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LEAD STORIES

US REQUESTS WTO CONSULTATIONS WITH EU ON BIOTECH MORATORIUM

The US on 13 May officially requested WTO consultations with the EU over its continued de facto moratorium on the approval of genetically modified organisms (GMO). Canada has also filed a request while Argentina and Egypt have expressed their intention to follow suit. The countries allege that the moratorium poses an unjustified trade barrier in violation of various WTO Agreements. The European Commission expressed regret at the request, which it described as "legally unwarranted, economically unfounded and politically unhelpful". Civil society groups were also quick to attack the decision, accusing the US of trying to force biotech foods on European consumers.

US denies possible link to FSC case

US Trade Representative Robert Zoellick has requested consultations on the continued de facto moratorium, in place since 1998, and national marketing and import bans on approved products in certain EU member states. In his official request, he alleged that these measures were inconsistent with the Agreements on Sanitary and Phytosanitary Measures (SPS), on Technical Barriers to Trade (TBT) and on Agriculture, as well as the General Agreement on Tariffs and Trade. "The EU's persistent resistance to abiding by its WTO obligations has perpetuated a trade barrier unwarranted by the EC's own scientific analysis," Zoellick noted. "With this case, we are fighting for the interests of American agriculture," added Agriculture Secretary Ann Veneman. The US, Canada, Australia, Argentina and others have repeatedly criticised the EU moratorium in the TBT and SPS Committees as not workable, not enforceable, costly and more trade-restrictive than necessary (see BRIDGES Trade BioRes, 27 June 2002; <http://www.ictsd.org/biores/02-06-27/story3.htm>). Australia, Chile, Colombia, El Salvador, Honduras, Mexico, New Zealand, Peru and Uruguay have voiced their intention to join the case as third parties.

Trade sources speculated that the decision to request consultations at this time might be linked to the EU's recent move to seek authorisation in the WTO for retaliation in the Foreign Sales Corporation dispute (see related WTO In Brief, this issue). Zoellick, however, strongly denied the link, insisting that these were "separate tracks" and that the European Trade Commissioner Pascal Lamy shared this view. Regarding the current round of negotiations, WTO Director-General Supachai Panitchpakdi did not believe that the dispute would negatively impact the negotiations, but "would take place along the normal procedural lines". His view was echoed by Canada's Ambassador to the WTO Sergio Marchi and Ambassador Alfredo Chiradia of Argentina. "I don't see this having any impact on the Doha Round because we have had so many disputes in the past that have not prevented us from moving ahead with our business," said Chiradia.

Commission questions motives behind WTO challenge

Lamy, however, has openly questioned the US' "real motive in bringing the case". "The EU's regulatory system for GMO's authorisation is in line with WTO rules: It is clear, transparent and non-discriminatory," he noted. "There is therefore no issue that the WTO needs to examine". David Byrne, European Commissioner for Health and Consumer Protection, stressed the EU's efforts to bring their regulatory system in line with "the latest scientific and international developments," which he said was "essential to restore consumer confidence in GMOs' in Europe". The Commission noted the importance of adequate approval procedures to ensure health and environmental protection, to avoid problems such as those recently experienced in the US, including the StarLink contamination. They also attacked the US for using developing countries' "legitimate concerns" regarding GM food aid against the EU GMO policy, arguing that these countries had the right to set their own level of protection.

The EU de facto moratorium has been in place since October 1998, following calls by Denmark, Greece, France, Italy and Luxembourg for the suspension of new authorisations pending the adoption of rules ensuring labelling and traceability of GMOs and GMO-derived products. Work on labelling and traceability regulations are still underway and the draft regulations have been submitted to the European Parliament for a second reading. At the 4 March Council of Environment Ministers meeting, the Commission announced that GMO approvals were expected to restart later this year, possibly in autumn (see BRIDGES Trade BioRes, 10 March 2003; <http://www.ictsd.org/biores/03-03-10/story1.htm>).

Civil society groups outraged

Environmental and consumer groups were quick to attack the US decision. "This may be the moment of truth for the future of GM food in Europe, and future trade relations between the European Union and United States," said Alexandra Wandel of Friends of the Earth Europe. "If this [case] succeeds, the US will force GM foods onto European markets regardless of the wishes of consumers". Lori Wallack, Director of Public Citizen's Global Trade Watch, accused the US administration of undercutting democracy with its challenge, warning that the case "will become Exhibit No. 1 in the growing worldwide attack on the WTO's legitimacy". The concerns were echoed by Ben Ayliffe of Greenpeace. "The USA is determined to protect its agricultural export industry in line with its policy of emphasising trade protectionism ahead of the interests of the environment," he said.

Consultations to find a solution at the bilateral level usually take 60 days, after which the US can request the establishment of a WTO panel to assess the dispute (possibly by the end of September). If the panel rules in favour of the US, the EU can appeal the ruling to the WTO Appellate Body, which is required to hand down its decision within three months. The entire dispute settlement process usually takes 12-18 months to complete. Even if the EU were to lift the moratorium while the panel was still considering the case, the US might still ask the panel to reach a final decision on the case "for precedential purposes," according to John Veroneau, General Counsel at the Office of the USTR.

Additional Resources

For links to relevant documents, press releases and past coverage, see http://www.ictsd.org/issarea/environment/biotech_case.htm.

ICTSD reporting; "U.S. May Continue to Pursue GMO Case At WTO Even if EU Lifts De Facto Import Ban," WTO REPORTER 15 May 2003; "US opens legal proceedings against EU at WTO over moratorium on biotech imports," WTO REPORTER, 14 May 2003; "Moment of truth over GM as US files WTO complaint," FOEE, 13 May 2003; "U.S. and cooperation countries file WTO case against EU moratorium on biotech foods and crops," USTR, 13 May 2003; "European Commission regrets US decision to file WTO case on GMOs as misguided and unnecessary," DG TRADE, 13 May 2003; "Bush administration undercuts democracy by challenging European moratorium on genetically modified organisms," PUBLIC CITIZEN, 13 May 2003; "USA launches trade war with Europe over GM foods," GREENPEACE, 13 May 2003.

REVIVING THE S&D PROCESS: GC CHAIR CIRCULATES PROPOSALS

The next step in looking at how to revive the mandated review of special and differential treatment (S&D) provisions at the WTO's Committee on Trade and Development (CTD) was taken on 5 May, when General Council (GC) Chair Perez del Castillo (Uruguay) circulated a categorised list of agreement-specific proposals. As previously reported (see BRIDGES Weekly, 3 March 2003, <http://www.ictsd.org/weekly/03-04-10/story2.htm>), these proposals were broken down into three categories -- basket one for agreement at/before the Cancun Ministerial Conference (10-14 September 2003), basket two for those to be "addressed" in relevant WTO bodies, and basket three for which "wide divergences of views" existed among Members (to view to proposals see

<http://www.ictsd.org/issarea/development/resources/Latest-SDT-proposals.pdf>). While most Members have had positive initial responses to the process, developing countries have generally emphasised that it still remains to be seen how things develop.

