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EUROPEAN UNION

European Council Summit Poised to Tackle Trade, Migration, and Brexit Progress

Leaders of the EU's 28 member states will meet at a high-stakes European Council Summit in Brussels on Thursday and Friday to address migration, security, trade, and economic affairs, including weighing options for Eurozone reform. Leaders will also meet in an EU 27 format to take stock of the Brexit negotiations.

Set for 28-29 June, the summit seeks to identify top-line issues of concern facing the bloc and encourage agreement on conclusions and action-oriented solutions.

In the weeks leading up to the meeting, European Council President Donald Tusk held a series of bilateral meetings with European leaders, including German Chancellor Angela Merkel, UK Prime Minister Theresa May, and French President Emmanuel Macron in order to discuss pressing issues and pave the way for talks.

Brexit update

The European Council "Article 50" meeting, dubbed as such due to the relevant provision in EU law for the exit of a member state, will take place on Friday 29 June. It will bring together the EU27 heads of state for an update on the progress made so far in the Brexit talks, led by Michel Barnier, the Commission's chief negotiator in this area.

Leaders will discuss the state of play with regard to withdrawal issues, the issues related to the border between Ireland and Northern Ireland, and the framework for mapping the future relationship with the UK.

The [draft Article 50 conclusions](#) to be presented at the Summit reportedly call for "stepping up the work on preparedness at all levels and for all outcomes," urging "intensified efforts" for the swift conclusion of the withdrawal agreement, according to a press background note.

The draft conclusions also express concern with delayed progress on a backstop solution for the border the UK shares with EU member state Ireland in the way of customs and regulatory alignment. (See Bridges Weekly, [3 May 2018](#))

Furthermore, leaders will issue a call for accelerated work on a political declaration on the framework for the future relationship, reconfirming the guidelines to that effect reached in March. (See Bridges Weekly, [22 March 2018](#))

In this respect, the draft conclusions seek "further clarity" in the UK's position, showing willingness to compromise if the UK budes on its established red lines. Ministers discussed the draft conclusions in a meeting of the General Affairs Council (Article 50) in Luxembourg on Tuesday 26 June to prepare for the Summit.

"The negotiators commit to making progress as quickly as possible on all aspects necessary to reach" an agreement, EU and UK diplomats affirmed in a separate [joint statement](#) issued on 19 June.

The statement aims to recapitulate progress and highlight areas of agreement since the publication of the draft legal text of the withdrawal agreement in March. Data protection arrangements in the transition period, geographical indications, judicial cooperation in criminal matters, and dispute settlement were singled out as being among further outstanding issues under discussion.

Trade and economic growth

The meeting comes one week after the entry into force of the EU's "[re-balancing measures](#)" on 22 June, which applies tariffs of 25 percent on nearly €3 billion worth of US products, including steel and aluminium products, textiles, and agricultural goods, among others. These initial measures seek to respond to US Section 232 tariffs affecting steel and aluminium imports from Europe, which the White House has justified on national security grounds.

US President Donald Trump has since threatened further duties directed at the EU auto industry, and the Commerce Department is conducting a national security-focused investigation on auto imports globally.

In the proposed [draft conclusions](#) for this week's summit, which were obtained and published by the news agency Politico, the European Council would lend its support to the re-balancing measures and the WTO dispute settlement complaint filed against the Section 232 tariffs.

The draft conclusions underline the importance of preserving and modernising the rules-based multilateral system, working with other WTO members to address "crucial areas" through the promotion of "flexible negotiations," a novel approach to development, trade facilitation, and new rules in areas where these are lacking, along with the effective enforcement of existing laws. In a separate but related development, the EU and China confirmed a few days ago their plans to set up a working group on WTO reform, along with indicating their interest in bringing others on board. (For more, see related story, this edition)

These same proposed conclusions, which are still under discussion ahead of the summit, would have leaders urge the EU to continue backing a "positive trade agenda," negotiating mutually beneficial trade agreements with partners globally that have sustainability objectives, reflecting EU "values and standards," at their core. They also point to the contribution of the new regulation to modernise trade defence instruments to ensuring a level playing field. (See Bridges Weekly, [14 June 2018](#))

On innovation, the draft conclusions say that leaders encourage the implementation of the new General Data Protection Regulation (GDPR), the data privacy policy that took effect from 25 May. Doing so, they say, would help “foster trust through high data protection standards”. They also highlighted a series of other key concerns in this field, including support for businesses to enter global markets; research and innovation financial support mechanisms; and using the bloc’s planned seven-year budget from 2021 onward to set up a European Innovation Council, which would be devoted to these objectives and others. (See Bridges Weekly, [31 May 2018](#))

Migration

One of the hot-button topics this week will be migration policy, with leaders giving consideration to both internal and external migration dynamics, from secondary movements between member states to the control of external borders. Discussions are slated to focus on preventing illegal border crossings, ensuring humane reception conditions, and building effective cooperation with countries of origin and transit.

Talks will build on previous work on the reform of the Common European Asylum System (CEAS), comprising seven legislative proposals for migration management emerging in a “trilogue” between the Commission, the Parliament, and the Council.

The Commission has called for the conclusion of all proposals before the end of 2018, citing the Council meeting as an opportunity to build consensus on remaining components, according to a recent [European Commission note](#).

Of the proposals, five are considered ready to be concluded, including the establishment of an EU Asylum Agency, harmonisation of asylum criteria as well as reception conditions, measures to reinforce the Eurodac fingerprint database, and a framework for resettlement. Remaining issues concern the allocation of asylum applications among member states and the provision of procedural guarantees for asylum seekers.

This year, an estimated 1300 EU border guards are being deployed to patrol external borders, with an additional 1500 in reserve to react according to member state demand, according to the same note. A Commission proposal from May 2018 urged the scaling up of investment in border management to counter illegal migration, setting a target of 10,000 border guards by 2027.

On Sunday, 16 EU national leaders met in Brussels to discuss migration and asylum issues, presided over by Jean-Claude Juncker, President of the European Commission. The outcomes were summarised in the form of a proposal to amend part of the European Council’s draft conclusions, prepared ahead of the summit this week. Reports suggest, however, that the text has faced resistance as the event gave way to diverging country positions.

Domestic pressures facing Merkel from within her new coalition government joined Italy’s new government in pushing for stricter national curbs on secondary movements of asylum seekers inside the EU bloc.

ICTSD reporting; “Merkel and Juncker’s mini-summit risks fiasco,” EU OBSERVER, 22 June 2018; “Commission pushes Council to revise migration plan,” POLITICO, 25 June 2018; “Five things to look out for as European leaders meet to discuss a potential trade war,” THE INDEPENDENT, 25 June 2018; “Mexico election, EU summit, Uber appeal,” FINANCIAL TIMES, 24 June 2018; “Europe will strike back in case of new US tariffs: France,” BUSINESS TIMES, 26 June 2018; “‘Differences’ persist on eurozone budget ahead of key EU summit,” EURACTIV, 26 June 2018; “Eurogroup head to seek EU summit’s guidance on easier debt restructuring,” REUTERS, 25 June 2018; “Brexit trade proposals will not be published until after EU summit,” BBC, 9 June 2018; “EU Warns the Global Trade War Is About to Get Worse,” BLOOMBERG, 24 June 2018.

