

# CUTS CITEE in Action

January-April 2010

## Events

### Training New Diplomats

CUTS Centre for International Trade, Economics & Environment (CUTS CITEE) with the support of the Department of Science and Technology, Government of India organised a Training programme on 'Intellectual Property Rights (IPR) and Related WTO Issues' in Jaipur, during January 11-15, 2009. The programme was well attended by scientists and technologists from various ministries/departments/councils/institutes/research labs of Government of India and the State Government of



Rajasthan.

The programme brought experts/resource persons together to explore and deliberate various aspects of IPR and related WTO issues. Over the period of five days the participants sharpened their skills on various aspects of IPR and related WTO issues through lectures, real life experiences of resource persons, simulation exercises, group discussions, etc.

### What, Why and How of Eco-labelling

CUTS organised first of five one-day consultative workshops for the Indian Textiles Industries on 'What', 'Why' and 'How' of Eco-labelling' in New Delhi, on February 09, 2010. The overall objective was to promote sustainable production and consumption among the Indian textiles companies by encouraging them to increase the amount of eco-labelled textiles exports from India.

The ultimate goal of these workshops were to have at least one (or more) products from India certified with the EU Flower. The main outcomes of the workshop were that participating companies were informed about what advantages are presented by eco-labelling, how to pursue these opportunities to improve their production, how to increase the supply of environmentally preferable products to both domestic and European markets, and gain access to the growing market of green products in Europe through a competitive advantage of the eco-labelled certified products.

The Centre organised second, third and fourth workshops, in the series, in Bangalore on March 08, 2010; in Tirupur on March 10, 2010; and in Mumbai, on April 06, 2010 respectively.

### Doha Round: Challenges Ahead

CUTS and Centre for WTO Studies, New Delhi organised a seminar on 'Doha Round Impacts on India: A Study in a Sequential Dynamic CGE Framework' in New Delhi, on March 04, 2010.

Siddhartha Mitra of CUTS while presenting the research study entitled 'Doha Round Impacts on India' said that from the point of view of welfare effects of trade liberalisation under the Doha Development Round (DDR), the highest benefits for India would come from liberalised world trade in agriculture.

The study, conducted by CUTS, deals with the effects of multilateral trade liberalisation, as envisaged as an outcome of the Doha Round of WTO negotiations covering agriculture, industrial goods and services sectors, on economic growth as well as poverty reduction in India. More than 30 participants representing academia, media and policy making bodies attended the seminar.

### Nurturing Stakeholders

The Centre organised a State Level Workshop under the Grassroots Reachout & Networking in India on Trade & Economics (GRANITE) Phase 2 project in Kota, Rajasthan on April 20, 2010. It conducted a case study on Kota Doria in Kota. The workshop provided a platform to share the research findings with stakeholders involved in Kota Doria work. It also took inputs from the invitees to make further improvements in our future course of action. Since the stakeholders will be in the best position to chalk out strategies which best suit local conditions their inputs will be invaluable for preparing the future roadmap of the project.

The objectives of state level workshop were to:

- present the research findings;
- share opinions for making the NFTP more pro poor;
- share views and opinions as to what could be done to increase exports of Kota Doria from Rajasthan; and
- areas of further research.

## Indian Textiles: Trade, Environment, Policies, Ecolabels

CUTS in association with Textiles Association of India organised the last of its five consultative workshops for the Indian Textiles Industries on 'What', 'Why' and 'How' of Eco-labelling in Ahmedabad, on April 30, 2010.

The main outcomes of the workshop were that participating companies were informed about what advantages of eco-labelling, how to pursue these opportunities to improve their



production, how to increase the supply of environmentally preferable products to both domestic and European markets, and gain access to the growing

market of green products in Europe through a competitive advantage of the eco-labelled certified products. More than 29 participants attended the workshop. The day resulted in constructive discussions between the enthusiastic national experts and the participants.

## State Business Relations in West Bengal

The Centre is organising an event entitled, 'State Business Relations in West Bengal' in Kolkata, on May 24, 2010. The workshop is being organised as a part of the project entitled State Business Relations (SBR) in India, conducted by the Research Programme Consortium on Improving Institutions for Pro-Poor Growth (IPPG), of which CUTS International is a member.

