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GLOBAL ECONOMY

RCEP Countries Conclude Auckland Round, Eye Next Steps

Negotiators meeting in Auckland, New Zealand, last week continued their efforts to finalise talks this year for a Regional Comprehensive Economic Partnership (RCEP), a 16-country trade and investment deal in the Asia-Pacific region.

However, the pace of the talks to date have led some observers to speculate that this process could drag on past the end-2016 target.

The RCEP includes all 10 members of the Association of Southeast Asian Nations (ASEAN), along with six countries with whom ASEAN has an FTA – Australia, China, India, Japan, South Korea, and New Zealand. Proponents of the deal say that the final accord would make significant improvements on these existing "ASEAN+1" trade pacts.

The RCEP countries account for almost a third of world GDP, at US\$23 trillion, and 20 percent of global services trade, while covering more than three billion people, according to New Zealand [government statistics](#). (See Bridges Weekly, [3 March 2016](#))

Since negotiations were formally launched in November 2012, there have been 13 negotiating rounds as well as three meetings at the ministerial level and several intersessional meetings. Topics for discussion include goods, services, investment, competition, intellectual property, economic and technical cooperation, e-commerce, rules of origin, sanitary and phytosanitary (SPS) measures, and legal and institutional issues. (See Bridges Weekly, [21 November 2012](#))

The June round in New Zealand brought together over 500 delegates, and included a public session for civil society on the margins with New Zealand Minister of Trade Todd McClay and chief negotiator Mark Trainor, along with consultations with business representatives on topics such as the technical issues around non-tariff measures (NTM). Similar stakeholder events also took place alongside an [April gathering](#) in Perth, Australia.

Market access, draft texts

At the [public session](#), New Zealand officials confirmed that all RCEP countries have now submitted initial offers both for goods and services trade, as well as initial lists of reservations for investment.

There have also been requests submitted relating to goods and services by most RCEP countries, along with some requests for initial reservations on investment, officials added.

On services, Trainor said last week that there is scope to improve market access conditions for services providers, given that existing commitments in ASEAN are relatively limited. Discussions over Mode 4 – those services commitments that involve the movement of natural persons – also continue, with some countries showing a strong interest and others presenting constraints given their immigration policies.

Meanwhile, talks on investment liberalisation are following a negative list approach, in which all industry sectors are open to investment unless specifically deemed as closed.

Whether government procurement will be included in a final RCEP deal is currently under discussion in a sub-working group, with a final decision not yet confirmed. While it was not listed in the original "[guiding principles](#)," that document does have a section on "other issues," where topics that some RCEP members have covered in other FTAs can be raised for possible discussion, and potentially agreement.

Regarding RCEP draft texts, officials reported progress in the latest round, though more remains to be done. Negotiators are also working to establish terms for a dispute settlement mechanism under the working group in charge of legal and institutional aspects.

Small and medium enterprises

Officials in Auckland said that RCEP will aim to address small and medium-sized enterprises (SMEs), with a view to facilitating these companies' exports given their role in production and employment for many economies.

In this area, negotiations are considering transparency as well as facilitating customs procedures and enhancing trade facilitation, especially addressing NTMs and technical barriers to trade (TBT). There has also been a proposal for a dedicated chapter on trade facilitation.

According to Trainor, some provisions that are not addressed in the WTO's Trade Facilitation Agreement (TFA) are still under negotiation in RCEP, including some aimed at making SMEs' exports cross borders expeditiously. The TFA is currently in the ratification process and is not yet in force.

RCEP negotiations are also taking place on rules of origin and competition as other ways to facilitate SMEs' participation in trade, along with e-commerce.

Coming up

Going forward, there are RCEP rounds scheduled for August, October, and December 2016, while a trade ministers' meeting is slated for early August in Laos. Further negotiating rounds might be added, given the goal of clinching a deal by year's end, though McClay told the public session that this would likely be the earliest for reaching a possible deal.

One complicating factor is that not all participating countries have an FTA with their RCEP partners. For example, there is no FTA between China and India, although both countries have been considering a potential agreement since 2003. There is also no FTA between

China and Japan, although the China-Japan-Korea FTA is under negotiation. (See Bridges Weekly, [5 November 2015](#))

As a result, RCEP negotiations need not only to construct a large regional agreement but also build FTA relationships that currently do not exist. Participating countries also have different levels of economic development, which some say could further complicate the process.

Even so, Trainor said that there is "clear recognition on the part of the participating countries that this is a huge opportunity," particularly given the large population that would be covered under a completed RCEP.

RCEP, TPP timing

Meanwhile, a separate effort to advance the ratification of the Trans-Pacific Partnership (TPP) Agreement continues, prompting questions as to how this timing will interact with the ongoing RCEP process. The 12-country TPP does include some RCEP members, but notably does not include China, India, and South Korea, among others.

The TPP does, however, include the United States, with the outgoing administration of US President Barack Obama making a concerted push for lawmakers to ratify the accord before he leaves office in early 2017. (See Bridges Weekly, [25 May 2016](#))

US Trade Representative Michael Froman, [speaking at the Rand Corporation](#) on 21 June, reiterated past calls for US lawmakers to ratify the TPP soon, despite the "tough political environment" given the ongoing election process. Both of the leading presidential candidates – Donald Trump of the Republican Party and Hillary Rodham Clinton of the Democratic Party – have publicly opposed the TPP in its current form.

Repeating earlier arguments on the need for the US to lead on trade, he warned about the geopolitical and economic implications should the 12-country pact be delayed – especially if RCEP does get finished in the interim.

"If RCEP moves forward and TPP doesn't, that cannot be in the interest of American workers, farmers, ranchers, and businesses," he said, stressing that Washington must be a rule-maker in the region, ahead of Beijing.

ICTSD reporting; "McClay says trade deal must deliver tangible benefits for New Zealand," STUFF.CO.NZ, 14 June 2016.

EUROPEAN UNION

EU Clinches Political Deal to Curb Conflict Minerals Trade

EU officials last week struck a political compromise on a new framework geared towards preventing human rights abuses and the financing of armed groups through trade in tin, tantalum, tungsten, and gold, also known as "conflict minerals."

The deal envisages obligations for direct importers of these metals and minerals to source responsibly and undertake due diligence. Voluntary reporting and transparency tools for companies further down the supply chain that use such inputs will also be developed.

The outcome from talks between the European Commission, Council, and Parliament comes following more than two years of wrangling between the bloc's institutions. Preparation of a final rule will now begin, followed by further technical meetings, before being submitted to the Parliament and Council in the coming months.

"This political understanding on conflict minerals will help trade to work for peace and prosperity, in communities and areas around the globe affected by armed conflict," said EU Trade Commissioner Cecilia Malmström in a [press release](#).

The EU represents one of the world's largest markets for the sensitive minerals set to be covered by the framework, importing around 25 percent of global trade in tin, tantalum, and tungsten, and about 15 percent of gold.

These four minerals and metals are commonly used as components in a number of everyday products, ranging from mobile phones, laptops, and jewellery, to cars and lightbulbs.

