

# BRIDGES WEEKLY

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## GLOBAL ECONOMY

### US Election: World Prepares for New Era Following Surprise Trump Win

Donald Trump will be the 45<sup>th</sup> president of the United States, winning the Electoral College vote in the world's largest economy. The outcome – which has surprised pollsters, policy analysts, and even campaign officials themselves – has initially shaken global markets, as both the US and the international community respond to campaign announcements of the drastic change in Washington leadership that promises to break with decades of previous policies.

The win by the billionaire real estate developer and former reality television star will bring the White House under Republican control after eight years. Republicans have also held onto their majorities in both chambers of Congress, in an outcome that has similarly countered earlier poll predictions that had suggested a slipping grasp on the Senate.

The election results were confirmed in the early hours of Wednesday morning, capping a wildly unpredictable campaign season that ran for almost two years. Trump had faced off against Hillary Rodham Clinton of the Democratic Party, who polls had widely expected to win prior to the 8 November election. The former Secretary of State, senator, and First Lady is the first woman to ever be a presidential candidate for a major political party, in a country that only established a woman's right to vote at the national level in 1920 – less than one hundred years ago.

#### A deeply divided nation

As the nation now prepares to move on from one of the most bitter election seasons in recent memory, all eyes will be on how Trump and his team will address the policy and political divides that appeared sharply in focus during this presidential campaign, and what may come next for the "populist wave" that preceded this week's polls.

Throughout the election season, politicians and voters have jostled over whether the economy is on the rise or in tatters; whether trade is a promising avenue for growth or a major source of unemployment and job destruction; whether and how much the US may be suffering from "unfair competition" from other trading powers; and how

to address income inequality and the perceived distrust of so-called “political elites.”

The campaign also brought to the fore the deep-seated social tensions across the American electorate regarding sexist, racist, homophobic, and xenophobic attitudes – and how to counter these prejudices both in policy as well as in political and public discourse.

Indeed, [exit polls](#) conducted by CNN saw respondents describe foreign policy and the economy as reasons for supporting Clinton, while views on immigration and terrorism were high on the agenda for Trump supporters.

Approximately 60 percent of Clinton supporters were in favour of offering legal status to illegal immigrants working in the US, while an overwhelming 84 percent of Trump supporters advocated for them to be deported to their home countries, according to CNN.

Giving his victory speech in New York City in the early hours of Wednesday morning, Trump congratulated his opponent for fighting a difficult race and for a decades-long career in public service, and pledged to do his utmost to bring the nation together under his upcoming administration.

“Now it is time for America to bind the wounds of division,” said the new President-elect. “To all Republicans and Democrats and Independents across this nation, I say it is time for us to come together as one united people.”

Trump has advocated for policies that would unravel the hard-fought health care reform seen under the Obama Administration; extend a wall along the Mexican border to stem the flow of illegal immigrants; deport millions of illegal immigrants; and undertake “extreme vetting” of immigrants after previously calling for a religious ban on Muslims seeking entry into the United States. He has also been openly criticised for derogatory comments and treatment towards women, including numerous allegations of sexual assault.

Giving her [first speech](#) on Wednesday afternoon after having lost the election, Clinton said that she had offered to work with Trump to heal the divides seen across America, while urging her supporters to continue fighting for the vision that had underpinned the Democratic Party campaign, one which they defined as being a party and country of inclusiveness and hope.

“We have seen that our nation is more deeply divided than we thought. But I still believe in America, and I always will. And if you do, then we must accept this result and then look to the future,” she told a packed room in the New York City.

“Our constitutional democracy demands our participation, not just every four years, but all the time. So let’s do all we can to keep advancing the causes and values we all hold dear. Making our economy work for everyone, not just those at the top, protecting our country, and protecting our planet,” said Clinton.

She also made a particular call for embracing all communities and abandoning all prejudices – and for the country to continue the fight to break “that highest glass ceiling” for a woman to someday win the US presidency.

### **Shifting world order**

On the eve of the election, Trump predicted that the result would be “Brexit plus, plus, plus,” in a nod to the 23 June referendum in the UK which saw that country’s citizens vote by a narrow margin to leave the European Union.

The “Brexit” vote led to a change in leadership in the UK’s Conservative Party after the results were confirmed, with preparations for exit talks between the UK and the remaining

EU members proving to be protracted and difficult so far, given the emotive nature of the topic and the deep economic, social, and geopolitical ties that underpin their relationship.

UK Prime Minister Theresa May is expected to formally trigger the provision in EU law that kicks off those negotiations by the end of March, though that timeline is now in question in light of a UK High Court ruling stating that the government needs parliamentary approval before doing so.

Analysts have also been quick to draw parallels between the so-called “Brexit” outcome in the UK and a future Trump presidency, crediting both outcomes partly to a growing discontent among the public over the pitfalls of globalisation.

While various policymakers in favour of more open markets have argued in favour of “better explaining” the benefits of trade and globalisation in response to increasingly prominent “populist” movements, some analysts warn that the problem instead goes deeper – for instance, Ricardo Meléndez-Ortiz, head of the International Centre for Trade and Sustainable Development (publisher of BRIDGES) has insisted that what is needed is to also address the various domestic and international policy factors that have exacerbated income inequality and caused job losses in some sectors.