DISPUTES

WTO Members Intensify Debate Over Resolving Appellate Body Impasse

Trade delegates in Geneva had an intensive agenda last Friday during a meeting of the WTO's Dispute Settlement Body (DSB) at the organisation's headquarters. Notably, members debated how to resolve an impasse over filling vacancies at the top global trade court, particularly given that a fourth slot on the seven-member body may become vacant this autumn unless the situation is fixed.

According to a Geneva trade official, much of the debate last week centred on a US suggestion to treat Appellate Body reports issued after the established 90-day deadline as non-binding unless all members endorse them, which drew pushback from many other delegations.

The discussions on 22 June mark the latest episode in an evolving debate over how to lessen the strains on the highest global trade court, particularly in a time of growing geopolitical tensions on trade.

Going back to the GATT era?

The [Appellate Body](#) is a seven-member group that functions as the WTO's highest adjudicative body. Each member serves a four-year term, with the possibility of a one-time renewal.

The group has not been able to work with its full capacity for over a year now, given that three seats are currently vacant. The number may increase to four in this coming September if Shree Baboo Chekitan Servansing, currently an Appellate Body member and previously Mauritius' WTO Ambassador, is not endorsed for a second term.

Experts warn that without a prompt selection process, the court will not have enough judges needed to sign off on any Appellate Body rulings after December 2019. Under WTO rules, a minimum of three judges must sign off on any ruling.

The organisation's [rules](#) on dispute settlement say that the appointment of Appellate Body members requires consensus among the WTO membership. Essentially, this means that WTO members need to formally object to block an appointment, otherwise consent is implied.

Conversely, for other steps such as the establishment of dispute panels, the adoption of dispute reports, and the authorisation of retaliation, decisions are made by "negative" consensus. WTO rules provide that "the DSB must automatically decide to take the action ahead, unless there is a consensus not to do so," according to a summary of these provisions published by the global trade club.

Since last August, the US has objected to the launch of multiple processes to begin selecting new judges to fill the current vacancies. Washington has argued that it cannot approve new judges given that various other "systemic" issues in the Appellate Body's functioning remain unresolved. Among its complaints are the continued participation of some former Appellate Body members in cases that those judges were already working on when their term expired,

which has long been established practice, though not WTO law, under the Appellate Body's Working Procedures. (Bridges Weekly, [14 September 2017](#))

The US move has drawn pushback from across the membership, with well over 60 members endorsing proposals to launch the selection processes and fill the vacant slots. Some delegations have publicly said that they need more clarity from Washington on how to address its concerns.

Similar concerns have been raised at past WTO meetings, including at the General Council, which is the organisation's highest-level gathering outside of its biennial ministerial conferences. At the last General Council meeting in early May, sources say that several ambassadors publicly warned about wider ramifications of the Appellate Body impasse for the whole multilateral trading system. (Bridges Weekly, [9 May 2018](#))

Also last month, Appellate Body Chair Ujal Singh Bhatia [commented](#) about the "profound implications" of a paralysed Appellate Body, given that "any losing party could prevent the adoption of the panel report by appealing it to a paralysed Appellate Body." Such a result, he said, would "warp us back to the GATT era," referring to the General Agreement on Tariffs and Trade (GATT), which governed the pre-WTO trading system.

Under the [GATT system](#), the "contracting parties" operated under a very different approach to dispute adjudication, including through the use of "positive consensus," where parties had the option of vetoing report adoptions, dispute panel establishments, or certain other steps in these legal proceedings.

US raises 90-day deadline, other concerns

Last week, the US [complained](#) that since 2011, the Appellate Body has "frequently and increasingly" issued its rulings beyond the 90-day deadline as mandated by the WTO rules, specifically under the Dispute Settlement Understanding (DSU). Furthermore, the US delegate noted, this practice has occurred without the Appellate Body first consulting with dispute parties to see whether they agree.

"For too long, the Appellate Body has ignored the clear text of the DSU. We want Members to read that rule together and to decide: do the words in the WTO Agreement matter? Or is the Appellate Body free to disregard and effectively re-write those words whenever it thinks that is necessary or appropriate?" the US said, according to a copy of their statement published by the country's mission to the WTO.

According to a Geneva trade official, several other WTO members spoke last week, recognising the importance of having the Appellate Body meet the 90-day deadline for issuing reports. Many noted, for example, that this would speed up the process for resolving trade cases, and referred to the need to improve transparency in communications between the Appellate Body and dispute parties, while saying that they did not want this 90-day deadline to lead to lesser quality as a result of time pressure.

Some also referred to some growing challenges that the Appellate Body faces in reviewing cases, such as increasingly complex disputes and limited resources for conducting their work. However, various members noted that the impasse over Appellate Body judge vacancies is exacerbating the problem, rather than ameliorating it, and adhering to the 90-day deadline is not currently a realistic goal.

The US also faulted the Appellate Body for allegedly failing to limit its appeal review only to those issues "necessary to resolve" the dispute at hand, thus causing the delays. The US cited a series of disputes where this was purportedly the case, and argued that this issue is grounds for making late reports non-binding. Many other WTO members intervened on this point, however, and disagreed with this line of argument.

This is not the first time that US officials have criticised or questioned procedural and substantive aspects of the Appellate Body's practices. Earlier this year, the Office of the US Trade Representative (USTR) issues its 2018 President's Trade Policy Agenda, in which the agency alleged that the Appellate Body frequently goes beyond its mandate, to the point where the panel of judges has "added to or diminished rights or obligations" of WTO members. (See Bridges Weekly, [8 March 2018](#))

AB Chair's speech

During a separate event on the same day, the Appellate Body Chair [provided](#) his observations on challenges faced by highest global trade court, calling for "swift and robust action" from the WTO membership to resolve the impasse situation.

Singh Bhatia reiterated previously expressed concerns, such as the burgeoning caseload of the Appellate Body, made even more difficult given the complexity of today's disputes. He also highlighted the resource limitations involved, arguing that those elements as a whole lead to "very significant delays" and that the Appellate Body "cannot be realistically expected to deliver high-quality reports within the timeframes prescribed in the DSU."

He also noted the debate among members over how the Appellate Body should approach "ambiguity" in existing treaties. When a matter falls out of the scope of the WTO rules, the Appellate Body had left the freedom of members untouched, he said.

Singh Bhatia commented that a decision not to fully address an issue properly established in a dispute, "could, in effect, be a decision in favour of one of the participants, possibly altering the rights and obligations of WTO members."

The speech had also touched on the value of past case law and the necessary evolution of the legal interpretations conducted by the Appellate Body in order to ensure the "security and predictability" of the multilateral trading system.

Singh Bhatia concluded his remarks by calling for WTO members to act to preserve the legitimacy of the dispute settlement system and to address broader challenges to multilateralism.