Heated debate

Ahead of the compromise, debate flared among lawmakers and stakeholders alike on the appropriate assignment of sourcing responsibility along supply chains, as well as around the binding nature of obligations.

The European Commission first proposed a voluntary self-certification scheme focused on mineral importers in March 2014, following a call by the European Parliament in 2010 for greater scrutiny of mineral sourcing, along with the adoption in the US of a conflict mineral rule in association with Section 1502 of the Dodd-Frank Act. (See BioRes, [14 March 2015](#))

EU parliamentarians subsequently proposed revisions that would make the scheme mandatory and later voted to extend due diligence obligations all the way along the supply chain. (See BioRes, [3 June 2015](#))

Within the Council, member states remained divided on both these aspects, and informal consultations between EU institutions began towards the end of 2015 in a bid to come up with a compromise.

The intervening period has been marked by efforts from stakeholders representing both perspectives to influence the outcome.

On the one hand, many downstream companies using the relevant minerals and metals said that heavy reporting obligations could prove difficult to meet in the context of long and

complex supply chains and also for smaller manufacturers, while advocacy groups argued that placing the burden on raw materials importers would be insufficient in addressing the challenge at hand.

Just ahead of the political compromise, some 130 civil society organisations in mid-June delivered an [open letter](#) to the outgoing Dutch Presidency of the Council of the EU, calling for a final ruling that would require all companies to perform basic checks and due diligence on their supply chains.

In a [press release](#) following the deal, campaign organisation Global Witness said that while it represented a step in the right direction, "the law ultimately risks falling well short of its intended objectives."

The European Automobile Manufacturers' Association (ACEA), meanwhile, said it supported the overall outcome and efforts to increase transparency in minerals trade.

"The upstream part of the supply chain is the best leverage to achieve transparency in mineral sourcing and to effectively combat the financing of armed conflicts," ACEA told Reuters.

Final text

While the text of the final ruling has yet to be determined, the political understanding provides key signals on its content. The EU will take a different approach from the US by covering minerals sourced from conflict-affected and high-risk areas worldwide, rather than focusing on the Democratic Republic of the Congo or adjoining countries.

Rules on due diligence and information provision for the approximately 20 EU smelters and refiners affected by the rule will be based on [guidelines](#) developed by the Organisation for Economic Co-operation and Development (OECD). These are known formally as "Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas."

An additional 400 market participants that directly import the concerned minerals and metals will also have some form of reporting obligation and be required to use the OECD Due Diligence Guidance, with small volume actors exempted, although this will represent not more than five percent of total imports.

Experts suggest that further details for these actors around information disclosure, third-party audits, and the possibility of a "responsible importer" certification will be clarified in the final ruling. Current and future industry due diligence schemes should also be recognised under certain conditions.

Recycled metals will not fall under the new framework and existing stocks of minerals will be grandfathered in. EU manufacturers and sellers of the minerals and metals will be encouraged to report on sourcing practices based on guidelines to be developed by the Commission.

Individual member states will be responsible for ensuring compliance with the rule and handing out penalties for non-compliance, which will in turn be monitored by the Commission. A transition period will likely be included before compliance is obliged.

ICTSD reporting; "European Union reaches outline deal to stem flow of conflict minerals," REUTERS, 15 June 2016; "EU reaches political understanding on conflict minerals regulation – An overview and take-aways for downstream companies," LEXOLOGY, 20 June 2016.

AGRICULTURE

Farm Subsidy Reform: Major Economies in WTO Spotlight

As developing country groups tabled two separate papers for WTO talks on farm subsidy reform, trade sources told Bridges that the reactions of major economies are likely to determine how negotiations now evolve.

One of the informal submissions was put forward on 17 June by a group of Latin American farm exporting nations, and sets out four options which the sponsors say could help guide the discussion in the negotiations.

The other, which was circulated by the group of least developed countries (LDCs) and is dated 21 June, asks questions about the volume and type of farm support that countries have provided, and how this might evolve in the future.

However, officials in Geneva told Bridges that it remained to be seen how trade heavyweights would respond.

"What's important is what's accepted by China, India, and the US," suggested one trade official from the G-33 group of developing countries with large populations of smallholder farmers. "All the rest will go along with this."

Countdown to 2017 ministerial

The paper by Latin American farm exporters, which was co-sponsored by Brazil, Argentina, Colombia, and Paraguay, identifies the global trade body's eleventh ministerial conference (MC11) next year as a key stepping stone in the process of reforming farm subsidies.

"Working with the immediate horizon of MC11 in 2017, we consider trade-distorting domestic support a systemic priority and an essential component of any package of possible deliverables," the paper says.

Similarly, the LDC submission asks members what should be "the appropriate timeline to reach a concrete decision on this issue by MC11?"

The chair of the WTO agriculture negotiations, New Zealand Ambassador Vangelis Vitalis, said in March that the "overwhelming bulk" of the organisation's members see domestic support as a clear priority in the talks, with many viewing it as a potential outcome for the upcoming ministerial meeting. (See Bridges Weekly, [10 March 2016](#))

But trade sources told Bridges that the US in particular might be uncomfortable with this timeline.

"There are elections in the US: we'll see what happens," one negotiator said. The US presidential election, slated for November this year, is due to cast uncertainty over the negotiating process on trade at least for several months to come.

Capping trade-distorting support

The paper by Brazil and three other co-sponsors asks how WTO members should go about designing new disciplines on trade-distorting farm support.

One option is whether countries should negotiate a cap on overall trade-distorting support – and if so, what this would look like.

The draft Doha deal under negotiation in 2008 included a ceiling of this sort, by disciplining the sum of heavily trade-distorting “amber box” support, plus a share of support falling below a threshold of the value of production, known as “de minimis” at the WTO, plus production-limiting “blue box” payments.

A second option raised by the co-sponsors would be to explore new rules on “each or some of” the types of domestic support set out under the existing Article 6 of the Agreement on Agriculture.

Paragraph two of this article currently allows developing countries to provide input and investment subsidies without having to count these towards their overall ceiling on support at the WTO. Likewise, an annex to the agreement identifies other types of support that can be excluded from counting towards countries’ commitments – dubbed “green box” support by trade negotiators.

A third option would be to establish disciplines on trade-distorting support directed at specific products.

“Caps per product would avoid concentration of expenditures and therefore limit the potential for distortion,” the co-sponsors argue.

Mixing and matching

Finally, a fourth option could be to develop “alternative ideas” – such as looking at exports of domestically subsidised products, or market share “and the potential to affect international prices.”

One delegate from an agricultural exporting country warned that the first two options had not led to much progress to date. The US has been adamant that China should make some kind of concession on its permitted levels of trade-distorting support, while Beijing has refused to go beyond the commitments it made when joining the global trade body in 2001.

However, the source suggested that the four options should not be seen as mutually exclusive.

“You can mix and match,” the official said.

Dearth of data

In their paper, the LDCs argue that more information is needed before members can begin meaningful discussions on new farm subsidy rules.

“LDC members need clear and updated information on the amount and type of domestic support granted by members since their latest notification,” the group’s paper says.

Vitalis recently called upon WTO members to improve their efforts to provide the trade body with current data on farm subsidy levels, citing “embarrassing and troubling” reporting delays. (See Bridges Weekly, [12 May 2016](#)).

