

BRIDGES WEEKLY

Global trade news from a sustainable development perspective

VOLUME 21, ISSUE 10, 23 MARCH 2017

GLOBAL ECONOMY

Trump, Merkel Discuss Trade Prospects in Washington Meeting.....1

GLOBAL ECONOMY

G20 Finance Officials Call for Making Trade More Inclusive4

TRADE AGREEMENTS

Japanese, European Leaders Push for Swift Conclusion to Trade Talks.....7

NATURAL RESOURCES

EU Parliament Gives Green Light to Conflict Mineral Regulation10

TRADE AGREEMENTS

EU, Mercosur Countries Work to Speed Up Trade Talks.....12

WILDLIFE TRADE

Wildlife Trade: China Reports Drop in Smuggled Ivory, South Africa Debates Rhino Horn Law..14

EVENTS & RESOURCES

Events16

Resources18

GLOBAL ECONOMY

Trump, Merkel Discuss Trade Prospects in Washington Meeting

US President Donald Trump and German Chancellor Angela Merkel met last week in Washington for discussions on trade, the G20, and other areas for international cooperation, in their first such meeting since the new American leader took office in late January.

The discussion comes at a time when trade has become an increasingly high-profile topic in geopolitical circles, with questions being raised over how to make trade more inclusive, address concerns over inequality, and respond to the debate over what qualifies as protectionism, free trade, and fair trade.

While the US' presidential elections are now in the rearview mirror, the European Union's own electoral cycles are kicking into gear, with the Netherlands holding parliamentary elections last week and French voters set to go to the polls in April and May. Germany is due to hold its federal election on 24 September, with Merkel running for a fourth term as chancellor.

At the same time, the EU is also preparing to begin negotiating the United Kingdom's exit terms from the bloc, with UK Prime Minister Theresa May confirmed that she will trigger the relevant provision to begin those talks on 29 March. The other 27 EU members are due to hold a [summit](#) on 29 April to adopt their own Brexit negotiating guidelines.

Merkel pushes for TTIP

[Speaking to reporters](#) on Friday 17 March, the two leaders both raised the potential for changing the trading relationship between the two countries within this larger geopolitical context, though differed somewhat in their framing of the issue.

In his comments, the new US leader expressed optimism over the future, but at the same time claimed that the current state of play is not ideal for Washington.

"On trade with Germany, I think we're going to do fantastically well. Right now, I would say that the negotiators for Germany have done a far better job than the negotiators for the United States," said Trump.

"Germany has done very well in its trade deals with the United States, and I give them credit for it," the US leader added. Trump did not clarify which deals he was referring to, given that there currently are no free trade agreements in place between Germany and the United States.

The US leader also rejected the idea that he is an "isolationist," claiming instead that he is "a free trader, but... also a fair trader."

"The United States has been treated very, very unfairly by many countries over the years. And that's going to stop," he said.

The German chancellor, for her part, noted in her own remarks that negotiating trade agreements falls under the purview of the European Union, and also cited examples of EU trade pacts with large economies – such as South Korea – which she said had been of economic benefit to all parties.

"That's the purpose of concluding agreements – that both sides win. And that is the sort of spirit, I think, in which we ought to be guided in negotiating any agreement between the United States of America and the EU. I hope that we can resume the agreement that we started," said Merkel.

The German chancellor was referring to the Transatlantic Trade and Investment Partnership (TTIP), an agreement that the US and EU began negotiating in 2013 under former US President Barack Obama.

Efforts to conclude the talks before Obama left office ultimately proved unsuccessful, with the agreement since put on hold pending clarity from the new US administration. (See Bridges Weekly, [8 December 2016](#))

In her remarks to reporters, Merkel also noted that the US is not alone in having a sceptical public on trade, referring to past protests in Germany and other parts of the EU relating to TTIP. She also noted that the EU is responsible for negotiating on behalf of Germany and the other member states.

"We've devolved our competences to the European Union, so the European Union, or rather the Commission negotiates on behalf of the member states, so that's not going to prevent us from concluding agreements. Indeed, this would then qualify as a bilateral agreement between the EU and the United States if we have it," said the Chancellor.

Trump has said that bilateral agreements have priority when it comes to future trade talks under his administration.

While Trump never referred to TTIP in his remarks on Friday, some other White House officials have previously indicated that the talks may not have a promising future. Peter Navarro, who Trump has named the head of the new National Trade Council, has particularly suggested that Germany's currency policy and implications for the euro are stumbling blocks for the US moving forward.

Navarro has also suggested that TTIP, as a "multilateral" agreement, would not qualify as a bilateral pact. (See Bridges Weekly, [2 February 2017](#))

Robert Lighthizer, Trump's nominee for US Trade Representative (USTR), has for his part said that he would consult with congressional lawmakers on the next steps for TTIP, telling the Senate Finance Committee in response to their questions that if these talks resume, this

would have to wait until the end of 2017 at earliest given elections in some EU member states.

Meanwhile, EU Trade Commissioner Cecilia Malmström [confirmed](#) to an audience in Bavaria on Tuesday 22 March that the proposed trade deal remains “in the deep freeze.”