"WTO members must embrace this responsibility and engage in constructive dialogue to ensure the continued good health of a system that is uniquely effective, but which cannot be taken for granted," he said.

Geopolitical landscape on trade

Those debates occur during a critical moment for the global trading system, with one key player, the US, opting in recent months to adopt unilateral actions to address its trade concerns with partners. Those actions have in turn triggered vocal responses from other players, both in light of the commercial consequences and the systemic implications.

Much of the spotlight has been on the responsive measures announced by the EU, China, Canada, and Mexico following US tariffs on steel and aluminium, which are also facing domestic legal challenges from industry players. Other economies whose interests have also been affected have publicly expressed their own concerns, and in some cases notified planned actions in response.

These include, for example, a WTO dispute from Norway on the US' steel and aluminium tariffs, or notifications of "suspension of concessions" in response to these tariffs from the likes of India, Turkey, Russia, and others, who have argued that the US tariffs are safeguard measures, rather than national security-related policies. That distinction has legal implications at the global trade club, given that safeguard measures and national security-

related trade measures are subject to different requirements, including over whether compensation is required for affected exporting members.

Even some countries that have reached deals with the US to avert the duties, such as Brazil, have [publicly criticised](#) Washington's negotiating approach in this area, and have noted that alternative quota arrangements were imposed over Brasilia's objections. (A more detailed report on the Section 232 situation will be featured in next week's edition of Bridges)

US Trade Representative Robert Lighthizer issued a [statement](#) on Tuesday 26 June criticising the responsive measures adopted by other WTO members in light of the US' steel and aluminium tariffs. He argued that while the US tariffs were "wholly legitimate and fully justified" under both domestic law and at the WTO, steps like the EU's "re-balancing" measures are based on a "groundless legal theory."

"These retaliatory tariffs underscore the complete hypocrisy that governs so much of the global trading system. For months, the EU, China, and others have criticised the trade policy of the United States, while claiming to champion the WTO. But their recent tariffs prove that they simply ignore WTO rules whenever doing so is convenient," he said.

ICTSD reporting.

AGRICULTURE

US House of Representatives Passes Farm Bill, Senate Debates Own Version

Congressional lawmakers in the US House of Representatives passed a new Farm Bill last week, with the legislation moving forward by a slim margin. However, sources familiar with the process note that the House version is far from final, given that the Senate version shows significant differences.

The bill was passed after support for the proposed legislation split along party lines, with 213 in favour and 211 against. Cuts to domestic US food aid proved to be one of the flashpoints in the debate, with Democrats opposing Republican efforts to establish additional conditions on work requirements for food aid recipients that critics say could curtail access and weaken a programme that is an essential component of the nutritional safety net.

The bill, which also authorises support under US farm subsidy programmes, provides for US\$867 billion in total outlays over a five-year period.

However, difficulties in reconciling the House and Senate versions could delay adoption of the legislation, and whether US President Donald Trump would back the final version remains unclear. The existing 2014 Farm Bill, also known as the Agriculture Act, was passed only after successive delays and extensions. (See Bridges Weekly, [28 April 2016](#))

"The House bill includes changes to the food stamp program that are very unlikely to survive in conference between the House and the Senate," said Vincent Smith, Professor of Agricultural Economics at Montana State University, in comments to Bridges.

Smith singled out in particular the proposed changes to existing work requirements under the Supplemental Nutrition Assistance Program (SNAP), better known as food stamps, and clauses expanding the number of people associated with a farm who are eligible to receive farm subsidies.

Lawmakers react

Reactions to the passage of the House Farm Bill varied widely among key lawmakers in the House Agriculture Committee, which had previously considered the legislation before it moved to the full House floor. (See Bridges Weekly, [26 April 2018](#))

"Today's vote was about keeping faith with the men and women of rural America and about the enduring promise of the dignity of a day's work," said House Agriculture Committee Chair Michael Conaway, a Republican from the US state of Texas, in a [statement](#) released on 21 June.

"It was about providing certainty to farmers and ranchers who have been struggling under the weight of a five-year recession and about providing our neighbours in need with more than just a hand out, but a hand up," Conaway added.

In contrast, Agriculture Committee Ranking Member Collin Peterson, a Democrat from the US state of Minnesota, issued a separate [statement](#) criticising the bill.

"The partisan approach of the majority has produced a bill that simply doesn't do enough for the people it's supposed to serve. It still leaves farmers and ranchers vulnerable, it worsens hunger, and it fails rural communities," Peterson said.

Peterson added that he hoped that the process of seeking to reconcile the House and Senate versions would produce a Farm Bill that could eventually be enacted into law.

The Senate Agriculture Committee voted on its version of the legislation earlier this month. US Senator Pat Roberts, the Kansas Republican who chairs that panel, told lawmakers on Tuesday 26 June that he hopes the process can move forward soon, and that the final version should provide "certainty and predictability during these very difficult times."

"We are endeavouring to craft a Farm Bill that meets the needs of producers across all regions and all crops. All of agriculture is struggling, not just one or two commodities. We must have a bill that works across our great nation," he added, while also highlighting the importance of keeping in place voluntary conservation programmes, continuing to back trade promotion and research programmes, and make some key changes to the food stamp scheme.

His Democratic counterpart on the committee, Debbie Stabenow of Michigan, [told](#) the Senate the same day that the value of the Farm Bill for supporting American jobs was critical. Both Roberts and Stabenow have publicly backed the version being considered in the Senate.

US farm groups, environmental orgs issue differing assessments

Zippy Duvall, president of the American Farm Bureau Federation, issued a [statement](#) welcoming the outcome of the vote in the House, calling it a "big win for America's farmers and ranchers."

However, environmental groups in the US were more critical. "The Farm Bill passed today by the House will create new loopholes that allow millionaires and billionaires to receive farm subsidies – regardless of whether they live or work on a farm," said Scott Faber, Senior Vice President for Government Affairs at the Environmental Working Group (EWG).

However, Smith told Bridges that neither the House nor the Senate versions of the bills "change the current structure of farm subsidy programmes in ways that reduce the amount of subsidies."

Aid groups also criticised the proposed changes to the food stamp programme, noting that the existing version already provides limited support to low-income recipients. The House version, Oxfam America Director of Policy and Research Gawain Kripke said in a [blog post](#), would make it more challenging to qualify for support and would severely disadvantage poorer communities.

"These changes are cruel and unproductive, and add to the bureaucracy and cost of the programme," he said.

Rising trade tensions prompt concerns from farmers

American farm groups have lately expressed concern that their agricultural exports are being targeted for additional tariffs from Washington's trading partners, in response to separate unilateral US tariffs on steel and aluminium that the White House imposed following a Section 232 investigation. The US has justified these tariffs on national security grounds.

An [article](#) published on 26 June in USA Today by US Agriculture Secretary Sonny Perdue hinted that the government might roll out additional measures to help farmers that had been affected by new tariffs.

