Quarterly Report

1 July to 30 September 2019
This Quarterly Report summarizes the activities undertaken by the South Centre during the period 1st July to 30 September 2019. It is intended to provide information, organized by themes, about recent developments in the areas covered by the Centre’s Work Program, meetings organized or co-organized by the Centre to examine particular issues or provide analytical support for negotiations taking place in various international fora, and conferences and other meetings where the Centre has participated. It also informs about publications made and publication/websites/social media metrics.

The South Centre is the intergovernmental organization of developing countries that helps developing countries to combine their efforts and expertise to promote their common interests in the international arena. The South Centre was established by an Intergovernmental Agreement which came into force on 31 July 1995. Its headquarters is in Geneva, Switzerland.

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Message from the Executive Director

During this quarter, many issues of relevance to developing countries subject to debate or negotiations were addressed by the South Centre, as described in this report. Three of them merited special attention:

Growing inequality: Inequality is one of the greatest challenges that the world needs to face. Inequality is intimately linked with poverty. Although there has been progress in reducing poverty, a large part of the global population (overwhelmingly living in developing countries) is still denied access to a dignified life. While no poverty and reduced inequality are two of the outstanding Sustainable Development Goals, these and other goals are unlikely to be achieved by 2030. In fact, inequality is on the rise. Changing this situation will certainly require significant efforts at the national and regional level. But it also requires an international architecture that supports those efforts by respecting the policy space that countries need and coordinating constructive actions within the multilateral system. The current initiatives to ‘reform’ this system will only be legitimate if they recognize the gaps in the levels of development and contribute to effectively address them under a fair, pro-development system of rules. Please see July’s SouthViews on “Understanding global inequality in the 21st century” by Jayati Ghosh, development economist and Professor of Economics at Jawaharlal Nehru University.

Antimicrobial Resistance: The worldwide problem of the rise in antimicrobial resistance (AMR) is a serious threat to global public health. The loss of efficacy of antibiotics and other antimicrobials affects everyone. Yet the threat is greater in developing countries, due to the higher incidence of infectious diseases. Developing countries will be unequivocally affected by AMR, deteriorating the health of the population, reducing economic growth and exacerbating poverty and inequalities. The blueprint for addressing AMR as a global problem is advanced. Countries are progressing in developing and implementing national action plans and overall the public awareness of AMR is increasing.

However, we are at the tip of the iceberg of response. AMR is not yet a key priority of most governments, and global coordination and resource mobilization to enable all countries to do their part are lagging. The Secretary-General of the United Nations (UN) in the 74th UN General Assembly (UNGA) reported on the implementation of the UN resolution on AMR of 2016, including the recommendations of the Interagency Coordination Group (IACG) on Antimicrobial Resistance. The UNGA also hosted a High-Level Meeting to build support for advancing Universal Health Coverage (UHC), that is essential for AMR response. Expanding primary health care services, strengthening the health work force, improving infection prevention and control and measures to secure access to essential medicines and others to reduce health inequities can help contain AMR in developing countries. Developing countries need to be actively involved in shaping the global agenda on antimicrobial resistance, including the new global governance mechanisms that are being set up for AMR.

Reform of the tax system: Debates at the 74th United Nations (UN) General Assembly confirmed that there is a major gap in the financial resources needed to achieve the Sustainable Development Goals (SDGs) in the context of the 2030 Agenda of Sustainable Development. Poverty eradication, education, universal access to health, clean water, and the achievement of other SDGs depend crucially on the mobilization of the necessary international and domestic financial resources. If those resources are insufficient, 2030 will be a year of frustration rather than celebration for the international community. To attain those objectives,
domestically generated resources are one essential component of national development strategies. The tax systems need to work efficiently in developing countries to generate the required income flows. To this end, the international tax system must adequately and fairly recognize the taxing rights of those countries. Taxation in the digital economy, in particular, presents new challenges. A reform of the international tax system must reflect the interests of developing countries, including the mechanisms to tax companies that operate in the digital economy. Stemming illicit fund transfers is another priority. The cooperation among developing countries on tax issues will be key to achieve these objectives. The South Centre will hold the Third Annual Developing Country Forum for Cooperation in International Tax Matters on 9-10 December in New Delhi, India. Please also see the SouthNews on the South Centre’s Statement at the UN High-Level Dialogue on Financing for Development held in New York on 26 September 2019.

We welcome your comments.

Dr. Carlos M. Correa
Executive Director
South Centre
1. Intellectual Property

1.1. Intellectual property and biodiversity, traditional knowledge, access and benefit sharing

A. Recent Developments

A major concern for developing countries is that intellectual property (IP) rights can be acquired by private parties from other countries over inventions that utilize their biological and genetic resources and the traditional knowledge about their use, through improperly obtaining such resources and knowledge, without any benefit of the same coming to them. To address this problem, developing countries are seeking the development of coherent and progressive multilateral rules on biodiversity conservation, access and benefit-sharing, and their relationship with the protection of IP. Their major interest in this regard is to establish a mandatory international legal requirement for IP applicants to disclose the source or origin of the genetic resources and traditional knowledge utilized in the development of inventions over which IP protection is claimed.

Discussions at the multilateral level are being pursued in different fora. In the World Intellectual Property Organization (WIPO), developing countries are pursuing the negotiation of an international legal instrument on intellectual property and genetic resources. In parallel, developing countries have also proposed for amendments to the World Trade Organization’s (WTO) Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) calling for introduction of a mandatory disclosure requirement and also for prohibition of patenting on life forms. However, there has been no progress in achieving consensus towards an international understanding in WIPO and the WTO due to the fundamental opposition to the need for a mandatory disclosure requirement by certain developed countries. The issue of how to approach IP in relation to genetic resources has also received attention in the discussions on the Food and Agricultural Organization’s (FAO) International Treaty on Plant Genetic Resources, the World Health Organization (WHO) Framework on Pandemic Influenza Preparedness (in relation to pathogens) and the negotiations for a United Nations (UN) treaty on marine genetic resources in areas beyond national jurisdictions. Some of the main priorities for developing countries in the negotiations are questions on the sharing of benefits from access and utilization of such resources, capacity-building and the transfer of marine technology.

The South Centre supported developing countries through briefings for delegates to WIPO in Geneva with regard to renewal of the mandate of the WIPO Intergovernmental Committee (IGC) for undertaking text-based negotiations, as well as the Group of 77 (G77) in New York on the third Intergovernmental Conference for negotiation of the UN treaty on marine genetic resources in areas beyond national jurisdictions.

Consensus was reached in WIPO IGC to recommend renewal of the mandate for text-based negotiations for the 2020-21 biennium. At the conclusion of the discussions on the zero draft text of the UN treaty on marine genetic resources, member States agreed to continue deliberation on the issue of intellectual property rights with regard to marine genetic resources and technology transfer.
B. Publications

Available at: https://www.southcentre.int/policy-brief-65-july-2019/

On 25 April 2019, the Office of the United States Trade Representative (USTR) released the annual Special 301 report for 2019. This report is a unilateral review and characterization of selected countries’ intellectual property (IP) laws and practices on IP protection and enforcement. The report lacks empirical evidence and objective analysis. It reflects the strong influence of domestic industry actors on the foreign IP and trade policy of the United States of America (US). The report is a means to pressure countries bilaterally to increase IP protection and enforcement measures beyond existing international standards with disregard to public interest considerations. The threat of trade sanctions by the US is used to trigger legal and policy change in third countries.

A uniform and collective international response by the affected countries is long overdue. The US administration must be required to act in accordance with its obligations under the World Trade Organization (WTO) and World Intellectual Property Organization (WIPO)-administered agreements, and not take unilateral actions in violation of multilateral rules. The way forward is to continue dialogue in appropriate multilateral fora, recognizing the need for all countries to maintain policy space to use IP as a domestic policy tool.

C. Participation in External Conferences and Meetings

19-30 August 2019, New York - Support for developing countries in the negotiations at the Third Session of the Intergovernmental Conference on an international legally binding instrument under the UN Convention on the Law of the Sea (UNCLOS) on the conservation and sustainable use of marine biological diversity of areas beyond national jurisdiction (BBNJ).

18 September 2019, New York - South Centre staff did a briefing as an expert on Options on Intellectual Property Rights at the meeting of the Group of 77 and China on the Oceans and the Law of the Sea.

