

## CTPL Cancun Briefing Module, July 2003

*Prepared by Christopher Maule and Rosemina Nathoo*

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### How to read this module

This module aims to take stock, as of June 2003, of the WTO Doha Round of trade negotiations and to identify prospects for the Ministerial meeting at Cancun in September 2003.

**Part 1** outlines the background and context for the negotiations,  
**Part 2** provides summaries of the state of the negotiations in the principal areas,  
**Part 3** includes an assessment of the prospects for a successful outcome at Cancun, and how CTPL can provide further assistance

The reader can go directly to Part 3 to read the assessment. If she or he wants a summary of each section of the negotiations, such as agriculture or services, consult Part 2, which also indicates where further details can be found. In order to understand the current context, consult Part 1. Part 2 will change as negotiations proceed and may in turn modify the assessment.

## Part I. Introduction and Context

There have been four Ministerial Conferences since the formation of the WTO in 1995: Singapore 1996; Geneva 1998; and Seattle 1999. The fourth took place in Doha, Qatar, November 9-13, 2001 where an agreement was reached on the mandate for the next round of WTO multilateral trade negotiations. The mandate is set out in the Doha Declaration (see [http://www.wto.org/english/thewto\\_e/minist\\_e/min01\\_e/mindecl\\_e.htm](http://www.wto.org/english/thewto_e/minist_e/min01_e/mindecl_e.htm)) and the Round has been labeled the Doha Development Round because of the emphasis placed on the concerns of developing countries and transition economies.

From September 10 – 14, 2003, Cancun, Mexico will be the site of the fifth Ministerial Conference. Its main objective will be to take stock of the progress in negotiations and other work arising from the Doha Development Agenda (DDA).

*A Ministerial Conference takes place about once every two years and brings together Ministers responsible for trade from all WTO Members. The Ministerial Conference is the highest decision-making body in the WTO, and offers Ministers from around the world the opportunity to meet and discuss important developments in the multilateral trading system and the global economy. There are now 146 member and 30 observer countries of which over 20 are applying to join the WTO. See [http://www.wto.org/english/thewto\\_e/thewto\\_e.htm](http://www.wto.org/english/thewto_e/thewto_e.htm)*

The Doha Round is the ninth in a series of negotiations since 1947 that have progressively liberalized trade, first in goods and more recently in services – see below.

### GATT/WTO Negotiating Rounds, 1948-2003

Round	Dates	Main Achievement
Geneva	1948	• GATT entered into force
Annecy (France)	1949	• Tariff reduction
Torquay (England)	1951	• Tariff reduction
Geneva	1956	• Tariff reduction
Geneva	1960- 62	• Tariff reduction • Coined the “Dillon Round”
Geneva	1962- 67	• Tariff reduction, Anti-dumping code • Coined the “Kennedy Round”

Tokyo	1973-79	<ul style="list-style-type: none"> <li>• Tariff reduction; plurilateral non-tariff barrier codes</li> </ul>
Uruguay	1986-94	<ul style="list-style-type: none"> <li>• GATT enlarged World Trade Organization</li> <li>• Single undertaking encompassing all agreements and understandings developed since 1948 (including GATS and TRIPS)</li> </ul>
Doha	2001-2005	<ul style="list-style-type: none"> <li>• Development agenda; further liberalization in services, agriculture, industrial tariffs and new rule-making in a number of areas.</li> </ul>

### **What happened at the Doha Ministerial meeting?**

The Doha Ministerial provided an opportunity for Members to take stock of evolving global trade trends and issues, as well as to review and advance the ongoing work of the WTO, including: addressing developing countries' concerns regarding implementation of Uruguay Round commitments; considering ways to facilitate the accession process for least developed countries; clarifying WTO rules and disciplines, where necessary; determining ways to provide more and better coordinated assistance to help improve the capacity of poorer countries to trade; making the WTO more open and transparent; and strengthening the dispute settlement system.

The negotiating atmosphere at Doha, in contrast to Seattle, was largely constructive. Yet the differences between Members in some areas, particularly agriculture, the environment, investment and competition, remained large, and trade-offs between issues that held the key to consensus, elusive. At the eleventh hour, consensus was reached on the final text including a three-year work programme, with development at its core (for more information, consult [http://www.wto.org/english/tratop\\_e/dda\\_e/dda\\_e.htm](http://www.wto.org/english/tratop_e/dda_e/dda_e.htm) ).

The Doha Development Agenda (DDA) is seen as an opportunity to update and reinforce multilateral rules aimed at liberalizing trade in the whole spectrum of tradable goods and services, as well as widening the scope of the WTO mandate to other trade-related areas.

### **What is the Doha negotiating mandate?**

The mandate provides the overall “framework” for negotiations on a variety of issues. During the course of the Doha launch, negotiators have attempted to give substance to this mandate in accordance with their national interests.

The Ministerial Conference concluded with the adoption of a Ministerial Declaration delineating areas of negotiations to be undertaken in a “New Work Programme” intended to be completed by 2005, and provided WTO negotiators with a “script” to act upon according to their own national objectives and priorities.

The mandate covers agriculture and services; trade and environment; industrial tariffs; antidumping and countervailing duties; fisheries subsidies; rules on regional trade agreements; and dispute settlement. The mandate also provides for future negotiations on investment, competition policy, transparency in government procurement and trade facilitation. These last issues are called the “Singapore Issues” because they first appeared on the international trade agenda at the Singapore Ministerial Meeting in 1996. A final decision on which of these issues is to be included in the Doha negotiating mandate will be taken at the Cancun Ministerial meeting.

### **Who are the developing countries?**

The answer is of importance in light of the DDA, and because there are different levels of development amongst the developing countries, although the discussions in Geneva remain along traditional lines. Developing countries are self-defined, but within this group the least developed countries are identified by the United Nations (UN).

Developing (including least-developed) countries have formed both formal and informal coalitions or groupings, depending on the issue. Various groupings within are identified below. They are dynamic in nature; some countries belong to more than one bloc.

*The ASEAN Countries: this group from Southeast Asia includes Brunei, Malaysia, Thailand, Philippines, Singapore, Myanmar, and Indonesia.*

*African Group: consists of forty-one African countries.*

*CARICOM: Caribbean Island states generally work together under the ambit of the existing Caribbean Community or CARICOM.*

*Mercosur: Brazil, Argentina, Paraguay, and Uruguay, joined from time to time by other Latin American countries, occasionally present joint positions.*

*Grulac: In some cases, countries from Latin America and the Caribbean work together under this grouping.*

*Like-Minded Group: This grouping is not based on geography and usually consists of Cuba, Dominican Republic, El Salvador, Haiti, Honduras, Kenya, India, Nigeria, Pakistan, Sri Lanka, Uganda, and Zimbabwe.*

*India and China: Due to their economic size and populations, they are considered as developing country heavyweights, and usually speak up on behalf of a majority of developing and least-developed countries in the WTO.*

LDCs as a group meet under UNCTAD auspices.