Although the “Brexit” vote was similarly a shock, the US election outcome has been treated as even more so, given the isolationist political approach and incendiary rhetoric adopted by the now President-elect throughout the election season. In a hegemonic nation that has traditionally been seen as guarantor of a liberal international order.

Many political watchers who had hoped for a Clinton win – or who were wary of what a “President Trump” might mean – have cautioned that the outcome could become [an American tragedy](#), one with devastating implications for both the American people and the international community.

Others have hoped that Trump may actually adopt a more measured tone once facing the day-to-day challenges of political office, drawing on his years of negotiating major business deals, or have [called](#) for all players involved to try and embrace optimism and cooperation in order to chart a shared path forward in uncertain times.

### **What next for Obama's legacy?**

In the months and years ahead, the ramifications of a Trump administration on the global economy and sustainable development will be closely watched, both in light of his own declared policy intentions as well as the notably different approach he has pledged to take relative to his predecessor, outgoing Democratic President Barack Obama.

Obama has attempted to create a legacy on multiple fronts, particularly on trade policy and climate action during his second term. With trade, his administration worked with 11 other Pacific Rim nations to conclude negotiations on the Trans-Pacific Partnership (TPP) Agreement, an ambitious accord that proponents and analysts say includes some of the most advanced trade provisions seen on environmental and labour protections.

Obama has touted the TPP as a chance to help set the “rules of the road” for trade in the vast Asia-Pacific region, as well as setting a high standard and race to the top for global trade rule-making.

For his part, Trump has openly repudiated the accord, pledging that he will pull the United States out of the 12-country deal, along with seeking a re-negotiation of the North American Free Trade Agreement (NAFTA) currently in place with Canada and Mexico, warning that should the two other trading nations in the accord not agree to his terms, he would pull the US entirely out of the agreement. (See Bridges Weekly, [30 June 2016](#))

For their part, Mexico has been calling for talks to “modernise” the Agreement for several years; at press time, the Mexican Economy Secretary welcomed the opportunity presented by a future Trump Administration to review the treaty.

The TPP is still at the ratification stage in the US, and while Obama’s team has repeatedly expressed their hope that it could be approved during the upcoming “lame duck” session of Congress before the new president takes office, congressional leadership has reiterated following the election result that they do not intend to hold a vote this year. (See Bridges Weekly, [3 November 2016](#))

Meanwhile, the accord has proven deeply unpopular with the US public, though analysts debate whether the issue is really about the TPP’s substance or instead about the wider concerns that trade deals have not been to the benefit of all Americans across the board.

According to CNN exit polls, 59 percent of Clinton voters agreed that trade is either a job creator at home or does not have an effect on jobs, while 65 percent of Trump supporters questioned by CNN said that it hurts jobs.

### **Murky road ahead on climate policy**

Another major mark of the Obama Administration that may also be hanging in the balance is the outgoing president’s numerous efforts on climate action at home and abroad.

Domestically, Obama has taken a series of executive actions – such as measures to slash methane emissions from the oil and gas sector – aimed at helping rein in the most harmful of greenhouse gas emissions. On foreign policy, despite steep opposition in Congress, his administration took on a leadership role in supporting the UN’s Paris Agreement on climate change, adopted last December and in force as of last week. (See Bridges Special Update, [6 November 2016](#))

Clinton had championed creating jobs through green infrastructure and taking a series of other steps to cement Obama’s climate legacy. On an issue of sharp divergence, Trump and the Republican Party overall have openly repudiated the White House’s climate agenda, having pledged to pull the US out of the Paris Agreement on climate change, along with defunding the UN agencies which work on climate change. (See Bridges Weekly, [21 July 2016](#))

The UN Framework Convention on Climate Change (UNFCCC) kicked off its annual climate conference on Monday 7 November, with the spectre of the US election looming over the talks in the Moroccan city of Marrakech.

Media reports issued following news of a Trump victory suggested an atmosphere filled with uncertainty, as negotiators attempt to continue talks on key areas – including climate finance. (See Bridges Special Update, [6 November 2016](#))

For the time being, the implications for the new climate regime may not be immediate, as the world waits to see whether Trump as president follows in the footsteps of Trump the candidate. Furthermore, the Paris Agreement is already in force for the US, and under Article 28 of the UN accord, signatories cannot withdraw from the agreement within the first four years of it having entered into force for them – which would essentially cover Trump’s entire first term.

Some sources have speculated, however, that Trump could seek other routes to pull the US back from international climate efforts. What his victory could also mean for the US’ “nationally determined contribution” – the individual climate plans each UNFCCC party has submitted, which are the building blocks of the Paris Agreement and are expected to be improved over time – has also sparked questions and concern in the climate community.

Other issues such as whether the US will still pursue its efforts to back a goal of developed countries providing US\$100 billion annually in climate finance by 2020 may also now be in question. Within that context, the US has previously committed to paying US\$3 billion to the Green Climate Fund (GCF), of which it has so far paid US\$500 million.

