LEAD STORIES
Argentine Import Policies Face EU Challenge at WTO

The EU has lodged a formal complaint at the WTO regarding Argentina’s import policies, the European Commission announced on Friday 25 May. The complaint comes after weeks of increasingly heated rhetoric between the two sides over a range of commercial issues, most recently regarding the South American country’s import restrictions and its controversial expropriation of Spanish-owned oil company Repsol YPF.

EU cites import delays, “non-transparent” processes

“Argentina’s import restrictions violate international trade rules and must be removed,” EU Trade Commissioner Karel De Gucht said on Friday. “These measures are causing very real damage to EU companies – hurting jobs and our economy as a whole.”

Back in January, Buenos Aires announced that it would be requiring importers to file online affidavits and wait for government approval before importing. The requirement, known as the “Declaración Jurada Anticipada de Importación,” entered into force on 1 February and received a wary response from Argentina’s trading partners, along with domestic industry groups. (See Bridges Weekly, 18 January 2012)

Many imports entering Argentina also require an import license, a rule that the EU claims is causing imports to be “systematically delayed or refused on non-transparent grounds.” Brussels further alleges that more than 600 product types have been affected by the license regime, including electrical machinery, auto parts, and chemical products.
While import licenses are permitted under WTO rules, they must be approved automatically; any non-automatic import licenses must comply with specific WTO requirements, including that they be issued within 60 days.

Also at issue in the WTO complaint is Buenos Aires' controversial requirement that Argentina importers must balance imports with exports, increase local content of the products they manufacture in Argentina, or refrain from transferring revenues abroad – rules that the EU says are “systematic, non-written, and non-transparent.”

“I strongly urge Argentina to see sense and use this opportunity to sit down with us and find an acceptable solution. Failing that, a WTO panel will rule on the legality – or perhaps I should say illegality – of Argentina's trade restrictive measures,” De Gucht said at a press conference on Friday.

Argentina’s import policies have come under fire by a number of WTO members in recent months, 14 of which jointly criticised Buenos Aires at a meeting of the WTO Council for Trade in Goods in March. (See Bridges Weekly, 4 April 2012) The group – which included the US, EU, and Japan – dubbed Buenos Aires’ measures as “unbefitting any WTO member, particularly a member of the G-20 who has committed to refrain from raising new barriers to trade and investment,” a charge that Argentina sharply refuted at the time.

The import policies have widely been seen as part of Buenos Aires’ efforts to combat a falling trade surplus, with Argentina’s overall trade balance dropping by 13 percent to US$10 billion during the first 11 months of 2011.

“It is very clear to us that the government is applying a policy of administering foreign trade to seek to maintain a trade surplus and to stimulate substitution of imports with domestic production,” Diego Pérez Santisteban, head of the Argentine Chamber of Importers, told the Financial Times when the February policy was announced.

The EU’s goods exports to Argentina amounted to 8.3 billion euros in 2011; meanwhile, the EU imported 10.7 billion euros worth of Argentine goods in the same year.

**Repsol YPF seizure a symptom of a broader protectionist problem, De Gucht says**

Earlier this year, Buenos Aires made headlines when President Cristina Fernández de Kirchner announced her plan to nationalise the Argentine-based operations of Spanish-owned oil company SRepsol YPF. (See Bridges Weekly, 18 April 2012) The decision – which Kirchner justified as necessary due to the Spanish company allegedly not investing enough in new oil production, in turn causing Argentina to have to import more oil – was quickly enacted into law, raising questions about the investment climate in the South American country.

The EU complaint at the WTO does not address the Repsol YPF seizure, as investment protection pledges are not included in WTO rules; however, EU officials have stressed that the expropriation is part of a wider protectionist trend.

“Argentina has had restrictive trade measures in place, in some form or another, since 2005,” De Gucht told reporters. “The recent expropriation of Repsol is clear proof of that.”

“It was perhaps the most visible protectionist action by Argentina making headlines across the world, but dig a little bit deeper and you’ll find that Argentina’s trade policy has become rooted in unfair trade practices,” the EU trade chief continued.

**Buenos Aires: Developed country policies “transferring the crisis” to developing economies**

Argentina, for its part, has defended its policies, arguing that certain measures being taken by developed countries have had adverse impacts of their own on the competitiveness of both Buenos Aires and other developing economies.

Along these lines, Argentine Foreign Minister Héctor Timerman, speaking at the Organisation for Economic Co-operation and Development’s (OECD) annual ministerial meeting in Paris last
week, sharply rebuked the EU and other developed economies for their own trade policies.

“Developing countries are being put under unjustified pressure to revise their legitimate trade policies that are being implemented in line with their multilateral obligations,” he said. “Unfortunately, this criticism neglects to recognise the extraordinary contribution toward global growth and demand made by emerging economies during these difficult economic times.”

Furthermore, he claimed, Argentina is one of the G-20 countries that most increased its imports last year, while facing allegedly high tariffs when trying to export its own products to the EU, US, or Japan, among other developed economies.

“It is unacceptable that, by media or political pressures, developing countries have to receive those surpluses of production from the leading economies, in effect transferring to [developing countries] their own crisis,” the Argentine official said.

“It’s as if there was a legal form of protectionism, the one that developed countries engage in, and a populist one when it involves emerging economies,” President Kirchner told an audience in San Carlos de Bariloche on Friday, echoing Timerman’s comments. “[Protectionism] is also being confused with the concept of patriotism and defense of our own interests.”

Next steps

The request for consultations is the first stage in the WTO dispute settlement process. Should the parties to the dispute be unable to reach a resolution following 60 days of talks, the EU will have the right to ask that the global trade arbiter establish a panel to hear the complaint.


OTHER NEWS

China-US Sparring over Renewable Energy Intensifies

US government support for six renewable energy programmes is inconsistent with WTO rules, China’s Ministry of Commerce (MOFCOM) claimed in an announcement on Thursday 24 May, referring to the outcome of an internal investigation. The allegation marks the latest salvo in an ongoing row between the US and China over their respective renewable energy support policies.

Beijing had launched an investigation into Washington's renewable energy policies last November, focusing on wind, solar, and hydro energy technology products. (See Bridges Weekly, 30 November 2011). The preliminary conclusions announced on Thursday deemed that US government support for the six programmes – based in five US states – violates the WTO Agreement on Subsidies and Countervailing Measures (SCM Agreement) by providing prohibited subsidies to US producers, and are a breach of the US’ national treatment obligations under the General Agreement on Tariffs and Trade (GATT).

The investigation was conducted under China’s Foreign Trade Barriers Investigation Rules – the counterpart of the US 301 section – that allow industry to petition for an investigation, or for MOFCOM to independently evaluate, whether foreign trade barriers violate a trade agreement that China is a signatory of. If MOFCOM determines that there is indeed a violation, it may seek to solve the issue either through bilateral negotiations or the WTO’s dispute settlement system. However, the outcome may not trigger countervailing duties.

