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GLOBAL ECONOMY

NAFTA Ministerial Concludes, Negotiators Press to Address Remaining Issues This Week

High-level talks last week to revise the North American Free Trade Agreement (NAFTA) closed without any major breakthrough in efforts to reach an agreement in principle, with trade ministers pledging to have their teams continue work ahead of a target date this week to clinch a deal.

The pact, bridging Canada, Mexico, and the United States, [created](#) a massive regional free trade area when it took effect in 1994. Several successive rounds of NAFTA negotiations have been held since tripartite talks to update NAFTA began last August, recently accelerated by several weeks of intense technical talks in Washington.

The top trade officials of each NAFTA country met on Friday, amid growing political pressure, including a 17 May deadline to notify American lawmakers set by US Speaker of the House Paul Ryan. That deadline, Ryan said, is key to permit sufficient time for the current Congress to vote on an updated accord.

Though Canadian Foreign Minister Chrystia Freeland and Mexican Economy Secretary Ildefonso Guajardo Villareal have now returned from Washington, negotiating teams reportedly stayed on site to continue technical work on narrowing remaining differences.

"It's going to take as long as it takes to get a good deal," said Freeland following the ministerial talks, noting a pattern of "good, solid meaningful progress" since negotiations began to intensify in March. "NAFTA is an extremely complicated agreement; it governs the trading relationships in the world's largest economic bloc and it's really important to get this right."

"We're not going to sacrifice the quality of an agreement because of pressure of time," Guajardo said.

"The current NAFTA is a seriously flawed trade deal, and the Trump Administration is committed to getting the best possible trade agreement for all Americans," said US Trade Representative (USTR) Robert Lighthizer in a [statement](#) issued on Monday.

"The United States is ready to continue working with Mexico and Canada to achieve needed breakthroughs on these objectives. Our teams will continue to be fully engaged," the US trade official added.

US Speaker of the House: 17 May deadline

The current US legislation for Trade Promotion Authority (TPA) entails timeframes, procedures, and conditions for signing, ratifying, and implementing trade agreements, including the requirement that the US executive branch notify Congress of its intent to enter new trade agreements 90 days before signature.

The TPA also mandates procedures for debate in each chamber, including for "fast track" votes to pass trade deals without amendments so long as they meet TPA requirements; calls for the production of a report on the trade agreement's economic impact; and requires a description of the changes to US laws in order to clear the way for implementation.

In view of TPA requirements, Ryan set the informal deadline of 17 May in order to ensure an adequate review period for the current Congress to be able to approve the deal this year. The midterm elections scheduled for 6 November are set to usher in a new Congressional makeup which could alter prospects for the requisite domestic political support.

"As the author of TPA, I can tell you, we have to have the paper – not just an agreement, we have to have the paper – from USTR by May 17 for us to vote on it this year, in December, in the lame duck," Ryan said last week.

Ryan, a Republican from Wisconsin who will be retiring from Congress, was one of the architects of the current TPA legislation, which has been in effect since 2015. "Lame duck" refers to the period after the November elections but before a new Congress has taken office, the latter of which takes place in January. (See Bridges Weekly, [2 July 2015](#))

Officials from other NAFTA countries have warned, however, that such a deadline will be a tough one to meet in practice, given the level of work remaining.

"The possibility of having the entire negotiation done by Thursday isn't easy, we don't think it will happen by Thursday," Guajardo said, according to comments reported by the [Wall Street Journal](#).

Presidential elections in Mexico, which take place on 1 July, have injected additional uncertainty in terms of a conducive political climate to pass a revised deal. Andrés Manuel López Obrador is currently leading in the polls for winning the Mexican presidency, saying in late March via a YouTube [video message](#) that he hopes nothing is signed on NAFTA prior to the Mexican elections, given that he has particular objectives for items to include in a revised trade deal.

Meanwhile, Mexico has recently strengthened its commercial partnerships through the conclusion of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), becoming the first signatory to complete domestic ratification processes in April. Canada is also a CPTPP signatory but has not yet ratified. Mexico also reached an agreement in principle on the modernisation of the Mexico-EU free trade deal last month. (See Bridges Weekly, [26 April 2018](#))

In addition, 1 June marks the end of exemptions for NAFTA countries, as well as the EU, from the US' Section 232 global steel and aluminium tariffs. (See Bridges Weekly, [3 May 2018](#))

"Canada and Mexico also have the postponement until June 1. So depending on where we are on NAFTA on June 1, the president will decide whether or not to extend their situation," US Secretary of Commerce Wilbur Ross said in Washington this week, according to comments reported by Reuters. "So it's unforecastable at the moment."

Remaining issues

Negotiations have stumbled over various tough topics. For example, US trade negotiators have further sought to modify investor legal protections, proposing an opt-in clause to allow each party to decide whether to make use of the investor-state dispute settlement mechanism. Other proposed dispute settlement modifications include the elimination of Chapter 19 on dispute resolution with regard to antidumping and countervailing duties, along with making state-to-state dispute settlement panel rulings non-binding.

The US has also pushed to introduce a "sunset" clause, requiring periodic review of the pact's content and effects, which would cause the agreement to expire automatically after five years unless parties agree to renew it.

On agriculture, Washington has presented a proposal related to seasonality, enabling farmers to present anti-dumping and countervailing duty cases against select seasonal produce, even if they account for less than half the market share, including a catalogue of 61 Mexican products that could be implicated. The US has also sought to secure greater access to Canada's dairy market and has called for cuts to tariffs on all supply-managed products, including dairy, poultry, and eggs, to be phased out over time.

In particular, automobiles have been deemed a crucial issue, essential for a successful revision of the agreement and an important component of the US administration's push to grow manufacturing jobs and investment in the US.

"We're importing a lot of cars, and we want a lot of those cars to be made in the United States," Trump said [in a meeting](#) at the White House with major automakers and industry trade groups last Friday. "We'll see what happens," Trump said, "But NAFTA has been a horrible, horrible disaster for this country, and we'll see if we can make it reasonable."

Several technical details remain to be worked out with regard to automobile rules of origin. US negotiators have pursued increased regional content requirements for auto parts to qualify for duty-free treatment, most recently seeking to raise North American auto content to 75 percent from the current 62.5 percent over four years for light vehicles.

The US proposal has further linked labour requirements to the production of vehicles, establishing that 40 percent of passenger vehicles are built in areas that pay at least US\$16 per hour. Mexico has reportedly sought a more gradual phase-in period, a more flexible wage specification, and a lower content threshold. (See Bridges Weekly, [9 May 2018](#))

"The big topics like that are still a work in progress. And those are very complex issues, particularly rules of origin, so eventually it will come down to every comma, every semicolon, everything before we can figure out if it's something that's workable," US Commerce Secretary Wilbur Ross told reporters on Monday.

