

# India & The WTO

A MONTHLY NEWSLETTER OF THE MINISTRY OF COMMERCE AND INDUSTRY

VOL. 5 NO. 4

APRIL 2003

## KEY DATES

**Mar 2000** Negotiations start (over 100 countries present proposals in first year)

**Nov 2001** 4th WTO Ministerial Conference in Doha, Qatar launches Doha Development Agenda (DDA), adding agriculture and services

**Dec 2002** Agriculture negotiations Chairman Stuart Harbinson compiles "overview paper" (over 80 pages, compiling all proposals)

**17 Feb 2003** First draft "modalities" circulated. 24–28 February 2003: negotiations on first draft

**18 Mar 2003** Revised first draft "modalities" circulated. 25–31 March 2003: negotiations on revised draft

**31 Mar 2003** Deadline for "modalities"

**Sep 2003** 5th WTO Ministerial Conference in Cancún, Mexico. Members submit draft commitments

**1 Jan 2005** End of Doha Development Agenda negotiations

## AGRICULTURE NEGOTIATIONS

### Farm talks miss deadline; but 'work must go on', says Supachai

Director-General of the WTO Supachai Panitchpakdi on 31 March, 2003 expressed disappointment over the failure by WTO member governments to agree on a framework for future agriculture trade reform but said progress in the global trade negotiations can still be achieved provided governments continue to work towards bridging their differences.

"The failure to meet the deadline for agreeing agriculture negotiating modalities is a great disappointment for us all. Negotiators must redouble their efforts in agriculture and all other areas of negotiation between now and the

## IN THIS ISSUE

- |  |    |  |    |
|--|----|--|----|
| D Agriculture Negotiations   | 1  | D India scores in Bed Linen Case   | 14 |
| D Coalition Building Initiatives: Meeting of senior officials from some developing countries convened by India under GOI/UNCTAD/DFID Project on Globalisation and Trade Strategies | 3  | D Monthly Report on Multilateral Trade Issues and Developments (March 2003)    | 15 |
| D Doha Agenda should focus on Development Issues India stresses commitment to progress in negotiations at TNC meet   | 9  | D World Trade Figures 2002: Trade recovered in 2002, but uncertainty continues | 18 |
| D Trade Negotiations Committee: Dr. Supachai gives overview of the state of progress   | 10 | D Sanitary and Phytosanitary Measures  | 22 |
|  |    | D Schedule of Meetings at The WTO/Geneva-May 2003                              | 24 |

September Ministerial Conference in Cancun, Mexico. My initial discussions with Ministers and other senior trade officials, have given me some encouragement that this commitment exists," said the Director-General.

Dr. Supachai welcomed the willingness of participants to continue working on agriculture modalities and stressed the importance of maintaining momentum in other areas of the negotiations such as services, industrial tariff reductions, trade and environment and reforming WTO rules, so that "positive linkages" with the agriculture negotiations can be established.

"The Doha Development Agenda negotiations are a single undertaking. No element of them will be agreed until all areas are agreed. But significant progress in some areas often provides negotiators with an incentive to overcome their differences even on the most politically sensitive questions," he said.

In the 31 March negotiations meeting, Chairperson Stuart Harbinson told delegations that the failure to meet the deadline was "certainly a setback. We must all be disappointed that all our efforts have not come to fruition," he said.

He added: "I get a strong sense from all sides of a continuing commitment to the Doha mandate. I have also been told by many delegates that they are committed to continue working on the issues before us. We should not gloss over the difficulties, but we must also look to the future."

He concluded: "The task ahead and our common responsibility is simple and clear — we must continue working together towards completing the job given to us by Ministers in Doha as soon as possible."

**The 31 March deadline was for establishing "modalities" in the agriculture negotiations. These are targets (including numerical targets) for achieving the objectives of the negotiations, as well as issues related to rules. They will set parameters for the final agreement in the agriculture negotiations, for example how far import duties should be cut, and subsidies reduced or eliminated, and over what periods of time.**

**Along with almost all the other negotiations under the Doha Development Agenda, the agriculture talks are scheduled to end by 1 January 2005.**

**This timetable was agreed in November 2001, at the Fourth WTO Ministerial Conference in Doha, Qatar.**

**The negotiations' Chairperson, Stuart Harbinson, prepared a first draft of the modalities in February. Following comments from participants, this was revised in March, but Mr Harbinson noted that negotiators had tended to stick to their starting positions and had given him little guidance on how to narrow the wide gaps between them.**



# COALITION BUILDING INITIATIVES: MEETING OF SENIOR OFFICIALS FROM SOME DEVELOPING COUNTRIES CONVENED BY INDIA UNDER GOI/UNCTAD/DFID PROJECT ON GLOBALISATION AND TRADE STRATEGIES

## A Summary of Deliberations

The Meeting was convened by India, and serviced by UNCTAD, under a DFID-funded project for India on globalisation and trade strategies. It addressed issues relating to the Doha Work Programme : (1) the treatment of development issues, and (2) the road to Cancun. It also discussed possible follow up coordination activities.

The Meeting was chaired by Mr. S.N. Menon, Additional Secretary, Department of Commerce and attended by Ambassadors/Trade Representatives and capital-based officials from the following countries: Argentina, Bangladesh, Botswana, Brazil, Chile, China, Colombia, Costa Rica, Cuba, Egypt, Guatemala, India, Indonesia, Jamaica, Kenya, Malaysia, Mauritius, Mexico, Morocco, Nigeria, Pakistan, Philippines, South Africa, Senegal, Thailand, Uruguay, Zambia, and Zimbabwe.

The Ambassador of India introduced the topic on the development dimension in the Doha Work Programme, and was supplemented by the Director of the Division of International Trade in Goods and Services, and Commodities of UNCTAD. The Chairman of the General Council (Ambassador of Uruguay) introduced the topic on the road to Cancun.

Mr. Rubens Ricupero, Secretary-General of UNCTAD, and Mr. Supachai Panitchpakdi, Director-General of WTO, addressed the Meeting as special guests. Mr. Supachai was accompanied by Mr. Stuart Harbinson, Chairman, Committee on Agriculture Special Session.

### **(1) Treatment of Development Issues in the Doha Work Programme**

Development issues were identified as those relating to special and differential treatment (SDT), implementation issues, TRIPS and public health, transparency and technical assistance. Several countries stated that reform in agriculture is also a key development issue. It was also pointed out that the rules of trading system had stifled comparative advantage of developing countries in respect of for example agriculture, textiles, and steel. The Doha Declaration did bring some kind of overall balance and ordering of negotiations in respect of market access and development issues which has been disrupted in the last 18 months as all areas are bunched

together. To ensure achievement of development objectives in the negotiations, a high level of cohesion and commonality would be required from developing countries.

#### ● **SDT:**

The negotiations are blocked. A new approach to de-block the negotiations will be proposed by the Chairman of the General Council on Monday 7 April. The proposal hopefully should suggest a serious approach to dealing with SDT. It may prove to be the last opportunity for WTO members to address SDT. A new approach is required as the results so far have been meagre despite the substantial effort made by developing countries. Developing countries have to be aware that developed countries are using SDT as part of their strategy to divide developing countries. There are differences between developing and developed countries regarding the rationale for SDT. For example, developed countries do not accept that they are part of the problem of distortions in international trade. However, it is the trade policies of developed countries which has distorted markets and raise the need for SDT. Developed countries tended to focus attention on the national perspective of developing countries and argue that they are not undertaking reforms and measures to be competitive. Indeed, developed countries have argued that State interventions are bad and ought not to be used. Developing countries tend to differ with this assertion.

Thus there is need to adopt an approach that promulgates WTO rules which are fair, equitable and transparent AND which are development friendly. This means that developing countries should not accept new commitments without reflecting their development dimension. This should be a key feature of a novel form of SDT. The quality and effectiveness of SDT should also be improved.

SDT presently is in the form of soft law with limited applicability, and thus should be made effective and operational. SDT is also being denied to newly acceding developing countries and LDCs as they have been pressured to forego rights accruing to them under current WTO agreements and thus accept WTO plus obligations. At the same time, SDT is being affected by various factors such as by RTAs, especially RTAs between

developing and developed countries. It was pointed out that in the FTAA process, the United States was making differentiated offers to different categories of countries. Another consideration is that some SDT may restrict South-South trade which is growing and becoming increasingly important aspect of international trade. South-South trade should not be compromised by the results of the Doha negotiations including by SDT.

- **Differentiation and graduation**

An issue related to SDT is the increasing pressure by developed countries on differentiation and graduation among developing countries, accompanied by attempts to determine the parameters on differentiation and graduation. This will lead to a further fragmentation of developing countries which is not in their interest. It is also flawed and fundamentally wrong on political basis as well as on economic basis. However the issue may arise even in specific negotiation areas such as the selection of modalities for liberalization in non-agricultural products. It is worrying that a note by the WTO Secretariat on non-agricultural modalities does not distinguish between developing and developed countries although for example the Indian and the Chinese proposals provided for such distinction. The approach in the secretariat's note could open a window to inserting differentiation. It raises the question of whether graduation and differentiation could be legitimised under the WTO? Another question is what is the distinction between differentiation and graduation? These are pitfalls to be aware of. It was noted that work on criteria and indicators of differentiation and calibration on SDT by OECD was not using development indicators. It was pointed out that this work has been stopped owing to deep disagreement among members.

At the same time, it has to be acknowledged that presently there are some elements of graduation and differentiation reflected for example within the unilateral preferential trading schemes (which practice country or product graduation on the basis of competitive needs tests, regional focus, LDC focus etc) least developed countries, NFIDC, etc. The view was also put forward that differentiation could be for each country to define its specificity in the sense that for implementation of certain agreements or parts of agreements so much time and resources would be required. Another approach would be the GATS positive list approach. It was pointed out that differentiation would eventually lead to graduation.