“We are waiting for a signal from the new administration, but we should be realistic that it might not be ‘defrosted’ for quite some time,” said Malmström.

G20, G7 summits coming up

Merkel also told reporters that her trip came both as the leader of Germany, but also as the G20 president. Trump is due to attend the leaders’ summit in Hamburg, Germany, this coming July.

“We say trade has to be rendered fairer, there has to be a win-win situation. We can talk about the details of that,” said Merkel.

Finance ministers and central bank governors from the G20 coalition met in Baden-Baden this weekend to discuss a range of topics, including their approach to trade. The two leaders will also see each other again at the upcoming G7 summit in Taormina, Italy, in late May, which is also expected to tackle the issue of trade. (For more on the meeting, see related story, this edition.)

ICTSD reporting; “Trump’s pick for trade envoy open to continued EU trade talks,” POLITICO, 21 March 2017; “Host Italy wants G7 to reject ‘temptation’ of protectionism at summit,” REUTERS, 21 March 2017.

GLOBAL ECONOMY

G20 Finance Officials Call for Making Trade More Inclusive

Finance ministers and central bank governors from the Group of 20 (G20) coalition of major economies wrapped up a two-day meeting in Baden-Baden this weekend, with their debate on issues ranging from trade and exchange rate policy to climate change setting the stage for future discussions ahead of this year's leaders' summit in Hamburg, Germany.

Going into the gathering, speculation was running high over how officials might address topics such as trade, protectionism, and climate finance in light of the change of leadership in the United States earlier this year. (See Bridges Weekly, [16 March 2017](#))

The 17-18 March meeting was the first since US President Donald Trump took office in January, pledging to implement an "America First" economic agenda focused on incentivising domestic manufacturing and otherwise increasing growth and jobs in the United States.

Defining trade

The [communiqué](#) released by finance officials on Saturday 18 March quickly drew scrutiny for its revised language regarding trade and protectionism compared to previous versions, along with what this might mean for the G20's collective and individual approach on these subjects.

Specifically, G20 officials dropped past language to "resist all forms of protectionism," a phrase which has been regularly used in finance communiqués for years.

Instead, the reference to trade focused mainly on making it more inclusive and ensuring that it translate into growth whose benefits are shared more broadly.

"We are working to strengthen the contribution of trade to our economies. We will strive to reduce excessive global imbalances, promote greater inclusiveness and fairness and reduce inequality in our pursuit of economic growth," said the final communiqué.

The change in approach to trade language was reportedly in response to the US' approach, led by newly-minted Treasury Secretary Steven Mnuchin, in a move that analysts suggest will add fuel to the existing debate over what terms such as free trade, fair trade, and protectionism actually mean and how these are defined.

Indeed, the discussion over what actually constitutes protectionism is not new to trade circles, with economists and political analysts alike debating over topics such as what falls under the heading of a "trade-restrictive measure" and what its policy impacts are in practice – an issue that has drawn [further discussion](#) in light of monitoring efforts by the WTO and other organisations of the G20's policies and what these mean for cross-border trade flows.

According to the Reuters news agency, several officials in Baden-Baden did not push back much at this stage against the removal of the past protectionist pledge, in light of the fact that Mnuchin and Trump are still relatively new in their positions and their administration's economic agenda is still in the process of being defined. China and France were reportedly among those arguing in favour of keeping the past language on resisting protectionism.

However, some finance officials have come out publicly to criticise the move and indicate that they hope to see the former language on protectionism used in future G20 documents. Finance ministers and central bank governors are due to meet again in the context of the Spring Meetings of the International Monetary Fund (IMF) and the World Bank Group (WBG) in April, with G20 leaders to meet in Hamburg in early July.

"Important words missing in the G20 communiqué: multilateralism, fight against protectionism, Paris agreement and climate. I want them back!" said Pierre Moscovici, the European Commissioner for Economic and Financial Affairs, [in a post](#) on social media site Twitter.

Indonesian Finance Minister Sri Mulyani Indrawati has similarly said publicly that the outcome of Baden-Baden was "not very good" and cautioned that its outcomes would only increase "uncertainty" in an already difficult climate, particularly if it leads to more inward-looking policies that are to the detriment of poorer economies.

Meanwhile, G20 finance officials did maintain their past language regarding currency cooperation and avoiding the use of monetary policy in a way that could artificially make their exports more competitive.

"We will consult closely on exchange markets. We reaffirm our previous exchange rate commitments, including that we will refrain from competitive devaluations and we will not target our exchange rates for competitive purposes," the finance officials said.

Following the finance officials' meeting, IMF Managing Director Christine Lagarde [called](#) upon G20 members to continue working together in order to ensure that global growth improves steadily.

"We met at a time when growth is gaining momentum around the world and there are signs that the global economy has reached a turning point, even though uncertainties remain," said the IMF chief.

"Strong monetary, fiscal, and structural policies matter more than ever for what comes next. Global cooperation and pursuing the right policies can achieve strong, sustained, balanced, and inclusive growth, while the wrong ones could stop the new momentum in its tracks," she said.

Climate references dropped

Another notable omission from the statement was any reference to climate change – a significant shift compared to G20 finance communiqués [from just last year](#) that welcomed the UN's Paris Agreement on climate change, called for its "timely implementation," and pledged to continue working on climate finance in 2017.

