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TRADE AGREEMENTS

TTIP Negotiators Push for Trade Deal Before Obama Presidency Ends

Negotiators for a bilateral trade and investment pact between the EU and US are hoping to strike a deal before US President Barack Obama leaves office in early 2017, with officials reporting a major milestone on Friday in their talks on goods market access.

The two sides exchanged second tariff offers last week in Miami, Florida, during a meeting which marked their eleventh round of talks since the Transatlantic Trade and Investment Partnership (TTIP) negotiations were launched over two years ago.

The new offers came over a year and a half since initial offers were exchanged in February 2014. At the time, the EU had criticised the US submission for not being as ambitious as had been hoped. (See Bridges Weekly, [20 February 2014](#))

"Both sides are now on a comparable level in terms of tariff line coverage," said EU chief negotiator Ignacio García-Bercero. "This is an important step as our aim is to eliminate the vast majority of tariffs from day one of entry into force of the agreement."

The new offers reportedly cover 97 percent of tariff lines for both sides, with officials welcoming the milestone itself as well as the offers' content.

"We had a first opportunity to compare the offers, to discuss them, and I think there is a general recognition that they fulfil the criteria that we have set out for ourselves," the EU official told journalists after the weeklong meeting.

The remaining three percent of tariff lines are likely to be dealt with at a later stage, given the political nature of those decisions.

Tariffs between the two trading giants are already very low, averaging under three percent. However, some goods have tariffs that are in the double-digits – in other words, "tariff peaks" – that impose significant costs on bilateral goods trade.

A [working document](#) by the European Commission issued ahead of the trade talks' launch noted that tariff elimination could be especially valuable in sectors such as processed agricultural products, footwear, textiles, and clothing, given the high tariffs on those products.

The two other pillars of the TTIP market access talks – namely, government procurement and services – are also set to see advances in the months ahead, with officials confirming that Washington and Brussels will exchange initial offers on public procurement market access next February.

Negotiators continued their review of the revised services offers that were tabled at the previous round in July. Last week's round also saw the two sides exchange proposals for product-specific rules of origin for industrial goods. (See Bridges Weekly, [23 July 2015](#))

New proposals

While the discussions on market access were reportedly the highlight of the latest round, the weeklong meet also saw the submission of new proposals in the regulatory area of the talks.

The US, for its part, had already tabled proposals on regulatory coherence and technical barriers to trade before the Miami meeting. Proposals on customs, trade facilitation, rules of origin, and TTIP's institutional framework were submitted by the US during the round itself, officials confirmed.

The EU, meanwhile, put on the table its own sustainable development proposal, reportedly covering labour and environment issues. García-Bercero also confirmed that talks were held in areas such as competition, raw materials, and rules for trade facilitation.

Brussels has not yet tabled a formal proposal regarding its plans for a TTIP "investment court," given that internal EU discussions are still ongoing following the release of the Commission's draft proposal on the subject earlier this autumn. How the final version of the proposal will be received by Washington – and what differences it may have to the investor-state dispute settlement mechanism that the US recently negotiated under the Trans-Pacific Partnership (TPP) Agreement remains to be seen. (See Bridges Weekly, [17 September 2015](#))

Regarding the nine sectors – ranging from textiles to information and communication technology – where the two sides are holding regulatory discussions, officials confirmed that they are continuing to make progress on what their planned objectives and deliverables would be in each individual sector, which they aim to define more specifically in the coming months.

Timing

This latest round marked the first since the US and 11 other Pacific Rim countries announced the conclusion of negotiations of the Trans-Pacific Partnership, a sweeping trade deal that would cover 40 percent of GDP and establish a range of disciplines in various "new areas" that have not been traditionally addressed in such agreements. (See Bridges Weekly, [8 October 2015](#))

As the TPP process moves from negotiation to ratification in its member economies, the EU-US talks are now expected to ramp up, particularly given the expected change in government in the United States in January 2017 when Obama leaves office.

"We believe it is important to try to finish these negotiations during President Obama's presidency," [confirmed](#) US chief negotiator Dan Mullaney at the end of the round. "To do that we'll need to use our time with maximum efficiency."

The US negotiator added that the next four months of this year will be key in meeting this goal, confirming that both sides are set to step up their intersessional work. While exact dates were not confirmed for the next formal round, Mullaney indicated that it would take place early in 2016.

EU officials similarly confirmed that there is significant political resolve on their side to push the negotiations forward toward a successful conclusion.

"To sum up, there is a strong political will on both sides of the Atlantic to reach a good agreement as confirmed during the latest discussions between Commissioner [Cecilia] Malmström and Ambassador [Michael] Froman in Washington in September," said García-Bercero, referring to the recent stocktaking meeting held between the two trade chiefs. (See Bridges Weekly, [24 September 2015](#))

"This round was about translating this political will into concrete steps forward," García-Bercero said.

For its part, the European Commission released earlier this month its new trade and investment strategy, which proposes a series of steps to advance EU trade policymaking in the coming years, ranging from increased transparency efforts to the negotiation of new trade deals and the completion of existing talks.

The TTIP negotiations are referred to in the Commission document as the "most ambitious and strategic trade negotiation that the EU has ever undertaken." (See Bridges Weekly, [15 October 2015](#))

The EU-US talks were launched over two years ago, but have since been reported to be lagging, particularly in comparison to the TPP negotiations. Officials have qualified that the TTIP meetings to date as needed to advance significant technical work to pave the way for tough political decisions later down the road, while acknowledging the issues of pace.

"TTIP, I think, for about the last 18 months, has not been moving forward as constructively and ambitiously as both the EU and the US want," US Deputy Trade Representative and WTO Ambassador Michael Punke said last week at the Coalition of Services Industries' Global Services Summit, while also noting much of the progress seen during the Miami negotiating round in consolidating various TTIP texts.

With a plethora of US presidential candidates attempting to win both their party's respective nominations and then the November 2016 general election, trade is likely to be a hot-button issue in Washington in the months ahead. Ratifying TPP in the US legislature is already predicted to be difficult, given the contentious debate earlier this year on the merits of trade deals during the renewal process of Trade Promotion Authority. (See Bridges Weekly, [22 October 2015](#))

Clinching yet another wide-reaching trade deal with significant commercial implications in such an uncertain political climate is similarly expected to be challenging. Public sentiment on both sides of the Atlantic regarding TTIP is, at best, mixed, despite increased efforts at transparency and repeated assurances on both sides that any trade deal will not hinder domestic rights to regulate in the public interest nor weaken consumer and environmental protections, among others.

Large anti-TTIP protests have been held in recent months in various European cities, while the trade debate in Washington over TPP has brought again to the fore the long-standing wariness – in some cases outright aversion – to major trade liberalisation deals among some lawmakers and many civil society groups.

Proponents of the pact, in turn, repeatedly stress that the deal will be a boon to both economies, particularly for small- and medium-sized businesses. Furthermore, they say, the agreement is necessary in a rapidly-changing world, particularly as both sides also continue to deepen their ties with other parts of the world, such as the Asia-Pacific.

