Joint Working Party on Trade and Environment

GLOBAL FORUM ON TRADE

TRADE AND CLIMATE CHANGE

Paris, 9 and 10 June 2009

Contacts: Ronald Steenblik, tel: +(33-1) 45 24 95 29; email: ronald.steenblik@oecd.org Ysé Serret, tel: +(33-1) 45 24 13 83; email: yse.serret@oecd.org
DRAFT AGENDA

GLOBAL FORUM ON TRADE
Trade and Climate Change

9–10 June 2009

OECD Conference Centre, 2 rue André-Pascal, 75016 Paris, France

Background

The Global Forum on Trade is the OECD’s main instrument for broad-based dialogue between OECD members and non-member economies on trade policy issues. The concept of the OECD Global Forums emerged in 2000 as a vehicle for enhancing the work of the OECD via policy dialogue with key non-Member economies. The Global Forums represent one part of the OECD Framework for Global Relations, and they are specifically designed to address issues of global importance that cannot be solved by OECD Members alone. The Mandate of the Trade Committee states that it will “engage invited non-Members in the analytical work and policy dialogue of the Committee as appropriate”. The OECD Global Forum on Trade has been a regular event since the founding of the Global Forums, and it is an important component of the Trade Committee’s global relations strategy.

Since 2001 the Global Forum on Trade has been used to examine topics of mutual concern to both sets of countries and to broaden the discussion of national policy developments to include important non-member trading economies. The 2009 Global Forum will continue the tradition by bringing together trade policy makers, academics, industry representatives and other experts from OECD and non-Member countries to discuss the opportunities for promoting better trade relations. The Forum will be used to address two specific issues that are of concern to developing countries, and of increasing interest to OECD countries given the prospect of accession by new countries and the Organisation’s enhanced engagement with several important economies.

The theme for the 2009 Global Forum on Trade is Trade and Climate Change and is being organized with the support of the World Bank and the Swedish government. It will provide an outlet to present the results of recent analytical work prepared in the Joint Working Party on Trade and the Environment (JWPTE), as well as studies by the World Bank on trade and climate change. Its overall aim is to provide an opportunity for experts and policymakers to examine how trade policy and climate change policy can be mutually supportive, in concrete terms.

Participants at the meeting will include representatives of OECD countries, a wide range of non-member economies, non-governmental organisations and international organisations with a shared interest in the issues under consideration, as well as academic experts.

A number of relevant reports will be provided to participants in advance of the meeting as background information.
GLOBAL FORUM ON TRADE: TRADE AND CLIMATE CHANGE

Draft Agenda as of 13 May 2009

Tuesday, 9 June 2009

09:30–10:00  Introduction

Welcome and opening remarks

- Pier Carlo Padoan, Deputy Secretary-General, OECD
- Global Forum Co-chairs,
  — Julius Langendorff, Deputy Head of Unit, Environmental Agreements & Trade, Environment DG, European Commission
  — Vangelis Vitalis, Deputy High Commissioner, New Zealand High Commission, Canberra, Australia

SESSION I: Setting the scene

This session will underscore the climate challenge; note the numerous linkages between trade and climate change, and offer suggestions on how trade policy can support climate policy.

Chaired by Komara Djaja, Senior Adviser for Institutional and Legal Affairs, Coordinating Ministry of Economic Affairs Office, Indonesia

10:00–10:45  The climate challenge: how big is it, and what do we need to do?

This session will cover two topics: (i) the climate-change challenge — what it means in practical terms for economies as a whole, and for major emitting sectors, and the technological challenges that must be overcome to move to a low-carbon world; and (ii) the numerous linkages (both in terms of potential synergies and conflicts) between trade and climate change.

- **Keynote address:** “The urgent need for international action on climate change”, Christian de Perthuis, Professeur associé à l'Université Paris-Dauphine et directeur de la Mission climat de la Caisse des Dépôts
- **Keynote address:** “How can trade policy support climate policy?”, Doaa Abdel Motaal, World Trade Organization
- Open discussion

10:45–11:00  Coffee Break
SESSION II: Trade in climate-change mitigation technologies

Chaired by Richard S. Newfarmer, The World Bank

11:00–13:00 Trade in climate-change mitigation technologies
This session will stress the key contribution that best-available technologies can make to climate-change mitigation and the crucial role played by trade in diffusing these technologies to developing and emerging economies, and explore barriers to trade in these technologies and how they may be overcome.

- **Presentation:** “Improving access to CCMTs: towards a Global Green New Deal?”, Mark Radka, Chief of the Energy Branch, United Nations Environment Programme (UNEP)
- **Presentation:** “How trade in CCMTs takes place: barriers and opportunities”, Jim Hight, Environmental Business International, USA
- **Presentation:** “Reducing import duties on environmentally friendly goods and services”, Akihiko Tamura, Director, Multilateral Trade System Department, Ministry of Economy, Trade and Industry, Japan
- **Presentation:** “From CCMT importer to CCMT exporter: the case of China”, Chunyong Liu, Department of WTO Affairs, Ministry of Commerce, China
- **Discussant(s):** (tbc)
- **Open discussion**

13:00–14:15 Lunch Break

SESSION III: Trade liberalization, transport and climate change

Chaired by H E Mr. Adrian Macey, Climate Change Ambassador, Ministry of Foreign Affairs and Trade, New Zealand

14:15–16:00 Transport for merchandise trade: what is its footprint?
This session will put into context the CO₂ emissions created by the transport of goods entering international trade, and present the latest estimates of the effects that further trade liberalization would have on bilateral trade flows, transport and CO₂ emissions. It will draw from, among other papers, recent work by the International Transport Forum and the OECD.