In the following section, we examine the global political-economic climate within which these negotiations are to take place.

## **Global political – economic framework**

Various aspects of the international political and economic environment provide context for the negotiations.

### *Data on change in global GDP and global trade*

A period of world economic growth where foreign direct investment (FDI) grew faster than international trade and world GDP has ended as a result of an economic slowdown in a number of major trading areas and partly due to issues of global security especially following September 11<sup>th</sup> 2001. From 1994-2000, world exports grew at an average of over 7% compared to world GDP growth of about 3%. In 2001 and 2002, world exports first decreased by 1% and then grew by 1%; world GDP grew 1% and 2% in 2001 and 2002 respectively.

Another indicator to watch is the US current account trade deficit that is currently running at US\$50 billion an hour or 5% of US GDP per annum. The deficit is financed by the willingness of other countries to be paid in US dollars and depends on lenders trusting in the creditworthiness of the US in order to hold dollars. If there is a collapse in the value of the US dollar, foreigners will lose buying power for their imports; US exports will likely decline even though the low value of the US dollar will promote their exports. The prospects for a worldwide economic downturn will be enhanced.

Slowing growth gives rise to protectionist pressures that can create additional harm to national economies. Excess production capacity in many industries is putting downward pressure on prices, so that deflation is considered as a possible economic outcome. Further trade liberalization is part of the medicine needed to restart growth.

### *Political risks - security issues, SARS*

Political uncertainty of any kind is bad news for traders and investors. In early 2003, governments and businesses are concerned with circumstances in Iraq as well as with conditions more generally in the Middle East, parts of Asia, especially in North Korea and neighbouring countries, as well as in some Latin American countries. The war against terrorism continues with countries engaged in instances of armed conflict as well as defensive measures to guard against attacks.

The airlines and tourism industries, for example, are affected by both political and health factors such as the outbreak of SARS. Energy prices are influenced by political conditions in Venezuela as well as in the Middle East leading to rising costs and slowdowns for many economies. Oil prices may actually fall in the long run, but it is the uncertainty that is bad for trade and economic growth.

Problems associated with lack of transparency, a euphemism for corruption, were headlines during the Asian financial crisis of the mid 1990s. These problems have become aggravated by the revelations of corporate wrongdoing and criminal behaviour of

corporate executives in North America, Europe and Japan, the regions where most of world trade occurs. Inadequate corporate governance affects countries at all stages of development and is an issue being addressed by the World Bank. In trade negotiations, lack of transparency represents an issue of continuing risk for investors and traders; corporate governance, as such, is not on the Doha agenda.

Politicians become wary about making new liberalizing commitments when facing such a wide range of economic and political risks. The case has to be made that liberalization is not the cause of these risks but a way of reducing them in the future and strengthening the world trading system so as to promote higher living standards. Trade requires both a stable domestic and international framework of rules and policies. The WTO contributes to the latter. The Doha Round along with the negotiation of regional trade agreements represents current initiatives to improve the institutional framework for trade.

### *US - Europe rift*

While European integration is one of the outstanding political and economic achievements of the post 1945 period, it is now facing internal and external strains. Internally, members are divided about the extent of further expansion. Particular issues include the size and distribution of agricultural subsidies and support programs, as well as the cross-border movement of people. Externally, the relationship between the USA and EU is of continuing concern and it is unclear how this will play itself out in future political and economic relations and the ongoing trade negotiations.

The political war of words that receives headlines in the media has to be seen in the context of existing flows of trade between Europe and North America and the stock of foreign investment that each has in the other region. Both sides have much to lose by failing to make progress or by slipping backwards in the negotiations. The two regions are also centers around which smaller states coalesce for leadership and direction in the new round.

### *Anti-globalization pressures*

Protests against increased international economic integration gained momentum during the OECD negotiations for a Multilateral Agreement on Investment (MAI), and were further fuelled by attempts in Seattle and elsewhere to launch a new WTO round. Through use of e-mail and websites, protesters are able to inform each other and organize a more coordinated campaign. This is a challenge and opportunity for governments. The challenge is to address legitimate concerns and to point out the irrelevance of others. The opportunity is the ability that governments have to monitor the issues that are likely to arise and prepare to address them. A process of organized public consultations has been one response to anti-globalization activists. The process is complicated by varying national approaches to consultation and the involvement of transnational protest and anti-globalization organizations.

More people are now engaged in the lobbying process surrounding international negotiations, and at the same time there is more information available forcing each side to sharpen its arguments. Although the opposing sides have little liking for each other, the level of debate and public awareness of the issues has risen.

*Doha as a development round*

Since the birth of the GATT, developing countries members have received preferential treatment in a number of ways. The term *special and differential treatment* (SDT) refers to how the agreement applies to this group of countries. The large number of developing countries means that there are different priorities among them and it is often unhelpful to think of the problems of large developing countries such as China, Brazil and India in the same category of smaller countries in Africa and the Caribbean or of transition economies – see Box above for groupings of developing countries.

To call Doha a development round is to place further emphasis on the needs of these countries. The idea emerged from the Uruguay Round where the developing countries felt that they had given more than they received. In particular little progress was made on agricultural trade and slow progress on textiles, areas where they would benefit if the developed countries lowered trade barriers. Developing countries now seek to redress the perceived imbalances in current rules and to implement a permanent system of preferences in their favour. Meanwhile transitional (and acceding) countries are finding it difficult to make their voices heard in a WTO dominated by north-south issues, and in a period of slow economic growth in OECD countries.

*The aspirations of the developing countries are reflected in the speech of the Indian Commerce minister Murasoli Maran, in which he argued that, "The asymmetries and imbalances in the Uruguay Round agreements, non-realization of anticipated benefits and non-operational and non-binding nature of special and differential provisions have been the basis for implementation issues and concerns raised by a large number of developing countries." Agriculture is of specific concern. As an African representative noted to The Economist at the Doha round, "issues that may lose elections in France are life and death in Tanzania."*

Source: [http://www.cid.harvard.edu/cidtrade/cancun.html#\\_ftn1](http://www.cid.harvard.edu/cidtrade/cancun.html#_ftn1)

After signing off on the Uruguay Round, developing countries became more fully aware of what they had agreed to, the commitments made and what domestic changes they had to introduce to fulfill their obligations. They are now determined that their interests will receive attention in the new round and that they receive technical assistance to implement changes already agreed to. Many of the negotiating issues in the Doha Round reflect the input and concerns of developing countries. These will be referred to in Part 2.