Initial reactions

One developed country delegate following the negotiations indicated that the Quad would be looking to "put their best foot forward" in the new process, but that they still felt the approach could have been handled more effectively from the outset (i.e. looking at the broader issues before getting down to the specific proposals). For their part, a number of developing country sources expressed positive views about the rejuvenation of the process, but insisted that the real developmental impact could only be known once the process was at a later stage. One African delegate noted that while the proposal was essentially a "stop-gap measure to get things back on track," there was indeed some basis for collaboration. A few developing countries expressed concern however, over the "side-stepping" of the most recent CTD report (TN/CTD/7, available at <http://docsonline.wto.org>), which requested the General Council to clarify the mandate on S&D (see BRIDGES Weekly, 13 February 2003, <http://www.ictsd.org/weekly/03-02-13/story3.htm>).

The process forward

On the process, Chair Perez del Castillo reportedly indicated to developing countries that the request for clarification of the mandate on S&D from the General Council was unlikely to lead anywhere productive, and that it would best be forgotten and attention focussed on making progress on the agreement-specific proposals. He reportedly emphasised that the focus

would be on the agreement-specific proposals, as opposed to the cross-cutting ones (including the Monitoring Mechanism), which developed countries had pushed to have dealt with concurrently.

In reference to developing country fears that proposals in category II would go the way of implementation issues (i.e. their belief that they would become lost in the onerous work programmes of the various bodies and see little movement), he pointed out that developed countries had given up some of their rigidities surrounding the possible outcome of the exercise. He noted specifically the assurances he had been given by developed countries that they might be prepared to look at changes in the existing balance of rights and obligations and/or possible amendments to existing WTO texts. This latter point was a major stumbling block in the discussions held during late 2002 and early 2003, as developed countries had been adamant that no mandate existed under which the balance of rights and obligations could be altered (see BRIDGES Weekly, 13 February 2003, link above).

GC Chair Perez del Castillo also reiterated in a recent meeting with some developing country delegations that he would personally oversee the process at the level of the General Council on categories I & III, and supervise category II discussions. He has reportedly set 15 June as the timeframe for the first assessment of the consultations on these matters. On the question of the role for the CTD Special Session Chair Ransford Smith (Jamaica), the answer was not yet clear, but one trade source speculated that Chair Smith would assist the GC Chair in his consultations.

The three categories of proposals

The proposals circulated by Chair Perez del Castillo group 38 agreement-specific proposals into category one, augmenting the 12 agreed on 'in principle' at the end of 2002 with 26 additional proposals that he feels "there appears to be a greater likelihood of reaching agreement". In a note of 7 April, included in the circulation of the proposal, Ambassador Perez del Castillo noted that these additional 26 represented proposals that "have a developmental value that in [his] judgement makes it necessary that [Members] try to address them and make progress, whether in their current form or otherwise". The second category, comprising another 38 proposals, would be considered as soon as possible in the relevant WTO bodies, which would report back to the General Council just prior to the Cancun Ministerial. Possible recommendations from these discussions could be included in an early harvest -- which in essence could potentially add to the proposals to be agreed upon by the time of the Ministerial. Category three, the 15 proposals on which delegates have had most difficulty in finding consensus,

would be examined as to how they might be redrafted in a way more suitable to agreement, while preserving the concepts they embody.

At time of press, no further information could be ascertained on the schedule of future consultations.

ICTSD reporting.

OTHER NEWS

TNC: BACK TO THE GRIND IN GENEVA

The WTO Trade Negotiations Committee (TNC) met in Geneva on 9 May to take stock of progress in the Doha Round negotiations. Despite the up- beat tone and positive political signals sent by key trade ministers at an OECD meeting a week earlier (see BRIDGES Weekly, <http://www.ictsd.org/weekly/03-05-07/inbrief.htm#2>), the negotiators in Geneva, tasked with working out the technical details, had little forward movement to report. TNC Chair and WTO Director-General Supachai Panitchpakdi stressed that, "avoiding the worst is no substitute for real progress in our work...we must take care that we are not simply postponing the gridlock to Cancún. The consequences of doing so would be very serious for the Round as a whole". Noting that only 75 working days remained before the meeting in Cancún, he urged Members to engage in real negotiations rather than posturing. During the meeting the chairs of the negotiating groups reported on progress, and Members discussed the reports and the way forward.

Two negotiating deadlines are coming up at the end of May: one for improvements to the Dispute Settlement Understanding (DSU) and another for agreeing on negotiating modalities for non-agricultural market access. Deadlines are widely expected to be missed for both. On the DSU, Morocco, speaking for the African Group, stressed the need to make the DSU more concrete and accessible to developing countries, and called for a DSU technical assistance fund for developing countries.

Chair Stuart Harbinson of the special (negotiating) session of the Committee on Agriculture noted that his group is continuing informal consultations on, inter alia, special and differential treatment for developing countries and domestic consumption, with informal gatherings planned for 14 and 19 May. Brazil stressed that agriculture lies at the heart of the current round, and failure in this area would jeopardise it. Chair

Alejandro Hara of the negotiations on services said that 23 initial offers now had been received. They reflected, however, a "freezing" of the status quo rather than new liberalisation offers, and Brazil and Kenya explained that many Members were unwilling to move on services as long as there was no movement in agriculture negotiations.

On Trade-related Aspects of Intellectual Property Rights (TRIPS) and access to essential medicines, the US stressed that the issue should be resolved prior to Cancún, and Kenya called for a legally binding and practical solution. Both the EU and the US said that each one the Singapore issues -- investment, transparency in government procurement, trade facilitation, and competition policy -- could be considered "on its own merits," implying that the package of the four areas may be broken up at Cancún.

The next meeting of the TNC is scheduled for 12-13 June.

ICTSD reporting; "Avoiding The Worst Is No Substitute For Real Progress,' Supachai Tells Negotiators," WTO PRESS RELEASE, 9 May 2003.

WTO, IMF, WORLD BANK HEADS MEET TO DISCUSS COHERENCE

The heads of the WTO and the Bretton Woods Institutions -- the World Bank and International Monetary Fund (IMF) -- addressed WTO Members at a first-of-its-kind meeting on 13 May. At the meeting of the WTO General Council (GC) on Coherence, Supachai Panitchpakdi, Director- General of the WTO, Horst Kohler, Managing Director of the IMF and James Wolfensohn, president of the World Bank Group issues a joint statement on their efforts to support the full engagement of developing countries in global trade negotiations. The discussion at the meeting centred on how to better integrate trade, development and finance, and the policies of the three institutions in this regard.

Speakers stress trade integration and poverty alleviation

The GC meeting on Coherence stressed the need for political commitment, especially from G-8 countries, to enable further trade liberalisation through the Doha round negotiations. In his introductory statement, Supachai stressed trade growth as the key to economic growth and poverty reduction, and recalled the Millennium Development Goals. He also stressed that trade negotiations had the potential to unlock new resources flows to developing countries, "...far exceeding those that can be generated through official aid or debt relief".

Echoing Supachai, Kohler said that trade-integration and the pursuit of sound macro-economic and structural policies were mutually reinforcing. Stressing the need for a coherent approach, he cited efforts to assist heavily indebted poor countries (HIPC) through the joint World Bank-IMF HIPC initiative. While the initiative had resulted in a debt-service reduction by two-thirds on average in the 26 assisted countries, he said these countries' long term growth and debt-sustainability depended on better integration into the world trade system, and highlighted the negative impacts of agricultural subsidies in developed countries.