"As we look around the world, we want to secure the best conditions possible for selling our products and services," said EU Ambassador to the US David O'Sullivan in a [26 October op-ed](#) in USA Today.

"The trade deals we both have been busy striking in Asia and elsewhere have that end goal in sight. But the biggest boost in jobs and growth will come from the Transatlantic Trade and Investment Partnership (TTIP) we are currently negotiating — a trade deal whose scope and reach dwarfs any other deal we have pursued to date," O'Sullivan continued.

ICTSD reporting; "U.S., Europe step up efforts on trade deal with new offers," REUTERS, 23 October 2015; "Obama woos TPA Dems on TPP," POLITICO, 22 October 2015; "Tariff elimination still goal as US, EU meet in new TTIP talks," 23 October 2015.

AGRICULTURE

WTO Talks: Developing Countries Propose Reforms on Agriculture, Cotton, Safeguards

Three separate developing country groups have tabled negotiating proposals on agriculture at the WTO, only weeks ahead of the global trade body's tenth ministerial conference in Nairobi, Kenya. However, trade sources cautioned that the dwindling package of issues on the negotiating table could limit the chances of progress on the broader agenda that developing countries have highlighted for action.

The three proposals, copies of which have been seen by Bridges, all raise negotiating issues that are central to the Doha Round of talks that was first launched in the Qatari capital in 2001. However, the US and increasingly also other developed countries have had less and less appetite for the wide-ranging agenda in recent months, particularly after an earlier effort to reach a Doha Round work programme by July failed to bear fruit.

One group of mainly agricultural-importing developing countries, the G-33, has tabled a proposal calling for an "accessible and effective" special safeguard mechanism that developing countries would be able to use to raise tariffs temporarily in the event of a sudden surge in import volumes or a price depression.

Another group, the C-4 group of West African cotton-producing countries, has tabled a draft decision on cotton.

Finally, the African Group at the WTO has tabled a set of "elements on agriculture" which they argue must be delivered in the Doha talks.

The proposals come only weeks after WTO Director-General Roberto Azevedo recommended that the trade body's members explore options for a slimmed-down package for the Nairobi ministerial, which he said could focus on agricultural export competition, least developed country (LDC) and development issues, and improved transparency. (See Bridges Weekly, [8 October 2015](#))

Trade sources told Bridges that the chair of the WTO agriculture negotiations, New Zealand Ambassador Vangelis Vitalis, had convened a meeting this coming Friday to discuss the new proposals and update members on his latest consultations with negotiators.

Special safeguard mechanism

The G-33 proposal identifies four new areas of flexibility which the group indicates could help foster agreement on an earlier proposal they circulated in July 2014. (See Bridges Weekly, [23 July 2014](#))

The proposal, which was submitted by group coordinator Indonesia, says that negotiators could explore whether a time-bound limit on the number of products eligible for enhanced protection under the mechanism might help promote consensus.

It also suggests that the WTO could establish a consultation mechanism to exempt from safeguard duties those exports coming from least developed countries and those classified as small, vulnerable economies.

The G-33 also proposes that limits could be set on the number of consecutive times a country could apply safeguard duties, or the length of time for which the mechanism would be applied.

Finally, the group suggests revisiting the existing special agricultural safeguard agreed at the end of the Uruguay Round as a possible model for resolving other outstanding issues, such as whether safeguards would be allowed to breach pre-Doha ceilings on tariffs that had previously been agreed at the WTO.

"It's a gesture from the group," one G-33 official familiar with the proposal told Bridges. "We're willing to discuss some of the concerns raised by the members."

However, another delegate suggested that the political dynamics of the talks would make it hard for the group to win acceptance of their proposal.

"It's crystal clear that market access will not be part and parcel of the deal," the source said.

Cotton: African countries seek reforms

The C-4 group of African countries tabled a wide-ranging draft decision on cotton for Nairobi, which includes proposed action on the product in the area of market access, domestic support, export competition, and development assistance. The C-4 includes Benin, Burkina Faso, Chad, and Mali.

If the decision were to be adopted, developed countries would have to cut their trade-distorting "amber box" payments in half by 1 January 2016, with three-quarters of the amount cut a year later, before eliminating these subsidies completely at the start of 2018.

Production-limiting "blue box" payments would also be reduced according to the proposal, which would cap this type of support at one-third of the limit that would otherwise have been applicable for product-specific amber box payments.

Developing countries would be allowed to make gentler cuts, in five successive tranches of 20 percent to be made between 2017 and 2021.

The proposal would also require developed country members to provide duty-free, quota-free market access to LDC cotton exports from the beginning of 2016 onwards. Developing countries "in a position to do so" would undertake the same commitment, but would not undertake a binding commitment to increase market access.

If adopted, the proposal would require major trading powers such as the US to make immediate changes in its existing legislation – which some trade sources warned would make the proposal hard for the US to accept in its current form.

"It's a red flag to the Americans," the source told Bridges, who also cautioned that the limited concessions being sought from large developing countries would also make the proposal unpalatable to Washington.

In recent months, Washington has consistently argued that Beijing in particular would need to make reductions in its own trade-distorting domestic support payments as part of any eventual Doha deal.

African Group: a "fair and equitable outcome"

The African Group proposal argues that a "fair and equitable outcome" is needed across all three pillars of the agriculture negotiations: market access, domestic support, and export competition.

It argues that a monetary limit on developed countries' overall trade-distorting support (or OTDS) is needed, as set out in the most recent draft Doha negotiating text tabled in 2008. Earlier this year, a Norwegian non-paper suggested that new domestic support disciplines could be adopted without including a ceiling on OTDS. (See Bridges Weekly, [16 July 2015](#))

The 2008 draft should also be the model for cuts to trade-distorting "amber box" payments, the proposal says, as well as for the percentage of such support that would be allowed under the WTO's "de minimis" provision.

However, the group also argues that stricter rules should be established on payments that are currently allowed as "decoupled income support payments" in the WTO's green box. Currently, these payments are allowed without any limits, on the basis that they cause no more than minimal trade distortion.

On export competition, the proposal calls for export subsidies to be eliminated and for export credit and food aid to be subject to the disciplines set out in the 2008 draft Doha text. Trade sources told Bridges that the US is anxious to secure greater flexibility for these types of support than is currently provided in the draft.

The proposal also says that new public stockholding programmes should benefit from a "peace clause" agreed at the trade body's last ministerial conference, which was held in Bali, Indonesia, in 2013. (See Bridges Daily Update #5, [7 December 2013](#)) The deal – which allowed developing countries more flexibility to purchase food at administered prices under existing farm subsidy rules – only applied to existing programmes.

Glass half full or half empty?

While Ambassador Vitalis was reported to have invited members to submit comments and suggestions on agricultural export competition that could help him with the drafting process, some trade sources told Bridges that they were disappointed that negotiators were not working towards progress on a more wide-reaching agenda for the Nairobi ministerial.