In the meantime, leaders have continued contact at a high political level, in a bid to maintain momentum over the coming days. "President Trump underscored the importance of quickly concluding an agreement" in a phone call with Canadian Prime Minister Justin Trudeau on Monday, according to a White House [news item](#). The exchange broached the possibility of "bringing negotiations to a prompt conclusion," according to Trudeau's office.

ICTSD reporting; "NAFTA 'hot topics' unresolved as deal deadline looms, says U.S. official Ross," REUTERS, 14 May 2018; "Negotiators fail to reach NAFTA deal, Trump launches new attack," REUTERS, 11 May 2018; "Nafta Trio Set to Miss Ryan's May 17 Target Without Deal," BLOOMBERG, 14 May 2018; "Trudeau, Trump talk about immediately wrapping up NAFTA deal in phone call," THE CANADIAN PRESS, 14 May 2018; "NAFTA deal not reached, Freeland says talks will persist for 'as long as it takes'," REUTERS, 11 May 2018; "Trump's Goal for Nafta Rewrite Looks Unattainable in 2018," THE WALL STREET JOURNAL, 15 May 2018.

CLIMATE CHANGE

UN Climate Negotiators Set Extra Meeting to Finish Paris Agreement "Rulebook" by Year's End

Officials meeting for the annual mid-year negotiations under the UN Framework Convention on Climate Change (UNFCCC) in Bonn from 30 April to 10 May left with a formidable workload for the coming months, given the year-end deadline to craft a "rulebook" for putting the Paris Climate Agreement into action.

When the new climate accord was adopted in Paris in December 2015, details on how to implement its terms were left for future negotiations, with a deadline of this year's 24th Conference of the Parties (COP) in Katowice, Poland, in early December. (See BioRes Paris Update, [13 December 2015](#)).

Given the limited progress in Bonn, the UN climate body will hold another session from 3-8 September in Bangkok, Thailand.

Negotiators look for "step change"

UN climate negotiators in Bonn met in different formal and informal configurations under the bodies tasked with developing the Paris Agreement's operational guidelines.

The Ad Hoc Working Group on the Paris Agreement (APA), the Subsidiary Body for Scientific and Technological Advice (SBSTA), and the Subsidiary Body on Implementation (SBI) cover different aspects of the Paris Agreement Work Programme.

These topics include mitigation, adaptation, financial and technical support, and the "global stocktake" of countries' nationally determined climate contributions (NDCs), as well as cooperative approaches through market and non-market mechanisms, and the social and economic impacts of climate response measures.

Ensuring balanced, fair progress across different, interlinked agenda items is complicating the already challenging task of moving from open-ended discussions towards a draft negotiating text for the Paris Agreement work programme.

Many veteran negotiators and experts say that the Bangkok meet must produce a draft negotiating text if countries wish to meet the December deadline for the rulebook. Delegates have thus mandated the APA co-chairs to prepare "tools" to help parties develop an "agreed basis for negotiations."

"There has got to be a step change, but it has got to be one the process can bear," one of the APA co-chairs, Jo Tyndall of New Zealand, told Climate Home News, warning that otherwise the COP24 deadline could go unmet.

Climate finance questions persist

Climate finance has again proved to be a critical obstacle for negotiators. Poorer countries rely heavily on external funding to deliver their climate strategies, and are reluctant to move forward on the Paris rulebook until they are confident that developed countries will uphold their collective climate finance commitments.

Developed countries have jointly committed to channel US\$100 billion of climate finance annually by 2020 to developing countries. However, experts warn that this target could go unmet, partly due to the current US administration's move to withhold US\$2 billion to the UN's Green Climate Fund.

"The issue of finance underpins so many different parts of climate negotiations, because poor countries simply can't cover the triple costs of loss and damage, adaptation and mitigation on their own," said Harjeet Singh, global lead on climate change at Action Aid, an international non-governmental development organisation.

While the EU and other donors have reaffirmed their commitment to the collective climate finance goal, concerns remain over climate finance's overall scale and predictability. Questions about the Paris Agreement's definition of climate finance and accounting rules are also unresolved.

Allocation of responsibilities

The Bonn talks also witnessed a reopening of divisions over countries' responsibilities to tackle the climate challenge. A key success of the Paris climate conference was its ability to move beyond the traditional division of responsibilities between countries at different levels of economic development, specifically by getting emerging economies to take on greater responsibility.

Several middle-income countries are now negotiating to incorporate this division of responsibilities into the Paris rulebook, which observers say could lead to renewed political complications.

According to some negotiators and seasoned experts, the stated intention of the US government to withdraw from the climate accord has likely contributed to this fight over "bifurcation." However, the poorest and most vulnerable countries are urging all major emitters, irrespective of their historical responsibilities, to scale up climate action.

Voluntary cooperation under Article 6

Negotiators made little headway on fleshing out the rules on "cooperative approaches" under Article 6 of the Paris Agreement.

The article, considered an innovative feature of the Paris accord, sets out the general direction for voluntary cooperation on countries' individual climate action plans, including market and non-market based tools. However, most of the practical details for implementing Article 6 were left for decisions at future talks.

The possibility of cooperating through market-based tools to meet climate targets has fuelled interest in how countries and regions could link carbon pricing schemes for trading carbon permits, thus allowing parties to meet their national plans at lower costs and reducing potential competitiveness concerns.

Discussions in Bonn were based on an informal document prepared by the SBSTA Chair featuring draft elements on all three items under Article 6. These include Article 6.2 on internationally transferred mitigation outcomes (ITMOs); Article 6.4 on a mechanism that will "contribute to the mitigation of greenhouse gas emissions and support sustainable development;" and Article 6.8 on non-market approaches.

Parties conducted two read-throughs of each section to address clarifications, errors, or other issues, after which co-facilitators issued a revised informal note.

Parties also engaged in lengthy procedural discussions on next steps, including the need for technical papers, submissions, a roundtable, and a mandate for the co-chairs to produce a

new iteration of the text. Some of the major emerging economies voiced strong opposition to all these options, one negotiator told Bridges. Parties ultimately agreed to resume discussions on all three elements of Article 6 at the Bangkok session based on the revised informal note.

Some experienced negotiators suggest that despite the limited progress in Bonn, parties could still bring negotiations on Article 6.2 and 6.4 to successful completion at this year's COP, though this will depend on the level of detail parties wish to include in the Paris rulebook and their flexibility for varying progress across the three elements of Article 6.