On special and differential treatment for developing countries, the heads of the WTO, IMF and World Bank highlighted the importance of most-favoured nation (MFN)-type trade liberalisation. They said it would lead to greater overall benefits as compared to preferential, bilateral or regional trade-liberalisation. The World Bank's Jim Wolfensohn spoke of the Bank's interest in the link between how WTO Members crafted S&D provisions in the Doha Round, and the Bank's poverty reduction mission. According to a Secretariat note on Coherence in Global Economic Policy- Making and Cooperation between the WTO, IMF and World Bank (WT/TF/COH/S/7), such provisions would reflect development priorities and institutional capacities of Members and facilitate greater technical and financial support from the World Bank and other donors for trade-related capacity and supply-side development.

Responses and discussion

Some developing countries stressed the need to ensure coherence between the rights available under WTO rules and the conditionality aspects of the Bretton Woods institutions. They also stressed the need to ensure that policy advice was WTO-consistent. According to a trade source, some Members remarked that the WTO framework appeared more flexible and development-friendly than that of the IMF.

Many countries cautioned that liberalisation impacted specific sectors, and India pointed to the need for 'spaces' for policies. WTO GC Chair Carlos Perez del Castillo, in his address, called for policy analysis to assist developing countries to better evaluate the implications of trade liberalisation and trade reform for their development policies and objectives. Some speakers noted that while the current coherence mandate was trade-related, there was a need for a wider mandate in the context of the 2002 Financing for Development Conference and the World Summit on Sustainable Development. Perez del Castillo also stressed the need for coherence at the domestic level (between different government agencies) as a pre-requisite for achieving coherence at a multilateral level.

On technical assistance, several countries emphasised that technical assistance should be demand-driven.

NGO responses

The Centre of Concern provided a document (shortly available at <http://www.coc.org>) in response to the one issued by the WTO Secretariat on coherence (WT/TF/COH/S/7). Criticising some of the basic assumptions in the Secretariat note regarding the benefits of trade liberalisation, the NGO document questioned the objectivity of trade-related technical and financial assistance, including capacity building for negotiations, as developing country priorities might not conform to those of donors. According to Shefali Sharma from the Geneva office of the Institute for Agriculture and Trade Policy (IATP), "technical assistance is being used as a political tool to win support for a 'development agenda' that is heavily disputed in the WTO. No amount of technical assistance in implementing policies that, in effect, handicap and shackle developing countries in the WTO can improve gains towards development".

Background

The 1994 WTO Ministerial Declaration invited the WTO Director General and the Heads of the World Bank and IMF "...to review the implications of the WTO's responsibilities for its cooperation with the Bretton Woods institutions, as well as the forms such cooperation might take, with a view to achieving greater coherence in global economic policymaking". Para 5 of the Doha Ministerial Declaration Ministers stated that Members would "...continue to work with the Bretton Woods institutions for greater coherence in global economic policy-making". Para 36 of the Declaration provided for Ministers to examine the relationship between trade, debt and finance within a Working Group under the auspices of the General Council. The General Council is to report to the Fifth Session of the Ministerial Conference on progress in the examination.

ICTSD reporting; "World Economic Agencies Call on G-8 to Give Push to Doha Talks," WTO PRESS RELEASE, 13 May 2003; "IMF-World Bank-WTO Close Ranks Around Flawed Economic Policies," CENTER OF CONCERN PRESS RELEASE, 12 May 2003.

RULES: NEW EU PROPOSAL ON FISHERIES SUBSIDIES

The Negotiating Group on Rules met from 5-7 May to consider a number of submissions made by Members related to anti-dumping, countervailing measures and subsidies. Members also briefly considered regional trade agreements (RTAs).

New EU proposal on fisheries subsidies

The EU presented its proposal on fisheries subsidies (TN/RL/W/82, available at <http://docsonline.wto.org>), stressing it was based on hard-learned experience rather than a theoretical approach. The proposal followed the reform of the EU Common Fisheries Policy, agreed at the end of 2002 (see BRIDGES Trade BioRes, 23 January 2003, <http://www.ictsd.org/biores/03-01-23/story2.htm>).

According to the proposal, capacity-enhancing subsidies -- subsidies for marine fishing fleet renewal and for permanent transfer of fishing vessels to third countries -- would be prohibited (subsequently referred to in discussions as "red box" subsidies). A separate "green box" of permitted subsidies would be created for subsidies aimed at reducing fishing capacity and mitigating adverse social and economic effects of the restructuring of the fishing sector. These would include subsidies for scrapping vessels, retraining fishermen, early retirement schemes, economic diversification, temporary breaks in fishing activities, modernisation of fishing vessels to improve safety, product quality or working conditions, and for promoting environmentally friendly fishing methods, as long as output was not increased. The "boxes" would be up for revision as necessary. The submission also highlighted the importance of resource management, noting that the FAO, OECD and UNEP may be better placed than the Negotiating Group to carry out this work. Subsidies in the "green box" would have to be reported to the Committee on Subsidies and Countervailing Measures on a regular basis, and made available to the public.

A number of interventions were made during the meeting, welcoming the proposal. Some Members of the "Friends of Fish" group (that includes the US, Argentina, Chile, Iceland, New Zealand, Norway and Peru) said they felt that while the EU proposal was a good starting point it did not go far enough, and the category of prohibited subsidies needed to be further developed. One Member commented that there was no need to negotiate a "green box" until a much broader "red box" was agreed. Japan and Korea, who oppose addressing fishing subsidies in the WTO, engaged actively in the discussions, but their positions have become increasingly marginalised. One trade negotiator noted that significant momentum had been gained on this issue and there was no turning back. He commented that the EU paper in combination with an initial US paper (TN/RL/W/77), submitted at the previous Negotiating Group meeting, and a "Friends of Fish" background paper on categories of fisheries subsidies (see BRIDGES Weekly, 26 March 2003, <http://www.ictsd.org/weekly/03-03-26/story2.htm>) formed a solid basis from which to move ahead.

Also at the meeting, China introduced a paper (TN/RL/W/94) welcoming and commenting on the US paper. The paper draws attention to the special role of aquaculture, noting its "contribution to the protection of the world's marine fisheries resources" and food supply and food safety. Aquaculture is a rapidly growing sector and accounted for 27 percent of global fish supplies in 2000, according to the FAO's State of World Fisheries and Aquaculture.

The environmental group WWF welcomed the EU proposal, stressing the significance of the EU -- a former opponent of discussions -- now supporting stronger rules on fishing subsidies. The group noted, however, that the proposal could go further with regard to banned subsidies, urged caution with regard to the proposed "green box" subsidies, and suggested a more proactive approach to special treatment for developing countries, including positive subsidies to support sustainable and local, artisanal fishing methods.