"Our preference would've been for a comprehensive package," said one.

Another said negotiators were still grappling with the crucial question of what happens after the ministerial in December. The source said that the WTO Director-General may need to help draft language on the controversial question.

"For the US, the single undertaking is an absolute no-go," said one, who added that Washington was reluctant to continue negotiations under the existing Doha framework. The US has recently indicated, however, that it is open to discussing those Doha issues, as well as new ones, outside of this framework.

Another said that the recent conclusion of the Trans-Pacific Partnership (TPP) between 12 major trading powers – including the US – was likely to change the dynamics in Geneva.

One developing country delegate told Bridges that they were disappointed with the direction the talks had taken, and tended towards pessimism about the likely outcome from Nairobi. "For LDCs, the glass is half full," he said. "For us, it's half empty."

ICTSD reporting.

CLIMATE CHANGE

Embattled UN Climate Talks Send Complex Draft Text to Paris Meet

Following a week of tense multilateral talks in Bonn, Germany on a universal emissions-cutting regime, which often saw familiar divisions between so-called “developed” and “developing” parties re-visited, negotiators agreed to forward a 51-page [text](#) for consideration at an annual climate meet due to start in just under five weeks.

The document includes both a 35-page “agreement” followed by 16 pages of “decisions” designed to give effect to the former. Together, these would in theory cover all manner of details relevant to the functioning and operationalisation of the new climate regime, including its purpose, long-term goal, management of individual party climate efforts, and the general supportive architecture.

A separate [document](#) on scaling up climate action before the end of the decade will also be sent for consideration at the next meet.

Parties to the UN Framework Convention on Climate Change (UNFCCC) agreed in 2011 to conclude a global climate deal for the post-2020 period, taking effect upon the expiry of the current Kyoto Protocol, in time for the Twenty-first Conference of the Parties (COP 21) scheduled this year from 30 November-11 December in Paris, France.

The deal should be capable of keeping planetary temperatures below a two degree Celsius rise from pre-industrial levels. To that end, all parties in 2013 agreed to submit “intended nationally determined contributions” (INDCs) outlining at a minimum domestic mitigation efforts, with 128 of these counting the EU as one having since been presented.

Constructing the new regime

At the start of the latest round on Monday 19 October, parties squarely rejected an effort by the co-chairs of the negotiations to shorten various textual proposals made to date into a 20-page “non-paper,” eventually agreeing to make insertions to ensure key topics were not missing and the document regained “party ownership.” (See Bridges Weekly, [8 October 2015](#))

Throughout the rest of the week, parties engaged in recompilation and streamlining exercises to accommodate the new proposals. These talks were held in nine spin-off groups focused on different aspects of climate action that the new architecture will need to address, including mitigation, adaptation and loss and damage, finance, technology development and transfer, among others.

According to Earth Negotiations Bulletin (ENB), some delegates expressed concern that the process resulted in some formerly hard-won compromises being lost, with a few lamenting the lack of focus on the decision section.

Moreover, as parties grappled to build their new climate agreement across the numerous parallel groups, tensions on some long-standing and new topics also flared up, including on climate finance and the interpretation of the original 1992 UNFCCC text.

As parties left Bonn on a chilly autumnal evening, many stakeholders said that negotiators had been waylaid by clarifying textual options rather than moving to concrete drafting and

bargaining, leaving delegates facing an uphill battle to shape an effective climate regime when they meet again in Paris.

US Special Envoy for Climate Change Todd Stern, however, informed journalists that a deal remained within reach but that governments still needed to “hack our way through specific language and it gets pretty sensitive and pretty contentious.”

Who pays?

Divisions around climate funding in poor countries are showcased in the text released last Friday. One option would see all parties take action to mobilise, or facilitate the mobilisation of, climate finance in line with their respective and evolving responsibilities and capabilities.

Another option would see just developed countries – as defined by the UNFCCC Annexes – provide new and additional financial resources to help developing countries mitigate and adapt to climate change.

A third textual option would scale up climate finance beyond 2020. And still another more specific proposal would see developed countries pledge to scale up financial resources from a floor of US\$100 billion annually from the end of the decade onwards.

Some options would see parties periodically communicate relevant information on climate finance mobilisation and the policy frameworks created to attract climate-resilient investment, while others would enshrine an equal allocation of resources between mitigation and adaptation or recognise that financing for adaptation should be public and grant-based.

While developed countries in 2009 pledged to scale up climate finance to US\$100 billion per year by 2020, no multilaterally-agreed definition of climate finance exists. Developing nations, for their part, have long worried that the pledge will not be fulfilled.

The Organisation for Economic Co-operation and Development (OECD) in partnership with the Climate Policy Initiative released a report earlier this month attempting to benchmark progress towards the financing goal, finding that public and private climate finance from developed to developing countries in 2014 was around US\$62 billion, with some 77 percent allocated towards mitigation, 16 percent to adaptation, and 6 percent to cross-cutting issues.

Nozipho Mxakato-Diseko, South Africa's lead climate delegate, said on behalf of the G77 and China negotiating group that the OECD estimate had no legal status within the UN negotiations.

“Climate change is a matter of life and death and we are dead serious about this challenge,” Mxakato-Diseko [added](#). “We have often had to respond to crises without support. Developed countries have an obligation, as prescribed in the UNFCCC, to provide finance. Whether Paris succeeds or not depends on what we have as part of the core agreement on finance.”

Elina Bardram, head of the EU delegation, said that it was important to revisit the climate mobilisation base given shifts in capital concentration and new geo-economic dynamics.

Who takes action?

These divisions on climate finance also reflect a key cross-cutting area of tension around the principle of “common but differentiated responsibilities and respective capabilities” (CBDR) between developed and developing nations on addressing climate change. The current regime only mandates emissions cuts from rich nations, while the 2011 decision

prescribed efforts from all, now resulting in several competing narratives of where climate action should come from.

The CBDR principle is enshrined in the original Convention and, while last December's annual meet saw some evolution on its application, the principle's interpretation remains a sensitive topic. (See BioRes, [14 December 2014](#))

As such, many of the insertions made into the text last week focused directly on the CBDR principle and equity issue itself, with it now featuring 13 times compared to the co-chairs' slimmed-down non-paper.

A proposal on the abatement of international transport emissions has made it back into the agreement's mitigation section after being left out of the co-chairs' version, which would see parties pursue limitation or reduction of greenhouse gas emissions from international aviation and marine bunker fuels including by working with the relevant UN bodies known as the International Civil Aviation Organization (ICAO) and the International Maritime Organization (IMO) respectively.

The mitigation section, meanwhile, also includes an option specifying that parties should "not resort to any form of unilateral measures against goods and services from developing country parties on any grounds related to climate change," recalling several principles relating to international trade in the Convention.

International carbon markets?