Whether Beijing will bring the issue to the WTO has not yet been announced.

US solar panel duties in the background

The announcement is expected to ramp up tensions between the two trading partners on
renewable energy, which were already running high following the US Commerce Department’s 17 May announcement that it would be imposing duties to counter alleged dumping of Chinese-made solar panels. (See Bridges Weekly, 23 May 2012).

Back in March, Commerce had also made a preliminary determination that Chinese solar panel producers were allegedly receiving unfair government support, and announced countervailing duties as a response. (See Bridges Weekly, 21 March 2012)

In both cases, the US agency’s decisions were lambasted by Chinese officials and solar panel producers. “We hope the US government can abandon its short-sighted view, rationally judge the current situation of the development of new energy, and reconsider its decision on imposing duties on China’s solar panel imports to avoid further trade tensions,” Wang Yuehai, executive secretary-general of the China New Energy Chamber of Commerce, told Chinese newspaper The Global Times.

However, some have cautioned against portraying the recent disagreements between the US and China as a precursor to a trade war. “As Chinese trade with the rest of the world grows, there is a normal statistical proportion of trade frictions, and we believe that the frictions can be handled peacefully,” WTO Director-General Pascal Lamy commented to China Daily on Tuesday.

Final determinations by the US agency on both the anti-dumping and countervailing duties are expected later this year.

**China: US countervailing measures ‘inconsistent’ with WTO rules**

On the WTO front, Beijing announced on 25 May that it would be launching dispute settlement proceedings against Washington regarding 22 countervailing measures being applied to Chinese imports, including the duties that the US Department of Commerce recently announced for solar panels. Beijing argues that the countervailing duties, affecting US$7.3 billion of Chinese exports to the US, violate WTO law.

“The relevant practices constitute the abuse of trade remedy measures which undermines the legitimate interests of China’s enterprises,” the Chinese mission to the WTO said in an e-mailed statement. “In the most recent [countervailing duty] investigation on solar cells, the United States has repeated its wrongful practice.”

China specifically points to a 2011 Appellate Body ruling (DS379) that had found fault with the US’ approach to anti-dumping and countervailing duty investigations for Chinese products. (See Bridges Weekly, 16 March 2011) Among other findings, the WTO had criticised the US’ approach towards certain state-owned enterprises and Washington’s practice of accepting “double remedies”— where both anti-dumping and countervailing duties are applied to remedy the same government support.

The US Department of Commerce, in imposing these 22 countervailing duties, did not adjust “to avoid the potential double remedy and thus breached its obligation under the Agreement on Subsidy and Countervailing Measures,” China claimed in last week’s statement.

The issue of double remedies has also come up recently in relation to a US law that was enacted in March to preserve the US Commerce Department’s ability to impose countervailing duties on imports from non-market economies (NMEs). Congress and the White House pushed through with the law after the US Court of International Trade had denied this possibility in 2011, pointing to the danger of double remedies. (See Bridges Weekly, 7 March 2012)

A spokeswoman for the Office of the US Trade Representative, Nkenge Harmon, told news agencies that Washington is studying the complaint and will respond in line with WTO rules.

China’s formal request for consultations was not available as Bridges went to press on Wednesday evening.

Trade Facilitation, LDC Accession Dominate Agenda at Paris Trade Ministers’ Meet

With the overall Doha Round talks still at an impasse, approximately 20 trade ministers meeting on the sidelines of the Organisation for Economic Co-operation and Development’s (OECD) Ministerial Council Meeting discussed the potential of soon finalising an agreement on trade facilitation and updated guidelines on WTO accession for the poorest countries. However, obstacles in both areas still remain, as some officials acknowledged privately.

Other topics addressed at the 23 May trade ministers’ gathering in Paris included the potential expansion of the Information Technology Agreement (ITA) and the possibility of a services plurilateral pact.

Trade facilitation

Given the absence of progress in the Doha talks, WTO members were directed at last December’s ministerial conference to examine those negotiating areas where agreement might be reached. In recent months, an idea that has appeared to gain traction amongst some members is the possibility of concluding an agreement on trade facilitation, which deals with issues such as customs and border measures.

“There was a high level of agreement that this must be a priority, that we must continue to remove the disputed areas in the text and not bind that up in negotiations in other areas, whether they be in agriculture or whether they be in industrial tariffs or the other elements of the Doha agenda, consistent with the [ministerial] decision that we would break those linkages,” Australian Trade Minister Craig Emerson commented after last week’s meeting.

However, emerging economies such as India and Brazil have repeatedly argued against de-linking trade facilitation from other aspects of the Doha Round, an argument that was again raised at the Paris gathering, sources told Bridges.

Along with the discussions on whether trade facilitation can truly be a “self-balancing pillar” within the overall Doha Round context, ministers in Paris also addressed whether balance is indeed possible within the actual trade facilitation talks themselves. For instance, many developing countries, particularly least developed countries (LDCs), have traditionally argued that commitments must be matched with resources – a concern that was reiterated during last week’s discussion.

LDC accession

Guidelines for LDC accession to the WTO were established in 2002, urging members to exercise restraint in the demands made of LDCs during the accession negotiations. However, least developed countries have long complained that their trading partners routinely ask them to take on accession commitments beyond what they are capable of, as seen in the cases of the five most recent LDCs to accede. These commitments, they argue, were also well beyond those that were required from LDCs that had previously joined the global trade body.

At last December’s ministerial conference, members committed to developing market opening benchmarks for acceding LDCs by July 2012 in order to remove some of these difficulties – a goal that trade ministers meeting in Paris last week generally reaffirmed.

“The discussion [in Paris] did lead to I think a high level of agreement that we would do everything possible to conclude the negotiations on the LDC accession package before the summer break,” Emerson told reporters after the 23 May trade ministers’ gathering.

“It’s not a part of our Doha mandate, but it is an area where we can demonstrate that we can come together and do something we haven’t done, frankly, [in] the last ten years,” US Trade Representative Ron Kirk commented.

The LDC accession guidelines have been under discussion in the WTO’s LDC Sub-Committee
since January. Sources note that the group is hoping to have an outcome ready in time for the next sub-committee meeting in June, which could then be brought to the General Council – the WTO’s highest decision-making body outside of the ministerial conference – in late July.

Discussions in Geneva on revising the guidelines have touched on the areas of market access negotiations, process, WTO rules, technical assistance, and capacity-building, one developing country official familiar with the talks told Bridges. The main work, however, is in the market access negotiations area, where the group is working particularly on developing benchmarks in goods. While discussions have also taken place on benchmarks for services, sources note that these talks are less advanced.