Although the US and Russia both recently notified more recent support figures, all major economies are still behind in their reporting. (See Bridges Weekly, [2 June 2016](#))

The LDC group’s submission asks which farm goods received the highest amount of domestic support over the last four years, and what form the support was provided in.

The group also calls for more information on cotton subsidies, and on how falling prices since 2011 have affected outlays.

Although a one-off support programme for cotton was announced in the US recently, farm subsidies for cotton have long been a thorn in the side of poor cotton-producing countries at the global trade body. (See Bridges Weekly, [16 June 2016](#))

One trade source told Bridges that there was a dearth of data on farm subsidy levels for the last four years, "which is when a lot of countries have introduced reforms."

Negotiators have pointed out, for example, that there is no clarity on how Washington will officially notify subsidies under the 2014 Farm Bill.

Appetite for progress?

Uncertainty over the outcome of the US elections this coming November, and slow progress towards ratification of the 12-country Trans-Pacific Partnership (TPP), meant that some delegates remained downbeat about the prospects of progress in the WTO talks in the near-term.

"It's a very foggy sky at the moment," one source told Bridges.

However, others remained hopeful that progress in the talks could still be made.

Trade sources told Bridges that the chair of the farm trade talks was expected to convene an informal meeting with all WTO members in the third week of July, although no formal announcement had yet been made.

The new submissions from the Latin American countries and the LDCs could provide new momentum to the talks, trade sources said.

"We need to know what is the appetite on domestic support," said one.

In particular, a more structured discussion by July could increase the probability that members are ready for more substantive engagement when they return in September after the WTO's traditional summer break.

"If everyone concentrates on this, we may deliver something," another official said.

ICTSD reporting.

CLIMATE CHANGE

EU Parliamentarians, Ministers Debate Possible ETS Reforms

Members of the European Parliament's environment committee met this week to consider duelling visions of how best to reform the EU's Emissions Trading System (EU ETS). As the world's first major carbon market and its largest, the EU ETS has been the [flagship project](#) of the bloc's climate response since launching in 2005.

Along with being raised under the European Parliament's Environment, Public Health and Food Safety Committee (ENVI) [on Tuesday](#), the subject was also discussed during [a meeting](#) of environment ministers under the Council of the EU held the day prior, particularly in the context of how the bloc [can meet its commitments](#) under the Paris climate accord.

The EU ETS caps the bloc's total emissions and requires covered power plants, factories, and other companies to surrender emissions permits. These permits, obtained either through free allocation or auctioning, may then be traded between participants, resulting in cost-efficient emissions reductions. In theory, increasing scarcity of permits should drive up the cost of polluting, spurring investment in low-carbon technologies.

In recent years, the EU ETS has suffered from a surplus of carbon credits, leading to lower-than-expected trading prices. After at peaking around €30 per tonne of carbon, an allowance now sells for only €5, well below the price needed to spur investment in cleaner technology. Critics contend the carbon market needs major reforms to be effective in transitioning Europe's economy from carbon reliance and be sustainable in the long term.

Key issues

In recent months, three key issues have dominated discussions in both the Parliament and the Council, which are part of the co-decision process for reforming the EU ETS for the 2021-2030 period.

The first is how to eliminate the carbon credit surplus, which has been persistently high in the wake of the 2008 financial crisis, along with an over-allocation of free allowances to industries. That surplus accumulated, and there are currently nearly two billion extra allowances deflating carbon's trading price.

Another concern is how to calibrate the EU ETS's ambition. Through the end of 2020, the number of allowances available will decrease each year by 1.74 percent from 2010 levels through a mechanism known as the Linear Reduction Factor (LRF). In absolute terms, that means about 38 million fewer allowances available each year.

Many analysts warn, however, that the current LRF will not shrink the surplus quickly enough to boost carbon prices. Legislators have already approved a Market Stability Reserve to automatically set aside credits if prices dip too low and re-inject them if prices are too high, with that reserve set to launch in 2019. The reserve gained approval by the Council in 2015. (See BioRes, [27 October 2015](#))

The year 2020 will mark the end of EU ETS' Phase III and the beginning of Phase IV. In Phase IV, the LRF is slated to climb to 2.2 percent each year, but many business and environmental leaders argue that the Market Stability Reserve and an LRF of only 2.2 percent will be insufficient to deal with the existing credit surplus and increase permit trading prices.

As reported by the media outlet Carbon Pulse, France has pushed under the Council for a new LRF of 2.4 percent, the level the European Commission says is necessary to reach the EU's 2050 emissions target of cutting emissions by 80-95 percent compared to 1990 levels. Still others argue that an LRF of at least 4.2 percent is needed in order to decarbonise the power and industry sector by 2040 the latest. (See Bridges Weekly, [17 March 2016](#))

The third and arguably most contentious issue commanding attention is how to allocate carbon credits in Phase IV. In the current period, only 57 percent of carbon credits will be auctioned. The remainder will be allocated for free to certain industries such as aviation. The share of allowances to be auctioned in phase IV will be a key element in shaping the future of the bloc's carbon market.

Representatives from the United Kingdom led several other countries in calling for a multi-tiered system for free allocation. Their plan calls for only giving free credits to businesses most vulnerable to the risk of carbon leakage, the process whereby businesses and hence emissions move from countries with strict emissions policies to countries with more lax laws.

Ministers representing several Eastern European countries, however, argue that their industries are susceptible to poaching from countries without such stringent carbon measures, and they have argued for continued free allocation.

Rapporteur's report sparks debate

European Member of Parliament (MEP) Ian Duncan, who is spearheading the reform efforts in the legislative body, published his recommendations in late May. "Right now, the ETS is like a car without an engine. We need to ensure it is fit to do the job it should and drive emissions reductions in Europe," he said.

His [report](#) calls for allowing member countries to retire extra allowances when power plants close. He also called for assigning industries one of four levels of carbon leakage risk and allocating a corresponding percent of free permits to each risk category. The report suggests reassessing the LRF after the first UN global stocktake on climate contributions in 2023, when countries will report their progress to one another, and for addressing overlapping EU energy policies when they work at cross-purposes.

"The Paris Agreement has set a test for all of us, and our legislation must be fit to adapt to the new targets that Paris will produce," said Duncan, referring to the universal climate accord adopted in the French capital city late last year.

Many environmental leaders worry, however, that even the reforms under consideration will not be enough to achieve the EU's pledged contribution to the Paris Agreement.

The European Commission predicts carbon prices will climb to €14 per tonne in the next decade. As reported by Climate Home, Thomson Reuters Point Carbon predicts Duncan's reforms would only boost the carbon price by an additional €2 to €16 per tonne. Traders argue that carbon needs to hit €40 per tonne to achieve the goals outlined in the Paris Agreement.

Some critics argue that the reforms under ENVI's consideration are weaker than those proposed by the European Parliament's Industry, Research and Energy Committee (ITRE). In an op-ed published by the media outlet EurActiv, Duncan contends that his proposals are borne from hard-earned compromises and reflect political realities.

A vote in the [ENVI committee](#) is expected on 8 December, with plenary likely to consider it in February.

