**WTO Complaints About the Jones Act**   
**Feb 26, 2013**   
 Geneva – Several industrialized and some developing countries yesterday conveyed to the United States that they remain frustrated because of its continued denial of market access to US shipping lanes under the nearly century-old Jones Act, WTD has learned (WTD, 11/29/12).

 During yesterday’s World Trade Organization General Council meeting, trade envoys of the European Union, Japan, Hong Kong, China, Norway, Australia and South Korea all said they were frustrated by the fact that they were closed out of the US markets, saying the US law raises “systemic” and “commercial” concerns.

 The US Merchant Shipping Act of 1920 specifies that only ships owned by US citizens, built in US shipyards and run by US crews are permitted to engage in domestic passenger and cargo transport within US waters.

 The United States took a security exemption on the issue during the Uruguay Round of trade negotiations.

 US trade envoy Michael Punke said Washington is prepared to organize informal meetings and consultations with any member who is interested and also prepared to discuss the issues in a question and answer format, according to a WTO spokesperson.

**WTO sets deadline for COOL compliance**

John Maday, Managing Editor, Drovers CattleNetwork  |  Updated: 12/05/2012

An arbitrator with the World Trade Organization (WTO) this week set a deadline of May 23, 2013 for the United States to modify its requirements for country of origin labeling (COOL) for meat. In his ruling, the arbitrator says a period of 10 months from July 23, 2012, the date the WTO’s Dispute Settlement Body issued its rulings on the issue, is a reasonable time for implementation.

The dispute stems from the 2009 COOL final rule, which USDA issued after Congress passed the COOL Statute. Canada and Mexico oppose the rule and filed a complaint with the WTO claiming it violates previous trade agreements by according less favorable treatment to imported livestock than to like domestic livestock. The WTO ruled in favor of Canada and Mexico, leading to a failed appeal from the United States.

According to [**WTO documents**](http://www.wto.org/english/news_e/news12_e/384_386arb2_e.htm), the United States has agreed to bring COOL policies into compliance with existing trade agreements, but contends that it will need at least 12 months to complete the US regulatory process due to the technical complexities of the COOL measure. It will require, at the outset, a period of at least five months to conduct discussions and review options, to build and organize the broad support necessary for modifications to the COOL regulations, and to prepare a draft rule for internal clearance.

The ruling does not mean an end to COOL, but it remains unclear what any new rules will entail. U.S. government officials have indicated they intend to modify the COOL regulations in a manner that comply with WTO obligations while still providing consumers valuable information about the origin of beef and pork products, an objective that the WTO Appellate Body agreed is legitimate, according to a WTO report.

Quoted in a [**Reuters article**](http://www.gmanetwork.com/news/story/285011/economy/business/wto-us-must-comply-with-meat-labeling-ruling-by-may), Nkenge Harmon, a spokesperson for U.S. Trade Representative Ron Kirk, says "The United States remains committed to ensuring that consumers are provided with information about the origin of the beef and pork products they buy at the retail level. We intend to bring the COOL requirements into compliance within the period of time established by the arbitrator, and we will continue to work with USDA, Congress, and interested stakeholders in order to do so."

W.T.O. Approves $295 Million in Sanctions Against U.S.

GENEVA (AP) — American goods will face about $295 million in annual sanctions as a result of the United States’ failure to eliminate illegal subsidies to domestic cotton growers, the [World Trade Organization](http://topics.nytimes.com/top/reference/timestopics/organizations/w/world_trade_organization/index.html?inline=nyt-org) [ruled on Monday](http://www.wto.org/english/news_e/news09_e/267arb_e.htm).

The size of the penalty was disappointing for [Brazil](http://topics.nytimes.com/top/news/international/countriesandterritories/brazil/index.html?inline=nyt-geo), which had sought $2.5 billion worth of economic retaliation against American goods and drug patents.

The W.T.O. ruled that the sanctions should vary depending on American payments each year. Arbitrators used 2006 as a base year for the ruling, and said United States payments would have to increase significantly for Brazil to be allowed to punish American drug patents.

“The cumulated amount of countermeasures to which Brazil is entitled to is $294.7 million,” the W.T.O. said in a two-part, 269-page ruling.

Washington had argued that the award should not exceed $30 million.

It is the fifth major decision since the Brazilian government brought the case in 2002, claiming that the United States was able to retain its place as the world’s second-largest cotton producer by paying out some $3 billion to American farmers each year. China is the largest exporter of cotton, while Brazil is fifth.

The trade group’s condemnation of the United States in September 2004 was seen as a victory for Brazil and for West African countries that claimed to have been harmed by the subsidies. Three decisions since have confirmed that American support programs unfairly help producers undersell foreign competitors and depress world market prices, dealing a double blow to cotton growers in Brazil and elsewhere.

In response to the legal defeats, Congress has scrapped some export credits and in 2006 repealed the “Step 2” cotton-marketing program that made payments to exporters and domestic mill users as compensation for buying higher-priced American cotton.

But last year it approved a [farm bill](http://topics.nytimes.com/top/reference/timestopics/subjects/f/farm_bill_us/index.html?inline=nyt-classifier) worth nearly $300 billion that left a number of other contentious cotton programs intact.

# Antigua gets go-ahead for WTO trade sanctions against US

**ST JOHNS, Antigua, Thursday January 30, 2013 -** The World Trade Organization (WTO) has paved the way for Antigua and Barbuda to suspend certain concessions and obligations it has under international law to the United States in respect of intellectual property rights.

In a move hotly contested by the United States government, the Antigua government is threatening its big neighbour to the north that it will suspend its copyrights and patents on the twin island state, paving the way for unlicensed use of US intellectual property.

This salvo comes is another effort in the long-running battle by Antigua to get the US to either comply with the WTO’s 2005 rulings in Antigua's favour in its internet gambling dispute, or to negotiate a fair and reasonable solution with the Antiguan government.

In 2007, the WTO gave Antigua leeway to force America’s hand by giving the Caribbean nation the right to waive intellectual property rights protections on some US$21 million worth of US goods annually, a fraction of the US$3.44 billion the island requested.

A strong statement by the United States Trade Representative’s office called Antigua’s move to enforce this decision: “unwise”.

"The United States has urged Antigua to consider solutions that would benefit its broader economy. However, Antigua has repeatedly stymied these negotiations with certain unrealistic demands," said Nkenge Harmon, a spokeswoman for the office.

Harmon added: "Government-authorized piracy would undermine chances for a settlement. It also would serve as a major impediment to foreign investment in the Antiguan economy, particularly in high-tech industries,"

However, Antigua argues that the remedy is expressly provided for under WTO law and, contrary to what the US has publicly stated, will not constitute "piracy" or theft of intellectual property rights, but a lawful suspension of intellectual property rights, conforming to the judgment of the relevant WTO tribunal.

"The economy of Antigua and Barbuda has been devastated by the United States government's long campaign to prevent American consumers from gambling online with offshore gaming operators. These aggressive efforts to shut down the remote gaming industry in Antigua has resulted in the loss of thousands of good paying jobs and seizure by the Americans of billions of dollars belonging to gaming operators and their customers in financial institutions across the world. If the same type of actions, by another nation, caused the people and the economy of the United States to be so significantly impacted, Antigua would without hesitation support their pursuit of justice,” said Harold Lovell, Antigua's finance minister.

“We once again ask our fellow sovereign nation and WTO member, the United States of America, to act in accordance with the WTO's decisions in this matter, before we move forward with the implementation of the sanctions authorized this day by the WTO," he added.

Read more: <http://www.caribbean360.com/index.php/business/658688.html#ixzz2M1u8GzZY>

 