The document released by finance officials on Saturday refers instead only to fossil fuel subsidy reform, while framing this in a context of efficiency and waste rather than as an environmental objective.

"We reaffirm our commitment to rationalise and phase out, over the medium term, inefficient fossil fuel subsidies that encourage wasteful consumption, recognising the need to support the poor. Furthermore, we encourage all G20 countries which have not yet done so, to initiate as soon as feasible a peer review of inefficient fossil fuel subsidies that encourage wasteful consumption," said the communiqué, in language that echoed prior statements from the group.

The drop of any language specific to climate – including on the Paris Agreement and climate finance – not only goes against the group's shared history, but may also complicate the

German presidency's [stated objective](#) of using this G20 cycle to continue the coalition's support for the Paris Agreement's implementation.

In 2016, [the group's leaders](#) openly pledged their continued backing to the new UN climate treaty, which was adopted in 2015 and entered into force last November. The G20 leaders also supported the efforts of a "Climate Finance Study Group" established in 2012 to explore topics such as how to use financial flows to tackle the climate challenge.

Finance officials had made similar statements in favour of addressing climate change in communiqués issued throughout 2016, as in recent years.

At the UN climate talks last November, officials warned that current levels of both private and public finance support are far below what will be required to meet the objectives of either the Paris Agreement or the Sustainable Development Goals. (See Bridges Special Update, [13 November 2016](#))

The move to drop any reference to climate in the Baden-Baden communiqué was also credited to the US, given the views of the new administration on the subject. Trump had previously pledged to "cancel" Washington's involvement in the Paris Agreement while on the campaign trail, though he has not yet moved to implement that promise.

However, the White House released last week its draft budget for the 2018 financial year, which would slash US funding for the UN Framework Convention on Climate Change (UNFCCC) and the Intergovernmental Panel on Climate Change (IPCC), as well as its financial support to the Green Climate Fund (GCF) among others.

The White House proposed budget is designed as a reflection of financial priorities, but is not law. Rather, the budget is determined by Congress, with the final version then sent to the president to sign or veto.

The UNFCCC is the international treaty that launched the United Nations agency responsible for global climate change negotiations, while the IPCC is tasked with the scientific reports on the state of climate change itself and its ramifications. The GCF is a relatively new project, formally launched in 2014 to help developing countries transition toward becoming lower-carbon, climate-resilient economies.

The GCF is part of a larger effort aimed at mobilising US\$100 billion in climate aid to poorer nations by 2020. The US under former President Barack Obama had committed US\$3 billion to the Green Climate Fund, of which approximately US\$1 billion has been disbursed. (See Bridges Weekly, [20 November 2014](#))

G20 finance officials have in the past pledged that their developed country members will support the funding of the GCF, including as recently as [last year](#). The G20 coalition has also released reports, action plans, or other work over the years [on topics](#) ranging from energy efficiency to the deployment of renewables.

ICTSD reporting; "G20 ministers give Mnuchin space to define Trump trade agenda," REUTERS, 20 March 2017; "Signals from G20 finance meeting not very good, says Indonesian finance minister," REUTERS, 20 March 2017; "Trump budget: US to stop funding UN climate process," CLIMATE HOME, 16 March 2017.

TRADE AGREEMENTS

Japanese, European Leaders Push for Swift Conclusion to Trade Talks

Japanese Prime Minister Shinzo Abe met with German Chancellor Angela Merkel on Sunday 20 March in Hanover, renewing calls to finalise negotiations on a EU-Japan free trade accord and defending open and fair trade.

The meeting, on the occasion of the opening of the CeBIT digital trade show for which Japan is this year's partner country, came on the first leg of a four-day European tour that also saw Abe meet with leaders in France, Italy, and the seat of the European Union in Belgium.

Abe, Merkel tout "free trade" commitment

How to address the growing debate over what constitutes "free trade" and "fair trade," particularly in a context of changing political leadership in key economies and a parallel rise in anti-globalisation sentiment, was one of the topics on the docket for the Abe-Merkel meeting.

"Japan, having benefited in abundance from the benefits of free trade and investment, wants to be the champion upholding open systems alongside Germany," Prime Minister Abe told reporters after meeting with Merkel.

"To do so it will be necessary to have rules that are fair and can stand up to democratic appraisal," the Japanese leader added.

"At a time when we are being forced to argue about free trade, open borders and democratic values with many, it is a good sign that Japan and Germany are shaping the future to the benefit of the people," stated the chancellor, according to a [news item](#) issued by the German Federal Government.

"We want to link our societies with one another and let them deal fairly with one another and that is what free trade is all about," Merkel continued.

The comments came shortly after Merkel held talks with US President Donald Trump in Washington on trade and other subjects. Neither Abe nor Merkel mentioned the American president explicitly in their remarks.

Abe had earlier engaged in separate talks with Trump to explore avenues for bilateral cooperation on trade and to discuss possible next steps for the Trans-Pacific Partnership, a 12-nation free trade pact from which the United States withdrew shortly after Trump's inauguration in January. (See Bridges Weekly, [2 February 2017](#))

The Abe-Merkel discussions also came shortly after a meeting of G20 finance ministers and central bank governors in the German city of Baden-Baden, where officials debated how to address trade and the concept of protectionism in their communiqué.