1.2. World Intellectual Property Organization

A. Recent Developments

The WIPO is the most active forum for negotiations on intellectual property rights. During the reporting period, member States of WIPO discussed the Program and Budget for the 2020-21 biennium. These discussions took place in the Program and Budget Committee (PBC). The Program and Budget sets the priorities, expected results and performance indicators for each of the work programmes of the WIPO’s secretariat. Therefore, the PBC is an important body for member States of WIPO to ensure that the biennial Program and Budget of the secretariat are aligned to the interests of WIPO’s member States. For developing countries in particular, alignment of the programmatic priorities, results framework and budgetary allocations to the implementation of activities that advance their economic and social development goals, in accordance with the WIPO Development Agenda and the UN Sustainable Development Goals (SDGs), is of critical interest. During the reporting period, WIPO member States also undertook discussions on exchange of experiences and practices relating to IP enforcement in the WIPO Advisory Committee on Enforcement (ACE). Discussions in the ACE have typically been focused on enforcement action against infringement of IP rights. For developing countries, it is critical to ensure that discussions on approaches to IP enforcement also address measures to
safeguard necessary policy space for addressing public interest and development considerations, such as balancing right holders’ interests with access to medicines and educational materials.

The South Centre provided analytical inputs to developing countries on possible areas of revision in the proposed Program and Budget in the light of the WIPO Development Agenda’s recommendations and the SDGs. However, participation of WIPO member States in the PBC is limited. In this context, developing countries have also called for increasing the membership of the PBC to all WIPO member States. The South Centre stressed on the need for a balanced approach to IP enforcement discussions in its statements to the annual coordination meeting organized by WIPO with other intergovernmental organizations such as the WTO, United Nations Office on Drugs and Crime (UNODC), United Nations Interregional Crime and Justice Research Institute (UNICRI), International Telecommunications Union (ITU), World Customs Organization (WCO), International Criminal Police Organization (INTERPOL) and Organisation for Economic Co-operation and Development (OECD).

B. Publications

**Research Paper 95, July 2019: Mainstreaming or Dilution? Intellectual Property and Development in WIPO** by Nirmalya Syam
Available at: [https://www.southcentre.int/research-paper-95-july-2019/](https://www.southcentre.int/research-paper-95-july-2019/)

The establishment of the World Intellectual Property Organization (WIPO) was fundamentally a response to the demand from developing countries for the United Nations (UN) to address development issues in the context of intellectual property (IP) protection. The establishment of WIPO was driven by the objective of seeking legitimacy as an organisation that is accountable to its Member States. While WIPO became a UN specialized agency, its approach to the development goals of the UN system was made subject to the objective stated in the WIPO Convention – that of promoting IP protection globally. Demands from developing countries for substantive revision of some of the provisions of the existing IP treaties were unsuccessful.

The recognition of WIPO as a UN specialized agency is also subject to the competencies and responsibilities of the UN and its other agencies, particularly the United Nations Conference on Trade and Development (UNCTAD), the United Nations Development Programme (UNDP), the United Nations Industrial Development Organization (UNIDO) and the United Nations Educational, Scientific and Cultural Organization (UNESCO). This means that work of WIPO with regard to activities for promoting intellectual creativity and facilitating transfer of technology in developing countries must defer to the work of these UN agencies. It does not have exclusive competency on intellectual creativity and transfer of technology over other UN agencies.
2. Use of TRIPS Flexibilities for Public Health

A. Recent Developments

The impact of IP on the market dynamics for access to medicines continues to be an issue of great relevance for developing countries, particularly in cases where high prices of newly introduced medicines under patent protection make treatments unaffordable. As illustrated by the discussions held at the last World Health Assembly (WHA) in May 2019, the issue of pricing of medicines has become a concern in both developing and developed countries, including whether there is a reasonable relationship between the prices charged and the costs of research and development and production. High pricing may also be the result of data exclusivity protection, that is, cases in which national laws provide the originator of test data with a period of marketing exclusivity. The costs of new biological therapies (see below the case of pediatric treatment for spinal muscular atrophy) and the extent to which they may be subject to intellectual property protection are also attracting growing attention among scholars and policy makers.

The South Centre provides technical expert advice and negotiation assistance to developing countries in the area of use of flexibilities available under the rules of the WTO Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) which establishes minimum standards of IP protection for WTO members. The South Centre provides regular support in this area for multilateral and regional negotiations as well as national design and implementation of law and policy through its publications and trainings at the regional and national level for policymakers, judges and patent examiners. In the reporting period, the Centre organized national trainings for patent examiners in Ecuador as well as a national training for policymakers in Indonesia. The Centre also organized a regional training for Asian policymakers on issues relating to IP and access to medicines. The Centre has also established a dedicated online helpdesk to provide confidential advisory analysis to individual requests from officials from developing countries on use of TRIPS flexibilities for access to medicines.

B. Publications

BOOK BY THE SOUTH CENTRE, 2019: Seeking Remedies for Access to Medicines and Intellectual Property: Recent Developments by Dr. Germán Velásquez
Available at: https://www.southcentre.int/book-by-the-south-centre-2019/

This book is a collection of research papers by Dr. Germán Velásquez published by the South Centre, between 2015 and 2019 on the recent international deliberations and negotiations in the United Nations on access to medicines and their relationship with international trade and intellectual property regimes. The book analyses the patentability criteria of pharmaceutical products, the international debate on generic medicines of biological origin and the access to hepatitis C treatment, in particular. The South Centre is an intergovernmental research organization of developing countries on critical development issues for the South and is an observer to the governing bodies of the World Health Organization (WHO) and other United Nations (UN) agencies. It is hoped that the collection of papers presented in this book will be useful for policymakers and researchers interested in the deliberations in UN and WHO, in particular, on the critical issues pertaining to public health and access to medicines.
Documento De Investigación 96, Agosto de 2019: Antivirales de acción directa para la Hepatitis C: evolución de los criterios de patentabilidad y su impacto en la salud pública en Colombia por Francisco A. Rossi B. y Claudia M. Vargas P.

Available at: https://www.southcentre.int/documento-de-investigacion-96-agosto-2019/

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Totales: 44, 22, 21, 1

Table: Patent filings for Sofosbuvir in Colombia. 22 granted, 21 rejected, 1 pending.

Access to direct-acting antivirals (DAAs) for the treatment of infection with Hepatitis C can increase with price reductions stimulated by generic competition. This paper compiles information on patents for DDAs in Colombia. The trend observed is an increase in secondary patents and primary patents containing Markush claims.

Policy Brief 64, July 2019: The USMCA must be amended to ensure access to affordable drugs in Mexico by Maria Fabiana Jorge

Available at: https://www.southcentre.int/policy-brief-64-july-2019/

The United States-Mexico-Canada Agreement (USMCA)'s intellectual property rights (IPRs) chapter grants longer and broader monopolies to originator pharmaceutical companies than those currently in force in Mexico at the expense of consumers and taxpayers. Mexico is without doubt the country that will be most negatively impacted due to these provisions.

Informe Sobre Políticas 64, Agosto de 2019: USMCA debe ser enmendado para asegurar el acceso a medicamentos en México por Maria Fabiana Jorge

Available at: https://www.southcentre.int/informe-sobre-politicas-64-agosto-2019/

The policy brief highlights the problem of granting TRIPS-plus clauses in regional trade agreements. The trade agreement between Mexico, the United States and Canada (USMCA) contains several mandatory intellectual property rights provisions that favor the originator pharmaceutical companies at the expense of consumers. It does not promote competition nor access to medicines. The policy brief proposes to renegotiate the intellectual property provisions of the USMCA to restore a balance between the need to promote innovation, competition and access to medicines.
Participants of the national training for patent examiners in Ecuador discussed about the importance of free competition for the reduction of the prices of medicines and the economic impact of the entry of the generic drugs into the market. (Image courtesy - presentation by Thamara Romero, Senior Programme Officer, Health, Intellectual Property and Biodiversity (HIPB) Programme, South Centre)

The South Centre and the Ecuadorian National Service of Intellectual Property (Servicio Nacional de Derechos Intelectuales, SENADI) organized a national training on patent examination from a public health perspective with patent examiners and policymakers, in Quito, Ecuador on 1-2 July 2019. The event allowed for a rich dialogue and the discussion of practical examples and cases, including information on international practices.

