



10th Anniversary of CUTS CITEE

Public Lecture on *The Future of the Global Trading System: Doha Round and Beyond*

On the occasion of the 10th Anniversary of CUTS Centre for International Trade, Economics & Environment (CUTS CITEE), a public lecture was organised at New Delhi, India, on July 29, 2006.

Prof T. N. Srinivasan, Samuel C. Park, Jr. Professor of Economics, Yale University, USA and the Chairman of CUTS CITEE's International Advisory Board delivered the lecture on "The Future of the Global Trading System: Doha Round and Beyond".

The meeting was chaired by Dr. Kirit Parikh, an eminent economist and member of the Planning Commission of India. Shri S.N. Menon, Commerce Secretary of India, participated as discussant in the lecture. Pradeep S Mehta, Secretary General, CUTS International highlighted the important role that the organisation has been playing over a decade.

Prof. Srinivasan delivered that "At present the Doha round has boiled down to mere sloganizing, without addressing the fundamental issues of negotiations. While the Indian Commerce Minister at Geneva last week said that India is ready to negotiate commerce but not subsistence, developed countries argue that "India's, Brazil's and China's" of this world should open up their market. Given the prevailing imbroglio, in all likelihood the Doha round is to remain in cold storage for several years.

Prof. Srinivasan was critical of India's stance on Special Products in agriculture negotiations. Simply mouthing out demand for a large number without looking at its welfare implications is not going to serve any purpose. The identification of Special Products must be based and backed up by sound credible research. Responding to this Indian Commerce Secretary Shri S. N. Menon said that India has identified products and tariff lines after doing extensive research and consultations with the stakeholders. The Planning Commission of India is extensively involved in this exercise besides other major think tanks.



On the issue of bilateral trade agreements, it is very important to identify our partners, speakers said. One must understand that going with large number of negative lists will not lead us anywhere. However, Prof. Srinivasan warned India of going for bilateral with USA. With USA it is very difficult to get a good deal because of its tendencies to press for inclusion of TRIPs plus commitments, labour and other non-trade issues in the negotiating agenda.

Taking forward the discussion, the Commerce Secretary Shri Menon said that India has shown flexibility in the negotiations given the fact that it was not a demander of the Doha round. In manufacturing, India has brought down its average tariffs substantially to 12.5% and will continue to reduce them. On services India has tried to work closely with the USA and co-sponsored some submissions.

CUTS Secretary General Pradeep Mehta highlighted the important role that the organisation has been playing over a decade. When CUTS started its work on trade issues in early 1990s, any possible role by a consumer organization in trade policy research and policymaking was looked at with scepticism. However, CUTS beat all such scepticism by not only raising awareness level of different stakeholders' groups but also doing credible research and analysis, which provided significant inputs in the policy-making process in India and other countries.

Documenting advocacy practices involving local stakeholders with the process of trade and globalisation in Indian States

Since January 2005, CUTS CITEE has implemented a project entitled "Grassroots Reachout & Networking in India on Trade & Economics" (GRANITE). The aim has been to build the capacity of local civil society organisations on issues relating to globalisation and WTO (with particular emphasis on agriculture and textiles, including handloom) and advocate with local stakeholders on globalisation and related issues. It has been executed in eight states, viz. Andhra Pradesh, Karnataka, Maharashtra, Orissa, Rajasthan, Tamil Nadu, Uttar Pradesh and West Bengal.

With this background, CUTS CITEE is implementing the Project 'Documenting advocacy practices involving local stakeholders with the process of trade and globalisation in Indian States'. This shall be under the aegis of Oxfam International's Knowledge Infrastructure with and between Counterparts (KIC) initiative, and in particular supported by Oxfam Novib, The Netherlands (www.oxfamnovib.nl). CUTS CITEE shall work towards the objective of bringing people together with similar interests as regards globalisation and its impacts. Case studies (looking at processes and practices) on the GRANITE experience will be done in four states where the GRANITE project is being implemented. These case studies will be conducted in Karnataka, Rajasthan, Uttar Pradesh and West Bengal with the help of GRANITE Project partners in these states. They are chosen from four different parts of India – i.e. respectively from South, West, North and East.

The overall objective is to ascertain how, why and what advocacy tools work better on the ground – that is by looking at processes and practices of application of advocacy skills and tools. The immediate objective of this project is to document advocacy processes and practices with local level stakeholders (government officials, farmers, farmer organisations, NGOs, media persons) on issues relating to globalisation and trade. The long-term objective is to document useful skills and tools for advocacy by looking at what works and don't work. The project duration is for four months starting from September 2006 to December 2006.