US highlights link to steel subsidies agreement talks at OECD

A large number of submissions were made on improvements to the Anti-dumping Agreement (AD) and the Agreement on Subsidies and Countervailing Measures (SCM), including both new submissions and questions and answers with regard to previous submissions. The US submitted a proposal on the identification of additional issues under the anti-dumping and subsidies agreements (TN/RL/W/98), focusing on: interpretation of Domestic Production; fragmented industries; causation; cumulation; favoured exporter treatment; exclusion of companies; disclosure of essential facts; and accrual of interest. While 15 "Friends of Anti-Dumping Negotiations" want to change WTO rules to prevent abuse of anti-dumping measures and burdensome or unnecessary investigations, the US wishes to maintain maximum flexibility in the use of trade remedies and focuses on closing loopholes in the existing Anti-dumping Agreement.

The US also submitted a paper outlining its views on elements of a steel subsidies agreement (TN/RL/W/95), noting that its intention was to inform the Rules Negotiating Group on developments with respect to such an agreement, to be developed within the OECD. According to the paper, the US supports an ambitious negotiating schedule for an agreement to be incorporated into the WTO rules framework, and would prefer the basic elements to be concluded in advance of the WTO Fifth Ministerial in Cancun in September.

Concern over lack of interest in RTAs

The discussions on RTAs were brief, and some trade officials raised concerns afterward at the lack of interest in this issue among WTO Members. The number of bilateral and regional trade agreements concluded has sharply risen, and, in the words of one observer, everyone is now a part of these treaties, and so there are no demandeurs for addressing the issue at the WTO. Japan, who used to be the demandeur, has itself concluded bilateral trade agreements since 2001 and is currently involved in negotiations with Mexico and Association of Southeast Asian Nations (ASEAN) countries. During the meeting of the Trade Negotiations Committee (TNC), which followed the Rules meeting on 9 May, concerns were raised that the most favoured nation (MFN) principle was being eroded through all the regional and bilateral treaties, but these issues were not being seriously discussed in the Rules group.

The Negotiating Group on Rules is scheduled to meet on 11 June to discuss regional trade agreements, and from 18-19 June to discuss anti-dumping, subsidies and countervailing measures, including fisheries subsidies.

ICTSD reporting; "WTO: fisheries subsidies - EU tables proposal for sustainable fishing," EC PRESS RELEASE, 22 April 2003; "U.S. Identifies Eight Areas for Improvement Under WTO Dumping, Subsidies Agreements," WTO REPORTER, 8 May 2003.

EUROPEAN COMMISSION RELEASES DRAFT CHEMICALS LEGISLATION

The European Commission released its long-awaited proposal for the EU's new chemical legislation on 7 May for an eight-week public consultation process. European industry groups have expressed serious concerns about the legislation's impact on the competitiveness of the European chemical industry while US businesses and government officials have strongly criticised the proposal for its expected impact on international trade. For their part, environmental groups have accused the Commission of deliberately delaying the process, while noting that the proposal failed to endorse key components of the originally proposed strategy.

Termed REACH (Registration, Evaluation, Authorisation and Restrictions of Chemicals), the legislation, which is based on a White Paper adopted by the Commission in June 2001, would replace 40 different pieces of current legislation. Among the most fundamental changes are provisions that would shift the burden of proof for the safety of chemicals from public authorities to companies that produce, import and use

chemicals. The legislation would be administered by a new European Chemicals Agency. Direct and indirect costs for industry and society could amount to ca EUR 15-33 billion, while the occupational health benefits are estimated to reach EUR 18-54 billion over the next 30 years.

Registration and approval procedures would vary depending on the amount of chemicals manufactured or imported, and the level of risk. While about 80 percent of all chemicals would only need to be registered, authorisation would be required for substances of "very high concern," such as carcinogens, mutagens and reproductive toxicants, subject to a risk assessment. To obtain authorisation for a specific use, the applicant would have to show that the risk from the use was adequately controlled or that socio-economic benefits outweighed the risks.

Industry and US administration raise competitiveness and trade concerns

While supporting the European Commission's efforts to develop a new chemicals policy, European industry groups expressed serious concerns over the impact of the proposed regulations on the industry's competitiveness. The European Chemical Industry Council (CEFIC) criticised the proposal as too one-sided in concentrating on environmental and health protection. "There is more at stake than just the environment," CEFIC stressed. "The issue is sustainability, and thus specifically the jobs and prosperity of people in Europe". Strong criticism was also voiced by the US industry, which regards the proposal as excessive, bureaucratic and unnecessary.

The US administration also attacked the initiative as costly, burdensome and lacking a scientific basis, thereby echoing similar criticisms levelled at the EU's biotech policy. "This is a big game; it will dwarf the GMO [genetically modified organism] dispute," said William Lash, Assistant Secretary of Commerce for Market Access and Compliance. Both industry and government sources have alleged that the proposed legislation could unnecessarily restrict trade and be in violation of WTO rules. The US Secretary of State Colin Powell in a note sent to US embassies in Europe warned that the new system "could present obstacles to trade and innovation, possibly distorting global markets for thousands of products".

Civil society groups frustrated with delays and details

Environmental groups, including the European Environmental Bureau, Friends of the Earth, Greenpeace and WWF, expressed their frustration with the Commission's decision to extend the consultation

period from five to eight weeks, which meant that the proposal could not be brought before the European Parliament before the 2004 elections, and thus would be delayed by at least a year. They also highlighted the Commission's failure to endorse some key components of the regulation as set out in the White Paper, including an obligation on industry to stop using hazardous chemicals where alternatives were available, and the principle of public right to know.

In addition, the groups noted that the proposal failed to provide adequate protection from chemicals in imported products, as it only required importers to register chemical substances "if during normal use and disposal they are released in quantities of over 1 tonne [per article type] and may adversely affect human health or the environment". Such a requirement, they argued, would be difficult to verify and enforce, and would effectively place the burden of proof on the authorities rather than the importers. Despite these shortcomings, they recognised the potential for REACH to "set a new global standard for corporate environmental responsibility," according to Daryl Ditz of WWF-US.

Impact on developing countries

The proposal does not include any provisions targeted specifically at developing countries, such as technical assistance or extended compliance periods. According to the Commission, developing countries are mostly importers, not exporters of chemicals, and the benefits arising from the new policy would far outweigh the potential economic effort required by chemical companies located in developing countries. Regarding the authorisation of high concern substances, the requirements for a socio-economic assessment have been left largely undefined to allow analysis to be carried out on a range of levels (e.g. international, national, regional, local) and to address a wide variety of impacts (e.g. social, consumer, industry). Possible elements could include the impact on the industry in the importing country, one-off and operating costs (such as compliance or transitional arrangements) or the wider implications on trade, competition and economic development.

For further information on the EU's chemical policy, see <http://europa.eu.int/comm/enterprise/chemicals/chempo/whitepaper/whitepaper.htm>.

ICTSD reporting; "Europe Plan on Chemicals Seen as Threat to U.S. Exports," DOW JONES, 8 May 2003; "Chemical industry says new EU chemicals policy is unworkable," EDIE, 9 May 2003; "Delay and indecision as Prodi Commission fails to protect us from hazardous chemicals," EEB, FOI, GREENPEACE & WWF, 7 May 2003; "Press Statement," CEFIC, 6 May 2003; "WWF

sees global benefits in proposed EU chemical reforms," ENN, 7 May 2003.