Other SouthNews:

SOUTHNEWS No. 266, 16/07/2019 - Access to medicines: US democrat lawmakers oppose intellectual property rules in the USMCA restraining access to affordable biosimilars

C. Conferences and Meetings Organized

In addition to the meetings described in SouthNews above, the South Centre also organized the following meetings:

18-19 September, Jakarta - The South Centre and the Centre for Policy Analysis and Development, Ministry of Foreign Affairs, Republic of Indonesia organized a two-day regional seminar for policymakers for sharing experiences about policy options pursued by relevant agencies at the global, regional and national levels to make full use of the flexibilities in the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) to support access to medicines. This seminar shared and assessed the experience of negotiations related to intellectual property (IP) and access to medicines in the World Intellectual Property Organization, the World Health Organization and the World Trade Organization, as well as debates in several other international fora with policymakers from ministries of health, foreign affairs, trade and commerce, industry and national IP authorities from the South and South East Asia region, including participants from the Association of South-East Asian Nations and the Organisation of Islamic Cooperation. The seminar addressed key themes relevant to the
contemporary IP and public health agenda in the South and South East Asia region and around the world, with a focus on TRIPS-consistent measures that may be adopted for enabling access to affordable medicines and on the role of different government departments in designing and implementing such measures.

20 September, Jakarta - The South Centre and the Centre for Policy Analysis and Development, Ministry of Foreign Affairs, Republic of Indonesia organized a workshop for national policymakers. The workshop enabled the sharing of experiences about policy options pursued by relevant agencies at the global, regional and national levels to make full use of the flexibilities in the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) to support access to medicines. This workshop shared and assessed the experience of negotiations related to intellectual property (IP) and access to medicines in the World Intellectual Property Organization (WIPO), the World Health Organization (WHO) and the World Trade Organization (WTO), as well as debates in several other international fora. It also addressed key themes relevant to the contemporary IP and public health agenda in Indonesia and around the world, with a focus on TRIPS-consistent measures that may be adopted for enabling access to affordable medicines and on the role of different government departments in designing and implementing such measures.

3. Health

A. Recent Developments

Universal Health Coverage (UHC) has become a major topic in international discussions in recent years. Following discussions and negotiations on health issues after the WHA in May, the
United Nations General Assembly held a High-level meeting on Universal Health Coverage in September and adopted a political declaration. One of the important issues in implementing UHC is the supply of affordable medicines and the ensuing costs for the health providers. Establishing UHC would become utopic if the right policies, including on intellectual property, are not established to ensure access to medical treatments. To this end, the effective use of the different flexibilities allowed in the Agreement on Trade Related Aspects of Intellectual Property Rights (TRIPS Agreement), as incorporated in national/regional laws and regulations, is critical.

The South Centre supported developing countries in their negotiation of the political declaration, with emphasis on primary health care, access to medicines and other medical technologies as well as the critical aspect of antimicrobial resistance. The declaration that was adopted affirmed the political will of all countries to achieve UHC and stop the rise of catastrophic out-of-pocket health spending and has a strong emphasis on access to quality and affordable medicines, vaccines, diagnostics and health technologies. The declaration also requested the UN system to support countries in their efforts to implement UHC.

B. Publications

SOUTHVIEWS No. 182, 11 July 2019: The most expensive drug in the history of the pharmaceutical industry by Germán Velásquez
Available at: https://us5.campaign-archive.com/?u=fa9cf38799136b5660f367ba6&id=5569cbd117

“As the firm Gilead did with Sofosbuvir for Hepatitis C, Novartis intends to completely separate the price of the drug from its production and research and development costs. If the governments and the international reference agency for health, that is the WHO, accept the philosophy of “pricing models based on value”, the sustainability of health systems will be in danger.”

On May 27, 2019 the US FDA gave marketing authorization for Zolgensma, a gene therapy for spinal muscular atrophy. The price of the drug, administered in a single dose, is 2.125 million dollars, making it the most expensive drug in the history of the pharmaceutical industry.

SOUTHNEWS No. 272, 6 August 2019: Delegates, civil society and academia discuss and demand further commitments towards innovation in tuberculosis by Vitor Ido
Available at: https://us5.campaign-archive.com/?u=fa9cf38799136b5660f367ba6&id=2e9e7fcf29

Speakers of the workshop “Creating an Enabling Environment for TB Research and Innovation that Ensures Equitable Access”
Tuberculosis (TB) remains one of the most lethal diseases, and number one for people living with HIV, placing it as a major disease burden, particularly for developing countries. Nonetheless, research and innovation are insufficient; the existing health products mostly have barriers of affordability and availability. Almost a year after the adoption of the historic Political Declaration at the United Nations High-Level Meeting on Ending TB, an event to discuss the way forward for TB innovation and research was organized by the Permanent Mission of South Africa and supported by the South Centre, The Union, Medicines Patent Pool – MPP, Médecins sans Frontières – MSF Access Campaign, Stop TB Partnership and Treatment Action Group – TAG. It was held in Geneva on 13 June 2019.

SOUTHNEWS No. 275, 16 August 2019: South Africa promotes discussion at UNCTAD on competition in healthcare markets and pricing of medicines
by Vitor Ido
Available at: https://us5.campaign-archive.com/?u=fa9cf38799136b5660f367ba6&id=49107585f4

South Africa recalls the ample space countries have to enact competition law policies that enhance access to medical products.

The Competition Commission of South Africa participated in an expert discussion at the United Nations Conference on Trade and Development (UNCTAD) on competition in health care markets. It highlighted the central role of competition authorities in addressing market inefficiencies and rising prices in healthcare markets, which includes addressing abusive exercise of intellectual property rights in the pharmaceutical sector. Competition authorities can work not only to promote more efficient markets, but also to achieve other societal goals, including the right to health.
Access to health is a human right and Universal Health Coverage (UHC) is essential to achieve health for all. States should ensure through public funding, based on solidarity and the fair redistribution of wealth, that nobody is deprived from health care. Policies that promote competitive markets for pharmaceuticals, particularly in the area of procurement, regulatory approvals (including biologicals) and intellectual property, should be implemented. Governments should make use of the available space in the TRIPS Agreement to apply rigorous definitions of invention and patentability standards and use other flexibilities allowed. This is the South Centre’s Statement to the UN High Level Meeting on UHC held on 23 September 2019 at the UN headquarters in New York. The Centre noted the recognition, in the draft political declaration, of the responsibilities of governments as well as of their right to choose their own path towards achieving UHC.

Other SouthNews:

SOUTHNEWS No. 270, 30/07/2019 - [Human Rights Council calls for more policy coherence and coordinated actions to improve access to medicines and vaccines](#)

### 3.1. Antimicrobial Resistance

#### A. Recent Developments

The issue of rising Antimicrobial Resistance (AMR) continues to be a priority. The United Nations Secretary-General submitted a report to the United Nations General Assembly on the progress of implementation of the UN High-level political declaration on AMR that was adopted in 2016. The report included information on the progress, including national action plans, global action and work of the WHO, FAO and the World Organisation for Animal Health (OIE), known as the Tripartite Organizations. It also contains the recommendations of the Inter-Agency Coordination Group (IACG) on AMR that finalized its work in March. The Secretary-General has called on the tripartite agencies to establish a joint secretariat and to define the modalities of implementation of the required institutional and governance arrangements to drive the global response to AMR. The joint secretariat will be chaired by the WHO and the consultation process
on the terms of reference for the proposed Leaders Group will begin at the end of October with briefings for Member States in Geneva, Paris, New York and Rome. The South Centre will continue to support developing countries and civil society organizations in the engagement with these important processes.

B. Publications

**SOUTH CENTRE NEWS ON AMR No. 29, 2 July 2019: The South Centre helps Asian countries tackle Antimicrobial Resistance**

Available at: [https://us5.campaign-archive.com/?u=fa9cf38799136b5660f367ba6&id=b2604f8435](https://us5.campaign-archive.com/?u=fa9cf38799136b5660f367ba6&id=b2604f8435)

![Access critical to Global AMR response](image)

Access to antimicrobials is a critical issue for developing countries in tackling antimicrobial resistance. Barriers to access continue to be a critical challenge for developing countries in their efforts to tackle antimicrobial resistance. (Image courtesy - presentation by Viviana Munoz Tellez, Programme Coordinator, Health, Intellectual Property and Biodiversity (HIPB) Programme, South Centre)

**The South Centre and the Third World Network (TWN) brought together participants from 16 countries for a Regional Workshop on Antimicrobial Resistance (AMR) in Asia, from 24-26 June 2019 in Penang, Malaysia. Participants exchanged experiences and information on the AMR situation in the Asian region and at country level, and discussed progress achieved from the previous year and challenges.**
Sharing practices to reduce and mitigate the impact of antimicrobial resistance (AMR) on agricultural systems links to the Sustainable Development Goals (SDGs).

The South Centre and the Food and Agriculture Organization of the United Nations (FAO) in collaboration with the Permanent Missions of Ghana and Norway held an information session on Antimicrobial Resistance (AMR), Agriculture and the Sustainable Development Goals (SDGs). The event explored good policy practices to reduce and mitigate the impact of AMR on agricultural systems, identified the links and synergies in AMR work and the SDGs, stressed the importance of the One-Health approach and increased understanding of the impact of AMR.

