The Millennium Development Goals are a set of eight time-bound [goals](#) agreed by the UN in 2000, revolving around the overarching goal of eradicating poverty. These goals are set to expire later this year.

International aid group Oxfam called this week for a multi-million dollar scheme designed similar to the post-World War II Marshall Plan in order to help the West African countries affected most by Ebola get back on track, economically and otherwise.

"The world was late in waking up to the Ebola crisis, there can be no excuses for not helping to put these economies and lives back together," [said](#) Oxfam Executive Director Winnie Byanyima.

The UN's Nabarro has similarly noted that the WHO and the UN Mission for Ebola Emergency Response (UNMEER) still need additional financial support to tackle the virus, with the official suggesting that extra US\$1 billion will be required in 2015.

ICTSD reporting; "Ebola Brings West African Economic Development to Screeching Halt," VOICE OF AMERICA, 14 January 2015; "Ebola crisis: Oxfam calls for recovery Marshall Plan," BBC NEWS, 27 January 2015.

AFRICA

South Africa, US Seek Solution on Poultry Row Ahead of AGOA Renewal

Efforts are ramping up between the US and South Africa to resolve their countries' long-standing row over poultry trade, as Pretoria vies to ensure its continued eligibility in the African Growth and Opportunity Act (AGOA), a US programme that is up for re-authorisation this September.

In that vein, South African Trade and Industry Minister Rob Davies and US Trade Representative Michael Froman reportedly met last week on the sidelines of the World Economic Forum Annual Meeting in Davos, Switzerland in the hopes of advancing the discussions.

Since 2000, South Africa has had in place anti-dumping duties against imports of certain US chicken products. Claiming that such measures represent an unfair practice, US poultry meat exporters have been negotiating lower tariffs on their products over the past several years. More recently, they have also begun lobbying US lawmakers to tie South Africa's continued AGOA access to the removal of those protection measures.

A solution within reach

"The dialogue between our two poultry associations had now reached the point of exchange of offers," said Davies in comments to the BusinessReport.

He explained that South African and American poultry associations are working together on a programme which will include some additional market access for US poultry products as well as a development component involving increased investment, training, skills development, and support for intra-African trade.

"We hope that [the offers] will create the momentum for the re-authorisation of AGOA with South Africa included. That's what we are looking to achieve," said Davies.

Observers note that South Africa's poultry trade policy has caused the country to face previous complaints, including at the WTO, where Brazil launched a case in 2012. ([DS439](#)) South Africa has also been a respondent in other WTO disputes raised by India, Indonesia, and Turkey, respectively, involving anti-dumping measures on other products. (See Bridges Africa, [17 February 2012](#))

AGOA eligibility at risk?

The South African duties have also drawn the ire of some US lawmakers, with Senator Chris Coons warning last month that he "will not allow AGOA to be reauthorised as long as South Africa continues its illegal and inappropriate ban on the import of all US poultry."

Coons, a Democrat from the US state of Delaware, co-chairs a bipartisan group known as the "Senate Chicken Caucus" with Johnny Isakson, a Republican from the state of Georgia. The group aims to facilitate congressional discussions relating to poultry.

AGOA provides certain 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, which

allows developed countries to offer developing countries preferential treatment on specific goods. The GSP expired in mid-2013, with renewal legislation stalling in Congress.

In December 2014, Coons and Isakson addressed a letter to South African President Jacob Zuma warning him that continuous refusal to act – in other words, to lift the duties – on US poultry could result in the end of trade benefits granted to South Africa under AGOA.

“South Africa turned around and slapped heavy duties on our poultry. It was something we didn't expect. We didn't think it was a very friendly gesture and we've been trying to get those lifted ever since,” Kevin Brosch, a trade advisor to US poultry industry, said to television channel CCTV America at the time.

Statistics indicate that a potential loss of US trade preferences could have serious consequences as 90 percent of South Africa's exports enter the US duty-free under AGOA. These totalled more than US\$3.5 billion last year, creating more than 60,000 jobs, according to South Africa's Department of Trade and Industry.

Davies said he was “a bit surprised by the threats involving South Africa's AGOA status,” according to remarks quoted in the BusinessReport.

Pushing for AGOA's re-authorisation

As attempts to find a solution over the poultry issue intensified over the past few days, a delegation of African trade ministers held discussions in Washington to push for the renewal of AGOA, which is set to expire in eight months.

In recent years, some US experts have argued that Washington should focus more on two-way trade agreements with Africa in order to preserve its competitive advantage, especially since the EU has now concluded negotiations for reciprocal Economic Partnership Agreements with three regional economic communities in Africa, namely the Economic Community Of West African States (ECOWAS), the South African Development Community (SADC), and the East African Community (EAC).