Response measures

Negotiators also addressed the economic, social, or environmental impacts resulting from measures used to combat climate change, known as "response measures." Delegates focused their talks on two items: the work programme and review of the improved forum; and the design of the forum serving the Paris Agreement.

The improved forum was agreed at the Paris conference in 2015, after the initial forum set up in 2011 completed its mandate in 2013 to implement a work programme for sharing experiences and information on response measures' impacts. The new forum currently covers two elements: "economic diversification and transformation" and "just transition of the work force and the creation of decent work and quality jobs."

Under the improved forum, officials participated in a workshop on economic modelling tools related to the two areas of the work programme, which was reportedly considered useful but perhaps overly technical. Some participants suggested involving capital-based officials from relevant ministries in the future.

Parties also agreed on the scope of the review of the improved forum, aiming to conclude the review in December in Katowice. The review's outcome will be used to inform the forum's work programme and modalities for when it begins serving the Paris Agreement in December 2018.

With respect to the design of the forum serving the Paris Agreement, parties discussed [an informal document](#) outlining draft elements of the forum's functions, work programme, and modalities. Negotiators remained at odds over the forum's functions and work programme, with those talks to resume in September.

Negotiations on response measures have traditionally been challenging, given their trade implications. While the trade and climate linkages are not an official UNFCCC negotiating item, response measures can affect the supply and demand of goods significantly, especially fossil fuels and carbon-intensive products. Many developing countries wish to understand the magnitude and form of such impacts. Meanwhile, many developed countries worry that they may be held accountable for potential trade and employment impacts of their domestic climate measures abroad.

Despite these divisions, some delegates deemed the Bonn talks as constructive, which one negotiator told Bridges was due to an "atmosphere of more trust and transparency."

Agriculture: countries agree on future work

Aside from the Paris rulebook, items related to the ongoing implementation of the UNFCCC and its Kyoto Protocol advanced in Bonn. Officials agreed a ["roadmap"](#) for future work on agriculture and climate change, setting out a timetable for various workshops until November 2020.

The activities, organised as a joint initiative under the UNFCCC's SBSTA and SBI, builds on last November's agreement on the "Koronivia" work programme, which sets out six major topics for officials to examine in joint sessions. (See Bridges Weekly, [7 December 2017](#))

These topics include the socioeconomic and food security dimensions of climate change in the agricultural sector, methods for assessing adaptation in agriculture, co-benefits and resilience, improved livestock management, and integrated systems, for example.

The first workshop will be in December in Katowice, in conjunction with COP24, according to the new roadmap's schedule. International agencies and other actors have until 22 October to prepare submissions for consideration. Subsequent workshops are set for June and November in 2019 and 2020, and will progressively cover the six substantive topics under the work programme.

"Hopefully we will keep the positive and constructive atmosphere," one climate negotiator told Bridges.

While delegates tend to see issues around agricultural trade and climate change as sensitive, they could be addressed indirectly as part of the Koronivia work on the socio-economic and food security dimensions of climate change in the agricultural sector, sources said. A workshop on this topic is set for November 2020.

Talanoa Dialogue

Parallel to the formal negotiations, the first part of the Talanoa Dialogue – a stocktaking exercise of climate efforts – took place in Bonn, bringing together 250 participants from governments, civil society, and academia.

The process, named after the Pacific regional concept of "talanoa" where stories are shared to come up with solutions for the common good, was initiated and led by the outgoing Fijian COP presidency.

The dialogue, which was shaped around the questions "Where are we?", "Where do we want to go?" and "How do we get there?", will culminate in a second, political phase during COP24. Whether this will result in a formal declaration is unclear, though the Fijian presidency says it hopes the dialogue can fuel greater climate ambition.

"Now is the time to commit to making the decisions the world must make. We must complete the implementation guidelines of the Paris Agreement on time. And we must ensure that the Talanoa Dialogue leads to more ambition in our climate action plans," said Frank Bainimarama, Prime Minister of Fiji and President of COP23, according to a [UN Climate press release](#).

ICTSD reporting; "Bonn negotiations stall on climate finance," EURACTIV, 14 May 2018; "Urgency Underlined as Bonn Climate Talks Close," UN CLIMATE, 10 May 2018; "Summary of the Bonn climate Change Conference: 30 April – 10 May 2018," EARTH NEGOTIATIONS BULLETIN, 13 May 2018; "Eyes on ministers to intervene as UN climate talks get mired in old battles," CLIMATE HOME NEWS, 10 May 2018; "Bonn voyage: 'Satisfactory' session leaves the hard work to Bangkok," CLIMATE HOME NEWS, 10 May 2018; "Rich world faces questions on who will replace US climate cash," CLIMATE HOME NEWS, 9 May 2018.

DISPUTES

WTO's Appellate Body Issues Mixed Ruling on Compliance in EU Aircraft Subsidies Case

The WTO's highest court ruled on Tuesday 15 May that the European Union has not fully brought its subsidies for plane manufacturer Airbus in line with global trade rules, agreeing overall with a previous panel while rejecting some of the latter's individual findings. The Appellate Body ruling is the latest development in a case ([DS316](#)) that launched in October 2004 and has become one of the most high-profile cases at the Geneva-based organisation.

The original Airbus case was filed by the United States, which has long argued that state aid to the European multinational plane manufacturer contravenes WTO rules. Washington and Brussels have spent over a decade embroiled in legal cases at the WTO over subsidies to aircraft manufacturing companies, with the EU pushing its own dispute against US government support to Boeing.

The Appellate Body report on the US' compliance in that case ([DS353](#)) is still pending.

Going forward, the US now has the option to ask an arbitrator to determine what level of concessions that Washington is able to suspend against the European Union. An arbitrator had already begun examining this option before the two sides launched "compliance" proceedings, with arbitration then being put on hold in early 2012.

At the time, both sides [agreed](#) that the either party would have the option to resume this arbitration process for assessing the level of suspension, should the EU's steps to bring its subsidies in line with WTO rules be found insufficient.

If the US does ask the arbitrator to resume their work, that does not preclude the option of the two sides negotiating some sort of "mutually agreed solution" to avert such measures.

Ruling details

The Appellate Body's report examines whether the EU and four member states – France, Germany, Spain, and the UK – have made sufficient changes in response to previous WTO rulings, which had found various violations of the organisation's subsidy rules.