African countries discussed how achieving Universal Health Coverage (UHC) supports tackling Antimicrobial Resistance (AMR) and exchanged experiences on the implementation and progress of AMR national action plans under a One Health approach.
The South Centre together with ReAct Africa organized the conference “Achieving Universal Health Coverage while addressing Antimicrobial Resistance” in Nairobi, Kenya. The meeting brought together policymakers from the health and agricultural sectors as well as Antimicrobial Resistance (AMR) experts and civil society representatives with over 120 participants and 27 African countries. The conference promoted new understanding of the link between Universal Health Coverage (UHC) and AMR and discussed progress in advancing both UHC and responses to AMR in Africa. The participants discussed how achieving UHC – strengthening health systems, investing in primary health care, access for all - supports tackling AMR, and exchanged and learnt from country experiences on the implementation and progress of AMR national action plans under a One Health approach. Increased support for African countries is needed to help maintain momentum for UHC and AMR response.

SOUTH CENTRE NEWS ON AMR No. 32, 13 September 2019: South Centre Supports the Inclusion of an Indicator on Antimicrobial Resistance to Monitor Progress on the Implementation of the Sustainable Development Goals by Viviana Muñoz Tellez and Mirza Alas

Available at: https://us5.campaign-archive.com/?u=fa9cf38799136b5660f367ba6&id=5a06b591f3

Antimicrobial resistance (AMR) is an urgent global health challenge that puts efforts for sustainable development at peril. The Inter-Agency and Expert Group on Sustainable Development Goal Indicators (IAEG-SDGs), as part of the 2020 Comprehensive Review, will submit a revised list of indicators to the United Nations Statistical Commission including a possible new AMR-specific indicator. The new indicator will support the collection of international data on resistance, increase available monitoring tools at the global level, and give more attention to the needs of developing countries and mainstream AMR into development programs.

4. Climate Change

A. Recent Developments

In the area of climate change, several worrying events in 2019 have confirmed the need to take urgent and decisive actions:

1. 2014-19 warmest five-year period on record
2. One climate crisis disaster happening every week
3. Drought afflicting India
4. Cyclone Ida, with devastating impacts in Mozambique, Zimbabwe and Malawi in March 2019
5. Iowa (US) and Mozambique under water from cyclone-induced flooding widely attributed to climate change and still suffering periodic flooding from the wettest year on record.

During this quarter a number of important events had taken place. The UN Climate Action Summit, an initiative of UN Secretary-General António Guterres to encourage increased ambition on climate change action, was held on 23 September in New York. It was attended by over 65 heads of state and government, leaders of sub-national governments and the private sector. The Climate Investment Platform was officially announced at the Summit. It will seek to directly mobilize USD 1 trillion in clean energy investment by 2025 in 20 Least Developed Countries. The Green Climate Fund’s first formal replenishment took place in 2019. As of end August 2019, the pledges on the table from the five countries that have announced funding totaled approximately $5.9 billion, which includes France ($1.71 billion), UK ($1.75 billion), and Canada ($224 million, same as 2014), which were all pledged at the Group of 7 (G7) meeting in Biarritz, France in 2019. At the UN Climate summit, it was reported that 12 countries made financial commitments to the Green Climate Fund (inclusive of the amounts made at end August 2019), making total new pledges for replenishment from USD 5.2 to beyond USD 7.4 billion. But this requires further assessment.

The South Centre has monitored these developments and continued to work on the analysis of issues pending for negotiation at the forthcoming Conference of the Parties in Santiago de Chile, as well as on ways to increase financing for addressing climate change in developing countries.

B. Publications

Research Paper 99, September 2019: Ensuring an Operational Equity-based Global Stocktake under the Paris Agreement by Hesham Al-Zahrani, Chai Qinin, Fu Sha, Yaw Osafo, Adriano Santhiago De Oliveira, Anushree Tripathi, Harald Winkler and Vicente Paolo Yu III

Available at: https://www.southcentre.int/research-paper-99-september-2019/
One of the key provisions of the Paris Agreement that was adopted in December 2015 at the 21st session of the Conference of the Parties to the United Nations Framework Convention on Climate Change is Article 14 on the global stocktake (GST). The GST is intended to be the mechanism by which the Convention Parties that are Parties to the Paris Agreement would be able to periodically take stock of the implementation of the Paris Agreement and to assess collective progress towards achieving the purpose of the Agreement and its long-term goals. This research paper discusses how equity as a principle and a concept played a key role in shaping the modalities for the GST, and looks in detail at the operational modalities for the GST that were agreed upon in Katowice in December 2018 in relation to how equity should be considered and made operational.

SOUTHNEWS No. 274, 14 August 2019: UNFCCC experts meeting to assess the climate finance needs of developing countries held in Manila
by Mariama Williams Available at: https://us5.campaign-archive.com/?u=fa9cf38799136b5660f367ba6&id=a6009d0843

It is well recognised that in order to meet the Paris Agreement’s goals of limiting global warming to 1.5-2 °C above pre-industrial levels, increase the ability to adapt to the adverse impacts of climate change, and foster climate resilient and low greenhouse gas emissions pathway (in a manner that does not threaten food production and consistent with sustainable development), vulnerable countries in Africa, Asia, Latin America and the Caribbean will require an acceleration of climate finance. To this end, the Paris Agreement, adopted in 2015, called for ‘making finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development’ as well as for assessing the needs of developing countries for climate finance. In an experts’ meeting convened by the United Nations Framework Convention on Climate Change (UNFCCC), hosted by the governments of the Philippines and the Republic of Korea and the Asian Development Bank (ADB), held on July 10-11, 2019 in Manila, Philippines, at the headquarters of the ADB, climate finance experts (including a staff of the South Centre) wrestled with the challenging question of how to assess the needs of developing countries for climate finance.

SOUTHNEWS No. 277, 29 August 2019: Summary for Policy Makers of the IPCC’s Landmark Special Report on Climate Change and Land adopted at the WMO in Geneva
by Mariama Williams, Rajesh Eralil and Dianyi Li
Available at: https://us5.campaign-archive.com/?u=fa9cf38799136b5660f367ba6&id=f574bf3ad1
The approval of the highly awaited Summary for Policymakers (SPM) of Climate Change and Land: An IPCC (Intergovernmental Panel on Climate Change) Special Report on climate change, desertification, land degradation, sustainable land management, food security, and greenhouse gas fluxes in terrestrial ecosystems was conducted in Geneva, on August 2-7, 2019. This led to the final adoption and presentation of the report to the general public at the office of the World Meteorological Organization (WMO) on August 8. The report shows how managing land resources sustainably can help address climate change. The land report will provide a valuable input into the Climate Action Summit to be hosted by United Nations (UN) Secretary-General António Guterres in New York on 23 September later this year as well as will be a key scientific input into upcoming climate negotiations such as the Conference of the Parties of the UN Framework Convention on Climate Change Conference (COP25) in Santiago, Chile, in December 2019.

SOUTHNEWS No. 278, 10 September 2019: The Least Developed Countries Renewable Energy and Energy Efficiency Initiative for Sustainable Development (LDC REEEI)

Available at: https://us5.campaign-archive.com/?u=fa9ef38799136b5660f367ba6&id=a3c7ef843d

The Least Developed Countries Renewable Energy and Energy Efficiency Initiative for Sustainable Development (LDC REEEI) recognizes that while the energy challenges facing least developed countries (LDCs) are enormous so too are the opportunities. LDCs will work together to embark on transformative action, set their own course, and take charge of their own future through pioneering a model of energy and development that is in accordance with what both people and the planet need. The LDC REEEI can make a major contribution towards a future that delivers on aspirations for 100% energy access, renewable energy and best practices in energy efficiency and use and in so doing provide leadership to help place us on path to a cleaner, fairer and more prosperous world for all. The climate action summit to be held in New York on 23 September offers an opportunity to explore ways of supporting LDCs to implement REEEI. The South Centre is supporting LDCs’ efforts in this challenging journey.
Great devastation was caused by Hurricane Dorian which made landfall in the Bahamas early this month. Small Island Developing States (SIDS) face severe economic and financial challenges as a result of such extreme weather events due to climate change. Special and Differential Treatment (S&DT) should be part of effective response measures; aligning finance and trade policy with the Paris Agreement is also essential. These topics were addressed by H.E. Mr. Allen Chastanet, Prime Minister, St. Lucia and Chairman of the Caribbean Community (CARICOM), and H.E. Mr. Daryl Vaz, Minister without Portfolio in the Ministry of Economic Growth and Job Creation of Jamaica, at the United Nations Conference on Trade and Development (UNCTAD)’s Trade and Climate Forum on 9 September 2019 in Geneva. This is a summary of their speeches.

