

PGDM (IB), 2017-2019
WTO AGREEMENTS & INTELLECTUAL PROPERTY RIGHTS
Subject Code: IB-502
TRIMESTER - V, End Term Examination, 2017

Time Allowed: 2 hours, 30 minutes

Max Marks: 50

Roll No:

Instruction: Students are required to write Roll No on every page of the question paper, writing anything except the Roll No will be treated as Unfair Means. In case of rough work, please use answer sheet.

Sections	No. of Questions to attempt	Marks	Marks
A	3 out of 5 (Short Questions)	5 marks each	3*5 = 15
B	2 out of 3 (Long Questions)	10 marks each	2*10= 20
C	Compulsory Case Study	15 marks	15
		Total Marks	50

SECTION A

Answer any three questions from this section.

1. How do nations negotiate for market access at WTO in case of service industries like education?
2. What does Total Aggregate Measure of Support (TAMS) signify in Agreement on Agriculture?
3. How does WTO protect the intellectual property rights related to international business?
4. Discuss few investment related barriers prohibited under WTO.
5. Under what conditions is anti-dumping duty permitted under the ageis of WTO?

SECTION B

Answer any two questions from this Section. Each question carries 10 marks.

1. "With the government buckling under lobbying from the domestic industry and not reducing the import tariffs on imported liquor, the European Union (EU), which had been asking for this, will likely drag India to the World Trade Organization (WTO) to settle the issue. The specifics of the dispute concern an additional customs duty on imported liquor that was introduced by the government in 2001 to ensure that domestic liquor and wine makers , who pay duties at the state level, weren't rendered uncompetitive. The duty ranges from 25% to 150% on foreign whisky and 20% to 75% on wine, and comes on top of a basic import duty of 100% on wine and

150% on spirits." **Discuss whether the above passage demonstrates any violation of any core principle of WTO.**

2. The United States is challenging China at the World Trade Organization, alleging that the Chinese government unfairly subsidizes exports in seven industries. The Office of the US Trade Representative said on Wednesday that China designates certain export companies as "demonstration bases" that receive free or discounted services from suppliers. The US says China paid the suppliers almost \$1 billion over three years to provide those services. "If you're a Chinese textile firm designated as a demonstration base, you might get subsidized IT services, subsidized product design services and subsidized training services for their employees, showing them how to use yarn spinning techniques and weaving technologies," US trade representative Michael Froman said. **Discuss the principles of WTO ,basis which the above mentioned complaint has been filed in WTO.**

3. a) How are the interests of the developing and least developed nation protected in WTO.

b) Discuss the dispute settlement process at WTO.

SECTION C

Read the case and answer the questions given at the end.

India faces tough prospects at Buenos Aires WTO meet

Geneva: Developing countries, particularly India, are likely to face difficult prospects at the World Trade Organization's (WTO) eleventh ministerial meeting in Buenos Aires beginning 10 December. A group of industrialized countries and their allies in the developing world are considering launching plurilateral trade negotiations for establishing rules in investment facilitation, disciplines for small and medium enterprises, and even fisheries subsidies, said people familiar with the development.

Such a development is being considered as part of a Plan B, if the Buenos Aires meeting fails to accomplish any substantive agreements on the outstanding Doha Development Agenda (DDA) issues because of differences among key members, said a South American trade envoy, who asked not to be named. A major industrialized country remains opposed to any substantive agreements based on the Doha agenda, including a permanent solution for public stockholding programs for food security—a key Indian demand. Plurilateral agreements are based on 'coalitions of the willing', instead of involving the entire membership of the WTO on a multilateral basis. Effectively, plurilateral negotiations will undermine the multilateral framework of the WTO on a permanent basis, the envoy argued. Further, plurilateral negotiations for crafting rules in investment facilitation, disciplines for small and medium enterprises, electronic commerce, and even fisheries subsidies, are much more harmful than plurilateral negotiations on tariffs, said another trade envoy from an African country, who asked not to be identified. India had consistently opposed any negotiations on investment facilitation and disciplines for MSMEs (micro, small, and medium enterprises) on the grounds that they were outside the WTO mandate.

The Plan B has almost become an imperative due to a shortage of time and continued opposition from major industrialized countries, particularly the US, for finalizing outcomes based on the Doha work program in areas such as developmental flexibilities, domestic support for cotton, and permanent solution for public stockholding programs for foods security, the envoy suggested. The US along with other industrialized countries said on 14 September that they would not engage in any discussions for improving the special and differential flexibilities for developing countries in different WTO agreements in the Doha work program, as demanded by more than 100 developing and poorest countries. India strongly supported the demands by the African Group, ACP (Africa, Caribbean and Pacific) group, and the LDC (least-developed countries) group for improving special and differential flexibilities in different covered agreements, according to a person who attended the meeting. Already, the US Trade Representative Robert Lighthizer has signalled that the Buenos Aires meeting is "unlikely" to produce any negotiated outcomes. "There are some areas where the US would like to see action, but it appears that members are unable to agree on any issues," Lighthizer said, according to a report in Washington Trade Daily on 19 September. "At best, the Buenos Aires meeting will end with agreement on an agenda for moving forward on issues next year," Lighthizer added. Despite such strong signals from Washington, it is business as usual at the WTO. Roberto Azevedo, Director-General of the WTO, met the trade envoys of the European Union, China, India, Brazil, the US, and Japan, among others, on a one-on-one basis to elicit their assessment on the state of play in the negotiations. On 21 September, the director general convened an informal heads of delegations meeting to issue an ambiguous report on how the negotiations will be conducted in the run-up to the Buenos Aires meeting. Azevedo called for prioritizing issues that are do-able in terms of negotiated outcomes and the unresolved issues that will require a work program for further negotiations after Buenos Aires. He said these two baskets of issues must be finalized proceeding to Buenos Aires. The director general called for a consensual document on the format for conducting negotiations at Buenos Aires, so as to avoid the controversial Nairobi decision-making process, according to participants present at the meeting.

The African Group of countries want "the principles of full participation, inclusiveness, and transparency, in the run up to, as well as during the MC11 (11th Ministerial Conference)." "Buenos Aires must deliver on development-related issues in accordance with the letter and spirit of the Doha Development Agenda," a representative of the African Group said. "It is from this perspective that the African Group expects an outcome that will constitute a solid foundation for a bright future of our economies, particularly the elimination of imbalances inherited in the Uruguay Round Agriculture Agreement and provisions for special and differential treatment that create an enabling environment for industrialization in Africa," the representative said.

1. What is your opinion about the relevance of WTO in today's scenario considering that is no longer working as a multilateral organization?
2. How do developed nations conduct themselves at WTO? What is the expectation from Buenos Aires meet?