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*The International Practice of the
European Communities*
*International Trade
Developments, Including
Commercial Defence Actions*
*XVI: 1 January 1999—31
December 1999*

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This summary provides a brief overview of our report on international trade developments covering the period 1 January 1999 to 31 December 1999. The full version of the survey is published on the *EJIL*'s web site (www.ejil.org).

At the international level, the third WTO Ministerial Conference was held in Seattle in the US between 30 November and 3 December 1999. The main objective of the Ministerial Conference was to launch a major new round of multilateral trade negotiations covering a wide variety of trade topics. However, talks between the WTO members quickly ran into major obstacles and the Ministerial Conference ended with no mandate to launch a new round. The Ministerial covered a broad range of issues, including reform of trade in agriculture, mechanisms for strengthened implementation of existing rules as well as possible extensions for developing countries in meeting deadlines in the TRIPs and TRIMs Agreements, market access issues and trade and labour standards. Following the failed trade talks, the WTO General Council met on 17 December to discuss post-Seattle issues and to begin the process of trying to break the deadlock. The General Council subsequently decided to postpone until early 2000 a decision on how to proceed with the issues outstanding from the Ministerial.

With respect to the Agreement on Government Procurement, the Committee on Government Procurement continued its review of national implementing legislation pursuant to the Agreement, by taking up the legislation of the United States and

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Canada, among others, in addition to reviewing elements of the national implementing legislation of the EC. The Agreement calls on the parties, not later than the end of the third year from the date of its entry into force, to undertake further negotiations, with a view to improving the Agreement and achieving the greatest possible extension of its coverage among all parties and eliminating any remaining discriminatory measures and practices. The parties pursued their consultations in six informal meetings held between December 1998 and October 1999 on the basis of an informal Checklist of Issues and an informal note reflecting the draft texts of the modifications to the Articles of the Agreement proposed by various parties. The parties also considered the timetable for the completion of the negotiations. They will revert to this matter at their next meeting, to be held in March 2000.

The WTO Committee on Sanitary and Phytosanitary Measures completed its review of the first three and half years of the application of the Agreement on Sanitary and Phytosanitary measures. The review was conducted under Article 12.7 of the Agreement. The Committee made no recommendations for changes to the existing Agreement.

The WTO held high-level discussions on issues concerning trade and environment and trade and development. The meetings were designed to increase awareness and understanding of government and non-governmental organizations' positions on the interplay between trade, environment and development issues. The symposia also focused particular attention on the issue of the relationship between Multilateral Environmental Agreements and WTO rules.

Governments which account for more than 90 per cent of the global financial services market agreed in February 1999 that the WTO Financial Services Agreement will enter into force on 1 March 1999. The commitments, which cover the three major financial services sectors, banking, securities and insurance, are aimed at, among others, reducing current limitations on service suppliers.

With regard to the Information Technology Agreement, the Ministerial Declaration on Trade in Information Technology Products of 1996 called for periodic review of the product coverage specified in the attachments to the declaration (often termed ITA II). The participants were scheduled to take a decision on whether to revise the attachments by June 1998. No agreement was reached at that time and while discussions continued in 1999 these discussions did not yield any expansion of the product coverage of the Agreement.

At EC level, negotiations for the formal accession to the EU of the so-called 'first wave countries', Estonia, Cyprus, Hungary, the Czech Republic, Poland and Slovenia, continued during 1999. Further progress was achieved in areas already opened for negotiations where some unresolved issues remain, and negotiations were opened on eight further negotiating chapters: social policy and employment, transport, energy, free movement of capital, economic and monetary union, environment, freedom to provide services and taxation. Furthermore, the Commission recommended Member States to open negotiations with Romania, the Slovak Republic, Latvia, Lithuania, Bulgaria and Malta. With regard to Romania, the Slovak Republic, Latvia, Lithuania and Bulgaria, the European Council in Luxembourg had decided that the preparation

of negotiations with these countries would be speeded up in particular through an analytical examination of the Union *acquis communautaire* (screening).

With respect to the EC's associations with Central European countries, an Association Agreement between the EC and Slovenia was concluded. Moreover, Amendments to the Europe Agreements between the EC, on the one hand, and Bulgaria, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, the Slovak Republic and Slovenia were published, aimed at enhancing the operation of these Agreements.

In the context of the EC's relations with CIS republics, among other developments, the EC concluded Partnership and Cooperation Agreements with Armenia, Azerbaijan, Georgia, Kazakhstan and the Kyrgyz Republic. The Agreements provide for, among others, improved political dialogue and numerous other areas of enhanced cooperation, including certain provisions on trade in goods.

The EC institutions published 118 anti-dumping determinations in the period under reference, full details of which are provided in the full report on the web site. Among other developments relating to anti-dumping law, in May 1999 the ECSC basic Decision was amended to exclude China and Russia from the list of non-market economy countries. Article 2(10)(d) was also amended [level of trade adjustment] and 2(10)(k) was added [adjustment for other factors].

With regard to anti-subsidy proceedings, 32 determinations were published in the period under reference.

The annual export quota system applicable to exports of motor vehicles from Japan to the EC expired at the end of 1999, when European countries fully liberalized their car markets. The system was introduced in 1993 to monitor Japanese car exports following pressure from the EC, which was concerned about an alarming increase of imports from Japan.

In addition, a number of determinations were made in the framework of the EC Trade Barriers Regulation procedures, all of which are reported on in depth on our web site.

Under the EC GSP scheme, Russia submitted a request to take advantage of certain special incentive arrangements available to countries which can be shown to respect certain labour rights standards. The Commission is examining the request. Cambodia was allowed to benefit from regional cumulation with ASEAN countries with respect to GSP origin rules. With regard to Albania, a Regulation was published granting certain autonomous trade preferences in addition to the GSP.

The following court cases of note concerning anti-dumping law were published (European Court of First Instance): Case T-48/96, *ACME Industry & Co. Ltd (Acme) v. Council*, Case T-171/97, *Swedish Match Philippines Inc. v. Council*, Case T-210/95, *European Fertiliser Manufacturers' Association (EFMA) v. Council*, Case T-33 & 34/98, *Petrotub & Republica v. Council*.

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