C. Conferences and Meetings Organized

19 September 2019, Geneva - A public event co-organized by the South Centre, Centre for Security Policy (GCSP) and Veritas Global showcased the perspectives of Geneva-based ambassadors and senior diplomats from developing countries, including Cuba, Ecuador, Mexico, and South Africa, on the priorities for the upcoming United Nations (UN) Climate Action Summit. The diplomats taking part in the panel had been deeply engaged in and have led the UN climate negotiations over the past decade.
D. Participation in External Conferences and Meetings

In addition to the meetings described in SouthNews above, the South Centre also participated in the following meetings:

**08–11 July 2019, Algiers** - Workshop on Designing the African Energy Sector Transition Program (AETP) / African Energy Commission (AFREC). The African Energy Commission (AFREC) of the African Union Commission (AUC) has decided to develop an Africa Energy Sector Transition Program (AETP). The goal of the mission was to initiate the design of this program based on a visionary note that was drafted by the South Centre adviser on sustainable development and some other experts. The working session was imperative for the identification of various elements in the design and implementation of the AETP. The dialogues and brainstorming sessions helped to formulate a comprehensive work plan for the short- and midterm. In addition, the session offered a platform to strengthen relationships between AFREC and core partners, including South Centre, and with the Algerian Ministry of Energy.

**25–26 July 2019, Accra** - Outreach event for English speaking West and North African countries on the Intergovernmental Panel on Climate Change (IPCC) Special Report on Global Warming of 1.5°C: significance and implications for Africa. The main objective of the event was to provide a platform and opportunity for the African policy makers, scientific community, civil society and private sector to critically examine what is in this Special Report for Africa, specifically with respect to pace and scale of transformation needs consistent with limiting global warming to 1.5°C, in the context of sustainable development, poverty eradication and equity, considering adaptation and mitigation options. The event was co-convened by University of Ghana, the African Academy of Sciences, the United Nations University Institute for Natural Resources in Africa with the support of IPCC and gathered more than 300 participants from 10 African countries. The South Centre Senior Adviser on Sustainable Development made opening remarks and presentations, facilitated the dialogue between scientists and policy makers and also participated in a round table discussion with the youth.

**5-6 September 2019, Douala** - The South Centre’s Special Adviser on Sustainable Development participated and made presentations to a workshop, aiming at strengthening the capacity in terms of climate technologies and engaging with the private sector, co-organized by the West African Development Bank (BOAD), the Central African Forest Commission (COMIFAC), the Central African Development Bank (BDEAC) and the Climate Technology Centre and Network (CTCN, the operational arm of the United Nations Framework Convention on Climate Change Technology Mechanism). The workshop was attended by more than 100 participants mainly from the private sector but also from governments, universities and non-governmental organizations, from West and Central African countries.

**18-25 September 2019, Monte Carlo** - The Summary for Policymakers (SPM) of the Intergovernmental Panel on Climate Change (IPCC)’s landmark Special Report on the Ocean and Cryosphere in a Changing Climate (SROCC) was approved, and the underlying report accepted, by the IPCC’s 195-member governments on 24 September 2019 in Monaco. The third and final special report in the sixth assessment cycle evaluated the effects of a changing climate on oceans and the cryosphere. The South Centre’s Special Adviser on Sustainable Development (and IPCC Vice-Chair) was actively involved in the over 7 days of preparation, review, approval, and press conference of the report in Monaco.
5. Tax Cooperation

A. Recent Developments

The abuse of tax planning strategies has led to exploiting “gaps and mismatches in tax rules to artificially shift profits to low or no-tax locations”¹. They create a number of fiscal impacts in detriment of the achievement of the SDGs. According to a report prepared by the United Nations Conference on Trade and Development (UNCTAD), the net revenue loss because of these practices is estimated to amount to between US$100 billion and US$240 billion in 2014 figures.² The e-commerce moratorium, currently under discussion in WTO, may significantly add to the revenue losses in many developing countries. The South Centre has continued, in the context of its Tax Project, to address these issues through analysis and networking of tax officials in developing countries, with the primary aim of enhancing cooperation to find the appropriate solutions in the context of various tax systems applied in those countries.

B. Publications

**Tax Cooperation Policy Brief 8, July 2019: Improving Transfer Pricing Audit Challenges in Africa through Modern Legislation and Regulations** by Thulani Shongwe
Available at: [https://www.southcentre.int/tax-cooperation-policy-brief-8-july-2019/](https://www.southcentre.int/tax-cooperation-policy-brief-8-july-2019/)

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**Auditing multinational enterprises often involves a broad range of complex technical issues, and transfer pricing (TP) is often the most important one. This is but one of the examples of such complex technical issues involved in tax auditing of multinational enterprises, particularly with regards to avoiding transfer pricing.**

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In the above example, multinational corporations can make use of over-charged expenses for goods and services rendered by companies in the same or related corporate group, and from high interests for intra-company loans to claim for excessive tax deductions and excessively benefit from tax incentives.

These measures not only reduce tax collection and tax revenue, but also show the need to develop stronger policy and legislative decisions that create a predictable and simple tax framework in tandem with the reform of the international tax regime in order to allow tax administrators to identify and prevent the abuse of tax planning schemes, in particular through transfer pricing.

**Tax Cooperation Policy Brief 9, September 2019: Gender, Tax Reform and Taxation Cooperation Issues: Navigating Equity and Efficiency under Policy Constraints** by Dr. Mariama Williams

Available at: [https://www.southcentre.int/tax-cooperation-policy-brief-9-september-2019/](https://www.southcentre.int/tax-cooperation-policy-brief-9-september-2019/)

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This brief has sought to present a review of the state of thinking and research on a pressing issue of the day: tax reform and tax cooperation and its gendered impacts. There is undeniably widespread agreement amongst all the entities of global governance with responsibility for a role in macroeconomic, financial and trade policies that gender equality and women’s empowerment are important to sustained growth and development. Increasingly, these same voices are articulating and researching on how fiscal policy both on the budgetary and on the revenue side can be made more efficient, gender sensitive and gender responsive. Taxation is the latest area of focused attention in this regard. There is now a quite strong body of work, including case studies, that demonstrates how the tax system can work to the disadvantage of socio-economic development and social goals including gender equality and women’s empowerment.

**SOUTHNEWS 282, 27 September 2019: South Centre Statement to the United Nations High-Level Dialogue on Financing for Development**

Available at: [https://us5.campaign-archive.com/?u=fa9cf38799136b5660f367ba6&id=7fe625403a](https://us5.campaign-archive.com/?u=fa9cf38799136b5660f367ba6&id=7fe625403a)
Four years after its adoption, Agenda 2030, “Transforming Our World,” the United Nations’ (UN) most recent and most ambitious development agenda, is off-track. Various estimates of the spending needed to achieve the Sustainable Development Goals (SDGs) range from $1 to $3 trillion. Domestically mobilized resources are critical to achieve these goals. A main source of the inadequate scale of public revenues are shortfalls in corporate tax collection, which are largely explained by international corporations hosted by or doing businesses in developing countries that take advantage of facilities offered by the international tax standards and practices to avoid full payment of taxes in those countries. A substantive global reform process involving a variety of multilateral platforms is underway. The question is not whether the system of global tax standards and practices will change, but in what direction it will change. Drawing lessons from the developing country context will be critical if the ongoing process of global tax reform will benefit developing countries and achieve substantial success in generating the income needed to effectively attain the SDGs.

6. Investment Policy

A. Recent Developments

While foreign direct investment (FDI) flows to developing economies have remained stable, rising by 2 per cent to $706 billion in 2018, FDI flows to developed countries have declined sharply by 27 per cent in comparison to 2017. The drop of FDI represents a serious risk for the achievement of the SDGs, in particular given the fact that Official Development Aid (ODA) has also declined almost 3 percent in real terms over 2017. Increasing amounts of FDI is required in SDGs’ related sectors.

In this context, the implications of bilateral investment treaties (BITs) and other investment agreements (IAs) remained an important topic, particularly how to address the asymmetries in the investor-State dispute settlement (ISDS) system incorporated into BITs and IAs. The South Centre has continued to provide advice, promote the interaction among developing countries, and examine the alternatives for the reform of the ISDS, including the proposal for the establishment of a multilateral court to deal with investment-related cases.

B. Publications

Available at: https://www.southcentre.int/research-paper-97-august-2019/

The fact that private arbitral tribunals are increasingly interpreting intellectual property provisions raises complex issues among the international community. The research paper written by Clara Ducimetière explores the question of whether investor-state tribunals are an appropriate forum for litigating intellectual property disputes and provides recommendations for reforming investor-state arbitration.

