

"Green Economy and Trade" Series

Ad hoc Expert Group 2 Trade remedies in Green Sectors: the Case of Renewables

3–4 April 2014
Salle XXVI, Geneva

Provisional Programme

Thursday, 3 April 2014

10:00 – 10:15

Welcoming remarks

- **Mr. Guillermo Valles, Director, Division on International Trade in Goods and Services, and Commodities, UNCTAD**
- **H.E. Mr. Vangelis Vitalis, Ambassador of New Zealand to the EU**

10:15 – 13:00

Session I: *Trade remedies and renewables: trends, problems and prospects*

In recent years, trade remedies, specifically anti-dumping and countervailing duties (ADs and CVDs) have increasingly been directed towards goods used in conjunction with renewable energy sources, e.g. solar panels, wind turbines and biofuels. This new trend has become apparent among most major producers such as the EU, the US, Australia, India and China, with the EU being the first WTO member to use the trade remedies on clean energy on a major scale. What are the actual or potential effects of trade remedies involving renewables? What kind of conclusions can be drawn from trade remedies cases since 2008? Which countries were involved? Which products? How big was the volume of trade covered? Who were the petitioning and respondent firms? How significant was the change in trade volumes after duties were imposed? How similar or different are countries in their use of anti-dumping and subsidy policy space? Do differences in these policies reflect differing levels of development, legal cultures and regulatory frameworks? Are countries like China and India increasingly becoming the targets of anti-dumping measures instituted by other countries in the global south? Has anti-dumping or subsidies been effective for developing countries? Are the subsidy and anti-dumping trade wars being fought among developing countries?

Speakers

- **Mr. Gary Hufbauer, Reginald Jones Senior Fellow, Peterson Institute for International Economics**
- **Mr. Han Yong, Division Director, Bureau of Fair Trade for Imports and Exports, Ministry of Commerce of China**
- **Mr. Victor Manuel Aguilar Perez, Head, International Trade Practices Unit, Ministry of Economy of Mexico**

Discussants

- **Ms. Kalanithi Nesaretnam, Minister, Embassy of Malaysia and Mission of Malaysia to the European Union**
- **Mr. Mukesh Bhatnagar, Professor, Centre for WTO Studies, Indian Institute of Foreign Trade**
- **Mr. Jesse Kreier, Counsellor, Rules Division, World Trade Organization**

13:00 – 15:00

Lunch break

15:00 – 18:00

Session II: *Effects of ADs and CVDs on investment, employment and value addition along the supply chain*

The primary effect of trade remedies is dampening demand by making renewable energy sources more expensive and less accessible for user industries and consumers. In turn, renewable alternatives become less competitive compared to fossil fuels thereby leading to sub-optimal investment flows, with negative effect on "green collar" jobs and value added along the entire solar PV and wind energy value chain. How do such policy measures impact downstream producers? Mid-stream manufacturers? Have such measures already impacted investment decisions? What is the impact of trade remedies on jobs and value added? Under which conditions can ADs and CVDs have a positive effect on the domestic production, if at all? Are competitors with different supply chain using trade remedy cases to "raid" each other? Can aligning the anti-dumping rules with the competition or anti-trust rules help limit the use of trade remedies on clean energy, to make sure they only remedy truly anti-competitive behavior - as opposed to undesired competition - as well as to make proceedings more stringent? A number of WTO provisions relating to trade remedies lend themselves to input from economics. Economics could be used to anticipate "import value affected", ex post serious prejudice for actionable subsidies, for proving causation or justifying recourse to general exceptions. Arguably, increased input from economics in anti-dumping and anti-subsidy investigations provide more robust, empirically sound and predictable outcomes and better connect trade law to the "real world". This can improve the output and effectiveness of both litigating parties and adjudicators. This can also broaden the support for and legitimacy of the trade regimes.

Speakers

- **Mr. Bernard Hoekman, Director, Robert Schuman Centre for Advanced Studies, European University Institute**
- **Ms. Geraldine Ang, Policy Analyst, Directorate for Financial Affairs, Organization for Economic Co-operation and Development**
- **Mr. Jonas Kasteng, Trade Policy Advisor, National Board of Trade, Sweden**

Discussants

- **Mr. Gaston Funes, Minister Counsellor for Agricultural Affairs, Embassy of Argentina to the European Union**
- **Ms Nurlaila Nur Muhammad, Director for Trade Defense, Ministry of Trade, Indonesia (tbc)**

Friday, 4 April 2014

10:00 – 13:00 **Second Geneva Dialogue, "The Post-2015 Sustainable Development Agenda: The road from Bali", Room XXVI**

13:00 – 15:00 **Lunch break**

15:00 – 17:30 **Session III: *Trade remedies: a new policy space in the twenty-first century?***

Policies underlying the recent disputes relating to renewables have more in common with industrial policy measures in sectors such as steel, automobiles, and semiconductors, than they do with the import measures on tuna and shrimp in the environmental disputes of the past. The geopolitics of trade and environment conflicts has also evolved, with developed and developing countries embracing green industrial policies that run up against and, in some cases, clearly conflict with trade disciplines. The political economy of these measures is complicated. The great majority of renewable energy technologies are, in fact, subsidized and while one can argue that a given amount of environmental expenditure would go further in the absence of trade remedies, it is not clear that the amount of public support would remain at the same level. Can some of these measures be considered an actionable subsidy? Are there alternative approaches that might lessen the impact of trade remedies on the deployment of renewable energy? Trade remedies against renewables provide a counterpoint to the initiative to reduce tariffs to 5 per cent or less by 2015 on 54 environmental goods, particularly since some of the most active users of trade remedies participate in the initiative, and most of the goods in question are used in conjunction with renewable energy sources. Which options are available to WTO members should they decide to negotiate a limited carve-out for environmental goods? Unilateral actions in green sectors are increasingly being litigated through domestic administrative proceedings, known as trade remedies cases. Are countries moving away from the WTO's judiciary? Are there significant variances in the outcomes when countries rely on their own anti-dumping or subsidies investigations? Is this trend likely to continue? What does this suggest for the relation between global governance and domestic policy priorities?

Speakers

- **Mr. Aaron Cosbey, Associate and Senior Climate Change and Trade Advisor, IISD**
- **Mr. Mark Wu, Assistant Professor of Law, Harvard Law School**
- **Mr. Thomas Cottier, Managing Director, and Ms. Anirudh Shingal, Senior Fellow, World Trade Institute**

Discussants

- **Mr. Joost Pauwelyn, Professor of International Law, The Graduate Institute of International and Development Studies**
- **Mr. Charles Julien, Counsel, King and Spalding, Geneva**
- **Mr. Oliver Ehrentraut, Senior Programme Officer, Prognos**

17:30 – 18:00 **Concluding remarks**

- **H.E. Mr. Vangelis Vitalis, Ambassador of New Zealand to the EU**
- **Mr. Guillermo Valles, Director, DITC, UNCTAD**

For further information, please visit: <http://unctad.org/en/Pages/MeetingDetails.aspx?meetingid=531>