The GCF was set up as a multilateral fund where governments could channel money towards helping developing countries to limit or reduce greenhouse gasses and to adapt to the unavoidable effects of climate change.

### **Obama calls for "successful transition"**

As news of Trump's victory began to sink in, Obama called upon the nation to do its utmost to move forward, and pledged that he would work to ensure a "successful transition" for the incoming administration.

"Now, it is no secret that the President-elect and I have some pretty significant differences. But remember, eight years ago, President [George W.] Bush and I had some pretty significant differences," [said](#) Obama on Wednesday.

"But President Bush's team could not have been more professional or more gracious in making sure we had a smooth transition so that we could hit the ground running. And one thing you realize quickly in this job is that the presidency, and the vice presidency, is bigger than any of us," he continued.

He also welcomed the inclusive tone taken by Trump in his victory speech on Tuesday evening, urging the incoming leader to continue advocating for national unity throughout the transition and beyond.

"That's what the country needs – a sense of unity; a sense of inclusion; a respect for our institutions, our way of life, rule of law; and a respect for each other," said Obama.

ICTSD reporting; "LIVE: UN climate talks reaction as Trump wins US presidency," CLIMATE HOME, 9 November 2016; "CNN exit polls," CNN, 9 November 2016; Axelrod: Election a 'primal scream'," POLITICO, 9 November 2016; "Trump win sends shockwaves through development world," DEVEX, 9 November 2016.

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## EUROPEAN UNION

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# European Commission Releases Proposal For Updating Anti-Dumping Rules

The EU's executive arm released on Wednesday its highly-anticipated proposal for revising its anti-dumping and anti-subsidy rules, setting the stage for an upcoming discussion with lawmakers and the Council in a bid to reach an agreed outcome swiftly.

The new proposal comes after a year where trade policy has come increasingly under the spotlight, particularly in the EU. The 28-nation bloc has been working to defend its record on trade enforcement, along with touting the merits of its foreign trade agenda even as it faces challenges in securing member state approval of negotiated accords. Similar debates have also been seen in the United States in the heat of the election season. (See Bridges Weekly, [3 November 2016](#) and this edition)

"The economies of the EU are among the most open in the world, and our companies are among the most active on international markets," said EU Trade Commissioner Cecilia Malmström in a blog post announcing the proposal.

"However, there are other countries that aren't nearly as open as we are, that sometimes play by an entirely different rulebook. Such unfair trade puts pressure on our producers and workers," she added.

The EU trade chief particularly referred to the issue of overcapacity in the steel sector, citing China as a prime example. China is by far the world's largest producer of steel, massively outpacing other steel-exporting countries.

Beijing has argued that the issue of overcapacity and falling steel prices is a problem that is global in nature, and leaders of major exporting economies have agreed in other forums that it will thus require a global solution. (See Bridges Weekly, [15 September 2016](#))

A related [factsheet](#) from the European Commission similarly suggests that overcapacity, along with other changes in the international trade landscape over the last several years, makes it absolutely paramount for the bloc to have the most updated toolkit available for dealing with allegedly unfair trading practices.

"The overcapacities in today's trading environment, especially in steel, demonstrate that the EU needs, more than ever, solid, effective, and up-to-date trade defence instruments. If the EU does nothing, countries like China are given no incentive to reform or reduce overcapacities," the factsheet says.

### Tackling distortions

As previously announced in July, the proposal would take the bloc away from using lists of "non-market economies" and "market economies" when conducting its trade remedy investigations. (See Bridges Weekly, [21 July 2016](#))

Currently, EU investigative authorities separate countries into lists depending on whether they meet a set of "market economy" criteria. Should they be classified as a non-market economy, then the authorities use what is known as an "analogue" method, where they determine a good's "normal value" by using a "price or constructed value" from a market economy country.

The proposed new system would instead focus on cases where “distortions” arise in domestic prices or costs, such as when government intervention is involved.

The EU's executive arm then lists a series of factors that would play into this assessment. These include, for instance, whether the relevant market is largely made up of state-owned or controlled businesses; situations where the state is in a position to “interfere with respect to prices or costs”; and policies that give domestic producers an unfair advantage relative to their foreign counterparts.

Under this “distortions” scenario,” the EU Commission is proposing that the normal value then be developed “on the basis of costs of production and sale reflecting undistorted prices and benchmarks,” such as by using data from another “appropriate representative country with a similar level of economic development as the exporting country.”

The proposal would also have the EU's executive arm release public reports on market conditions in different countries and sectors, in order to then determine whether these “distortions” are affecting prices and costs to the extent that they would not be suitable benchmarks for determining normal value.

“The proposal we are now putting forward moves the EU closer to the trade defence systems of other major trading partners around the world, including the United States,” said Malmström on Wednesday.

### **Existing investigations, subsidy rules**

The proposal would have existing trade remedy probes be governed under current EU anti-dumping rules, rather than using the proposed new system. As for trade remedy measures already in place, these would also continue under the old rules unless there was a clear reason to revisit them, such as when “factual circumstances” of exporters change.