IN BRIEF

US, SINGAPORE SIGN FTA; US-CHILE AGREEMENT BY YEAR-END

The US and Singapore signed a comprehensive bilateral free-trade agreement (FTA) on 6 May. While the US already has FTAs in place with Mexico, Canada, Israel and Jordan, the treaty is the first between the US and an Asian country. At the signing ceremony, US President Bush said "our two countries have a proud history of friendship and cooperation... we share a belief in the power of free enterprise and free trade to improve lives," and stressed mutual efforts to fight terrorism and Singapore's support for the US-led war on Iraq. Assistant US Trade Representative for Asia and the Pacific Ralph Ives described the agreement as state-of-the-art, and said it provides strong protection for intellectual property, as well as for environmental and labour protection. Under the FTA, all US exports to Singapore will face zero tariffs immediately, and tariffs on imports from Singapore will also be eliminated, with a small number to be phased out over the next eight years. A thorny issue in the negotiations -- restrictions on foreign capital flows -- was resolved through a compromise allowing Singapore to impose restrictions in a crisis (such as that experienced in Asia in the late 1990s). The new FTA still needs to be approved by the US Congress.

Meanwhile, Chilean Foreign Minister Soledad Alvear said, upon return from the Council of the Americas meeting at the end of April, that the US-Chile FTA "will be signed and approved," noting however that no date has been set. The US-Chile FTA had been expected to be completed a month before the US-Singapore FTA. This delay has been linked by observers to Chile's lack of support for the US-led war on Iraq. However, US Trade Representative Robert Zoellick said on 8 May that he expects the treaty will be signed by the end of 2003.

"US, S'pore sign free-trade pact," SINGAPORE BUSINESS TIMES, 7 May 2003; "Bush Signs Singapore Trade Pact," NEW YORK TIMES, 6 May 2003; "U.S., Singapore sign free-trade agreement," REUTERS, 6 May 2003; "USTR Zoellick: Still Sees US-Chile Deal Approval This Yr," DOW JONES, 8 May 2003; "US-Chile trade agreement on hold," MERCOPRESS NEWS AGENCY, 30 April 2003.

WTO MEMBERS DISCUSS TEXTILE QUOTA ELIMINATION

At a 5-6 May conference entitled "The Future of Textiles and Clothing after 2005" -- organised by the European Commission in Brussels -- some 800 government, business and civil society representatives met to discuss the implications of full integration of textiles and clothing into WTO rules, to be concluded by end-2004. Liberalising textiles trade, which is estimated to result in global benefits ranging between US\$ 6.5 and 324 billion, is widely seen as a tool to foster development by shifting production from industrialised countries to countries in the South.

Moroccan Trade Minister Rachid Talbi El Alami stated at the meeting that "production will be concentrated in Asia, and China and India will be the main beneficiaries". Others noted that producers in Canada, the EU and the US, as well as in relatively less competitive developing countries, fear they will lose market shares through the phasing out of textile quotas. Traditional Northern apparel importers have been demanding better market access to major developing country textile markets, which are partly protected by tariff peaks above 15 percent. For their part, some of those developing countries that have preferential access to lucrative Northern markets have been voicing concerns about the erosion of trade preferences. In his speech to the meeting, WTO Director-General Supachai Panitchpakdi recalled that the overall concept of trade liberalisation would inevitably lead to unequal distributions of gains to the advantage of those countries and regions which are comparatively more competitive.

Background

The textiles and clothing sector -- which is, in addition to agriculture, the main trading sector of interest to developing countries -- was the only sector completely exempted from WTO disciplines during the Uruguay Round. Instead, Members concluded the Agreement on Textiles and Clothing (ATC), under which textiles importers such as Canada, the EU, and the US were obliged to progressively integrate their textiles imports into WTO rules over a ten-year implementation period. As the provisions of the ATC have allowed textile importers to delay the elimination of most of their quotas for sensitive products until the last implementation phase, 80 percent of the quotas are yet to be abolished, which will take place by 1 January 2005. As of that date, all general WTO rules will fully apply to textiles and clothing. The textile tariffs, into which the quotas are gradually being converted ('tariffication'), are now subject to negotiation at the WTO Negotiating Group on Market Access under the

framework of the Doha Round. For many developing countries, the elimination of tariff peaks and tariff escalation represent priority issues in these negotiations. Some developing countries such as China and India, however, have been stressing the need for special and differential treatment (S&D) for developing countries in this regard.

ICTSD reporting; "Textiles: 70-nation gathering eyes impact of ending textile quotas; Chinese dominance debated;" WTO REPORTER, 7 May 2003; "Big bang' to untie clothes from quotas," IPS UN JOURNAL, 7 May 2003; "EU trade chief blasts India for textile trade barriers," DOW JONES, 6 May 2003; "The importance of quota elimination for the strengthening of the multilateral trading system," WTO NEWS RELEASE, 5 May 2003.

CSD AGREES WORK PROGRAMME FOCUSSED ON IMPLEMENTATION

During the eleventh session of the UN Commission on Sustainable Development (CSD), which took place from 28 April to 9 May in New York, delegates agreed the modalities and work programme for the next 12 years. They focussed in particular on the implementation of the commitments of the Johannesburg Plan of Implementation, which was the outcome of the World Summit on Sustainable Development (WSSD) held in August 2002. The meeting started unconventionally with a three-day Ministerial Segment, which set a positive political tone for the negotiations. On the issue of trade subsidies, countries including the UK and the US affirmed their adverse effects on poverty eradication efforts. Chair Valli Moosa stressed the positive efforts delegates made to ensure a successful meeting and thus strengthen the case for multilateral action and the role of the UN system in addressing global problems. UN Under-Secretary-General for Economic and Social Affairs Nitin Desai, who is leaving the UN, further highlighted the importance of the CSD as the only forum where smaller countries felt their concerns and interests were actually listened to and taken into account. CSD-11 will be followed by CSD-12 in April/May 2004.

Daily updates and a summary and analysis of the meeting can be found at: <http://www.iisd.ca/linkages/csd/csd11/>.

"Implementation of sustainable development by 2016," ABC NEWS, 12 May 2003; "Summary of the eleventh session of the commission on sustainable development," Earth Negotiations Bulletin Vol. 5 No. 193, 12 May 2003.

UK GOVERNMENT RESPONDS TO CIPR REPORT

The UK government has issued its reaction to the report of the UK Commission on Intellectual Property (see BRIDGES Trade BioRes, 26 September 2002, <http://www.ictsd.org/biores/02-09-26/story2.htm>), providing responses to the more than 50 CIPR recommendations. While stressing the "vital role" intellectual property rights (IPRs) can play for development, Secretary of State for International Development Clare Short and Secretary of State for Trade and Industry Patricia Hewitt echoed the Commission's view that an "intellectual property system cannot of itself ensure a country attains its developmental goals". They also agreed with the Commission that IPRs should be "tailored to take into account individual country's circumstances within the framework of international agreements such as the Agreement on Trade-Related aspects of Intellectual Property Rights (TRIPS)". The response acknowledged the importance of the flexibilities contained in Article 27.3(b) of the TRIPS Agreement for developing countries, including the option of sui generis systems that could take into account farmers' rights and restrict the application of patenting in biotechnology. At the same time, the response stressed the obligation under the TRIPS Agreement to "provide patents for inventions involving microbiological and non-biological processes, which would include genetic modification technology".