In December 2011 the EU claimed it had taken the necessary steps to bring its subsidies into compliance, prompting various legal steps to ascertain whether this was the case. A first review of compliance by a panel led to a mixed ruling in September 2016, which both the EU and US appealed. (See Bridges Weekly, [29 September 2016](#))

This week's Appellate Body report confirmed the panel's approach in assessing the contract and loan conditions for Airbus to receive financing, and found that Airbus managed to secure financing for developing its A350XWB plane model that benefitted from a "lower interest rate for the A350XWB LA/MSF than would have been available to it on the market."

The terms LA/MSF refer to "launch aid" and "member state financing," two different ways of describing the subsidies in question. The A350 XWB model is for a new, twin-engine, long-range plane that can transport hundreds of passengers and is meant to be more cost-effective to operate while producing fewer carbon dioxide emissions, according to a [company description](#).

According to the Appellate Body, this lower interest rate and the financial benefit it conferred meant that Airbus was indeed receiving a subsidy, as defined by global trade rules.

In reviewing the effect of the subsidies, the Appellate Body said, "the existing LA/MSF subsidies that Airbus continued to receive made it possible to proceed with the timely launch of the A350XWB – a high-risk and expensive programme of considerable strategic importance to Airbus – and to bring to market the A380, which had suffered extensive delays."

The latter model, the A380, is another type of plane that Airbus [describes](#) as "the world's largest and most spacious passenger aircraft," and the company has touted its size and consequent ability to transport more passengers as a way to minimise adverse environmental impact from air travel.

The Appellate Body indicated that those subsidies which lasted into the "post-implementation period" – in other words, after December 2011, when the EU declared its compliance with the WTO rules – had in turn caused "lost sales" for US aircraft manufacturers.

However, the Appellate Body said it could not complete the analysis of whether these subsidies had also made it harder for the US to compete in the EU and other aviation markets more globally, particularly in some major Asian economies.

The Appellate Body report also disagrees with certain panel findings, such as the panel's recommendation that the EU get rid of the "adverse effects" caused by previous subsidies which had lapsed in mid-2011, some months before the deadline for the EU to remove them. These include subsidies provided to a host of Airbus models, which had found to be WTO-illegal in the past but are no longer in place.

US, EU officials prepare for next chapter

Trade officials from both sides responded swiftly to the ruling, with each highlighting the aspects of the Appellate Body ruling which had been in their favour.

"Today the WTO Appellate Body, the highest WTO court, has definitively rejected the US challenge on the bulk of EU support to Airbus, and agreed that the EU has largely complied with its original findings," said EU Trade Commissioner Cecilia Malmström.

The EU [statement](#) also said that Brussels plans to "take swift action to bring itself into line with WTO rules as regards its remaining obligations," and Malmström said that the bloc's executive arm is keeping an eye on the forthcoming Appellate Body ruling on the US' own compliance regarding subsidies to Boeing, which she termed "massive and persistent."

For their part, Washington officials highlighted the impact of the EU subsidies on the competitiveness of the American aviation industry, and indicated they were ready to take action if needed.

"This report confirms once and for all that the EU has long ignored WTO rules, and even worse, EU aircraft subsidies have cost American aerospace companies tens of billions of dollars in lost revenue. It is long past time for the EU to end these subsidies," [said](#) US Trade Representative Robert Lighthizer.

"Unless the EU finally takes action to stop breaking the rules and harming US interests, the United States will have to move forward with countermeasures on EU products," he added, without clarifying the timeframe for when Washington would ask to resume arbitration.

Evolving industry, geopolitical dynamics

The aircraft subsidy disputes have brought another dimension to the decades-long duopoly maintained by Boeing and Airbus, which have long dominated the multi-trillion dollar aviation market.

In the years since the Airbus and Boeing cases were first filed, the civil aviation industry has undergone a significant evolution, with new players becoming increasingly predominant participants in the sector, much as Airbus and Boeing continue playing leading roles. Major companies that have grown in profile in recent years include China's Commercial Aircraft Corp (COMAC), Canada's Bombardier, Russia's Aeroflot, and Brazil's Embraer.

Given the prolonged nature of the dispute, top Airbus officials have called for the EU and US to negotiate a resolution promptly, warning that the long-running trade spat has been disruptive to the wider global aviation industry and could have detrimental economic effects that extend beyond the sector.

"Airbus calls for all parties to accept the global nature of trade and to put an end to the long-running, disruptive dispute. An amicable negotiation with no preconditions is the only viable solution, either between the EU and the US or ideally a global agreement," said a [statement](#) issued by Airbus on Tuesday.

The company's chief executive, Tom Enders, also noted that the wider landscape for global trade, including tensions among many major economic players, have made it even more imperative for the subsidy cases to come to a productive close.

"The current geopolitical climate for trade is worrying, and industry players should not fuel it with unproductive disputes that undermine fair competition worldwide and impact the workers in this industry as well as our customers and operators," Enders said.

Boeing officials, for their part, issued their own [statement](#) calling for the EU to take swift action to bring the Airbus subsidies into compliance.

"Now that the WTO has issued its final ruling, it is incumbent upon all parties to fully comply as such actions will ultimately produce the best outcomes for our customers and the mutual health of our industry," said Dennis Muilenberg, the company's chairman, CEO, and president.

While the aviation situation continues unfolding, the EU and the US are also working to address tensions on a series of other trade fronts, including negotiations to avert unilateral, global US tariffs on imported steel and aluminium from the European Union. The EU, as well as Canada and Mexico, have until 1 June to negotiate a solution with the US, according to a deadline set by Washington officials. Four other countries have clinched draft deals to avoid the tariffs, which the US says are justified on national security grounds, while all others are already subject to the duties. (See Bridges Weekly, [9 May 2018](#))

ICTSD reporting.

TRADE AGREEMENTS

Pacific Alliance, Associate Members Enter Fourth Negotiating Round, Look To Clinch Deal by July

The fourth round of negotiations between the Pacific Alliance and its “associate members” kicked off on Saturday 12 May, in Ottawa, Canada and will wrap on Friday 18 May, as officials aim to bring the trade talks to a close later this year.

[According](#) to Colombia's Minister of Commerce, Industry, and Tourism, María Lorena Gutiérrez, the parties aim to conclude negotiations on 23 technical roundtable topics ahead of the 13th Presidential Summit of the Pacific Alliance. The trade bloc's annual leaders' meeting will take place in the Mexican state of Jalisco in late July.