"We have tools at our disposal to support farmers faced with losses that might occur due to downturns in commodities markets," Perdue wrote.

Farm subsidies that could cause trade distortions also remain controversial at the WTO, where China and India last week tabled a joint proposal calling for developed countries such as the US to cut support that exceeds a minimal share of the value of farm output. This percentage, known as "de minimis" in trade jargon, is set at ten percent of the value of production for most developing countries' product-specific and non-product-specific support, and half that amount for developed countries. Beijing agreed to a lower level of 8.5 percent during negotiations to join the global trade body.

US and Indian officials also recently disagreed over data submitted by New Delhi on its support for wheat and rice, while Canada questioned separate figures provided by Washington on US domestic support. (See Bridges Weekly, [21 June 2018](#))

In addition to the proposed new Farm Bill, US budget legislation passed in February this year expands support under cotton and dairy programmes. Following an earlier trade dispute with the US on cotton at the WTO, which saw the global trade arbiter rule largely in favour of Brazil, the country's agriculture minister Blairo Maggi said last month that the country would initiate another legal challenge. Whether this dispute would come before national elections in Brazil in October was not clear. (See Bridges Weekly, [26 April 2018](#))

ICTSD reporting; "Farm Bill Passes House as Critics Slam Food-Stamp Work Rules," BLOOMBERG, 21 June 2018; "Brazil ag minister vows new challenge to US cotton subsidies," AGRIPULSE, 2 May 2018.

TRADE AGREEMENTS

Canada, Japan Move Closer to CPTPP Ratification, Malaysia Calls for Trade Deal Review

Legislation to ratify the Comprehensive and Progressive Trans-Pacific Partnership (CPTPP) is making its way through both the Canadian and Japanese legislatures, officials say, bringing the deal closer to entering into force.

Earlier this month, Canadian international trade minister François-Philippe Champagne pledged that his government would work “expeditiously” to advance the ratification process, though the final passage of the legislation may not take place before autumn, according to comments reported in Canadian newspaper iPolitics.

The 11 signatories of the CPTPP include Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, and Vietnam. They signed the deal in March during a ceremony in Chile. (See Bridges Weekly, [15 March 2018](#))

The agreement will enter into force 60 days after at least six of the signatory countries complete their respective ratification procedures, or if half of the signatories do so.

Testifying before the House of Commons trade committee, Champagne told fellow parliamentarians that Ottawa wants to be in the “first wave” of signatories to ratify the deal.

“The momentum of our progressive trade agenda continues with this next important step on CPTPP. We negotiated the best deal for Canadians from coast to coast to coast, and this Agreement will benefit industries across Canada – from beef and barley to forestry products, seafood, manufacturing, and services,” [said](#) Champagne.

Canadian Prime Minister Justin Trudeau [wrote](#) on Twitter that the accord provides significant economic gains over the coming years that would be a benefit to Canadian workers, consumers, and companies alike. “Trade deals – like the CPTPP – open up new markets around the world for Canadian businesses, and will create good middle class jobs,” the tweet said.

Canadian agricultural exporters have been pressuring lawmakers to accelerate the ratification. In a letter to Champagne, the Canadian Agri-Food Trade Alliance [warned](#) that “the race is on as other CPTPP members are moving quickly to ratify the agreement.”

“If we don't act to implement the CPTPP as soon as possible, Canada will lose the ‘first mover advantage’ and see our competitors benefit from tariff cuts while we are taxed at a higher rate,” the letter says.

Mexico was the first country to ratify the multi-country trade deal in April. Australia [tabled](#) the treaty in Parliament earlier this year, where it is undergoing consideration by the Joint Standing Committee on Treaties (JSCOT), and has been a vocal proponent of the accord. Chile is also expected to ratify in the near term, according to the letter from the Canadian farm association. The same coalition indicated the several others could follow suit over the summer months, naming among these New Zealand, Singapore, Peru, Vietnam, and Brunei.

The lower house of the Japanese Diet, the country's legislature, has already endorsed the bill, which is expected to be fully ratified by the end of this month. Japan still has to enact a separate bill to implement domestic measures related to the agreement, such as support for livestock farmers, who will be facing greater competition from abroad.

The original Trans-Pacific Partnership (TPP) accord was signed by 12 countries in February 2016, but US President Donald Trump withdrew his country from the deal shortly after his inauguration in January 2017. The withdrawal prompted renewed negotiations among the remaining 11 members, who ultimately agreed in January to suspend a couple dozen provisions of the original accord. (See Bridges Weekly [25 January 2018](#))

The CPTPP incorporates the original TPP agreement, pledging to slash tariffs on 95 percent of trade in goods, along with covering a host of trade topics, ranging from technical barriers to trade and sanitary and phytosanitary measures to competition policy and intellectual property rights.

The renewed deal suspends a number of the TPP's original provisions, especially from the chapter on intellectual property rights. A few other provisions were suspended in chapters such as environment, investment, and public procurement.

Malaysia's pledge for a review

As Canada and Japan move forward with ratification, Malaysian Prime Minister Mahathir Mohamad [said](#) in a recent interview with the Nikkei Asian Review on the sidelines of a Tokyo conference that his new government would be studying the agreements signed under his predecessor, and may potentially seek changes.

The deals under scrutiny involve trade accords, including the CPTPP, as well as agreements covering various other policy areas.

"This government must review all agreements entered into by the previous government. We will honour treaties made in the past, but when there is a need for reconsideration, we will appeal to our partners to give us a chance to take into consideration the situation we are in," Mahathir said.

"We want to rectify [the accord], but we want to modify the agreement in such a way that there is fair competition between the members of the TPP," he added.

Mahathir said during his Tokyo visit that smaller developing nations need trade rules that are better crafted to suit their specific needs, particularly relative to large advanced or emerging economies. "Small countries cannot compete on the same terms as bigger countries," he [said](#), according to comments reported by Reuters.

"We are not completely against the TPP but it needs to be re-negotiated, so that smaller countries would have the chance to compete because they would be given certain handicaps," he added. He did not specify which of the CPTPP's provisions were problematic in his view.

Should Malaysia withdraw from the CPTPP, it will not affect the accord's prospects for entering into force. As noted above, the CPTPP's revised terms state that the deal will still take effect once six signatories, or at least half of whichever signatories remain, ratify the accord. The [CPTPP text](#) specifies that whichever threshold is smaller will apply.

Colombia interested in signing on

Meanwhile, New Zealand's Trade and Export Minister David Parker and Mexican Economy Secretary Ildefonso Guajardo both confirmed to reporters that Colombia has expressed its plans to request entry into the CPTPP after the deal enters into force.

Parker confirmed the Colombian request, [saying](#) that he will support “the importance of defending and promoting a trading system based on rules, and the importance of regional agreements like CPTPP being open to those willing to join.”

“Colombia is the first to formally notify New Zealand, as depositary, of its interest in joining once CPTPP enters into force,” he added.

New Zealand is the depositary of the deal, which among other roles involves publishing the CPTPP text, accepting documents such as any negotiated amendments or requests for accession, and taking in submissions from signatories of their ratification instruments.