The document also confirms earlier plans to revise anti-subsidy rules, specifically to address cases where the actual extent of unfair state aid to exporters is only identified once an investigation is already underway.

Should this occur, the Commission is suggesting having “consultations” with the relevant country involved, with the subsidy information to factor into determining final duties.

### **December deadline**

The push to revise the EU's anti-dumping rules comes ahead of a December 2016 deadline included in China's terms for joining the World Trade Organization.

Under the original terms, importing WTO members have two ways of calculating duties in trade remedy investigations involving Chinese producers/exporters – one involving domestic prices in the Asian economy, the other allowing for countries to “deviate” from using such prices.

Which of these options applies depends on whether Chinese producers can prove that market conditions exist in their industry. However, the WTO “accession” terms also include a clause that foresees terminating the option of using surrogate prices within 15 years of China becoming a member of the Geneva-based organisation, though how to read this relative to the rest of the accession terms has been the subject of debate in trade circles.

**Coming up**

Changing the EU's trade remedy rules will require getting approval of the bloc's two other legislative bodies – the European Parliament and the European Council. The latter body is due to review the new proposal during its upcoming meeting this Friday.

The Commission is already pushing for the Council to adopt the long-stalled 2013 proposal to modernise the bloc's Trade Defence Instruments (TDI), with EU national leaders pledging to find a solution by year's end. (See Bridges Weekly, [27 October 2016](#))

ICTSD reporting.



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## WORLD TRADE ORGANIZATION

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### **WTO's Azevêdo Confirms Plans to Run for Second Term, Takes Stock of Past Four Years**

WTO Director-General Roberto Azevêdo has formally submitted a letter confirming that he would be willing to stand for a second term at the helm of the Geneva-based organisation, should members wish him to stay on.

The 3 November letter, sent to the chair of the General Council, outlines the various developments seen during Azevêdo's first term, which began on 1 September 2013, along with hinting briefly where the organisation may be headed in the years to come.

"I believe that we have achieved a great deal over this period. We have demonstrated that the WTO can deliver major negotiated outcomes, with the successful conclusion of our ministerial conferences in Bali in 2013 and Nairobi in 2015," said Azevêdo.

Since Azevêdo took office in September 2013, WTO members have clinched their first global trade deal in the organisation's 20-year history – the Trade Facilitation Agreement, or TFA. Negotiations for that accord began before Azevêdo took over as director-general, but were concluded in December 2013 after an intense few months of final haggling. (See Bridges Daily Update, [7 December 2013](#))

Other negotiated outcomes during that time included an updated version of the WTO's Information Technology Agreement (ITA-II), an accord among a subset of the organisation's membership whose benefits are extended to all WTO members.

Those talks were concluded among 53 WTO members last year, counting the EU's 28 member states individually, with two-thirds of the ITA-II participants having already implemented the first round of tariff cuts on the new list of information and communication technology products. (See Bridges Daily Update, [16 December 2015](#))

In his letter, Azevêdo also flagged developments in the areas of trade monitoring work; technical assistance and capacity-building; supporting the organisation's dispute settlement arm; and raising the global trade body's profile.

During his tenure, five new members have also joined the WTO: Yemen, Seychelles, Kazakhstan, Liberia, and Afghanistan, in that order.

"As a consequence, I am confident that the WTO stands stronger today than it did in 2013," said the Director-General.

The WTO chief began his first term in September 2013, having previously served as Brazil's ambassador to the global trade body. Azevêdo bested eight other candidates for the role, in what was the largest selection pool in the organisation's history. (See Bridges Weekly, [16 May 2013](#))

#### **Road to Buenos Aires**

The next WTO chief – whoever he or she might be – will take office on 1 September 2017, just a few short months before the organisation's next ministerial conference in Buenos Aires, Argentina.

What to expect at the Buenos Aires meet is still a very open question, as the global trade body transitions into a new chapter in the wake of the Nairobi ministerial outcomes. At the 2015 meeting in the Kenyan capital, WTO members ultimately did not reach consensus on whether to endorse the Doha Round mandate that had guided their negotiating work for the past 15 years.

After round-the-clock negotiations, they instead agreed to disagree on the subject, while pledging to still prioritise work on the Doha issues and consider how to address “new issues” that have become increasingly prominent in trade and investment-related discussions. (See Bridges Daily Update, [19 December 2015](#))

The months since have seen WTO members engage in what many have termed a “period of reflection,” aiming to now transition towards a more action-oriented mode of work in order to determine which of the various areas that have lately drawn renewed interest – such as agricultural domestic support, harmful fisheries subsidies, e-commerce, and domestic regulation in services, among others – might translate into outcomes for Buenos Aires or later on.

“The precise route forward will be determined by members, but there is no question that levels of engagement and interest are high, and that recent successes have energised this work thereby increasing the likelihood that significant further progress can be mind,” said the WTO chief.

### **Next steps**

WTO procedures for appointing their chief outline a detailed series of steps, which begin nine months before the current director-general is due to conclude their term.

Starting from 1 December, WTO members will be able to submit nominations for potential candidates, with the nominating period concluding on 31 December. Current directors-general who wish to stand for a second term must notify before this period, however.