The twin objectives of this workshop are to:

- share the findings and lessons from West Bengal case studies on the provenance, evolution and forms of both formal and informal institutional interactions between state and businesses; and
- analyse the effects of different configurations of state-business relations on economic performance at micro level.

**New Projects**

## South Asia Forum for International Trade (SAFIT-III)

CUTS CITEE is implementing phase-III of the project entitled, 'South Asian Forum for International Trade' (SAFIT). The first two phases of the SAFIT Project had the twin objectives of promoting incisiveness in trade policy making in five select South Asian countries and providing inputs to arrive at a possible common South Asian negotiating position in regard to the Doha Development Round of the WTO, which if and when concluded will have significant implications for international trade and national development, especially for developing countries.

In the third phase, research will be carried out to determine how ground realities relevant for the negotiating interests of South Asian countries have changed. The results would then be used to review the common South Asian negotiating position arrived at through SAFIT I and II and appropriate capacity building efforts would be undertaken along with recommendations. The project will cover five South Asian countries viz. Bangladesh, India, Nepal, Pakistan and Sri Lanka and will focus on the following trade negotiation topics: Agriculture, NAMA, Services, Trade Facilitation and Development Dimensions.

The long term objective of the project is to generate negotiating inputs and to assist negotiators and policy makers of the programme countries to use such inputs in the Doha Round negotiations. Trade policy makers and negotiators of the programme countries as well as NGOs and civil society groups engaged in trade and development issues in South Asia will be the direct beneficiaries of this project. The duration of the project is four months, i.e. from February 2010 to May 2010.

## Impact of Climate Change and Food Insecurity on Poverty

The project is a scoping study which would assess the perceptions of stakeholders, especially small and marginal farmers, about the need for financial and technological measures based on intra-regional/international cooperation for mitigating the adverse impact of climate change on food security.

Climate change affects agricultural yield in tropical countries, such as the South Asian countries of India, Bangladesh, Pakistan and Afghanistan in two major ways — a reduction in the length of the growing season; and increase/unanticipated change in the frequency/geographical incidence of floods and droughts which leads to both destruction of crops and reduction in cropped area.

The long term objective of the study is to help tackle food insecurity and livelihood threats in South Asia caused by declining crop yields resulting from climate change and other factors through change in cultivation practices and appropriate measures to facilitate food banks

The one year long study (January to December 2010) covers four countries in its scope — Afghanistan, Bangladesh, India and Pakistan. For the purpose of carrying out project activities, in each of the four project countries one local partner will be identified and engaged to support CUTS in undertaking a survey of farmers and facilitate survey of other stakeholders such as grassroots rural non-governmental organisations (NGOs), research and extension agencies, as well as agronomists and rural sociologists.

### India ASEAN FTA: A Move towards Multilateral Free Trade Agreements?

The Association of Southeast Asian Nations (ASEAN)-India FTA (AIFTA) was inked on August 13, 2009 as a part of the Framework Agreement on Comprehensive Economic Cooperation Agreement (CECA) between India and the 10 Southeast Asian countries. The objectives of this briefing paper are to examine the significance of the AIFTA for the existing trading relationships between India and ASEAN countries and the modalities of the Trade in Goods Agreement, and assess the concerns and criticisms emerging from different circles.

[http://www.cuts-citee.org/pdf/Briefing\\_Paper10-India\\_ASEAN\\_FTA-A\\_Move\\_towards\\_Multilateral\\_FTA.pdf](http://www.cuts-citee.org/pdf/Briefing_Paper10-India_ASEAN_FTA-A_Move_towards_Multilateral_FTA.pdf)

### Reforming and Strengthening the WTO: Some Reflections and Suggestions

This briefing paper seeks to contribute to the ongoing reform discussion and focuses on three areas: the first section reviews WTO's objectives and puts them into the context of the global development debate. The second section takes up some of the fundamental criticism of the WTO and discusses its justification. The third section explores two rather neglected WTO areas, i.e., the Trade Policy Review Mechanism (TPRM) and the WTO accession process and offers reform proposals.