CUTS@WTO Public Forum 2006



Operationalising Aid for Trade

The Centre is organising a panel discussion on Operationalising Aid for Trade on 26 September 2006 at 1500-1630 hrs in room CR II. The objective for this discussion is to deliberate on issues for operationalising Aid for Trade from the perspectives of developing countries, particularly least developed countries, and other stakeholders (donors, inter-governmental organisations, NGOs) so as to evolve a roadmap for taking forward this initiative. Keeping in mind the recommendations of the Task Force on Aid for Trade, this session will deliberate on the following:

- Expectations, particularly of LDCs, from the Aid for Trade initiative
- Role of donors for operationalising Aid for Trade
- Role of inter-governmental organisations for operationalising Aid for Trade
- An effective Aid for Trade partnership: Local accountability and global review



Inception Workshop

Jaipur, India, September 09, 2006

The Centre is organising the Inception Workshop of the project titled 'Documenting advocacy practices involving local stakeholders with the process of trade and globalisation in four Indian States' in Hotel Country Inn at Jaipur, Rajasthan, India, on September 09, 2006. This is under the 'Knowledge Infrastructure with and between Counterparts (KIC)' Project of Oxfam International steered by Oxfam Novib, The Netherlands.

The objective of this event is to bring together people associated with the project and discuss and finalise the draft Terms of Reference (ToR) and questionnaires for the project implementation. The workshop will also provide opportunities to the stakeholders to discuss and express their views on different advocacy practices on issues related to globalisation and trade.

G-20 Civil Society Views on WTO

The Centre is organising a panel discussion titled 'G-20 Civil Society Views on WTO' on 26th September 2006 at 1630-1800 hrs in room CR II. This event is jointly organised by Friedrich-Ebert-Foundation (FES) Geneva Office and CUTS International, India. It proposes to throw lights on following issues:

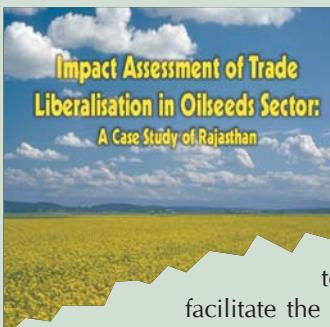
- Highlight the G-20 civil society perspectives on the G-20 position in the WTO, on their respective governments' position and on their power to influence them at present
- Identify the main challenges, the G-20 civil society organizations are facing in the dialogue with their governments, other WTO groupings (such as G-33 or G-90) and inside the G-20 grouping itself
- Discuss the role and perspective of G-20 civil society organizations in influencing the G-20's and their respective governments' positions in the WTO of the XXIst Century to strengthen the voice of the people in developing countries

PUBLICATIONS

Impact Assessment of Trade Liberalisation in Oilseeds Sector: A Case Study of Rajasthan

Author: Prof. N. C. Pahariya

Associate Prof. Department of Economics, University of Rajasthan and Fellow of CUTS International



The present study on oilseeds, particularly rapeseed-mustard and groundnut, the two principal oilseeds crops raised in the state of Rajasthan, was undertaken to identify strengths/weaknesses of this sub-sector of agriculture and to offer policy prescriptions to facilitate the process of integrating Indian economy and in particular, the state economy of Rajasthan in the post-quantitative restrictions phase, with the emerging multilateral trading system (MTS). An in-depth analysis is undertaken to identify main issues affecting international competitiveness of this sector, which is important for a wide cross-section of the society.

BRIEFING PAPERS

Market Access for Least Developed Countries: The Hong Kong Effect

Author: John Tabari

Programme Coordinator, CUTS International

The Hong Kong final declaration left a loophole for developed country Members to protect their markets from LDC imports that may effectively compete with their domestic industries. This passage leaves enough room for developed countries to exclude the very products in which LDC's have export interest from DFQF market access.

This briefing paper discusses the potential economic impact on LDCs' trade in light of the outcome of the Hong Kong Ministerial on DFQF market access for LDCs' products.

Moving from preferences to Aid for Trade

Author: Prashmita Ghosh

Programme Officer, CUTS International

The erosion of preference margins as Most Favoured Nation (MFN) tariffs are being reduced the world over poses a difficult problem in the trade-development field for the developing world. For many years, developing countries (DC's) have been receiving tariff preferences from the industrial countries for exporting their products. As global trade talks are directed towards dissolving the trade barriers, Least Developing Countries (LDC's) in particular, are facing the problem of losing their preferential access to the European Union (EU) and United States market. The paper makes an attempt of understanding the preferential arrangement and whether a compensatory measure in the form of 'aid for trade' can address the losses after erosion of the trade preferences.

Identifying A Comprehensive IBSA Strategy for the Post-Hong Kong Phase of the Doha Round Agriculture Negotiations



This book is an outcome of a project 'Devising A Comprehensive IBSA Strategy on WTO Agriculture Negotiations'. It has conducted research on IBSA countries' positions on WTO negotiations on agriculture. It has taken into account perception of different stakeholders (such as farmers, agri-business, consumer groups, and other civil society organisations, bodies representing agriculture labourers). The positions of the IBSA countries are not juxtaposed in isolation. In this respect positions and perceptions of other major players – Australia, China, EU, and USA – have been taken into consideration.