- **Implementation Issues:**

Doha Ministerial Declaration Paragraph 12(a) issues were scheduled to be dealt with on priority basis but that has not been the case so far. Paragraph 12(b) issues have been discussed and a report was to be submitted to the TNC by December 2002 but that deadline was missed. There is need for collective action to secure some real progress in addressing these issues. A key pitfall to avoid is for the issues to be

transmitted to different negotiating bodies as this would result in diluting their treatment. There is need to develop some mechanism and new approaches to keep the pressure on to assure that implementation issues are addressed but at the same time need to look into certain issues again e.g., geographical indications where the EU for example admits that it would be one of the main beneficiaries amounting to about US\$ 40 billion.

**TRIPs and Public Health:**

The US and other countries had announced a moratorium on dispute settlement. A waiting game is being played with the US to get it to agree on the scope of public health problems. There is need to operationalise the mechanism. Some countries indicated that it was heartening that the US expressed the hope of a solution by Cancun, however the question, is what kind of a solution and if it reflected the concerns of developing countries.

- **Internal transparency:**

A proposal had been submitted by LMG, and another by a group of 9 countries. A synthesis proposal was attempted by the Chairman of the General Council. The issue now is to obtain some concrete results on internal transparency.

- **Technical assistance:**

There is need to re-orient the way of providing TRTA (trade-related technical assistance), bringing in coherence among providers of TRTA, and addressing more the core issues of capacity building and supply-side side with WTO working with other organisations for example, UNCTAD and UNIDO. TRTA is important but in no way would it replace genuine market access hence the need to focus on effective progress in market access. TRTA must facilitate development in the medium to long term.

**(2) The Road to Cancun**

Two themes arose from the deliberations on this subject, namely *process and substance*. It was expressed that much technical work has been achieved in the negotiating bodies and working groups. It was felt that there are increasing signs that the developed countries are proceeding in a coordinated manner. However there has been no substantive progress in terms of concrete decisions and concrete compromises owing primarily to a lack of political will arising from differences between developing and developed countries, among developing countries, and among developed countries. These differences need to be reduced and concrete results attained in the next few weeks otherwise the 5<sup>th</sup> Ministerial might result in a failure.

**Process:**

- The preparatory events in the calendar include TNC meetings in May, June, July and possibly one or two in

August; and General Council meetings in May and July (24-25). At July meeting of the General Council, it is the expectation that TNC work and the General Council work would somehow merge and guidance would emerge on an overall picture and the elaboration of a document for Ministers to deal with in Cancun.

- In addition, two schools of thought have emerged on a meeting of senior officials to discuss, resolve differences and agree on a document for Ministers. One favours the meeting to be held at end of August (in Geneva), while another favours the meeting to be held at Cancun prior to Ministerial. The latter is preferred by many developing countries from a cost point of view. The former is preferred by countries that consider that senior officials are unlikely to resolve all outstanding issues in one day prior to the Ministerial conference.
- The view was put forward that no modalities should be approved until the agricultural modalities would be finalised to give a sense of purpose and coordination.

**Substance:**

- Some countries expressed that it is in the interest of developing countries generally not to postpone the conclusion of the work programme beyond the agreed time frame set in the Doha Ministerial Declaration. To postpone by two years the negotiations would mean postponing by several years (possibly until 2015) the opportunity, and a unique one, to address development issues. The process of negotiations and work is on track but has stumbled in respect of elaboration of specific guidelines, modalities and procedures on some issues, especially as regards development issues. Countries should show greater political will to resolve these outstanding issues. At the same time, developing countries may be faced with outcomes that are not in their development interests.
- The attempt by some developed countries to postpone many decisions to Cancun and make them part of decision making at Cancun and possible trade offs is sure to result in a stalemate or failure at Cancun. These issues had their own deadlines and are not on the agenda of the 5<sup>th</sup> Ministerial Meeting. There should be no attempt to re-write the Doha declaration, or to lower the ambitions in some areas and raise them in others. In particular, there must be no lowering of ambition in liberalization in agriculture. A package without the level of ambition as set on agriculture in the Doha Ministerial Declaration will not be acceptable for many countries.
- There is lack of coordination and clear strategy among developing countries, as compared to developed countries. At the same time, various attempts to divide developing countries are being employed such as the

issue of differentiation and graduation. Some developing countries may be amenable to *ad hoc* understandings and partial solutions which will create problems in respect of graduation. In this light coordination and alignment on core issues among developing countries is essential. Developing countries need to identify their offensive and defensive interests, as well as prioritise them in event of engaging in trade-offs. One suggestion in this direction proposed the categorisation of issues into three pillars or columns. To ensure success in the Cancun meeting and the round of negotiations the three pillars would need to advance in a coordinated fashion and in parallel given linkages amongst them:

- (i) the core issues of market access (agriculture in particular, non-agricultural products, services) including rules that undermine the competitiveness of exports (anti-dumping, safeguard measures, domestic support). Here, there is need for developed countries to provide real market access concessions (addressing tariff peaks and escalation) and remove their trade distorting policies particularly in agriculture to enable developing countries to export out of poverty. There is need also to be mindful of terms of trade. It includes addressing the serious and sophisticated NTBs including TBT and SPS measures, market entry barriers, restrictive rules of origins as well as imbalances in the rules pertaining to subsidies and anti dumping. This is an historic mission for developing countries in respect of correcting deep-rooted imbalances in the multilateral trading system. There is also a need to address trade preferences on which some developing countries have been locked into for various reasons. These preferences are being eroded and there is need to find means both in modalities in WTO and preferential trade agreements to deal the erosion, in particular for small economies. Finding modalities in respect of the problems of small farmers would also be important. The solution should involve adjustment costs or compensation (for losses suffered) being met by preference providing countries rather than by developing countries. There is need to address threats to small farmers and find alternative solutions in the modalities. In services, the movement of labour is important. In the negotiations, SDT should be integral including less than full reciprocity and reflected in substance and not only in terms of time period. Some reference was made to the Swiss and the Hungarian approach as a possible way forward in respect of non-agricultural market access.

(ii) development issues raised by developing countries (SDT, implementations and TRIPS and Public Health). SDT will constitute a test on whether developed countries will consider changes and on a sufficient scale. These issues should secure centre stage in the negotiations and there should be no compromises offered on them by developing countries. Obligations in the agreement have to be subjected to a development audit and SDT should not be dealt with as an afterthought. Therefore if obligations are not development friendly they cannot be agreed to. WTO rules would need to be equitable and pro-development and should facilitate development process and not just compliance.

(iii) issues raised by developed countries (Singapore issues, environment). Developing countries need to be careful in considering these issues which will be raised by developed countries. There might even be situation in which a trade-off between development issues and Singapore issues may be raised at Cancun. In such a scenario, negotiations on modalities for Singapore issues must be made conditional on effective progress in addressing development issues. There is need to discuss and develop consensus on modalities of each issue before Cancun. Clear approach would need to be taken in respect of scope and definition, balance of rights and obligations, technical and financial assistance and linkage to DSU. Concern was expressed regarding the EU proposal on Singapore issues which indicated that it be discussed at Cancun, and not before. Other countries rejected any links between development issues and Singapore issues, stating that the mandated deadlines for the former should be completed before the latter could be discussed and addressed.

- As to other issues such as technology and debt these should acquire some importance in Cancun although they might not necessarily be part of the negotiation package.
- All three groups of issues need to be addressed in parallel to seek a balance in the results and assuring an overall balance in the architecture of negotiations. Otherwise, there is a risk of raising imbalances in the negotiations. For example, some developing countries would not accept modalities being agreed on non-agricultural products in May if the same for agriculture has not been finalised. This implies that developing countries must be attentive to both the substance of the negotiations, and the process.

- The dispute settlement mechanism is an important instrument through which developing countries can seek redress without resorting to SDT. Thus, the negotiations on this should be taken seriously by developing countries.

### **(3) Possible follow-up consultations under the India Project & supportive role by UNCTAD**

The Meeting was highly appreciated and praised. It was useful in facilitating a frank exchange of views among the countries, increasing understanding of different objectives and approaches, and possibly fostering convergence of positions and if not of approaches on negotiations under the Doha work programme and build coalitions. The meeting clearly brought out that developing countries lack a coordinated approach to the negotiations, and clear strategy in respect of offensive and defensive interests, along with an identification of various options (fall back positions) given different negotiation scenarios and results.

The Ambassador of India, in closing the Meeting, noted that it facilitated a feeling of bonding among participants, allowed frankness in the discussions and thus it would be useful to continue such consultations to shape some broad degree of homogeneity in approaches.

Most delegations requested that further consultative and coordination meetings be organised for Geneva and capital-based officials, under the India project, facilitated by UNCTAD. Such meetings should deal with specific subjects, in particular those on which there is divergence of views in order to increase understanding of the different views and foster convergence of views or approaches in addressing them. Such problematic issues included SDT, graduation and differentiation, trade preferences, regional trade agreements, geographical indications, TRIPS, TRIMs, and in agriculture the issues of special safeguards and special products. The key theme was that notwithstanding differences in certain areas, developing countries need to remain unified in their single underlying objective of bringing a development dimension into the multilateral trading system and correcting the historical imbalances that have disadvantaged developing countries in the GATT and WTO. In this respect, closer coordination and consultation among Geneva and capital-based representatives is crucial.

UNCTAD's support was praised. The Meeting suggested that UNCTAD could assist developing countries narrow their differences with its analyses such as on SDT, trade preferences, RTAs, South-South trade, market access liberalization and different formulas, AGOA and EBA, prioritisation of the many SDT and implementation issues, and TRTA.