At the Council level, although ministers on Monday did not resolve all the issues facing EU ETS, they agreed that reforms are key, while the bloc's competitiveness in economic terms must also be assured, as reported in Business Green.

ICTSD reporting; "EU carbon price forecast inches up on reform plans," CLIMATE HOME, 31 May 2016; "France pushes for 2.4% annual ETS cap cut EU as ministers shift towards flexible target-setting," CARBON PULSE, 20 June 2016; "Why the shrill posturing on my ETS reforms?" EURACTIV, 9 June 2016; "EU environment ministers urge Paris ratification and carbon trading reform," BUSINESSGREEN, 21 June 2016.

BILATERAL TIES

US, Canada Report "Significant Differences" in Softwood Lumber Talks

Negotiations between the US and Canada for a new framework on softwood lumber trade continue to struggle with "significant differences," according to the top trade officials from the North American neighbours.

[Reporting back](#) following a 100-day window of "intensive" discussions mandated by their respective leaders, US Trade Representative Michael Froman and Canadian Minister of International Trade Chrystia Freeland said that despite these divides, the two trading partners are now clearer about what their shared goals should be in this process, along with some ideas for the way forward.

The 17 June statement comes just weeks before US President Barack Obama and Canadian Prime Minister Justin Trudeau are set to meet in the framework of the [North American Leaders' Summit](#), along with Mexican President Enrique Peña Nieto.

The 29 June meeting is being hosted by Canada, and is expected to address issues ranging from clean energy cooperation to advancing their respective economies. (See Bridges Weekly, [17 March 2016](#))

The leaders' gathering is also slated to feature additional talks on the softwood lumber situation, officials say. However, whether that meeting will yield advances on the issue remains unclear, particularly given the reportedly deep-seated disagreements between the trading partners.

Standstill through October

The 100-day window for talks was agreed in early March, following a bilateral meeting between Trudeau and Obama in Washington. At the time, both leaders expressed optimism that their negotiators would be able to reach a new framework, while [acknowledging](#) the difficulties ahead in reaching a mutually satisfactory solution. (See Bridges Weekly, [17 March 2016](#))

The previous [Softwood Lumber Agreement](#) (SLA) had been in place from 2006, putting to an end years of trade disputes between the two major economies, both in the WTO context and under the North American Free Trade Agreement (NAFTA).

Softwood lumber comes from spruce, fir, and pine trees and is [used](#) for housing construction. Prior to the SLA, Canada exported approximately US\$7 billion annually in softwood lumber. Last year, those exports hit US\$4.6 billion, according to Canadian government data.

Meanwhile, Canada continues to make up the bulk of softwood lumber imports to the US, at nearly 97 percent last year, according to a US [government report](#). Chile ranks second, at just over one percent of imports.

Under the accord, the US had returned several billions of dollars' worth of anti-dumping and countervailing duties that it had collected on imported Canadian lumber. Washington had long criticised the low level of Canadian "stumpage fees" as being tantamount to unfair

state aid. Those fees involve taxes that producers must pay on trees harvested from public lands, with the revenue being directed to government-provided services.

Meanwhile, under the SLA, lumber manufactured in British Columbia, Alberta, Saskatchewan, Ontario, or Quebec would face export charges should lumber prices fall below a set threshold, with the revenue from this tax returned to provincial governments.

The export charges could also be combined with a quota, should the region choose that option. Doing so would allow for a lower export charge than would otherwise be available. Meanwhile, the accord also committed Washington not to pursue any anti-dumping or countervailing duty probes against these Canadian products, among various other provisions.

The deal expired in October 2015, after having previously been extended past its earlier 2013 expiry date. However, it included a one-year period during which Washington is prevented from launching any trade remedy action on Canadian producers, effectively buying time for a possible new accord to be struck. (See Bridges Weekly, [15 October 2015](#))

The Canadian lumber industry has been split over whether a new deal is needed, and if so how it could be structured. In the wake of last year's expiry, Western producers have called for a deal that will ensure continued stability, despite complaints from the Eastern counterparts that managed trade under the previous arrangement prompted losses on their side.

The stakes are particularly high for producers in British Columbia, which account for [over half](#) of Canada's overall exports of softwood lumber to the US and counts the North American country as its largest export market for the good.

In their joint statement on Tuesday, Froman and Freeland did not announce any concrete timeframe for finalising the deal, or any milestones they would need to reach between now and then.

"The United States and Canada are committed to continuing negotiations in an effort to achieve a durable and equitable solution for North American softwood lumber producers, downstream industries and consumers," said the two trade officials.

ICTSD reporting; "Christy Clark applauds Canada-U.S. move to sign softwood lumber deal," THE GLOBE AND MAIL, 10 March 2016; "Fading softwood lumber deal threatens Canadian jobs," THE CANADIAN PRESS, 19 June 2016; "U.S., Canada softwood lumber talks stalled, litigation looms: sources," REUTERS, 10 June 2016.

GLOBAL ECONOMY

Protectionism on the Rise in G-20 Economies, WTO Warns

Trade restrictive measures in the G-20 coalition of major advanced and emerging economies have hit their highest monthly average since the WTO first started tracking them seven years ago, economists from the global trade body said this week.

The WTO's semi-annual report, issued on Tuesday 21 June, comes amid growing concern over weak trade growth and persistently low economic growth figures, which have taken centre stage in major international meetings held from Paris to Washington over recent months. (See Bridges Weekly, [9 June 2016](#) and [21 April 2016](#))

"A rise in trade restrictions is the last thing the global economy needs today, with GDP growth sluggish and 2016 expected to be the fifth year in a row that trade has expanded by less than three percent," said WTO Director-General Roberto Azevêdo.

As in previous reports, trade remedy investigations continued to make up the bulk of the restrictions tallied by the Geneva-based organisation, including probes relating to steel. That sector has been the subject of growing attention in recent months, amid falling prices and massive global overcapacity. (See Bridges Weekly, [9 June 2016](#))

According to the 21 June document, between mid-October of last year and mid-May 2016, the group's members have put in place 145 new trade restrictions. Another related problem is the growing accumulation of such measures over the past several years.

"It is positive that some G-20 countries are eliminating trade restrictions, but the rate by which this is done remains too slow to change the trend which saw the overall stockpile grow by 10 percent," the report warns.

The WTO report was issued jointly with a review by the UN Conference on Trade and Development (UNCTAD) and the Organisation for Economic Co-operation and Development (OECD) on investment restrictions, as on previous occasions.

The latter exercise found that most G-20 investment measures taken in that same timeframe have helped improve the openness of those economies to foreign direct investment.

"This does not mean, however, that investment abroad has generally become easier or more attractive," the report said, noting that there are a host of factors to consider, including that some measures that are difficult to trace as a result of limited public documentation.

Key meetings ahead

The report comes just one month ahead of a meeting of G-20 trade ministers, scheduled from 9-10 July in the Chinese city of Shanghai.