A number of textual insertions were made last week regarding markets, after several parties expressed concern that references to international emissions trading were largely dropped from the co-chairs' non-paper.

New additions include an EU proposal on avoiding double counting, complemented by another proposal from the so-called Environmental Integrity Group (EIG) which added that carbon markets should ensure "real permanent additional and verified internationally transferrable mitigation outcomes," as well as a submission from Switzerland supporting accounting rules for international emissions transfers.

The EIG is made up of Mexico, Liechtenstein, Monaco, Switzerland, and South Korea.

Brazil, meanwhile, proposed moving a reference to a "mechanism to support sustainable development" from the decision section to the agreement section.

A plethora of options for this mechanism now exist within the mitigation section of the agreement, ranging from a mechanism which would aim to enhance mitigation ambition and the mobilisation of climate finance and incentivise cost-effective mitigation action, to joint mitigation and adaptation approaches between parties, standards for environmental integrity, and the transfer of emissions units.

The agreement's preamble, meanwhile, would according to a Swiss proposal potentially acknowledge that "putting a price on carbon is an important approach for cost-effectiveness of the cuts in global greenhouse gas emissions." According to the World Bank, approximately 40 nations and 23 cities are using a carbon price, either in the form of emissions trading schemes or carbon taxes.

Some experts have suggested that linking various domestic carbon markets would help deliver mitigation efforts where these are most cost-effective and have expressed concern at the slow pace of UN efforts to develop common rules for international transfers.

Nevertheless, other sources said last week that they do not expect the Paris agreement to include much on carbon markets beyond some minimal accounting rules, while suggesting

that this would not be a major problem for the development and operation of international carbon markets. These experts expect Paris to provide a “hook” that would provide for the use of international emissions transfers, which could then allow interested parties to develop the rules for doing so elsewhere, or at a later date in the climate talks.

Next steps

In preparation for Paris, the UNFCCC Secretariat will soon release a synthesis report evaluating the aggregate contribution of the INDCs towards the two degree Celsius mitigation goal, although the document will not go into detailed analysis on each of the contributions.

Reviewing the INDCs and scaling these up over time are both also expected to be tricky areas to navigate. One report by the environmental group Climate Action Tracker earlier this month found that the contributions so far would bring global warming down to 2.7 degrees Celsius, implying a significant “emissions gap.”

Last Friday's text outlines several options for reviewing the INDCs, including around transparency of domestic climate action, global stocktaking, and facilitation of implementation and compliance. Parties are considering, among other things, setting up a review of the INDCs every five years and establishing a compliance mechanism.

Each of these areas and proposals, however, will require consensus building on the best approach and the precise mechanics. Questions remain on how the INDC process will function in practice in the coming years, as well as whether the new system will be capable of delivering the required emissions cuts and adaptation efforts. Many climate watchers contend that the answer depends in part on the operative decisions made on topics such as the shape of the review mechanism.

While negotiators will not have a chance to meet again before Paris, a pre-COP meeting between climate ministers will be held in the French capital city from 8-10 November. Key issues might also be addressed by leaders of the world's major advanced and emerging economies at a G20 gathering in Antalya, Turkey from 15-16 November. At the close of the Bonn talks, the French presidency also urged countries to facilitate consultations between themselves ahead of the pivotal Paris meet.

ICTSD reporting; “Copenhagen ghost haunt climate talks,” BBC, 23 October 2015; “Climate finance dispute slows U.N. talks as time runs short for Paris,” REUTERS, 23 October 2015; “Summary of the Bonn Climate Change Conference,” EARTH NEGOTIATIONS BULLETIN, 25 October 2015.

EMISSIONS TRADING SCHEMES

EU Environment Ministers Debate Potential Carbon Market Reforms

EU environment ministers meeting in Luxembourg on 26 October held their first policy debate on proposed reforms to the bloc's Emissions Trading System (ETS), with many officials welcoming some of the suggested changes while raising concerns in other areas.

During the day-long European Council meet, ministers discussed the European Commission's legislative proposal for strengthening the EU's carbon market from 2020 onward, which was unveiled in July.

The planned reforms, the EU executive says, would be a key component of the bloc's strategy toward meeting its 2030 energy and climate goals. (See BioRes, [20 July 2015](#))

In Luxembourg, environment ministers cited concerns with regard to three key aspects of the proposed carbon market reforms, including the proposal's level of ambition and the issue of climate finance; the rules for free allocation allowances and measures to address the risk of carbon leakage; and funding mechanisms for innovation and modernisation of the energy sector.

While several ministers indicated that they did not yet have a firm position on the proposal, the majority of member states generally welcomed the Commission's new rules as a significant step towards reaching the EU's climate targets, according to the Council meeting's outcome [document](#).

The Council also discussed the phasing out of environmentally harmful subsidies and the implementation of the 2030 Agenda for Sustainable Development, adopted at the UN Sustainable Development Summit in September. (See BioRes, [30 September 2015](#))

"We need strong, efficient and coherent policies in order to deliver on our goals. In this sense, it is really important to tackle harmful subsidies and make sure the EU ETS delivers and play its role in achieving the EU's ambitious climate goals," said Carole Dieschbourg, Minister for Environment for Luxembourg, during the afternoon press briefing.

Level of ambition

Launched in 2005, the EU ETS is the world's largest emissions trading scheme, operating in the bloc's 28 member states as well as Norway, Lichtenstein, and Iceland.

The ETS has struggled to operate effectively in recent years due partly to an oversupply of emissions permits on the market, which resulted in lower than expected carbon prices and therefore less mitigation measures.

To help buffer against this glut of permits and bolster carbon prices, the European Council in September approved a decision to create a market stability reserve (MSR) for the scheme that will remove and re-introduce excess permits according to price triggers starting in 2019, among other provisions. (See BioRes, [9 July 2015](#))

The Commission's proposed reforms would complement the MSR, reinforcing the functioning of the market while ensuring stronger long-term price signals for low-carbon investments.

A well-functioning, reformed EU ETS is critical for the 28-nation bloc to meet its binding target of an at least 40 percent domestic reduction in greenhouse gas (GHG) emissions by 2030 compared to 1990 levels, proponents say.

EU leaders reached this political agreement for emissions reductions last October. The [deal](#) envisages that a majority of emissions cuts, approximately 43 percent, would be met using sectors covered by the ETS.

This national target was later incorporated into the EU's international climate pledge under the UN climate talks, known as its "Intended Nationally Determined Contribution" (INDC). These contributions will form the backbone of a universal emissions-cutting deal in effect from 2020 onward, which UN member states are aiming to reach at a pivotal meeting set in Paris, France this December. (See BioRes, [16 October 2015](#))

Parties to the United Nations Framework Convention on Climate Change (UNFCCC) met in Bonn, Germany last week and inched forward on a number of contentious negotiating issues ahead of the Paris meet, while also finding themselves at odds on various familiar topics. (See related story, this edition)

During Monday's Council debate, several EU ministers called for a review of the bloc's 2030 climate targets following a successful agreement in Paris.

