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1 TJM Update

Whilst Greece continued its freefall and Germany and France dithered over further bailouts, DG trade did away with any vestige of a “Mr. Nice Guy” act (though Peter Mandelson made significant headway in this regard). DG Trade has ramped up the pressure on ACP countries to sign Economic Partnership Agreements (EPAs). At the end of September, it declared that the Market Access Regulation, meant to smooth the transition between the Cotonou preferences and the signing of EPAs, will end as of January 2014. Eighteen countries stand to lose access; whilst some will be eligible for other schemes, Botswana and Namibia will either have to sign an EPA, or compete on the same terms as China and Brazil.

The EC has released its proposals for the review of the Common Agricultural Policy. Development goals are barely referenced: the EU claims it will deal with export subsidies “within the WTO negotiations”. Environmental groups have condemned the proposals, saying they would mean the CAP continued to support unsustainable farms. The UK Government’s position is that the CAP should be cut more deeply, and that agricultural reforms should focus on consolidation, efficiency and competitiveness. They don’t appear to have noticed that this is at odds with their claim to want to be the ‘greenest Government ever’.



Pascal Lamy gets ‘Doha Round’ in a game of charades.

Fifty US economists signed a letter urging Obama to lead on a breakthrough in Doha. Asked whether the letter implied they blamed the US for its failure, Jagdish Bhagwati, who penned the letter, replied “Only in the sense that almost everyone following the negotiations has noticed that [Michael] Punke [US Ambassador] says no to anything that could help close Doha”. Surprisingly, neither Punke nor Obama appear to be afraid of the big bad economists, and have paid not the slightest heed. In the UK, the Government held a four-hour seminar to focus minds on the important issues facing the WTO, like how to alter the DG’s job description or better use monitoring results.

ICTSD has interviewed Pascal Lamy, and it either reveals the extent of the Director’s self-delusion, or demonstrates his utter contempt for civil society. In a long section on aid for trade, Lamy claims it supports a range of development objectives, including food security, climate change and gender empowerment (they’ve got some nice case studies that show how great aid for trade is) and states that the private sector should be ‘cheerleading’ for the ‘need to ensure that mainstreaming results in a business-friendly environment for local, regional and international investment’. (Presumably ‘cheerleading’ is a cuddly rebrand of ‘lobbying’).

Lamy refuses to countenance any suggestion that the failure of the Doha Round indicates a need for institutional reform and apparently still believes that the only hurdle is to ‘make the case’ for the deal, on an issue-by-issue basis (a process that evidently takes more than a decade). His big idea for injecting momentum into the round is to move forward with areas where there is already agreement; he also wants the theme of the upcoming meeting to be ‘WTO: the institution that delivers’. Inspired.

China has been flexing its not inconsiderable muscles of late. In response to a WTO ruling that it could not continue to impose export restrictions on rare earths, it announced that it would cease production at three major mines. Combined with the stockpiling that it started in 2010, this has led to a 40% drop in production and significant price spikes internationally. The EU, US and Japan have been trying to find a way to reduce demand and source materials elsewhere. Since China currently produces 97% of world supplies, we’d like to take this opportunity to wish them luck.

And finally... In case you need a light-hearted expose of trade in poultry, check out the Miami Herald piece on chicken feet (if you can handle the corny jokes).

ICTSD interview with Pascal Lamy <http://ictsd.org/i/a4t/115409/>

2 Europe

StopEPAsday 2011: Vigilance is in order! From Marc Maes, 11 11 11

On 27 September 2002 the EU and the ACP countries launched the EPA negotiations. Two years later ACP and EU civil society organisations, united in the Stop EPAs campaign, declared 27 September "Stop EPAs Day". For years this was a day of protest against the EU approach to the EPA negotiations. Today all is quiet; because the negotiations have grounded to a halt? Well, may be it is time to take a closer look: EPA negotiations seem to be picking up momentum.

Today 9 years have passed since the launch of the EPA negotiations and almost 4 years since the lapsing of their deadline. The scoreboard has not changed since 2007: only 15 countries signed a comprehensive EPA and only 21 countries initialled interim EPAs. Only 12 countries have in the mean time signed their interim EPA. The main reason for this meagre result is the difference of view between the EU and the ACP states about the development dimension of the EPAs. The EU insists that development will come from the comprehensive and deep liberalisations that it seeks; the ACP countries insist that it comes from the strengthening of capacities, infrastructure and institutions prior to any liberalisation, and from home-grown regional integration.

Negotiations have even become more difficult since the end of 2007 when the EU pushed through interim EPAs that split regions and that contained many unsatisfactory provisions which were slipped in at the last minute. Since then ACP countries have called for a revision of these "contentious issues". The European Commission however refused to amend the interim EPAs and insisted that improvements of the disputed provisions could only be made in the final EPAs. By doing so it kept leverage to obtain concessions from the ACP countries. Indeed, for the EU final EPAs had to be comprehensive EPAs that did not only deal with goods and goods related issues like sanitary and technical standards, but also with services, investments, intellectual property rights, competition, government procurement, data protection, etc. For the ACP countries final EPAs should mend the cracks in the regions and provide additional economic cooperation. And thus the negotiations lingered on and eventually came to a virtual standstill.

Last year the Commission launched a reflection while openly admitting that the EPA negotiations had become a mess. The reflection did not lead to any practical conclusion except maybe that the new EU Trade Commissioner came to realise that a comprehensive EPA like the one with the Caribbean would no longer be possible in any region and that the EU had to be content with what the ACP countries would see as useful and feasible. This does not mean however that the Commission has given up on ambitious liberalisations. It still continues to push the ACP countries to the limits of what they can accept. The Commission also keeps on warning countries that the market access that they have received on the basis of the interim EPAs is temporary and conditional upon their signature.

Since a couple of months EPA negotiations seem to have picked up a certain momentum again. Until recently negotiators in most regions had not met for months. The technical negotiating session in Dakar in May was the first meeting in eight months. A similar meeting in January between the EU and Central Africa brought an end to a 2 year break. The East African Community re-launched negotiations on 12-15 September in Zanzibar digging up negotiating texts that dated from November 2008! In the Pacific there have not been any negotiations for two years, but on 15 July the region did send a draft EPA text and conditional market access offers for goods for eight countries to the Commission, while negotiations are scheduled for November in Brussels. And so the EPA negotiating calendar for the rest of the year is becoming quite full!

Does this mean that one can expect a new agreement by the end of this year as some announced last year? If one reads the "optimistic" language in the official communiqués after the meetings of Commissioner De Gucht in Southern Africa and after the EU-South Africa Summit two weeks ago, one would start wondering. But such communiqués are not very reliable, they are usually a mix of politeness and wishful thinking.