The four-country Pacific Alliance consists of Chile, Colombia, Mexico, and Peru. The coalition aims to achieve the goal, launched nearly a year ago, of conferring a new associate member status to Australia, Canada, New Zealand, and Singapore. Broadly, the negotiations for the new status will seek to open and integrate markets among the nations involved, while creating new trade rules in various subject areas. (See Bridges Weekly, [6 July 2017](#))

The third round of negotiations, which took place in Santiago, Chile, [finished](#) on 9 March. At that meeting, the countries [finalised](#) negotiations on three of 23 technical areas, namely cooperation, small and medium-sized enterprises (SMEs), and regulatory improvement, while making progress on others.

During the negotiations in Ottawa, the countries will work towards finalising negotiations for the remaining 20 technical roundtables.

These include various aspects of goods trade, such as market access and rules of origin. Other topics include trade facilitation, sanitary and phytosanitary (SPS) measures, and technical barriers to trade (TBT). The planned deal will also tackle public procurement and cross-border trade in services, including sectors such as financial, maritime, and telecoms, as well as investment and temporary entry of business people.

Additionally, negotiators aim to include provisions on electronic commerce and intellectual property rights, as well as environment and labour protections. Other topics include competition policy and state-owned enterprises, as well as gender in relation to trade, for example.

More partnerships possible

As the Pacific Alliance works to finalise the status of its new associate members, it is also looking forward to other possible partnerships, both within South America and further afield.

South Korea has expressed interest in becoming an associate member, and some Pacific Alliance officials have indicated that they are receptive to the idea. Colombian President Juan Manuel Santos has said that the trading bloc hopes to include South Korea in future negotiations, according to comments reported in Finance Colombia.

The South Korean Ministry of Trade, Industry & Energy said earlier this year that Seoul hopes to become an associate member of the Pacific Alliance by 2019, according to comments

reported by Business Korea. South Korea already has free trade agreements (FTAs) with all of the Pacific Alliance's full members, except for Mexico.

Proponents say that the addition of new associate members has the potential to enhance trading relationships further, both regionally and globally.

"For Colombia it will mean a direct bridge with Asia Pacific, a region with great opportunities for our products, which will give us the opportunity to increase foreign investment and achieve a greater insertion in global value chains," [said](#) Minister Gutiérrez.

Among Pacific Alliance members, the Asia-Pacific connection is particularly important for Colombia, since it is not a member of the new Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP). The deal among 11 Pacific Rim countries was signed in March and is at the ratification stage. (See Bridges Weekly, [15 March 2018](#))

Closer to home, the Pacific Alliance has also been eyeing the possibility of developing deeper ties with Mercosur, the South American trade bloc comprised of Argentina, Brazil, Paraguay, and Uruguay. (See Bridges Weekly, [13 April 2017](#))

Chilean President Sebastián Piñera and Argentine President Mauricio Macri met last month, reaffirming their desire to work collaboratively toward an agreement between the Pacific Alliance and Mercosur. Piñera returned to office in March, marking his second term as president, though these terms were not consecutive.

"[Macri and Piñera] committed to engage in deeper dialogue aimed at bringing Mercosur and the Pacific Alliance closer together, aiming to make the relationship between these mechanisms more dynamic," said a [joint communiqué](#) issued afterward and published by the Argentine Foreign Affairs Ministry.

As part of this cooperation, leaders committed to advance on a year-old roadmap that describes shared work on regional value chains, "single windows" for cross-border trading, customs cooperation, trade promotion, small and medium-sized enterprises, non-tariff barriers, and trade facilitation in services.

"President Piñera expressed interest in having Argentina expand its participation in the Pacific Alliance, with a view to advance from its current 'observer status' to a higher category," the communiqué said.

Celebrating progress, preparing for the future

On 28 April, member countries also celebrated seven years of the Pacific Alliance during an event in Bogotá, Colombia, which [included](#) video messages from the countries' leaders. Looking ahead to the Presidential Summit on 24-25 July, the countries are [working on](#) finalising negotiations with the new associate members and moving forward on the Alliance's strategic vision for 2030.

The [goals](#) under this 2030 plan include increased productivity and competitiveness, along with increased regional integration. By 2030, the four countries also plan to have fully liberalised tariffs on goods. Additionally, in recent meetings of the Pacific Alliance's high-level group (GPN), the countries' ministers emphasised the ongoing importance of establishing concrete and achievable goals based on the United Nations Sustainable Development Goals (SDGs).

ICTSD reporting; "Colombian President: Pacific Alliance Slated to Begin Welcoming Associate Member Nations in July," FINANCE COLOMBIA, 24 April 2018; "S. Korea Expected to Become Associate Member of Pacific Alliance," BUSINESS KOREA, 12 January 2018; "ARGENTINA: Country And Chile Seeks To Liberalize Bilateral Trade," INSTAFOREX COMPANY, 27 April 2018.

GLOBAL ECONOMY

US, China Continue Trade Talks, Including on Telecoms Sanctions Row

US President Donald Trump announced on Sunday 13 May that he would be working with his Chinese counterpart to help Chinese telecommunications giant ZTE, after the US Commerce Department's recent move to block the company from purchasing American-made components for seven years.

"President Xi [Jinping] of China, and I, are working together to give massive Chinese phone company, ZTE, a way to get back into business, fast. Too many jobs in China lost. Commerce Department has been instructed to get it done!" Trump [wrote](#) in a Twitter post.

After Trump's tweet, White House principal deputy secretary Raj Shah [commented](#) on the issue, saying that the ZTE ban is only "part of a very complex relationship between the United States and China that involves economic issues, national security issues, and the like."

He added that Trump asked US Commerce Secretary Wilbur Ross to "look into it consistent with applicable laws and regulations," without elaborating further.

Chinese officials publicly welcomed the comments from the US leader. "We highly appreciate these positive remarks on the ZTE issue, and we are currently in close communication with them on how exactly to implement it," [said](#) China's Foreign Ministry Spokesperson Lu Kang.

Background

Last month, the US Department of Commerce [issued](#) a "denial order" requiring US companies to stop exporting parts or providing services to ZTE through 2025.

The US government agency claimed that the move was necessary in light of ZTE's alleged violations of a prior agreement, in which the company agreed to pay a US\$1.19 billion penalty for shipping ZTE equipment with US-made components to Iran and North Korea, despite existing American sanctions on those countries.

According to the Commerce Department, the problem was compounded by ZTE allegedly issuing "false statements" and taking other steps that breached the 2017 deal, "including through preventing disclosure to and affirmatively misleading the US Government."

Following the denial order in April, Gao Feng, the spokesman of the Chinese Ministry of Commerce (MOFCOM), [said](#) that Beijing officials will "follow the situation closely" and "take necessary measures anytime to protect the rights of Chinese companies."