- **Presentation:** “How further trade liberalization would change CO₂ emissions from international freight transport”, David Hummels, Professor of Economics, Purdue University, USA
- **Presentation:** “The shipping industry’s efforts to address GHG emissions from international maritime shipping”, Masahiro Samitsu, Corporate Officer and Secretary-General, NYK Cool Earth project, NYK Line
- **Presentation:** “The aviation sector’s efforts to address GHG emissions from international air freight”, Pierre Albano, VP Environment for Air France-KLM
• Discussant(s): Nuša Urbančič, Policy Officer, Transport and Environment (T&E)
• Open discussion

16:00–16:15  
Coffee Break

16:15–18:00  
Counting the carbon footprint of international trade
This session will examine the growing practice of “carbon labelling” — its environmental rationale and its possible effects on trade. It will draw from, among other papers, recent work by the World Bank and the OECD.

• Presentation: “Carbon labelling: threat or opportunity?”, Anders Ahnlid, Director-General for Trade Policy, Sweden

• Presentation: “Carbon accounting and labelling: an overview of current practice”, Simon Bolwig, Senior Researcher, Systems Analysis Division, Risø DTU, Denmark

• Presentation: “Carbon labelling and the market access of developing countries”, Gareth Edwards-Jones, University of Wales, Bangor, UK

• Discussant(s): Alexander Kasterine, Senior Market Development Adviser, International Trade Centre

• Open discussion

18:00–20:00  
Evening Reception

Wednesday, 10 June 2009

SESSION IV: Issues in quantification

Chaired by (tbc)

09:00–10:45  
Crunching is better than hunching: the need for better data and quantification
This session will focus on data and analysis gaps, and show how better statistics and insights from quantitative analysis can improve our understanding of the trade-and-climate change nexus.

• Presentation: “Carbon displacement through international trade: a quantification”, Norihiko Yamano, Administrator, OECD Directorate for Science, Technology and Industry

• Presentation: “Accounting for carbon: methodological issues in life-cycle assessment”, Rainer Zah, Head of Life Cycle Assessment & Modelling, Empa – Materials, Switzerland

• Presentation: “Limitations of international statistics on climate-relevant trade”, Izaak Wind, Independent Expert and Former Deputy Director (Harmonized System), World Customs Organization

• Presentation: “Testing correlations between market drivers and trade in renewable-energy technologies”, Veena Jha, Maguru Consultants and University of Warwick, UK
**SESSION V: Carbon leakage and competitiveness concerns**

*Chaired by Vesile Kulaçoğlu, Director, Trade and Environment Division, World Trade Organization*

**11:15–13:00 Carbon leakage and competitiveness concerns: how serious?**

This session will address the concerns that countries and industries have with possible leakage of carbon emissions to countries with less-stringent climate-abatement policies. It will draw from, among other papers, recent work by the OECD and the IEA.

- **Presentation:** “Competitiveness and carbon leakage: the case of Japan and international comparisons”, Jusen Asuka, Associate Professor, Center for Northeast Asian Studies, Tohoku University, Japan
- **Presentation:** “Competitiveness and carbon leakage impacts of policies”, Stéphanie Jamet, Economist, Structural Surveillance Division, OECD Economics Department
- **Presentation:** “Competitiveness and carbon leakage: a focus on heavy industry”, Richard Baron, Deputy Head of the Energy Efficiency and Environment Division, International Energy Agency
- **Discussant(s):** Aaron Cosbey, Associate and Senior Advisor, Trade and Investment, International Institute for Sustainable Development

**Open discussion**

---

**SESSION VI: Energy subsidies, trade and climate change**

*Chaired by Ronald Steenblik, Senior Trade Policy Analyst, OECD Trade & Agriculture Directorate*

**14:15–16:00 De-subsidizing fossil fuels — A true win-win policy?**

This session will explore the extent of subsidies supporting the production and use of fossil fuels, including from a trade perspective, the benefits of subsidy reform, and multilateral options for encouraging reform. It will draw from, among other projects, recent work by the OECD, IEA and the NGO community.

- **Presentation:** “What we know and don’t know about the nature and scope of subsidies favouring fossil fuels”, Peter Wooders, Senior Economist, Climate Change, Energy and Trade, Global Subsidies Initiative
- **Presentation:** “The benefits of eliminating consumer subsidies to fossil fuels: results of the OECD modelling exercise”, Jean-Marc Burniaux, Climate Change, Biodiversity and Development Division, OECD Environment Directorate
• Presentation: “Eliminating consumer subsidies to fossil fuels: opportunities and constraints in Nigeria”, Adeola Adenikinju, Professor of Economics, University of Ibadan, Nigeria
• Presentation: “Multilateral options for encouraging the reform of fossil-fuel subsidies”, Sisule F. Musungu, President, IQsensato, Switzerland
• Discussant: Brett Longley, New Zealand Ministry for the Environment

16:00–16:30  Coffee Break

SESSION VII: Looking forward

The session will be chaired by Dale Andrew, Head of the Trade Policy Linkages and Services Division, OECD Trade & Agriculture Directorate

16:30–17:45 Implications for future work at the international level

In this session, panellists will review the discussion of the previous two days and discuss what various institutions at the international level can do in the short and medium term to help advance the discussion on trade and climate change, including research priorities.

• Panel discussion – The panel will be comprised of representatives from, among other organizations, the IMO, UNCTAD, UNEP, UNFCCC (tbc), World Bank, WTO, and the OECD
• Open discussion

17:45–18:00 Wrap-up

This session will mark the formal closing of the Global Forum.

• OECD Secretariat comments
• Comments by Global Forum Co-chairs,
  — Julius Langendorff, Deputy Head of Unit, Environmental Agreements & Trade, Environment DG, European Commission
  — Vangelis Vitalis, Deputy High Commissioner, New Zealand High Commission, Canberra, Australia