Nevertheless it is time to wake up again and to become more vigilant. The market access offer made by West Africa in Dakar in May reached 70%, the maximum level mandated by the ECOWAS heads of

state and government. Still the Commission is juggling with tariff lines and pushing for more. In the mean time it is putting pressure on Ghana to sign its interim EPA. In Central Africa services negotiations are going faster than the goods negotiations. In the ESA regions services and competition policies are also on the table (even if it is not at all clear which countries are actually at that table). In Zanzibar the EAC agreed with the Commission that the two parties can table new issues by mid-November...

So it is time that we follow the example of the Ghanaian civil society organisations and intensify our EPA work again. We need to demand transparency and question our governments about the negotiations and why they think EPAs would do anybody any good.

European Union, Namibia clear misunderstandings on trade

<http://www.namibian.com.na/news/full-story/archive/2011/september/article/european-union-namibia-clear-misunderstandings-on-trade/>

Namibia Wants to Conclude Talks and Sign EPAs

<http://ipsnews.net/news.asp?idnews=105117>

European Commission seeks fresh bullying tactics to force developing countries into bad trade deals. Ruth Bergan, TJM.

The European Commission is trying new tactics to force developing countries to sign up to its highly controversial Economic Partnership Agreements. First, in May of this year, it released a proposal to slash the number of poor countries eligible for lower tariffs on exports to the EU, from 176 to 80 under the Generalised System of Preferences scheme. Then, at the end of September, it released plans to end a scheme meant to support the transition process to signing and implementing the agreements, the Market Access Regulation. If countries like Namibia and Botswana fail to meet the EU's new January 2014 deadline, they will have to compete for access to EU markets on an equal footing with countries like China and Brazil.

Eighteen African and Pacific countries stand to lose access to the transitional Market Access Regulation, which allows exports to enter the EU duty-free and quota-free. Other arrangements are in place for the nine Least Developed Countries in the group: the 'Everything But Arms' scheme. Seven countries would face significantly increased tariffs: three quarters of exports from Swaziland would not benefit from any preferential access, and they would have to deal with the Generalised System of Preferences - a much more complex scheme. Namibia and Botswana (ranked 105th and 98th respectively on the Human Development Index) would not qualify for any preferential access at all.

The Commission argues that the four years of the transitional Market Access Regulation should be sufficient to negotiate and begin to implement Economic Partnership Agreements (EPAs), which were supposed to be concluded in 2007. In the EC's own words "countries which would be withdrawn from the Market Access Regulation have a choice: whether to go ahead and establish a partnership with the EU or not."

This position fails to recognise that the problem is not one of timing but of the failure on the part of the Commission to address the serious problems with EPA negotiations identified by developing countries. Developing countries have long argued that there is insufficient focus on development and have resisted a number of Commission proposals, such as the inclusion of the 'Singapore issues' of investment, services, procurement and competition. The Commission's approach is also in direct contradiction to the spirit of the Cotonou Agreement which commits the EU to leave ACP countries no worse off under new arrangements than under previous regimes, and to provide alternatives to EPAs.

Whatever they decide to do, it is clear that this proposal would lead to countries within African and Pacific regions having widely varying arrangements with the EU. This has potential grave implications for work towards regional integration, which African countries have identified as crucial to achieving development goals. Vastly differing trade arrangements will make an already complex process much more difficult. For example Kenya is likely to feel under increased pressure to sign an EPA so that it can maintain preferential arrangements, however it is the only country in the East African Community regional bloc that would lose preferential access. This means it would either have to launch negotiations on its own with the most powerful trading bloc in the world, or it gets no deal.

There are a number of options available to the Commission to address the problems it is encountering in the EPA negotiations, without the need to resort to these kinds of bullying tactics. Firstly, for countries that do not wish to sign EPAs, the EU needs to seriously look at what alternatives it could offer. The current reform of the Generalised System of Preferences presents a perfect opportunity to provide countries that are unable or unwilling to sign EPAs with preferential access to EU markets. It could improve the mechanism for graduation by product, to exclude sectors that are considered competitive, rather than insisting on excluding whole countries.

The EU needs to use better tools for measuring poverty, such as the Human Development Index, so that its proposals take into account the three quarters of the world's poor that live in Middle Income Countries. Under the Commission's current proposals, Gabon would see a considerable reduction in preferential access, despite being ranked 93rd on the world Human Development Index and 35% of the population living in poverty.

Developing countries have time and again asked for greater flexibility in the scope and timing of market access proposals in EPA negotiations, to give them the policy space to manage the impact of market liberalisation on their economies, for example by protecting industries that are not ready to compete. Finally, the Commission must drop its most recent proposals to amend the interim Market Access Regulation and instead review what is needed to progress EPA negotiations in each region to meet the expectations of developing countries.

The EU has always claimed that EPAs are a tool for development, if this is genuine, then it must stop trying to bully developing countries into signing and start addressing their concerns.

Response to Market Access Regulation Proposals, Mark Maes, 11 11 11:

The European Commission was given a hard time during the meeting of the Committee on Economic Development, Finance and Trade of the EU-ACP Joint Parliamentary Assembly in Brussels on 4 October. A standing item on the agenda of the committee is a state of play of the EPA negotiations. The Commission took the opportunity to explain its two recent proposals to end preferential market access for a great number of developing countries. Both European and ACP JPA members criticised the proposals.

Patrice Tirolien (French Socialist) said that the proposed GSP reform looked more like an attempt to drive developing countries to negotiate FTAs with the Commission. He stressed that the Commission's WTO+ agenda that had slowed down the negotiations and argued that imposing a unilateral deadline is no way to treat the ACP countries.

The South African representative read out a strong statement on behalf of the SADC EPA group of countries (see below). Representatives from Mauritius and Rwanda both said that the proposals reminded them of the bullying tactics of the previous Trade Commissioner Peter Mandelson in 2006, stressing that EPAs have not delivered on their promises. Both argued that the intransigence of the Commission regarding ACP demands for ambitious development programmes linked to the implementation of EPAs, have contributed significantly to the climate of mistrust amongst ACP countries.

The Namibian representative Petrus Van Der Walt, also read out a statement. He pointed out that there were still many unresolved issues which are quite complicated and require negotiation. He expressed the hope that the Commission would not undermine the ability of the Namibian Authority to scrutinise the EPAs and allow the legal process to go through properly without putting pressure to sign bad EPAs. He was concerned about a situation in which the ACP countries are forced to sign an EPA for fear of losing market access even if such EPAs would not comply with their needs and requirements.

In his reply to the interventions, Peter Thompson, Director at the Commission's DG Trade, said that the Commission cannot press "reset" and go back to 1999 and live in Lomé conditions. That is why EPA negotiations were launched. He repeated the Commission's belief that comprehensive EPAs together with development assistance would work. He also stressed that what the Commission was offering the

ACP countries was never done before. "With regard to infant industry, export duties, we have shown flexibility that we have never shown to anybody in the world. We offer duty free quota free market access, lengthy periods for implementation, with aid, which has never been done before", he said.

