



Rethinking International Subsidies Disciplines: An E15 Task Force

First Meeting of the Core Group of Experts

10 June 2014 – Geneva, Switzerland

Agenda

INVITATION ONLY

Morning Session

9:00 – 9:15 **The E15 Task Force on Subsidies – Process and Purpose**

- Ricardo MELÉNDEZ-ORTIZ (ICTSD)

9:15 – 9:45 **Session I: Government practices and tensions with existing subsidies disciplines: mapping the issues**

Chair: Christophe BELLMANN (ICTSD)

- Gary HORLICK (Law Offices of Gary N. Horlick)

This session will focus on current government practices, highlighting possible tensions with existing rules, or the extent to which such practices have revealed significant loopholes in current disciplines. To achieve this, the session will scrutinise a broad range of government measures in a variety of sectors –e.g. bailout packages, measures affecting the production of clean energy, support to innovation, etc. Based on these considerations, the session will then assess the extent to which the approach and structure of current disciplines is sufficient to address today's challenges. Should WTO Members be allowed more flexibility to introduce certain types of trade distorting subsidies? Are there areas where stronger disciplines might be needed to prohibit or limit practices that would otherwise be difficult or impracticable to challenge? How would those disciplines work – e.g. multilateral, national law with direct effect, countervailing trade measures?

9:45 – 12:45 **Open discussion**

(Coffee break at 10:45)

12:45 – 14:00 **Lunch**

Afternoon Session

14:00 – 14:30 **Session II: The rationale for reform**

Chair: Christophe BELLMANN (ICTSD)

- Luca RUBINI (University of Birmingham)

The relatively narrowly defined exceptions for environmental subsidies, R&D or regional development, envisaged under Article 8.2 of the SCM Agreement, expired after the 1999 Seattle Ministerial Conference. Yet, in the light of recent evolutions in governments' practices and changes in the global economy, proposals to resuscitate the concept of non-actionable subsidies have re-emerged. This session will review the various areas or instances where higher public policy objectives or market failures (e.g. environmental protection, innovation, development, or food security) might justify the use of government interventions in the form of trade distorting subsidies – potentially causing prejudice to others. In these areas, the session will assess the rationale for such carve outs, suggest possible conditions under which exceptions to the general rule could be considered, identify options to circumscribe them, with the view to avoiding unnecessary trade distortions, and discuss what further work the Group needs to do in this area.

14:30 – 17:00 **Open Discussion**

(Coffee break at 16h00)

17:00 – 18h00 **Next Steps**

Chair: Ricardo MELÉNDEZ-ORTIZ (ICTSD)

This session will identify next steps in the task force process by defining an agenda for further work. In doing so, participants will focus on salient topics from the meeting's discussion and discuss how best to take them forward. In particular, experts should suggest areas where additional "think pieces" and analytical inputs would be required to inform the e15 task force process and structure future debates among task force members on possible reform opportunities in international subsidies disciplines.

19h30: **Dinner**