### *Regional trade agreements*

The increasing number of regional trade agreements (RTAs), in effect and under negotiation, is deflecting some attention from WTO negotiations, especially in the case of Asia and Latin America. For the latter, interest in the Free Trade Agreement of the Americas (FTAA) is a logical policy choice, given the priority that the region has for trade with the US. Zoellick, the USTR, hopes that RTAs will act as "building blocks" of global free trade. For further discussion, see "A High-Risk Trade Policy," at <http://www.foreignaffairs.org:80/20030701faessay15408-p0/bernard-k-gordon/a-high-risk-trade-policy.html>

### *Is it all bad news?*

The foregoing reads like a litany of problems facing the new round that will make it difficult for negotiators to reach agreement. There are positive factors to consider:

1. The multilateral trading system is working well as far as existing trade is concerned. Until the past two years, world exports have been growing rapidly and flows of foreign direct investment even faster. Disputes have arisen and been referred to the WTO dispute settlement mechanism. Both developed and developing countries have initiated disputes.
2. The number of WTO member countries has been increasing (presently 146) and 26 others have applied to join. Whatever anti-globalists think, countries with governments of different political stripes have flocked to join the organization and none has left or been expelled in recent years. Over 95% of world trade is covered by countries that are members of the WTO.
3. The attraction of environmentalists, human rights activists and labour to the WTO (the so-called "trade *and* agenda") is a reflection of the success that it has achieved in reaching agreement on trade and increasingly on intellectual property and investment issues. In contrast, labour has been less than successful in getting countries to agree on a system of enforceable labour rights in the ILO and have turned to the WTO to achieve these objectives. Environmentalists are looking for ways to make their agreements consistent with WTO principles.

### *Summary*

The Doha Round is the most recent stage of negotiations and agreements that can be traced to the formation of the GATT in 1947. The negotiations are taking place in 2003 in economic, political and social circumstances that are vastly different from those of 1947, circumstances that have been conditioned in part by the WTO and its forerunner the GATT.

Initially, international trade negotiations were concerned with liberalizing trade by lowering tariffs. Today they address a whole range of policy measures that can influence

trade but also intrude on domestic politics. The rationale for trade liberalization remains unchanged, economic growth and the potential to improve living standards. This has been the outcome in many parts of the world but not in others where economic development remains stunted and poverty endures, so that there is obvious inequality between and within countries. For example, there are food surpluses in western Europe and starvation a few hundred kilometers to the south in Africa.

The evidence shows that liberalized markets and economic development are positively related even if the causality is not fully understood. While this is definitely the case for trade, there is some evidence that investment liberalization can be destabilizing for development – note the financial crises in Latin America in the 1980s, Mexico in 1994, East Asia in 1997-98 and conditions in Brazil and Argentina in 2003. The impact of financial flows on development is uneven depending on a number of factors, one of which is the type of investment. Capital flows include a wide range of financial transactions: short and long-term bank lending - for example, consumer financing for a TV set and mortgage lending for a factory; investment in government or private sector bonds; investment in share ownership (equities) – portfolio investment; and foreign direct investment (FDI) in the ownership of productive assets. Evidence suggests that long-term investments such as FDI is more conducive to development, and that policies may be needed to control short term investments. (For further discussion, see the *Economist*, May 3-9, 2003, “A Survey of Global Finance,” after p.50).

These destabilizing examples of short-term capital flows are in contrast to the record of the positive effects of longer term investments in other circumstances. Development in Australia, Canada, the United States, South Africa and in Western Europe after the second world war benefited enormously from international capital flows. The same is true for many developing countries in Asia and Latin America despite the previously noted examples.

The reasons for income inequality are many but trade liberalization is not one of them. It is the complexity of knowing what determines economic development and assigning a major responsibility for development to the WTO that is tending to overwhelm the organization, which some say now stands for the “World Everything-but-Trade Organization.” An examination of the Doha agenda reveals how far development and other issues have become piggy-backed on an agreement that at one time had a limited and more manageable mandate. In Part 2, we examine developments regarding each aspect of the mandate, but caution the reader to recall the context in which these negotiations are taking place.

## **Part 2. Negotiating Issues**

In this section we summarize progress or lack thereof in each sector of the negotiations. For each sector, we provide a short summary followed by further discussion in point form. More details of negotiating positions can be found at [http://www.iisd.org/trade/wto/doha\\_briefing.asp](http://www.iisd.org/trade/wto/doha_briefing.asp)

The following is an overview of the talks and the main negotiating areas:

<b>WTO General Council</b>						
Trade Negotiations Committee (consisting of 7 negotiating bodies)						
1) Agriculture	2) Services	3) Non-agricultural market access	4) Trade & Environment	5) Reform of the Dispute Settlement Understanding	6) WTO Rules (anti- dumping, subsidies, regional trade agreements)	7) TRIPs
Negotiations on outstanding implementation issues will take place in the relevant WTO bodies in accordance with paragraph 12 of the Doha Ministerial Declaration						

## **Agriculture**

### *Summary*

Agriculture is a major issue of concern to many developing countries and transition economies. Progress in the negotiations will require developed countries to provide greater access to their markets and the reduction of subsidies to their producers. Despite the declining relative importance of agricultural output and employment in developed countries, strong protectionist forces remain.

### *Discussion*

- The negotiations on agriculture started in 2000 as part of the built-in agenda of the Uruguay Round. Little progress was made until the launch of broader negotiations in November 2001. The Doha Declaration (para.13) mentions the following issues related to agricultural trade:
  - Market access
  - Export subsidies
  - Trade distorting domestic support
  - Special and differential treatment (SDT)
  - Non-trade concerns (NTCs)

- On December 18<sup>th</sup>, 2002, The Chair of the negotiating committee noted the following as outstanding issues:

Significant differences among members in interpreting the Doha mandate. Different levels of detail in the proposals for modalities put forward by Members.