The response is available at http://www.iprcommission.org/papers/text/govt_responses/govt_response.htm.

ICTSD reporting.

WTO IN BRIEF

WTO GRANTS EU RETALIATORY POWER IN FSC CASE

On 7 May the WTO Dispute Settlement Body (DSB) authorised the EU to increase customs duties as a further step towards retaliatory sanctions against the US in the Foreign Sales Corporations (FSC) case. The EU had challenged the tax benefits through the FSC for major US exporting companies such as Boeing and Microsoft. A dispute settlement panel ruled the law illegal in 2001 and gave the EU the right to raise tariffs. The EU will now be able to impose countermeasures against the US, as it has the DSB authorisation and

also has notified the full list of products on which such countermeasures can be levied. The US\$ 4billion retaliation figure is a record high in WTO litigation.

Shortly after the DSB approval, EU Trade Commissioner Pascal Lamy was quoted as saying that the EU will "review the situation in the autumn," and if there is no sign that compliance is on the way at that time, it would start the legislative procedure for the adoption of countermeasures by 1 January 2004. The US said it is taking action to amend its legislation in this regard.

ICTSD reporting; "EU granted permission to apply US\$4 billion sanctions against US in FSC case but delays application," WTO NEWS RELEASE, 7 May 2003; "EU sets fall deadline in tax dispute with US," REUTERS, 7 May 2003.

SOFTWOOD LUMBER PANEL TO BE ESTABLISHED

On May 7, 2003, the Dispute Settlement Body approved the establishment of a panel on the United States – Investigation of the International Trade Commission in Softwood Lumber from Canada (WT/DS277, searchable at <http://docsonline.wto.org>). The request was the second one made by Canada in this regard, and the panel will be established despite objections from the US. The US had claimed that "objective facts had shown the threat of material injury for US industry" and Canada's claim therefore lacked merit. At the same meeting, the EC and Japan reserved their rights to participate as third parties in the dispute.

In this dispute, Canada challenges a decision by the US International Trade Commission allowing the application of anti-dumping and countervailing duties on Canadian softwood lumber. Canada asserts that the US is in violation of Article 3.1 of the WTO Anti-Dumping Agreement and Article 15.1 of the Subsidies and Countervailing Measures Agreement, by failing to base its threat of injury determination on positive evidence and by failing to conduct an objective examination of both the volumes of the dumped imports and the subsidised imports, and the effect of those imports on prices in the domestic market for like products, and the consequent impact of those imports on domestic producers of such products. The next step is the selection of individuals to serve on the panel, which has to be done within the next twenty days.

ICTSD reporting.

EVENTS & RESOURCES

EVENTS

For a more comprehensive list of events in trade and sustainable development, please refer to ICTSD's web calendar at: <http://www.ictsd.org/cal/index.htm>. If you would like to submit an event, please email events@ictsd.ch.

Coming Up: 15 - 21 May

12-16 May, Rome, Italy: 29TH FAO COMMITTEE MEETING ON WORLD FOOD SECURITY. The FAO Committee on World Food Security reviews and follows up on policies regarding world food security, including food production, sustainable use of natural resources for food security, nutrition, physical and economic access to food and other food security related aspects of poverty eradication, and the implications of food trade for world food security. For further information, contact: FAO Economic and Social Department, tel: +39-6-5705-4358; Internet: <http://www.fao.org/Unfao/bodies/cfs/cfs29/cfs2003-e.htm>.

12-17 May, Panama City, Panama: ITTC-34. The thirty-fourth session of the International Tropical Timber Council (ITTC-34) will. The First Preparatory Committee for the negotiations of the Successor Agreement to ITTA, 1994 will be held immediately following the session. For further information contact: Alastair Sarre, ITTO Secretariat, tel: +81- 45-223-1110; fax: +81-45-223-1111; e-mail: editor@itto.or.jp; Internet: <http://www.itto.or.jp>. For daily meeting coverage by IISD's Earth Negotiations Bulletin, visit: <http://www.iisd.ca/forestry/itto/ittc34/>.

12-24 May, New York, US: SECOND SESSION OF THE PERMANENT FORUM ON INDIGENOUS ISSUES: The second meeting of the Permanent Forum on Indigenous Issues will focus on "Indigenous Children and Youth". The meeting is organised by the UN High Commissioner for Human Rights. For further information, contact: Secretariat of the Permanent Forum, tel: +1-917-367-5100; e-mail: indigenouspermanentforum@un.org; Internet: <http://www.un.org/esa/socdev/pfii/pfii2.htm>.

14-15 May, Geneva, Switzerland: SECOND INTERNATIONAL FORUM ON TRADE FACILITATION - SHARING THE GAINS OF GLOBALISATION IN THE NEW SECURITY ENVIRONMENT. This forum, organised by the UN Economic Commission for Europe in cooperation with other international organisations dealing with trade facilitation, will focus on the need to

allow weaker participants in the global trading system to receive a fair share of the benefits of trade facilitation, and on new initiatives aimed at increasing security in the international trading system. The Forum will seek to define practical measures to progress trade facilitation in the new international environment, highlighting possible ways of constructing an equitable mechanism of facilitating trade allowing small and large countries and businesses to share the benefits. Parallel to the Forum, workshops on technical issues and intellectual property rights in trade facilitation will be organised. For further information, contact Forum Coordinator Mario Apostolov, tel: +41 22 9171134; fax: +41 22 9170034; e-mail: mario.apostolov@unece.org; Internet: <http://www.unece.org/trade/forums/forum03/index.htm>.

14-16 May, Washington, D.C.: GEF COUNCIL MEETING. The Global Environment Facility (GEF) annual council meeting will consider, inter alia, relations with environmental conventions, the operational programme for prevention and control of desertification and deforestation through sustainable land management, monitoring and evaluation, and the GEF's business plan. For further information contact the GEF Secretariat, tel: +1-202-473-0508; fax: +1-202-522-3240; e-mail: secretariatofgef@worldbank.org; Internet: http://gefweb.org/Whats_New/C.21.1_Provisional_Agen da.doc.

15-16 May, Brussels, Belgium: 28TH SESSION OF THE ACP-EC COUNCIL OF MINISTERS. For further information, contact: ACP Secretariat; tel: (32 2) 743-0600; fax: 735-5573; email: info@acpsec.org; Internet: <http://www.acpsec.org/>.

16-17 May, Washington D.C., US: MANAGING GLOBAL TRADE: THE WTO, TRADE REMEDIES AND DISPUTE SETTLEMENT. This program, sponsored by the Dartmouth-Tuck Forum on International Trade and Business, will include presentations and roundtable discussions justifying both positive and negative stances on trade remedies and the dispute settlement system. Some specific topics surrounding these issues that will be discussed include the treatment of services, the Safeguards Agreement anti-dumping actions, and injury determination. For further information please visit: <http://www.dartmouth.edu/~dirwin/DCconf.html>.

16-18 May, Geneva, Switzerland: PEOPLE'S HEALTH ASSEMBLY - HEALTH FOR ALL BY THE YEAR...?. The People's Health Movement is organising this meeting ahead of the WHO World Health Assembly (19-28 May). Sessions will focus on, inter alia, GATS and the privatisation of health care and the WTO Agreements and Public Health. For more information contact People's Health Movement, tel: +33 660 83 94 48; fax : +33 450 42 83 16; email: nance@aids-bells.org.

