

Second Task Force Workshop on Rethinking International Subsidies Disciplines
23-24 April 2015 – Geneva, Switzerland

Agenda

INVITATION ONLY

23 April - Afternoon Session

14:00 – 14:30 The E15 Task Force on Rethinking International Subsidies Disciplines – Process and Purpose

- SEAN DOHERTY (World Economic Forum): Welcoming remarks
- RICARDO MELÉNDEZ-ORTIZ (ICTSD): Update on E15Initiative
- GARY HORLICK (Law Offices of Gary N. Horlick): Meeting objectives and process

14:30 – 15:00 Session I: Subsidies in a World of Global Value Chains

Chair: CHRISTOPHE BELLMANN (ICTSD)

- Resource person: BERNARD HOEKMAN (European University Institute)

This session will focus on the interface between government policies aimed at revitalizing manufacturing in both OECD countries and emerging economies, and relevant trade disciplines on subsidies. It will review government responses to the emergence of highly fragmented production networks and in particular the extent to which countries have used subsidies to address new types of market failures, generate dynamic comparative advantage, acquire larger shares in global value chains, or move up into higher-value-added segments, while protecting infant industries and import competing sectors. The session will also examine whether trade remedies such as countervailing duties need to be reassessed in the light of the changing structure of global trade. Based on this, the session will discuss the extent to which current subsidies disciplines are adequate or need to be adjusted.

15:00 – 16:00 Open discussion

16:00 – 16:30 Coffee and tea

16:30 – 17:00 Session II: Subsidies for Innovation, Research and Development (R&D)

Chair: Gary HORLICK (Law Offices of Gary N. Horlick)

- Resource persons: KEITH MASKUS (University of Colorado at Boulder)

This session discusses significant developments in the global R&D and innovation landscape in recent years such as the emergence of global innovation networks and R&D collaboration schemes; the increasingly blurred lines between fundamental and applied research; and the growing role of public institutions in fostering innovation. Against this background, the discussion will review recent government practices in providing support to innovation, and R&D (e.g. through state aid, or support for applied research) and assess the rationale for different types of government interventions in light of changes in the global R&D and innovation landscape. Based on these considerations, the session will assess the extent to which current subsidies disciplines are adequate or need to be adjusted to reflect today's global innovation reality.

17:00 – 18:00 Open discussion

19:00 – 21:00 **Dinner**

24 April - Morning Session

9:30 – 10:00 **Session III: Disciplining Services Subsidies**

Chair: CHRISTOPHE BELLMANN (ICTSD)
- Resource person: PIERRE SAUVÉ (World Trade Institute)

Services subsidies remain an unfinished business at the WTO, with existing disciplines being limited to MFN and national treatment obligations in sectors where countries have scheduled liberalisation commitments. This session will therefore take a “clean sheet of paper” approach to possible disciplines on services subsidies. It will first examine recent developments in the global services trade landscape, highlighting among other things, the increased role of services in value added creation, the close interlinkages with trade in goods, the enhanced tradability of services internationally, and the emergence of services global value chains. In light of this analysis, the session will examine recent government interventions in the form of subsidies and assess their socio-economic rationale. Based on these considerations, the session will review existing national or supra-national legal frameworks governing the use of services subsidies and draw lessons from these experiences. Finally, assuming the need for enhanced international disciplines, the session will discuss possible approaches to deal with critical conceptual issues such as the definition of services subsidies, scope, and different modal applications.

10:00 – 11:00 **Open discussion**

11:00 – 11:30 **Coffee and tea**

11:30 – 12:30 **Session IV: Task Force Conclusions**

Chair: RICARDO MELÉNDEZ-ORTIZ (ICTSD)
- Resource person: GARY HORLICK (Law Offices of Gary N. Horlick)

This session will discuss the first draft of the conclusion paper produced by Gary Horlick, as task force leader, under his own responsibility. After a short presentation of the draft, task force members will have an opportunity to provide specific comments or express dissenting views to be further reflected in the final version of the conclusion paper.

12:30 – 14:00 **Lunch**

24 April - Afternoon Session

14:00 – 16:00 **Session IV: Task Force Conclusions (cont.)**

Chair: RICARDO MELÉNDEZ-ORTIZ (ICTSD)
- Resource person: GARY HORLICK (Law Offices of Gary N. Horlick)

Open discussion

16:00 – 16:30 **Coffee and tea**

16:30 – 17:00 **Session IV: Task Force Conclusions (cont.)**

17:00 – 18:00 **Session V: Next Steps**

Chair: GARY HORLICK (Law Offices of Gary N. Horlick)

This session will identify next steps in the task force process by defining an agenda for further work including the publication of the various written outputs generated by the group. In doing so, participants will focus on salient topics from the meeting’s discussion and discuss how best to take them forward.