



Do human rights matter for trade? The example of cotton

South Centre, Third World Network and 3D breakout session
Is there development in trade agreements? A look at the Doha Development Agenda and Free Trade Agreements

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Nexus trade – HR



- ‘Quid pro quo’
- Few references to HR*
 - HR as conditionality

* e.g. access to medicine, conflict diamonds



- Minimum core content
 - Non-discrimination
 - Strategy to improve
- Process issues
- Impact assessment



Cotton 2000

- Cotton production and exports are an important source of household income in West and Central African countries
- The combined total subsidies paid to farmers in the USA and EU equal US\$4bn, of which a sizeable portion goes to cotton producers
- Dropping world cotton prices lead to significant declines in income and raise the incidence of poverty in WCA countries

Source: *US and EU cotton production and export policies and their Impact on West and Central Africa: Coming to grips with international human rights obligations*, May 2004, EGI – 3D



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Meanwhile, at the WTO

Negotiation

- April 2003: Cotton-4 submit “Sectoral Initiative in Favour of Cotton”
- Dec 2005: “... we reaffirm our commitment to ensure having an explicit decision on cotton within the agriculture negotiations and through the Sub-Committee on Cotton *ambitiously, expeditiously and specifically ...*”*

Litigation

- Sep 2002: Brazil requests consultations on US cotton subsidies
- ...
- ...
- ...
- June 2009: WTO compliance panel authorises Brazilian sanctions on US goods and services

* WTO Hong Kong Ministerial Declaration, 18 December 2005 (italics by presenter)

Source: www.wto.org



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Cotton 2010

- Despite the Brazil-US deal, US farm policy not likely to change soon
- Cotton-4 countries still waiting for *ambitious, expeditious and specific* answer to their initiative
- Meanwhile, the cotton sector in CWA countries is slowly disappearing, threatening the livelihoods of almost 20 million cotton farmers and their families

Sources: www.ideas-centre.ch, Bridges Weekly Trade News Digest



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Human rights obligations

- Obligations of action
 - Respect
 - Protect
 - Fulfil
- Obligations of process
 - Non-discrimination
 - Adequate progress
 - Participation
 - Effective remedies



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The way forward?

- Promote a human rights approach to trade (agreements)
 - Assess equity of distribution of gains/losses of trade liberalization
 - Highlight States' obligations
 - Ensure that members use the flexibilities that WTO offers
- Human rights impact assessments
 - Use norms and standards of HR framework to develop indicators to judge effects of trade rules
 - Ex ante or ex post



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In lieu of a conclusion

“The idea of human rights is the unstoppable force of the modern world. It is part of the future. The extent to which human rights are respected is the only yardstick by which progress in the world can be measured.”

Hans-Dietrich Genscher (*1927)



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