In a separate statement, a MOFCOM spokesperson [noted](#) that ZTE carries out "extensive trade and investment cooperation with hundreds of American enterprises, providing tens of thousands of jobs to the US."

"China hopes the US would handle it properly according to the laws and policies, and create a fair, [just], and stable environment of laws and policies for the enterprises," the statement added.

Management officials from ZTE claim that the company was working to meet the terms of the Commerce Department deal, including building a team of export control compliance experts and investing considerable resources, and has made significant progress in recent years.

"It is unacceptable that BIS (US Bureau of Industry and Security) insists on unfairly imposing the most severe penalty on ZTE even before the completion of investigation of facts, ignoring the continuous diligent work of ZTE and the progress we have made on export compliance," [says](#) the company's statement. BIS refers to a branch of the Commerce Department.

The company claims that the US ban on exporting components for ZTE use have significantly hampered company operations. An inside information note from the ZTE's board of directors [announced](#) that, after the US measures were enacted, "major operating activities" of the company "have ceased."

Industry players

ZTE ranks among the largest telecommunications companies worldwide, responsible for 75,000 jobs, along with being a major provider of smartphones in the United States.

As a result of the denial order, the Chinese tech giant cannot buy electronic chips produced by US-based companies such as Intel and Qualcomm and optical components from Lumentum, nor from smaller companies that produce other telecommunications equipment.

Some officials, including Trump, have suggested that the ban may be having an adverse effect on US producers who provide these inputs. "ZTE, the large Chinese phone company, buys a big percentage of individual parts from US companies," [said](#) Trump on Twitter.

The ZTE statement after the denial order [warns](#) that the policy "will not only severely impact the survival and development of ZTE, but will also cause damages to all partners of ZTE including a large number of US companies."

Huawei, another Chinese company that plays a significant role in the global telecommunications market, is also reportedly under investigation by the US government, on similar grounds.

Bilateral tensions between the US and China on technology products are not new. As early as 2012, a US congressional investigative report [claimed](#) that "Huawei and ZTE cannot be trusted to be free of foreign state influence and thus pose a security threat to the United States and to our systems" – a charge that both companies have countered.

Wider negotiations in the background

The ZTE situation comes amid a wider range of escalating trade tensions between the world's two largest economies, which have grown in the past several months.

The two sides have publicly sparred over the US' "Section 232" duties on imported steel and aluminium exports, which are almost global in application, barring a few country exceptions. The US has also threatened action in response to allegations of forced transfer of American technology to Chinese companies. Meanwhile, China has imposed duties on a list of goods imported from the US, in response to these actions. (See Bridges Weekly, [9 May 2018](#))

More broadly, US officials have been openly critical of the US\$375 billion goods trade deficit with China, as well as some of the Asian economy's commercial practices. (See Bridges Weekly, [6 April 2017](#))

The two sides have been negotiating on how to address the deficit and other topics, offering competing lists of requests to address their respective trade concerns.

China's Vice Premier Liu He is visiting the US this week to discuss bilateral trade issues with US officials, including reportedly Treasury Secretary Steven Mnuchin.

"At the invitation of the US government, Vice Premier Liu He will travel to the US from May 15 to 19 for more consultations with the US economic team on bilateral economic and trade issues. China is willing to work with the US to ensure positive and constructive outcomes from this upcoming round of trade talks," [said](#) a spokesperson for China's MOFCOM.

ICTSD reporting; "Huawei Is Under Investigation for Violating Iran Sanctions: Report," FORTUNE, 25 April 2018; "One of the World's Biggest Phone Firms Is Stopping Operations Because of a Ban on Buying U.S. Parts" FORTUNE, 10 May 2018; "Trump throws ZTE curveball as big week for US-China trade begins," CNN, 14 May 2018; "President Trump says he's working with China to save ZTE," CNN, 14 May 2018; "China's vice premier to visit US May 15-19 to discuss trade: gov't," THE MAINICHI, 14 May 2018; "U.S., China Discussing Deal on ZTE, Agricultural Tariffs," THE WALL STREET JOURNAL, 14 May 2018.

TRADE AGREEMENTS

China, New Zealand Leaders Tout Potential of Updated Trade Deal

Top officials from China and New Zealand called this week for ramping up negotiating efforts to clinch an updated trade deal, highlighting the value this could have for warding off protectionist pressures, supporting economic growth, and shoring up the rules-based trading system.

New Zealand's Prime Minister Jacinda Ardern, Trade Minister David Parker, and Chinese Ambassador to Zealand Wu Xi were among the high-level politicians at the China Business Forum held on 14 May in Auckland, New Zealand. During this fourth iteration of the event, leaders acknowledged uncertainty in the global trade system but reasserted the importance of the bond between the two countries, who have a long history of diplomatic ties and have had a trade deal in place for the past decade.

The China-New Zealand Free Trade Agreement was a recurring theme during the forum, with Parker [telling](#) the forum that the next round of negotiations to upgrade the deal will begin in the next few weeks. Through this renewal process, the countries hope to reach their [goal](#) of A\$30 billion (US\$20.6 billion) in two-way trade by 2020.

A milestone trade agreement

Beijing and Wellington began negotiations for the original deal in 2004 following a [Joint Study Report](#), which indicated the mutually beneficial impacts of a FTA between the countries. Following 15 rounds of negotiations over three years, the two countries signed the agreement in Beijing in 2007 and it entered into force in 2008 the completion of the ratification process in both countries.

"Let me just recognise that the FTA has been an unprecedented success for both countries, and enormously beneficial for New Zealand," Ardern [said](#) at the Forum.

The China-New Zealand FTA was also notable at the time for being China's first free trade accord with a developed country. China is New Zealand's second-largest trading partner, with two-way trade valued at over A\$15 billion (US\$10.3 billion) in 2016, according to a New Zealand government [factsheet](#).

The 2008 [agreement](#) is a comprehensive document, which progressively eliminates tariffs on a range of goods, including various key agricultural products. It includes a chapter outlining intellectual property (IP) matters, as well as chapters on services trade, investment, trade remedies, customs procedures, and dispute settlement, among others.

The upgrade process

The process to update the accord began in 2015 with the creation of a joint evaluation mechanism, including the establishment of a working group to provide recommendations. Leaders formally [announced](#) the official launch of the upgrading negotiations in 2016.

There are nine areas targeted for the updated trade deal: technical barriers to trade; customs procedures, cooperation, and trade facilitation; rules of origin; services; competition policy; e-commerce; agricultural cooperation; environment; and government procurement. (See Bridges Weekly, [24 November 2016](#))

The two countries agreed to upgrade the agreement in a series of negotiations starting in 2017. The first round was held in Beijing in April 2017, with negotiators discussing progress on the accord's implementation, recent developments in reform and trade policy, and key issues for both sides according to both the Chinese [press release](#) and the New Zealand government [website](#).