Debates in Washington also focused on making AGOA more effective by “graduating” more advanced countries, such as South Africa. (See Bridges Africa, [31 July 2014](#))

Critics of the Act often suggest that the scheme is constrained by its very design: AGOA imports are heavily concentrated on energy-related products whereas AGOA exports from LDCs are mainly dominated by apparel, largely from Lesotho, Malawi, and Madagascar.

Key agricultural products in which AGOA beneficiaries are competitive are excluded from the Act's coverage. Over the years, some analysts say, the scheme has had only limited effects on job creation and structural transformation in Africa.

Additionally, some experts note that predictability has been a recurring concern for investors given that its re-authorisation is in the hands of US lawmakers. Furthermore, they say, AGOA eligibility is tied to specific standards, such as beneficiary countries working to improve the rule of law and human rights and setting labour standards, which can often lead to countries being dropped and reinstated from the programme.

Earlier this month, three countries – Swaziland, the Gambia, and South Sudan – had their AGOA status revoked. (See Bridges Africa, [19 January 2015](#))

ICTSD reporting; “Davies in bid to save SA's Agoa access,” BusinessReport, 26 January 2015; “US lawmakers want South Africa to lift import taxes on poultry,” CCTVAmerica, 26 January 2015; “The chicken or the AGOA: US trade policy in Africa,” DEVEX, 23 January 2015; “US, South Africa in a flap over chicken trade,” REUTERS, 12 December 2014.

BIODIVERSITY

UN Group Calls for Legal Pact on High Seas Biodiversity

UN delegates gathered in New York last week recommended that the General Assembly develop a legally binding agreement to govern the conservation, exploitation, and commercialisation of marine life on the high seas and international seabed.

While some participants reportedly hailed the decision as a major step forward – after nearly a decade of deliberations on the issue – others were disappointed with the timeline set for the new talks.

A dedicated working group attended by nearly 200 participants [recommended](#) that the UN General Assembly decide to develop the new instrument under the UN Convention on the Law of the Sea (UNCLOS). A Preparatory Committee (PrepCom) should begin in 2016 with a two-year mandate, in order to make substantive recommendations to the General Assembly on the elements of a draft text of an international legally binding instrument.

The UN's main policymaking body should then decide by the end of 2018 on the convening and start date for an intergovernmental conference to consider the PrepCom's recommendations and eventually elaborate a text for the instrument.

The UN working group also decided last week that the content of the new agreement would focus on a package of key issues identified at a session in 2011: marine genetic resources (MGRs) and questions around sharing benefits from commercialisation of these; geographic area-based management tools including marine protected areas (MPAs); environmental impact assessments (EIAs); as well as capacity building and the transfer of marine technology.

During the UN Conference on Sustainable Development (Rio+20) held in June 2012 in Rio de Janeiro, Brazil, the working group was given a mandate to decide on the need to develop an international instrument on marine biodiversity under UNCLOS by end-2015.

Regulatory and legal gaps?

Saturday's recommendations represent a hard-won consensus on issues that have troubled the working group since its creation in 2006, namely on whether legal gaps exist in the governance of marine biodiversity in areas beyond national jurisdiction (BBNJ), and if so how these should be addressed by a new international instrument, as well as the potential interaction between such an instrument and existing agreements, such as around fisheries.

The road ahead still appears difficult, however, given that a group of key marine nations – including Canada, Japan, South Korea, Russia, and the US – reportedly “remained to be convinced” throughout last week on the need for a new instrument, according to Earth Negotiations Bulletin (ENB).

In the final text agreed on Saturday, UN members recognise that a new instrument will not undermine existing relevant legal instruments as well as related global, regional, and sectoral bodies.

Under UNCLOS, coastal states enjoy sovereign rights over the natural resources found in an area extending a maximum of 200 nautical miles from the coast, known as the Exclusive Economic Zone (EEZ). This means that around 64 percent of the oceans technically lie beyond the jurisdiction of any one country.

Among the more difficult topics to hammer out is the jurisdiction over MGRs derived from living resources on the international seabed and in the high seas. The seabed beyond 200 nautical miles has traditionally been considered the common heritage of mankind and an existing [implementing instrument](#) under UNCLOS governs seabed mineral mining.

In contrast, a regime of freedom of exploitation has generally been applied to living resources in the high seas. UN members have been divided in recent years on which system to apply to MGRs.