The G-20 leaders' summit is then scheduled for September in Hangzhou, China. Members of the coalition regularly reaffirm at such meetings their past pledges to hold a "standstill" on any new trade and investment restrictive measures, along with promising to roll back those that have emerged since the global economic and financial crisis began. (See Bridges Weekly, [19 November 2015](#))

The focus of this year's summit will be on "breaking a new path for growth," [according](#) to Chinese officials, specifically on the "mid-long term impetus of global growth."

In their 21 June report, WTO economists stressed the importance of this forum continuing to take a strong stance on the issue of protectionism, calling for the G-20 economies to provide "leadership" in both reducing the stockpile of measures and avoid taking new ones.

"The recent increase in the number of trade restrictions introduced by the G-20 economies requires closer scrutiny in upcoming monitoring reports," said the report.

Speaking to journalists last month, Chinese Foreign Minister Wang Yi said that one of the "major results" that the Chinese G-20 presidency is aiming for is to prepare strategies aimed at boosting global trade growth.

"This year China has promoted trade and investment to be put onto the G-20 agenda and has built the G-20 Trade Ministers Meeting, Trade and Investment Working Group, and other institutionalised platforms for this purpose," said a [statement](#) issued following Wang's remarks.

"The strategy for global trade growth aims at taking facilitation measures to reduce trade cost and increase trade financing as well as other actions through the coordination of trade and investment policies so as to reverse the downward trend of trade growth," the statement added.

Another goal is to set out a series of "guiding principles for global investment policies," particularly in light of the growing number of bilateral accords in this area, setting the stage for a longer-term process for a "multilateral global investment rules framework."

Other issues slated to be on the docket in September include creating action plans for implementing the 2030 Agenda for Sustainable Development; setting priorities and principles for structural reforms; taking steps to reform the international financial architecture; continuing anti-corruption work; working to foster entrepreneurship; and supporting the prompt enactment of the Paris climate accord.

ICTSD reporting.

DISPUTES

Disputes Roundup: Compliance in Focus for Tuna, Chicken Cases

A WTO panel is set to review whether China has changed its policies enough to comply with global trade rules in a dispute with the US on "broiler chicken" products, with the issue of compliance also resurfacing in a separate dispute between the US and Mexico on "dolphin-safe" tuna labelling.

The organisation's Dispute Settlement Body (DSB) also heard on Wednesday a first request by Canada for a panel to review whether certain US duties on glossy paper are in line with global trade rules, which was blocked by Washington.

Compliance panel established in chicken duties dispute

The case between the US and China over duties imposed by the latter on imported chicken products ([DS427](#)) has now advanced to the compliance stage, with a panel being established during Wednesday's DSB meeting in response to a US request. (See Bridges Weekly, [12 May 2016](#))

The panel is set to review Washington's claims that Beijing has not complied with a 2013 ruling. The original case saw the US – which is the world's top producer of poultry – challenge certain anti-dumping and countervailing duties that China had applied in 2010 on broiler chicken imports, which include any chicken that is not live, cooked, or canned.

The anti-dumping duties ranged between 50.3 to 105.4 percent, while the countervailing ones were between four and 30.3 percent.

Anti-dumping duties may be imposed if it is established that goods are sold in the importing market at prices below their normal value, harming that country's domestic industry – a practice known as "dumping." Countervailing duties aim at tackling unfair government support to companies.

Washington's original complaint concerned both procedural aspects of the Chinese Ministry of Commerce's (MOFCOM) investigation which led to the imposition of those duties, as well as certain substantive determinations. The US challenged the duties on the basis of the WTO's Anti-Dumping Agreement, the Subsidies and Countervailing Measures (SCM) Agreement and the General Agreement on Tariffs and Trade (GATT) 1994.

In August 2013, a panel upheld most of the US' claims, with the report adopted by the DSB in September of that year. (See Bridges Weekly, [5 September 2013](#)) The two parties later agreed that China would have until 9 July 2014 to bring its measures into compliance.

China held a reinvestigation in 2014 and [lowered](#) the anti-dumping duties on certain US firms to [46.6 to 73.8 percent](#) and the countervailing duties to [four to 4.2 percent](#). However, US officials argue that the continued duties remain in violation of global trade rules, making it harder for its own poultry farmers to compete.

In its request, the US argues that the Chinese analyses of the alleged price effects of the imports and their impact on the domestic industry were not based on positive evidence, while the determination of the injury caused therein was based on MOFCOM's "flawed price and impact analysis," among other concerns.

Moreover, the US takes issue with certain procedural aspects of the investigation procedure, claiming that MOFCOM did not observe the provisions of the Anti-Dumping and SCM Agreements relating to participation of interested parties, the confidentiality of relevant information, and the provision of information regarding the essential facts under consideration and the reasons which led to the imposition of the final duties.

Finally, Washington is challenging MOFCOM's calculation of production costs for US producers, which allegedly did not occur on the basis of the producers' records as required by the Anti-Dumping Agreement. It also says that the anti-dumping duties applied on certain imports are above the level permitted by the Anti-Dumping Agreement.

Although consultations were held between the two trading partners on 24 May, following the US' request late last month, the above concerns expressed by Washington were not resolved.

According to an [agreement](#) between the two members on the compliance procedures to be followed, the US had the right to request the establishment of a panel at any time after the expiry of the agreed 15-day consultations period, and China had agreed to accept it at the first DSB meeting in which the item would appear on the agenda.

Tuna dispute: another compliance panel

Wednesday's DSB meeting also saw Mexico formally request its own compliance panel over whether the US' latest changes to its "dolphin-safe" tuna labelling policy are in line with WTO rules ([DS381](#)).

The US did not reject the request, citing an interest in avoiding further delays, meaning the panel will go forward. Mexico had previously requested compliance consultations with the US in May, with the two sides holding talks earlier this month. (See Bridges Weekly, [25 May 2016](#))

The development comes one month after a compliance panel was already established following two requests by the US. (See Bridges Weekly, [12 May 2016](#)). That panel was [constituted](#) on 27 May.

Mexico reportedly asked that the same members serve on both compliance panels, with these operating on a harmonised timeframe, sources said.

Meanwhile, arbitration proceedings are already underway to determine the level of concessions that Mexico may suspend annually against the US, after a compliance panel had found that an earlier 2013 attempt to revise the US policy did not meet Washington's WTO obligations. (See Bridges Weekly, [28 April 2016](#), [24 March 2016](#), and [1 December 2015](#)) The arbitrator composed almost two months ago is served by the same members who will conduct the new compliance review.

The interim rule issued in March 2016 by the US National Oceanic and Atmospheric Administration (NOAA) introduced certain regulations implementing the Dolphin Protection Consumer Information Act and amending, among other provisions, the certification standards for "dolphin-safe" tuna labelling. (See Bridges Weekly [24 March 2016](#))

Mexico claims that the US has not brought its policy in line with the DSB's recommendations and rulings and that this new measure is inconsistent with WTO rules, citing the most-favoured-nation (MFN) treatment and national treatment provisions of the Agreement on Technical Barriers to Trade (TBT Agreement) and the General Agreement on Tariffs and Trade.

According to Mexico, the "2016 Tuna Measure," which consists of the interim rule and other allegedly unchanged parts of 2013 tuna measure, among other instruments, continues to accord to its tuna and tuna products with treatment less favourable than that accorded to similar products originating in the US or elsewhere.