*Modalities refer to the scope of the negotiations, the methodology or approach to be used and the end-result that Members aim to achieve through negotiations. For example on market access, the modalities would deal with the type of formula used to reduce tariffs.*

Differing views among developing countries on how to deal with SDT. Proposals for the concept of graduated treatment for certain groups of developing countries, for countries applying for membership and for countries in transition to market economies.

The treatment of NTCs.

*NTCs include issues such as the environment, rural development, food security, food safety, mandatory labeling, animal welfare, and the extension of geographical indications (GIs) to a wider range of agricultural products.*

The linkage of agricultural issues to progress in other negotiating areas.

- *On market access*

The two main proposals for gaining market access by reducing tariffs are:

The Swiss formula that would bring all tariffs down to a maximum of 25%.  
The Uruguay Round approach that would reduce all tariffs by the same percentage amount regardless of what the existing level is, say 5% or 50%.

Some developing countries are trying to exempt certain of their key agricultural products from tariff reductions and to renegotiate low tariff bindings (ie. increase existing tariff levels on certain products.)

Some countries would like to expand the use of tariff rate quotas (TRQs) so that there exists a tariff-only regime for agriculture.

*TRQs are two stage tariffs: imports up to a quota level enter at a certain rate, while further imports enter at a higher rate. During the Uruguay Round non-tariff restrictions on trade were “tarrifixed” meaning that they were converted to customs duties so that negotiations could take place using a common standard of comparison for support measures.*

- *On export subsidies*

One proposal is to phase out export subsidies within three years (six years for developing countries) with an initial reduction of 50%; another is to phase them out over five years with no initial reduction; while another is to cut subsidies by 45% and eventually eliminate them on certain products providing no other kind of support replaces them.

Export credits are being considered as a replacement for subsidies and a rules-based approach proposed. An issue is to decide on when the credits are available on commercial terms in which case they should be permitted. Export credits on a non-commercial basis (below market rates) would be treated like other export subsidies.

- *On domestic support*

Subsidies not tied to exports activities are included under this heading and are discussed in terms of three Boxes.

**Green Box** includes measures that have no or minimally distorting effects, such as funds for research, to promote food security or for environmental reasons – these measures which must not involve price support are at present permitted.

**Amber Box** includes domestic support measures that may distort production and trade – proposals are to reduce and eliminate these.

**Blue Box** includes support measures that are given an exemption from the general rule that all subsidies linked to production must be eliminated – these are linked to developing country status.

Negotiations concern the timing of the removal of support measures and criteria to determine whether a measure falls into one or other of the boxes.

- *On SDT*

There is broad agreement that developing countries should receive SDT in all aspects of the negotiations including agriculture. The issue is to define this in each segment of the negotiations. What objective criteria can be used? What kind of SDT should be considered? Should all developing countries be treated the same? Should there be exemptions? What is the boundary between the least developed and other developing countries? Are small developing economies, sometimes called small vulnerable economies, and transition economies particular cases?

How much SDT is needed? Should some countries be given longer phase-in periods?

These are difficult issues to negotiate when there is inadequate empirical information to measure both levels of development and the impact that particular policies might have.

- *On NTCs*

These have been noted above in terms of domestic support measures where subsidies may be related to the environment, rural development, food security, food safety, mandatory labeling, and animal welfare. Negotiators have to determine whether these measures are genuine and are the least trade distorting way to achieve Members' objectives. As countries are required to eliminate Amber Box measures they will try to introduce measures that fall into the Green or Blue Boxes using NTCs as the reason.

- *On implementation issues*

The negotiations address the proposal that members should restrain from challenging Green Box measures that have been introduced for NTC reasons such as food security.

## **Services**

### *Summary*

Services negotiations require countries to make further commitments to liberalize trade in services, an economic sector that became part of the multilateral trade negotiations during the Uruguay Round. Only limited liberalizing commitments have been made to-date in part because they require changes to domestic policies that are politically sensitive. Some concessions on services trade by developing countries will likely be required to gain movement on agricultural trade issues by developed countries. So far, countries have made limited offers of increased commitments while requesting increased commitments from others.

### *Discussion*

- The General Agreement on Trade in Services (GATS), like the Agreement on Agriculture has a built-in agenda that required members to reopen negotiations on January 1, 2000. Members adopted negotiating guidelines and procedures in March 2001. Mandated deadlines (Doha Declaration para.15) are:

June 30, 2002 – Members submit initial bilateral market requests to their trading partners.

March 31, 2003 – Members respond to initial requests with initial offers.

January 1, 2005 – Services negotiations conclude as part of the single undertaking agreed to in Doha.

- Aside from making and receiving commitments with respect to the four modes of supply (see Box) in each of the service sectors, the negotiations deal with the establishment by countries of an emergency safeguard mechanism, disciplines in government procurement, subsidies, and domestic regulation. Members are also discussing whether credit in the negotiations should be given for “autonomous liberalization,” that is measures taken by countries outside of the negotiations.

***Box - The four modes of GATS supply***

***Mode 1 - Cross Border Supply:***

*This takes place when the consumer remains in his or her home territory while the service crosses national borders, the supplier being located in a different country. The delivery of the service can be made by telephone, fax, internet or other computer mediated links, television, or by the sending of documents, disks, tapes, by mail or courier.*

***Mode 2 - Consumption abroad:***

*This occurs when a consumer moves outside his or her home territory and consumes services in another country. Tourist activities such as visits to museums and theatres are typical examples of consumption abroad.*

***Mode 3 - Commercial Presence:***

*This recognizes that often for services it is necessary to establish a commercial presence abroad as a way to ensure a close contact with the consumer in his or her home territory at the various stages of production and delivery, as well as after delivery. Sales abroad by foreign-owned firms, for example an Italian firm in Germany, are domestic transactions that may substitute for international transactions and for this reason are relevant to a trade agreement.*

***Mode 4 - Presence of Natural Persons:***

*This occurs when an individual has moved into the territory of the consumer to provide a service, whether on his or her own behalf or on behalf of his or her employer. A consultant traveling to another country to deliver a one-time service would be an example. Mode 4 may be a substitute for Mode 3 service delivery; Mode 4 is temporary while Mode 3 is permanent.*