Commercialising marine resources

The conservation and sustainable use of marine biodiversity in the high seas has attracted increasing attention from policymakers, industry, and conservationists alike as a growing body of scientific evidence has underlined the anthropogenic pressures, resource richness, and vulnerability of these areas.

Environmental groups such as the [High Seas Alliance](#) argue that the high seas are more vulnerable than ever, as technological advances enable destructive practices such as bottom trawling and overfishing, and as increases in seaborne trade in past decades has hiked up noise pollution and ship strikes, as well as the risk of accidents and spills.

The potential for increased bioprospecting to source commercialisable MGRs could also pose serious threats to marine ecosystems if not properly managed, some experts suggest.

In 2013 some 18,000 natural products were sourced from some 4,800 marine species, with that number set to grow at a rate of four percent a year, according to the Global Ocean Commission, a marine conservation group.

Much of this bioprospecting has occurred in easy-access coastal waters by a few developed countries who can afford it; but improvements in technology could eventually mean that activities move further afield as costs go down.

The commercialisation and trade of marine genetic resources poses similar challenges to those faced by the sale of products derived from other genetic resources, namely, how to govern their use or extraction and share benefits derived, with the added challenge of uncertainty over jurisdiction in the high seas.

Meanwhile the concept of marine protected areas could eventually impact certain parts of the fishing industry with possible effects on fish trade. Fish are among the world's most traded food commodities, worth almost US\$130 billion in 2012, according to the UN Food and Agriculture Organization (FAO).

ICTSD reporting; "Summary of the Ninth Meeting of the Working Group on Marine Biodiversity Beyond Areas of National Jurisdiction: 20-23 January 2015," IISD REPORTING SERVICES, 26 January 2015.

EVENTS & RESOURCES

Events

Coming Soon

29 January, London, UK. CHINA AND THE FUTURE OF GLOBAL GOVERNANCE. This Chatham House event will focus on the potential implications of China's rising international status on the future path for global governance. Featuring Dr. Katherine Morton, Senior Fellow in the Department of International Relations at the Australian National University, the meeting will address issues such as how Beijing is already shaping the rules and institutions of global governance. To learn more, or to register interest, visit the event [website](#).

29 January, London, UK. MAKING THE MOST OF UK-NIGERIA LINKS: DIASPORA INVESTMENT IN NIGERIA. In a presentation at Chatham House, David Heath MP, the UK Prime Minister's Envoy to Nigeria, will speak on the new opportunities for investment in Nigeria. The discussion seeks to encourage investment specifically by the Nigerian diaspora community, who many believe can tap into the economic potential of doing business in the African country. A panel will discuss the benefits and challenges that the diaspora community will face if they are to conduct business in Nigeria. For more information, please see the event [website](#).

29 January, Washington, US. WHEN WOMEN TRADE, CAN WE END HUNGER? Hosted by the Washington International Trade Association (WITA) and the Association of Women in International Trade (WIIT), this discussion focuses on how international trade and development policies that seek to empower women can positively contribute to ending hunger around the world. Keynote speaker Rev. David Beckmann, President of Bread for the World, will present findings of the 2015 World Hunger Report "When Women Flourish... We Can End Hunger", which suggests that empowering women and girls is vital to ending hunger and extreme poverty. For more information on the event, please visit the [website](#).

29-30 January, Venice, Italy. THIRD ANNUAL CONFERENCE ON THE GREEN GROWTH KNOWLEDGE PLATFORM. This event, hosted in partnership with the Ca' Foscari University of Venice, The Energy and Resources Institute (TERI) and the United Nations Environment Programme (UNEP), will bring together members of the policy and academic communities for a discussion on the efficacy and implications of a range of fiscal policy instruments in transitioning to a green economy, keeping in mind variations in national contexts. The conference will feature both plenary and parallel sessions. More information is available [here](#).

4 February, Tokyo, Japan. "WORLD DEVELOPMENT REPORT (WDR) 2015: MIND, SOCIETY, AND BEHAVIOR". At this event, Varun Gauri, Co-Director of WDR and Senior Economist with the Development Research Group of the World Bank, will present the World Development Report 2015. The presentation will be followed by a panel discussion with Japanese experts. The report analyses the psychological and social factors that influence development and how these factors might be overcome. For more information, please visit the [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.

2 February: Committee on Budget, Finance and Administration

5-6 February: Council for Trade in Services – High-level meeting (LDC Waiver)

Other Upcoming Events

9-10 February, Washington, US. CLIMATE CHANGE AND POVERTY CONFERENCE. The World Bank will host development practitioners and academic experts to examine the potential impact of climate change on poverty by exploring three areas: the effect on the poor's livelihood, the impact on the risk for non-poor individuals to become impoverished, and the impact on the ability of poor people to escape poverty. The discussion will focus on how climate policies can be improved to benefit the poor by taking poverty and social concerns into account in their design. For more information, please visit the event [website](#).