Although the discussions in Geneva regarding goods benchmarks are said to be far along, the focus is now on determining the level of binding coverage – in other words, how many tariff lines acceding LDCs will have to bind upon joining the WTO – and average bound rates (i.e. the average maximum tariff rate agreed to by each WTO member), and the implicit trade-off between the two.

Members involved in the discussions have been weighing whether to bind more tariff lines, and in exchange allow LDCs a higher average bound rate – in essence providing some tariff flexibility for acceding LDCs in exchange for the certainty provided by high binding coverage – or whether to allow LDCs to exclude more tariff lines from binding caps, while giving them less flexibility in the lines that are bound. These issues, sources commented to Bridges, have proven to be difficult in the negotiating process.

While some developed country members have reportedly been pushing for high binding coverage for the sake of ensuring predictability in the trading system, this has met with resistance from some developing countries.

“The objective [of the MC8 decision] was not to legitimise the status quo, but to facilitate the accession of LDCs by lessening the burden being imposed on them in bilateral negotiations,” one developing country delegate commented. There needs to be a “real negotiation on the figures [for binding coverage and average bound rates],” the official continued, in order to “change what the acceding countries have suffered [in the past].”

“We’ll have to try. This is the time to strike the negotiating deal,” another developing country official familiar with the talks commented. “We just don’t want to accept anything if it really doesn’t add anything. Otherwise we could just stick to the 2002 guidelines.”

ICTSD reporting.

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**Members Move Forward on IP-Heavy Agenda at World Health Assembly**

The relationship between intellectual property, innovation, and public health took centre stage during the annual World Health Assembly last week, with members reaching agreement on a wide range of issues, including research and development (R&D) for diseases that affect poor countries, counterfeit medicines, pandemic influenza preparedness, and a plan for access to vaccines.

The World Health Assembly – which met from 21-26 May in Geneva – is the WHO’s top decision-making body, tasked with supervising financial policies, reviewing programmatic goals, and determining organisational practices.

“During difficult times for the world at large, public health continues to move ahead with ever more ambitious goals, building on clear and measurable achievements,” WHO Director-General Margaret Chan said at the close of the meeting. “Once again, that famous ‘spirit of Geneva’ prevailed.”

**Rocky road ahead for R&D for poor country diseases**

One of the most contentious issues during the meeting involved a binding convention on R&D to address diseases that disproportionately affect developing countries, which had been recommended by the WHO’s Consultative Expert
Working Group on Research and Development: Financing and Coordination (CEWG).

The CEWG, which was established by the WHA in 2010 in the context of the implementation of the Global Strategy and Plan of Action on Public Health, Innovation, and Intellectual Property (GSPA-PHI), was given the mandate of examining options and proposals for current and proposed financing of R&D focused on diseases that disproportionately impact poor countries, along with diseases that occur in both developed and developing countries.

At the weeklong gathering, many civil society organisations and health groups blamed the US and the EU for allegedly blocking “a process that has been ten years in the making and has broad support from developing countries.”

Washington cannot support the call for a binding convention, Nils Daulaire, director of the Office of Global Health Affairs for the United States Department of Health and Human Services, told the Assembly, even though the US recognises “that market forces are not sufficient to bring adequate attention to this vital area, and that IP protections are unlikely to be a major contributor to progress in R&D for neglected diseases of the poor.”

He noted that several member states are not ready to commit the financing – 0.1 percent of their respective GDPs – that would be required under such a binding instrument, adding that the US is unable to back any proposal “that would put in place a new financing mechanism that could be characterised as a globally-collected tax.”

Médecins Sans Frontières (MSF) said they were particularly alarmed by this response, since the US already meets the level of financial contributions toward medical R&D that the report recommends.

“It’s high time that all countries move towards a sustainable solution to fix the market failure of the current R&D model and meet the needs of the majority of people on the planet. Developed countries must stop blocking progress,” Michelle Childs, Director of Policy and Advocacy at MSF’s Access Campaign, said.

Though members could not reach consensus regarding the call for a binding convention, they agreed to hold regional and national consultations, as well as an “open-ended Member States meeting,” to analyse the entire CEWG report and the feasibility of its recommendations.

New mechanism for counterfeit medicines approved

Members also adopted a decision to establish a new mechanism that aims “to protect public health and promote access to affordable, safe, efficacious and quality medical products, [and] promote … the prevention and control of substandard/spurious/falsely-labelled/falsified/counterfeit medical products and associated activities.”

The decision reiterates that the mechanism – which will be reviewed after three years of operation – will be guided from a “public health perspective, excluding trade and intellectual property considerations.” Member states are urged to participate in and collaborate with the mechanism on a voluntary basis and provide sufficient financial resources for its operationalisation.

The International Federation of Pharmaceutical Manufacturers and Associations, for its part, supported the decision, calling fake medicines “a crime against patients.”

“It is only right that we should expect the global health community to tackle it with the same vigour as any other health threat,” they added.

With the adoption of the mechanism, some member states and civil society organisations questioned the need for the WHO to maintain its relationship with the International Medical Products Anti-Counterfeiting Taskforce (IMPACT) – a controversial partnership supported by the pharmaceutical industry that has created unease among civil society groups due to its involvement with intellectual property rights (IPRs) enforcement.

Brazil, for instance, noted that it was imperative that the mechanism address these issues from a
transparent “public health perspective,” given that “the activities carried out by IMPACT and the attempts to redefine the term ‘counterfeit’ – already defined in the [WTO’s Agreement on Trade-Related Aspects of Intellectual Property Rights] – were examples of the lack of clarity between intellectual property aspects and public health collective interests within WHO.”

“With the establishment of this mechanism, it is time to dissociate WHO from IMPACT,” said a representative speaking on behalf of CMC Churches Action for Health, Third World Network and People’s Health Movement.

The mechanism will meet for the first time in Buenos Aires, Argentina on 19 November.

**Vaccine plan moves forward**

Another initiative that saw widespread support was a Global Vaccine Action Plan in line with the “Decade of Vaccines,” a two-year old initiative by the Bill and Melinda Gates Foundation “to help research, develop, and deliver vaccines for the world’s poorest countries.”

The six guiding principles of the plan are: country ownership, shared responsibility and partnership, equity, integration, sustainability, and innovation.

In discussing the initiative, some members pointed to the importance of addressing the high cost of vaccines and the lack of access to generic versions. One section in the plan notes that “innovative pricing and procurement mechanisms are needed to alleviate funding pressure and to support the development and scale-up of new and existing vaccines.”

In this regard, Thailand suggested that promoting affordability through “a range of incentive mechanisms to de-link the R&D cost and the vaccine price” also be addressed under this section.