#### **(4) Addresses by Mr. Ricupero and Mr. Supachai**

**Mr. Ricupero** addressed the following three topics having an impact on the Doha trade negotiations and Work Programme: (1) the role of UNCTAD, (2) the broad geo-political and economic conditions affecting trade negotiations; and (3) some tips from his personal experience as a trade negotiator in the Uruguay Round of multilateral trade negotiations.

*The Role of UNCTAD* is primarily of a facilitator, providing a free forum for developing countries, and developed countries, to meet and continue discussions on a regular basis. UNCTAD helps in clarifying difficult issues with technical analyses for example as regards special products, and safeguards. UNCTAD is not a form of OECD institution for developing countries because it is an arm of the UN General Assembly and thus serves all UN member States. However, in practice it is true that developing countries do not have an institution similar to the OECD and thus UNCTAD attempts to provide analyses promoting the development perspective in the multilateral trading system; and help consensus building on what the development dimension should be in practice.

The UNCTAD secretariat is totally impartial. Its only view as regards the Doha negotiations is for them to succeed as set in Doha Ministerial Declaration with the level of ambition that led it to be called the "development" round. This is needed because trade negotiators may have many legitimate concerns that may not be classified as development issues. So you can have situations where development is not at the heart of negotiations.

It can be recalled that Mr. Raúl Prebisch, the great founder of UNCTAD, sincerely believed in the inter-dependence of nations as a basis of trade negotiations given that it is in the best interest of all. It is in developed countries interests to provide trading opportunities to developing countries so as to tackle the 'trade gap' by obtaining the foreign exchange necessary to buy products and technology from developed countries without resulting in debt. There is a commonality of interest among all members of the international economy to have balanced and equitable trade. UNCTAD can play a neutral, impartial role in having discussion among member States. The real job of negotiating the rules has to be done by the member States themselves. There are differences, even among DCs. It is necessary to come together to discuss and see what extent can the differences be resolved and have some common ground on some of the issues.

In respect of the *geo-political and international trading environment*, the UN is facing the most gravest of crisis since the 2<sup>nd</sup> world war. This is a crisis both on the principle of

collective security and multilateral actions. Security should be pursued and secured by collective rather than individual means, and that the democratic approach is preferable to the unilateral approach. The war in Iraq appears to impact negatively on both principles. A quick conclusion to the war followed by reconciliation, involving a major role by the UN, is important the international community is to turn its attention to problems of international trade. The next G.8 meeting from 1-3 June. Under the present circumstances, one cannot imagine the US president coming to the meeting hosted and chaired by France President. Here could be a consequence of the crisis that may affect the multilateral trading system. If the continuation of unilateralism perpetuates, and there is no UN role in post-War Iraq, then it will impinge upon the multilateral trading system and complicate the situation of the world economy.

*A key lesson from the Uruguay Round (UR) experience* was that twice a small group of Latin American countries from the Cairns Group stopped the round on two occasions because they observed that nothing was achieved in respect of agriculture reform. This led to an extension of the round, which in retrospect was not been a good thing. But the round would have ended more in imbalance. Another issue is that to gain time only make sense if you make something with the time you gain. This did not happen under the Uruguay Round. It built up pressure focused on ending the round at any time at any cost. It is so much better to end a round with balance and within the timeframe set. It is correct to concentrate on NTBs as these are important in addressing balance and obtaining important results. Tariffs in OECD quite low apart from tariff peaks and escalation on sensitive products. The NTBs increase the barriers to exports. In the matter of modalities, the important thing is again assuring some kind of balance. Modalities are key because they set up the final stage of negotiations. From UR, the TRIPs Agreement was the worst result not because of the protection of IPRs but because of its imbalance.

Overall it would be a big mistake to postpone the round. This may generate a retreat to classic protectionism, with a danger of replacing the multilateral approach by the proliferation of regional and discriminatory approaches. Some developed countries are not worried about a failure in the multilateral approach as they already have alternatives in bilateral and plurilateral FTAs. Thus there is urgency to go ahead with the work programme and negotiations and conclude it as scheduled. The only assurance against proliferation of discriminatory RTAs is a strengthening of multilateralism. The GATT was negotiated and signed to avoid discrimination. This was imbedded in the first article on MFN principle and the

third on non-discrimination, and this is what is at stake. UNCTAD can help to discuss such issues without being in a negotiation mode, and without any formality or constraint.

**Mr. Supachai** recognised that divergences exist among countries so developing countries need to continually meet to coordinate and consult. If development is to be a primacy matter rather than an after thought, then it needs to be proposed clearly with indications of priority. There are six specific issues of general concern when discussing development:

1. Balanced treatment of development. Some say development is pervasive in all issues. But by being pervasive, does that guarantee a balanced treatment of development issues. There is need to look at three separate parts: (1) development dimension in market access, explicitly treated (agriculture, non-agricultural products, services) in terms of SDT and development benefits; (2) specific development issues that are cross-cutting; and (3) TRTA. Development is not just a pervasive issue. There must be a balance of development interests.
2. Specific countries. There might be asymmetric benefits accruing to specific countries. But why penalise countries that are doing well by becoming competitive.
3. South-South trade is important, and it is expanding. However, it has often used by some countries to deflect the issues such as linking it to the reduction of tariffs. There should be no dichotomy in the negotiations when discussion North-South and South-South trade.
4. Preferential treatment have not created the competitiveness that are expected but create dependence on few markets. UNCTAD could help in analysing the trade preferences and their usefulness.
5. Some developed countries have argued that they will be paying double when proposals are made on amending current texts or raising new texts.
6. Developing countries must own the research that UNCTAD does.

Over and above these six issues, several others can be mentioned:

- The development ambition is not so apparent. Where is the level of ambition on agriculture, non-agricultural

products, services etc. The development dimension permeates all areas. The level of ambition should be unquestionable as regards TRIPs and Public Health. Progress on TRIPs is *sine qua non* condition for the negotiations.

- Need to discuss the balance of rights and obligations. It is dynamic accumulation of rights and obligations, and not a static one.
- The issue of graduation and differentiation has to be addressed. It cannot be avoided.
- More unity among developing countries will be needed as the Cancun approaches, such as on trade preferences and agriculture reforms. Preferences however had created dependencies.
- Services negotiations face strong demands on mode 4. Developing countries need to be more explicit and emphatic with regard to mode 4 demands. Some developed countries, especially EU, regard cautiously mode 4 proposals.
- On non-agricultural products, developing countries must show clearly what they want to achieve. Addressing NTBs is one area of convergence among them.
- On Singapore issues, these will have to be addressed at Cancun. Must help one another to understand. Some countries have interests in certain issues and thus the need to dissect the 4 issues so developing countries can address them based on the basis of their needs.
- TRTA in the Doha Development Agenda Global Trust Fund is mainly for the round to see that it is completed in time. But the WTO has to make preparations for TRTA going beyond the round. What is more important is to see the costs of implementations of the results of the round.
- Other issues relating to small economies, trade debt and finance etc., not making progress as expected. Not much concrete gains in small economies. There is a desire to push trade, debt and finance forward to seek coherence of policies with the WB. On LDCs, some progress is being attained. The WTO has set up a unit in secretariat and trying to improve performance of the Integrated Framework.

(Source: UNCTAD)



## **DOHA AGENDA SHOULD FOCUS ON DEVELOPMENT ISSUES**

### **INDIA STRESSES COMMITMENT TO PROGRESS IN NEGOTIATIONS AT TNC MEET**

India has said that the focus of the WTO negotiations currently underway should be on development issues as reflected on the Doha Work Programme, while underlining its commitment to progress in the current negotiations. Expressing concern over lack of meaningful progress on any of the development related issues such as Implementation Issues, Special & Differential (S&D) Treatment, TRIPs & Public Health, India has said that it looks forward to substantial results in these areas before Cancun, including the unresolved issue of low or insufficient manufacturing capacity in the pharmaceutical sector, the great human problem affecting millions of people in the poorest parts of the world for which a multilaterally agreed solution would have to be found. "For many developing countries, success of Cancun is predicated upon successful resolution of these key developmental issues", Shri S.N. Menon, Additional Secretary, Ministry of Commerce & Industry said in statements made on behalf of India at the informal and formal sessions of the WTO's Trade Negotiations Committee (TNC) held at the level of capital-based officials in Geneva on 2<sup>nd</sup> and 4<sup>th</sup> April, 2003 respectively.

Regarding negotiations on agriculture, India has said that it attaches the highest priority to S&D provisions and looks forward to early discussions on such crucial concepts as Sanitary & Phyto-Sanitary (SPS) and Special Safeguard Measures (SSM), as early resolution of these issues would be for India a major component of the results of the negotiations on agriculture, while noting the lack of balance in the progress of negotiations as well as the missed deadline so far. On non-agricultural market access, Shri Menon said that India was keenly looking forward to engaging constructively in further discussions in the Negotiating Group on Market Access in the

light of the proposal which has already been put forward by India in line with the Doha mandate. "For India and for many other developing countries, we expect an outcome that fully factors in the financial and developmental needs of developing countries, the concept of less than full reciprocity and emphasis on market access for products of export interest to developing and least developed countries. We are working closely with other developing and least developed countries in this area and are looking forward to the Chairman's proposals, which, we are sure, will put development at the centre stage.... On services, we believe that there will be progress on the basis of the momentum that is being generated by the request and offer process and the bilateral negotiations thereof", the statement said.

On Singapore Issues, India reiterated that further expansion of the agenda would be unproductive. "Even as it is, we are struggling with the existing agreements, as evidenced by the fact that we have not been able to meet any of the deadlines decided upon by the Ministers at Doha", the statement said. Referring to the contours of decisions to be taken at Cancun, it said: "It is extremely difficult at this point of time to envisage the shape of things as it would emerge during the next few months. Much would depend upon our ability to complete the work in respect of the issues for which deadlines have already been laid down, including those that we have missed. This again would depend on strong political commitment. I would also urge you, Mr. Chairman, to decide, in consultation with Heads of Delegations here at Geneva, how you can make the meetings of the Trade Negotiations Committee more productive and purposeful".