Guajardo said earlier this month during a meeting of Pacific Alliance ministers that the participation of Colombia, a member of the Pacific Alliance, would help bridge the two trade blocs, given their overlapping membership. Pacific Alliance, a four-member Latin American trade pact, also includes Chile, Mexico, and Peru, all CPTPP members.

The group is also negotiating with four countries – Australia, Canada, New Zealand, and Singapore – in order to bring them on board as associate members. Those four countries are also CPTPP members.

On a separate note, the American Chamber of Commerce in Singapore (AmCham), a regional version of the major US business federation, has publicly called on the US government to join CPTPP. AmCham Singapore chairman Dwight Hutchins said that the CPTPP is “the best and most strategic trade framework from a business perspective and the US needs to be a member for American businesses in Singapore, across the region and at home to remain at the forefront of 21st century trade.”

ICTSD reporting; “Liberals table legislation to ratify Trans-Pacific free trade deal,” CBC, June 15 2018; “In his own words: Mahathir Mohamad speaks to the Nikkei Asian Review,” NIKKEI ASIAN REVIEW, 11 June 2018; “TPP must be renegotiated, says Malaysian Prime Minister Mahathir,” THE JAPAN TIMES, 11 June 2018; “Malaysia PM Mahathir says to review TPP-11, revive ‘Look East Policy’, ahead of Japan visit,” THE STRAITS TIMES, 9 June 2018; “Colombia has made request to join Pacific trade pact: Mexico,” REUTERS, 15 June 2018; “Colombia looking to join new TPP,” ZDNET, 8 June 2018; “Colombia wants to join CPTPP,” NEWSROOM PRO, 11 June 2018; “American Chamber of Commerce in Singapore urges US to rejoin Trans-Pacific trade pact,” THE BUSINESS TIMES, 19 June 2018; “CPTPP legislation coming before the end of summer: Champagne,” iPOLITICS, 5 June 2018.

UNITED STATES

White House Signals Support for Upgraded National Security Review of Foreign Investments

The administration of US President Donald Trump is planning to support legislation that would upgrade existing measures for preventing "harmful foreign acquisitions" from foreign firms that could risk sensitive technologies. The announcement comes after weeks of uncertainty over whether Washington may move to impose investment restrictions on Beijing.

In a [statement](#) issued on 27 June, Trump noted that this would follow on previous announcements of Section 301 actions targeting allegedly unfair Chinese trade practices, specifically in relation to forced technology transfers, discriminatory licensing practices, and other intellectual property rights (IPR) concerns.

"I have often noted, consistent with the Section 301 action initiated by the United States Trade Representative, that certain countries direct and facilitate systematic investment in United States companies and assets in order to obtain cutting-edge technologies and intellectual property in industries those countries deem important," [said](#) Trump on Wednesday.

He also welcomed Congress' efforts to draft a new law known as the Foreign Investment Risk Review Modernisation Act, or FIRRMA.

It will "enhance our ability to protect the United States from new and evolving threats posed by foreign investment while also sustaining the strong, open investment environment to which our country is committed and which benefits our economy and our people," he said.

The proposed FIRRMA legislation would specifically affect how an existing panel, known as the Committee on Foreign Investment in the United States (CFIUS), reviews moves from overseas companies to acquire US businesses, namely regarding the national security implications.

The legislative process to update CFIUS reviews has been underway for several months. CFIUS is an interagency committee, with representation from over a dozen US agencies.

Experts such as John Tiahui Pitt, in a piece for [The Diplomat](#), have noted that the respective House and Senate bills have several elements in common, such as more detailed definitions of "critical technology" and expanding CFIUS' jurisdiction to cover additional transactions, beyond those that currently fall under the agency's purview.

However, they also have some remaining differences that will need to be reconciled before a final version can make it to Trump's desk for signature, Pitt noted.

The House lent its backing to the planned CFIUS bill this week, with 400 [votes in favour](#) and two against, drawing support from Republicans and Democrats alike. A Senate version of FIRRMA was included in the Senate's National Defence Authorisation Act.

On Wednesday, Trump indicated that he may reconsider his options if lawmakers are not able to advance a version of FIRRMA that is sufficiently robust, while suggesting that he has asked Commerce Secretary Wilbur Ross to conduct additional analyses on issues such as US export controls and other policies that may have implications for technology transfers.

"Should Congress fail to pass strong FIRRMA legislation that better protects the crown jewels of American technology and intellectual property from transfers and acquisitions that threaten our national security – and future economic prosperity – I will direct my Administration to deploy new tools, developed under existing authorities, that will do so globally," he said.

Over the past two decades, only a handful of deals have been vetoed via CFIUS on national security grounds. The most recent involved Trump's rejection of Singapore-based Broadcom's multi-billion dollar bid for Qualcomm, the US semiconductor and telecommunications equipment firm, in March.

Weighing policy options

Wednesday's announcement follows months of speculation over what investment restrictions the US might impose, if any, as part of its Section 301 actions involving China. While the White House statement does not name China, it does refer to the wider Section 301 process involving the Asian economy.

The US is already due to impose tariffs on over Chinese 1000 products, worth tens of billions of dollars, starting on 6 July, which will eventually cover US\$50 billion in goods. These are among other Section 301 actions that Trump announced earlier this year, which also involved a WTO dispute on allegedly discriminatory Chinese licensing practices.

China has signalled that it plans to impose tariffs in kind, should the US tariffs go forward next month. (See Bridges Weekly, [21 June 2018](#))

When Trump first announced plans to impose such tariffs, he warned of further restrictions for Chinese companies, including on investment, while indicating that this would be pending additional examination under the auspices of the US Treasury.

Initially, Treasury officials had indicated that they would be ready to announce these investment restrictions by Friday 29 June. Meanwhile, statements from US trade officials in recent days had indicated that the administration was still debating its approach internally, particularly in terms of how aggressively to pursue any such restrictions.

While the decision to back the CFIUS process, rather than endorse some of the stricter policy options on the table, is widely considered to be a less harsh approach, the continued focus on national security in relation to investment, trade, and technology has prompted questions over the implications for drawing in foreign investment from other sources, beyond solely China.

Investment levels

When Trump first indicated plans to endorse investment restrictions, the Chinese Ministry of Commerce (MOFCOM) [said](#) that Beijing is ready to respond, should such a move go forward. Gao Feng, the spokesperson for the Ministry, spoke of the vital contribution Chinese investment has made to US jobs and growth, according to comments reported by state-run news agency Xinhua.

At the time, Gao told reporters that China hopes the "US side does more things that are in line with the law of economic development." MOFCOM had not yet issued a public response to Trump's latest announcement at the time of this writing.

The Rhodium Group, a research organisation which analyses Chinese-US investment flows, have [estimated](#) that Chinese direct investment in the US hit a total of US\$140 billion in the US in 2017 alone, though government figures have suggested that number may be lower.