19-20 May, London, England: FOOD PRODUCTION AND THE NEW TRADE AGENDA. The Royal Institute for International Affairs, in association with the Institute for European Environmental Policy and the National Farmers' Union, is hosting a two-day conference to address questions related to food production, transportation, and sales. These issues are often subject to contradictory pressures in Doha Round of trade negotiations under the WTO and the EU Common Agricultural Policy (CAP). For further information, please contact: The Royal Institute of International Affairs; tel: +44 20 7957 5700; fax: +44 20 7957 5710; email: contact@riia.org; internet: <http://www.riia.org>.

20-21 May, Brussels, Belgium: CONFERENCE ON EU EMISSIONS TRADING AND THE EMERGING CLIMATE CHANGE REGIME. The first Centre for European Policy Studies (CEPS) Climate Change Conference will be held right before the European Parliament votes on the emissions trading directive and the Commission launches its proposal for the directive on project mechanisms. For further information contact Isabelle Tenaerts, tel: +32 2 229 3956; email: ITenaerts@ceps.be; Internet: <http://www.euconferences.com/index2.htm>.

21 May, Washington, D.C.: DISCUSSION ON CIVIL SOCIETY AND THE MIAMI FTAA MINISTERIAL. This public discussion, organised by the Carnegie Endowment for International Peace (CEIP), the North-South Center at the University of Miami and partners, will be held from 4:00-6:00 p.m. at the CIEP. Participants will address the many social issues -- such as environment, labour, investment, democracy, human rights, capacity building, security, migration, corruption, institutional reform, among others -- related to Western Hemisphere trade integration. To confirm attendance contact Vanessa Ulmer, tel: +1 202-939-2378; email: vulmer@ceip.org.

WTO Events

An updated list of forthcoming WTO meetings is posted at: http://www.wto.org/english/news_e/meets.pdf. 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.

15-16 May, Geneva, Switzerland: WTO GENERAL COUNCIL.

15 May, Geneva, Switzerland: WTO WORKING PARTY ON DOMESTIC REGULATION.

16 May, Geneva, Switzerland: WTO COMMITTEE ON TRADE IN FINANCIAL SERVICES.

16 May, Geneva, Switzerland: WTO DEDICATED DISCUSSION ON E-COMMERCE UNDER THE AUSPICES OF THE GENERAL COUNCIL.

16 May, Geneva, Switzerland: WTO INTEGRATED FRAMEWORK STEERING COMMITTEE.

19 May, Geneva, Switzerland: WTO DISPUTE SETTLEMENT BODY.

19 & 22 May, Geneva, Switzerland: WTO SPECIAL SESSION OF THE COUNCIL FOR TRADE IN SERVICES.

20, 21 & 23 May, Geneva, Switzerland: WTO SPECIAL SESSION OF THE DISPUTE SETTLEMENT BODY.

20-21 May, Geneva, Switzerland: WTO TEXTILES MONITORING BODY.

20 May, Geneva, Switzerland: WTO WORKING PARTY ON THE ACCESSION OF ALGERIA.

21 May, Geneva, Switzerland: WTO SUB-COMMITTEE ON LEAST-DEVELOPED COUNTRIES.

Other Forthcoming Events

22-24 May, Copenhagen, Denmark: NGO MEETING ON TRADE AND DEVELOPMENT. The Danish 92 Group is organising this meeting for NGO representatives and lobbyists in advance of the Danish high-level meeting on trade and development. The aim of the NGO meeting is to present different initiatives and options to reform the WTO and to develop common positions before the Fifth WTO Ministerial Meeting in Cancun. The meeting will also be a space and opportunity for NGO's to make their voices heard at the high-level meeting and will aim to produce a statement as an input to be presented at the official meeting. The NGO meeting will be structured around the following themes: agriculture; trade and development; policy space; and reform and democracy. For more information contact John Nordbo, tel: +45 39 17 40 32; fax: +45 39 17 41 41; e-mail: jno@dn.dk.

27 May, Copenhagen, Denmark: MAKING TRADE WORK FOR PEOPLE - A HIGH-LEVEL MEETING FOR KEY DECISION MAKERS ON TRADE AND DEVELOPMENT. The Danish Government is hosting a high-level meeting in order to move the dialogue on trade and development further. Key decision makers from countries and international organisations associated with the Integrated Framework for trade-related assistance to LDCs will be in attendance.

Invitees include ministers responsible for development co-operation and international trade from developed countries and from least developed countries, the EU Commissioners for trade and development as well as heads of international organisations -- all associated with the Integrated Framework. For further information visit:

<http://www.um.dk/udenrigspolitik/handel&udvikling/english/>.

2-5 June, Brussels, Belgium: EUROPEAN GREEN WEEK CONFERENCE. The European Commission's Environment Directorate-General is sponsoring a "Green Week" conference aimed at bringing together local, regional and national decision-makers, as well as environmental stakeholders including companies, industry associations and non-governmental organisations. Key environmental issues to be discussed include sustainable consumption and production, renewable energy, climate change and water. For further information, contact: EC/EDG; fax: +32-2-29-69560; e-mail: mailto:env-greenweek@cec.eu.int; Internet: http://europa.eu.int/comm/environment/greenweek/index_en.htm.

12 June, Washington, D.C.: TESTIMONY OF AMERICA'S WORKING POOR AND FARMERS. The America Needs Human Rights campaign of Food First/The Institute for Food and Development Policy in collaboration with Rep. Dennis Kucinich (D-OH) will host a briefing on the impact of free trade agreements on the working poor in America. Those directly afflicted will testify before representatives, policymakers, and the media on how free trade policies have negatively impacted their livelihoods, health and human rights. Voices traditionally left out of the public debate on trade -- maquiladora workers, migrant farm-workers, displaced workers, and family farmers -- will collectively voice their experiences under free trade. For further information contact Christine Ahn, tel: +1 510 654-4400 ext. 235; email: cahn@foodfirst.org.

23-25 June, Washington, D.C.: 10TH REGULAR SESSION OF THE COUNCIL OF THE NAFTA COMMISSION ON ENVIRONMENTAL COOPERATION. The CEC will examine opportunities and challenges with regard to enhancing North America's environmental cooperation. It will also identify priorities for 2004 and beyond. Members of the public are invited to attend. For further information contact Daniel Brevé, tel: +1-514-350-4368; fax: +1-514-350-4345; e-mail: dbreve@cceintl.org; Internet: <http://www.cec.org/news/details/index.cfm?varlan=english&ID=2528>.

23-25 June, Sacramento, C.A., US: CONFERENCE ON AGRICULTURAL SCIENCE AND TECHNOLOGY. The

US Department of Agriculture, USAID, and the US State Department are hosting a summit prior to the September meeting of the full WTO in Cancun, Mexico. Invited to this pre-Cancun summit are the ministers of trade, agriculture, and environment from 180 nations. An "Expo On Agricultural Science & Technology" will run concurrently to showcase transnational agribusiness and biotechnology corporations. For further information visit: <http://www.usda.gov/news/releases/2002/12/0497.htm>.

