



EU

Forest Watch

PRINTED ON 100% RECYCLED PAPER

www.fern.org

Informing NGOs, MEPs and European Commission officials. Issue 57, November 2001.

EU hopes for investment deal in Doha

On 27 October, a controversial draft WTO Ministerial Declaration was released¹, which will form the basis of discussions in Doha this month and influence the shape of any future trade round.

The draft has drawn intense criticism from southern countries, NGOs and the EU. NGOs were stunned by the text which unapologetically supports the expansion of trade liberalisation into new areas such as investment, while remaining weak on developing country concerns and the environment. Pascal Lamy, the EU's trade commissioner, complained that the text does not meet Europe's expectations on environmental matters.

Despite these objections, it appears that a new trade round is likely. As part of this, an agreement on investment seems to be a *fait accompli* and has caused an outcry from NGOs, who remain firmly

opposed to it. They believe it will focus on trade liberalisation at the expense of regulatory measures and sustainable development. WWF has issued a robust rejection of an investment agreement and has called for the WTO to halt its negotiations until the needs of conservation and sustainable development are addressed.²

The environmental text within the draft declaration is poor. It proposes that the WTO's Committee on Trade and Environment (CTE) remains the single forum for environmental discussion. The CTE has no mandate for negotiation and, according to specialists, allowing it sole responsibility would be the kiss of death for environmental protection measures.

Until now, the environment has been portrayed as a priority area for the EU, however, it appears that the Commission's resolve is weakening as the

EU clings to its desire for a new trade round – at any price. Included with this issue of *EU Forest Watch* is the RSPB's concise debunking of the EU's arguments in favour of a new trade round.

If the EU were sincerely committed to the environment and social justice, it would support the position of developing countries under the TRIPS negotiations. This seeks respect for traditional knowledge and a ban on all life-form patents, and would give the EU a chance to clarify the links between the WTO and the Convention on Biological Diversity. It would also show goodwill and respect from the biggest trading block to its partner countries in the South.

¹ Available from <http://www.ictsd.org>

² *No investment agreement within the WTO*, WWF International Discussion Paper, October 2001.

New procurement rules may scare government buyers off green products

The European Commission is revising its legislation for government procurement. The new rules will determine whether governments and local councils are allowed to take environmental and social considerations into account when they award public contracts.

Despite an action point in the Commission's sustainable development strategy urging member states to make better use of public procurement to

favour environmentally friendly products, the new draft legislation does the opposite. Governments and local councils demanding the use of timber from well managed forests would, under the new rules, still risk being taken to court. The same restrictions apply to the use of organic food in government canteens, green energy sources and so on.

Although the current regulation was in need of reform, it is tragic that the proposed revision disregards the Treaty,

the environmental integration policy and the sustainable development strategy.

The ball now lies with the Parliament. In a first positive move the Parliament's Committee has adopted several amendments greatly improving the draft legislation. It is to be hoped that these amendments will be adopted in the Parliament's plenary session.

The proposed legislation is scheduled for adoption on 26 November at the Internal Market Council.



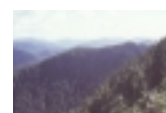
EU Forest Watch is published by Fern, the international forest campaign group focusing on EU policy. For subscription details, please contact us below.

Fern Brussels, 20 Avenue des Celtes, 1040 Brussels, Belgium.

Tel: +32 2 742 2436. Fax: +32 2 736 8054. E-mail: fern.belgium@wanadoo.be

Fern UK, 1c Fosseyway Business Park, Stratford Road, Moreton-in-Marsh, GL56 9NQ, UK.

Tel: +44 1608 652 895. Fax: +44 1608 652 878. E-mail: saskia@gn.apc.org



Carmanah Valley, Canada.

Like many tropical forests, this temperate rainforest is the focus of a land rights

dispute and an environmental campaign. NGOs and forest peoples have joined forces to protect the valley from clear cutting.

NEWS IN BRIEF

Italian Greens: Reform WTO!

Italian Green Party senators have tabled a WTO Resolution seeking a review of the impacts of the Uruguay Round. They urged governments to exclude agriculture and public services from the WTO and to recognise the precautionary principle and the rights of indigenous peoples to genetic resources.

FoE on WTO

Friends of the Earth's position paper for the WTO ministerial urges governments to ensure that no further trade liberalisation negotiations, including tariff and non-tariff measures, are undertaken in the forest products sector. Governments should reject trade agreements that identify and prohibit as trade barriers legitimate forest conservation measures that are necessary to ensure that the remaining forests of the world are not further degraded as a result of trade pressures.

Reform of Aid

On 25 October the European Commission released a progress report on the reform of external assistance management¹. Worryingly, a decision has been taken for budgetary allocations to match political priorities. These are liable to change and may undermine the sustainability of actions, especially in sectors not considered fashionable.

¹ http://europa.eu.int/comm/externals/reform/document/progprep_10_01.htm

Climate change news

As *EU Forest Watch* goes to press, the climate negotiations in Marrakesh are in progress. Outcomes are not yet known, but a report will follow in the next issue.

ERRATA: The Proforest web site was mistakenly omitted in the last issue of *EU Forest Watch*. It is www.proforest.net.

Draft ecolabel criteria contradict EU policy

Despite the EU's commitment to forest certification as a tool to strengthen forest management, the current draft EU Ecolabel criteria for copying paper allows companies using wood fibers from self-certified forests to qualify for an ecolabel. DG Environment's ecolabel department thereby ignores the EU's policy statements on certification.

Self-certification has never been backed by the Commission and even member states that have developed their own ecolabel (e.g. Scandinavia and Germany) do not allow for self-certification. The

current proposal also violates the draft EU guidelines on the use of 'green claims' by DG Consumers Affairs. This draft text on fibers is not new – the same text was adopted for tissue paper products – but the Commission's unwillingness to change it shows the EU Ecolabel cannot be taken seriously yet.

The next draft is due to be discussed in February 2002. Perhaps by then it will be coherent with EU policies and will strongly promote the use of recycled fibers and those from independently certified forests.

Fern to help monitor CBD implementation

Fern will be co-ordinating a major project to monitor the implementation of the Convention on Biological Diversity (CBD). The initiative, launched by the Global Forest Coalition, intends to assess the progress made by the Parties in implementing their forest-related CBD commitments and to develop a tested methodology for the independent monitoring of international environmental agreements.

About 20 countries from both North and South have been selected and their implementation of the Convention will be assessed against a questionnaire carefully prepared to target forest-related issues. National reports will be produced in local languages and English. A summary report presenting country experiences, lessons learned and recommendations for future implementation will be prepared and presented at the Sixth Conference of the Parties of the Biodiversity Convention (COP 6) in April 2002.

EuropeAid's first year

EuropeAid has released its first annual report, announcing that the volume of aid in 2000 stood at •9.3 billion – 10% of the entire world's Official Development Assistance. Action for the environment and forests is reviewed in the report and the importance of these resources to local communities for subsistence is highlighted. Forest and environment budget lines support global and regional initiatives, give direct support to NGOs, civil society organizations and pilot projects and allow financing in middle income countries. Fern's updated briefing note on 'EC funding possibilities for indigenous peoples' is now available.

Forest Agenda

9-13 November: WTO Summit, Doha, Qatar.

12-16 November: CBD SBSTTA meeting, Montreal, Canada.

26 November: DG Trade host meeting on illegal logging.

23 November: Meeting of the EIB and NGOs to discuss environmental issues, London.

26 November: Provisionary DG Development host meeting on EU Forest Strategy.