**Next steps for Pandemic Influenza Preparedness**

Discussions over the Pandemic Influenza Preparedness (PIP) Framework centred on a report by the framework’s advisory group, which includes recommendations on how to allocate partnership contributions. The PIP is a unified mechanism for the sharing of pandemic influenza viruses in the case of a pandemic and was agreed upon last May (See Bridges Weekly, 4 May 2011).

Members agreed to allocate 70 percent of resources for preparedness and 30 percent for response, numbers that are subject to change at the Director General’s discretion in the event of a pandemic.

In a statement, Health Action International, Berne Declaration, the Third World Network, and the People’s Health Movement said that it is disappointing that benefit-sharing agreements have not been signed, even though WHO has been exchanging biological materials with entities outside the PIP’s network.

“A specific expectation of the Framework was that recipients of biological materials will engage in benefit sharing by contributing financially as well as by sharing other benefits,” the NGOs said. “We hope that this shortcoming can be rectified immediately.”


**Bonn Climate Talks Yield Marginal Progress**

After two weeks of backpedalling, quarrelling, and stonewalling on some issues and constructive negotiating on others, parties attending the UNFCCC’s mid-year negotiating session in Bonn, Germany managed to move marginally forward from their last gathering in Durban, South Africa. While many green groups and media reports have panned the meeting as a disappointment, insiders say the sluggish progress was expected, given the
hesitation with which parties agreed to the so-called “Durban Platform” in December (see Bridges Durban Update, 12 December 2011).

Concerns over pace of the talks cannot be dismissed, however, considering the schedule negotiators have established for themselves. In December, parties agreed to finalise the plans for the Durban Platform – which will produce a new global climate deal involving all nations – by end-2015. The new climate pact, which will ultimately succeed the troubled Kyoto Protocol, is targeted to be implemented by 2020.

Given that the Kyoto Protocol took five years to negotiate, the 2015 deadline for finalising a post-2020 treaty is clearly ambitious. Moreover, negotiations will undoubtedly be difficult, considering the fact that all parties – not just Annex I (developed) countries, as in Kyoto – are expected to shoulder some of the burden of responsibility under the new deal.

These difficulties became apparent in Bonn, with many observers and participants blaming a sense of mistrust – primarily between major developed and developing countries – for the lack of progress. Some green groups branded the US, China, India, and several Gulf states a “coalition of the unwilling” for their role in dragging the process to a halt.

The negotiations slowed to a crawl early on in the Bonn meeting, with the so-called “coalition” questioning what exactly they had agreed to in Durban. It soon became clear that the ambiguous language used to encourage countries to acquiesce to a Durban deal – after a day and a half of negotiating overtime – left many issues open for interpretation.

The December agreement, which was carefully worded to address a range of parties’ interests, confusingly refers to a “post-2012 or pre-2020” landscape and calls on the Durban Platform negotiating process to develop a post-2020 deal that will be a “protocol, another legal instrument or an agreed outcome with legal force under the Convention applicable to all parties.” But EU climate chief Connie Hedegaard said technicalities should not be used as a tool to block progress.

“Durban was – and is – a delicately balanced package where all elements must be delivered at the same pace. It is not a pick and choose menu,” Hedegaard said. “It is very worrisome that attempts to backtrack have been so obvious and time-consuming in the Bonn talks over the last two weeks.”

New alliances

This year’s Bonn meeting will perhaps best be remembered as the beginning of a new phase in alliances at UNFCCC negotiations, with the Alliance of Small Island States – AOSIS for short – breaking with their traditional position alongside non-Annex I (developing) countries.

Many observers had predicted the eventual split in Durban, as the difference in priorities of least developed countries and low-lying island states – which are expected to be among those most affected by climate change – and industrial giants like India and China became clear.

Still, wrangling between various groups did not derail the process. By the closing plenary on 25 May, parties under the Durban Platform had managed to agree to an agenda on future work and elect chairs. The latter issue illustrated the pervasive lack of trust between parties in Bonn, as election of a chair for the Platform through consensus was almost not achieved for the first time in the UNFCCC’s history. Participants managed to avoid a majority vote by agreeing to a carefully arranged co-chair scheme with equal representation of Annex I and non-Annex I parties.

Kyoto extension moves forward

This moderate progress on the Durban Platform was contrasted with considerable agreement on the detail needed to extend the Kyoto Protocol beyond 2012. In Durban, parties agreed to terminate talks on extending the Kyoto Protocol (AWG-KP) as well as on Long-Term Cooperative Action (AWG-LCA) when the UNFCCC meets
this November for its Conference of the Parties (COP) in Doha, Qatar.

The extension of the Protocol was seen by developing countries as a crucial element of a Durban pact. As the world’s only legally-binding treaty on emissions cuts, an extension of Kyoto is the one sure way to ensure a global climate treaty is in place in the years between 2012, when the first phase of Kyoto expires, and 2020, when the new treaty established under the Durban Platform takes effect.

The efficacy of an extension of Kyoto, however, remains questionable. With developing countries – including major emerging economies – exempt from Kyoto and major developed countries refusing to comply (Canada and Japan have dropped out and the US never ratified), the EU is the only major player giving weight to the Protocol extension. Still, UN climate chief Christiana Figueres was upbeat about the progress made on Kyoto in Bonn.

“I am pleased to say that the Bonn meeting produced more clarity on the Protocol’s technical and legal details and options to enable a smooth transition between the two commitment periods of the protocol,” Figueres said. “Countries can now press on to ensure elements are in place to adopt the Doha amendment to the Kyoto protocol.”

Response measures progress in Forum, but cloud LCA

Talks looking at winding down the LCA track - the stream of negotiations aimed at establishing a successor to the Kyoto Protocol that will ultimately be replaced by the Durban Platform negotiating track – became somewhat complicated in Bonn, with several developing countries requesting the establishment of temporary breakaway, or “spin-off” groups on issues such as financing, technology, and response measures.

The response measures issue – which deals with the social and economic impacts that countries could experience as a result of the measures other countries take to mitigate climate change, including those related to trade – was divisive, revealing possible difficulties negotiators will face in bringing the LCA track to an end.

For example, while some non-Annex I countries requested a spin-off group to discuss response measures, some Annex I countries, including Australia, pointed out that parties in December agreed that progressive talks relating to response measures would be consolidated and addressed under a specific permanent Forum. Saudi Arabia, however, insisted that they were aiming to “complete” rather than “consolidate” such work.

Sources close to the talks suggest that developing countries are not comfortable with all response measures issues moving into a “Forum,” as they fear decisions made there may not carry the same weight. It is unclear whether this would be the case.

There are also some concerns that all issues will not be adequately addressed under the Forum and that consolidating all issues there could leave some “homeless.” Some countries argue that the Bali Action Plan that emerged out of COP 13 in 2007 provides a mandate to negotiate a handful of response measures, such as trade, under the LCA.