4-6 September, Geneva, Switzerland: CONGRESS ON SUSTAINABLE MANAGEMENT IN ACTION. Organised by the University Center of Geneva for Human Ecology and Environmental Sciences, this congress will present concepts, strategies, practical tools, technological innovations in sustainable management, as well as results, outstanding examples and future development. There will also be workshops on themes such as sustainable mobility, environmental management systems and sustainable financing. To submit abstracts and for more information, contact Beat Burgenmeier, email: Beat.Burgenmeier@ses.unige.ch; Internet: <http://www.smia03.org>.

RESOURCES

RANKING THE RICH. Foreign Policy/Center for Global Development (May 2003). Political leaders in the world's wealthy nations routinely pledge to help end world poverty. But what are the richest governments really doing to assist the global poor? In a new ranking, Foreign Policy and the Center for Global Development have created the first annual Commitment to Development Index, which grades 21 rich nations on whether their aid, trade, migration, investment, peacekeeping, and environmental policies help or hurt poor nations. For more information visit: <http://www.foreignpolicy.com/story/story.php?storyID=13656>.

INVESTMENTWATCH WEBSITE. This new website is designed to be a central resource for NGOs, trade unions, civil society groups working against the launch of investment negotiations in the WTO. It serves to provide news, information and resources, and as a hub for critical voices. It will also have a restricted zone for sensitive information sharing. The website is continually evolving, and the webmaster welcomes information for inclusion. To access the website go to: <http://www.investmentwatch.org>.

UNWANTED, UNPRODUCTIVE AND UNBALANCED: SIX ARGUMENTS AGAINST AN INVESTMENT AGREEMENT AT THE WTO. May 2003. This paper is a response from UK development organisations to some specific arguments put forward in support of a

multilateral investment agreement (MIA) at the WTO. It challenges some particular claims put forward by proponents of an MIA. The paper demonstrates that -- despite the EU's attempt to repackage it as an 'Investment for Development Framework' (IDF) -- such an agreement would be against the interests of developing country members of the WTO. The six arguments are: an MIA would not increase FDI flows to the poorest countries; non-discrimination is not a successful development strategy; GATS-style flexibility is a myth; an MIA at the WTO would not be a balanced agreement; an MIA would not see the end of bilateral investment treaties; and a new set of complex negotiations might break the Doha camel's back. To access the paper visit: <http://www.investmentwatch.org/files/UKJointNGO.pdf>.

EVALUATING ENVIRONMENTAL ISSUES IN THE US-SINGAPORE FREE TRADE AGREEMENT. By John Audley, Carnegie Endowment for International Peace (May 2003). This issue brief provides an overview of the environmental aspects of the US-Singapore FTA and gives recommendations to the US Congress for its review. The author lists key environment-related directives given by Congress for trade negotiations and assesses how they fared in the new agreement. Audley raises specific concerns and gives a list of next steps for Congress. He concludes by questioning the level of secrecy that Congress allows the USTR when negotiating trade agreements. To access the report visit: <http://www.ceip.org/trade>.

CANADIAN INITIAL ENVIRONMENTAL ASSESSMENT OF THE FTAA NEGOTIATIONS. 5 May 2003. The Government of Canada has released its Initial Environmental Assessment of the Free Trade Area of the Americas (FTAA) Negotiations. This is the first of three reports that will be prepared for the Strategic Environmental Assessment, which seeks to help negotiators to better integrate environmental considerations into the negotiating process. The first report suggests that, in the aggregate, the environmental impacts on Canada are likely to be minimal. Any potential environmental impacts will be further analysed in the second and third reports. The Government of Canada welcomes comments on this report, as well as comments on anticipated economic, environmental and policy-making impacts on Canada as a result of the FTAA negotiations. To access the report visit: <http://www.dfait-maeci.gc.ca/tna-nac/consult1-en.asp#ea2>.

CONFRONTING GLOBALISATION: ECONOMIC INTEGRATION AND POPULAR RESISTANCE IN MEXICO. Edited by Timothy Wise, Hilda Salazar, and Laura Carlsen (Kumarian Press, March 2003). The product of a three-year collaborative research project, *Confronting Globalisation* presents nine case studies of

Mexican communities directly affected by NAFTA and economic integration. It offers a window into how the globalisation process is affecting people's lives and how those people are defending their livelihoods, cultures, and environments while promoting their own homegrown alternatives. It draws implications of these experiences for future trade agreements. For information, a table of contents, and ordering information, see: http://www.ase.tufts.edu/gdae/policy_research/ConfrontingGlobalizationContents.htm.

LOOKING BEHIND THE CURTAIN: THE GROWTH OF TRADE BARRIERS THAT IGNORE SOUND SCIENCE. US National Foreign Trade Council (May 2003). This paper by the NFTC provides input to the debate on whether national standards and technical regulations are used to hamper free trade. The authors outline an increase in trade barriers, which they claim ignore sound science. Using examples ranging from beef to computers, the NFTC paper argues that a deliberate strategy to invoke the need for 'precaution' in order to protect ailing or lagging industries and block market access has been put in place. To access the paper visit: <http://www.nftc.org/newsflash/newsflash.asp?Mode=View&articleid=1630&Category=International%5FTrade%5FInvestment>.

DYNAMICS OF AGRICULTURE COMPETITIVENESS: POLICY LESSONS FROM ABROAD. US Department of Agriculture, Economic Research Service (April 2003). This paper examines the issue of competitiveness of a nation's products in international markets. The authors note that it is rooted in the relative abundance (and quality) of resources available to that nation. However, recent experience in South America, the Former Soviet Union, and China also highlight the importance of policies, institutions, and even cultural values. To access the paper, visit: <http://www.ers.usda.gov/Amberwaves/April03/Features/DynamicsofAg.htm>.

ANALYSING THE EU RHETORIC ON DOHA NEGOTIATIONS. By Jennifer Cyr, International Coalition for Development Action (April 2003). The goal of this paper is to report on the DG Trade position on the Doha Round negotiations as reported to civil society at three DG Trade/Civil Society Dialogue meetings held thus far in 2003. The paper has been divided into the different issues discussed at the three meetings, including SDT, the environment, the so-called Singapore issues, TRIPs, GATS, agriculture, CAP reform, non-agriculture market access, SIAs, and mini-ministerials. After these 10 sections, there is a brief analysis of civil society involvement. The paper is informal in nature. To access the paper, visit:

http://www.icda.be/eu_ngo/doharound/lamyanalysis.htm.

EUROPE'S ENVIRONMENT: THE THIRD ASSESSMENT. European Environment Agency (May 2003). This is the third pan-European state of the environment report produced by the EEA. It was prepared for the 'Environment for Europe' Ministerial Conference being held under the auspices of the UN Economic Commission for Europe in Kiev, Ukraine on 21-23 May 2003. This assessment is the most comprehensive up-to-date overview currently available of the state of the environment on this continent. In contrast to previous reports issued in 1995 and 1998, it covers for the first time the entire Russian Federation and the 11 other Eastern European, Caucasus and Central Asian (EECCA) states. The report also analyses how the main economic driving forces put pressure on the European environment and identifies key areas where further action is needed. To access the report visit: http://reports.eea.eu.int/environmental_assessment_report_2003_10.

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