[http://www.cuts-citee.org/pdf/Briefing\\_Paper10-Reforming\\_and\\_Strengthening\\_the\\_WTO.pdf](http://www.cuts-citee.org/pdf/Briefing_Paper10-Reforming_and_Strengthening_the_WTO.pdf)

### Facilitating Sustainable Development in the Developing World: Ensuring that Economic Growth is Inclusive and Environmentally Sustainable

This paper emphasises that a meaningful concept of sustainable development necessarily has to be holistic in nature as the economic, environmental and social aspects of human behaviour and quality of life are closely linked. It critically reviews the literature on sustainable development concepts that explicitly recognise this linkage and uses this review as well as the recent development experience of India and China to develop an operational definition and indicators of sustainable development.

[http://www.cuts-citee.org/pdf/Briefing\\_Paper10-Facilitating\\_Sustainable\\_Development\\_in\\_the\\_Developing\\_World.pdf](http://www.cuts-citee.org/pdf/Briefing_Paper10-Facilitating_Sustainable_Development_in_the_Developing_World.pdf)



### Reforming the World Trade Organisation: Developing Countries in the Doha Round

This paper analyses the role of developing country alliances in the WTO and provides a conceptual framework to assess the contribution of the stronger developing country groups in the WTO. It is also concerned about the reform of the WTO and its institutions and addressed the need to introduce fundamental changes to the practices and institutions of the WTO in order to address the existing asymmetries inherited from the old GATT, created in 1947 and largely incorporated into the WTO in 1995.

[http://www.cuts-citee.org/pdf/Briefing\\_Paper10-Reforming\\_the\\_World\\_Trade\\_Organisation.pdf](http://www.cuts-citee.org/pdf/Briefing_Paper10-Reforming_the_World_Trade_Organisation.pdf)

### Tapping the Untapped: Renewing the Nation — Focus on renewable sources especially solar energy

Two complementary pathways have been suggested to reduce human impact on climate: reduction in magnitudes of human consumption through limits on per capita levels as well as population growth; and a greater reliance on renewable sources at the expense of non-renewable ones. This discussion paper focuses on the mentioned second pathway and addresses various problems caused by the usage of conventional sources of energy i.e. fossil fuels, and the benefits of increasing dependence on non-conventional/renewable sources for our energy requirements

[http://www.cuts-citee.org/pdf/Discussion\\_Paper10-Tapping\\_the\\_Untapped\\_Renewing\\_the\\_Nation.pdf](http://www.cuts-citee.org/pdf/Discussion_Paper10-Tapping_the_Untapped_Renewing_the_Nation.pdf)

## Participation

- Atuk Kaushik and Shruti Mittal of CUTS attended a public lecture on 'How to Revive the Doha Round with Some Chance of Success' organised by the Graduate Institute's Centre for Trade and Economic Integration in Geneva, on April 21, 2010.
- Anurag Srivastava made a presentation entitled, 'Asia's Policy Framework for Investment: Investing in a Stronger, Cleaner, and Fairer Asian Economy' at the Asian Biotechnology and Development Initiative-Organisation for Economic Cooperation and Development (ABDI-OECD) roundtable in Tokyo, on April 07-09, 2010.
- Archana Jhatkar attended a seminar on 'The current status of work in the WTO on Intellectual Property Rights with a focus on Doha negotiations' organised by the Indian Council of Research in International Economic Relations in New Delhi, on January 04, 2010.
- Siddhartha Mitra delivered a presentation on 'A 10 Year Framework of Programme on Sustainable Consumption & Production Patterns' at the Ministry of Environment & Forests, Government of India, in New Delhi, on March 08, 2010.

### Lessons from Copenhagen for Doha

*The Economic Times, March 15, 2010; Shanghai Daily, China & The Financial Express, January 08, 2010*

By Pradeep S Mehta

Much has been written about the recently concluded Copenhagen Conference on Climate Change which will continue to reverberate. Copenhagen was not supposed to be the be all and end all on environmental matters. It was a part of a process and even if it disappointed many, it remains a significant second best milestone, which will determine the future of climate change negotiations. The debate has certainly shifted from 'poverty is the biggest polluter' to 'justice for the poor victims of pollution by others'.

[http://www.cuts-citee.org/article-Lessons\\_from\\_Copenhagen\\_for\\_Doha.htm](http://www.cuts-citee.org/article-Lessons_from_Copenhagen_for_Doha.htm)

### Doha Round Failure not an Option for Economic Recovery

*Shanghai Daily, China, April 06, 2010*

By Pradeep S Mehta

The imperative of concluding the Doha Round could not have been captured better by a recent remark by WTO Director General Pascal Lamy. "The Doha Round is not an island in a sea of alternative opportunities - failure on Doha would spill over into other present and future cooperation efforts, and not only in the trade policy domain," he said. This is a make or break year for the Doha Round. Despite the anxiety of nations about the sustainability of negotiations, some significant technical work has been accomplished in the last few years.