Discussions within the Forum itself progressed smoothly, with parties sharing views on how to organise work over the coming 18 months. The G77 and China group expressed its desire for the Forum to first focus on establishing a clear path for its operationalisation and pinning down a work programme. The US and Australia, however, suggested that the initial work of the Forum be focused on consolidating all response measures issues, such as those being discussed under the LCA track, under the Forum.

China notably expressed the urgent need to discuss response measures, pointing to the controversial inclusion of aviation under the EU’s Emissions Trading System (see related story, this issue). Some countries argue that charging airlines for their emissions provides an unfair competitive advantage based on a given country’s geographic location. Some have gone as far as to call the measure a tariff in disguise and India’s environment minister made headlines recently by announcing that it was a “deal breaker” for global climate talks.
**Technology and intellectual property rights**

The issue of intellectual property rights (IPRs) was also raised in Bonn under the LCA track, particularly by developing countries who stressed the need for better understanding how IP issues impact the transfer of climate change technologies. Industrialised countries, for their part, gave their time-honoured response that the UNFCCC is not the right forum to examine the matter. Even though IPRs were omitted from the Cancun and Durban outcomes, the issue keeps resurfacing in climate negotiations.

The technology discussions under the Subsidiary Body for Implementation (SBI) and Subsidiary Body for Scientific and Technological Advice (SBSTA) – which are charged with providing advice on the implementation of the Convention and on scientific, technological, and methodological matters, respectively – were marked by a more constructive and positive spirit. Countries expressed their keenness to see the newly-established Technology Mechanism become operational in 2012.

The two bodies welcomed the report of the Technology Executive Committee (TEC), the policy arm of the Mechanism, which included a list of targeted linkages for the TEC to connect with entities under and outside the UNFCCC, as well as its rolling work plan of activities for 2012-2013. Both had been discussed and agreed at the TEC’s second meeting last February (see Bridges Trade BioRes, 7 March 2012).

The SBI also welcomed the report evaluating proposals for hosting the Climate Technology Centre (CTC) prepared by an evaluation panel consisting of six TEC members, with equal representation from Annex I and non-Annex I parties. It endorsed the ranking of candidates established by the evaluation panel, which placed UNEP first, the Global Environment Facility (GEF) second, and Norway’s Det Norske Veritas third.

It also asked the Secretariat to initiate discussions on key elements of the potential host agreement with the proponent ranked first at the next SBI session, with a view to recommending the draft host agreement for consideration and approval in Doha. A recommendation on which entity should host the CTC will be forwarded to the COP as well.

Finally, the SBI invited the GEF to enhance the balance between mitigation and adaptation projects in the implementation of the strategic programme on technology transfer – established at COP 14 in Poznan, Poland – including by enhancing outreach on funding opportunities for adaptation projects.

**Financial issues**

The theme of financing permeated much of the Bonn meeting. As expected, little progress was achieved in securing financing for the Green Climate Fund, which aims to channel some US$100 billion annually by 2020 to help developing countries cope with the effects of climate change. Rich countries provided commitments for so-called “fast start financing” from 2009-2012. But with few firm commitments for post-2012 financing, developing countries are concerned that it may not materialise. Annex I countries continue to face a combination of economic adversity and political uncertainty, leading to unfavourable conditions for financing climate change initiatives.

The next confirmed UNFCCC negotiating session is in Doha at COP 18, which will run from 26 November to 7 December. A tentatively scheduled additional session has been pencilled in for 30 August to 5 September in Bangkok, Thailand. However, the UNFCCC Secretariat has not yet received enough funding commitments from parties to host the event, with 29 May being the deadline to contribute. Many green groups argue that the Bangkok meeting is essential for making up for time lost in Bonn and to adequately set the stage for progress in Doha.

Ambition, however, appears to be somewhat lacking in the wake of Durban. Either way, the appearance, or lack thereof, of the €4.8 million required to fund the Bangkok meeting will speak volumes.

ICTSD reporting.
Disputes Roundup: US-India Poultry Row Moves Ahead; Manila Urges Compliance in Thai Case

The ongoing row over India’s ban of US poultry, eggs, and other agricultural products reached the next stage in the WTO dispute settlement process last week, with Washington’s panel request being blocked by New Delhi. Meanwhile, the Philippines and Thailand continue to spar over the latter’s compliance with an Appellate Body ruling in their long-running dispute over cigarettes.

US requests panel in India poultry case

During the 24 May meeting of the Dispute Settlement Body (DSB), the US asked that a panel be established to evaluate India’s prohibition on imports of US poultry, chicken eggs, and other agricultural products (DS430). The request comes after Washington’s consultations with New Delhi on the subject proved unsuccessful. (See Bridges Weekly, 7 March 2012)

While the request was blocked by India, Washington is expected to make a second panel request at the June DSB meeting, at which point a panel will automatically be established. Although India did not need to present a justification for its veto, New Delhi officials alleged that the panel request was redundant, as US imports of chicken are not currently prohibited.

“We are not aware of any current US shipments,” the US delegate said in response to India’s claim. “Regardless, the restrictions imposed by India’s measures create a substantial impediment to trade, and the United States is requesting that a WTO panel be established to examine the consistency of these measures with India’s obligations under the WTO Agreement.”

At issue is India’s ban of agricultural imports from countries reporting outbreaks of avian influenza. Washington argues that the measures violate WTO rules because they are – in the US’ view – not based on international guidelines or a risk assessment, lack scientific justification, and apply requirements that are not required of like domestic products.

While both sides agree that the World Organization for Animal Health (OIE) provides the relevant international standard for these measures, India claims that its measures satisfy the applicable OIE requirements. The US, however, claims that OIE guidelines do not provide for import bans when a country reports avian influenza outbreaks.

Since 2005, approximately 250 million chickens worldwide have been infected with avian influenza. Since the first human infection, nearly 400 people have died. However, to date there is no epidemiological evidence that avian influenza can be transmitted to humans through food consumption, notably poultry and eggs.

The case is expected to have significant implications for the US poultry industry. Chicken eggs, for example, are not in strong demand domestically, and US producers are hopeful that less restrictive measures would open up the Indian market for exports.

Compliance questions raised in Philippines-Thailand cigarette dispute

Meanwhile, the four-year dispute between Thailand and the Philippines regarding the former’s customs and tax treatment of cigarette imports (DS 371) again featured at last week’s meeting of the Dispute Settlement Body, following the expiration of Bangkok’s original deadline for complying with parts of an adverse Appellate Body ruling. (See Bridges Weekly, 22 June 2011)

Following public criticism from Manila over missing the 15 May deadline, Bangkok provided a status report on its compliance efforts to date, noting that it would require more time to bring all its measures in line with WTO rules.

At issue in the dispute is Thailand’s practice of applying taxes to cigarette imports in excess to those applied to local products, along with applying different administrative requirements. Furthermore, the Appellate Body found fault with Thailand’s practice of customs valuation – a practice where import values that differ from the
value declared by the importer are imposed by the customs authority.