Germany currently holds the rotating G20 presidency, with a leaders' summit planned for early July in Hamburg. (For more on both Trump and the G20, see related stories, this edition).

Abe, EU leaders eye 2017 "agreement in principle"

In Brussels on Tuesday, both Prime Minister Abe and leaders from the European Union met to provide direction to ensure a swift conclusion to the EU-Japan free trade agreement (FTA), otherwise referred to as an economic partnership agreement (EPA), ideally by the end of this year.

Abe met with both European Council President Donald Tusk and European Commission President Jean-Claude Juncker in the Belgian capital. Along with the FTA, the leaders were also expected to discuss preparations for the May summit of G7 leaders, being hosted this year by Italy in the Sicilian city of Taormina.

[According](#) to a statement delivered by Tusk ahead of the Japan-EU meeting, leaders from all sides were planning to use this week's discussions to give trade negotiators "a clear political direction" going forward.

Talks for the bilateral trade pact have been ongoing since 2013, with the seventeenth and most recent round concluded in September 2016.

The launch of those negotiations nearly four years ago was heralded as a "historic event," even as trade officials acknowledged that the sensitivities on certain key topics such as non-tariff barriers could make the upcoming talks very complicated. (See Bridges Weekly, [27 March 2013](#))

Currently, the issues that have yet to be resolved reportedly concern Japanese automobile non-tariff measures and improved market access for European agricultural exports, both areas that were already expected to be difficult to address. (See Bridges Weekly, [23 February 2017](#))

The planned agreement would seek to strengthen economic ties between the partners by cutting tariffs and barriers, building a stable and transparent operational environment to facilitate trade and investment, and strengthening services and public procurement market access.

When taken together, Japan and the EU comprise over a third of global GDP, where Japan follows China as the 28-member bloc's second largest Asian trading partner.

"We shall try to aim for agreement in principle at the earliest possible date" in order to "show the symbol of free trade to the world," Prime Minister Abe said, according to comments reported by Bloomberg.

"Our negotiations with Japan are now in a decisive and hopefully final stage," [said](#) Juncker in his own remarks on the subject.

Suggesting that the two sides are "confident" that they can reach a deal this year in light of the leaders' discussions, the EU Commission chief added that he is "heartened by the progress" made so far because both trading partners know that "openness will continue to drive our economies and societies forward."

"We will continue to look out towards the world, rather than return to isolationism," Juncker said, emphasising that free trade is a vehicle for fair trade to the mutual benefit of all parties.

The EU Commission president also suggested, however, that the outstanding issues in the planned trade pact are the toughest ones.

Meanwhile, Tusk also [referred](#) to the upcoming Brexit negotiations with the UK, noting that the European bloc will do everything in its power to minimise any negative impacts on foreign trading partners, including with regards to Tokyo.

Along with a trade deal, the European Union and Japan are also negotiating a legally binding [Strategic Partnership Agreement](#), which would cover bilateral cooperation on topics ranging from climate change to international development policy.

ICTSD reporting; "EU, Japan Forge Ahead in Trade Talks as Trump Gives Impetus," BLOOMBERG, 21 March 2017; "Merkel, Abe Call for EU-Japan Deal to Stem Trade Barriers," BLOOMBERG, 19 March 2017; "Germany's Merkel and Japan's Abe urge free trade with jabs at U.S.," REUTERS, 19 March 2017; "Abe sets off on 4-day trip to Europe," KYODO, 19 March 2017; "Abe to meet with EU leaders later this month," KYODO, 10 March 2017; "Angela Merkel and Japan's Shinzo Abe make subtle digs at Donald Trump at German tech event," THE INDEPENDENT, 20 March 2017.

NATURAL RESOURCES

EU Parliament Gives Green Light to Conflict Mineral Regulation

The European Parliament signed off last week on a proposal aimed at tackling conflict minerals trade, bringing the proposed measure closer to becoming law.

The regulation was approved by EU lawmakers on 16 March with 558 votes in favour, 17 against, and 45 abstentions. The minerals of interest are used in the production of several goods in common use, ranging from cell phones and cars to jewellery and lighting products.

Overall, proponents say that the planned regulation would cover 95 percent of the EU's imports of the minerals in question and could help tackle human rights abuses incurred by forced mining labour. The regulation also aims to cut off the revenue that illegal armed groups receive from the sale of such minerals abroad.

Once the regulation is formally adopted by the European Council, signed into law, and published in the EU Official Journal, the bloc will impose due diligence rules on companies importing tin, tantalum, tungsten, and gold from areas deemed conflict-affected and high-risk.

The projected timeline for these steps would have Council approval secured by April and the remaining steps completed by the end of May. Importers would be required to begin following this regulation from January 2021 – a timeframe which proponents say will give importers, smelters, and other participants in the supply chain some time to make the necessary changes.

"Transparent and responsible supply chains mean revenues will not go into the hands of rebel groups, but to investment in schools and hospitals, supporting a well-governed state underpinned by the rule of law," [said](#) EU Trade Commissioner Cecilia Malmström following the vote, touting the regulation's sustainable development potential.