Gao, in the same Xinhua interview in April, warned that the uncertainty in the investment environment has meant that "enterprises have slowed their paces or even cancelled their plans for investments in the United States."

Chinese state-backed firms such as Tsinghua Unigroup Co. have reportedly stopped buying or investing in US tech firms, according to sources cited by Bloomberg, though that trend is not universal.

ICTSD reporting; "Trump softens threat of new curbs on Chinese investment in U.S. firms," THE WASHINGTON POST, 27 June 2018; "Trump gets ready to slap China with investment restrictions," POLITICO, 24 June 2018; "U.S. Plans to Curb Chinese Tech Investments, Citing Security," BLOOMBERG, 25 June 2018; "Feds to slap China with investment restrictions, export controls," DIGITAL JOURNAL, 25 June 2018; "Limiting Foreign Investment to Protect U.S. Economic Security: Business Implications," THE DIPLOMAT, 19 June 2018; "China prepared for mooted U.S. restrictions on Chinese investment: MOC," XINHUA, 25 April 2018; "U.S. Weighs Emergency Powers to Curb China Tech Investments," BLOOMBERG, 19 April 2018; "Trump to bolster national security reviews of China investments," FINANCIAL TIMES, 27 June 2018.

GLOBAL ECONOMY

EU, China Officials Prepare to Ramp Up Investment Treaty Talks

Top officials from the EU and China pledged on Monday 25 June to ramp up efforts to negotiate a sweeping investment accord, along with confirming plans to set up a "working group" on reforming the World Trade Organization.

The discussions, convened in the context of an existing platform known as the High-Level Economic and Trade Dialogue, come within weeks of an impending annual leaders' summit, and less than one month after a separate gathering known as the EU-China Strategic Dialogue, where trade also played a headline role on the agenda. (See Bridges Weekly, [7 June 2018](#))

The EU and Chinese teams were led by Jyrki Katainen and Liu He. The former is the European Commission's Vice-President for Jobs, Growth, Investment, and Competitiveness, while the latter is the Vice-Premier of the Chinese State Council.

The EU and China already have deep-seated commercial ties, exchanging over €1 billion in goods alone on a daily basis, according to European Commission [statistics](#). Bilateral services trade is about one-tenth of that.

"We wanted to map out concrete deliverables for [the] EU-China summit, to show that the EU and China can deliver in order to make our business environment more sustainable and better functioning," said Katainen in a brief [video statement](#) after the meetings, held in Beijing.

He also highlighted the two teams' talks on multilateralism and WTO reform, calling it one of two "burning issues" on the agenda, along with the summit preparations.

The European Commission said that they expect to ink a separate deal on geographical indications, a type of intellectual property rights protection for specialty food and drink products, at the July leaders' meeting, while discussions are due to continue on how to tackle industrial overcapacity, agricultural market access, and other shared concerns.

"Working group" on WTO reform

The two sides covered a series of topics related to the Geneva-based World Trade Organization, confirming afterward their plans to launch a working group on the subject. A [statement](#) from the European Commission hinted that industrial subsidies would likely be on the working group agenda, though what the new body would actually cover is not yet confirmed.

Just weeks ago, the EU, US, and Japan issued their own trilateral statement and scoping paper which called for WTO negotiations to address industrial subsidies, among other issues, warning that current rules must be updated so that "certain emerging developing members do not escape [their] application." The statement did not, however, refer directly to China in this regard. (See Bridges Weekly, [7 June 2018](#))

Whether a move to launch new talks to revamp industrial subsidy rules would gain sufficient traction at the global trade club remains to be seen. WTO members are grappling with a series of challenges, including a growing delay in approving new judges to fill vacancies at

the organisation's Appellate Body, along with years of slow progress in many existing negotiating areas. Members have also publicly debated the implications of new, unilateral trade measures, particularly from the US, in recent months, along with how to address newer topics on the international trade agenda within the WTO context. (See Bridges Weekly, [9 May 2018](#))

"As uncertainties in the world become increasingly prominent, China is ready to strengthen coordination with the EU to maintain multilateralism and a free trade system, promote trade liberalisation and investment facilitation, and make contributions to economic globalisation and the recovery and growth of the world economy, so as to send a positive signal to the world," said a [statement](#) from the State Council summarising the views of Chinese Premier Li Keqiang, who also attended the meetings.

Investment treaty: market access offers forthcoming

Officials also promised to hit a key milestone in their negotiations for an investment treaty, saying that they would exchange market access offers at next month's leaders' summit.

The EU and China launched negotiations for this investment treaty in late 2013, confirming that they had a shared understanding of the planned deal's scope in 2016. The objectives, they say, would involve improving market access for foreign investors on both sides, along with creating a regulatory environment more conducive to boosting investment flows while providing the necessary investor protections.

At the time, they also [pledged](#) to include a sustainable development component to the accord. Furthermore, a final agreement would have the advantage of bringing bilateral arrangements between EU member states and China under one EU-wide accord.

A brief [report](#) from the European Commission on the latest talks at the end 2017 showed mixed levels of progress, with some topics being deemed as relatively advanced, while others were in the initial stages.

Leaders to discuss climate, oceans cooperation next month

Officials also indicated that environmental issues, including carbon markets and fisheries management, will be on the agenda of next month's leaders' summit. The pledges to potentially sign a "Memorandum of Understanding" on emissions trading come within days of a trilateral summit between EU, Chinese, and Canadian climate ministers, who had examined ways to boost up their climate action cooperation. (For more on the climate ministerial, see related story, this edition)

The two sides held a "[policy dialogue](#)" on carbon market cooperation earlier this year, given the ongoing roll-out of China's own national emissions trading scheme, which builds on previous pilot programmes tested in select areas of the Asian economy. The Chinese programme is expected to surpass the EU's in size, once fully operational.

ICTSD reporting.

CLIMATE AND ENERGY

EU to Raise its Paris Climate Pledge, Canada and China Finalising National Carbon Pricing Schemes

The EU is looking to increase its emissions reduction target for the year 2030 under the UN's Paris Agreement on climate change following the political consensus on three clean energy files over the past fortnight.

Under the Paris Agreement, all countries have made climate pledges, known as nationally determined contributions (NDC), to collectively keep global warming below two degrees Celsius compared to pre-industrial levels. The EU has a bloc-wide NDC, and has negotiated internally with member states on how they can collectively meet those goals.

In its current pledge, the EU has committed to lowering greenhouse gas emissions (GHG) by at least 40 percent below 1990 levels by 2030. However, the new, increased 2030 targets on renewable energy and energy efficiency mean that the bloc is on track to achieve deeper emissions cuts. (See Bridges Weekly, [21 June 2018](#))

"Both new targets would de facto mean that the European Union would be in a position to raise the level of ambition of the NDC and increase its emissions reduction target from the 40 percent to slightly over 45 percent by 2030," [said](#) EU Climate Action and Energy Commissioner Miguel Arias Cañete.

A formal change of the NDC will require approval from EU member states. The European Commission plans to send the request to the Council after the summer break, setting in motion a negotiation process among the EU institutions.