While the adjustment of declared transaction values by foreign authorities is allowed in certain cases of “related-party transactions” – i.e. where the cross-border transaction takes place between parties that are economically related – the process must follow certain rules. In that context, regarding some Philippine tobacco imports, Thailand had rejected the importer’s declared values, arguing that the economic relationship between exporter and importer was likely to influence the transaction price and would therefore require an adjustment by the authorities.

Thailand’s practices particularly affected Philip Morris, which is Manila’s prime cigarette manufacturer and produces almost exclusively for the Thai market. In Thailand, the Thai Tobacco Monopoly (TTM), whose cigarettes account for approximately 80 percent of Thai tobacco consumption, is the only entity that Bangkok has authorised to produce cigarettes in the country.

While the deadline for amending its customs valuation regime expired on 15 May, Bangkok has until 15 October to bring its tax legislation into compliance.

New Appellate Body member

In other dispute-related news, the WTO announced last week that it has appointed Seung Wa Chang, from South Korea, to be the newest judge in the seven-member Appellate Body. Chang, who will serve for a four-year term starting on 1 June, has served on various WTO dispute settlement panels, including US-FSC, Canada-Aircraft Credits and Guarantees, and EC-Trademarks and Geographical Indications. He will be replacing Shotaro Oshima, who announced in early January that he was resigning from the Appellate Body.

Chang is the third new judge appointed to the seven-member Appellate Body over the past six months. At the same DSB meeting, the only woman currently serving on the WTO’s highest court – Yuejiao Zhang from China – was reappointed for a second term.


Discussions on Future Work Stumble at WIPO Patent Committee

Differences between developed and developing countries plagued discussions at the World Intellectual Property Organization (WIPO) last week, with members unable to reach an agreement on the future work of the Standing Committee on the Law of Patents (SCP).

The SCP was created in 1998 to serve as a forum to discuss issues, facilitate co-ordination, and provide guidance concerning the progressive international development of patent law. The eighteenth session of the Committee took place from 21-25 May in Geneva, Switzerland.

Strong divides on the subject of future work forced newly-elected SCP chair Vittorio Ragonesi to launch informal consultations with members on Thursday. However, the two days of informal negotiations saw members fail to achieve consensus on follow-up activities related to public health, exceptions and flexibilities, patent quality, technology transfer, and confidentiality.

No consensus on patents and health

The relationship between patents and public health proved particularly contentious at last week’s meeting, with developed and developing countries butting heads over two different proposals.

The first proposal, presented last year by the Development Agenda Group (DAG) and the African Group, is based on the view that “the patent system should be consistent with fundamental public policy priorities, and in particular the promotion and protection of public health.” (See Bridges Weekly, 25 May 2011)
The document proposes a work programme composed of three interlinked elements: studies, information exchange, and technical assistance. The goal of the proposal, Algeria explained on the DAG’s behalf, is to “enhance the capacity of states to make full use of existing flexibilities [inherent within the patent system].”

The second proposal, presented by the US at the previous SCP session, calls for a comprehensive study on “the positive impact of patent systems in providing lifesaving medicines to developing countries.” It also asks for an examination of the “availability of lifesaving medicines that are not protected by patents, and the reasons for their lack of availability.” (See Bridges Weekly, 14 December 2011)

In re-introducing the proposal at last week’s session, the US stressed that “the reduction in patent protection for innovative medicines is not the solution to overcoming public health challenges.”

“Many other factors other than patents more directly affect the availability of medicines,” the US delegate added.

Developing countries, however, felt that the US analysis “is lacking of any evidentiary support” with Argentina noting that “patents stimulate innovation, but costs are a barrier to access to medicines.”

For its part, while Chile agreed with the US proposal in that other factors might affect medicine availability, it argued that the SCP should focus solely on aspects of the patent-public health relationship.

“The use of flexibilities...constitutes a legitimate use of measures contained in various international agreements,” added Chile.

The US proposal was panned by civil society groups, who questioned whether such suggestions could be damaging to the talks on patents and health. “Developed countries’ governments, such as the US, use flexibilities on a regular basis, so it is now puzzling to hear the same countries referring to the use of flexibilities by developing countries as weakening patent rights,” the Civil Society Coalition said in a statement.

Likewise, Médecins sans Frontières (MSF) called the US proposal “a step backward in the very promising discussions at WIPO on patents and health.”

**Talks on patent quality definition stall**

The SCP continued last session’s discussions on three proposals that are broadly supported by developed countries – a questionnaire from the UK and Canada, complemented by a work programme proposed by the US, and a third document from Denmark. (See Bridges Weekly, 25 May 2011) These proposals aim to address long-standing questions on how best to achieve high-quality patents.

A particularly divisive issue during the talks was the definition of the term “quality of patents,” with Egypt, on behalf of the African group, arguing that “we need to understand what ‘quality of patents’ means” in order to “ensure that patents granted deserve to be granted.”

“To develop a common definition of patents’ quality acceptable to all would be very difficult, if not impossible...However, through exploring what criteria member states use to define quality patents, we believe that greater understanding could be promoted in this committee,” the UK said in presenting its joint proposal with Canada.

**Little progress on exceptions and limitations**

Last week’s meeting also saw delegates discuss exceptions and limitations to patent rights, which similarly hit roadblocks.

Delegates welcomed a document by the WIPO Secretariat that included responses to a questionnaire on exceptions and limitations at the regional and national level. The document, delegates said, gave a “much clearer picture of the issue” and is a “good foundation to continue discussions.”

Developing countries then urged members to adopt a proposal by Brazil aimed at elaborating a reference manual on exceptions and limitations,
and start investigating which of these are effective in addressing development concerns and what the conditions for their implementation should be.

Though developed countries showed some willingness for further discussion of the document, the proposal was not adopted, with the US – speaking on the behalf of developed country group B – warning against “one-size-fits-all” approaches.

**Other issues equally divisive**

Controversies also emerged on the issue of confidentiality of communications between clients and their patent advisors. In some countries, there is no obligation of confidentiality for non-lawyer patent advisors, which could potentially give rise to cross-border concerns.

Delegates also continued talks regarding the linkages between the patent system and technology transfer, with members reviewing a Secretariat-prepared document that included practical examples and experiences on patent-related incentives and impediments to technology transfer.

While many developed countries welcomed the document, developing countries asked for an expansion of the study, given that it “does not analyse any situation where patents may have acted as a barrier.”

“Failure cases are as important as successful stories,” concluded Brazil.

Stalled discussions on future work will be carried over to the next session of the SCP, scheduled for 26-30 November.

ICTSD reporting.