## TRADE NEGOTIATIONS COMMITTEE

### Dr. Supachai gives overview of the state of progress

Director-General of the WTO, Supachai Panitchpakdi, while opening an informal meeting of the Trade Negotiations Committee attended by many senior capital-based officials on 2 April 2003, stressed that "at a time of growing global economic uncertainty, progress in the Doha Round towards its timely conclusion can make a much-needed contribution to confidence". He hoped that officials will take back to capitals "a renewed sense of the necessity of political commitment and the urgency of sustaining the momentum of the negotiations".

#### Chairman's Opening Statement

**"At the outset, I would like to emphasise once more the reasons why I am convinced it is essential to finish these negotiations successfully and on time, by 1 January 2005. What we are doing here is immensely important to economic growth and development prospects for all participants. It will also make an irreplaceable contribution to achieving a more stable, more equitable — and ultimately more peaceful — world.**

At a time of growing global economic uncertainty, progress in the Doha Round towards its timely conclusion can make a much-needed contribution to confidence. The converse is also true.

We cannot ignore the fact of missed deadlines and the disappointment they create. I take this very seriously, and I share the disappointment. The importance of agriculture is self-evident, not only in terms of progress in the Round, but also in terms of its economic and human significance to so many participants. This is why we must continue to work hard in this key area. More broadly, we cannot allow disappointment to distract us from the tasks before us across the whole range of the Doha agenda, nor let it weaken our determination to arrive at a balanced and positive outcome.

Every piece of unfinished business is a potential addition to

the burden on Ministers at Cancún, a burden which is already considerable. Of course we must continue to work to resolve as many as possible of these issues beforehand. But where we cannot, this only strengthens the need to prepare the choices we will be putting before the Ministers with clarity and care.

Let us not be dazzled by speculation about prospects for success or failure at Cancún. It is the success or failure of the Round itself that should be our primary concern. Cancún will be part — a very important part — of the successful continuation of our work programme. It is up to us, in Geneva and in capitals, to make it feasible for Ministers to tackle the issues productively and give us the guidance we need to carry on to a timely conclusion. This should be the key aim of our work from here to September. I hope we will all continue it with realism and with resolve.

It is in this spirit that I would like to give you **a brief overview of the state of progress as I see it** in the bodies set up by the TNC.

#### Agriculture Special Session

On agriculture, I regret to have to report that it has not been possible to establish modalities for the further commitments, including provisions for special and differential treatment, by the date mandated by Ministers. This is a setback. The fact that at this juncture the wide divergence of views in key areas could not be bridged must be of serious concern to all of us. Nevertheless, we should guard against the temptation to pass around the blame for the situation — this is not the time for pointing fingers. We should also guard against making negative linkages — it would be counterproductive. Instead, we should reconfirm our collective determination to find solutions to the outstanding issues within the shortest delay possible.

On the positive side, it must be noted that much productive work has already been achieved in the negotiations on agriculture. Even more importantly in the circumstances, at the formal Special Session of the Committee on Agriculture on Monday this week there was overwhelming support for a course of action which involves technical and other consultations on a wide range of matters with a view to further advancing the negotiations. This is a constructive response to the situation we are facing in agriculture. However, it is also clear that sooner rather than later, major political decisions are required on all sides so as to create the room for appropriate compromises on key issues with a view to establishing modalities as soon as possible. The serious

consequences for the Doha Development Agenda as a whole of any failure to achieve this are too obvious to require further elaboration.

### **Services Special Session**

The services negotiations are continuing to progress in a satisfactory manner. Several Members have submitted initial requests since 30 June 2002 on the basis of which delegations have been actively engaged in bilateral negotiations. Also, the adoption of the Modalities for the Treatment of Autonomous Liberalization by the Special Session of the Services Council at its last meeting represents an important achievement for many delegations, and no doubt will facilitate the next phase of the services negotiations. So far, 12 Members have submitted their initial offers in accordance with the date of 31 March 2003, as specified by Ministers in Doha. Many other Members have indicated that their offers are under preparation. As you know, this date marks only the start of a new phase in the services negotiations and not a deadline. Of course, we all realise that the services negotiations are part of the broader DDA and that linkages are a reality. However, many delegations realise, as we have seen from the offers submitted so far, that what is needed at this stage is a positive rather than a negative linkage. The submission of meaningful initial offers in services would be the best way to induce progress in other areas of negotiations, including agriculture. It should also be kept in mind that there is a "rule-making" side to the services negotiations. We must make every effort to ensure that negotiations on domestic regulation, emergency safeguard measures, subsidies and government procurement progress in a satisfactory manner towards their conclusion.

### **Negotiating Group on Non-agricultural Market Access**

With respect to the Negotiating Group on Market Access, Members will need to work expeditiously in the coming 2-month period in order to reach agreement on modalities for the negotiations. As you are aware, this negotiating group has set a target date of 31 May 2003 to reach agreement on modalities. At this point in time it is clear to me that it is only through the concerted effort of the whole Membership that this will come to fruition.

I would furthermore note that there are two formal meetings scheduled during this time-frame in which Members will have to continue to analyse the specific modalities proposed on both tariffs and non-tariff barriers (NTBs). Because the range

of elements for tariff modalities is vast and there are approximately 25 submissions to consider, Members will likely need to focus more attention in this area during April and May. As part of the core modality on tariffs, there are many formula-based approaches submitted by Members that will need to be analysed in detail.

The issue of NTBs will also need adequate attention by Members, as many have noted that this is an equally important area to improve market access. From the information received from Members on this subject, there appear to be important matters that may need further direction by Members at the level of the NGMA, TNC, or elsewhere. This pertains to the appropriate forum or WTO body to address some of these NTBs. As you are probably aware, many of the NTB issues brought before the NGMA concern barriers with respect to existing WTO Agreements that are not specifically addressed in the Doha Declaration. However, at this juncture, the NGMA needs this time in April and May to clarify many of these issues on NTBs. Thus, I hope that these issues of modalities on tariffs and non-tariff barriers will be given the dedicated input by Members in April and May so that they can advance according to the parameters set by the membership.

### **TRIPs Council Special Session**

In the negotiations in the TRIPs Council Special Session on a multilateral system of notification and registration of geographical indications for wines and spirits, a great deal of work has been done over the last year or so to clarify the issues and the proposals on the table. This has been brought together in a way which delegations have found helpful in a Secretariat compilation. The basis for the final negotiating phase has thus been laid.

However, positions remain far apart. While there is perhaps some measure of common ground on the notification phase of the procedure, differences are as wide as ever on issues of the legal effect of a registration system, of whether there is need for a multilateral opposition or challenge procedure and of whether the notification and registration system should have effects on non-participating Members.

Given that the negotiations in this area are to be completed by the Cancún Ministerial Conference, as an "early harvest" element of the single undertaking, there is an urgent need to make more progress. The Chairman of the Special Session intends to table a draft negotiating text in good time prior to the next meeting of the Special Session at the end of this

month, unless such a text can emerge from delegations themselves. I would like to invite participants at this meeting to seek to come up with ways of narrowing the differences so as to give him as much guidance as possible in the formulation of this text.

### **Negotiating Group on Rules**

Paragraph 28 of the Doha Ministerial Declaration envisions that the Rules Negotiations begin with an initial phase where participants indicate the provisions of the Anti-Dumping and Subsidies Agreements that they seek to clarify and improve. The Rules Negotiating Group has been meeting regularly for more than a year and considering issues identified in written submissions by participants. While additional issues will doubtless be identified over the next few months, the Group is rapidly approaching a critical mass in terms of issues identified by numerous participants and reflecting a broad range of perspectives with respect to both agreements. Work is most advanced on anti-dumping, and least advanced with respect to the question of fisheries subsidies. Further, some participants have already begun to shift from issue identification to the development of more detailed proposals. In short, the Negotiating Group is on track and should be prepared to shift to a more detailed phase of the negotiations after Cancún.

The fact that there are no particular problems at this stage in the Rules Negotiations does not mean that participants should not start already thinking about problems that may emerge as the negotiations intensify. A key issue for progress in the Rules Negotiations is the extent to which trade-offs will be available, both among issues covered by the Rules mandate and with issues elsewhere in the DDA. In this context, there is the possibility that some participants may seek to feed into the WTO process work that has been done in other fora. It is also important to ensure an even progress in all subject areas covered by the Negotiating Group. While I believe that it is premature at this point to engage in a concrete discussion of these issues, I would encourage all participants to begin reflecting on them so as to be prepared when the time comes.

In its work on Regional Trade Agreements (RTAs), the Group has concentrated on discussing ways of addressing identified issues of a primarily procedural nature, under the generic label of "RTAs transparency". Given the growth of RTA numbers and scope, more transparency should be an aim to be pursued in parallel with the clarification of criteria attached to the consistency of RTAs. It is possible that the Group could arrive at a consensus on "RTAs transparency" before the Cancún

Ministerial, but only if Members are convinced that any change in this area will be without prejudice to their interpretation of WTO provisions on RTAs, and will not be an obstacle to further "substantive" negotiations.

### **DSB Special Session**

The negotiations on dispute settlement have reached a critical phase considering that the deadline for concluding the negotiations is only eight weeks away. A great deal of work has been done since the beginning of this year. It started with a consideration of the proposals submitted by participants and most recently ended with a consideration of the draft legal texts put forward by participants on the basis of the proposals submitted by them. The discussions have revealed significant differences in the positions of participants on some of the negotiating issues reflecting their priorities and levels of ambition.