Suspension of Doha Round Talks: Reasons and the possible after effects

Authors: Pradeep S. Mehta, Pranav Kumar & Ritu Lodha
Secretary General, Policy Analyst, Legal Research Assistant of CUTS International

The Doha Round has seen many highs and lows, finally sliding into a deep freezer following failure of G-6 countries to reach a consensus on key issues of agriculture and industrial goods market access. The talks have been formally suspended without any new timetable for completing the Round. In the end, once again after more than five years of extensive negotiations the differences over farm subsidies proved insurmountable. This briefing paper analyses the reasons behind the suspension of Doha Talks and the consequences of the suspension.

Reforms in Food Corporation of India: Case of Wheat Imports

Author: Milind Murugkar

Agri Policy Researcher and associated with SAMARTHAN, Mumbai

The Indian government's decision to import wheat has emerged as a major politically sensitive issue. The concern of wheat imports has given rise to number of controversies and highlights the extreme inefficiency of the Food Corporation of India (FCI). This inefficiency has resulted into a high food subsidy bill. The gross anomalies in the system need to be balanced with certain radical reforms. Introduction of food stamps is a promising alternative in this regard. This has not only great potential of effective transfer of food subsidy to the poor, but also has the potential to benefit the poor local food grain producers. This briefing paper analyses reasons for failure of Food Corporation of India and suggests reformation of FCI.

PARTICIPATION

IPPG Research Workshop

Bangladesh, Dhaka, July 31-August 04, 2006

Bipul Chatterjee participated in the Institutions for Pro-Poor Growth (IPPG) Research workshop held at Bangladesh, Dhaka, from July 31-August 04, 2006.

Detailed discussions were held on the proposal to be prepared for doing research in Bangladesh and West Bengal during the period: October 2006 to September 2008.

WTO and Doha Agenda: The way Forward

India, New Delhi, August 29, 2006

Pranav Kumar, Simi TB and Ritu Lodha participated in South Asia Regional Conference on "WTO and Doha Agenda: The Way Forward" held at New Delhi, on August 29, 2006.

The objective of the Roundtable was to highlight and take stock of the progress in WTO negotiations. The event was jointly organized by FICCI and Islamabad-based SAARC Chambers of Commerce & Industry (SCCI).

MEDIA CORNER

Yale Prof says TRIPs should be taken out of WTO

July 30, 2006, *The Economic Times*
New Delhi

Professor T N Srinivasan while speaking on the future of the global trading system at a lecture organised by CUTS in New Delhi, said, "The World Trade Organisation (WTO) should not be burdened with issues other than trade. All non-trade issues like labour and environmental standards should be kept off the WTO agenda. Such issues would over-load the WTO agenda and impede progress in global trade liberalisation".

More on: <http://www.cuts-international.org/cutsinmediaJuly06.htm#wto30july06>

CUTS suggests three pronged strategy to salvage Doha Round

July 14, 2006, *Thesynergyonline News Service*, New Delhi

Suggesting a three pronged strategy to carry forward development thrust of the Doha Round of global trade talks, CUTS International has asserted that the burden of leadership remains on the developed nations who have more to give. Mehta said that it is imperative for nations across the globe to ensure that the Doha Round is not declared sick so as to avoid another 9/11 and the onus for this lies on the developed nations who can actually deliver the Doha Round by being less mercantile and ensure that the poor are lifted out of their poverty through liberalization of trade and cutting out of farm subsidies in the rich world, which mainly benefit the fat corporates.

More on: <http://www.cuts-international.org/cutsinmediaJuly06.htm#doha14july06>

State Level Consultation on Draft National Policy for Farmers

India, Bikaner, August 29, 2006

Anutosh Biswas participated in a State Level Consultation on Draft National Policy for Farmers on August 29, 2006 at Bikaner, Rajasthan. It was organised by National Commission on Farmers (NCF), Ministry of Agriculture, Government of India, New Delhi.

This consultation was in the series of meetings organised by NCF throughout the country to elicit and secure comments, opinions and suggestions from various stakeholders through lively debates on the Draft National Policy for Farmers. The purpose of the consultation was to provide inputs, advice and suggestions to the Government for preparing the final report of National Policy for Farmers.

Commonwealth Workshop on Gender, Trade Policy in South Asia- India

India, New Delhi, August 28-September 01, 2006

Prashmita Ghosh participated in the Third Capacity Building Workshop on Gender, Trade Policy and Export Promotion for the South Asia Region in New Delhi. It was organised by Commonwealth Secretariat in partnership with UNIFEM, Ministry of Commerce, SOFCAR and supported by DFID.

The principal aim of the workshop was to build capacity to integrate gender analysis in trade policy formulation and implementation by empowering women participation at all levels.

It's time for Lamy to Wear Dunkel's Hat

July 27, 2006, *Thesynergyonline News Service*
New Delhi

"History repeats itself is a cliché, but we should learn from the Uruguay Round negotiations and continue our strive towards liberalising the multilateral trading system", said Pradeep S Mehta, Secretary General, CUTS International while releasing a statement on the recent collapse of WTO talks. Incidentally, in 1990 the Uruguay Round talks were collapsed because of differences between EU and US over farm liberalisation.

More on: <http://www.cuts-international.org/cutsinmediaJuly06.htm#lamy26july06>