- Trade in services was first included in the multilateral trading system in 1995. While services trade is reported to account for 20-25% of world trade, disciplines for services trade are, at this time, few and far between. They depend on members having committed to make their service sectors subject to trade disciplines.
- Services liberalization involves changing domestic policies governing regulatory matters that are often politically sensitive such as: determining who is qualified to deliver medical, legal and accounting services; government provision of healthcare, educational, telecommunication and broadcasting services; the cross-border movement of persons to deliver services; and the establishment of foreign owned firms in the service sector. Developed countries have so far been slow to make total or partial commitments to liberalize trade in many service sectors. Developing countries see service sector liberalization to be an enormous challenge on top of all the other measures they are required to implement as part of the Uruguay Round. By March 31, 2003, the due date for offers on services within the current negotiating round, 23 countries submitted offers; more have been received since that date while others are expected.
- Many developing countries and transition economies are reluctant to move ahead on this agenda item, asking whether they have much to gain from further liberalization. Part of the problem for both developed and developing countries is that data on domestic production and international trade in many service areas is poor and at times non-existent so that it is difficult to know who is offering what in any negotiating setting. When it comes to trading commitments there is no obvious common currency that can evaluate one country's removal of foreign ownership restrictions against another's removal of work permits against another's removal of subsidies and quotas.
- When considering services negotiations, countries must assess their service sectors. In making requests from others to liberalize services, a country must decide where it is able to export services and where these would be increased if foreign trade barriers were removed. In making offers to other countries, members must decide where they could obtain services more cheaply by lowering their own barriers. India, for example, with a strong data processing industry in Bangalore, would benefit from increased exports by other countries removing restrictions on out-sourcing data processing services. For imports, India might be able to obtain lower cost legal, accounting and architectural services by reducing the restrictions it places on foreigners providing these services in India. India's services requests and offers would result from an assessment of this kind.

### **Non-Agricultural Market Access (NAMA)**

#### *Summary*

NAMA deals with negotiations to reduce or eliminate tariffs and NTBs for non-agricultural goods. It is a continuation of previous negotiations that reduced tariffs on

traded goods and introduced GATS commitments for services. Issues involve the choice of formulas used to reduce tariffs, the collection of details of NTBs and deciding what items constitute environmental goods. Developing countries are concerned that environmental issues will be used by developed countries to restrict their economic growth.

### *Discussion*

- Mandated deadlines for negotiations
  - March 31, 2003      Proposals for negotiating modalities
  - May 31, 2003      Agreement on modalities
  - January 1, 2005    Conclude negotiations as part of the single undertaking
  
- A number of modalities have been proposed for tariff reductions: a linear formula for equal percentage tariff reductions; a sectoral approach where tariffs are either harmonized or eliminated for a sector; a request-offer approach with bilateral negotiations on specific tariff items that are then extended to other members; and combinations of the foregoing. Linear tariff cuts differ from tariff harmonization, which brings different country measures in line with each other by making relatively large cuts on high tariffs and smaller cuts on lower tariffs.
  
- Developing countries favour reducing tariff peaks, namely exceptionally high tariffs on certain items. They also want to reduce tariff escalation whereby countries levy higher tariffs on goods that are more processed (higher value-added), for example, a tariff on processed lumber that is higher than on logs or raw lumber, or a tariff on raw coffee beans that is lower than on roasted and ground beans.
  
- For non-tariff barriers (NTBs), the negotiations are concerned with collecting details of relevant measures and presenting them using a common format. In these discussions considerations of SDT play a role in order to recognize the needs of developing countries. Amongst the proposals is one to eliminate all industrial tariffs by 2015 and to put forward a list of NTBs.
  
- Trade in environmental goods (Doha Declaration para. 31(iii)) is an issue dealt with in both the NAMA Negotiating Group and in the Committee on Trade and the Environment (CTE). The purpose of this item is to reduce the costs of preserving the environment. The NAMA Group is gathering information about barriers to trade in environmental goods, which includes listing what is considered to be an environmental good. One statement refers to “activities which produce goods and services to measure, prevent, limit or correct environmental damage to water, air and soil, as well as problems related to waste, noise and eco-systems.” A wide range of products would be caught in this description including, for example, double hulled oil tankers, air pollution control devices, soot removers for boilers and pumps for water pollution control. Some listed environmental

goods may have dual purposes making it difficult to draw a boundary around what is and what is not an environmental good.

## Trade & Environment

### *Summary*

Pursuant to paragraph 51 of the Doha Declaration, the Committee on Trade and the Environment (CTE) is to act as a forum to identify and debate environmental aspects of the negotiations, in order to help achieve the objective of having sustainable development appropriately reflected. Much of the current debate lies in defining how trade provisions in non-WTO multilateral environmental agreements (MEAs) should be treated in the event that the adoption and implementation of trade measures pursuant to such MEA provisions comes into conflict with the WTO obligations of the implementing country, or adversely affects the WTO rights of another country. Many MEAs allow or provide for the use by Parties of trade-restrictive measures – including import and export bans – to meet their environmental objectives. The WTO negotiations may result in an outcome that can effectively restrict the ability of governments to take socio-economic considerations into account in formulating and implementing MEA trade measures.

### *Discussion*

- Mandate deadlines for negotiations

Committee Reports to Ministers:	5 <sup>th</sup> Ministerial Conference, 2003 (Cancun)
Negotiations stock taking:	5 <sup>th</sup> Ministerial Conference, 2003 (Cancun)
Negotiations deadline:	by January 1, 2005, part of single undertaking

- Certain WTO Members want to keep the agenda focused on development priorities and are concerned that environmental negotiations might expand the potential use of environmental measures to restrict market access for their goods. For instance, the US and Canada are concerned with the potential for the EU to use an environmental mandate to slow down agricultural subsidy reform or to further restrict entry of agricultural goods – including genetically modified organisms (GMOs or LMOs) through the application of labeling or the precautionary principle.

*A Living Modified Organism (LMO) is defined in the Cartagena Protocol on Biosafety as any living organism that possesses a novel combination of genetic material obtained through the use of modern biotechnology. The Protocol also defines the terms 'living organism' and 'modern biotechnology' (see [Article 3](#)). In everyday usage LMOs are usually considered to be the same as GMOs (Genetically Modified Organisms)*

*Common LMOs include agricultural crops that have been genetically modified for greater productivity or for resistance to pests or diseases. Examples of modified crops include tomatoes, cassava, corn, cotton and soybeans.*

*Precautionary Principle: One of the outcomes of the United Nations Conference on Environment and Development (also known as the Earth Summit) held in Rio de Janeiro, Brazil, in June 1992, was the adoption of the Rio Declaration on Environment and Development, which contains 27 principles to underpin sustainable development. Principle 15 states that "In order to protect the environment, the precautionary approach shall be widely applied by States according to their capabilities. Where there are threats of serious or irreversible damage, lack of full scientific certainty shall not be used as a reason for postponing cost-effective measures to prevent environmental degradation."*