Negotiating history

The process to develop the conflict minerals regulation has been in the works for several years, with the EU's executive arm and the bloc's then-High Representative for Foreign Affairs Catherine Ashton proposing in 2014 a "self-certification scheme" targeting mineral imports from conflict-affected and high-risk areas. (See BioRes, [14 March 2014](#))

The years since saw the EU institutions engage in detailed negotiations to reach a final conflict minerals regulation, with a political deal announced in June 2016 and a final agreement confirmed later that year. (See Bridges Weekly, [23 June 2016](#) and [1 December 2016](#))

The regulation bears some similarities to the conflict minerals provisions within the larger [US Dodd-Frank Act](#), which requires companies to undertake due diligence and disclose the use of minerals imported from the Democratic Republic of the Congo and some neighbouring countries. However, EU lawmakers have designed this regulation to be wider-reaching geographically, among other differences. Proponents say that this will help the regulation to keep pace with current events.

The planned EU regulation follows the [Organisation for Economic Co-operation and Development \(OECD\) guidelines](#)' five-step framework of due diligence, similar to Dodd-Frank. The Commission will keep an updated, indicative list of conflict-affected and high-risk areas, as well as a list of responsible smelters and refiners taking into account the supply chain due diligence schemes.

The due diligence rules will be mandatory for "upstream companies" – for instance, refiners, smelters, and others involved in minerals extraction. The companies that then process metals into their final product will also be required to meet these "due diligence" rules if those imports are at "metal stage" when brought into the European Union. Some smaller importers will not be subject to the mandatory rules.

The planned regulation would also allow for supporting measures that would make it easier for smaller companies to adapt to these changes.

Compliance will be tracked at the member state level, both through documentation and inspections, with those national-level authorities also tasked with ensuring that any non-compliant importers change their practices.

International developments

Across the Atlantic, the fate of the US' Dodd-Frank Act is uncertain, given that President Donald Trump has expressed an interest in revising some of the legislation's terms.

Congolese officials have reportedly reached out to the new US administration urging further discussions on the subject, warning that rolling back the conflict minerals part of the US law could have dangerous implications for the country, already devastated by a long history of armed conflict, disease, and poverty.

Meanwhile, China has put in place its own voluntary "due diligence" [guidelines](#) on improving the responsible sourcing of minerals, with the [support](#) of the OECD.

ICTSD reporting: "European Parliament adopts conflict minerals Regulation," CHEMICAL WATCH, 20 March 2017; "Final Text of the EU Conflict Minerals Regulation," GLOBAL COMPLIANCE NEWS, 8 February 2017; "European Parliament approves conflict minerals rules for the EU," LEXOLOGY, 20 March 2017; "Parliament adopts binding law on conflict minerals," EURACTIV, 16 March 2017; "Congo Sees Trump Roll-Bank of Dodd-Frank Stoking Insecurity," BLOOMBERG, 20 March 2017.

TRADE AGREEMENTS

EU, Mercosur Countries Work to Speed Up Trade Talks

Talks on a potential trade deal between the EU and Mercosur have reportedly been gaining renewed traction, with diplomats from both trading partners affirming their commitment to bringing the long-running negotiations closer to a successful conclusion.

Efforts to reach a region-to-region trade pact between the EU and Mercosur, the South American economic bloc comprising Argentina, Uruguay, Paraguay, and Brazil, have had a long history.

While talks kicked off in 1999, they have faltered, stalled, or been re-started on numerous occasions in the many years since, particularly due to disagreements on topics such as agricultural market access.

The talks were most recently re-launched in 2010, but were again put on hold two years later. (See Bridges Weekly, [19 May 2010](#))

The negotiations began to pick up again last year, with the exchange of market access offers last May and a negotiating round in October. (See Bridges Weekly, [9 February 2017](#))

While Venezuela is also a member of Mercosur, it is a relatively recent addition to the group and is not part of the trade talks with the European Union. It is, however, an observer to the talks.

The [planned trade deal](#) would cover topics such as goods and services market access, public procurement, intellectual property, sustainable development issues, and food safety, among others.

Buenos Aires meeting, global context

A fresh round of talks between parties is taking place this week in Buenos Aires, Argentina. Foreign ministers from the four Mercosur countries involved in the EU trade talks met ahead of this week's discussions and reportedly reached a common negotiating position from which to negotiate.

Officials have credited current events in other major trading partners, including the United States, as providing an additional impetus for concluding a pact between the blocs in the near term.

Speaking to the Reuters news agency, Brazilian Foreign Minister Aloysio Nunes said that developments such as "the US withdrawal from agreements like the Trans-Pacific Partnership" have provided further fuel for advancing the negotiations.

"We will sign a wide political accord this year and later negotiate more delicate issues," the Brazilian official added, suggesting that both sides are now ready to make some of the crucial decisions to help bring the talks closer to the finish line.

The window for advancing a Mercosur-EU trade deal has similarly been cited by Argentina's foreign minister, Susana Malcorra, as "one of those opportunities that cannot be lost," according to comments reported by EurActiv and echoed by fellow Mercosur officials.

Malcorra asserted that a “well-defined strategy” was necessary before engaging with EU negotiators in this next phase.