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**IN BRIEF**

**EU, Aviation Industry Clash over Emissions Scheme**

Wrangling between the aviation industry and European lawmakers over the inclusion of aviation into the EU’s Emissions Trading System (ETS) intensified last week, as major industry associations in Brussels and Beijing met for their annual meetings. Despite a growing chorus of criticism against the scheme, the EU continues to stand firmly on its plan to help fight climate change and reiterated its position that the ETS aviation clause will only be reconsidered if a global solution materialises.

At their annual gathering in Brussels, airline executives from the Association of European Airlines (AEA) reiterated their economic argument against the scheme. According to Willie Walsh, CEO of International Consolidated Airlines Group – the parent company of British Airways and Iberia – the ETS amendment hurts the European aviation industry and economy at a time that it needs growth, both from Europe and from the world.

European aviation chiefs attending the 23 May meeting presented cost projections based on the inclusion of aviation under the ETS that were notably more substantive than prior complaints. Bernard Gustin, AEA chairman and co-CEO of Brussels Airlines, estimated that the extra costs for the first quarter of 2012 totalled €1.2 million. Walsh estimates that, in the same quarter, his airline group incurred €15 million in “fuel bills and associated costs for the ETS,” but it is not clear what proportion of that figure is directly associated with additional ETS fees.

The EU fired back at the claims, charging that industry’s figures were vague and inflated.

“Let’s get the proportions right,” said Isaac Valero-Ladrón, a spokesman for EU Climate Action Commissioner Connie Hedegaard. “The truth is that the increase [for passengers] is less than the cost of a cup of coffee at the airport.”
According to EU estimates, the extra cost per passenger for a Beijing-Brussels flight would be €1.90, taking into account the free credits available to airlines.

Non-compliance to continue for Chinese airlines

Displeasure with Europe’s aviation scheme was even more pronounced at the China Civil Aviation Development Forum in Beijing. At the 23-24 May meeting, Li Jiaxiang, head of the Civil Aviation Administration of China, reasserted that Chinese airlines will not submit emissions data required by EU authorities.

Despite strong opposition by the aviation industry globally, only ten airlines – eight from China and two from India – have not complied with requests to submit emissions data, according to figures released by the European Commission earlier this month (see Bridges Weekly, 16 May 2012).

But while, the non-compliant airlines are responsible for less than three percent of global aviation emissions, Bloomberg suggests they carry considerable leverage because they bring a large volume of passengers from Asia into Europe.

Speaking to reporters on the sidelines of the Beijing meeting, Matthew Baldwin, the European Commission’s director of aviation, carefully avoided talk of possible repercussions for non-compliant airlines.

“We obviously hope that everyone will comply with the emissions trading system, and I think it is far too early to start talking about punitive measures,” Baldwin said.

At the conference, the EU appealed to China to be a stakeholder in a global agreement to control emissions. Baldwin reiterated Brussels’ stance that the EU is prepared to “review and amend the ETS initiative” if a feasible alternative, such as a global mechanism under the International Civil Aviation Organization (ICAO), can be established.

EU legislation requires airlines to surrender carbon permits for the emissions they produce during all flights taking off or landing in the 27-country bloc. Under the scheme, airlines are required to buy permits for 15 percent of the carbon they emit. Permits for the remaining 85 percent will be provided for free. Carriers will have to purchase and surrender permits for 2012 carbon production by 30 April 2013.


EU Sets Tougher Limits on Sulphur Content of Shipping Fuels

The Council of the EU and European Parliament have reached an agreement to set tougher limits on the sulphur content of marine fuels used by ships, officials announced last week. Brussels says that the proposal is meant to achieve a “high level of protection for human health and the environment.”

According to an EU press release, the new sulphur limit for marine fuels will be lowered to 0.5 percent for all ships, down from the present 3.5 percent for cargo ships and 1.5 percent for passenger ships. This will be phased in starting from January 2015, and will apply to all ships in EU waters by 2020. An even lower limit of 0.1 percent will be imposed in sulphur dioxide “Emission Control Areas” – the Baltic and North Seas and the English Channel.

Ships can either switch from “bunker fuels” – traditional shipping fuel that is highly polluting – to low sulphur fuels, or they could be allowed to use bunker fuel on a ship with modern filtering technologies, such as exhaust gas cleaning systems. Non-complying ships will face fines set high enough to cancel out any cost savings from non-compliance, officials said.

At least one study estimates that the fuel switch could increase costs by some 60 to 90 percent.
The study was released by ICTSD, the publisher of Bridges.

Additionally, the cost could be passed on to consumers of final or intermediate goods. With more than 90 percent of global trade being transported by sea, the impact on trade could be significant.

Brussels acknowledged the cost implications of the measure, estimating that the cost of switching fuels or fitting exhaust filters will cost the shipping industry between €2.6 billion and €11 billion. Officials, however, stress that the costs would be far outweighed by public health savings, which they say could be as high as €30 billion.

Officials say governments can help shipping firms offset these costs by making “full use of financial instruments that are already in place [to] promote the development and testing of alternative technologies to reduce emissions from ships.”

“Without this directive, emissions from shipping would exceed emissions from all land-based sources by 2020,” said Janez Potočnik, the European Commissioner for the Environment.

While sulphur dioxide is not a greenhouse gas, it is highly polluting and has been identified as a contributor to a number of respiratory illnesses. The EU has been working diligently to reign in transport emissions, most notably in the field of climate change. In January of this year, Brussels controversially included aviation emissions into its Emissions Trading System (ETS) and it is rumoured that the bloc is also considering expanding the scheme to include greenhouse gas emissions from shipping.

ICTSD reporting.

EVENTS & RESOURCES

Vacancy

The United Nations Institute for Training and Research (UNITAR) is seeking a manager for its Climate Change Programme. For more information on the position, including job requirements, qualifications, and how to apply, please visit UNITAR’s webpage.

Events

Coming soon

5 June, Washington, US. OUTLOOK FOR THE G-20 LOS CABOS SUMMIT. This event is jointly sponsored by the Center for Strategic and International Studies (CSIS), the United States Council for International Business (USCIB), and the International Chamber of Commerce (ICC). Discussions will centre on the G-20 Los Cabos Summit agenda, as well as the business agenda, trade, and green growth. For more information, click here.

5 June, Brussels, Belgium. INFORMATION AND COMMUNICATION TECHNOLOGIES (ICTs) AND AGRICULTURE IN AFRICA: AN UNEXPECTED ALLIANCE. This seminar, organised by the French Institute of International Relations (Institut Français des Relations Internationals, IFRI), will focus on the potential ICTs have for helping Africa achieve more productive, sustainable agriculture. Topics discussed will include the contributions of ICTs for social development, and how telecommunications can help improve the living standards of farmers while enhancing their productivity. For more information, please click here.