In its compliance panel establishment request in April, the US argued that 2016 Interim Final Rule, "among other changes, revises the design of the determination provisions and certification, tracking, and verification requirements such that any detrimental impact stems exclusively from legitimate regulatory distinctions."

The US had highlighted that the two parties disagreed on the WTO-consistency of the 2016 Rule, and therefore Washington was asking for a compliance panel to examine the issue.

The spat between the two North American members dates back to 2008, with the WTO's Appellate Body confirming in 2012 that the "dolphin-safe" tuna labelling was unfairly discriminating against imported tuna and tuna products from Mexico, thus being inconsistent with trade rules. (See Bridges Weekly, [16 May 2012](#))

Canada requests panel in paper dispute

On 9 June, Canada circulated a request to establish a panel ([DS505](#)) on issues related to US countervailing measures on imported "supercalendered" paper – a type of glossy paper commonly used in magazines and catalogues.

Canada's request follows consultations held on 4 May where the parties were unable to reach an agreement. (See Bridges Weekly, [14 April 2016](#))

At issue in the case are countervailing duties imposed by the US on these imports, following an investigation launched in March 2015 in response to a petition from the US-based Coalition of Fair Paper Importers.

In 2014, imports of supercalendered paper from Canada were valued at an estimated US\$868.4 million. The duties ultimately agreed by US investigating authorities ranged between 17.87 and 20.18 percent – affecting almost C\$1 billion in annual exports of the product, according to a [CBC News report](#).

Canada has raised a series of substantive and procedural aspects of the US countervailing measures, arguing that these violate the General Agreement on Tariffs and Trade 1994 and the Agreement on Subsidies and Countervailing Measures.

Under the SCM Agreement, a subsidy is a government financial contribution, or income or price support, which confers a benefit and is specific to an enterprise or industry.

Canada said that the United States mistakenly found that a Canadian power company was directed by the Government of Nova Scotia to sell electricity to a paper company at less than was due, thus giving a financial contribution and related benefit.

According to Canada, the US also failed to find which company was the "right recipient" of certain financial contributions and benefits, leading to mistakes in later imposing and collecting the duties.

Canada also alleged that the US improperly launched the probes based on insufficient evidence, along with raising due process concerns and other procedural issues. Other claims included certain aspects of "expedited reviews" for two Canadian paper companies, along with the US' allegedly "improper" use of adverse facts available either as "ongoing conduct" or "a rule or norm of general and prospective application" to invalidate information "discovered" during an investigation.

Under WTO rules, respondents in a dispute are allowed to reject a first panel request; should Canada table a second request, a panel will automatically be established.

AB appointments pending, DS proposal

Meanwhile, the issue of how to resolve two open slots on the WTO's Appellate Body – the organisation's highest court – continues unresolved, sources confirmed.

Consultations to date reportedly suggested that members will need to consider the two vacancies jointly, sources said. While one slot is open following the US' move to block the re-appointment of Seung Wha Chang – a move that was lambasted by various other WTO members, citing systemic concerns – the other is to fill a slot following the end of Yuejiao Zhang's second and final Appellate Body term. (See Bridges Weekly, [25 May 2016](#))

Xavier Carim, the South African ambassador who chairs the DSB, told member that he hopes the matter can be resolved for the next meeting of the group in late July.

Separately, Canada tabled a series of "room documents" outlining proposals for members to help improve the functioning of disputes at the WTO, particularly in light of the growing number and complexity of cases, which take several years to advance.

If these proposals move forward, Canada suggested, these could apply first to interested members, with a view to possibly getting all WTO members on board in the future.

ICTSD reporting; "U.S. seeks WTO dispute panel in chicken dispute with China," REUTERS, 27 May 2016; "Canada launches WTO complaint against U.S. on glossy paper duties," REUTERS, 31 March 2016; "Ottawa seeks WTO ruling on U.S. duties on Canadian paper," CBC NEWS, 30 March 2016.

AGRICULTURE

UN Establishes New Global Standard in Bid to Tackle Food Loss, Waste

Several UN agencies and other international groups have launched a global standard to measure food loss and waste. This new, voluntary standard was announced during the Global Green Growth 2016 Summit in Copenhagen, Denmark, earlier this month.

The new Food Loss and Waste Accounting and Reporting Standard (FLW Standard) is intended for use by governments, businesses, and other entities to measure food loss and waste in a more consistent manner across the board. For example, it includes definitions that are meant to be "universally applicable" in understanding what constitutes food loss and waste.

The evolution of this [FLW Standard](#) was the result of a collaboration between the Consumer Goods Forum, the UN Food and Agriculture Organization (FAO), the EU-funded Food Use for Social Innovation by Optimising Waste Prevention Strategies (FUSIONS) project, the United Nations Environment Programme (UNEP), the World Business Council for Sustainable Development (WBCSD), WRAP (The Waste and Resources Action Programme), and the World Resources Institute.

The process to develop the standard dates back to 2013, with the World Resources Institute convening the Food Loss and Waste Protocol at the same Copenhagen gathering that year.

"Wasting a third of the food we produce is a clear symptom of a global food system in trouble," [said](#) Peter Bakker, President and CEO of WBCSD. "The FLW Standard is pivotal to setting a reliable baseline for streamlined and efficient action on the ground for countries, cities, and small and big businesses along the food value chain."

The new standard, while aiming for consistency, also has built-in flexibilities which, proponents say, will allow users of this system to adapt it to meet their respective goals. For example, regarding definitions, entities can determine which components they consider to qualify as food loss and waste in their "inventory" – for instance whether it includes both food and inedible parts, along with how to deal with the destinations of that food in their accounting and reporting.

The standard also provides some flexibility on how to quantify such loss and waste, while providing some recommendations on how to ensure more accurate results.

However, the standard has a series of requirements that must be met to qualify, including accounting for loss and waste by weight; defining and reporting its scope using information on timeframe, destination, boundary, and related issues; ensuring that the accounting and reporting is based on principles such as consistency, transparency, and accuracy; and explaining which quantification methods were used, among others.

Certain other requirements are conditional, depending on whether sampling or scaling of data is conducted, along with whether there was an "assurance" of the food and loss waste inventory and whether a reduction target is being set.

The creators of the FLW Standard say it will also be revised, with future iterations taking into account lessons learned, better methodology, and different needs of entities using the standard.

By increasing the availability of information regarding the exact amount of food waste, as well as by pinpointing its sources, private and public entities will aim to set a “practical baseline” in order to begin working towards food waste reductions and to meet [Sustainable Development Goal 12.3](#), which aims to halve per capita global food waste and loss by 2030.

Once this information has been collected, proponents suggest, players can begin to take measures to strengthen the supply chain through improved efficiency and coordination in their investments, along with food-related transport and packaging.

Scope of problem

According to a [2013 FAO report](#), 1.3 billion tonnes of food is lost or wasted every year. This has contributed 3.3 billion tonnes of greenhouse gas emissions that directly exacerbate climate change, according to the UN agency.

While one-third of all food goes to waste worldwide as it travels through the supply chain, [800 million people](#) around the world are still suffering from hunger and malnourishment.