The second round of negotiations took place in July 2017, again in the Chinese capital. Building on work from the previous round, negotiators made headway on trade facilitation, technical barriers to trade, and competition policy. The third round continued in November 2017 in New Zealand, with China [citing](#) "positive progress" having been made in all nine fields.

Upcoming rounds

In their respective addresses to the Forum, the leaders outlined how the countries hope to upgrade the FTA through the upcoming negotiations to ensure a modern agreement fit for current needs and the wider international landscape. In addition to trade in goods, New Zealand officials emphasised how the people of the two countries had come together through tourism and academic exchanges.

Officials were optimistic about the possibility to engage in exchanges in emerging technologies and modern enterprise. "We must keep looking forward too and are now exploring new fields of cooperation in agritech, science and technology, TV and movies, and even wine making. I expect to see this trend continue into the future," Ardern [said](#).

Technology, as well as the Chinese political environment, have evolved in recent years, Parker said, paving the way for new issues to be addressed in the reworked trade accord. "China has broadened its free trade policy to embrace new issues like e-commerce and competition regulation, and has increased its focus on areas such as the environment," the New Zealand trade minister [said](#).

China also looked toward increased collaboration through the revision of the FTA. The country highlighted the ways that they had opened up their economy and established new development goals, built around trade reforms.

"There's a lot we can do together, such as advancing cooperation on the Belt and Road Initiative, reaching more consensus on upgrading bilateral FTA to expand the bonds of trade, striving to realise the A\$30 billion goal for two-way trade by 2020," the Chinese ambassador said.

Wider economic context

In increasing ties with China, the New Zealand officials drew attention to the importance of using deeper economic ties as a bulwark against protectionist pressures. Parker laid out four ways that New Zealand can act to address the current geopolitical context, including with the support of other partners.

The defence strategy includes the pillars of protecting the rules-based system, accelerating regional trade agreements such as the Comprehensive and Progressive Trans-Pacific Partnership (CPTPP) and the Regional Comprehensive Economic Partnership (RCEP), building coalitions like the Commonwealth, and advancing "open plurilateralism."

China and New Zealand are both RCEP members; China is not, however, a CPTPP member nor a Commonwealth country.

"New Zealand will continue to look to pursue better market access for our exporters through the WTO and vigorous negotiation of FTAs, including the upgrade of our FTA with

China while maintaining a sustainable and inclusive national economic framework at home," Parker [said](#).

The Chinese Ambassador mirrored New Zealand's concerns about protectionism, noting that the improved FTA would illustrate the two side's commitments to open, rules-based trade.

"We should guard against any kind of unilateralism and protectionism, and join hands to safeguard international system underpinned by the purposes and principles of the UN Charter, and multilateral trade system which promotes rule based global economic order, to ensure common development and common prosperity," Wu [said](#).

Officials say they hope to make progress in negotiations towards the finalisation of the FTA over the next few months. Talks to advance RCEP, which also includes both countries, are due to continue over the coming months as well, in a bid to wrap up that process this year.

ICTSD reporting; "New Zealand China Business Summit kicks off, focusing on development, opportunities," XINHUA, 14 May 2018.

EVENTS & RESOURCES

Vacancies

The International Centre for Trade and Sustainable Development (ICTSD) is looking to fill the following vacancies.

ICTSD is hiring a Managing Editor for Bridges Africa and Passerelles, its English and French-language periodicals focusing on trade and sustainable development in the African continent. The managing editor will be part of both the Bridges editorial team and ICTSD's development team. The deadline for applications is 4 June 2018. To learn more about the candidate profile and job responsibilities, please visit the ICTSD [website](#).

ICTSD is hiring for its Bridges Graduate Fellows programme, which provides exceptional graduate students an opportunity to put their talents into action while pursuing their studies. Fellows join the Bridges editorial team to source and publish news articles. The fellowship lasts between six months to one year. The position is part-time and home-based. The deadline for applications is 25 May 2018. To learn more about the candidate profile and fellowship responsibilities, please visit the ICTSD [website](#).

ICTSD is hiring a Communications Manager who will be responsible for conceiving and implementing communications strategies across the organisation. The Communications Manager will be the focal point for engagement strategies and activity across ICTSD programmes encompassing dialogues, periodicals, and corporate communications. The deadline for applications is 31 May 2018. To learn more about the candidate profile and job responsibilities, please visit the ICTSD [website](#).

A few select junior associate and trainee positions are also listed on the dedicated ICTSD [jobs page](#).

Events

Coming Soon

22-24 May, Frankfurt, Germany. INNOVATE4CLIMATE. This upcoming summit will be focused on climate investment, bringing together officials from multilateral development banks, national governments, the private sector, and civil society to address the climate finance challenge. Other topics for discussion include carbon pricing and markets, as well as sustainable development more broadly. For more information and to register, visit the event [website](#).

22-24 May, Copenhagen and Malmö, Denmark. 9TH CLEAN ENERGY MINISTERIAL AND 3RD MISSION INNOVATION MINISTERIAL. These ministerials have as their 2018 theme "Energy integration and transition: towards a competitive and innovative low carbon economy," with a focus on supporting a scale up in the deployment, development, and use of renewable energy sources. The ministerials are co-hosted by Denmark, Sweden, Norway, Finland, the Nordic Council of Ministers, and the European Commission, and will include public-private

roundtables, plenary sessions, and side events. For more information, visit the event [website](#).

24 May, Geneva, Switzerland. DISCIPLINING FOSSIL FUEL SUBSIDIES FOR CLIMATE MITIGATION: WHAT TRADE POLICY OPTIONS? This event, organised by the International Centre for Trade and Sustainable Development (ICTSD), is meant to provide participants the chance to examine the interlinkages between fossil fuel subsidies and trade, looking at the different tools available under the trade system to help facilitate fossil fuel subsidy reform. The event will also provide an overview of fossil fuels' environmental and health effects. More information and registration details are available on the ICTSD [website](#).

31 May, London, UK. SHOULD DEBT IN THE DEVELOPING WORLD BE CANCELLED? This Chatham House event will examine different schemes that governments of some developing economies have used to reduce debt and increase public spending. It will look at how debt burdens can be tackled in countries that were not involved in those debt reduction programmes, along with other related topics. For more information and to register, visit the event [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 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.