Second climate action ministerial

The EU's climate chief made the remarks during the second Ministerial on Climate Action, an informal meeting hosted by the EU, China, and Canada in Brussels, Belgium from 20-21 June.

First held in Montreal, Canada last year, the ministerial is a joint effort by the three global powers to build momentum for the implementation of the Paris accord and drive greater climate ambition.

The Brussels meeting brought together ministers and other high-level representatives from 36 countries who reiterated their commitment to concluding the Paris "rulebook" by the end of the year.

The Paris Agreement was reached in 2015 and entered into force one year later. However, most of the details to put the accord into action were left for later negotiations. The deadline for concluding these discussions is the 24th Conference of the Parties (COP24) under the UN Framework Convention on Climate Change (UNFCCC), which will be held in Katowice, Poland, in early December.

Progress on the Paris "rulebook" has been slow so far. At the ministerial, participants discussed various unresolved political and technical issues and called on negotiators to switch gears and use the "emergency" session scheduled for early September in Bangkok, Thailand, to produce a negotiating text for COP24. (See Bridges Weekly, [17 May 2018](#))

The chairs' meeting [summary](#) urges negotiators "to ensure that the text that emerges after the Bangkok session leaves as few issues of political importance as possible, for ministers to resolve."

Scaling up international climate pledges

Parallel to the climate ministerial, a group of 23 countries issued a joint declaration stating their openness to consider increasing their Paris climate pledges.

This so-called "Declaration of Ambition" also [highlights](#) a series of additional milestones on the international climate calendar, including a high-level summit in September 2019 held by the UN Secretary-General, António Guterres, aimed at marshalling greater financial commitments and political ambition towards meeting the climate challenge.

According to the statement, the signatories "commit to exploring the possibilities for stepping up [their] own ambition" going forward.

Eight EU member states are among the signatories, which counts a range of countries from different world regions and varying levels of economic development. It includes Argentina, Canada, Chile, Colombia, Costa Rica, Denmark, Ethiopia, Fiji, Finland, France, Germany, Maldives, Marshall Islands, Mexico, Monaco, the Netherlands, New Zealand, Norway, Rwanda, Saint Lucia, Spain, Sweden, and the United Kingdom.

Poland, the host of this year's COP, was the only EU country at the climate ministerial not to sign onto the declaration. The COP24 host is known for defending its coal industry and opposing more stringent EU climate regulations.

Climate pledges urgently need to be scaled up, experts and international agencies say. A [2017 report](#) by UN Environment shows that even full implementation of current NDCs will only deliver one-third of the emissions cuts needed to keep global warming below the two degrees Celsius limit. Without deeper emissions cuts, this puts the world on a path towards a three degrees Celsius increase from pre-industrial levels by 2100.

Parties will take stock of their collective efforts towards the Paris Agreement temperature goal at COP24. This exercise will serve to inform the next round of NDCs. Countries with 2025 targets have to submit new pledges by 2020, while those with 2030 targets have to communicate updates to their existing goals by that same deadline.

China, Canada push ahead with carbon pricing

The success of the Paris Agreement depends on the implementation of concrete climate measures. Carbon pricing schemes are an increasingly popular tool for doing so. Proponents say that an adequate price on carbon gives polluters incentives to reduce their emissions while spurring investment in low-carbon technologies and initiatives.

According to a recent World Bank [report](#), carbon pricing schemes have been implemented or are scheduled in 45 countries and 25 sub-national entities, either in the form of a carbon tax or an emissions trading system (ETS) which caps total emissions at a declining rate and allows companies to trade emissions allowances on the market. In total, carbon pricing currently covers 20 percent of annual global greenhouse gas emissions.

The official launch of the Chinese national emissions trading scheme at the end of 2017 was a significant addition to the carbon pricing landscape. At 3.5 billion tonnes of carbon dioxide, it is more than double the size of the EU's carbon market, which has long ranked as the world's largest. However, many technical details of the Chinese ETS still have to be finalised. (See Bridges Weekly, [18 January 2018](#))

According to [Chinese media](#), the allowance allocation plan was approved by the State Council in April, while work on the registration and transaction system, the accounting and verification of historical emissions data, and capacity building is underway.

Canada is also progressing with the introduction of its federal carbon pricing system. Initially scheduled for this year, the start date has been postponed to 1 January 2019.

Under the "Pan-Canadian Framework on Clean Growth and Climate Change," provinces and territories have to meet a minimum carbon price, starting at C\$20 (US\$15) in 2019 and rising by C\$10 (US\$7.51) at least annually until 2022. Provinces and territories have the option of using their own system, either through a tax or cap-and-trade system, or following the federal programme. (See Bridges Weekly, [15 December 2016](#) and [22 February 2018](#))

Under the federal system, producers and distributors of fossil fuels will be subject to a tax based on the carbon emissions from combusting the fuels, while heavy industry will be given emissions caps and charged the tax for any emissions above that level. Companies falling below the limit will be able to sell credits.

The federal system will come also into effect as a "backstop" mechanism where provinces or territories opt out of carbon pricing or their systems do not meet the federal requirements.

Ontario, Canada's most populous province, is likely to face the imposition of the federal system following the 15 June announcement by its newly elected Premier Doug Ford to scrap the existing ETS. That scheme is linked with Québec and the US state of California under the Western Climate Initiative.

The Conservative has vowed to fight the federal government's carbon pricing policy in the Supreme Court, echoing a similar threat by Saskatchewan Premier Scott Moe.

In addition to Ontario and Québec, provincial schemes are currently in place in British Columbia and Alberta, which both operate carbon taxes. Manitoba is due to launch a carbon tax in September, while Nova Scotia is preparing a cap-and-trade scheme for 1 January 2019. Other provinces are also working on their own programmes, although no plans have been submitted for assessment to the federal government ahead of its September deadline.

ICTSD reporting; "No province asks to use federal carbon pricing system by deadline," 28 March 2018, CTV NEWS; "Ottawa stands firm on carbon price after Doug Ford's Ontario election win," 8 June 2018, THE STAR; "Eight EU countries signal openness to increased Paris climate pledge," 21 June 2018, CLIMATE HOME NEWS; "Cañete: EU 'de facto' upping carbon reduction pledge to -45%," 21 June 2018, EURACTIV; "The cumulative volume of the national carbon emission quota allocation and distribution plan has exceeded 200 million tons," JXYUQING, 19 April 2018.

EVENTS & RESOURCES

Events

Coming Soon

4 July, Geneva, Switzerland. ADVANCING A GLOBAL AGENDA ON TRADE AND MIGRATION. This workshop is being organised jointly by the International Centre for Trade and Sustainable Development (ICTSD) and the International Organization for Migration (IOM), with the goal of developing ongoing work on the interlinkages between trade and migration further. Expected participants include experts from the relevant policy areas, along with Geneva-based delegates and international organisation officials. Please note that event attendance is by invitation. More information is available at the ICTSD [website](#).