Taking into account the views expressed by participants, the Chairperson of the Special Session of the Dispute Settlement Body intends to circulate a "framework document" very soon, which hopefully would evolve into a "Chairman's text". Given that a strengthened dispute settlement system is in the interest of all Members, I would urge participants to show the necessary flexibility and to accommodate as much as possible the interests of other participants to enable a meaningful result to be achieved by 31 May 2003. The negotiations in the remaining eight weeks will be difficult. The challenge, however, is to come up with a text that would be broadly acceptable to all participants, taking into account the level of convergence of views on each proposal.

### **Committee on Trade and Environment Special Session**

The Committee on Trade and Environment in Special Session (CTESS) has made some progress in its work, but overall, the negotiations on environment are still at an early stage. Some key procedural issues have been resolved, notably with regard to the phasing of work. The participation of UNEP and a number of Multilateral Environmental Agreements (MEAs) at the next meeting of the CTESS should help Members progress further on relevant aspects of the negotiating mandate.

The main focus in the negotiations so far has been the relationship between existing WTO rules and specific trade obligations set out in MEAs (Paragraph 31(i)). The CTESS has now engaged in an analysis of specific trade obligations contained in relevant MEAs, based on concrete examples. This

exercise is important in order to assess whether such specific trade obligations have in fact raised — or may raise — difficulties in terms of their compatibility with WTO rules. In other words, it is still unclear at this stage which are the problems, if any, that the negotiations should be addressing. The more analytical phase in which the CTESS has entered will hopefully shed light on this question.

On information exchange between WTO committees and MEA secretariats (Paragraph 31(ii)), useful suggestions were made in the context of the MEA Information Session held in November 2002. However, Members still need to address whether the negotiations should be limited to formalising existing forms of cooperation, or whether new forms of collaboration should be envisaged. On criteria for the granting of observer status to MEAs, few proposals have been put forward so far and Members need to continue to discuss how to fulfil this part of the mandate.

With respect to the negotiations on environmental goods and services (Paragraph 31(iii)), which are conducted mainly in the Negotiating Group on Market Access and in the Special Session of the Council for Trade in Services, some discussions have taken place in the CTESS on the identification of environmental goods, but more work remains to be done.

### **CTD Special Session**

As you are aware, the CTD Special Session submitted its report, containing a number of recommendations, to the General Council on 10 February. The General Council took note of the report and of the statements that had been made, and agreed that the Chairman of the General Council, in co-ordination with the Chairman of the CTD in Special Session, would undertake consultations on how to take this important matter forward. The General Council Chairman has now initiated his process of informal consultations.

This concludes my overview of the situation in the bodies reporting to the TNC. Overall, the picture remains a mixed one. There is significant progress in a number of areas, but there are also clearly significant problems. The current situation underscores the need for participants to engage seriously in real negotiations. This has not happened yet. We should convert the disappointment we feel now into determination to negotiate in earnest. We have a sufficient basis for this in the work done so far, which is considerable. This week, I am looking for clear signals of movement in this direction. I have seen a

few such signals, including greater bilateral activity, and I encourage this.

I am also looking for signs that participants will do more than just talk about positive linkages and actually start constructing them. Here also we have seen some encouraging developments, such as some active demandeurs on agriculture making comprehensive offers on services.

Our challenge at this point in the negotiations is to build on the elements of progress to help us tackle the problems, always keeping in mind that this is a Single Undertaking. This is what I had in mind in formulating the questions I have put before you in my fax last week.

Can I remind you that these questions are designed to provide the main focus for our meeting today. I have just outlined my overview of the situation in some detail, and delegations may wish to comment on individual areas of our work, but I would ask that they do so in the framework of the broader questions I have set out. These questions are intended to promote a sense of the positive linkages we need and of the totality of our endeavour in light of the TNC's overview function.

I can assure you that this is the spirit in which I will go on working together with the Chairs of the bodies reporting to the TNC and in close cooperation with the Chairman of the General Council. Over the weeks ahead our work will intensify, both at the negotiating group and TNC level. We will also need more informal consultations and more contact among delegations. I will continue to work in full respect of the principles of transparency and inclusiveness to which I am committed and which our guidelines require.

To be successful, the work in Geneva will require the continuing close support of capitals. This is why I am pleased to see so many senior capital-based officials here this week. Meetings like this are not a substitute for the excellent and essential work of your Geneva representatives — on the contrary, they should reinforce and encourage it. The conversations you have among yourselves while you are here can also make a valuable contribution to bridging gaps. I hope you will take back to your capitals a renewed sense of the necessity of political commitment and the urgency of sustaining the momentum of the negotiations. I will certainly continue to stress this need in my contacts with Ministers".

(Source : WTO)



## INDIA SCORES IN BED LINEN CASE

India has scored a major gain at the World Trade Organisation (WTO) in the dispute with the European Communities (EC) on Bed Linen. In a report released on 8 April, 2003, the **Appellate Body of the WTO has concluded that EC has failed to act consistently with provisions of Anti-Dumping Agreement while implementing the rulings and recommendations of the WTO's Dispute Settlement Body (DSB) in an earlier dispute with India regarding imposition of anti-dumping duty on bed linen imports.**

The recent finding of the Appellate Body is linked with a previous dispute against EC in which it had been held that EC had failed to comply with requirements of the Anti-Dumping Agreement while imposing anti-dumping duty on bed linen imports from India in November 1997. On 7 August 2001 the Council of the European Union adopted Regulation 1644/2001 amending the original definitive anti-dumping duties on bed linen from India, purporting to comply with the DSB's recommendations and rulings in the original dispute, whilst simultaneously suspending its application.

India strongly disagreed that this re-determination complied with the rulings of the DSB. In India's view the re-determination, as amended, as well as the further actions, failed to bring the EC into compliance with the recommendations and rulings of the DSB in the original dispute and was inconsistent with the WTO Covered Agreements. Accordingly India sought the establishment of a Compliance Panel to examine the existence or consistency of action taken by the EC to implement the DSB decision in the dispute.

India argued that the European Communities failed to determine the volume of dumped imports attributable to *non-examined* producers on the basis of "positive evidence" and an "objective examination". Although the Indian producers that were *examined* individually and found to be dumping accounted for only 47 percent of imports attributable to all

examined producers, the European Communities determined that *all* imports attributable to *non-examined* producers were dumped.

The Compliance Panel concluded that EC had complied with the DSB decision in the original dispute. India subsequently appealed certain issues of law and legal interpretations developed by the Compliance Panel. While reversing a new finding of the Compliance Panel, the Appellate Body has now held that EC's determination of volume of dumped imports for purposes of making a determination of injury was not based on an objective examination.

**The Appellate Body has now concluded that that the European Communities' determination that *all* imports attributable to *non-examined* producers were dumped—even though the evidence from *examined* producers showed that producers accounting for 53 percent of imports attributed to examined producers were *not* dumping—did not lead to a result that was *unbiased, even-handed, and fair*.** Therefore, the European Communities did not satisfy the requirements of paragraphs 1 and 2 of Article 3 to determine the volume of dumped imports on the basis of an examination that is "objective".

**The Appellate Body has recommended that DSB request the European Communities to bring its measure, found to be inconsistent with its obligations under the *Anti-Dumping Agreement*, into conformity with that Agreement.**

**In light of the findings of the Appellate Body, India expects EC to revoke the anti-dumping duty on Bed Linen and terminate the ongoing partial interim review as well as the sunset review as these were based on a measure that has been found to be inconsistent with the *Anti-Dumping Agreement*.**



# MONTHLY REPORT ON MULTILATERAL TRADE ISSUES AND DEVELOPMENTS (March 2003)

## ● Trade Negotiations Committee

The Trade Negotiations Committee (TNC) of the WTO met on 4 & 5 March, 2003 and received the progress in negotiations. Serious concern was expressed on the impasse in the agriculture negotiations. **Developing countries reiterated concern about lack of progress on development related issues.** On implementation issues, the Chairman suggested a differentiated approach which would have meant sending some issues back to subsidiary bodies. This was not favoured by developing countries. The Chairman will hold further consultations.

## ● Special Session on Agriculture

The Special Session on Agriculture was held on 25 & 31 March, 2003. The meetings in various formations – open ended of select delegations on subjects of Strategic/Special products, Special Safeguard Measures (SSM), tariffs and Tariff Rate Quotas (TRQs), Geographical Indications, Export Competition and Food Aid were organised by the Chairman. Bilateral meetings with EC, USA, South Africa, Japan, Norway and New Zealand were also held. A meeting of the Friends Group of developing countries on Strategic/Special Products Groups was organised. The meetings were covered among S/Shri K.M. Sahni, Additional Secretary, Department of Agriculture, R. Gopalan, Joint Secretary, Ministry of Commerce & Industry, Ambassador K.M. Chandrasekhar and Rajesh Aggarwal, Counsellor (WTO). **The Special Session could not establish Modalities for Agriculture Negotiations by 31.3.2003 as stipulated under the Doha Ministerial Declaration. There was wide divergence of views on the expectations of the demandeurs and those who have to deliver, not only in respect of the depth of the commitments but also on the approach to be taken on these commitments. Wide difference in the approach/expectation even amongst developing countries on the issue of South-South trade came into open. The exporting developing countries want uniform opening of markets all over the world and are not in favour of granting special and differential treatment to importing**

## **developing countries for protecting their farmers.**

All Members, however, undertook to continue the work with a view to agree on modalities as early as possible.

A technical consultation was held by the Chairman of the Agriculture Special Session on Special Safeguard Mechanism for developing countries on 11/3/03, based on the Chairman's Non-exhaustive Paper circulated on 7 March 03. India's views on modalities for this mechanism were highlighted. Technical consultation on the proposed Special Agriculture Safeguard Mechanism for developing countries continued on 19/3. India's views on the non-exhaustive Chairman's elements paper were conveyed. Technical consultation on Domestic Support (Attachments 8 and 9) of the Chairman's draft modalities Paper was held on 20.3.03 which focussed on purely technical matters related to disciplining domestic support in Green Box and additional flexibility for developing countries.