- The majority of the discussions on para. 31(i) of the Doha Declaration have focused on how to structure the negotiations in three phases: (i) examination of individual MEAs; (ii) identification of specific trade obligations in those MEAs; and (iii) identification of relevant WTO rules.
- Very few solutions have been reached thus far on the issues of information exchange between the WTO and the MEA Secretariats, and observer status at the CTE special negotiating sessions.
- While the Negotiating Group on Market Access has been allocated the task of negotiating reductions in barriers to environmental goods, ongoing definitional difficulties have pushed much of the debate back to the CTE special sessions. Negotiations on reductions in barriers to environmental services have been delegated to the Council for Trade in Services (CTS) special session.
- Further to paragraph 32 of the Doha Ministerial Declaration, the CTE is also focusing on:
  - (i) the effect of environmental measures on market access, especially in relation to developing countries, in particular the least-developed among them, and those situations in which the elimination or reduction of trade restrictions and distortions would benefit trade, the environment and development;
  - (ii) the relevant provisions of the Agreement on Trade-related Aspects of Intellectual Property Rights; and
  - (iii) labeling requirements for environmental purposes.
- Further to paragraph 33 of the Doha Ministerial Declaration, the CTE is requested to prepare a report on the technical assistance and capacity-building activities in the field of trade and environment for Cancun.

Documents and further information can be accessed online at:  
<http://docsonline.wto.org/gen>

### *Reform of the Dispute Settlement Understanding*

#### *Summary*

Among the Uruguay Round's final documents, a 1994 Ministerial Decision agreed to a "full review of dispute settlement rules and procedures under the WTO within 4 years after the entry into force of the Agreement Establishing the World Trade Organization." Ministers further agreed to "take a decision on the occasion of their first meeting after the completion of the review, whether to continue, modify or terminate such dispute settlement rules and procedures." Members agreed to complete the review by January 31, 1999, but the exercise yielded no concrete conclusions, and the review languished in an inconclusive limbo until ministers agreed in Doha to "improve and clarify" the Dispute Settlement Understanding (DSU). These negotiations have been taking place in special sessions of the Dispute Settlement Body since March 2002.

Pursuant to the declaration (para. 47), the negotiations will not be part of the single undertaking; that is, they will not be tied to the overall success or failure of the other negotiations mandated by the declaration.

#### *Discussion*

- Mandated deadlines for negotiations:

Start date for negotiations: January 2002

Negotiations deadline: May 2003, separate from single undertaking

- The review has proceeded on a two-track arrangement in which Members' proposals are considered formally followed by informal discussions on the various negotiating points. According to the special session Chair, the informal consultations ended with the informal meeting on 18 December 2002. Subsequently, the DSB's focus has been on further exploring the scope for consensus on an agreed text by the mandated deadline of May 2003. However, it was made clear at the recent meeting on May 28, 2003, that negotiations will continue beyond the mandated deadline.

Issues include:

- Sequencing problem of DSU provisions regarding retaliation in case of non-compliance with dispute settlement rulings.
- The right of panels and the Appellate Body to accept unsolicited friend-of-the-court (*amicus curiae*) briefs
- Transparency

- Remedies
- Composition of panels
- Function of Appellate Body
- Third party rights
- Special and differential treatment

### ***Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS)***

#### *Summary*

The declaration stresses the importance of implementing and interpreting the TRIPS Agreement in a way that supports public health — by promoting both access to existing medicines and the creation of new medicines. This separate declaration on TRIPS and public health is designed to respond to concerns about the possible implications of the TRIPS Agreement for access to medicines.

WTO members failed to meet the year-end deadlines for agreement in negotiations on special and differential treatment for developing countries and access to essential medicines for poor countries lacking capacity to manufacture such drugs themselves.

#### *Discussion*

- Mandated deadlines for negotiations:
  - December 31, 2002 – members were to conclude negotiations under para. 6 of the Doha Declaration on TRIPs and Public Health.
  - December 31, 2002 – the TRIPs Council was to report to Trade Negotiations Committee for “appropriate action” on intellectual property-related implementation issues.
  - Fifth WTO Ministerial Meeting – conclusion of the negotiations on the multilateral system of notification/registration of GIs for wines and spirits; recommendations on non-violation.

#### Issues Include:

- Disease coverage
- Eligibility as importers
- Moratorium on disputes regarding any measure taken in conformity with the provisions of a possible waiver
- Diversion of generics to prevent flowback of generic medicines into developed country markets
- Regional groupings
- Technology transfer

- Implementation issues (including additional protection for geographical indications)
- How to address problems countries may face in making use of compulsory licensing if they have insufficient or no pharmaceutical manufacturing capacity.

*Compulsory licensing is the practice by a government to authorize itself or third parties to use the subject matter of a patent without the authorization of the right holder for reasons of public policy.*

- Geographical indications (GIs) – Two-fold mandate: Members are negotiating the establishment of a multilateral trading system of GIs for wines and spirits in the special (negotiating) sessions of the TRIPs Council, as mandated by the Ministerial Declaration. Debates have taken place in the TRIPs Council regarding the possibility of extending the higher level of protection for GIs to products other than wines and spirits. The extension issue has also been raised by developing countries as an “outstanding implementation issue”.

*Geographical indications identify a good as originating in the territory of a member country, or a specific region within it, where a given quality, reputation or other characteristic of the good is essentially attributable to its geographical origin.*

## **Singapore Issues**

### *Summary*

The 1996 WTO Ministerial meeting in Singapore mandated the establishment of working groups to address issues related to investment, competition policy, transparency in government procurement, and trade facilitation. Developing countries were not persuaded that these issues required multilateral rules and opposed their inclusion in further negotiations. However, in return for a strong mandate on proceeding with agricultural negotiations, developing countries agreed to include the Singapore issues in the Doha Round providing a consensus could be reached on the modalities for their negotiation (Doha Declaration paras. 20-27). Negotiations would also be associated with “enhanced technical assistance and capacity building” so that developing countries would be able to introduce the necessary policies.

### *Discussion*

- *On Investment (para. 22)*

Issues include:

Defining the scope of what is to be included as investment.

Developing modalities for commitments.  
Providing transparency of and non-discrimination for existing policies.  
Taking into account the development concerns of countries.  
Providing exceptions and safeguards for balance of payments reasons.  
Deciding how disputes will be settled.