As in 2007, the Commission has been putting significant pressure on ACP countries. Nevertheless, 2014 is not 2007, the landscape is different. The financial and economic crises are part of that, as is the fact that Africa has won the confidence of many international investors, especially in emerging countries, strengthening the negotiating position of ACP countries.

Reaction from Namibia

Namibian media report that the Government is furious after what it is calling a 'hush-hush' decision by the European Union (EU). "This is not the way to go," Trade and Industry Minister Hage Geingob said. "This is not a partnership. By setting an arbitrary deadline the EU is trying to put pressure on us to sign the economic partnership agreement". Namibia will have to pay more than half a billion dollars in duties if the country does not signed the economic partnership agreement.

European Trade Commission Karel De Gucht met with the Namibian Government in on September 13, and made no mention of the 2014 ultimatum. The proposal to amend the Market Access Regulation of 2007 was announced barely two weeks later. Namibia provisionally initialled the interim EPA in December 2007, but has refused to sign it unless issues regarding unfair competition are resolved.

An additional concern for Namibia is that South Africa is set to implement its agreement with Europe, which will indirectly open the Namibian market to European products without being subjected to duties.

SADC EPA group statement on the review of the GSP and Market Access Regulation

The SADC EPA Group wishes to recall the Resolutions of the ACP Council of Ministers Meetings of December 2010 and May 2011 on the EPA negotiation process. The Resolutions underscore the importance of addressing the contentious issues so as to conclude a development friendly agreement within a reasonable time frame. We would like to indicate that [the MAR] proposals of this nature may undermine current regional and joint efforts and processes towards conclusion of the negotiations.

The EPAs should be underpinned by development oriented pillars such as regional integration. Regrettably the differentiated approach proposed by the EC's communication will significantly undermine these efforts. EC is fully aware of the adverse implications of implementing a SADC EPA that does not include all SACU Member States.

The SADC EPA Group wishes to reaffirm the vital importance of addressing and resolving in a fair and balanced manner outstanding issues, which include MFN Clause, Substantially all trade, regional levies, standstill clause, export taxes and development cooperation. We look forward to a final package on Rules of Origin that will support economic growth and development in ACP regions.

We once more reiterate our position that the review of the GSP Scheme and Regulation 1528/2007 is a way of coercing regions to conclude an agreement which is not credible.

Namibia's fears re: EU deadline:

Permanent Secretary of the Ministry of Trade and Industry Dr Malan Lindeque said the EU demanded the deletion of all quantitative restrictions on trade. This he said would have completely killed the horticultural and cereal industries, which have hugely benefited from the government's import restrictions, meant to prevent the dumping of subsidised surplus. The EU also demanded that Namibia phase out infant industry protection in 12 years time, which Lindeque felt was demanding too much from a developing country. Namibia is also conscious that the EU is negotiating with other countries, which may erode the preference of Namibian products in future.

<http://www.observer.com.na/component/content/article/2-business/1168-namibia-pushes-for-best-epa-deal>

European Commission seeks fresh bullying tactics to force developing countries into bad trade deals

<http://www.tjm.org.uk/latest-news/8-press-releases/284-european-commission-seeks-fresh-bullytng-tactics-to-force-developing-countries-into-bad-trade-deals.html>

Access to EU markets for exporters from African, Caribbean and Pacific countries

http://trade.ec.europa.eu/doclib/docs/2011/september/tradoc_148215.pdf

The EC proposal to amend market access conditions for certain EPA states

<http://www.tralac.org/2011/10/05/hot-seat-comment-the-ec-proposal-to-amend-market-access-conditions-for-certain-epa-states/>

Billions in balance if trade pact fails

<http://www.namibian.com.na/news/full-story/archive/2011/october/article/billions-in-balance-if-trade-pact-fails/>

Ghana to sign interim EPA agreement with EU

Ghana will sign an Interim Economic Partnership Agreement (IEPA) with the European Union this year following the lack of progress at the ECOWAS level. The IEPA will among other things give Ghana Duty and Quota free access into the EU for all imports with transition periods for rice and sugar. Ghana will in return liberalize 80% of imports from the EU. At least 40% of Ghana's exports go to the European Union.

http://brussels.cta.int/index.php?option=com_k2&view=item&id=5178:ghana-to-sign-interim-epa-agreement-with-eu

Parliament Committee on Industry, Research and Energy passes report on Raw Materials:

Europe must fight raw material shortages by securing supply guarantees from foreign exporters, finding alternative resources and improving recycling of its electronic waste, EU lawmakers said on Tuesday. The European Parliament's recommendations are not binding on policymakers, but reflect rising concern among industry and green activists alike over shortages of essential materials as the EU struggles to avoid deepening economic difficulties.

They also said EU development schemes in poor countries should not be made conditional on their mineral exports to the 27-member bloc. The executive European Commission said last year it would withhold trade benefits from developing countries that restrict raw material exports - seen as a warning to countries such as China and India, which have cut back on commodity exports. Instead the EU should work with other states to develop alternative resources and make more effort to recover electronic scrap.

<http://www.europarl.europa.eu/sides/getDoc.do?type=REPORT&reference=A7-2011-0288&language=EN&mode=XML>

EPP press release: Raw materials' policy is employment policy. Paul Rübig MEP

<http://136.173.161.106/Press/showpr.asp?PRControlDocTypeID=1&PRControlID=10581&PRContentID=17831&PRContentLG=en>

Reuters Africa article: <http://af.reuters.com/article/commoditiesNews/idAFLDE78C0FP20110913?sp=true>

Watch the debate here: http://news.bbc.co.uk/democracylive/hi/europe/newsid_9588000/9588579.stm

Parliament criticises EU trade strategy

In response to an EU drop in productivity compared with countries such as China and India, the European Parliament has called on the European Commission revise its trade strategy by summer 2013, to take account of the growth of emerging economies. It is also pushing for trade policies to take account of issues such as human rights, labour rights, climate change, agriculture policy and energy security.

The EP still favours the multilateral approach within a WTO. To manage the associated risks of, the EU must provide itself with effective trade defence instruments, the EP says, and effective protection of its foreign direct investment and service activities. MEPs call for sustainable and undistorted supply of raw materials, and appropriate intellectual, industrial and trade property rights protection which also bears in mind the interests of the poorest.

http://news.bbc.co.uk/democracylive/hi/europe/newsid_9598000/9598563.stm

EU-Canada

Ahead of the ninth negotiating session of the EU-Canada deal, 56 NGOs and trade unions in Europe and Canada have written a letter calling for a halt to the current negotiations. They argue that the agreement would encourage the privatization of the public sector, weakening and preventing social, health and environmental regulations and protecting investors' rights at the expense of democratic rights. The letter condemns the level of secrecy and disparity between access to the negotiations of civil society and business. It also condemns the proposed inclusion of an investor-to-state dispute settlement, which

allows foreign investors to sue governments or local authorities if they consider government regulations to threaten their profits.

<http://www.canadians.org/trade/issues/EU/index.html>

3 Common Agricultural Policy

European Commission maintains trade-distorting subsidies. Ruth Bergan, TJM.