4-6 July, Toulouse, France. GEO BLUE PLANET SYMPOSIUM. The fourth Blue Planet Symposium focuses on ocean and coastal information needs for sustainable development, "Blue Growth," and societal awareness. The event brings together producers of ocean and coastal information and potential users of this information. The goal of the GEO Blue Planet Initiative is to ensure the sustained development and use of ocean and coastal observations for the benefit of society. For more information, visit the event [website](#).

4-6 July, Havana, Cuba. INTERNATIONAL CONFERENCE ON THE MANAGEMENT OF ENERGY, CLIMATE AND AIR FOR A SUSTAINABLE SOCIETY (MECAS2018). This conference seeks to examine the policy options available in the fields of energy, urban development, and climate change adaptation, along with any overlap. There will be a particular regional focus on Caribbean and Latin American countries, including in the context of health impacts of air pollution. For more information, visit the event [website](#).

5-6 July, Songdo, South Korea. 2018 FORUM OF THE STANDING COMMITTEE ON FINANCE (SCF). This forum, under the auspices of UN Climate Change, is focused on the theme, "The Climate Finance Architecture: Enhancing collaboration, seizing opportunities." It aims to improve stakeholder cooperation and collaboration in climate finance across various fronts, along with taking steps to improve the delivery of these financial flows. Topics for discussion include global and national finance mechanisms and their interactions, current trends and risks, and how this policy area could evolve going forward. For more information, 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.

3 July: Committee on Trade and Development – Session on Aid for Trade

3-4 July: Council for Trade in Goods

4 July: Informal Group of Developing Countries

5 July: Committee on Trade and Development

5 July: Committee on Trade and Development – Dedicated Session on the Monitoring Mechanism on Special and Differential Treatment

Other Upcoming Events

9-13 July, Rome Italy. COMMITTEE ON FISHERIES (COFI) 2018. The 33rd session of the Committee on Fisheries, under the Food and Agriculture Organization of the United Nations (FAO), will convene for a week of meetings in July. Topics covered include progress on implementing the Code of Conduct for Responsible Fisheries; combatting illegal, unreported, and unregulated (IUU) fishing; and the 2030 Agenda for Sustainable Development. For more information and a complete agenda, visit the event [website](#).

9-18 July, New York, US. HIGH-LEVEL POLITICAL FORUM ON SUSTAINABLE DEVELOPMENT 2018. The High-Level Political Forum is convened under the auspices of the UN Economic and Social Council (ECOSOC) and will include three days of ministerial meetings from 16-18 July. Other special events and side events will take place throughout the ten-day forum. The theme of this year's forum is "Transformation towards sustainable and resilient societies." The Sustainable Development Goals (SDGs) that will be reviewed in depth are Goals 6, 7, 11, 12, 15, and 17. More information, including on special and side events, is available on the forum [website](#).

11 July, London, UK. A NEW BEGINNING? ASSESSING THE FUTURE OF TRANS-PACIFIC TRADE WITH AMERICA. At this Chatham House event, Koji Tsuruoka, Japanese Ambassador to the United Kingdom, will discuss the new Comprehensive and Progressive Trans-Pacific Partnership (CPTPP), currently at the ratification stage. He will draw on his experience working on negotiations for the original Trans-Pacific Partnership (TPP), looking at the implications of the US withdrawal both regionally and globally. For more information, visit the event [website](#).

16-17 July, Geneva, Switzerland. 2ND OCEANS FORUM ON TRADE-RELATED ASPECTS OF SDG 14. This forum, organised by the UN Conference on Trade and Development (UNCTAD), aims to provide a platform for information exchanges and policy debates over how to meet the trade-related targets of SDG 14 on life below water. The forum will also identify public and private best practices to meet the trade-related targets of SDG 14, building on existing tools. For more information, visit the event [website](#).

18-19 July, Yokohama, Japan. INTERNATIONAL FORUM FOR SUSTAINABLE ASIA AND THE PACIFIC 2018 (ISAP2018). Organised by the Institute for Global Environmental Strategies (IGES) and the UN University Institute for the Advanced Study of Sustainability (UNU-IAS), this annual forum has the theme "Driving Transformative Actions through Integrated and Innovative Approaches" for 2018. It aims to facilitate diverse discussions on sustainable development in the Asia-Pacific region, especially in light of the Paris Agreement and the UN Sustainable Development Goals (SDGs). Sessions will assess progress in the region as well as priorities for the future. For more information, 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. 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

INTELLECTUAL PROPERTY AND DIGITAL TRADE IN THE AGE OF ARTIFICIAL INTELLIGENCE AND BIG DATA. By Xavier Seuba, Christophe Geiger, and Julien Pénin for the International Centre for Trade and Sustainable Development (ICTSD) and the Centre for International Intellectual Property Studies (CEIPI) (June 2018). This publication, the fifth in a series, focuses on the implications of the various developments being seen in both technology and the global economy, touching upon subjects ranging from the commercialisation and management of intellectual property to the regulation and use of data. The publication is available for download at the ICTSD [website](#).

WHAT CAN AN INVESTMENT FACILITATION AGREEMENT AT THE WTO DO FOR SUSTAINABLE DEVELOPMENT? By Ada Bogliolo Piancastelli de Siqueira for the E15 Initiative (June 2018). This think piece discusses the relationship between investment facilitation measures, such as those under discussion among some WTO members, and the UN Sustainable Development Goals (SDGs). The paper was published under the E15 Initiative, implemented jointly by the International Centre for Trade and Sustainable Development (ICTSD) and the World Economic Forum (WEF). To download the report, visit the ICTSD [website](#).

TESTIMONY: US TOOLS TO ADDRESS CHINESE MARKET DISTORTIONS. By Chad P. Bown for the Peterson Institute for International Economics (PIIE) (June 2018). This written testimony was delivered to the US-China Economic and Security Review Commission by PIIE Senior Fellow Chad P. Bown. In the testimony, Bown reviews the use of US domestic policy tools, like tariffs, in relation to US government concerns over trade distortions with other major economies, namely China. He also makes recommendations in response to his findings. To download the full written testimony, visit the PIIE [website](#).

CHINA'S REGIONS IN AN ERA OF GLOBALIZATION. Written by Tim Summers and published by Routledge (2018). This book looks at China's engagement with the global economy from the perspective of China's regions, as opposed to only the national level. Given the country's size and diversity across regions, it argues that an analysis of regional differences in participation in the global economy is necessary for a full understanding of China and globalisation. To purchase the book, visit the publisher's [website](#).

WHY DO MEMBER COUNTRIES CHOOSE NOT TO PARTICIPATE IN THE WORLD TRADE ORGANIZATION'S DISPUTE SETTLEMENT BODY? Written by Felicia A. Grey and published by the International Trade Journal (June 2018). This paper models state decision-making on trade and dispute settlement in a game theory context. The study seeks to answer what state policy decisions will be reached with various hypothetical dispute litigation cost structures. To download the article, visit the publisher [website](#).

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<http://ictsd.org/news/passerelles>
French language

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