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7. Corporate Accountability and Right to Development

A. Recent Developments

The realization of socio-economic human rights is a major challenge. Development leading to effective poverty eradication provides the main route to face that challenge. There is also a need to address gaps in international law that allow businesses to elude their responsibilities in cases of violation or abuses of human rights, as well as to give content to the right to development conceived as a human right. While deliberations on these issues have continued during this period, the South Centre has undertaken research on these subjects, including on concrete examples of national policies and ways of addressing the current gaps in the international law.

B. Publications

**Policy Brief 66, August 2019: Impacts of Unilateral Coercive Measures in Developing Countries: the need to end the US embargo on Cuba** by Vicente Paolo Yu and Adriano José Timossi
Available at: [https://www.southcentre.int/policy-brief-66-august-2019/](https://www.southcentre.int/policy-brief-66-august-2019/)

This policy brief highlights the impacts on the human rights of the people of Cuba of the continued imposition of an economic embargo by the United States against Cuba. The embargo has had adverse effects on the economic situation of Cuba, thereby adversely affecting the achievement of the right to development of Cuba and its people. The policy brief points out that through multiple annual resolutions of the United Nations General Assembly overwhelmingly voted for by virtually all countries except the United States, the embargo has been consistently seen by the international community as being contrary to international law.

**SOUTHVIEWS No. 184, 19 July 2019: Understanding global inequality in the 21st century** by Jayati Ghosh
Available at: [https://us5.campaign-archive.com/?u=fa9cf38799136b5660f367ba6&id=3467583b61](https://us5.campaign-archive.com/?u=fa9cf38799136b5660f367ba6&id=3467583b61)

Inequality has increased since it caught the attention of the international community. The claims that global inequality has decreased because of the faster rise in per capita incomes in populous countries like China and India must be tempered by several considerations. National policies are crucial in this worsening state of affairs and the international economic architecture and associated patterns of trade and capital flows encourage such policies. More national policy space is required for governments, especially in developing countries, to pursue policies that would move towards more sustainable and equitable development which in turn requires significant changes in the global architecture. None of this can be done without some international coordination, and there is a need to revive a progressive and acceptable form of multilateralism that supports the working people across the world, rather than the interests of large capital.
The Olympic ideal and inclusive sports and their contribution to the promotion of human rights, peace and development were extensively deliberated on at the United Nations Human Rights Council Social Forum 2018. The outcome of the forum could contribute to strengthening inclusion and solidarity through a human rights- and Sustainable Development Goals-based approach to major sporting events, in particular the 2024 Paris Olympics.

SOUTHNEWS No. 269, 26 July 2019: The contribution of development to the enjoyment of all human rights
Available at: https://us5.campaign-archive.com/?u=fa9cf38799136b5660f367ba6&id=16de02a91f

Human Rights Council (HRC) Resolution “The contribution of development to the enjoyment of all human rights” (A/HRC/41/L.17/Rev.1) was adopted at the 41st session of the HRC on 12 July 2019, held at the Palais des Nations in Geneva. Sustainable development plays a key role in promoting and protecting human rights, including economic, social and cultural rights, as well as civil and political rights. International development cooperation and the promotion and protection of human rights are essential in ensuring that no one is left behind. The HRC called upon “all States to spare no effort to promote sustainable development, in particular while implementing the 2030 Agenda for Sustainable Development, as it facilitates the enjoyment of human rights”. It also took note “with appreciation of the report of the Human Rights Council Advisory Committee on the contribution of development to the enjoyment of all human rights”.

C. Conferences and Meetings Organized

15–19 July 2019, Geneva - The International Youth and Student Movement for the United Nations (ISMUN) Summer School on Human Rights and Development at the South Centre and the United Nations. The focus was on social and economic rights, including the right to development and it provided a broad overview of the United Nations/South Centre work on human rights and development. South Centre staff made presentations on various topics that are a part of the curriculum.
D. Participation in External Conferences and Meetings

In addition to the meetings described in SouthNews above, the South Centre also participated in the following meetings:

13 September 2019, Geneva - “Global Economic Governance Through the Lens of Inequality and Sustainable Development”. South Centre staff participated at the one-day expert meeting organized by the International Institute of Sustainable Development (IISD) with a view to providing input to a longer-term programme of work.

8. South-South Cooperation

A. Recent Developments

South-South and triangular cooperation (SSTrC) have become important tools to support development efforts and achieve the SDGs. The modalities, magnitude, scope and stakeholders in SSTrC have been expanding. The Second High-Level United Nations Conference on South-South Cooperation (BAPA+40) has recognized SSTrC as an important element of development financing for the implementation of the 2030 agenda. It has the potential of further contributing, as a complement to North-South cooperation, to improve the capacity of developing countries to address their development needs in a wide range of areas, including agriculture, climate change, economic diversification and industrial development. However, the theory and institutional framework relating to the issue have still been facing some deficits and lag behind the fast expansion of SSC and TrC. The constituencies of the South Centre have the intention to reach the full potential of SSTrC.

The South Centre has undertaken research and analysis, organized high-profile meetings, signed a Memorandum of Understanding with the United Nations Office for South-South Cooperation (UNOSSC) and the Islamic Development Bank (IsDB) to jointly undertake further activities in this field and is in the process to assist developing countries with capacity building to engage, as providers and/or recipients, in SSTrC.
B. Publications

Available at: https://www.southcentre.int/research-paper-98-september-2019/

The recent increasing and unprecedented attacks on multilateralism and its institutions as well as the growing dangers of weakening international cooperation are regrettably leading to an enormous setback in the history of the international system. These developments could reverse decades of collective efforts to establish a more stable, equitable and inclusive path of development and social justice for all. An immediate impact is that international negotiations, which have increasingly become important for developing countries over the past decades, are now becoming even more complex. If the resurfacing path of unilateralism and protectionism adopted by some powerful countries is maintained, the risks of further deterioration grow even larger. The instabilities of the contemporary world pose serious risks to the achievement of the longstanding development goals of the Global South such as poverty eradication, the South’s ability to successfully address emerging challenges such as climate change, and to overall global stability, a pattern not seen since the Second World War. In this context, developing countries’ negotiating coalitions such as the Group of 77 (G77) + China and the Non-Aligned Movement (NAM), while respecting and adapting to the differences that might emerge within these large groups, need to remain together and ensure that their coalitions are preserved and strengthened. Working collectively will improve negotiating capacity and leverage and increase bargaining power of developing countries in the multilateral negotiations in order to get more balanced outcomes.

SOUTHVIEWS No. 183, 12 July 2019: BAPA+40 is an Impetus to the Implementation of the 2030 Agenda for Sustainable Development by Yuefen Li
Available at: https://us5.campaign-archive.com/?u=fa9cf38799136b5660f367ba6&id=e4870ead10

Photo courtesy of the United Nations Office for South-South Cooperation (UNOSSC)
The United Nations Second High-level Conference on South-South Cooperation (BAPA+40) not only gave an impetus to the further expansion of South-South and Triangular Cooperation (SSTrC) but also to the attainment of the 2030 Agenda for Sustainable Development. Currently, the main task is how to implement the outcome document of BAPA+40.

SOUTHNEWS No. 268, 24 July 2019: Regional Workshop on South-South and Triangular Cooperation in Tunis
Available at: https://us5.campaign-archive.com/?u=fa9cf38799136b5660f367ba6&id=14a0af25bb

The importance of a national ecosystem (institutional framework) on SSTrC. (Image courtesy - presentation by Yuefen Li, Senior Adviser, South-South Cooperation and Development Finance, South Centre)

The South Centre, the Islamic Development Bank (IsDB), the Tunisian Agency for Technical Cooperation (ATCT) and the United Nations Office for South-South Cooperation (UNOSSC) organized a Regional Workshop on South-South and Triangular Cooperation (SSTrC). The aim of the workshop was to further strengthen cooperation with countries and organizations, share national experiences and explore how to strengthen the national institutional framework for SSTrC. Yuefen Li, the South Centre’s Senior Advisor on South-South Cooperation and Development Finance, participated in the event. It was held in Tunis, Tunisia on 2-5 July 2019.