The WTO Agreement on Agriculture, signed nearly 20 years ago, committed developed countries to abolish trade-distorting measures by 2013. The European Commission made public its proposals for reform of the Common Agricultural Policy on October 12th. This could have been an opportunity to level the playing field for developing country producers, however there is little change, with some worrying developments in relation to 'coupled payments' and biofuels.

The Commission proposes to allocate €435.6 billion to the CAP for the period 2014-2020 (43% of the total EU budget). It had been hoped that there would be an end to coupled support (payments based on production, which have historically led to overproduction). However the Commission specifically proposes that the EU should view itself as a source of food exports to meet growing world demand and should therefore retain, and in some cases increase, coupled support. Coupled support will be applicable to products such as beef, milk and sugar, key exports for developing countries. More worryingly, it will also now be applicable to production of biofuels, flying in the face of evidence that this will contribute to higher food prices and reduced availability of land for food production.

The EU paid farmers €1 billion in export subsidies in 2008 and €650 million in 2009. As Traidcraft and the Fairtrade Foundation's campaign outlines, cotton subsidies hit developing countries especially hard. In the 'C-4' countries - Mali, Benin, Burkina Faso and Chad, cotton accounts for 5%-10% of GDP; all four countries are classified as having 'low human development' in the UN's Human Development Index. The maintenance of EU subsidies means it will continue to be difficult for developing country producers to sell to European markets but crucially also reduces the incentive for the US to tackle its subsidies.

A key problem is that, rather than seeking genuine reductions in agricultural subsidies, developed countries have instead sought out ways to reclassify them. In WTO-speak, this means moving them from the banned 'amber' and 'blue' boxes to the permitted 'green' box. Thus the EU has been able to slightly increase the amount it spends on the CAP (although it has reduced as a proportion of the total EU budget), because coupled payments decreased from 77% of the total in 2004 to 15% in 2008, but decoupled payments grew from 3% to 68%. A recent Opinion by the European Parliament's Committee on Development calls on the Commission and FAO to urgently launch a thorough examination of the CAP and its impact on developing countries.

Outside of the CAP reform process, EU import tariffs for countries without special arrangements with the EU, the Most-Favoured Nation (MFN) tariffs, are still high. They average 54% for milk products, 34% for Grains and 32% for meat.

Olivier de Schutter: CAP reform must put an end to dumping

"The CAP is a 50 billion euro contradiction of the EU's commitment to help put developing world agriculture back on its feet, and will remain so under today's reform plans. Farm subsidies of this magnitude will always produce distortions," warned the UN Special Rapporteur on the right to food, Olivier De Schutter.

"The main victims are developing world farmers, who are crowded out of their own markets by subsidized western produce. The EU has opened its doors to developing world exports, but this is worth nothing if small-holders in the South cannot sell staple crops on their home markets," Mr. De Schutter underlined.

The Special Rapporteur noted that in their attempts to ensure access to food for vulnerable population groups, low-income countries often look to cheap food imports from abroad. But this makes these countries very vulnerable to price shocks, and it represents a strong disincentive for local producers. "We must help them succeed in a transition that will reduce their dependency on food imports in the long-

term. Maintaining huge farm subsidies in the West cannot be justified by the objective of 'feeding the world'. If increases in food production rise in tandem with further marginalization of small-scale farmers in developing countries, the battle against hunger and malnutrition will be lost."

http://brussels.cta.int/index.php?option=com_k2&id=6066:olivier-de-schutter-cap-reform-must-put-an-end-to-dumping&view=item&Itemid=54

Europe has blown its chance to reform the common agricultural policy

The move away from historical payments to a flat-rate payment scheme is welcome; capping payments to the biggest farmers is only fair; more help to young farmers would refresh an industry; help for organic farmers is long overdue, and a basic requirement to put a proportion of farmland into environmental management is admirable.

But what don't we like? Handing out €435bn of taxpayers' money over the next 10 years to some of the most destructive corporations and richest individuals in Europe – as millions of people across the continent lose their jobs – is crass. There is to be no rethink of the export subsidy system which is unfair to developing countries, and no new obligation on farmers to protect rivers or biodiversity. The overall cut in funding for agri-environment schemes spells disaster.

<http://www.guardian.co.uk/environment/blog/2011/oct/13/reform-common-agricultural-policy-europe>

Agriculture Proposals 'Failing Development' CONCORD

The new European Commission proposals on a Common Agriculture Policy (CAP) have dropped every reference to development obligations. While the latest EU Parliament Resolution in July 2011 and the original Commission communication from November 2010 featured a commitment to Policy Coherence for Development, as enshrined in article 208 of the Lisbon Treaty, the most recent proposals do not mention it. All around the globe, there are developing nations where artificially cheaper exports from the European Union squeeze local farmers out of the production chain and out of their local markets, lead to food insecurity".

According to the United Nations, last year 925 million people went hungry, equalling one in seven people worldwide. At the same time a third of the food produced for human consumption is thrown away. As the Commission is not committing to phase out export subsidies, the EU can continue to export below full production costs. The Commission argues that export subsidies are an issue it is addressing at the WTO negotiations and is conditional upon others dropping their subsidies. CONCORD say this is hypocritical as developing countries are not allowed to protect their own markets. They also call for the new CAP to include mechanisms to analyse its impacts and mechanisms for redress.

<http://ipsnews.net/news.asp?idnews=105513>

Milk policy penalises poor countries, says ActionAid Denmark

EU milk subsidies continue to undermine the livelihoods of dairy farmers in developing countries despite 2003 reforms, according to a report by ActionAid Denmark. Around seven million people live in Bangladesh, usually with two cows. Further development of the sector "could bring millions of people out of poverty". However, Dano milk powder, produced by the Swedish-Danish firm Arla Foods, accounts for some 20% of milk sales. The firm received subsidies that represented 15% of its export prices in 2009. This means that Arla Foods should have set prices 15% higher to make the same profit it was able to make thanks to the subsidies. Arla Foods also spent around €134,000 in 2010 for a milk distribution project in a shanty town in the capital Dhaka, consisting mainly of distributing its own milk powder.