Should anyone be nominated to compete against Azevêdo, all candidates will then have from 1 January 2017 until 31 March to make themselves and their visions known to the WTO membership, including through a presentation at the General Council, which is the organisation's highest decision-making body outside of the ministerial conference.

After 31 March, there will then be a two-month window for deciding which of these candidates will win the position. This decision is taken by consensus, following WTO practice, and follows a consultations process conducted by the chairs of the General Council, Dispute Settlement Body, and Trade Policy Review Body.

This “troika” currently consists of Harald Neple, Norwegian Ambassador and General Council Chair; Xavier Carim, South African Ambassador and Dispute Settlement Body Chair; and Irene B. K. Yong, Permanent Representative of Hong Kong, China, and Trade Policy Review Body Chair. These chairs all serve one-year terms, due to end in February 2017.

Azevêdo's predecessor, Pascal Lamy, went unchallenged when he stood for his second term, ultimately serving as director-general for eight years. (See Bridges Weekly, [14 January 2009](#))

Prior to Lamy, the process was far less smooth, with the heated contest between Supachai Panitchpakdi and Mike Moore leading to the two officials each serving a fixed term of three years without possibility of renewal – essentially a split-term agreement. (See Bridges Weekly, [26 July 1999](#))

ICTSD reporting.

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## INTELLECTUAL PROPERTY

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# WIPO Evaluates Its Role in Achieving the Sustainable Development Goals

Members of the UN's intellectual property agency [debated](#) last week a report which reviewed its progress in implementing a series of development-related recommendations, along with how the organisation [will support](#) the Sustainable Development Goals (SDGs) adopted just over a year ago.

The 18<sup>th</sup> Session of the World Intellectual Property Organization's (WIPO) [Committee on Development and Intellectual Property](#) (CDIP) was held from 31 October-4 November at the UN agency's Geneva headquarters, with members also agreeing on a coming work programme.

### Independent Review and related outstanding issues

The CDIP was established in 2008 to oversee the implementation of the 45 Development Agenda recommendations adopted the previous year, and to maximise the contribution of the intellectual property system towards advancing development.

The 45 adopted Development Agenda recommendations encompass a range of issue areas, including technology transfer; technical assistance and capacity building; norm-setting, flexibilities, and public policy; as well as impact evaluation and institutional governance concerns.

At last week's meeting, members examined an independent report issued last August which constituted a review on WIPO's progress in the implementation of its [Development Agenda](#) recommendations from 2008 to 2015.

This report is known as the "Independent Review of the Implementation of the 2007 Development Agenda Recommendations." Before the report was even drafted, the report had already been the subject of protracted negotiations on the precise terms of reference that evaluators would follow, with member states finally agreeing to these in 2014.

The Review was conducted by a team comprising V.K. Gupta as the lead evaluator, P. Roffe as the intellectual property and development expert, and G.H. Sibanda as the intellectual property and technical assistance expert. (*Editor's note: Roffe is a senior associate at ICTSD, the publisher of Bridges*)

Sources say that the report was generally well received by member states, who noted the adherence to the terms of reference and its general objectivity, among others. The Committee took note of the report and acknowledged that the recommendations made by the experts addressed different actors involved in the implementation, namely member states, the CDIP, and the secretariat.

The CDIP agreed to continue considering the independent review's recommendations. They have also committed to providing the WIPO secretariat with written comments on the review's recommendations by the end of February, and have asked the secretariat to provide a report on the subject at its next session.

## **Sustainable Development Goals**

A central discussion at last week's meeting involved identifying which aspects of WIPO's work are related to the Sustainable Development Goals (SDGs), 17 high-reaching UN goals which were adopted last September and came into force on 1 January 2016, touching upon areas such as eradicating poverty, protecting the environment, and better safeguarding human rights.

The subject reportedly sparked debate among WIPO members, as they discussed whether some or all of the SDGs are relevant to the UN intellectual property agency's work. Some developed countries argued that only a few select goals apply, while others maintained the applicability of all goals.

Brazil was a strong proponent of the view that the domain of intellectual property permeates all SDGs, since it increasingly affects a wide range of aspects in society, advocating that none of the goals can be excluded on a theoretical basis.

Turkey, speaking on behalf of "Group B" of developed countries, reportedly pointed out the economic benefits intrinsically afforded by intellectual property rights, producing incentives for creativity and innovation as an engine for economic growth. However, the Turkish delegate also cautioned against an excessively comprehensive scope at the risk of compromising actionable results, and underlined that processes are still underway for fine-tuning indicators to measure SDG implementation, making decision-making difficult at this early stage.

To bridge the gap between the positions, CDIP Chair Ambassador Luis Enrique Chávez of Peru reportedly recalled attention to concrete, practical actions, cautioning member states to avoid falling into overly theoretical discussion. He also underlined that the 2030 Agenda clearly states that the responsibility for SDG implementation lies first and foremost on each state, a sentiment that was also raised by certain member states, including Group B.

Earlier discussions along these lines had taken place in WIPO since the SDGs were first adopted in September 2015. A [document](#) released at the 16<sup>th</sup> Session of the CDIP in November 2015 outlined an initial list of SDGs relevant to WIPO work.