South Centre, Islamic Development Bank (IsDB) joint publication, September 2019: Developing National Ecosystems for South-South and Triangular Cooperation to Achieve Agenda 2030 for Sustainable Development by Yuefen Li, Daniel Uribe and Danish
Available at: https://www.southcentre.int/sc-isdb-and-unossc-joint-publication-september-2019/

To maximize the benefits of South-South and Triangular Cooperation (SSTrC), it would be imperative to have an effective "national ecosystem" - an institutional framework at national level. Over the years, the pace of institutional improvements in conducting SSTrC by Southern countries has lagged far behind the fast expansion of SSTrC in size, making it a constraint for unleashing the full potential of SSTrC. On 26 September 2019, the Islamic Development Bank (IsDB), the South Centre and the United Nations Office for South-South Cooperation (UNOSSC) launched the joint publication entitled “Developing National Ecosystems for South-South and Triangular Cooperation to Achieve Agenda 2030 for Sustainable Development” on the side lines of the 74th session of the United Nations
General Assembly in New York. It discusses how to strengthen national ecosystems to promote SSTrC. The concept of national ecosystem advocates a bottom-up and incremental approach. It emphasizes that the national ecosystem is not meant to be prescriptive or a one size fits all model. Developing an effective national ecosystem for SSTrC requires understanding of the national realities and objectives and takes time, effort, commitments and financing.

C. Conferences and Meetings Organized

In addition to the meetings described in SouthNews above, the South Centre also organized the following meetings:

**26 September 2019, New York** - The Islamic Development Bank (IsDB), the South Centre and the United Nations Office for South-South Cooperation (UNOSSC) launched the joint publication entitled “Developing National Ecosystems for South-South and Triangular Cooperation to Achieve Agenda 2030 for Sustainable Development” on the side lines of the 74th session of the United Nations General Assembly. It discusses how to strengthen national ecosystems to promote South-South and Triangular Cooperation (SSTrC).

9. WTO Reform

A. Recent Developments

In response to the various papers/statements by developed countries on many aspects of WTO reform since July 2019, submitted to the WTO and outside it, and following from the WTO Ministerial meeting of developing countries hosted in New Delhi on 13-14 May 2019 (https://pib.gov.in/newsite/PrintRelease.aspx?relid=189975), some developing countries came together to further concretise developing countries’ position on WTO reform.

A position paper on the WTO reform was presented by 49 developing Members at the July WTO General Council meeting. The paper notes that “(d)evolving Members have called for certain reforms in the WTO since 1996 in an effort to address asymmetries and bring balance to the WTO rules...The reform agenda put forth by developing Members was incorporated into the Doha Development Agenda in 2001...However, increasingly the WTO is moving away from the principles entailed in the Marrakesh Agreement and the negotiations mandate contained in the Doha Development Agenda...”

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5 WT/GC/W/778/Rev.2 “Strengthening the WTO to Promote Development and Inclusivity”, Communication from the African Group, the Plurilateral State of Bolivia, Cuba, Ecuador, India and Oman.
The developing countries’ submission further noted that ‘WTO reform’ does not mean accepting either inherited inequities or new proposals that would worsen imbalances. Reforms must be premised on the principles of inclusivity and development and respond to the underlying cause of the current backlash against trade and the difficulties that developing Members continue to face vis-à-vis their industrialization challenges.

The co-sponsors in the paper highlight the core principles of the Multilateral Trading System including

“a. Articles II and III on the multilateral functions of the WTO;
b. Article IX on the continuation of the practice of decision-making by consensus;
c. Article X - when there are amendments (additions or changes) to WTO rules, there must be consensus, followed by ratification by Members. New rules enter into force only when the ratification numbers required have been attained.”

The co-sponsors also underscored the urgency to resolve the Appellate Body crisis as an “urgent priority”. They further highlighted the priorities for developing countries in the current negotiating/discussion agenda: implementation issues, special and differential treatment (S&D)\(^6\), cotton, public stockholding, the Special Safeguard Mechanism, agriculture domestic supports, fisheries subsidies and the 1998 E-commerce Work Programme. Lastly, the paper gives a development oriented view on the issue of transparency and notifications.

This submission drew support from many other developing countries that had not formally co-sponsored it. Importantly, it also placed developing countries on a positive footing, rather than on a purely reactive mode, in the debates on WTO reform.

B. Publications

SOUTHNEWS No. 271, 31/07/2019 - Strengthening the WTO to Promote Development and Inclusivity

C. Participation in External Conferences and Meetings

11 September 2019, Geneva - Meeting with delegation from China, organized at the South Centre. Issues discussed included the World Trade Organization (WTO) Appellate Body situation, trade remedies, fisheries subsidies and other WTO issues.

10. Notification and Transparency

A. Recent Developments

Transparency, whilst important, must be within the development capacities of WTO member countries. This was the message conveyed by a group of 47 developing countries in their submission also presented at the WTO’s July General Council.\(^7\) This was in response to the proposals by the US and co-sponsors to introduce more ambitious and problematic transparency

\(^6\) The negotiations contained in para. 44 of the Doha Declaration providing the mandate to make S&D provisions "precise, effective and operational".

obligations, including punitive administrative measures should countries miss their notification obligations.

The paper notes that “(t)he issue of compliance with notification obligations has been contentious. Developing countries often struggle to comply with onerous obligations, while in many instances, developed countries also do not comply with their notification requirements or do so selectively.

“In general it can be said that the capacity of developing countries to comply with notification obligations is inextricably linked with their level of economic development and access to resources. The capacity and resource constraints that developing countries face cannot be underestimated. Notifications require a deep understanding of the entire range of WTO Agreements, mature institutional mechanisms and human resource capacities that are often lacking in developing countries. Any work in this area should be on supporting and incentivizing developing countries to address these difficulties, especially as it relates to transparency obligations. Existing notification obligations should be rationalized so that they are commensurate with Members’ level of development. Developing countries, SVEs and LDCs should not be expected to take on notification obligations which are beyond their capacities.

“In contrast, in some of the recent proposals on transparency, Members are proposing new or strengthened notification obligations. If developing countries are not able to meet current notification obligations, there would be no possibility of meeting even higher notification requirements in future.

“There is also a prevailing concern about the ongoing activities in the regular bodies that seem to increase transparency obligations under the guise of efficient rationalisation of notification procedures and formats.”

11. Special and Differential Treatment

A. Recent Developments

For the third time in the WTO’s July General Council, the US put forward its proposal providing criteria that would exclude some 34 developing countries from Special and Differential Treatment (S&D) and also noting that “(n)othing in this Decision precludes reaching agreement that in sector-specific negotiations other Members are also ineligible for special and differential treatment”.

The US’ proposal, if accepted, would represent an entire change to the current architecture of the WTO. Rather than Members having full right to S&D, the US, along with the European Union (EU), Canada and others want to make S&D available only on a case-by-case or evidenced based approach, that is, any Member would have to make the case for receiving S&D. Even if a Member has made an excellent case for S&D, it will still be up to the Membership as a whole to grant it or not.

China’s Ambassador Zhang Xiang Chen said in the General Council: “This is the third time for US to submit the same documents to the General Council meeting… We have no problem to discuss the same important issue in the WTO… But I think, the document of a proponent

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should be revised and improved based on discussions and conversations. I don’t want to repeat what I said at previous General Council meetings. China’s position remains unchanged on development, and special and differential treatment.”

**Trump’s Memo**

On July 26\(^{10}\), President Trump released a Presidential Memorandum on ‘Reforming Developing-Country Status in the World Trade Organization’. The Memorandum noted that “the United States Trade Representative (USTR) shall, as appropriate and consistent with applicable law, use all available means to secure changes at the WTO that would prevent self-declared developing countries from availing themselves of flexibilities in WTO rules and negotiations that are not justified by appropriate economic and other indicators.”

The Memorandum also noted that “(i) If, within 90 days… the USTR determines that substantial progress has not been made… the USTR shall… no longer treat as a developing country for the purposes of the WTO any WTO Member that in the USTR’s judgment is improperly declaring itself a developing country and inappropriately seeking the benefit of flexibilities in WTO rules and negotiations…”

In response to these developments, South Centre convened several meetings for developing country negotiators to discuss the issue, including its systemic implications for developing countries.

**12. Trade Concerns**

**A. Recent Developments**

In July, the EU, together with some other Members submitted a draft General Council Decision on ‘Procedural Guidelines for WTO Councils and Committees Addressing Trade Concerns’. There are some useful elements: making documents to be considered at a formal meeting available to Members at least 15 days in advance, or the time period within which meeting minutes should be circulated. However, the bulk of the proposal is an intensification of bilateral processes to resolve trade concerns when they are raised. The proposal would be a major challenge for developing countries.\(^{11}\)

There was discussion on this proposal at the July General Council. Various developing countries opposed many of its elements.