Furthermore, the agency warns, this level of food waste also contributes to higher volumes of water and land usage, as well as extra energy, labour, and capital use that could be avoided. Furthermore, this ineffective use of resources is [not spread proportionally](#) around the world, and also plays a role in biodiversity loss.

In developing countries, [40 percent](#) of food loss occurs during harvesting and other early stages of the food processing and supply chain. In developed and industrial countries, more than 40 percent of losses take place during later stages of the processes, with retail and consumption behaviour playing an important role in creating food waste.

According to recent FAO data cited in the FLW Standard, the annual costs of these losses are now reaching approximately US\$940 billion.

Food loss and waste has previously been acknowledged as a problem of massive scope. In May 2015, agricultural ministers from the G-20 major advanced and emerging economies came together during a meeting to highlight food loss and waste as a real crisis facing the world, establishing an [action plan](#) aimed at addressing the issue. (See Bridges Weekly, [13 May 2015](#))

ICTSD reporting.

CLIMATE CHANGE

Norway Sets 2030 "Climate Neutrality" Goal

The Norwegian parliament has signed off on a [measure](#) to accelerate carbon emission cuts and offsetting in light of the Paris Agreement on climate change, bringing forward the country's goal of reaching climate neutrality by 20 years – in other words, to 1 January 2030.

Back in 2007, Norway had communicated its [plan](#) of becoming the first "carbon neutral" country in the world by 2050, offsetting all its emissions and bringing net greenhouse gas emissions to zero. This means that for every tonne of carbon emissions, the same amount is offset by a reduction in emissions elsewhere.

For instance, Norwegian officials said, emissions can be offset by using quotas purchased in international carbon markets. The prime minister at the time, Jens Stoltenberg, touted the move as an indication of Norway's intention to lead international climate efforts.

The measure approved this month reinforces this stance while accelerating the timeframe, with proponents arguing that it fortifies the targets necessary to achieve the climate goals set in the Paris agreement adopted in December 2015, which was signed and [ratified by Norway](#) this past April. (See Bridges Weekly, [28 April 2016](#))

[Norway emits](#) approximately 53 million tonnes of carbon emissions per year, and its per capita emissions are almost three times the world average.

The motion brings flexible language that allows carbon neutrality to be reached through varied mechanisms, for instance through the EU's Emissions Trading System (ETS), given that Norway is a participant. The scheme has been in place since 2005, and along with Norway and the 28 EU member states also includes Iceland and Liechtenstein. (For more on current efforts to reform the EU ETS, see related story, this edition)

The motion also includes language regarding international cooperation on emissions reductions, emissions trading, and project-based cooperation. Carbon trading will enable offset of emissions from the oil and gas sector, responsible for a big portion of Norway's emissions, which poses greater difficulties of phasing out emissions.

The motion reportedly lacked support from the minority government's ruling Progress and Conservative parties, which argued the proposal could put Norway at a negotiating disadvantage in future climate talks. Climate minister Vidar Helgsen argued that to reach the motion's goal of climate neutrality, Norway will rely heavily on carbon offsets, since emissions reduction methods pointed to by the proposal are not currently available.

The government further argues that the motion could jeopardise Norway's climate neutrality position in future negotiations, as it cannot argue to contribute to the Paris best-endavour goal of limiting global average temperature rises to 1.5 degrees Celsius target above pre-industrial levels based only on offsetting and continuing its oil and gas activities. (See BioRes, [13 December 2015](#) and [19 February 2016](#))

The Green Party, on the other hand, defends that the mechanisms needed to reach the goal are not limited to carbon offset, and that the measure is in line with the commitments adopted through the ratification of the Paris agreement.

Earlier this month, Norwegian lawmakers adopted another climate-related measure, one that makes the country the first to commit to [zero deforestation](#), specifically through steps relating to government procurement.

Meanwhile, various Norwegian industries have [stepped up](#) their fossil fuel production in recent months, raising questions by some observers on how effective the country will be in reaching its climate goals. Critics have argued that more positive outcomes could be reached by reducing oil and gas production.

Norway regularly ranks among the world's top oil exporters, with the [US Energy Information Agency](#) placing it in the top five for the year 2013.

ICTSD reporting; "Norway pledges to become climate neutral by 2030," THE GUARDIAN, 15 June 2016; "Norwegian industry plans to up fossil fuel production despite Paris pledge," THE GUARDIAN, 29 January 2016; "Norway aims for zero-carbon status with all emissions offset by 2050," THE GUARDIAN, 21 April 2007; "Norway first developed nation to ratify Paris Agreement," THE LOCAL, 21 June 2016; "Norway Is The First Country To Commit To Zero Deforestation," IFL SCIENCE, 9 June 2016.

TRADE AGREEMENTS

EU, Mexico Begin Talks to Update Economic Agreement

Negotiators have held their [first round](#) of talks to update a bilateral economic accord between the EU and Mexico, meeting in Brussels, Belgium, on 13-14 June.

The deal being updated is known as the Economic Partnership, Political Coordination and Cooperation Agreement – referred to more commonly as the “Global Agreement.” The goods-related section of the original pact has been in force since 2000, with services taking effect the year after.

The decision to renegotiate, officials say, was largely as a result of a changing international economic landscape, particularly in light of new trade and investment deals emerging in recent years – some of which include either the EU or Mexico.

Plans to upgrade the pact have been in the works for years, with the two sides announcing their intention to revise the Global Agreement in May 2015. (See Bridges Weekly, [13 May 2015](#))

“It is notably crucial to adapt EU-Mexico relations to the new realities of global trade and investment policies and flows, strengthen political dialogue and increase cooperation and coordination on foreign policy issues to better respond to the shared global challenges of a new modern world, from security threats, to migration, the fight against epidemics and climate change,” said officials in a joint press release [issued](#) after last week’s round,

While the first round of negotiations focused mainly on defining working methods and dividing the organisation of work, some indications have already emerged as likely areas for substantive discussion further down the road as both sides try to build on the advances they have made in other FTAs.

Agriculture has also previously been highlighted as a likely issue area for both sides, along with other issues relating to goods trade, services, investment, geographical indications, and sustainable development provisions.

According to Europe Online, EU-Mexico trade in goods has increased by 250 percent since the first accord entered into force in 2000. The EU currently ranks as the third-largest trading partner for Mexico after the US and China, according to the bloc’s [statistics](#). Together, the two sides have a combined population of 625 million.

Negotiators will meet again in the next formal round this upcoming autumn, though a formal date and final location has not yet been announced.

ICTSD reporting; “Mexico and EU to Start Talks on Updating Trade Deal in June,” REUTERS, 25 May 2016; “EU and Mexico to Start Negotiating New Free Trade Deal in June,” EUROPE ONLINE, 30 May 2016; “EU-Mexico Trade Talks to Start June 13, 14,” POLITICO, 31 May 2016.