Download the report here: <http://www.ms.dk/sw199386.asp>

UK to dismiss Common Agricultural Policy reforms as inadequate

<http://www.guardian.co.uk/world/2011/oct/11/uk-common-agricultural-policy-inadequate?newsfeed=true>

EU agriculture policy 'still hurting farmers in developing countries'

<http://www.guardian.co.uk/global-development/poverty-matters/2011/oct/11/eu-agriculture-hurts-developing-countries?intcmp=239>

ICTSD Bridges Weekly Biores

<http://ictsd.org/i/news/bridgesweekly/113908/>

ICTSD, Commission proposals: <http://ictsd.org/i/agriculture/113805/>

Fairtrade Foundation, 'The Great Cotton Stitch-Up'

http://www.fairtrade.org.uk/includes/documents/cm_docs/2010/f/2_ft_cotton_policy_report_2010_loresv2.pdf

ODI, 'Making the EU's Common Agricultural Policy Coherent with Development Goals'

<http://www.odi.org.uk/resources/download/5937.pdf>

La Via Campesina, 'A Fourth Option for the Common Agricultural Policy'

<http://www.eurovia.org/spip.php?article426&lang=fr>

TJM, European Commission Maintains Trade-Distorting Subsidies <http://www.tjm.org.uk/latest-news/8-press-releases/283-european-commission-maintains-trade-distorting-subsidies.html>

4 EU-India FTA

Europe threatens to break off India free-trade talks

European governments are threatening to break off negotiations with India on a free-trade deal the EU had hoped would be worth 175 billion euros a year. Four years after talks began, frustrated European Union trade ministers have taken the decision to signal a fixed deadline for the deal of February 2012.

EU Trade Commissioner Karel De Gucht briefed the ministers on a plan for fall-back positions which could see the EU accept less than it wanted in certain areas. Painstaking negotiations have been dragged down by big disagreements over cars, wines, spirits and services. There have also been high-profile disagreements over intellectual property rights involving life-saving generic HIV/AIDS drugs and other medicines which are produced by Indian companies. UNAIDS, the Joint United Nations Programme on HIV and AIDS, has expressed fears that EU proposals for the agreement could make generic HIV drugs unaffordable - something that New Delhi has pledged to resist.

In an effort to jump-start the flagging negotiations, European Commission chief Jose Manuel Barroso will meet Indian Prime Minister Manmohan Singh on the sidelines of the G20 summit in Cannes, France, in November, and will also travel to Asia before the end of 2011. Thirteen rounds of talks have been held since India and the EU started discussing a comprehensive market-opening pact in June 2007, with the aim of concluding by 2010.

<http://ca.news.yahoo.com/europe-threatens-break-off-india-free-trade-talks-172737707.html>

5 G20

If David Cameron Asked you What he Should Tell the G20 What Would YOU Say? Aurelie Walker, Fairtrade Foundation

Over four hours, the top brains from around the world stormed away in a little room in Westminster. Invitees included 30 high-level trade experts from UK, Geneva, Brussels, Addis Ababa and India, representing an alphabet soup of businesses, NGOs (TJM, TUC), academics (ODI, ICTSD) and international institutions such as UNCTAD, UNECA and WTO. Ideas on how to improve surveillance of protectionism, how to use trade monitoring results, how the dispute settlement system can be re-vamped to give developing countries a chance, how negotiations could be re-structured to try to end the eternal Doha round and even on what Pascal Lamy's job description should look like poured forth.

But I won't go into that because, right now, improving the functioning of the WTO is so 1999. This century there is an elephant in the room; there has been a tectonic shift in the global power balance and our global institutions no longer reflect the reality of the new world order. Tweaks to the WTO system are not enough. Discussing changes to the WTO without discussing what the WTO should set out to achieve is redundant. A great opportunity was missed by having these great minds in one room and not facilitating a real debate on how the WTO can respond to today's challenges. If the WTO is going to regulate international trade today it must respond to these issues. It must show its worth and move beyond the narrow set of legal texts it inherited in 1995.

Full article here:

http://www.huffingtonpost.co.uk/aurelie-walker/if-david-cameron-asked-yo_b_977499.html

The G20's commitment to developing countries? Mere lip service. Ruth Bergan, TJM

Perhaps it is naive to hope that a self-selected, unaccountable body should do anything more than serve the interests of those with the most resources to lobby its members, even if the G20 does choose to

establish a so-called development working group (DWG). Leaked papers from the DWG's most recent meeting clearly demonstrate not only that big business interests trump development, but also that development is increasingly viewed as a tool to achieve greater trade. To quote the document: "development is crucial for global economic growth".

Full blog here: <http://www.guardian.co.uk/global-development/poverty-matters/2011/sep/23/g20-commitment-development-lip-service>

6 WTO Update

As the WTO returns from its summer recess, members are actively looking at what options remain for the struggling Doha Round of trade talks, especially given the fast approach of December's WTO Ministerial. While some WTO members, such as the US, are suggesting that the global trade body's membership acknowledge that the round is "deadlocked," others are urging the exploration of other possibilities. When the proposed LDC package failed, the decision was made to change track and focus on non-Doha issues for the ministerial, along with a post-December work plan for Doha.

Various conflicting viewpoints on the general future of the Round have emerged. These range from abandoning the Doha talks entirely, to freezing the Round and "taking time off" in response to the financial crisis, or abandoning the "grand design" under the single undertaking principle - under which nothing is agreed until everything is agreed - and instead addressing issues "piece by piece." Some members also say the mandate of the talks, set in 2001, is outdated.

Next steps for Doha unclear

<http://ictsd.org/i/news/bridgesweekly/113911/>

Questions over Future of Doha Intensify as Ministerial Draws Nearer

<http://ictsd.org/downloads/bridgesweekly/bridgesweekly15-30.pdf>

Australia advocates abandoning the single undertaking

<http://www.theaustralian.com.au/national-affairs/doha-round-hits-a-dead-end/story-fn59niix-1226168059823>

Developing Countries Out in the Cold at WTO

Developing countries are worried that developed countries want to introduce new issues at the multilateral body's eighth ministerial meeting later this year without first completing the unfinished Doha agreement. Industrialised countries are insisting on negotiating new controversial issues like investment, competition policy, energy security and climate change, without concluding the old issues of duty-free and quota-free market access

Over the last few weeks, developed countries from North America and Europe launched a campaign to alter the WTO's negotiating framework from a multilateral format, where all members have a say in an agreement, to a plurilateral one, which would restrict participation to select countries. Effectively, industrialised countries want to close the window on addressing the "developmental" dimension of the DDA in which African countries invested considerable political capital.

<http://www.ipsnews.net/news.asp?idnews=105466>

WTO slams India's trade policy on food items

The World Trade Organisation has slammed India for its protective trade policy on food items that prevents exports at a time when world is facing record food prices. In its review of India's trade and economic policies, the WTO observed that India was one of the highest user of anti-dumping and a frequent user of safeguard measures against imports from other countries.

Focusing on two farm products, cotton and onions, the report highlighted how the government changed its policies frequently to meet its domestic needs. The report argues that this has resulted sometimes in actions with an anti-export bias (such as setting minimum export prices or applying export taxes). The country also links the use of import restrictions and licensing, and other non-tariff measures, or NTMs, to domestic policies. For example, NTMs are relaxed when imports are necessary to alleviate inflation or shortages. State trading is also used as a policy tool, to ensure, a "fair" return to farmers, food security, the supply of fertiliser to farmers, and the functioning of domestic support price systems, the report said. Between January 2006 and December 2010, India initiated 209 anti-dumping investigations against 34 trading partners.

http://articles.economictimes.indiatimes.com/2011-09-15/news/30160401_1_trade-policy-world-trade-organisation-measures

No Surprises as China Appeals WTO Raw Materials Decision

In a move widely anticipated, China has appealed a WTO dispute settlement panel decision that had rejected Beijing's export control measures, which it argued were based on environmental grounds. The decision from July had found that Chinese export restrictions on raw materials including zinc, magnesium, and bauxite violated WTO law.