"Some expressed the wish to deepen the discussion in the light of the outcome of the Paris climate conference," [continued](#) Dierckx.

Some experts see this as a signal that the EU may deepen its 2030 reduction target. The 28-nation bloc is already on track to exceed its 2020 emissions reduction targets, according to findings from the European Environment Agency. The [report](#) concludes that the EU is projected to cut emissions 24 to 25 percent by 2020 based on 1990 levels.

"The news that the EU is on track to significantly overachieve its 2020 climate target means Europe can afford to move beyond its cautious offer for 2030, which doesn't factor in this higher starting point," said Louisa Casson from the European-based climate policy NGO E3G.

On the other hand, some countries including Poland cautiously addressed the Paris meet and called for the carbon market proposal to distribute more free allowances to high-emitting industries if other countries do not match the EU's level of climate action.

Multi-tiered system

Several other member states also voiced concerns on the Commission's proposed rules regarding free permit allocation and the calculation of carbon leakage risks, two connected issues that are looking to be points of contention within the bloc.

Carbon leakage may occur when businesses move production to countries with less strict carbon emissions policies. Some policymakers contend that allocating free emissions to high-emitting industries reduces the likelihood that industries will relocate.

The Commission's reform proposal for post-2020 sets up a two-tiered system for allocating allowances, decreasing the total number of companies that would receive full allowances covering all of their emissions.

As it currently stands, the scheme grants 177 industrial sectors full coverage. The Commission's reform proposal would lower this number to 50, with the remaining companies set to receive allowances covering 30 percent of their emissions.

This binary system has not been warmly received by some EU member states, with the UK, Slovakia, the Czech Republic, and France issuing a [joint document](#) last week which recommended a multi-tier system that would more effectively target sectors most in need of the credits.

Under this approach, sectors could be classified as high, medium, low, or no risk, depending on thresholds set on the basis of emissions and trade intensity criteria. This would ensure that only the most vulnerable sectors were receiving free allowances.

"Tiering ensures a more efficient distribution of free allowances than under the current system, ensuring free allocation is targeted at industries with the greatest need, while avoiding over-allocation to some sectors, which is a risk under current rules," reads the statement.

However, many countries in Eastern Europe warned that their industries were more vulnerable to carbon leakage and called for additional free allowances.

"Operators closer to EU external borders are particularly exposed. Sectors there at risk should receive full allocation of allowances," added Latvia during Monday's discussion.

Climate finance

Environment ministers were also divided on whether the funds generated by the auctioning of emissions should be allocated as climate finance for vulnerable developing countries. Climate finance is one of three possible new areas outlined in the proposal where member states could spend revenues from auctioned permits.

While Belgium and France supported the proposal, Lithuania, Latvia, and the Czech Republic said that they would oppose any specific rule including this provision.

Other countries, such as the UK, said that it should be up to member states to decide how to use ETS revenues.

While ministers reportedly focused less on this issue relative to concerns on carbon leakage, climate financing is a critical topic for the UN climate conference. A number of governments and stakeholders will likely be monitoring this section of the proposal closely as it develops.

Corporations weigh in

A host of corporate leaders would like the proposed reforms to the EU carbon market to be more ambitious in order to deliver the significant emissions reductions needed to meet international climate goals.

"We do not believe that the Commission's ETS reform proposal will deliver a carbon price sufficient to maintain the EU ETS as the cornerstone of EU climate policy," [said](#) the Corporate Leaders Group, a coalition of companies including EDF Energy, Unilever, and Coca Cola ahead of the meeting.

The business leaders also called on the importance of policies parallel to the EU ETS particularly stressing the need to eliminate fossil fuel subsidies, a position that not all EU members have backed.

Other high-emitting industries such as the EU steel sector strongly oppose the proposal, citing that it could cost them US\$37 billion in direct and indirect carbon costs between 2021 and 2030.

Coming up next

Various steps still remain before the reforms can be adopted into law. For one, the proposal must be agreed to by a majority of the Council and the EU Parliament, under the bloc's co-legislative procedures.

The EU Parliament has already put forth a timetable that enables the legislature's environment committee to work on changes to the post-2020 reforms starting early next year.

This would lay the foundation for a so-called fast track "trilogue" procedure with the Commission and Council in order to reach a final compromise ahead of a plenary vote in Parliament in November 2016.

Some experts predict the proposal could be enacted into law by early 2017.

ICTSD reporting; "EU Parliament sets timetable to hold ETS reform vote by next year," CARBON PULSE, 20 October 2015, "Big firms say EU carbon reforms do not go far enough," REUTERS, 26 October 2015, "Ministers set out CO2 leakage demands," ENDSEUROPE, 26 October, 2015, "EU nations split on whether to give more free EUAs to industry," CARBON PULSE, 26 October 2015, "EU Nations raise prospect of reviewing 2030 emission goals after Paris," CARBON PULSE, 26 October 2015.

WORLD TRADE ORGANIZATION

ACP Trade Ministers Adopt Declaration on Strategy for WTO Ministerial Meet

Following a two-day meeting in Brussels, Belgium, trade ministers from the African, Caribbean and Pacific (ACP) countries adopted a [declaration](#) outlining their positions ahead of the WTO's Tenth Ministerial Conference, which is due to be held in Nairobi this December.

"The ACP Group must work vigorously for the WTO Ministerial Conference in Nairobi to be a success. Part of the ACP strategy for the Ministerial is to safeguard continuation of the Doha Development Agenda [DDA] post-Nairobi," said ACP Secretary General Patrick Gomes.

WTO Director-General Roberto Azevêdo, who attended the meeting and provided an overview of the negotiations, told ministers that "despite these very intensive efforts on all of the core DDA issues, I must report that – apart from in a few specific areas – little progress has been made."

"We will not successfully conclude the DDA in Nairobi," he added.

While expressing certain reservations on securing substantial outcomes on the DDA core issues, Azevêdo outlined nonetheless that convergence may be possible in other areas, such as export competition in agriculture, issues relating to least developed countries (LDCs) and development, as well as transparency provisions on anti-dumping and fisheries subsidies.

"Our members in Geneva have put forward proposals that have been recognised but are not yet included in the so called mini-package," said Joshua Setipa, Minister of Trade and Industry of Lesotho, while acknowledging that "the road ahead is foggy."

During a special session held separately, EU Trade Commissioner Cecilia Malmström also expressed some disappointment over the "lack of political will" from many WTO members, which she said has made it "very hard" to achieve a comprehensive agreement on all areas of the Doha Development Agenda.

Safeguarding the DDA post-Nairobi

The ACP declaration encourages WTO members to take "concrete steps to conclude the remaining issues in the DDA, with development as a key component." The document further specifies that WTO members should ensure that all unresolved issues in the DDA on the development mandate should be addressed in a post-Nairobi context with a view of concluding the DDA "as soon as possible."