## ● Committee on Agriculture – Regular Session

The 34<sup>th</sup> regular Session of the Committee on Agriculture was held on 27 March 2003. India presented written replies to the questions posed to it by the US on fixed reference price for vegetable oils and also on its notification no. G/AG/N/IND/2.

## ● Special Session of TRIPs Council (Multilateral register for notification and registration of wines and spirits)

An informal meeting of the Special Session on TRIPs was held on 21.3.03. The purpose was to introduce Chairman's Paper on the State of Play.

## ● Committee on Trade in Services – Special Session

Highlights of the Special Session held on 3 & 6 March, 2003 were: adoption of the modalities for the treatment of autonomous liberalization; discussion on Chinese's paper on the assessment of trade in services; new submission by US on the assessment of trade in services; joint statement by 38 members, including India, on the negotiations on Maritime Transport Services; indication by some 10 members, mostly

developed countries, about their intention to table initial offers by March 31, 2003; and need for balanced progress (multilateral Vs market access-bilateral process) in Services negotiations as well as Doha Work Programme. Also, bilateral meetings were held with China, US, EC, Malaysia, Canada on services issues. Initial request, Mode 4 issues as well as work of subsidiary bodies of the CTS was taken up at the meeting.

- **Working Group on Transfer of Technology (ToT)**

Secretariat's background note on 'A taxonomy on country experiences on international technology transfers' and the EC's paper captioned 'Reflection paper on TOT to developing and least developed countries' were discussed. India informed the Working Group that it intends submitting a paper soon on what could be dealt with in the Working Group up to the Cancun meeting. A brief outline of issues was presented at the meeting.

- **Committee on Trade and Development (CTD)**

Discussion at the meeting held on 7/3/03 in Geneva focused on technical cooperation and training; review of implementation of Technical Assistance (TA) plan 2002; outsourcing of TA activities; proposed initiative on trade policy clinic. Canada gave a brief presentation on its notification under enabling clause to give duty free, quota free access to Least Developed Countries (LDCs) w.e.f. 1<sup>st</sup> March 2003. Secretariat informed the CTD about NGO seminar of trade and environment to be held in June 2003. It would be informing Committee on Trade and Environment (CTE) about the programme of the seminar at its April meeting. On paragraph 51 of Doha Ministerial Declaration, it was agreed that to begin with the Secretariat could be asked to brief the Committee on what is happening in negotiating groups/WTO bodies on developmental aspects. Kenya stated that it would be circulating a paper on declining terms of trade for primary commodities and its implication to trade and development of primary commodities exporting countries. The US raised the issue of Regional Trade Agreements (RTAs) notified under Enabling Clause. It noted that it would be forwarding some questions to India and Sri Lanka on their FTA notified in 2002. It suggested that such RTA should be notified and followed up in the Committee on RTA (CRTA). India maintained that FTA notified by it together with Sri Lanka has already been taken note of by the CTD. Procedures for RTA notified under Enabling Clause are appropriate and that there is no need to revisit them. The CTD would be seeking legal advice on the procedures for notification made under Enabling Clause.

- **Dedicated Session of CTD Small Economies**

Mauritius introduced a new submission on behalf of a group of small economies at the Session on 10/3/03. The paper notes that the CTD request the WTO General Council (GC) to use the proposal contained in W/3 as the basis for making recommendation for action to the Fifth Session of the Ministerial Conference. US and EC reiterated that members should look at practical ways to find solution to problems identified without creating any sub-categories. The Chairman encouraged members to work among themselves with a view to find solution acceptable to all members.

- **Panel Organisational meeting**

Pursuant to composition of the panel by the DG on *EC – GSP (DS246)* dispute, the panel held teleconferencing with the parties on 13/3/03 to finalise timetable and working procedures. We requested panel not to insist upon submission of executive summaries (EC agreed) and not to accept amicus curiae briefs and, if it were to accept, accept only those that received on or before the date, when third party submissions were due. The panel took note of our observations and sent its revised timetable and working procedures.

- **Dispute Settlement Body (DSB)**

The DSB on 18/3/03 established a panel on *US – Upland Cotton*. We and five other Members reserved third parties in the dispute. The DSB granted authorisation to Brazil to suspend concessions to Canada to the tune of \$247.797 million in *Canada – Aircraft (DS222)* case. The DSB took note of status reports presented by the US on *Copyright Act, 1917 AD Act, Omnibus Act (Cuba rum)* and *Japan Hot-rolled Steel* disputes. EC, Japan and Cuba expressed disappointment at continued delay in non-compliance of the DSB rulings by the US in these disputes. Under Other Business, the US informed that it had complied with the DSB rulings in the *Korea Line Pipe* case.

The DSB could not appoint DSB representative to gather information under Annex V of the SCM Agreement as the US objected that the peace clause under Agreement on Agriculture would not permit such appointment. Brazil accused US of unwillingness to co-operate in the process and appealed to third countries, including the EC, India and Argentina to cooperate in the process. DSB established a panel on *Canada – Wheat Board* dispute between the US and Canada.

- **Consultations on Rules of Origin**

The Chairman of the Committee on Rules of Origin undertook consultations on 10-14 March, 2003 with members on the 94

outstanding issues to explore members flexibility on the same. There was very little movement forward on these issues and the same has been communicated to the Ministry.

- **Meeting of the Council for Trade in Goods (CTG)**

At the Meeting of the Council for Trade in Goods held on 12 & 13 March, 2003, further discussions were undertaken on GATT Articles V, VIII and X on trade facilitation. New submissions were received from Canada, the US and Japan.

At the CTG: TRIMs review held on 13/3, Brazil and India highlighted the importance of joint papers submitted by them at the CTG meeting in December meeting. They noted that the focus in the CTG should be on the development dimension and any possible distortive effects of TRIM prohibited. There was no substantive discussion on this issue. Pakistan, Colombia supported discussion on the Brazil-India paper at the CTG.

- **Rules Negotiating Group**

A meeting of the Rules Negotiating Group on 19 & 20 March, 2003 considered Papers on Anti Dumping by China, EC, Friends Group and the US; on Subsidies by the US and on heries Subsidies by the US and Korea. Other Members gave their preliminary views on these submissions.

- **Technical Barriers to Trade (TBT)**

The main issues on the agenda on 19 & 20 March, 2003 were: preparation for Third Triennial Review; follow up to technical assistance workshop, proposed workshop on labelling. The Chairperson briefed the Committee on the outcome of workshop on technical assistance. It was agreed to continue discussion in the informal mode to find practical solution for better delivery and coordination of technical assistance. A number of proposals were made by EC, Chinese Taipei, China, Korea, Japan, Canada outlining priorities for Third Triennial Review. On the labelling workshop, there remained a number areas, where members held divergent views. While EC, Switzerland wanted the workshop to be held before Cancun Conference, Australia, Malaysia, India felt that given the workload and number of meetings it could be scheduled after the Cancun meeting. The Chair would be holding informal consultations. The outstanding implementation issues were not taken up for discussion as TNC Chair through Friends of Chair is working out a mechanism to address this issue.

- **Negotiating Group on Rules – RTAs**

Discussions continued on 21/3 on the transparency aspects of the RTAs focussing on outline of factual presentation by the Secretariat on RTAs; non paper prepared by Chairman raising issue such as what to notify, when to notify, whether to notify, where to notify.

- **Textiles Monitoring Body**

Discussions continued on 24/3/03 various notifications submitted by members pursuant to various provisions of the Agreement on Textiles & Clothing (ATC).

- **Meeting of the Committee on Market Access**

Discussions took place on 26/3/03 under the chairmanship of Ms. Lomas of the U.K. whose election was endorsed by the Committee. The meeting took note of the various waiver requests made as well as the current status of the CTS and IDB database.

- **Working Party on Trade, Debt and Finance**

Discussions took place on 28/3/03 on the African Group paper as well as the OECD submission on HIPC initiative. Detailed discussions also took place on the Chairman's list of themes.

- **Plurilateral on agriculture with Russia**

Discussions were undertaken on the domestic support tables provided by Russia on 3/3/03. Discussions on monopoly role of GazPron & energy pricing policies was undertaken on 4/3/03. A consolidated report on plurilateral informal Working Party meetings and bilateral meetings has been sent to the capital on 20.3.03.

- **Trade Policy Review Body (TPRB)**

A meeting of the Trade Policy Review Body was held on 12 and 14 March 2003 to conduct the seventh Trade Policy Review of Canada. All members appreciated the highly transparent trading regime in Canada. Members raised concern over Canadian emphasis on regional trade arrangements, excessive use of trade remedial measures and high tariff and tariff escalation in certain sectors. India raised specific concerns on disadvantageous position of non-preferential partners with regard to the existing textile regime and also on stringent visa regime in Canada.

(Source: PMI/ Geneva)



## WORLD TRADE FIGURES 2002

### Trade recovered in 2002, but uncertainty continues

Driven by strong demand in the United States and the big Asian economies, merchandise trade grew by 2.5% in 2002, up from a 1% decline in 2001, according to the latest WTO figures.

But trade growth, which was significantly above the 1.5% increase in total world output, was uneven and masked the sluggish trade performance in many regions including Latin America and Western Europe.

Considerable uncertainty clouds trade growth prospects for 2003. Early indications suggest that at less than 3%, growth in trade volume for 2003 will be little or no better than 2002. This is well below half the average rate of trade growth achieved in the 1990s (6.7%). The downside risks on predictions for 2003 are large, bearing in mind continued sluggishness in the world economy, the conflict in Iraq, and the possibility of the continuing spread of the Severe Acute Respiratory Syndrome (SARS).