<http://ictsd.org/i/news/biores/113216/>

EU welcomes India allowing WTO waiver for Pakistan

The European Union today welcomed India's decision to withdraw its objections to the World Trade Organisation waiver sought by the EU for granting duty-free access to certain goods from Pakistan. The 75 products on which duties are proposed to be waived accounted for about 27 per cent of Pakistan's exports to the EU last year, with their value amounting to almost 900 million euros out of the EU's total imports of goods worth 3.3 billion euros from Pakistan. The aim is to start implementing the preferences in early 2012. The EU is Pakistan's largest trading partner, whose total annual trade is valued at 7.6 billion euros. Textiles and clothing products account for over 60% of all exports.

http://www.moneycontrol.com/news/current-affairs/eu-welcomes-india-allowing-wto-waiver-for-pakistan_592122.html

U.S. asked to clarify farm reporting to WTO

Australia, Brazil, Canada and the European Union have asked the United States to clarify how it reports several of its farm support programs to the World Trade Organization (WTO). The countries noted substantial increases in non-trade distorting "green box" payments and changes in the way it reported product-specific subsidies. Brazil also asked why decoupled income support payments increased from \$5.7 billion in 2008 to \$6.1 billion in 2009.

<http://westernfarmpress.com/government/us-asked-clarify-farm-reporting-wto>

7 China

China says US bill may spark a trade war

The US Senate has voted in favour of legislation to penalise China over its currency. China has accused the US of risking a "trade war" and of violating World Trade Organisation rules. US officials have pointed to the fact that the renminbi has been appreciating at an annualised rate of about 10 per cent this year against the dollar, taking into account China's high inflation. China still tightly manages its currency, buying all the dollars that flow into the country, then reinvesting abroad, largely in US-denominated assets such as Treasury bills. This policy has left China with swollen foreign exchange holdings of \$3,200bn and costs Beijing about \$240bn a year.

US Congress presses China on currency

<http://www.ft.com/cms/s/0/2f62eee8-ecf-11e0-be97-00144feab49a.html#ixzz1aUeH0WSF>

Widening U.S.-China Trade Gap Fuels Currency Battle

http://online.wsj.com/article/SB10001424052970203914304576628702220717090.html?mod=googlenews_wsj

China says US bill may spark trade war

<http://www.smh.com.au/world/china-says-us-bill-may-spark-trade-war-20111004-11769.html#ixzz1aUYT7p2x>

Major Economies to Meet in Washington over Rare Earth Restrictions

The EU, US, and Japan have agreed to meet in Washington early next month to find ways to reduce demand for China's rare earth exports. The plan comes in the wake of China's recent decision to halt production of the minerals at three major mines in Jiangxi province, a move that is expected to cut global supplies and raise global prices. They are also likely to discuss a move against China at the WTO.

The US and Japan are the largest importers of China's rare earth metals, which are critical ingredients for the manufacture of many high-tech, strategic, and green industrial goods. However, the EU is perhaps more critically threatened due to environmental restrictions it has imposed that may prevent it from opening up new domestic supplies. China is the world's leading producer of rare earth minerals,

supplying 97 percent of the metals to companies around the world. China began stockpiling rare earths in 2010 and reduced global exports by 40 percent by June 2011, causing a 1,200% increase in prices. <http://www.reuters.com/article/2011/09/02/us-trade-doha-idUSTRE7814SO20110902>

China Must Open More to Foreign Investment, De Gucht Says

Karel de Gucht pressed China to allow greater foreign investment, saying Chinese barriers risk stoking protectionism in Europe. Foreign direct investment in China climbed 11.1 percent in August from a year earlier, driven by China's 9.5 percent economic growth.

De Gucht criticized recent Chinese foreign-investment curbs resulting from national-security concerns. De Gucht said China's procurement market is too closed to foreign companies. "The problem is that foreign actors are simply not winning contracts unless it is in China's interest" he said. The European Commission will propose rules by the end of the year to force reciprocity in public procurement. De Gucht also criticized Chinese subsidies to exporters, holding out the prospect of more EU tariffs. In May, the EU imposed anti-subsidy tariffs against China for the first time, with levies as high as 12 percent. <http://www.bloomberg.com/news/2011-09-20/china-must-open-more-to-foreign-investment-eu-s-de-gucht-says.html>

China Increasingly Central to Caribbean Development

China has signed cooperation and loan agreements for projects worth millions of dollars with Barbados, The Bahamas, Antigua and Barbuda, Trinidad and Tobago and Guyana. China will provide one billion dollars in loans and preferential treatment in support of local economic development. It will also contribute one million dollars to the Caribbean Development Fund. And Beijing offered no less than 2,500 training opportunities for Caribbean countries.

Over the past two decades, bilateral trade between the Caribbean and China has grown from 20 million dollars in 1990 to two billion dollars in 2008. China is the third largest direct investor in Latin America and the Caribbean, after the United States and European Union, accounting for nine percent of foreign direct investment. China's trade with the Caribbean and Latin America is worth around 156 billion dollars.

China has a growing demand for the region's raw materials including gas and asphalt in Trinidad and Tobago, bauxite in Jamaica and timber, bauxite and minerals in Guyana. In addition, Chinese companies have used the Bahamas' close geographic proximity to the United States to manufacture and assemble products destined for the United States market, and to invest in the service sectors such as tourism. <http://ipsnews.net/newsTVE.asp?idnews=105114>

Too Many Strings Attached to Chinese Electric Car Subsidy: GM

General Motors last week announced that it would no longer seek to manufacture its newest electric car in China, eschewing a massive subsidy offer that would have forced the automaker to divulge technology secrets. China has been stepping up its efforts to leverage access to its booming economy as a bargaining chip for the transfer of new technologies. According to the New York Times, China is offering a consumer subsidy of more than US\$19,000 per unit for the sale of the next generation of electric cars in China.

Critics argue that if Chinese manufacturers are eligible for the subsidy while foreign importers are forced to refuse it through onerous technology transfer requirements, it could effectively block foreign imports from a viable share of the electric car market in China. <http://ictsd.org/i/news/biores/114807/>

8 Trade and Climate Change

ICTSD: India Proposes Discussion of Trade Issues for Durban Climate Meet

At the request of India, the Secretariat of the United Nations Framework Convention on Climate Change (UNFCCC) has added access to sustainable development and unilateral trade measures to the provisional agenda for the 17th session of the Conference of the Parties (COP 17), in Durban.