While the recent news in Brazil of a contaminated meat problem in various domestic companies raised questions among some trade watchers over whether these might affect the talks, EU officials have said that they are confident the negotiations will proceed smoothly and note the planned food safety measures that would be included in a future accord.

In the interim, those companies implicated in the contaminated meat situation will not be able to export to the 28-nation bloc.

The EU made up nearly one-fifth of the Mercosur bloc's total trade in 2015. Bilateral merchandise trade has steadily increased over the past decade, [according](#) to the European Commission, with the South American group primarily exporting agricultural, mineral, wood, paper, and machinery products to the EU.

Meanwhile, the European Union's top sales to those four countries include goods ranging from machinery to medicines.

[Both sides](#) have also been looking to deepen trade and economic ties with various other partners, including another South American group known as the Pacific Alliance, which is made up of Chile, Colombia, Mexico, and Peru.

ICTSD reporting; “Mercosur trade bloc agrees common position ahead of EU talks,” EURACTIV, 10 March 2017; “Brazil meat scandal: Temer tries to reassure partners,” BBC, 19 March 2017; “EU to block any firms involved in Brazil meat scandal,” REUTERS, 20 March 2017; “Fresh impetus for Europe-S America trade pact,” FINANCIAL TIMES, 19 March 2017; “France's Hollande says EU to talk trade with Pacific Alliance,” REUTERS, 23 January 2017; “Macri and Bachelet agree on a Mercosur-Pacific Alliance meeting in first half of 2017,” MERCOPRESS, 20 December 2016.

WILDLIFE TRADE

Wildlife Trade: China Reports Drop in Smuggled Ivory, South Africa Debates Rhino Horn Law

The past month has seen a series of domestic efforts aimed at addressing different aspects of wildlife trade, from the implementation of measures to further regulate or curb ivory sales in various countries and a debate in South Africa over domestic trade in rhino horn.

Chinese officials reported late last month that smuggled ivory in the country dropped 80 percent last year, according to the Xinhua news agency. The Asian economy is the world's largest consumer of ivory and has committed to phasing out commercial processing and sales of ivory by year's end.

Countries under the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) agreed last year on a non-binding recommendation in favour of [closing domestic ivory markets](#), among other decisions. (See Bridges Weekly, [13 October 2016](#))

Earlier this month, CITES' Monitoring Illegal Killing of Elephants (MIKE) [programme](#) found that the increase in African elephant poaching from 2006-2011 has "halted and stabilised," but that more must be done to ensure the survival of elephant populations on the continent.

In related news, Japan has lately taken steps to regulate further the country's ivory market, such as by requiring ivory traders to register with the government and imposing harsher punishments on violators. Separately, Singapore's Minister of State for national Development Koh Poh Koon announced earlier this month a ban of ivory sales as part of the city-state's elephant conservation efforts. Singapore is a key point of transit for smuggled ivory with large quantities traveling through it to reach other parts of the world.

The EU is also set to ban raw ivory exports from July onward in a bid to tackle wildlife crime. The bloc is the world's leader in raw and carved ivory sales. Vendors are permitted to export ivory harvested pre-1990, when international ivory trade was largely banned, which some critics say can allow smugglers an opportunity to sell illegal ivory disguised as legal.

South Africa issues draft law on domestic rhino horn trade

Meanwhile, South Africa is mulling [draft legislation](#) that could legalise some domestic rhino horn trade, with the relevant permits, and allow limited international exports for personal use. The country is home to 80 percent of the world's rhinos and [reported](#) 2883 cases of poaching-related activities in 2016.

Some domestic breeders have argued that this law would drive down rhino horn demand and decrease poaching, suggesting that some of the money used currently to protect rhinos from poachers could instead support other conservation efforts. Critics [argue](#), however, that the draft legislation could have the reverse effect and possibly provide a "cover" for illegal exports and potentially increase demand.

ICTSD reporting: "China sees sharp decline in ivory smuggling in 2016," CHINA DAILY, 27 February 2017; "China Bans Its ivory Trade, Moving Against Elephant Poaching," THE NEW YORK TIMES, 30 December 2016; "S'pore to ban sale of ivory here," TODAY, 1 March 2017; "EU set to ban raw ivory exports from July," THE GUARDIAN, 22 February 2017; "South Africa Considers Legalizing Domestic Rhino Horn Trade," NATIONAL PUBLIC RADIO, 13

March 2017; "Japan to tighten control over domestic ivory trade," KYODO NEWS, 28 February 2017.

EVENTS & RESOURCES

Events

Coming Soon

27-29 March, Mumbai, India. SIXTH GLOBAL ECONOMIC SUMMIT ON WOMEN'S EMPOWERMENT. This event is being organised by World Trade Centre (WTC) Mumbai, with the objective of bringing women together from an array of backgrounds for discussions around increasing women's participation in trade and other related topics, including institutional support, education, and leadership. To learn more, visit the World Trade Centre Association [website](#).