- *On Competition Policy (para. 23)*

Issues include:

Deciding what constitutes a 'hard-core' cartel and how it should be treated.  
Establishing certain core principles of competition policy and deciding whether national treatment should apply.  
Creating modalities for voluntary cooperation between policy officials in different countries.  
Providing technical assistance for developing countries.

- *On Transparency in Government Procurement (para. 26)*

Transparency in government procurement is being addressed in three places – the Singapore Issues, the Working Party on GATS Rules, and in the Plurilateral Government Procurement Agreement. The Doha Declaration recognizes the need for procurement-related technical assistance and capacity building, but also that any agreement shall not limit the scope for countries to give preferences to domestic suppliers. One of the concerns with government procurement is that it may involve corrupt practices and the aim of the WTO work in this area is to improve transparency in order to minimize corruption.

- *On Trade Facilitation (para. 27)*

Trade facilitation refers to measures taken to ease the movement of goods across borders especially in terms of the application of customs regulations. Article IV of GATT 1994 deals with Freedom of Transit, Article VIII with Fees and Formalities Connected with Imports and Exports, and Article X with the Publication and Administration of Trade Regulations.

The Trade Facilitation work programme addresses each of these articles, examines the priorities of members, especially those of developing and least developed countries, and assesses the need for technical assistance and capacity building. A number of proposals have been made and issues raised such as the legal right of appeal to customs decisions, reducing onerous customs procedures, and the treatment of goods in transit.

## **Horizontal/Cross-cutting Issues**

### *Summary*

Certain issues arise in different aspects of the negotiations and are referred to as horizontal or cross-cutting issues. Special or Differential Treatment (SDT), Trade, Debt and Finance, and Implementation-related Issues, all noted in the Doha Declaration (paras. 44, 36 and 12), are examples of horizontal issues. They also help to explain why Doha is labeled a development round.

In the past, SDT for developing countries has involved derogations from rules for issues such as lowering of tariffs or thresholds for applying countervailing duty measures – an estimated 155 SDT provisions are contained in various WTO agreements. SDT means that developing countries can have longer time periods to adapt or apply more favourable thresholds for various commitments. Over the years, these countries have argued that SDT measures had not worked as expected and want current negotiations to make the measures more effective.

### *Discussion*

- The Committee on Trade and Development (CTD) was mandated to make a recommendation on a review of all SDT provisions by July 31, 2002. The deadline was not met nor was the extended deadline of February 10, 2003. No further deadlines have been set. The impasse is due to the developing countries arguing that current negotiations on SDT are concerned with making effective the wording of previous negotiations and not requiring them to make any new concessions for the SDT received to-date. The developed countries contend that significant wording changes can only take place in the context of new negotiations and concessions by developing countries in order to receive newly worded SDT.
- The Declaration requires Members to examine the relationship between trade, debt and finance and topics of concern to institutions such as the IMF and the World Bank as well as the WTO. While these issues are relevant for all countries, the developing countries argued for this to be placed on the agenda.
- Developing countries want more leeway to introduce policies that solve adjustment problems, while developed countries have raised the need for institutional reforms and to address the relationship of FDI to development. Developing countries argue for flexibility in dealing with debt problems and the ability to restrict capital flows. The General Council will report on Trade, Debt and Finance at Cancun in September 2003.

- The broadest of the development related topics is the Implementation-related Issues and Concerns outlined in the Doha Declaration para.12. These overlap with some of the SDT topics.
- Implementation issues touch on a wide range of topics requiring reports from the following WTO bodies:

Council for Trade in Goods  
 Committee on Subsidies and Countervailing measures  
 Committee on Trade and Development  
 Committee on Customs Valuation  
 Committee on Market Access  
 Committee on Anti-Dumping Practices  
 TRIPs Council

### **Part 3. Conclusion**

#### **Prospects for Cancun**

The European Union Trade Commissioner and the Canadian Trade Minister, amongst others, have mentioned the possibility that the final deadline of January 1, 2005 for the Single Undertaking is unlikely to be met. However, this is a negotiation, and when the issues are complex it is unusual for there to be much progress until the final deadline approaches. Greater strides are often made at the eleventh hour. The challenge at Cancun will be to focus on political management of the issues in order to keep prospects for negotiation alive, and to complete the negotiations while the US government still has negotiating authority.

The progress to date can be seen in the following context:

1. The technical work arising out of the DDA has been done and the groundwork has been laid for an eventual result to the negotiations.
2. Although certain deadlines in individual parts of the negotiations have been missed, enormous strides have been made on technical cooperation and capacity building since Doha, enabling the effective engagement of the vast majority, if not all WTO Members, in the on-going negotiation process.
3. Of the WTO members involved in a multilateral negotiation, some are engaged in bilateral and regional trade negotiations (RTAs), the Free Trade Area of the Americas (FTAA) being one example of the latter. RTAs offer some parties a way of making progress on trade liberalization if multilateral negotiations are stalled. They also indicate the type of deals that some members are willing to make which may provide impetus in the multilateral sphere.

4. Developing countries and transition economies have much at stake. In the Doha Round they have attracted the attention of the larger, developed countries. Failure at this stage would not only lose that attention but would make it difficult to refocus on issues of concern to them.
5. Beyond Cancun, the 2005 deadline will need to be extended. An extended period for multilateral trade negotiations has precedents, notably in the Uruguay Round, and is to be expected when the issues are more numerous than merely the lowering of tariffs. Previous rounds involved a certain amount of cherry-picking leaving the more difficult issues to the present and future rounds. In order to avoid anything like the fiasco at Seattle in 1999, it is likely that the major trading countries will agree on some sort of agenda at Cancun to ensure continuing forward momentum on the negotiations even if this means, sometime in the future, recognizing an extended deadline.

### **How can CTPL help?**

- Country negotiators must continuously refine their priorities for the negotiations and develop the material necessary to argue their case. CTPL facilitates capacity building for trade officials in developing countries and transition economies through the transfer of resources, knowledge, and expertise.
- CTPL can provide technical assistance to countries in connection with training their negotiators, developing their negotiating positions, updating information on the negotiations, and responding to queries raised by trade officials in the course of ongoing negotiations.
- Many of the members of our core team of CTPL experts have represented Canada in bilateral and multilateral trade negotiations with stronger economic entities such as the EU and the US. As a result, officials and project partners in developing and transition economies appreciate the insightful advice and assistance CTPL can provide to help them develop their own effective negotiating strategies and to implement sound trade policy.
- Canada's long history of active participation in the GATT/WTO process has given Canadian trade practitioners a good sense of the WTO institution and lessons learned in the operation of the multilateral trading system. CTPL brings together these trade policy experts with officials and representatives from both the private sector and civil society in order to facilitate the full participation of developing and transition economies in international trade agreements.