"We are [...] rather circumspect about suggestions by some WTO members that we abandon the DDA framework after Nairobi," said Gomes, who reiterated that the ACP Group still believes in the DDA, which in their view holds an important development dimension.

In his remarks, Azevêdo explained that some WTO members are of the view that if there is no consensus to end the Doha Round, then the negotiations would simply have to

continue. Others, meanwhile, insist that if there is no outcome in Nairobi then the DDA would be over in its present form.

However, the WTO chief noted, "all members agree to continue negotiations in the future on all of the DDA core issues, such as agriculture, market access, and services."

Some observers note that since the last WTO ministerial conference in Bali, Indonesia, two years ago, the ACP Group has been quite proactive in initiating the setup of the Trade Facilitation Agreement (TFA) Facility together with the LDC Group in order to encourage ratification of the TFA.

Earlier this year the Group presented various elements for defining a post-Bali work programme on the remaining DDA issues, followed by another proposal in July for bridging the gaps in such areas with a view of putting across a possible development package in Nairobi.

Sixty-one member countries of the ACP Group are also WTO members, with seven observers. Most are LDCs and Small and Vulnerable Economies (SVEs) and suffer from inherent structural constraints and infrastructural deficits. Most of them also depend primarily on commodity exports towards traditional markets.

ACP ministers will meet as a group in Nairobi on 14 December, the eve of the Tenth WTO Ministerial Conference, to take stock of the situation and agree on a final position.

Development-related proposals

ACP countries insist on the preservation of the flexibilities for least developed countries and small and vulnerable economies in the course of future negotiations in agriculture and non-agriculture goods.

"The level of ambition for any flexibility shall be adjusted commensurate with the level of ambition in the negotiation as a whole," says the declaration.

In the declaration, ACP trade ministers stress that decisions should be taken through a transparent and inclusive process, based on consensus. They further agree that members should be working towards reaching a development package that accounts for the concerns and interests of ACP countries.

The document also mentions repeatedly the importance of the development objectives of the DDA, including the principle of less than full reciprocity and special and differential treatment (S&DT) – in other words, those provisions which give developing countries certain special rights and which give developed countries the possibility of treating developing countries more favourably than other WTO members.

For example, the ACP Group supports different tariff reduction targets for developed and developing countries, as well as SVEs, based on the principles of S&DT and less than full reciprocity.

"LDCs shall be exempt from making tariff reductions," says the declaration, which also calls for a review of prevailing non-tariff barriers (NTBs) in developed country markets.

Throughout the document, some concerns are raised over the potential risks of preferential erosion or the erosion of gains resulting from the graduation of some ACP states from LDC status.

In addition, the Group seeks "concrete and binding" decisions in the areas also being put forward by LDCs, especially on cotton, as well as on the 25 specific proposals on S&DT submitted by the G-90 this past summer. (See Bridges Weekly, [15 October 2015](#))

On fisheries – a vital sector for many ACP countries – the group is calling for disciplines on such subsidies, as outlined in their proposal earlier this year. (See Bridges Weekly, [26 March 2015](#)) At the same time, the group cautions that such disciplines should not consign developing countries, especially Small Island Developing States (SIDS), to only “artisanal and small scale fishing.”

With regards to intellectual property rights (IPRs), the ACP Group supports the extension of the transition period for LDC members under article 66.1 of the WTO Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS), allowing them not to enforce IPRs on pharmaceutical products.

In June 2013, a general waiver exempting LDCs from the obligation to enforce IP rights was extended to 2021. This extension covers all products, including pharmaceutical products, and has been running in parallel with the special waiver on pharmaceutical products granted to LDCs until 2016. At the 24-25 February meeting of the WTO's TRIPS Council, the LDC group submitted a request to extend the 2016 deadline, specifically by prolonging the transitional period for as long as the WTO member remains an LDC. (See Bridges Africa, 18 September)

A TRIPS Council meeting earlier this month to address that issue was suspended in the absence of a final decision on the extension. While informal talks have reportedly continued, there is no clear indication of when the meeting will resume.

Agriculture, NAMA

Regarding domestic support for agriculture, the ACP Group underlines the need to achieve “meaningful cuts” in Overall Trade Distorting Support (OTDS) and Aggregate Measurement of Support (AMS), as well as “disciplines” to prevent box shifting, referring to the way subsidies are classified in the WTO under the Agreement on Agriculture.

The Group reiterates the need to preserve their flexibilities embedded under the 2008 agriculture draft modalities, known in trade jargon as Rev. 4.

The text also provides for the progressive elimination of all forms of export subsidies and export measures, including in the area of food aid, and insists on the preservation of flexibilities for LDCs and SVEs.

The document also calls upon WTO members to work “expeditiously towards finding a permanent solution on public stockholding for food security purposes.” Last year, WTO members agreed to ensure that the “peace clause” reached in Bali would not expire in 2017 if a so-called permanent solution was not found at that stage. That same 2017 target date was also moved forward to December 2015.

Under the peace clause, countries have agreed to refrain from challenging such programmes under WTO farm subsidy rules, subject to those programmes meeting certain conditions. (See Bridges Weekly, [27 November 2014](#))

The Group also seeks agreement based on the G-33 proposal to operationalise the special safeguard mechanism (SSM), which would allow developing countries to temporarily protect their domestic producers from agricultural import surges and price depressions. The G-33 coalition is made up of various developing countries with a sizeable share of smallholder farmers. (For more on the SSM, see related story, this edition)

Regarding non-agricultural market access (NAMA), ACP ministers also reaffirmed the need to preserve the core flexibilities as contained in the 2008 draft modalities, which for NAMA are known as Rev.3. Ministers also specified that the Swiss formula, a type of tariff reduction formula currently proposed under the Rev. 3 text, is not “doable.”

Small and vulnerable economies

The ACP Group includes several small and vulnerable economies. In this context, ministers have urged WTO members to address meaningfully and substantially the structural disadvantages and vulnerabilities that SVEs face.

While no official sub-category exist for SVEs at the global trade body, it is generally acknowledged that these countries are particularly vulnerable to economic uncertainties and environmental shocks.

The SVE Group submitted its own contribution for inclusion into a potential post-Bali work programme earlier this year. (See Bridges Africa, [26 June 2015](#))

WTO accessions

The recent accession of the Seychelles and the completion of the accession negotiations by Liberia were both praised by the ACP Group in its declaration, which also calls for the implementation of the 2012 WTO General Council decision that revised the accession guidelines for least developed countries.

The revised LDC guidelines include, for instance, market access benchmarks on goods, provisions on transparency, special and differential treatment, and technical assistance.

Out of the 48 countries originally categorised as LDCs on the UN list, 34 are now WTO members. Twenty countries are still negotiating their accession terms, including seven other LDCs – Afghanistan, Bhutan, Comoros, Equatorial Guinea, São Tome and Principe, Ethiopia, and Sudan.