All countries will need to agree during the opening session of the COP whether to keep the issues on the agenda and thus give them a formal space for discussion during the meetings. India wants to look at access to mitigation and adaptation technologies; Mexico similarly wants to look at the influence of IPR on technology transfer. India has argued that these technologies and their IPRs should be treated as public goods to help countries reach the Convention's climate change goals. Several developed countries have opposed the inclusion of such topics in the Durban agenda.

<http://ictsd.org/downloads/bridgesweekly/bridgesweekly15-32.pdf>

EU Court of Justice Supports EU Plan to Include Aviation in Carbon Trading

The EU is the first jurisdiction to try and limit carbon emissions beyond its own borders, acting to shield the competitiveness of domestic airlines from participation in its own emissions trading scheme from next year. From January 1, 2012 all airlines will have to buy permits accounting for their full carbon emissions, in European air space and beyond, for flights landing in and exiting the European Union.

A senior judge on Thursday found the EU scheme to be justified, in a non-binding "opinion" to the European Court of Justice, in a case where U.S. airlines and associations had sought an exemption. The ECJ is expected to rule early next year. The United States and China joined a group of 26 countries last month declaring the EU scheme to be illegal.

<http://www.reuters.com/article/2011/10/07/uk-climate-airlines-idUSLNE79602X20111007>

<http://ictsd.org/i/trade-and-sustainable-development-agenda/115771/>

9 UK Trade

DFID trade advocacy fund ignores “big society” – Ben Moxham, TUC

DFID has launched a new trade advocacy fund to help poor countries better participate in trade negotiations. The fund is welcome, is missing a vital component: it doesn't support those marginalised by trade liberalisation – from workers to smallholder farmers – to have their voices heard during trade talks.

To be sure, the fund has good features. It will provide sorely needed technical assistance, training and logistical support for developing country trade negotiators. It is quick and flexible, and importantly, is independent from UK government, avoiding the nasty use of trade assistance to soften up weaker negotiating partners to accept a bad trade deal. But the fund stops short of supporting civil society organizations: it's (otherwise very thoughtful) feasibility study implies that workers or farmers don't need a voice because trade bureaucrats with the right training will know what's best for them (see page 13).

This is flawed. Many governments just don't represent their citizens; Fiji, Zimbabwe, Sudan and Swaziland come to mind. Take Egypt: President Mubarak's economic liberalisation over the last decade triggered economic growth, but it was highly concentrated and came at the expense of hundreds of thousands of workers who were dumped on the scrap heap. These were the seeds of Egypt's revolution: nearly two million workers engaged in some 1,900 strikes or protests from 2004 to 2008.

But even where governments are democratic, the interests of workers often gets drowned out by stronger business lobbies, negotiating partners, or government priorities. This is a massive risk for Egypt on its fragile path to democracy that is worth spelling out. Our Foreign Office, among other key players in the international community, have identified “greater market openness” as a priority for Egypt.

Yet the EU Sustainability Impact Assessment for a possible trade deal with Egypt came up with the sobering conclusions that unless “appropriate preventative and mitigating measures were put in place”, trade liberalisation could result in:

- *A significant short-term rise in unemployment, which could continue into the long term if not successfully mitigated; a fall in wage rates associated with increased unemployment;*
- *A significant loss in government revenues, with potential for consequent social impacts through reduced expenditure on health, education and social support programmes;*
- *Greater vulnerability of poor households to fluctuations in world market prices for basic foods;*
- *Adverse effects on the status, living standards and health of rural women, associated with accelerated conversion from traditional to commercial agriculture (from page viii).*

That is trade-policy-consultant-speak for an absolute disaster. The modeling for Egypt shows “a decline in employment of approximately 8% of the total workforce” (page 24). With a labour market of over 26 million people, that means dumping about two million of them out of work.

Instead, trade liberalisation needs a range of supportive measures to ensure this doesn't happen. As we've just outlined in our submission to the EU on trade policy, this includes proactive industrial policies creating green and decent jobs, training and education, quality public services, social protection and respect for fundamental rights at work. It also needs liberalisation to proceed with the policy space, and at the pace it takes the workforce to fairly adjust.

It's a point accepted by mainstream experts. As the WTO, OECD, ILO and World Bank concluded recently in a report to the G20: *The benefits of trade generally outweigh the costs associated with a reallocation of labour and capital to more efficient uses. However, if support for open markets is to be sustained, those costs need to be recognized and policies put in place to assist workers and communities to adjust to a more competitive environment.* The problem is, without a stronger voice for workers, that second sentence nearly always gets forgotten during trade negotiations. This is true for workers in the developed world, let alone in Egypt, where a nascent independent union movement is still very fragile. So if DFID wants to help the vulnerable, it's time to help them speak up louder.

<http://touchstoneblog.org.uk/2011/09/dfid-trade-advocacy-fund-ignores-%E2%80%99Cbig-society%E2%80%9D/>
Trade Advocacy Fund: <http://projects.dfid.gov.uk/project.aspx?Project=202089>

10 Agricultural Subsidies

ICTSD: US Farm Subsidies Ballooning

Domestic food aid payments in the US doubled between 2002 and 2009, pushing total farm subsidy levels to a record high of US\$114 billion. Washington's official report to the WTO on 2009 spending levels, classes nine-tenths of recent US farm support as green box payments.

Green box payments are exempt from the global trade body's spending limits, on the basis that they cause no more than minimal distortion of trade or production. The latest figures indicate that the government spent around US\$6 billion on income support payments that are 'decoupled' from production, and around US\$4 billion on environmental programmes.

Trade-distorting farm subsidies (classed in the WTO's amber box) fell to an all-time low of US\$4 billion in 2009. However, the US also reported US\$7 billion of trade-distorting support under the 'de minimis' rules: these payments are exempt from counting towards WTO spending limits because they amount to less than five percent of the value of farm output. Trade-distorting payments were concentrated on just a few products, with dairy (US\$3 billion) and sugar (US\$1.2 billion) benefiting the most.

The US continued not to report any spending on production-limiting blue box programmes, which, although trade-distorting, are exempt from an upper ceiling under current WTO rules. Total trade-distorting support in 2009 was therefore around US\$11.5 billion. Because some US subsidies increase when prices fall, support levels can fluctuate from year to year.

<http://ictsd.org/i/news/bridgesweekly/113559/>

Miami Herald: Who knew? Chicken feet are big business

Finally some clarity to a question that long has bedevilled mankind: Why did the chicken cross the road? The answer: It was going global. Many may be surprised to learn that the humble chicken is now synonymous with international trade. 20 percent of U.S. chicken sales go abroad. That point was driven home on Sept. 20 when U.S. Trade Representative Ron Kirk announced he was dragging China before the World Trade Organization to dispute charges that U.S. poultry exports are sold at unfairly low prices.

The U.S. and China have ruffled each other's feathers in recent years over restrictions imposed on poultry imports. But what wasn't so clear in Kirk's announcement is that the product being restricted by China was chicken feet. James Rice of U.S. poultry giant Tyson Foods says: “there's a global pecking order for who gets what. An American chicken producer has to get the maximum price, U.S. consumers

only eat breast meat. Legs and dark meat go to Russia, chicken feet go to China, and the wings go to Hooters (a U.S. restaurant chain), and when you get that right, you've maximized value for a chicken. So you need to get that chicken foot through to China".