"These trade figures reflect the growing economic and political uncertainty in the world today. This uncertainty is detrimental to economic growth and development and can give rise to greater instability across the globe. Governments must send a signal that they are prepared to address this problem. One very important contribution to this effort would be to accelerate work on the negotiations in the Doha Development Agenda," said Director-General Supachai Panitchpakdi.

Launched in November 2001 by Ministers meeting in Qatar, the Doha Development Agenda comprises a wide range of negotiations on topics including agriculture, development issues, trade in services, industrial tariffs, WTO rules and trade and environment. Progress in these talks has been uneven and with the talks due to conclude by 1 January 2005, Director-General Supachai has urged the 146 member governments to summon the political courage that is required to bridge differences across the negotiations.

The WTO's assessment of the 2002 trade figures is based on the first preliminary compilation of statistics for the past year. Measured in value terms, merchandise exports rose by 4% to \$6,240 billion nearly offsetting the decline of the preceding year. Commercial services trade expanded a little faster than merchandise trade reaching a new record level of \$1,540 billion.

The **trade recovery** occurred amidst the weakness of the global economy, greatly reduced investment flows, major movements in exchange rates, dented business confidence, increased restrictions on international trade transactions to reduce risks from terrorism and rising geopolitical tensions.

The rise in trade in **commercial services** took place despite the lingering fear of terrorism and higher fuel prices which limited growth in international travel and transportation services. But this was more than made up for by trade in other services which continued to expand rapidly.

The weakness of fixed **investment** expenditure contributed significantly to the sluggish overall growth in the industrial countries. Worldwide expenditures on electronic equipment, IT hardware and semi-conductor plants continued to shrink.

The global economic recovery proved uneven, with significant differences in growth performance **across regions**. The driving forces of the pick up in global economic activity were the United States, the advanced economies in East Asia, China and the transition economies. In contrast, Western Europe and Japan experienced stagnation or a decline in domestic demand. In Latin America, crises in Argentina and Venezuela contributed to the severe slump.

Trade performance largely mirrored the **pattern of economic growth**. Trade expansion was strong in Asia and the transition economies. North America's imports recovered in line with stronger domestic demand although exports decreased in 2002. Trade remained stagnant in Western Europe and Japan. And it contracted in Latin America as a result of economic turmoil in a number of countries in the region.

Some details of developments in specific countries or groups of countries:

- **Developing Asia's merchandise trade grew by about 12.5% in volume terms, driving the entire continent's exports and imports to grow by double digits. The region also saw diverging growth paths between Japan, still Asia's largest economy, and China and India, the two most populous nations in the world. In value terms, China's merchandise exports and imports increased by more than 20% while India's also grew at double-digit rates.** China has overtaken the

UK to become the fifth largest trader in the world. Japan's merchandise export growth was only 3% while imports contracted.

- Transition economies' trade continued to show strong growth with merchandise trade expanding by about 10% lifted by strong domestic demand growth and by rising foreign direct investment (FDI) inflows into the region.
- **Imports into the US grew by 3% driven by continuing consumer spending and an increasingly expansionary fiscal stance. But exports declined by nearly 4% partly reflecting reduced demand from some key trading partners whose economies were either hardly growing, such as Western Europe and Japan, or in outright contraction, as in Latin America.** Lack of price competitiveness might have also played a major role as US exports decreased even to those regions whose imports grew strongly.
- **Western Europe's trade stagnated in volume terms with merchandise exports increasing by just 0.6% and imports declining by 0.5%.**
- **Latin America saw one of its worst years with the crises in Argentina, Venezuela and difficulties in Brazil in the run-up to the national elections.** Latin America's merchandise imports declined by over 5% in 2002 although merchandise exports rose by about 2% with the decline in intra-regional trade (especially intra-MERCOSUR trade) being balanced by increased shipment to other regions.
- LDC exports and imports rose last year although it does not change their overall situation as marginal participants in world trade.
- Oil exporting LDCs saw a strong increase in the dollar value of their shipments as they increased their production and volume of trade. Exports of the non-fuel commodity exporting countries continued to rise after marked gains in 2001. However, exporters of manufactured goods experienced stagnation.

**Prices** of crude oil, gold and agricultural commodities rose in 2002 providing an important lift to commodity exporting developing countries. However prices of minerals and metals continued to fall. Prices of manufactured goods recovered somewhat but were still around 10% below their level in 1995.

In the course of 2002, **the real effective exchange rate of the US dollar depreciated while the euro and the yen appreciated.** However, the realignments did not seem to have materially affected the US trade deficit, nor current account surpluses being accumulated by the euro zone

countries, Japan and developing Asia.

**International capital flows had risen throughout the 1990s and peaked in 2000. Since then they have experienced a drastic contraction. Both developed and developing regions have been affected by the reduction in FDI flows. Noteworthy exceptions were FDI inflows to China and to Central/Eastern Europe which continued to increase very strongly.**

### Prospects for 2003

At the time of writing (April 2003) the war in the Middle East is clouding short term prospects for the world economy. Projections on the course of global output and trade depend strongly on the developments in the conflict in Iraq. Even in a best-case scenario of a short war, much depends on how quickly political stability can be re-established in Iraq and maintained throughout the region. In this best-case scenario for the global economy, one could expect a decline in oil prices from their current crisis level of 33 dollars per barrel which would provide a stimulus to global economic activity.

The impact of a military conflict in the Middle East could also pose a challenge to international relations which go far beyond the questions of oil supplies and regional stability. Military intervention could have the effect of testing the whole system of international institutions and agreements, which have until now provided the basis for global governance, ushering in a new and more uncertain era in international relations **(9)**. The erosion of confidence in global institutions could encourage the creation of like-minded blocs and inward-looking policies.

The observed slowdown in economic expansion in the industrial economies in the last quarter of 2002, the continued sluggishness of business and consumer confidence in the first months of 2003, reflected also in weak stock markets, together with higher oil prices call for a downgrading of the economic projections made in late 2002 which predicted a moderate acceleration in global output growth and a significant rise in global trade on a year to year basis. In the light of the recent exchange rate developments — in particular the strong appreciation of the euro and yen vis-à-vis the US dollar — growth projections need to be lowered for the EU and Japan, and raised for the United States, thereby increasing further the projected gap in demand growth among these economies.

Global trade flows are projected to expand by less than 3% in 2003. On the assumption that trade growth remains weak but positive in the first quarter of 2003 and picks up at a moderate rate thereafter — as economic activity strengthens on a world-wide basis — the year to year trade expansion is expected to be in the range of 2%-3%. This rate of trade growth would be lower than the average rate recorded in the 1990s.

---

(9) See Martin Wolf, "America may not like the new world it is about to create," Financial Times, 12 March 2003.

## Leading exporters and importers in world merchandise trade, 2002

(Billion dollars and percentage)

Rank	Exporters	Value	Share	Annual % change	Rank	Importers	Value	Share	Annual % change
1	United States	693.5	10.8	-5	1	United States	1 202.5	18.0	2
2	Germany	612.2	9.5	7	2	Germany	493.3	7.4	1
3	Japan	416.0	6.5	3	3	United Kingdom	339.8	5.1	2
4	France	329.5	5.1	2	4	Japan	336.4	5.0	-4
5	China	325.6	5.1	22	5	France	326.4	4.9	-1
6	United Kingdom	275.9	4.3	1	6	China	295.2	4.4	21
7	Canada	252.5	3.9	-3	7	Italy	241.1	3.6	4
8	Italy	252.0	3.9	5	8	Canada	227.7	3.4	0
9	Netherlands	243.4	3.8	5	9	Netherlands	217.6	3.3	4
10	Belgium	213.2	3.3	12	10	Hong Kong, China retained imports (a)	208.6 24.7	3.1 0.4	3 -21
11	Hong Kong, China domestic exports	200.6	3.1	5	11	Belgium	195.7	2.9	10
	re-exports	16.7	0.3	-18					
		183.9	2.9	8					
12	Korea, Rep of	162.5	2.5	8	12	Mexico	176.5	2.6	0
13	Mexico	160.8	2.5	1	13	Spain	153.7	2.3	-1
14	Chinese Taipei	130.3	2.0	6	14	Korea, Rep. of	152.1	2.3	8
15	Singapore domestic exports	125.6	2.0	3	15	Singapore retained imports	116.2 57.7	1.7 0.9	0 -5
	re-exports	67.0	1.0	1					
		58.6	0.9	5					
16	Spain	118.9	1.9	2	16	Chinese Taipei	112.6	1.7	5
17	Russian Fed.	106.9	1.7	4	17	Switzerland	83.5	1.2	-1
18	Malaysia	95.7	1.5	9	18	Malaysia	80.2	1.2	9
19	Ireland	88.6	1.4	7	19	Austria	77.7	1.2	4
20	Switzerland	87.6	1.4	7	20	Australia	72.7	1.1	14
21	Sweden	80.7	1.3	7	21	Sweden	65.9	1.0	4
22	Austria	79.1	1.2	12	22	Thailand	64.5	1.0	4
23	Saudi Arabia	73.9	1.2	1	23	Russian Fed.	60.0	0.9	12
24	Thailand	68.6	1.1	5	24	India	56.3	0.8	12
25	Australia	65.0	1.0	3	25	Poland	54.8	0.8	9
26	Brazil	60.4	0.9	4	26	Ireland	51.9	0.8	3
27	Norway	60.3	0.9	2	27	Brazil	49.5	0.7	-15
28	Denmark	56.8	0.9	10	28	Denmark	49.2	0.7	9
29	Indonesia	52.0	0.8	0	29	Turkey	48.8	0.7	18
30	India	50.0	0.8	15	30	Czech Rep. (b)	40.6	0.6	11
	Total of above (c)	5 538	86.2	-		Total of above (c)	5 651	84.5	-
	World (c)	6 424	100.0	4		World (c)	6 685	100.0	3

(a) Retained imports are defined as imports less re-exports.