Countries currently negotiating to join the WTO also include Algeria, Belarus, Iran, Iraq, Libya, Serbia, and Uzbekistan. Since 1995, eight LDCs – namely, Cambodia (2004), Nepal (2004), Cape Verde (2008), Samoa (2012), Vanuatu (2012), and Laos (2013) – have acceded to the WTO. Yemen and Liberia are the last least developed countries to have joined the WTO over the past two years. (See Bridges Africa, [12 October 2015](#))

Joining the 161-member organisation is often perceived as a long process, with the poorest countries known for facing particular difficulties. Some recently-acceded LDCs are of the view that such countries are asked to take on commitments beyond their capacity during the bidding process.

Aid for Trade

The declaration also urges donors to come forward with substantial pledges at the occasion of the LDC Enhanced Integrated Framework (EIF) Pledging Conference, which will be held during the Ministerial Conference in Nairobi.

The EIF is a multi-donor programme which supports LDCs to be more active players in the global trading system by helping them tackle supply-side constraints to trade. The new phase of the Enhanced Integrated Framework (EIF) was launched over the summer and is expected to run from 2016 to 2022. Phase one of the EIF had 51 beneficiaries in five years, and a total of US\$202 million was received from 23 donors.

The ACP Group encourages WTO members to provide additional Aid for Trade (AfT) funding in the area of infrastructure development, productive capacity, trade finance, connectivity, and costs of adjustments. Given concerns about the potential for erosion of gains following the recent graduation of certain ACP countries, the group calls abandoning per capita income statistics as the only measure to determine AfT eligibility.

ICTSD reporting.

TRADE FACILITATION

Implementation of Trade Facilitation Deal Could Yield Major Benefits, WTO Report Says

Bringing the WTO's Trade Facilitation Agreement (TFA) into force could boost global merchandise exports by US\$1 trillion per year, according to a new report issued by the global trade body earlier this week.

The findings, discussed in the latest edition of the flagship [World Trade Report](#), come as WTO members continue to work toward bringing the trade deal into force, nearly two years after negotiations for the pact were concluded during the organisation's Ninth Ministerial Conference in Bali, Indonesia. (See Bridges Daily Update #5, [7 December 2013](#))

To date, 51 WTO members have ratified the TFA, with [Pakistan](#) the latest to submit its instrument of ratification. Entry into force will require two-thirds of the WTO's 161 members. Though the organisation is set to hold its biennial ministerial conference in less than two months' time, sources and trade watchers alike suggest that TFA entry into force is unlikely to occur before then, despite the recent spike in ratifications.

Concurrently, WTO members continue to submit "Category A" notifications for the trade pact – in other words, those commitments under the TFA that will be implemented immediately upon the agreement's entry into force. To date, over 70 members have submitted such notifications.

Trade costs

In its analysis, the report places a high focus on the impact trade costs can have on trade flows, particularly for developing and least developed countries.

"Trade costs in developing countries are equivalent to applying a 219 percent ad valorem tariff on international trade. Even in high-income countries, the same product would face an ad valorem equivalent of 134 percent in trade cost," the report stated.

Meanwhile, the WTO report notes, full implementation of the TFA could slash members' trade costs by an average of 14.3 percent, with African countries and least developed countries (LDCs) predicted to experience even higher cost reductions at over 16 percent.

"All too often, outdated and uncoordinated customs processes slow down the movement of merchandise and raise trade costs to prohibitive levels — especially in developing and least developed countries.," [said](#) WTO Director-General Roberto Azevêdo at the report's launch.

"You could say that [TFA] is global trade's equivalent of the shift from dial-up internet access to broadband," the global trade chief continued.

Trade growth context

The potential gains from TFA could be a boon to the global economy, the report notes, particularly given the WTO's downward revision this month of global trade growth estimates. (See Bridges Weekly, [15 October 2015](#))

According to WTO economists, trade growth this year is now expected to reach only 2.8 percent this year, compared to earlier estimates of 3.3 percent. Next year's growth is now set to hit 3.9 percent this year, rather than the 4.0 percent predicted previously.

"Over the 2015-30 horizon, implementation of the TFA can add up to 2.7 percent a year to world export growth and more than half a percent a year to world GDP growth," the annual report estimated. Specifically, the WTO report predicts that the TFA will lead to export gains ranging between US\$750 billion and US\$1 trillion annually.

Breaking it down into developed and developing country-specific figures, the report says that TFA implementation could boost developing country exports between US\$170 billion and US\$730 billion per year. Developed economies, for their part, could see export gains at the level of US\$310 billion to US\$580 billion annually.

The WTO further predicts that effective implementation of the trade facilitation pact can contribute to the developing economies' annual growth by 0.9 percent annually over the period of 2015-30, while export growth rates could be as high as 3.5 percent.

Approximately 65 percent of developing economies and 77 percent of landlocked developing countries placed trade facilitation in their top three aid priorities, according to an Aid for Trade survey conducted by the WTO.

The report marks the first such study of the TFA text in its final form. However, the economic implications of the TFA will continue to draw attention in the coming years, with the report noting the importance of monitoring to ensure that problems arising under implementation are swiftly addressed. Under the terms of the TFA agreed in Bali two years ago, the WTO is set to establish a Committee on Trade Facilitation to review the trade pact's implementation and operation four years from when the deal takes effect, and periodically afterward.

ICTSD reporting.

EVENTS & RESOURCES

Events

Coming Soon

29-30 October, Annemasse, Switzerland. INTERNATIONAL FORUM ON PUBLIC-PRIVATE PARTNERSHIPS FOR SUSTAINABLE DEVELOPMENT. Organised jointly by the Permanent Mission of France to the United Nations Office in Geneva, Annemasse Agglo, and the UN Institute for Training and Research (UNITAR), with the support of the Région Rhône Alpes and the Conseil Départemental de Haute Savoie, this event will focus on the potential that public-private partnerships have in advancing sustainable development objects at the local government level. The meeting will also include the launch of an International Platform on Public-Private Partnerships for Sustainable Development in order to provide actors in this field with an information and meeting space. To learn more, visit the event [website](#).

2 November, Tokyo, Japan. AGRICULTURAL TRADE POLICY AND SUSTAINABLE DEVELOPMENT: EXPERIENCE FROM JAPAN AND OTHER COUNTRIES. Organised jointly by the International Centre for Trade and Sustainable Development (ICTSD) and the Japan Center for Economic Research (JCER), this event will involve a discussion on Japanese agricultural trade policy, specifically in relation to the achievement of global public policy objectives such as food security, rural development, and environmental sustainability. The meeting will also address how Japanese agricultural trade policy relates to regulatory frameworks at the international and regional level, such as the recently-concluded Trans-Pacific Partnership (TPP) negotiations and the WTO system. More details about the meeting can be found at the ICTSD [website](#).