EVENTS & RESOURCES

Events

Coming Soon

26-28 June, Tianjin, China. ANNUAL MEETING OF THE NEW CHAMPIONS. The World Economic Forum's tenth annual Meeting of the New Champions will focus on major transformations occurring at the intersection of industry, science, and innovation. The event will bring together representatives from the private and public sectors, along with academia and media, to discuss the Fourth Industrial Revolution and its transformational impact, which will also serve as this year's theme. A copy of the agenda and details on how to register can be found [here](#).

27 June, London, UK. WHAT NOW FOR BRITAIN AND THE EU? This Chatham House event will bring together experts for a discussion on the outcome of the UK vote on whether to stay in the European Union, along with indications of potential responses from the other EU member states and non-EU countries. To register for this event, please visit the Chatham House's [website](#).

27 June, London, UK. FUTURE OF WORK. Organised by Chatham House, this conference aims to outline the myriad ways that technological innovation is reshaping the future of work, and will explore whether the rules that govern labour markets and workplace skills need to be re-examined accordingly. This event aims to predict areas of job disruption and evaluate how current regulatory and economic frameworks can be adapted in response in order to ensure long-term economic competitiveness. A conference agenda, as well as information on how to register, is available [here](#).

28-30 June, Kigali, Rwanda. AFRICA CARBON FORUM 2016. The Eighth Africa Carbon Forum aims to provide a platform for African policymakers and practitioners to discuss the latest developments related to climate change policy, investment, and finance, particularly in light of the Paris climate accord reached late last year. The Forum aims to bring together stakeholders from a range of sectors, including project developers and policymakers, as well as representatives from financial institutions, the private sector, NGOs, multilateral agencies, and the media. More information can be found at the event [website](#).

28-30 June, Ulsan, Korea. FOURTH GREEN INDUSTRY CONFERENCE. The Fourth Green Industry Conference will convene under the theme "Green Industry for Sustainable Cities." The conference will bring together over 500 representatives from the government, private sector, industry associations, civil society, and academia to explore the relationship between cities and industry in light of changes in clean technologies and related subjects. Topics of discussion will include: sharing urban experiences and synergies among cities; science, technology, and innovation; and Korean green strategy in urban industrial areas. Further details, including an event agenda, are available [here](#).

29 June, Geneva, Switzerland. WTO ADVANCED COURSE ON TRADE AND ENVIRONMENT 2016: UNLOCKING TRADE FOR CLEAN ENERGY TECHNOLOGIES. This expert panel discussion, organised jointly by the WTO Secretariat and the Grantham Institute of Imperial College London, aims to examine how current low-carbon technology solutions can help in meeting climate change goals, along with the role that the multilateral trading system can play. To register, please click [here](#).

30 June, Tokyo, Japan. INCLUSIVE GROWTH: GLOBAL FORCES AND NATIONAL POLICIES. Ravi Kanbur, a former World Bank Chief Economist for Africa, will be speaking on the topic

of global patterns of inequality as part of the Asian Development Bank Institute's Distinguished Speaker Seminar Series. This seminar aims to give attendees a better understanding of the evolution in global patterns of inequality, using a framework to help understand common traits and differences in such patterns. To register for this event, please visit the Asian Development Bank Institute's [website](#).

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.

6-7 July: Committee on Sanitary and Phytosanitary Measures

Other Upcoming Events

12 July, London, UK. ODI IN CONVERSATION WITH SIR ANGUS DEATON. The Overseas Development Institute will welcome Sir Angus Deaton for an in-depth conversation on global poverty, inequality and aid. The winner of the 2015 Nobel Prize in Economics, Sir Deaton has conducted extensive research on topics related to health, wellbeing, and economic development. To register to attend this event or to stream it live, please visit the Overseas Development Institute's [website](#).

15-16 July, Nairobi, Kenya. GLOBAL COMMODITIES FORUM 2016. Held by the UN Conference on Trade and Development (UNCTAD), this Forum provides a free, public platform to debate critical issues at the intersection of commodities and development. In keeping with this year's theme, "breaking the chains of commodity dependence," participants can expect to engage in discussions on how commodity-dependent developing countries can evolve in response to lower commodity prices and reduced demand from emerging economies. The event will bring together policymakers and experts from the public, private, and civil society sectors. Programme and registration information can be found on UNCTAD's [website](#).

26-27 July, Tokyo, Japan. SOURCES OF INCOME INEQUALITY IN ASIA. This event, hosted by the Asian Development Bank Institute, aims to examine factors that contribute to income inequality in Asia, looking at a range of different economies in the region. Topics for discussion will include, among others, housing prices, financial inclusion, and urbanisation. More information is available [here](#).

29 September, Brussels, Belgium. EUROPE LEADING ON SOLAR ENERGY: CELEBRATING 100 GW OF SOLARPOWER. SolarPower Europe is holding this event to mark Europe's recent solar milestone: the installation of 100 gigawatts of grid-connected photovoltaic power. The event will show the advances made in the solar sector across Europe in recent years. To learn more about this event, visit SolarPower Europe's [website](#).

Resources

WORLD INVESTMENT REPORT 2016 – INVESTOR NATIONALITY: POLICY CHALLENGES. Published by the UN Conference on Trade and Development (June 2016). This annual report reviews developments in the global investment arena, examining trends at national, regional, and international levels. This year's report also places a focus on the issue of investor nationality, examining the issue of ownership with multinational enterprises. The publication is available [here](#).

BENCHMARKING PRODUCTIVE CAPACITIES IN LEAST DEVELOPED COUNTRIES. Published by the UN Conference on Trade and Development (June 2016). This report focuses on measuring and benchmarking productive capacities in least developed countries (LDCs) by reviewing their current productive capacity levels and evaluating recent performances. In doing so, the report also highlights how LDCs' productive capacities compare with any internationally agreed goals and targets and with other developing countries. It then identifies areas where improvement is needed, including recurring themes that appeared in this analysis. The full report can be downloaded [here](#).

INEQUALITY, GENDER GAPS AND ECONOMIC GROWTH: COMPARATIVE EVIDENCE FOR SUB-SAHARAN AFRICA. By Dalia Hakura, Mumtaz Hussain, Monique Newiak, Vimal Thakoor, and Fan Yang for the International Monetary Fund (IMF) (June 2016). This working paper investigates the relationship between gender gaps, inequality, and economic growth. The authors' findings suggest that well-designed policies that are targeted towards increasing economic opportunities for low-income households and women might help in addressing inequality more broadly. The paper is available for download [here](#).

LEFT STRANDED? EXTRACTIVES-LED GROWTH IN A CARBON-CONSTRAINED WORLD. By Glada Lahn and Siân Bradley for Chatham House (June 2016). The authors of this research paper seek to question the assumption that extractives will indeed spur much of the future economic development expected in low-income countries rich in such goods. The authors highlight global climate change, along with falling oil and commodity prices, as the most prominent challenges to this growth model, issuing a series of recommendations in response. The full paper can be downloaded [here](#).

TRAINING MANUAL ON DEVELOPING JOINT BIOTRADE AND REDD+ PROJECTS. Published by the UN Conference on Trade and Development (June 2016). This training manual is intended to support the development and implementation of joint BioTrade and REDD+ projects, building on experiences to date. The publication is designed for project proponents and developers, outlining main concepts and practical considerations for both types of projects. The full document is available for download [here](#).

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