7 June, Washington, US. FOOD SECURITY 2.0: FROM L’AQUILA AND BEYOND. This event, sponsored by Washington International Trade Association (WITA), will address the issue of private sector involvement in programmes aimed at addressing food security concerns. How large a role should the private sector play? What role should and must governments play? Can these new partnerships develop the right solutions to long-term food insecurity worldwide? The discussion will address specific policy programmes that involve the private sector, such as the New Alliance for Food Security and Nutrition that was agreed upon at the 2012 G-8 summit. More information is available here.
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.

5-6 June: Council for Trade-Related Aspects of Intellectual Property Rights

7 June: WTO Introduction Day

7 June: Committee on Rules of Origin

8 June: Working Party on State Trading Enterprises

12 June: Working Group on Trade, Debt and Finance

12 + 14 June: Trade Policy Review Body – China

13-15: Committee on Technical Barriers to Trade

Other Upcoming Events

20-22 June, Rio de Janeiro, Brazil. UNITED NATIONS CONFERENCE ON SUSTAINABLE DEVELOPMENT (UNCSD). The UNCSD, also known as Rio+20, will bring together world leaders, along with participants from governments, the private sector, NGOs and other groups, to discuss how to reduce poverty, advance social equity, and ensure environmental protection. The event marks the 20th anniversary of the 1992 United Nations Conference on Environment and Development (UNCED), also held in Rio de Janeiro, and the 10th anniversary of the 2002 World Summit on Sustainable Development (WSSD) in Johannesburg. The Conference will focus on two themes: (a) a green economy in the context of sustainable development poverty eradication; and (b) the institutional framework for sustainable development. The Conference will result in a focused political document. For more information, please visit the UNCSD webpage.

28-30 June, Saint Petersburg, Russia. APEC WOMEN AND THE ECONOMY FORUM. This Asia-Pacific Economic Co-operation (APEC) event will bring together more than 300 female leaders from public, private, non-governmental, and academic sectors to discuss the topic of “Women and Innovative Economic Growth.” The discussions will be split into three thematic sessions, focusing on innovative growth, business opportunities, and human capital, respectively. Recommendations from the discussions for concrete actions the 21-country grouping can take to enhance the economic participation of women will be passed on to APEC leaders. More information is available on the APEC 2012 website.

17-21 September, The Hague, Netherlands. ADVANCED WTO TRAINING PROGRAMME ON ‘RECENT TRENDS AND EMERGING ISSUES’. This training programme, hosted by the T.M.C. Asser Instituut, is designed for diplomats and trade lawyers. Through this event, organisers aim to provide participants with the knowledge, insights, and practical skills that will enable them to implement WTO rules and to engage in its dispute settlement procedures. For information on the programme and to register, please visit the event website.

24-26 September, Geneva, Switzerland. WTO PUBLIC FORUM 2012. Convening under the theme “Is multilateralism in crisis?”, the Public Forum is the WTO’s largest annual outreach event. It aims to provide a platform for participants to discuss the latest developments in world trade and to propose ways of enhancing the multilateral trading system. The event regularly attracts over 1,500 representatives from civil society, academia, business, the media, governments, parliamentarians, and intergovernmental organisations. Event organisers are currently inviting submissions of short articles of no more than 1,000 words on the themes of the Forum, along with views on the articles submitted by others. Articles should be sent to publicforum2012@wto.org, indicating discussion forum on the subject line. For more details about this event, visit the WTO’s website.
5-6 November, New Delhi, India. SEVENTH IZA/WORLD BANK CONFERENCE: EMPLOYMENT AND DEVELOPMENT. Since 2006, the annual conference on Employment and Development has aimed to provide a platform for researchers and policy experts to discuss new findings and identify areas where further work is needed. The Institute for the Study of Labor (IZA) and the World Bank will organise this year’s conference in partnership with the Indian Council for Research and International Economic Relations (ICRIER) and the Delhi School of Economics. In addition to the regular sessions in all fields of labour economics, special sessions on Youth Employment and Entrepreneurship – the theme of the AfDB-OECD-UNDP-UNECA 2012 African Economic Outlook – will be featured. More information is available on the IZA website.

Resources

TRADE POLICY OPTIONS FOR ENHANCING FOOD AID EFFECTIVENESS. Published by the International Centre for Trade and Sustainable Development (ICTSD) (May 2012). This paper looks at how food aid could be made more effective, in the light of recent food price trends, and examines how different approaches could affect trade and development. The author argues in favour of establishing international rules that will provide a meaningful framework for ‘bona fide’ food aid. To download the report, please click here.

POLICY PRIORITIES FOR INTERNATIONAL TRADE AND JOBS. Published by the Organisation for Economic Co-operation and Development (OECD) (May 2012). This book aims to improve understanding and promote discussion on how trade affects employment, and also to develop policy-relevant conclusions. It presents highlights from the International Collaborative Initiative on Trade and Employment (ICITE), a partnership that brings together ten international organisations, including the WTO, the African Development Bank, and the World Bank, among others. The book includes highlights from the first two years of ICITE’s work. To access the full publication, please click here.

USE OF CURRENCIES IN INTERNATIONAL TRADE: ANY CHANGES IN THE PICTURE? By Marc Auboin for the WTO (May 2012). This working paper reviews a number of issues related to the use of currencies in international trade, more than one decade after the introduction of the euro and shortly after steps taken by the Chinese authorities to liberalise the use of the renminbi (RMB) in off-shore markets. The book examines the factors that determine the use of currencies in the invoicing and settlement of international trade, the actual reality of currency use for international trade flows, and the short-term prospects for the development of the RMB as a possible alternative to the use of the US dollar and the euro (in particular in Asia). To access the full article, click here.

2012 AFRICAN ECONOMIC OUTLOOK: PROMOTING YOUTH EMPLOYMENT (11TH EDITION). Published by the African Development Bank (May 2012). In addition to growth forecasts for 2012 and 2013, this publication provides an up-to-date analysis of the economic, social, and political developments in the region. It includes a macroeconomic overview of Africa, in-depth country notes on 53 of the 54 African economies, and a special study on promoting youth employment. For more information, please click here.

AGRICULTURE AND CLIMATE CHANGE: POST-DURBAN ISSUES FOR NEGOTIATORS. By Deborah Murphy and Jessica Boyle for the International Institute for Sustainable Development (May 2012). The paper examines the implications of the inclusion of text on agriculture in the outcome of the Work of the Ad Hoc Working Group on Long-term Cooperative Action under the Convention (AWG-LCA) at last year’s UNFCCC Conference of the Parties (COP) in Durban. The paper also reviews submissions on agriculture to the UNFCCC secretariat for consideration under the Subsidiary Body for Scientific and Technological Advice (SBSTA). The publication concludes by addressing critical issues for negotiators in shaping a post-Durban programme of work on agriculture. To access the publication, please click here.