[http://www.cuts-citee.org/article-Doha\\_Round\\_failure\\_not\\_an\\_option\\_for\\_economic\\_recovery.htm](http://www.cuts-citee.org/article-Doha_Round_failure_not_an_option_for_economic_recovery.htm)

### Lack of Common Interests Hampers Joint Policy

*The Financial Times, January 19, 2010*

In the scales of global governance, the Brazil, Russia, India and China (BRICs) are becoming increasingly heavy. As the countries' economic heft has increased, they have become bolder in throwing their weight around in policy tussles. But though that may be good for the political legitimacy of the institutions involved, particularly the International Monetary Fund (IMF), it does not necessarily lend itself to smooth and rapid decision-making. The BRIC heads of government will meet in Brazil in 2010.

[http://www.cuts-citee.org/media-Lack\\_of\\_common\\_interests\\_hampers\\_joint\\_policy.htm](http://www.cuts-citee.org/media-Lack_of_common_interests_hampers_joint_policy.htm)

### Copenhagen Accord not Legal'

*The New Nation, Bangladesh, February 01, 2010*

While the Brazil, South Africa, India and China (BASIC bloc countries) will submit their plans for voluntary mitigation actions by the January 31, 2010 deadline stipulated by the Copenhagen Accord, they have taken care to emphasise that the agreement on climate change reached in Denmark in December 2009 has no legal basis. India's environment minister Jairam Ramesh said: "We support the Copenhagen Accord but its value lies not as a standalone document but as an input into the two-track negotiation process under the United Nations Framework Convention on Climate Change".

[http://www.cuts-citee.org/media-Copenhagen\\_Accord\\_not\\_legal.htm](http://www.cuts-citee.org/media-Copenhagen_Accord_not_legal.htm)

### Canada wants India to Expedite Trade Agreement

*Live Mint, March 30, 2010*

The Canadian government is putting pressure on India to fast-track a bilateral trade deal at a time when both countries are negotiating a nuclear deal. A Canadian business delegation headed by two former ministers is seeking support of the local business community for a comprehensive economic partnership agreement (CEPA) with India. The delegation is openly critical of the Indian government's attitude towards the trade deal.

[http://www.cuts-citee.org/media-Canadian\\_industry\\_wants\\_India\\_to\\_expedite\\_trade\\_agreement.htm](http://www.cuts-citee.org/media-Canadian_industry_wants_India_to_expedite_trade_agreement.htm)

### Political Hurdles Dampens EU-India FTA Talks

*Business Standard, April 17, 2010*

Political differences between India and the EU over non-trade issues are emerging as a major dampener in the negotiations to clinch a free trade agreement by October 2010. Both the sides have had "fruitful consultations" regarding elimination of tariffs on 90-95 percent of goods, but the EU's insistence on including non-trade issues, such as child labour, labour laws and climate change, in the trade pact are coming in the way of concluding an agreement.

For more details, please visit:

[http://www.cuts-citee.org/media-Political\\_hurdles\\_may\\_dampen\\_EU-India\\_FTA\\_talks.htm](http://www.cuts-citee.org/media-Political_hurdles_may_dampen_EU-India_FTA_talks.htm)

### Consumer Organisations to Forward Messages from GST

*New Delhi, January 22, 2010*

"The implementation of a single, unified goods and services tax regime in India will have huge positive impact on the Indian economy. Other than an increase in tax revenue and other benefits to the economy, there will be significant gain in respect of consumer welfare. Consumer organisations should be empowered to take forward these positive messages," opined Pradeep S Mehta, Secretary General of CUTS while submitting a memorandum to the Finance Minister of India in the run-up to the 2010-11 Union Budget.

[http://www.cuts-citee.org/press\\_release-Consumer\\_Organisations\\_should\\_take\\_forward\\_positive\\_messages\\_from\\_GST.htm](http://www.cuts-citee.org/press_release-Consumer_Organisations_should_take_forward_positive_messages_from_GST.htm)