## Annex Tables – Synopsis of Multilateral Trade Negotiations

Timeline	Issue Area
	<p><b>Single Undertaking Negotiations</b> on: Implementation; agriculture; services; industrial tariffs; subsidies; antidumping; regional trade agreements; and environment.</p> <p><b>Negotiations on a separate track:</b> Dispute Settlement Understanding</p>
By June 30, 2002	<b>Services:</b> Members to submit initial requests for specific commitments.
By July 31, 2002	<p><b>Textiles and Clothing:</b> Council for Trade in Goods to report to the General Council and make recommendations on appropriate action regarding the methodology for calculating quota levels for small suppliers and accelerating quota growth.</p> <p><b>Special and Differential Treatment:</b> Committee on Trade and Development to report to the General Council on making special and differential treatment provisions more efficient and/or mandatory (deadline missed and extended to December 31, 2002, when it was missed again).</p> <p><b>Subsidies:</b> Committee on Subsidies and Countervailing Measures to report on its review of the SCM Agreement's provisions on countervailing duty investigations.</p>
By end 2002	<p><b>Intellectual Property:</b> TRIPS Council to recommend solutions on effective use of compulsory licensing (deadline missed).</p> <p><b>Antidumping:</b> Committee on Antidumping Practices to draw up recommendations on the application of antidumping measures to developing countries and the timeframe to be used in determining the volume of dumped exports.</p> <p><b>Implementation Issues:</b> Relevant WTO bodies to report to the Trade Negotiations Committee – for appropriate action – on their work on implementation issues for which the Ministerial Declaration does not provide a specific mandate (deadline</p>

	missed).
By March 31, 2003	<b>Agriculture:</b> Members to establish “modalities” for achieving objectives of the negotiations on agriculture (deadline missed). <b>Services:</b> Members to submit initial offers on specific commitments.
By May 31, 2003	<b>Dispute Settlement Understanding:</b> Members to conclude negotiations. Industrial goods: Members to establish “modalities” for achieving objectives of the negotiations.
September 10-14, 2003	<b>Fifth WTO Ministerial Conference.</b> WTO bodies to report on full range of issues in the work program agreed in Doha. Agriculture: Members to submit comprehensive draft schedules. New issues: Members to decide by “explicit consensus” on modalities (including whether/when) for launching negotiations on investment, competition policy, transparency in government procurement, and trade facilitation. Environment: Committee on Trade and Environment to report to the Ministerial Conference on the need to clarify WTO rules – including the desirability of negotiations – with regard to the effect of environmental measures on market access; the relevant provisions of the TRIPS Agreement; and labeling requirements for environmental purposes.
January 1, 2005	Multilateral trade negotiations: Members to conclude the negotiations under the single undertaking.

Source: WTO Secretariat

Areas of Negotiation	Issues for Consideration	WTO Committee
<i>Market access negotiations</i>		
Agricultural goods	<ul style="list-style-type: none"> <li>• Tariffs, tariff quotas, trade preferences</li> <li>• Export subsidies and export credits</li> <li>• Domestic support</li> </ul>	Committee on Agriculture, Special Session

	<p>and problems of classification</p> <ul style="list-style-type: none"> <li>• Food security and safety; special safeguards</li> <li>• Development box, food aid, rural development, environment</li> </ul>	
Services	<ul style="list-style-type: none"> <li>• Market access commitments in 12 services sectors</li> <li>• Liberalization of trade in financial services</li> <li>• Clarification, strengthening of rules</li> <li>• Treatment of autonomous liberalization</li> </ul>	Services Council, Special Session
Industrial goods	<ul style="list-style-type: none"> <li>• Tariffs and trade preferences</li> <li>• Capacity-building measures and technical assistance</li> </ul>	Negotiating Group on Non-Agricultural Market Access
<i>Negotiations on WTO rules</i>		
Antidumping measures	<ul style="list-style-type: none"> <li>• “De minimis” dumping margins</li> <li>• Application of contracted values and the lesser duty rule</li> <li>• Application of the “cumulation” clause</li> </ul>	Negotiating Group on Rules
Subsidies and countervailing measures	<ul style="list-style-type: none"> <li>• “De minimis” level of permissible subsidies</li> <li>• Special treatment for export subsidies in developing countries</li> <li>• Rules for imposing countervailing duties on developing</li> </ul>	Negotiating Group on Rules

	<p>countries' exports</p> <ul style="list-style-type: none"> <li>• Fisheries subsidies disciplines</li> <li>• Export credits disciplines</li> </ul>	
Regional trade agreements (RTAs)	<ul style="list-style-type: none"> <li>• Thresholds for meeting RTA requirements under GATT</li> <li>• Extent of permissible derogation from WTO rules in RTAs</li> <li>• Relations between rules on RTAs in WTO agreements</li> </ul>	Negotiating Group on Rules
Trade-related intellectual property rights	<ul style="list-style-type: none"> <li>• Establishment of a multilateral system of notification and registration of geographical indications for wines and spirits</li> <li>• Protection of geographical indications</li> </ul>	Council for TRIPS, Special Session
Environment	<ul style="list-style-type: none"> <li>• Relationship between MEAs and WTO rules</li> <li>• Information exchange between MEAs and WTO</li> <li>• Market access in environmental goods and services</li> <li>• The definition of "environmental goods"</li> </ul>	Committee on Trade and Environment, Special Session
Dispute Settlement	<ul style="list-style-type: none"> <li>• Rules on compensation and suspension of concessions</li> <li>• Number of Appellate Body members</li> </ul>	Dispute Settlement Body, Special Session

	<ul style="list-style-type: none"> <li>• System of permanent panelists</li> </ul>	
	<b>Horizontal Issues</b>	
Special and differential treatment for developing countries	<ul style="list-style-type: none"> <li>• Identification of non-mandatory SDT provisions in WTO agreements to be made mandatory and their legal and practical implications</li> <li>• Ways of making SDT provisions more precise, effective, and operational</li> </ul>	Committee on Trade and Development, Special Session
Implementation	<ul style="list-style-type: none"> <li>• Special needs of LDCs and net food-importing countries</li> <li>• Extension of transition periods under TRIMs</li> <li>• Methodological issues in the fields of non-agricultural subsidies, customs valuation, and antidumping</li> </ul>	All relevant WTO bodies

Source: WTO Secretariat