28 March, Geneva, Switzerland. G20 AND THE EVOLUTION OF THE GLOBAL TRADE AND INVESTMENT REGIME: FROM CRISIS MANAGEMENT TO VISION AND LEADERSHIP? This dialogue is being organised by the International Centre for Trade and Sustainable Development (ICTSD) and the Friedrich Ebert Stiftung (FES) Geneva office. The focus of this dialogue will be on the G20's trade and investment agenda and how this may evolve over the coming two years. The dialogue will then be followed by a trade and climate-focused roundtable. Please note that attendance at this event is by invitation only. For more information, please visit the ICTSD [website](#).

28 March, Geneva, Switzerland. REGULATORY COHERENCE AND THE MULTILATERAL TRADE SYSTEM: LESSONS FROM THE RTAs AND OPTIONS TO PROMOTE CONVERGENCE. This dialogue is being organised by the International Centre for Trade and Sustainable Development (ICTSD) and the Inter-American Development Bank (IDB). The objective is to help support trade policymaking in the area of regulatory coherence, particularly given the developments underway with regional trade agreements and the multilateral trading system. Please note that attendance at this event is by invitation only. For more information, please visit the ICTSD [website](#).

28 March, Brussels, Belgium. EFFORT SHARING REGULATION: WHAT DEAL CAN WE EXPECT? This meeting is being organised by the International Centre for Trade and Sustainable Development (ICTSD) and the European Roundtable on Climate and Sustainable Transition (ERCST). Taking place at the European Parliament with the participation of Gerben-Jan Gerbrandy, Member of the European Parliament representing the Netherlands and part of the Alliance of Liberals and Democrats of Europe, this meeting aims to facilitate policy discussions regarding the development of the new Effort Sharing Regulation. For more information, please visit the ICTSD [website](#).

29 March, London, UK. POST-TPP: US ECONOMIC ENGAGEMENT IN THE ASIA-PACIFIC. This Chatham House event will feature as its guest speaker Matthew Goodman, who serves as the William E. Simon Chair in Political Economy and Senior Advisor for Asian Economics for the Centre for Strategic & International Studies. Goodman is expected to discuss the US' economic strategy in the Asia-Pacific, including the potential ramifications of its withdrawal from the Trans-Pacific Partnership (TPP) Agreement. This event is one of an ongoing series focused on US and European economic issues. Please note that attendance of this event is by invitation only. For more information on this event, please visit the Chatham House [website](#).

29 March, Geneva, Switzerland. ENSURING SUSTAINABILITY THROUGH TRADE AGREEMENTS. This dialogue is being organised by the International Centre for Trade and Sustainable Development (ICTSD) with the support of the German Development Cooperation. The objective is to look at the how modern/deep integration regional trade

agreements (RTAs) have handled sustainability concerns and what we can learn moving forward for the multilateral trade system. This event is one of an ongoing RTA Exchange series focused on examining ways to build convergence and coherence between RTAs. Please note that this is a private dialogue and attendance is by invitation only. For more information on this event, please visit the ICTSD [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.

27 March: Informal Open-ended Negotiating Group on Rules of Fisheries Subsidies

27 March: Informal Session on Standards and Trade Development Facility

27-28 March: Committee on Agriculture

28 March: Informal Committee on Technical Barriers to Trade

29-30 March: Committee on Technical Barriers to Trade

Other Upcoming Events

3-5 April, New York, SUSTAINABLE ENERGY FOR ALL FORUM. This three-day forum is being organised by the World Bank and welcomes Sustainable Energy for All Partners from around the world to share their experiences and stories on how to achieve results. The forum will look at the latest data towards progress on Sustainable Development Goal 7, affordable and clean energy, and will focus on putting energy efficiency first, centralised and decentralised energy systems, and seizing the "energy access dividend." The aim of this forum is to develop new partnerships and ideas to encourage investment and action towards ensuring clean, affordable energy for all. To learn more and to register, please visit the forum [website](#).

4-5 April, Nairobi, Kenya. AFRICA RENEWABLE ENERGY LEADERS SUMMIT. This two-day summit is being organised by dmg events and supported by various local and regional partners. This summit will bring together over 200 experts and representatives from government, private sector, international development agencies, non-governmental organisations, think tanks, and academia to discuss current and future green energy policy in East Africa. To learn more and to register, please visit the summit [website](#).

9-11 May, Geneva, Switzerland. GIS FOR A SUSTAINABLE WORLD CONFERENCE. This annual event is being jointly organised by the United Nations Operational Satellite Applications Programme (UNOSAT) and Esri. The conference will focus on how Esri's ArcGIS platform empowers the international community to work toward the the goals set forth on the 2030 Agenda for Sustainable Development. To learn more and to register, please visit the Esri [website](#).

Resources

STANDARDS IN THE PHOTOVOLTAIC VALUE CHAIN IN RELATION TO INTERNATIONAL TRADE. By George Kelly and Mahesh Sugathan for the International Centre for Trade and Sustainable Development (ICTSD) (March 2017). This paper explores the manufacturing of clean energy goods and provision of clean energy services, discussing the globally dispersed supply chains involved. Kelly and Sugathan map out the state of play development of certain critical standards along important segments of the solar-photovoltaic (PV) energy value chain and what this means for trade, along with providing related recommendations. To download this paper, please visit the ICTSD [website](#).