In particular, Goal 9, relating to industry, innovation, and infrastructure, and Goal 17, dealing with partnerships for the goals, were identified as directly linked to WIPO activities. These two goals were reportedly highlighted by the European Union and the Group of Central European and Baltic States at last week's meeting.

Ultimately, members agreed that the secretariat will present an annual report to the CDIP at its first session of the year, outlining WIPO's contribution to the implementation of the SDGs. The scope of the report will cover the activities carried out by the organisation both individually and as a component of the UN system, including the assistance provided by WIPO to member states upon their request.

The role of WIPO in striving towards the SDGs is also set to be addressed in future sessions, particularly the request on behalf of Brazil with the support of a number of member states, including the African Group, the Asia and Pacific Group, China, Indonesia, South Africa, India, Ecuador, Tunisia, and the Group of Latin American and Caribbean Countries (GRULAC) to establish a standing agenda item devoted to the implementation of SDGs in the Committee.

## **Technology transfer**

Technology transfer was another subject addressed by members last week. The CDIP reportedly approved advancing on various items raised in a joint proposal by the delegations

of the US, Australia, and Canada, leaving only one of the six items outstanding for discussion at the next session.

The five approved items pertain to channels for WIPO activity on technology transfer, including maintaining a webpage dedicated to the issue, providing a roadmap for raising awareness on WIPO resources already in place, and engaging on technology transfer in international forums. Only item 5 was not agreed on, proposing that WIPO pursue a market-based approach to facilitate innovation.

A separate proposal by South Africa for a project on technology transfer and intellectual property management drew support at the CDIP meeting, and will be considered further at the next session based on an updated version of the document.

### **IP and development conference in review**

The CDIP also took note of the report on the International Conference on Intellectual Property and Development that took place in April, mapping WIPO activities related to technology transfer. (See Bridges Weekly, [22 April 2016](#))

Delegations reportedly appreciated the quality of the substance of the conference, which was a landmark event for the UN agency.

Some delegations expressed their interest to see this type of conference to be replicated in the future, with the African Group reportedly suggesting that this be held biennially. The Group pledged to prepare written proposals in time for the next session of the Committee.

The CDIP resolved to close the External Review of the WIPO Technical Assistance in the Area of Cooperation for Development, first published in 2011. The Spanish proposal, composed of six measures to be followed by WIPO in its technical assistance and intended to break the stalemate brought on by the recommendations in the External Review, was revised with discussions opened for next six sessions of the CDIP, at the end of which the CDIP is set to discuss the final implementation of the proposal.

ICTSD reporting; "WIPO Members Divided On IP Agency's Role In Implementation Of UN Sustainable Development Goals," IP-WATCH, 2 November 2016; "WIPO Committee Debates SDGs, Review Of Development Agenda Recommendations," IP-WATCH, 1 November 2016; "WIPO Development Committee Finds Compromise On Future Work," IP-WATCH, 7 November 2016; "WIPO Committee Agrees To Focus Work To Improve WIPO Technical Assistance," IP-WATCH, 4 November 2016.

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## ASIA-PACIFIC

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# RCEP Participating Countries Call for Swift Conclusion of Negotiations

Negotiations for the 16-country Regional Comprehensive Economic Partnership (RCEP) are increasingly making progress towards crafting a future trade and investment deal, officials say, though whether talks will be concluded this year as previously envisioned is less clear.

The proposed RCEP agreement, for which negotiations commenced in 2012, includes 16 economies in the Asia-Pacific, comprising almost half of the global population and a third of the world's GDP. The scope of the free trade agreement covers goods, services, and investment, as well as competition, intellectual property rights, and dispute settlement.

RCEP ministers held an [Intersessional Ministerial Meeting](#) in Cebu, Philippines, from 3-4 November, reviewing the progress made to date along with what steps may be needed to conclude the deal in the near term.

The [joint statement](#) issued by the [ministers](#) at the meeting's close highlighted challenges facing the global economy, including slow projected growth in world trade – where the WTO figures were [recently revised downward](#) – and creeping protectionist sentiments.

They also directed their negotiators to ramp up their work in goods and services trade, as well as investment. However, the statement omits any mention of when the group is aiming to conclude the talks.

"The ministers, therefore, underscored the urgency of a swift conclusion of the RCEP negotiations as a single undertaking, which will provide a much needed boost to confidence for the global economy," said the statement.

The most recent [negotiating round](#), held in Tianjin, China, from 17-21 October, focused on delineating market access on trade in goods, services, and investment, as well as on rules of origin, intellectual property, competition, and e-commerce. The chapter on economic and technical cooperation was concluded, which ministers said was a promising development that could inject additional momentum for talks and help address development gaps among RCEP members.

### APEC leaders to meet at the end of the month

The final RCEP negotiating round scheduled for 2016 will be held in December in Indonesia. It was not yet clear at press time whether and when they might be holding additional rounds in 2017.

