Goods Council Discusses Investment Measures

At the 26 January meeting of the WTO Council for Trade in Goods, Pakistan requested a three-year extension to its transition period for phasing out trade-related investment measures (TRIMs) for its automobile industry. After many months of deliberations, WTO Members agreed on 31 July 2001 to extend specific TRIMs elimination deadlines for eight developing countries until 31 December 2003 at the latest. Although no further extensions were foreseen after that date, Pakistan’s Ambassador Manzoor Ahmad called on WTO members on 26 January to give his country the flexibility to extend certain TRIMs he said were necessary due to the economic importance of the automobile industry to Pakistan’s economy (the sector grew by nearly 50 percent in 2002-2003 and provided employment to more than 115,000 persons). According to Ambassador Ahmad, Pakistan had made substantial progress in eliminating its TRIMs, including deleting 86 programmes related to machinery and domestic appliances. However, if the remaining measures could not be extended, Pakistan would have no other option than to raise tariffs on imported vehicle parts.

Brazil and India supported Pakistan’s request, adding that this case showed the need for revising the TRIMs Agreement. The US said it would consider the request with “an open mind”, while the EU and Japan noted that there was not enough time or sufficient information for an immediate decision. The Council will revert to the matter at its next meeting on 15 April 2004. In the meantime, the Goods Council Chair will conduct informal talks with interested parties on how to move the process forward.

During a more general review of the operation of the TRIMs Agreement, Brazil – supported by India, Colombia and Pakistan – argued that governments should be allowed to intervene and boost linkages between multinational corporations and small and medium-scale industries that are of key importance for job creation, technology transfer and poverty reduction. The US disagreed, saying that Brazil’s suggestion would amount to a reopening of the TRIMs Agreement. The Chair concluded that Members’ positions on the review had not changed.

Loaded Agenda for March TRIPs Council

The WTO Council for Trade-related Aspects of Intellectual Property Rights (TRIPs) will meet on 8–9 March 2004 to consider, inter alia, access to medicines, the patentability of plants and animals, and geographical indications.

TRIPs Article 27.3(b) on patentability or non-patentability of plant and animal inventions has been under review in the Council for several years. The Doha Declaration refers to this review, as well as the review of the overall implementation of the TRIPs Agreement under article 71.1, as outstanding implementation issues. It calls on the Council “to examine, inter alia, the relationship between the TRIPs Agreement and the Convention on Biological Diversity, the protection of traditional knowledge and folklore, and other relevant new developments raised by Members pursuant to Article 71.1.” In undertaking this work, Members “shall take fully into account the development dimension”.

Members are also to continue discussions on the bitterly divisive topic of extending to other products the higher level of protection given by TRIPs to geographical indications (GIs) on wines and spirits. ‘Old world’ countries are pushing for GI extension, while ‘new world’ countries are strongly opposed (see related article on page 17).

On 30 August 2003, WTO Members agreed on a waiver implementing paragraph 6 of the Doha Declaration on TRIPs and Public Health. The Council now has to turn this into a permanent amendment of the TRIPs Agreement within the first half of 2004. See related Bridges articles by Frederick Abbot (Year 7 No.7, page 22) and Carlos Correa (Year 8 No.1, page 21).

Chairpersons of WTO Bodies 2004

- General Council: Shotaro Oshima (Japan)
- Trade Negotiations Committee: Supachai Panitchpakdi (WTO)
- Negotiating Group on Rules: Eduardo Pérez Motta (Mexico)
- Negotiating Group on Non-Agricultural Market Access: Stefán Johannesson (Iceland)
- Negotiating Group on Services: Alejandro Jara (Chile)
- Negotiating Group on Tariffs: Manzoor Ahmad (Pakistan)
- Negotiating Group on Trade and Development: Faizal Ismail (S. Africa)
- Negotiating Group on Trade and Environment: Toufiq Ali (Bangladesh)
- Negotiating Group on Trade Debt and Finance: Péter Balás (Hungary)

Chairs of Selected Regular Bodies

- Dispute Settlement Body: Amina Chawahir Mohamed (Kenya)
- Council for Trade in Goods: Alfredo Chiaradia (Argentina)
- Council for Trade in Services: Peter Brno (Slovakia)
- Committee on Trade and Development: Trevor Clarke (Barbados)
- Committee on Trade and Environment: Naëla Gabr (Egypt)
- Committee on Regional Trade Agreements: Ronald Saborio Soto (Costa Rica)
- Working Group on Trade and Transfer of Technology: Jaynarain Meetoow (Mauritius)
- Working Group on Trade Debt and Finance: Péter Balás (Hungary)

Due to continued lack of agreement among Members on how to proceed with the Singapore issues, no Chairs were appointed for the working groups dealing with investment, competition policy and transparency in government procurement (see also page 1).