A year ago, China slapped trade penalties on American chicken feet. China is upset that funding was pulled for a U.S. Department of Agriculture program that would have allowed a dozen Chinese companies to export processed chicken products to the U.S. The two countries are now engaged in what might be called a high-stakes game of chicken. Meantime, U.S. poultry exporters are effectively locked out of the lucrative Chinese market.

According to one industry insider, the first (President George H.W.) Bush offered a food aid program to Russia. Part of that food aid was commodity shipments of U.S. chicken leg quarters, and the industry saw an opportunity to export parts that weren't particularly in demand in the U.S. In 1991, U.S. broiler exports to Russia were valued around \$10.7 million. By 2000, the value had grown to more than \$305 million. In 2006, it was above \$725 million. China sales grew more recently, from a modest \$95 million in 2005, to more than \$647 million in 2009, only to plunge during the dispute in 2010, to \$135 million. Read the full article here: http://www.miamiherald.com/2011/10/02/2435148_p2/who-knew-chicken-feet-are-big.html#ixzz1aUcB1DAf

11 Network news and events

Baby Milk Action International Nestlé-Free Week 31 October to 6 November: a time for those who support the boycott over Nestlé's aggressive marketing of baby milks to do more to spread the word, and for those who don't boycott to give it a go. You will find information and resources on the Baby Milk Action site - including a smartphone version of the Nestlé boycott list. Watch out for other innovative boycott tools in the build up to the week: <http://info.babymilkaction.org/nestlefree>

Traidcraft & Fairtrade Foundation: join the fight for cotton justice

In December, government representatives from around the world will meet for the next stage of talks of the World Trade Organisation. Attempts to deliver a deal for the world's poorest countries hang in the balance in part because of a refusal from the US to make concessions on its illegal, damaging and unfair cotton subsidies. **However, there is potential for change.** President Obama and the US cotton industry have recently made statements that reform of subsidies is a real possibility. And the UK government has stated that the issue of cotton subsidies is 'very high on its agenda'.

Traidcraft and the **Fairtrade Foundation** will be stepping up the pressure in the coming weeks, pushing for a deal the world's poorest cotton farmers deserve. And **there are three ways you can join us!**

- **Sign** Traidcraft's petition to US Ambassador Louis Susman calling on him to nip damaging cotton subsidies in the bud.
- **Email** campaign@traidcraft.co.uk or ring 0207 242 3955 to order copies of our campaign postcard urging Edward Davey MP to keep up the pressure on the US at the ministerial in December.
- **Find out more** about the campaign with our handy, **free** pocket-sized 'T-shirt' resource. http://www.traidcraft.co.uk/get_involved/campaign/time_to_nip_US_cotton_subsidies_in_the_bud

EPSU: Putting EU commercial policy in its place: The Protection and Role of Public Services in Bilateral Free Trade Agreements, 7 November, Brussels.

In light of the EU Canada trade negotiations, the seminar will present a new study, there will be a lively exchange with representatives from civil society, the Commission and the Parliament. More info from Anneke Krijger akrijger@epsu.org or the EPSU website: <http://www.epsu.org/a/7951>

Peru Support Group, Annual Conference

The focus will be on the first 100 days of the new administration in Peru but within this we will be running workshops on economic policy and the government's attitudes towards foreign investors in the extractives sector. Find out more: http://www.perusupportgroup.org.uk/news.php?news_id=526#526

ActionAid: Government Relations Advisor

Full time, permanent, £35,098-£37,575 pa

LOCATION: London EC1R 0BJ **CLOSING DATE:** 9am, Thursday 27 October

<http://www.actionaid.org.uk/103046/feed.html>

12 Publications

Trade and Development Report 2011, UNCTAD

The report focuses on the post-crisis policy challenges in the world economy. It concludes that the recovery is slowing down and that the "*two-speed recovery*" is mainly the result of wide differences in domestic demand. In developing countries strong wage growth and sustained public support have prolonged the recovery in investment and domestic demand whereas in most developed economies private demand is subdued due to stagnating wages and little improvement in employment. The recent shift towards fiscal and monetary tightening represents a major risk for the global economy.

<http://www.unctad.org/templates/webflyer.asp?docid=15574&intlItemID=2068&lang=1>

Tralac: Trade Facilitation in the COMESA-EAC-SADC Tripartite Free Trade Area

Until the underlying causes of these high costs of transport are addressed African countries will remain high-cost producers, with no major direct investments taking place in non-mineral sectors, restricted economic growth opportunities and slow progress made in poverty alleviation. An integral part of the Tripartite Free Trade Area is the design and implementation of a programme that is aimed at improving trade and transport measures and reducing non-tariff barriers to trade. The aim of this paper is to describe the main components of the Tripartite trade facilitation and non-tariff barrier programmes and put these programmes into a regional and a multilateral context.

http://www.tralac.org/2011/09/21/trade-facilitation-in-the-comesa-eac-sadc-tripartite-free-trade-area/?utm_source=Weekly+tralac+Newsletter&utm_campaign=4329c07455-NL20111019&utm_medium=email

Tralac: Cape to Cairo - An Assessment of the Tripartite Free Trade Area

In recent years countries have increasingly become focussed on enhancing market access through regional integration in light of the stalled decade-long WTO Doha round of trade negotiations. Africa is no exception and in 2008, Heads of State and Government from the member states of the regional economic communities (RECs) of the Common Market for East and Southern Africa (COMESA), the East African Community (EAC) and the Southern African Development Community (SADC), agreed to establish a Free Trade Area (FTA). The objective for this book is to examine the trade and specifically agricultural production, agribusiness and the agricultural policy regimes in East and Southern Africa. The publication finds that, thus far, Africa's integration record is marked by grand schemes, weak legal and institutional foundations for a rules-based dispensation of regional integration, and an implementation record that demonstrates very little serious commitment.

http://www.tralac.org/2011/06/15/cape-to-cairo-an-assessment-of-the-tripartite-free-trade-area/?utm_source=Weekly+tralac+Newsletter&utm_campaign=4329c07455-NL20111019&utm_medium=email

OECD: To What Extent do Exchange Rates and Their Volatility Affect Trade?

Trade deficits and surpluses are sometimes attributed to intentionally low or high currency exchange rate levels. The impact of exchange rate levels on trade has been much debated but the large body of existing empirical literature does not suggest an unequivocally clear picture of the trade impacts of changes in exchange rates. This working paper examines the effects of exchange rates and their volatility on trade flows in China, the Euro area, and the US in two broadly defined sectors: agriculture and manufacturing and mining industry.

http://www.oecd-ilibrary.org/trade/to-what-extent-do-exchange-rates-and-their-volatility-affect-trade_5kg3slm7b8hg-en.