However, the RCEP's progress and prospects will likely be an area for discussion at an upcoming meeting of regional leaders later this month. The [Asia-Pacific Economic Cooperation \(APEC\) Leaders' Meeting](#) will be held on 20 November in the Peruvian city of Lima, bringing together heads of government from 21 countries in the Asia-Pacific region, including Australia, Canada, Chile, China, Japan, Mexico, Russia, South Korea, and the US.

Boosting intra-regional trade has long been a high-profile topic of the APEC leaders' meets, particularly as various different models for such regional integration have emerged over the years. The most high-profile have been the RCEP as well as the Trans-Pacific Partnership (TPP). While the two share some overlaps in membership, there are some significant

differences. Most notably, the US is part of the TPP, but not RCEP. Meanwhile, China, India, and South Korea are in RCEP but not the TPP.

As in previous years, US President Barack Obama is expected to meet with fellow TPP leaders on the sidelines of the APEC gathering. The proposed trade accord is currently pending ratification by domestic legislatures, with countries such as Australia, Japan, and New Zealand currently working to push it through their respective approval procedures. (See Bridges Weekly, [7 September 2016](#) and [3 November 2016](#))

"The President will focus on his continued efforts to make the case to Congress and the American people for approval of TPP without further delay," according to a White House [statement](#) issued last month.

However, whether this can be done before a new president takes office in January remains to be seen, with the post-election prospects for TPP looking increasingly uncertain following the unexpected victory of Republican candidate Donald Trump on Wednesday. (For more on the US election, see related story, this edition)

A full report on the APEC meeting will be made available in Bridges following the event's conclusion.

ICTSD reporting; "RCEP countries agree to Indian demand on services, investment negotiations," THE ECONOMIC TIMES, 8 November 2016; "RCEP: India gets Trade Ministers on board on 'single undertaking' in goods and services," 7 November 2016; "India to talk tough at RCEP trade meet," LIVEMINT, 2 November 2016; "China-led Asia Pacific trade deal nears completion," THE PHILIPPINE STAR, 7 November 2016; "India plans to block entry of cheap Chinese goods," ECONOMIC TIMES, 28 October 2016; "RCEP may offer new duty concession maths for China," PTI, 1 November 2016.

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## EVENTS & RESOURCES

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# Events

### Coming Soon

7-18 November, Marrakech, Morocco. UNFCCC COP22. The 22nd Conference of the Parties (COP) to the UN Framework Convention on Climate Change (UNFCCC) will focus on preparations for the Paris Agreement on climate change's entry into force. The UN negotiations are being held this year under the presidency of Morocco, and will be the first under new UNFCCC Executive Secretary Patricia Espinosa Cantellano. To learn more, visit the COP22 [website](#).

12 November, Marrakech, Morocco. TRADE AND CLIMATE CHANGE: CAN INTERNATIONAL TRADE HELP SAVE THE CLIMATE? This event is being organised on the sidelines of the UN's annual climate conference, and is being convened jointly by the International Centre for Trade and Sustainable Development (ICTSD) and Entreprises Pour L'Environnement (EPE). At the meeting, speakers will examine the opportunities provided to re-explore the trade and climate interface in the context of the new Paris Agreement on climate change. Additional details are available at the ICTSD [website](#).

12 November, Marrakech, Morocco. CARBON MARKET COOPERATION UNDER THE PARIS CLIMATE REGIME. This event is being jointly organised by the International Centre for Trade and Sustainable Development (ICTSD) and will explore the potential for carbon market cooperation following the entry into force of the Paris Agreement on climate change. Additional details are available [here](#).

15 November, Washington, US. WHAT DOES THE WORLD EXPECT OF THE NEW PRESIDENT? This event being hosted by the Woodrow Wilson International Centre for Scholars with the Kennan Institute, the Latin American Program, the Kissinger Institute on China and the United States, as well as the Middle East Program as its co-sponsors. The conversation will aim to address the foreign policy expectations and challenges confronting the incoming Trump administration when taking office next January. Registration can be found [here](#).

17 November, London, United Kingdom. THE WORLD IN 2017: TOP 10 FACTORS SHAPING THE US AND EUROPEAN ECONOMIES. This research event is being organised by Chatham House, featuring as its guest speaker Daniel Franklin, Executive Editor at The Economist. The event is part of the US and Americas Programme series on US and European Perspectives on Common Economic Challenges, which examines some of the principal global challenges and potentially differing perspectives from across Europe and the US. More information is available [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.

11 November: Committee on Balance-of-Payments Restrictions



- 11 November: Committee on Technical Barriers to Trade
- 11 November: Informal Open-ended Negotiating Group on Rules
- 14 November: Informal Trade Policy Review Body
- 14 November: Informal Committee on Trade and Environment
- 14 November: Council for Trade in Services - Special Session
- 14 November: Informal Committee on Trade and Environment
- 15 November: Committee on Trade and Environment
- 15 November: Informal Open-ended Committee on Trade and Development
- 15 November: Committee on Trade and Development - Dedicated Session on RTAs
- 15 November: Committee on Trade and Development - Dedicated Session on the Monitoring Mechanism on Special and Differential Treatment
- 16 November: Informal Open-ended Committee on Agriculture - Special Session
- 16 November: Trade Policy Review Body - Guatemala
- 17 November: Council for Trade in Goods
- 17 November: Informal Open-ended Committee on Agriculture - Special Session

### **Other Upcoming Events**

21-22 November, Geneva, Switzerland. TOWARDS INCLUSIVE RULES OF ORIGIN. This meeting is being organised by the International Centre for Trade and Sustainable Development (ICTSD) in partnership with the Inter-American Development Bank (IDB). The meeting represents the first in a series of RTA Exchange dialogues set to take place over the course of 2016 and 2017 to systematically explore possibilities for convergence and coherence-building between regional trade agreements (RTAs) and the multilateral trading system. To learn more, visit the ICTSD [website](#).