HOW CHINA'S FARM POLICY REFORMS COULD AFFECT TRADE AND MARKETS: A FOCUS ON GRAINS AND COTTON. By Wusheng Yu for the International Centre for Trade and Sustainable Development (ICTSD) (March 2017). This paper looks at key Chinese agricultural commodities, including rice, wheat, maize, soybeans, and cotton. Yu discusses recent developments in areas ranging from prices to trade, examining these in light of China's evolving farm policy framework and global market trends. This paper also discusses some possible policy scenarios and what ramifications these could have. To download this paper, please visit the ICTSD [website](#).

SALVAGING THE TRANS-PACIFIC PARTNERSHIP: BUILDING BLOCKS FOR REGIONAL AND MULTILATERAL TRADE OPENING? By Matthias Helble for the Asian Development Bank Institute (ADB) (March 2017). This working paper discusses the significance of the Trans-Pacific Partnership (TPP) in helping provide a "blueprint" for upgrading trade rule-making in light of the changing global context. While the future of the TPP is uncertain without US involvement, Helble argues that some achievements of the TPP might not be lost. To download this paper, please visit the ADB [website](#).

WILL THE PROPOSED US BORDER TAX PROVOKE WTO RETALIATION FROM TRADING PARTNERS? By Chad P. Bown for the Peterson Institute for International Economics (PIIE) (March 2017). This policy brief discusses concerns that have been raised over proposed US border tax adjustments, specifically in relation to international trade rules. Bown outlines the estimated cost of countermeasures that the US could face should WTO adjudicators determine that this policy violates global trade rules. Bown also argues in favour of continued US cooperation with other countries on trade. The full document is available for download at the PIIE [website](#).

POVERTY REDUCTION AND GROWTH TRUST: 2016-17 BORROWING AGREEMENTS WITH THE GOVERNMENT OF CANADA, DE NEDERLANDSCHE BANK NV, AND THE BANK OF KOREA. Published by the International Monetary Fund (IMF) (March 2017). This policy paper discusses the borrowing agreements between the IMF and the Canadian government, De Nederlandsche Bank NV, and the Bank of Korea. The new agreement between the IMF and Canada is presented in this policy paper as well as updates to the other two existing agreements. The full document is available for download at the IMF [website](#).

INVESTMENT POLICY MONITOR. Published by the United Nations Conference on Trade and Development (UNCTAD) (March 2017). This updated UNCTAD publication discusses recent investment policy measures worldwide and highlights the implications of trade and investment restrictions and facilitation. The monitor also reviews new international investment agreements (IIA) and terminations, along with looking specifically at new IIA provisions. This publication is available to view at the UNCTAD [website](#).

EXPLORE THE TRADE AND SUSTAINABLE DEVELOPMENT
WORLD FURTHER WITH ICTSD'S BRIDGES NETWORK

BIORES

Analysis and news on trade and environment for a global audience
<http://www.ictsd.org/bridges-news/biores>
English language

BRIDGES AFRICA

Trade and sustainable development news and analysis on Africa
<http://www.ictsd.org/bridges-news/bridges-africa>
English language

PUENTES

Latin America-focussed analysis and news on trade and sustainable development
<http://www.ictsd.org/bridges-news/puentes>
Spanish language

МОСТЫ

CIS-focussed analysis and news on trade and sustainable development
<http://www.ictsd.org/bridges-news/МОСТЫ>
Russian language

PONTES

Analysis and news on trade and sustainable development for the Portuguese-speaking world
<http://www.ictsd.org/bridges-news/pontes>
Portuguese language

桥

Analysis and news on trade and sustainable development for the Chinese-speaking world
<http://www.ictsd.org/bridges-news/桥>
Chinese language

PASSERELLES

Africa-focussed analysis and news on trade and sustainable development
<http://ictsd.org/news/passerelles>
French language

PUBLISHED BY



International Centre for Trade
and Sustainable Development
Chemin de Balexert 7-9
1219 Geneva, Switzerland
+41-22-917-8492
www.ictsd.org

Bridges Weekly Trade News is made possible
through generous contributions of donors and
partners including

DFID - UK Department for
International Development

SIDA - Swedish International
Development Agency

DGIS - Ministry of Foreign Affairs
Netherlands

Ministry of Foreign Affairs, Denmark

Department of Foreign Affairs and Trade,
Australia

Copyright ICTSD, 2017. Readers are encouraged
to quote and reproduce this material for
educational, non-profit purposes, provided the
source is acknowledged.



This work is licensed under a Creative Commons
Attribution-NonCommercial-NoDerivatives 4.0
International [License](https://creativecommons.org/licenses/by-nc-nd/4.0/).

Your support to BRIDGES and the BRIDGES series
of publications is most welcome; if interested,
please contact Andrew Crosby, Managing
Director at +41-22-917-8335.

Contributors to this issue are Sofía Alicia Baliño,
Emily Bloom, Iva Gobac, and Elizabeth Stephani.
This edition of Bridges Weekly Trade News Digest
is edited by Sofía Alicia Baliño.

The Publisher and Director is Ricardo Meléndez-
Ortiz. The Editor in Chief is Andrew Crosby.
Comments and suggestions are welcome and
should be directed to the [editor](#) or the [director](#).

ISSN 1563-003X