11 February, New Delhi, India. REGIONAL TRADE POTENTIAL OF WMSMEs IN SOUTH ASIA: THE CASE OF INDIA. The workshop serves to address the findings of the study entitled "Regional Trade Potential and Associated Non-Tariff Barriers, With Special Focus on WMSMEs: The Case of India." CUTS International conducted the study with support from the Asia-Pacific Regional Centre of the United Nations Development Programme (APRC-UNDP). The study sought to uncover and analyse the domestic constraints and export-related difficulties facing Indian women-owned and managed micro, small, and medium enterprises (WMSMEs) in the South Asian region. For more information, click [here](#).

8-13 February, Geneva, Switzerland. GENEVA CLIMATE CHANGE CONVENTION. Geneva will host the eighth part of the second session of the Ad Hoc Working Group on the Durban Platform for Enhanced Action (ADP) organised by the United Nations Framework Convention on Climate Change (UNFCCC). The ADP is working to establish by this December a protocol, legal instrument, or agreement applicable to all parties, which is to take effect in 2020 with the goal of mitigating climate change through international efforts. For more information, please see the event [website](#).

Resources

THE IMPORTANCE OF TRADE AND PRODUCTIVE CAPACITY POST-2015. By Daniel Gay for The Commonwealth (December 2014). This issue of Commonwealth *Trade Hot Topics* studies the ways in which the Sustainable Development Goals (SDGs) currently under negotiation can accommodate the trade and development-related needs of least developed countries (LDCs) and small island states. The authors argue that the SDGs should focus on improving domestic measures within developing countries, such as market access, infrastructure, negotiating capacity, and targeting aid for trade. The paper draws information from a series of trade analyses, known as Pacific Diagnostic Trade Integration Studies, which looked at how to improve a country's capability to access global markets and to benefit from trade. The report can be downloaded [here](#).

WHAT NEXT FOR THE IMF? By Edwin Truman for the Peterson Institute for International Economics (January 2015). This policy brief examines the International Monetary Fund's (IMF) options for action given the US Congress' inability to gain the necessary approval for agreement set of reforms agreed reached among the world's leading economies at the G-20 summit in 2010. Truman argues that because a congressional agreement cannot be reached, the IMF may have to augment its funding and reform its structure without full US participation. He worries that the US government's inaction has weakened the legitimacy and effectiveness of the IMF when it should be stepping up to play a vital role in today's "turbulent world economy." The full report can be access [here](#).

WORLD ECONOMIC SITUATION AND PROSPECTS 2015 (WESP). Published by the United Nations (January 2015). The report, jointly produced by various UN agencies, estimates that global economic growth will increase marginally over the next two years – a projected 3.1 percent in 2015 and 3.3 percent in 2016 compared to 2.6 percent for 2014. Trade growth is also estimated to rise moderately as the volume of world imports of goods and services is projected to grow by 4.7 percent in 2015. The report goes on to assess the trajectory of other economic indicators, including unemployment figures, inflation, currency rates, and more. The full paper can be accessed [here](#).

BRUSSELS BRIEFING ON TRADE: ALL YOU NEED TO KNOW FOR JANUARY 19 – FEBRUARY 2. By viEUws (20 January 2015). Lénaïc Vaudin d'Imécourt, Trade Editor of EU Trade Insights at viEUws, an online media organisation that provides analysis of EU policy developments, gives an overview of the European Union's most pressing trade issues from 19 January until 2 February. She discusses updates on the eleventh round of EU-Vietnam trade talks in Hanoi, the fourth round of EU-China Investment Agreement negotiations in Brussels, the meeting of the European Parliament's International Trade Committee (INTA) in Brussels, the World Economic Forum in Davos, and more trade events to occur at the end of January. The video is available [here](#).

50 SHADES OF AMBER: THE 2014 FARM BILL AND THE WTO. By Joseph W. Glauber and Patrick Westhoff (2015). This paper looks at the potential WTO implications of the 2014 US Farm Bill. It provides a brief overview of the Farm Bill and discusses how the legislation's new domestic agricultural support policies would be classified under the current WTO Agreement and according to the 2008 proposed changes to domestic support disciplines under the Doha Round. Based on their analysis, the authors argue that the new policies under the Farm Bill are likely to exceed the current WTO limits proposed by members in the Doha Round negotiations. The full paper can be accessed [here](#).

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