(b) Imports are valued f.o.b.

(c) Includes significant re-exports or imports for re-export.

## Leading exporters and importers in world trade in commercial services, 2002

(Billion dollars and percentage)

Rank	Exporters	Value	Share	Annual % change	Rank	Importers	Value	Share	Annual % change
1	United States	267.8	17.4	3	1	United States	218.4	14.3	13
2	United Kingdom	121.0	7.9	10	2	Germany	142.8	9.4	4
3	Germany	94.9	6.2	14	3	Japan	105.3	6.9	-2
4	France	84.0	5.5	5	4	United Kingdom	98.0	6.4	6
5	Japan	64.7	4.2	2	5	France	64.3	4.2	4
6	Spain	61.1	4.0	6	6	Italy	61.7	4.0	11
7	Italy	58.7	3.8	3	7	Netherland	55.9	3.7	5
8	Netherlands	54.7	3.6	5	8	Belgium-Luxembourg	47.9	3.1	12
9	Belgium-Luxembourg	53.3	3.5	9	9	China	44.2	2.9	...
10	Hongkong, China	44.0	2.9	6	10	Canada	41.7	2.7	0
11	China	37.3	3.4	...	11	Ireland	38.8	2.5	12
12	Canada	36.2	2.4	2	12	Spain	36.2	2.4	9
13	Austria	36.1	2.3	11	13	Korea, Rep. of	33.9	2.2	2
14	Korea, Rep. of	29.3	1.9	-1	14	Austria	33.8	2.2	8
15	Switzerland	27.3	1.8	5	15	Denmark	24.6	1.6	5
16	Singapore	27.0	1.8	3	16	Chinese Taipei	24.4	1.6	3
17	Denmark	26.9	1.8	0	17	Hond Kong, China	23.9	1.6	-2
18	Ireland	26.2	1.7	31	18	Sweden	23.1	1.5	1
19	Sweden	22.0	1.4	1	19	Russian Fed.	20.7	1.4	13
20	Chinese Taipei	21.3	1.4	10	20	Singapore	20.6	1.4	1
21	India	20.7	1.3	8	21	Australia	17.0	1.1	3
22	Greece	18.9	1.2	-3	22	Norway	16.5	1.1	8
23	Norway	18.8	1.2	5	23	Mexico	16.4	1.1	-1
24	Australia	16.0	1.0	1	24	Thailand	16.3	1.1	13
25	Thailand	14.9	1.0	16	25	Indonesia	15.7	1.0	...
26	Turkey	14.4	0.9	-10	26	Malaysia	15.6	1.0	-5
27	Malaysia	14.1	0.9	-2	27	India	15.5	1.0	-14
28	Mexico	12.6	0.8	0	28	Switzerland	15.3	1.0	1
29	Russian Fed.	12.4	0.8	18	29	Brazil	13.6	0.9	-14
30	Poland	9.8	0.6	0	30	Israel	12.5	0.8	1
	Total of above	1 345.0	87.5	6		Total of above	1 315.0	86.4	6
	World	1 540.0	100.0	5		World	1 520.0	100.0	5

(Source: WTO)



## SANITARY AND PHYTOSANITARY MEASURES

### Committee agrees on treatment for developing countries

The Sanitary & Phytosanitary Measures (SPS) Committee of the WTO meeting 1–3 April 2003, agreed in principle on a procedure for governments to make known the flexibility given to developing countries when they apply new measures on food safety and animal and plant health. It also discussed a number of other issues.

#### **Special and differential (S&D) treatment for developing countries**

The SPS Committee adopted, in principle, a procedure proposed by Canada to ensure greater responses to specific requests for special and differential treatment, and transparency regarding these responses.

Origins: When the committee reviewed recommended transparency procedures in March 2002, Egypt proposed adding an “S&D box” to the form used for notifying SPS measures to the WTO, so that the notifying government could spell out any special treatment for developing countries, such as technical assistance, or more time for these countries to adjust to the new requirements.

At the June 2002 meeting, Canada suggested as an alternative that members agree to consultations whenever a developing country has identified a problem relating to a notified SPS measure. The results of this consultation would then be notified to the SPS Committee. The Canadian proposal (G/SPS/W/127) was circulated at the November 2002 meeting.

This time: Many countries supported the Canadian proposal as one useful step to address one aspect of the problem, while recognising that adopting the Canadian proposal would not imply that the committee had completed its work on this.

Several countries said they would put forward additional proposals for other possible actions.

The US offered to design a pilot project on how an importing country might identify which developing countries would be affected by a new SPS requirement. The EU stressed the need for assistance to help developing countries establish effective enquiry points to screen notifications and identify potential problems, in consultation with producers.

The committee adopted the Canadian proposal in principle, subject to the development of a more detailed explanation of how the procedure is to be applied.

The Committee also discussed other possible S&D measures, and will continue at its June meeting.

#### **Implementation of equivalence provisions**

The committee examined clarification of the last outstanding issue regarding its decision on implementing the equivalence provisions of the SPS Agreement.

Origins: One longstanding implementation issue has been how to make operational the SPS Agreement’s provisions on equivalence (Article 4) — governments accepting that different measures used by other governments, which provide the same level of health protection for food, animals and plants, can be equivalent to their own.

In October 2001, the SPS Committee adopted a decision on equivalence which essentially provides guidelines to importers and exporters. In agreeing to this decision, several members asked that three guidelines be further clarified. In Doha, ministers charged the SPS Committee to expeditiously develop a programme for further work on equivalence.

An ambitious work programme was adopted in March 2002, and in line with this work programme the Committee agreed the clarification of two guidelines in November 2002.

At this meeting: The committee discussed a draft proposal for clarifying the third guideline, which deals with comparing what is required from supplying country with the importing country's own measure. Argentina proposed that the SPS Committee adopt the guidelines for judging equivalence developed in one of the Codex Alimentarius committees.

Other members are concerned that the Codex guidelines might not be appropriate for applying outside of the limited scope intended by Codex.

Argentina also wants the committee to consider modifications to the already agreed clarification of one of the other guidelines, on the importance of historic trade when judging equivalence. The Committee agreed to hold at least one additional informal meeting in the interval before its next meeting to consider Argentina's proposals.

### **Compliance**

China presented the results of an evaluation of compliance with the recommended notification procedures. This issue will be further discussed by Members, but reaffirms the need for technical assistance to developing countries to enable them to make effective use of the SPS transparency provisions.

### **Specific trade concerns**

A growing number of members are using the meetings to raise specific trade concerns. Virtually one full day was devoted to this. Among the issues raised were: US bio-terrorism legislation: This will require all enterprises to be registered if they intend to ship any food products into the US, and many members expressed concern. The US encouraged members to submit their comments in writing on each piece of implementing legislation notified by the US.

Australia's quarantine regulations: Many members complained about the long delays and difficulties facing exporters to Australia. The EU and the Philippines now have formal dispute

complaints on this.

Pest- or disease-free zones: The Committee agreed to begin considering the issue of recognition of pest- or disease-free zones, as a growing number of countries have identified difficulties in having their zones recognised.

### **Funded participation**

At least two capital-based experts from each of the 32 Caribbean and Latin American countries participated in the SPS meetings, thanks to funding provided by the US and Canada through the Inter-American Institute for Agricultural Cooperation. This funding should permit participation of IICA member countries for at least one more meeting of the SPS Committee.

### **Convention on Biodiversity**

Although the committee was unable to grant observer status to the Convention on Biological Diversity, it did agree to invite the CBD secretariat to provide an informal briefing session on the Cartagena Protocol in the margins of the next SPS Committee meeting.

### **New chairperson**

Paul Martin (Canada) was confirmed as the next chairperson, taking over from Mrs Maria Fe Alberto-Chai Huu (Philippines) at the next meeting.

### **Next meeting**

24-25 June 2003. Before these regular sessions, there will be informal meetings on equivalence, special and differential treatment, transparency, and on adaptation to regional conditions.

(Source : WTO)



## SCHEDULE OF MEETINGS AT THE WTO/GENEVA\* MAY 2003

### MAY

1-2	Special Session of the Committee on Trade and Environment	19	Special Session of the Council for Trade in Services
5-7	Negotiating Group on Rules	20-21	Special Session of the Dispute Settlement Body
8	Committee on Import Licensing	22	Special Session of the Council for Trade in Services
8-9	Committee on Subsidies and Countervailing Measures	21	Sub-Committee on Least-Developed Countries
8-9	Trade Negotiations Committee	22	Special Session of the Council for Trade in Services
12-16	Services Meeting	23	Committee on Customs Valuation
12	Trade Policy Review Body - New Zealand	23	Special Session of the Dispute Settlement Body
13	General Council on Coherence - WB/IMF	26-28	Negotiating Group on Market Access
13	Working Group on Trade and Transfer of Technology	26-28	Textiles Monitoring Body
14	Trade Policy Review Body - New Zealand	26-27	Working Group on the Interaction between Trade and Competition Policy
15-16	General Council	29	ASCENSION DAY (WTO non-working day)
19	Dispute Settlement Body	30	ASCENSION (WTO non-working day)

\*Source : WTO/Geneva as on April 2003

Published by

### MINISTRY OF COMMERCE & INDUSTRY, GOVERNMENT OF INDIA

Udyog Bhawan, New Delhi - 110 011

***We welcome your comments and suggestions:***

Telefax : 2301 4622

E-mail : [sbiswas@ub.nic.in](mailto:sbiswas@ub.nic.in)

Website : <http://commerce.nic.in>