2-23 November, online. INTRODUCTION TO INTERNATIONAL ENVIRONMENTAL LAW. This course, run by the UN Institute for Training and Research (UNITAR), aims to provide participants with the sources and fundamental principles behind international environmental law, as well as the process of developing and enacting such laws. Implementation and compliance procedures for multilateral environmental agreements (MEAs) will also be covered during the term. The course is designed for a range of actors in this field, including private sector and civil society representatives, government officials, and academics. More information, including on course fees and how to register, is available [here](#).

3 November, Geneva, Switzerland. TECHNICAL WORKSHOP ON ELEMENTS OF FISHERIES SUBSIDIES PROPOSALS. This workshop, hosted by the International Centre for Trade and Sustainable Development (ICTSD) and the Food and Agriculture Organization of the United Nations (FAO), aims to maintain the ongoing discussions on the issue of fisheries subsidies and their disciplines as well as to provide WTO delegates with impartial expert views on definitions and parameters, current practices, and existing international codes or agreements relevant to specific elements put forward in recent proposals. To learn more about the event, visit the ICTSD [website](#).

3 November, Geneva, Switzerland. UNECE INTERNATIONAL CONFERENCE ON TRACEABILITY OF AGRICULTURAL PRODUCE. This event, organised by the UN Economic Commission for Europe (UNECE), will focus on both the opportunities and challenges available in attempting to improve traceability within the agricultural sector, as well as how to address the costs associated with this endeavour. The event is designed to provide input to the UNECE Working Party on Agricultural Quality Standards, being held from 2-4 November. To learn more about the event, click [here](#).

WTO Events

An updated list of forthcoming WTO meetings is posted [here](#). Please bear in mind that dates and times of WTO meetings are often changed, and that the WTO does not always announce the important informal meetings of the different bodies. Unless otherwise indicated, all WTO meetings are held at the WTO, Centre William Rappard, rue de Lausanne 154, 1211 Geneva, Switzerland, and are open to WTO members and accredited observers only.

4 – 5 November: Committee on Technical Barriers to Trade

4 + 6 November: Trade Policy Review Body – Southern African Customs Union (SACU)

Other Upcoming Events

9 November, Geneva, Switzerland. AGRICULTURAL TRADE OUTCOMES AT THE NAIROBI MINISTERIAL AND BEYOND. This event, hosted jointly by the International Centre for Trade and Sustainable Development (ICTSD), the UN Food and Agriculture Organization (FAO), and the International Food Policy Research Institute (IFPRI), will discuss how the various evolving trends affecting food security and rural development could have in determining possible outcomes for the upcoming WTO ministerial conference in Nairobi, Kenya, and thereafter. Participants will discuss, among other topics, the influence that domestic political constraints are having on international negotiations, in turn affecting both potential Nairobi outcomes and beyond. More details can be found at the ICTSD [website](#).

15-16 November, Antalya, Turkey. G20 LEADERS' SUMMIT. The annual summit of leader from the G20 coalition of major advanced and emerging economies will be hosted this year by Turkey. This year's event, officials say, will be focused on reaching practical outcomes across areas ranging from development, climate change, climate finance, trade, growth, and, jobs. More information about the leaders' meeting and other related events can be found at the official G20 [website](#).

14-15 December, Paris, France. OECD GREEN GROWTH AND SUSTAINABLE DEVELOPMENT FORUM. The Organisation for Economic Co-operation and Development (OECD) is hosting this year's forum, with the theme of "Enabling the Next Industrial Revolution: The role of systems thinking and innovation policy in promoting green growth." Topics for discussion include, among others, how to facilitate and encourage the "next industrial innovation," building upon the work conducted by the organisation's various committees. More information is available on the OECD [website](#).

14-17 December, Nairobi, Kenya. TRADE AND DEVELOPMENT SYMPOSIUM. This biennial event, organised jointly by the International Centre for Trade and Sustainable Development (ICTSD) and the government of Kenya, will be held in parallel with the WTO's Tenth Ministerial Conference. The four-day event will include various high-level plenaries, press events, and private roundtables, among other features. Further details can be found on the official event [website](#).

15-18 December, Nairobi, Kenya. WORLD TRADE ORGANIZATION – TENTH MINISTERIAL CONFERENCE. The World Trade Organization will be holding its Tenth Ministerial Conference (MC10) at year's end, with Kenya serving as this year's host. These ministerial gatherings are the highest-level meeting of the global trade body, with members able to take decisions on any matters relating to any of the multilateral trade agreements. These meetings are usually held biennially. More information will be made available through both the WTO [website](#), as well as the Kenyan government's dedicated MC10 [website](#).

Resources

INTERNATIONAL TRADE BY COMMODITY STATISTICS, VOLUME 2015 ISSUE 4. Published by the Organisation for Economic Co-operation and Development (October 2015). This report provides yearly international trade data for 2010-2014 for Austria, Finland, Greece, Hungary, Italy, Mexico, and the Netherlands. The information is provided both in terms of value by commodity as well as by partner country. The report can be downloaded [here](#).

ASEAN ECONOMIC INTEGRATION THROUGH TRADE AND FOREIGN DIRECT INVESTMENT: LONG-TERM CHALLENGES. Published by the Asian Development Bank Institute (ADBI) (October 2015). This new paper review the long-term challenges that the Association of Southeast Asian Nations (ASEAN) face both in the areas of trade and foreign direct investment (FDI). Along with reviewing recent developments in the region and econometric evidence, the paper also outlines recommendations for the 10-country group both in terms of external and internal integration. The working paper is available [here](#).

THE RIGHT TO REGULATE IN THE TRADE AGREEMENT BETWEEN THE EU AND CANADA – AND ITS IMPLICATIONS FOR THE AGREEMENT WITH THE USA. Published by the Swedish National Board of Trade (2015). This report focuses on the Comprehensive Economic and Trade Agreement (CETA) negotiated between Canada and the EU, reviewing those provisions of the agreement that it says are central to an international investment agreement. The report is available [here](#).

CHINESE INVESTMENT AND CFIUS: TIME FOR AN UPDATED (AND REVISED) PERSPECTIVE. By Theodore H. Moran for the Peterson Institute for International Economic (PIIE) (September 2015). This policy brief discusses the concerns that Beijing has over the treatment of Chinese investors when they try to acquire US companies, with the author suggesting ways to answer such concerns without minimising the processes of the Committee on Foreign Investment in the United States (CFIUS). The policy brief is available [here](#).

RATIONALIZING ENERGY SUBSIDIES IN AGRICULTURE: A SCOPING STUDY OF AGRICULTURAL SUBSIDIES IN HARYANA, INDIA. By Shruti Sharma, Sagun Tripathi, and Tom Moerenhout for the International Institute for Sustainable Development's Global Subsidies Initiative (IISD-GSI) and ICF International (October 2015). This study reviews how the subsidisation of electricity in Haryana, India, has given an economic incentive for the extraction of groundwater. The authors also include recommendations for reforming subsidies relating to electricity, irrigation, and fertiliser. The study is available for download [here](#).

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