22 November, Geneva, Switzerland. "SPEAKING UP: THE STATE OF THE WTO APPELLATE BODY." The World Trade Institute of the University of Bern, the University of Geneva Law School, and the Graduate Institute of International and Development Studies are organising this lecture, which will feature Appellate Body Chairman Thomas R. Graham. Please note that registration is required. More information is available at the following [link](#).

26-27 November, Ashgabat, Turkmenistan. GLOBAL SUSTAINABLE TRANSPORT CONFERENCE. The UN Secretary-General Ban Ki-moon is convening the first-ever global conference on sustainable transport in recognition of its critical role in combating climate change and achieving sustainable development. The Conference will address: all modes of transport, including road, rail, aviation, ferry and maritime; the concerns of developing countries; transport in both urban and rural areas; energy and transport; public transport; road safety; and financing for sustainable transport. To learn more, visit the event [website](#).

5-7 December, Abuja, Nigeria. AFRICAN ECONOMIC CONFERENCE 2016. The theme of this year's African Economic Conference will be "Feeding Africa: Towards Agro-Allied Industrialization for Inclusive Growth." The meeting is being organised jointly by the African Development Bank Group (AfDB), the UN Development Programme (UNDP), and the United Nations Economic Commission for Africa (UNECA). Coming in the wake of the 2015

adoption of the Sustainable Development Goals (SDGs) and other key international events, this meeting will focus on how agricultural policy in the content must evolve to achieve improved growth and help address poverty and hunger. More information is available [here](#).

7 December, Brussels, Belgium. E15 INITIATIVE SESSION AT THE ACP TRADE MINISTERS MEETING. This event is being hosted by the International Centre for Trade and Sustainable Development (ICTSD), the World Economic Forum, and the ACP (African, Caribbean, and Pacific Group of States) Secretariat. The session will provide an overview of the E15 Report launched at Davos, Switzerland earlier this year, including those options relevant to the ACP and the global trade and investment system. It will be followed by an open discussion with trade ministers building on the body of E15 work on the topics of regional trade agreements, regulatory coherence, finance and development, and others. To learn more, click [here](#).

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## Resources

CLIMATE CHANGE AND CLEAN ENERGY IN THE 2030 AGENDA: WHAT ROLE FOR THE TRADE SYSTEM? By Kasturi Das and Kaushik Bandyopadhyay for the International Centre for Trade and Sustainable Development (ICTSD) (October 2016). This think piece explores how trade rules, in particular those established at the multilateral level, could support progress towards the 2030 Agenda's objectives related to climate change and clean energy, with main focus on six key policy challenges at the intersection of these factors. The publication can be found [here](#).

BIENNIAL ASSESSMENT AND OVERVIEW OF CLIMATE FINANCE FLOWS. By the UN Framework Convention on Climate Change (UNFCCC) (November 2016). This paper reviews the current state of climate finance, as prepared by the organisation's Standing Committee on Finance. The information provided is meant to help inform the UNFCCC's Twenty-Second Conference of the Parties (COP22) currently underway in Marrakech, Morocco. The publication is available [here](#).

WORLD TARIFF PROFILES 2016. Published by the World Trade Organization (WTO), the International Trade Centre (ITC), and the United Nations Conference on Trade and Development (UNCTAD) (November 2016). This statistical yearbook features the main tariff parameters for all 164 WTO members plus other countries and customs territories where data is available. The authors pair this data with analysis on the market conditions in the respective countries examined. The publication is available for download [here](#).

INCREASINGLY APART: POST-CRISIS GROWTH TRAJECTORIES IN THE UK AND EUROZONE. By Paola Subacchi and Paul van den Noord for Chatham House (November 2016). This research paper examines the reasons behind the UK economy's relatively better performance than that of the eurozone since 2008-09 and the future challenges brought by the expected UK exit talks with the EU, limited rises in productivity, and other factors. The paper also addresses the current political climate as well as capital and labour movement in the Eurozone. The paper can be found [here](#).

GROWING TOGETHER: HOW TRADE WITH MEXICO IMPACTS EMPLOYMENT IN THE UNITED STATES. By Christopher Wilson for the Woodrow Wilson International Centre for Scholars (November 2016). This working paper analyses the employment impact of bilateral trade with Mexico on the US economy and suggests that if trade between the United States and Mexico were halted, 4.9 million American jobs would be lost. The publication is available for download [here](#).

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