**13. E-Commerce**

**A. Recent Developments**

The e-commerce discussions in the ‘Plurilaterals’ continue to be advanced with a plan for intensified meetings from September – November 2019. In this quarter, many proposals were submitted by the plurilateral Members. However, amongst developing countries, few countries have truly been active participants (in the sense of having clearly articulated positions and submitting proposals) with the exception of China and Brazil.

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\(^{10}\) China’s Statement to the General Council’s Agenda Item 10, 24 July 2019.

In the proposals submitted, some provided language taken from their commitments on e-commerce contained in some free trade agreements (FTAs) as possible templates for the way forward.

Key developing countries remain outside this process – including India, South Africa, most of the African Group and other less developed countries. These countries are not comfortable with the US’ model of digital trade rules centered around ‘free data flows’, a subject that, strictly speaking, seems to be outside the scope of a negotiation around commercial transactions made through electronic means, as disciplines on such transactions (e.g. contract validation, authentication of signatures) do not require to address the more general issue of transborder data flows.

**E-Commerce Moratorium**

The WTO’s Customs Duties E-Commerce Moratorium will no longer be in force from December 2019. It may either be renewed (for 6 months until the forthcoming WTO Ministerial Conference; or for 2 years), or allowed to lapse. As goods will increasingly be traded electronically, this Moratorium, if continued, may mean a continuation of zero customs duties on goods which are traded via electronic transmissions. There will be tariff revenue losses as well as the loss of policy space for those who may try to support their domestic industries in electronically traded goods.

South Centre convened a couple of meetings in September with UNCTAD staff to discuss the issues and recent studies which have emerged on this topic.

### 14. Agriculture

**A. Recent Developments**

At the end of July, the Chair of the Committee on Agriculture Special Session’s (COASS) issued an ‘options’ paper ‘Working Towards Doable Elements for Meaningful Outcomes’.\(^{12}\) The paper is problematic as it raises many issues for which there are not even Members’ proposals.

There are issues in agriculture where specific mandates have been provided. The current process, as conducted, may lead to sidelining the solution of specifically mandated agriculture issues, e.g. Public Stockholding or the Special Safeguard Mechanism.

In the important but difficult area of Domestic Supports, positions remain very far apart. The Cairns Group and developed Members are asking for all Members to contribute to domestic support cuts, including developing countries who had bound themselves at 0 trade distorting domestic supports in the Uruguay Round (i.e. they would cut into their already minimal ‘de minimis’ support entitlement). India, China, the Africa Group and others continue to insist that this cannot be the starting point for domestic support negotiations.

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\(^{12}\) JOB/AG/163, 31 July 2019
15. Fisheries

A. Recent Developments

The US continues to propose a ‘capping’ of subsidies (TN/RL/GEN/197/ Rev.2, 11 July 2019). This proposal subdivides WTO members into 3 categories: large fishing nations, intermediate fishing nations, and those with negligible catch volumes. The proposal would seem to allow subsidies provided by major subsidizing Members to continue largely unchanged. The subsidies of these nations will be set through negotiations with ‘other Members’ on a ‘request-offer basis’. Intermediate fishing nations (those who catch between 0.05 – 0.7% of global marine capture) will have a fairly low subsidy cap of $50 million. This may mean that they will find themselves constrained in promoting their fisheries sector in the future as the proposal, if accepted, would cap developing countries who have become significant fishing nations or are up and rising fishing nations (e.g. China, Indonesia).

Significantly, another approach is being put forward by the African, Caribbean and Pacific Group of States (ACP) and Morocco. The ACP group has suggested that to address overfishing and overcapacity, the disciplines should be targeted at large-scale industrial fishing vessels (LSFs) (see RD/TN/RL/96, 2 July 2019), since they receive most of the subsidies today, and are responsible for the majority of fishing. Morocco also put forward a proposal regarding the characteristics of these large scale vessels (RD/TN/RL/103, 7 August 2019).

South Centre has been working with many delegations on the issue of large-scale fisheries (LSFs), overfishing disciplines and Special and Differential Treatment issues across the fisheries subsidies negotiations.

B. Participation in External Conferences and Meetings

27-28 July 2019, Thiruvananthapuram - Second Biennial Conference of the South Asia International Economic Law Network (SAIELN). This conference addressed the Law of the Blue Economy from an international and South Asian perspective. South Centre made a presentation in a panel on the World Trade Organization (WTO).

September 2019, Geneva - Seminar on industrial large scale fisheries at the World Trade Organization (WTO). South Centre staff participated in a panel discussion, moderated by H.E. Mr. Omar Zniber, Permanent Representative of the Kingdom of Morocco.
Publication Metrics

**Most downloaded publication for the month of July:**

**Most downloaded publication for the month of August:**
Policy Brief 66: “Impacts of Unilateral Coercive Measures in Developing Countries: the need to end the US embargo on Cuba”

**Most downloaded publication for the month of September:**

News Metrics

**Most opened SouthNews for the quarter:**
SOUTHNEWS No. 272, 6 August 2019: Delegates, civil society and academia discuss and demand further commitments towards innovation in tuberculosis

**Most opened SouthViews for the quarter:**
SOUTHVIEWS No. 184, 19 July 2019: Understanding global inequality in the 21st century

**Most opened South Centre News on AMR for the quarter:**
SOUTH CENTRE NEWS ON AMR No. 29, 2 July 2019: The South Centre helps Asian countries tackle Antimicrobial Resistance

Websites Metrics

The cumulative number of page visits across the three websites of the South Centre i.e. ‘A Public Health Approach to Intellectual Property Rights’ - [https://ipaccessmeds.southcentre.int/](https://ipaccessmeds.southcentre.int/); ‘South Centre Tax Initiative’ - [https://taxinitiative.southcentre.int/](https://taxinitiative.southcentre.int/) and the main website [https://www.southcentre.int/](https://www.southcentre.int/) is **24054** (from 01 July to 30 September 2019).
Social Media Metrics

Twitter Highlights and Top Facebook Engagements (July)

**Top Tweet**

The recently concluded #Mercosur - EU #trade agreement preserves #TRIPSflexibilities on #pharmaceutical #patents & tests #dataprotection. A great precedent for future #FTA negotiations. See trade.ec.europa.eu/doclib/docs/20...

**Top media Tweet**

The @South_Centre was pleased to receive Mr. Hajo Lanz @HajoLanz Director of the Friedrich-Ebert-Stiftung (FES) Geneva Office, to discuss areas of cooperation in the context of current international developments relevant for the achievement of #SDGs. pic.twitter.com/gfWHeA6WJ

**Global Antibiotic R&D Partnership**

Interested in research, policy and solutions to an urgent threat to global health, #AntibioticResistance? 🚀 Work with a team in the @innovate4AMR competition organized by @reactgroup @IFMSA @South_Centre and supported by @WHO bit.ly/2ka3bs pic.twitter.com/YK7u8U2jZw
Twitter Highlights and Top Facebook Engagements (August)

AUG 2019 SUMMARY

Tweets 26
Profile visits 629
New followers 49

Tweet impressions 50.9K
Mentions 56

Top media Tweet earned 3,046 impressions

@South_Centre is an #etrafeforall partner along with 29 other organizations that are committed to ensuring that the #digitalrevolution is #inclusive & benefits all. Thus, the need to accompany #developingcountries & #LDCs on their journey to #ecommerce for #development.

twitter.com/kz4BjiaWoN

Top Tweet earned 4,911 impressions

VACANCY ANNOUNCEMENT: Program Coordinator, #SustainableDevelopment and #ClimateChange (SDCC), Duty Station: #Geneva Switzerland.

@South_Centre is an intergovernmental policy research organization/think-tank of #developingcountries. For more info southcentre.int/vacancy-annou...
@UNjobs

Top mention earned 199 engagements

IFMSA
@IFMSA Aug 12

One more month to join @Innovate4AMR, supported by IFMSA, together with @reactgroup @WHO @South_Centre. Send you ideas and win a training in Geneva #Switzerland ch. It is time for youth to address #AntibioticResistance! Thank you @Marcsprenger4PH for your support! pic.twitter.com/mfcnTB6C9

“The Innovate4AMR enlisting you, as the next leaders, to help us find c approaches to antimicrot...”

Dr. Carlos Correa, Executive Director, South Centre, was pleased to discuss with Dr. Guruprasad Mohapatra, Secretary, Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, activities to continue the implementation of cooperation agreement with the South Centre.

Tagged: Department for Promotion of Industry and Internal Trade

Countries can use #competition to promote accessible medicines in light of increased concern on high prices for medicines and possible anticompetitive practices. See our #SouthNews for an analysis of #SouthAfrica’s role in the multilateral debate in Geneva https://ia5.campaign-archive.com/
Twitter Highlights and Top Facebook Engagements (September)