22 May: MSME Meeting on Access to Information

24 May: Informal Open-ended Committee on Agriculture - Special Session

Other Upcoming Events

29-30 May, Paris, France. OECD FORUM 2018. The Organisation for Economic Co-operation (OECD) Forum will focus on how to address the various issues that have been divisive in both economic and societal terms, with a specific focus on the areas of international cooperation, inclusive growth, and digitalisation. Speakers will come from government, international organisations, academia, and the private sector. For more information and to register, visit the event [website](#).

11-12 June, Geneva, Switzerland. FACILITATION 2.0 IN REGIONAL TRADE AGREEMENTS: ENABLING TRADE IN THE DIGITAL AGE. This event is being convened under the RTA Exchange dialogue series, a joint initiative by the International Centre for Trade and Sustainable Development (ICTSD) and the Inter-American Development Bank (IDB). It will examine the increasing sophistication and scope of trade facilitation provisions that have emerged in regional trade agreements (RTAs), looking at potential best practices and how these could feed into wider discussions, including multilaterally. Event attendance is by invitation only. To learn more, visit the ICTSD [website](#).

13 June, Geneva, Switzerland. EVOLUTION OF INVESTMENT POLICYMAKING IN RTAs AND IIAs. This event is being convened under the RTA Exchange dialogue series, a joint initiative by the International Centre for Trade and Sustainable Development (ICTSD) and the Inter-American Development Bank (IDB). It will examine recent trends in investment policymaking under regional trade agreements (RTAs) and international investment agreements (IIAs), aiming to support other rulemaking processes. Participants will be from governments, civil society, international organisations, the private sector, and academia. Event attendance is by invitation only. To learn more, visit the ICTSD [website](#).

13-14 June, Geneva, Switzerland. GLOBAL FORUM ON INCLUSIVE TRADE FOR LDCs. This event is being organised by the Enhanced Integrated Framework (EIF) at the World Trade Organization (WTO). The event will examine how trade has evolved in least developed countries (LDCs) over the last 10 years and where it could go next, along with focusing on how to use trade in support of the Sustainable Development Goals (SDGs). Expected participants will include government and international organisation representatives, private sector actors, and academics, among others. To learn more and to register, visit the event [website](#).

7-8 August, Shanghai, China. CONFERENCE ON URBAN DEVELOPMENT AND ECONOMICS IN THE DEVELOPING WORLD. This Asian Development Bank (ADB) conference, held in partnership with the Shanghai Institute of National Economy of Shanghai Jiaotong University and Institute of World Economy of Fudan University, will focus on the impacts that urbanisation in developing economies could have in terms of sustainable economic growth and development. This conference aims to promote the exchange of ideas on these and other related subjects, including quality of life and productivity. For more information, visit the event [website](#).

19-25 August, Oxford, UK. OXFORD SUMMER SCHOOL IN ECOLOGICAL ECONOMICS 2018. This Oxford course, designed for PhD students, government experts, and international organisation and business representatives, will focus primarily on methods and policy applications for ecological economics, given the current trends in this field. During theoretical and applied modules, participants will learn about decision-making tools, industrial ecology, and best practices in the field. For more information and to apply, visit the event [website](#).

2-4 October, Geneva, Switzerland. WTO PUBLIC FORUM. This annual WTO outreach event will have as its theme "Trade 2030." More specifically, the three-day meeting will consider "sustainable trade" between now and 2030, addressing topics such as technology-enabled trade and making the trading system more inclusive. Please note that the deadline for submitting proposed sessions is 4 June 2018. More information is available at the WTO's dedicated site for the Public Forum [here](#).

22-26 October, Geneva, Switzerland. WORLD INVESTMENT FORUM 2018. Over the course of 50 events including roundtables, summits, and private sector-led sessions, this annual forum, hosted by the UN Conference on Trade and Development (UNCTAD) will address global challenges for international investment in the era of globalisation and industrialisation. Stakeholders from governments, investment treaty negotiation teams, global companies, and other significant areas will come together to discuss investment-related policymaking, particularly in relation to sustainable development. For more information and to register, visit the event [website](#).

January 2019, location TBC. FIRST CARBON PRICING LEADERSHIP COALITION (CPLC) CONFERENCE. This event will be the first research conference on carbon pricing held by the Carbon Pricing Leadership Coalition (CPLC). It will bring together researchers, policy makers, and practitioners in this field, aiming for an exchange of ideas and information that can help resolve the gaps that exist between theory and existing practice. More information will be made available closer to the date. To learn more, visit the CPLC [website](#).

Resources

ADVANCING MULTILATERAL TRADE NEGOTIATIONS ON FISHERIES SUBSIDIES: SPANISH, FRENCH LANGUAGE VERSIONS. Published by the International Centre for Trade and Sustainable Development (ICTSD) (May 2018). These policy briefs are the [Spanish](#) and [French](#) language versions of an ICTSD publication on the main issues at play in the WTO negotiations on disciplining harmful fisheries subsidies, along with what decisions negotiators will be faced with going forward as they aim to craft a deal for the next ministerial conference. The English language version is also available at the ICTSD [website](#).

DECODING ARTICLE 6 OF THE PARIS AGREEMENT. Published by the Asian Development Bank (ADB) (April 2018). This new publication focuses specifically on Article 6 of the UN's Paris Agreement on climate change, which addresses the issue of market and non-market approaches as forms of voluntary cooperation for meeting countries' commitments under their national climate action plans. This publication examines the options for establishing guidance, rules, and modalities for Article 6, particularly surrounding issues such as environmental integrity and double counting, in light of the ongoing negotiations to craft a Paris "rulebook." To download the complete report, visit the ADB [website](#).

USING BIG DATA TO LINK POOR FARMERS TO FINANCE. By Roy Parizat and Heinz-Wilhelm Strubenhoff for the Brookings Institution (May 2018). This article examines the role that new technologies can have in making it easier for rural, smallholder farmers to access loans and credit to support their work. The authors examine opportunities for these technologies going forward, drawing lessons from microfinance, existing technological platforms with similar functions, and more. To read and download the complete brief, visit the Brookings Institution [website](#).

WAS BUENOS AIRES THE BEGINNING OF THE END OR THE END OF THE BEGINNING? By James Bacchus for the Cato Institute (May 2018). In this analysis, former Chairman of the Appellate Body of the World Trade Organisation (WTO) James Bacchus unpacks the events that unfolded at the December 2017 WTO ministerial conference in Buenos Aires, and looks towards the potential next steps for the global trade body. He examines developments such as the open plurilateral approaches being pursued among some member groups, along with what these can mean for the multilateral process. To read and download the full report, visit the Cato Institute [website](#).

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