

CUTS CITEE IN ACTION

APRIL-JUNE 2022



WEBINAR

Future of the WTO or WTO of the Future?

CUTS International organised a webinar on the 'Future of the WTO or WTO of the Future?' on June 23, 2022. The virtual session saw enthusiastic participation, with over 70 participants from various parts of the world joining to hear experts deliberating on the future of the WTO.

The speakers and moderators of the webinar were Montek Singh Ahluwalia, Former Deputy Chairman, Planning Commission of India; Pradeep S Mehta, Secretary General, CUTS International; Pascal Lamy, Former Director-General, WTO; Amita Batra, Professor of Economics, Jawaharlal Nehru University; Mark Linscott, Non-resident Senior Fellow, South Asia Centre, Atlantic Council; Deborah Elms, Founder and Executive Director, Asian Trade Centre; Mia Mikic, Advisor, ARTNet.

Panellists commended CUTS for facilitating discussion on trade and bringing such political economy considerations to the forefront.

"The institutional inertia at the WTO has only been broken. Full restoration of the dispute settlement mechanism and consensus on what shape the WTO reform should take remains challenging," said Mehta.

Lamy iterated that while there was no alternative to consensus, members must not equate it with unanimity. Not only should members provide reasons behind their opposition, but they must also rethink which issues should be allowed to progress without consensus.

<https://cuts-citee.org/webinar-on-future-of-the-wto-or-wto-of-the-future/>





Enabling Multi-modal Connectivity in the BBIN Sub-region

CUTS International organised a 'Media Briefing' at Kathmandu on June 07, 2022. The event was organised under 'Enabling a Political Economy Discourse for Multi-modal Connectivity in the BBIN (Bangladesh, Bhutan, India, Nepal) Sub-region (M-Connect)' which is being implemented by CUTS International, along with its country partners – Unnayan Shamannay, Bangladesh, Bhutan Media and Communications Institute and Nepal Economic Forum.

The project is supported by the United Kingdom's Foreign, Commonwealth and Development Office under its Asia Regional Trade and Connectivity Programme. M-Connect aims to identify gaps in infrastructure policy and regulations, which can pose hurdles to multi-modal connectivity in this sub-region, and understand the possible impact of multi-modal transport and transit facilitation on local economic development parameters.

The event's purpose was to brief the local media in Kathmandu about CUTS' interventions under the M-Connect project and to share corridor-wise recommendations for future actions. The event was attended by various print and online media in Kathmandu.

A discussion about the corridor-wise recommendations, emphasising on Nepal transport corridor, was facilitated by Suresh P Singh, Fellow, CUTS International. Various English and vernacular media covered the highlights of the media briefing in Kathmandu, Nepal.





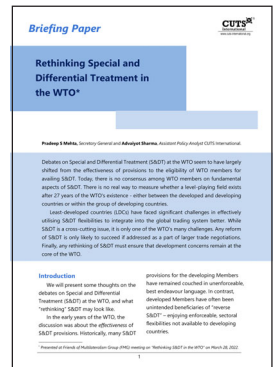
Rethinking Special and Differential Treatment in the WTO

Debates on Special and Differential Treatment (S&DT) at the WTO seem to have largely shifted from the effectiveness of provisions to the eligibility of WTO members for availing S&DT. Today, there is no consensus among WTO members on fundamental aspects of S&DT.

There is no real way to measure whether a level-playing field exists after 27 years of the WTO's existence - either between the developed and developing countries or within the group of developing countries.

Any reform of S&DT is only likely to succeed if addressed as a part of larger trade negotiations. Finally, any rethinking of S&DT must ensure that development concerns remain at the core of the WTO.

<https://cuts-citee.org/pdf/briefing-paper-rethinking-special-and-differential-treatment-in-the-wto.pdf>



Potential of Multi-modal Connectivity in India

The research team of CUTS International, under the "Enabling a Political Economy Discourse for Multi-modal Connectivity in the BBIN (Bangladesh, Bhutan India, Nepal) Sub-region" (M-Connect) project, supported by the United Kingdom's Foreign, Commonwealth and Development Office under its Asia Regional Trade and Connectivity Programme, has visited India's major transport and connectivity hubs. These include land custom stations, integrated check posts, river ports and railway links which helped to understand the opportunities and challenges of establishing an efficient multi-modal transport network in this sub-region.

Good physical connectivity in the urban and rural areas is essential for economic growth. Since the early 1990s, India's growing economy has witnessed a rise in demand for transport infrastructure and services. However, this sector has not been able to keep pace with the rising demand and is proving to be a drag on the economy.

Major improvements in the sector are therefore required to support the country's continued economic growth and to reduce poverty. In this context, the multi-modal transport system offers itself as a potential model to enhance connectivity in India and in the BBIN sub-region.

<https://cuts-citee.org/pdf/india-potential-of-multimodal-connectivity.pdf>

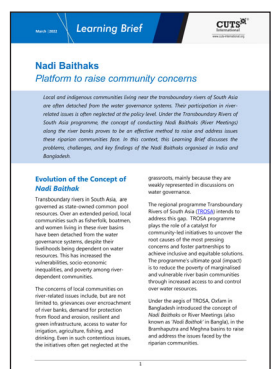


Nadi Baithaks: Platform to raise community concerns

Transboundary rivers in South Asia, are governed as state-owned common pool resources. Over an extended period, local communities such as fisherfolk, boatmen, and women living in these river basins have been detached from the water governance systems, despite their livelihoods being dependent on water resources. This has increased the vulnerabilities, socio-economic inequalities, and poverty among river dependent communities.

Under the Transboundary Rivers of South Asia programme, the concept of conducting Nadi Baithaks (River Meetings) along the river banks proves to be an effective method to raise and address issues these riparian communities face. In this context, this Learning Brief discusses the problems, challenges, and key findings of the Nadi Baithaks organised in India and Bangladesh.

<https://cuts-citee.org/pdf/nadi-baithaks-platform-to-raise-community-concerns.pdf>





Implications of Russia's Ukraine War on South Asia

Russia's war on Ukraine began in February, 2014 and escalated following a full-scale invasion in February, 2022. It is now primarily focused on the status of Crimea and the Donbas, which are internationally recognised as a part of Ukraine.

Russia and Ukraine combined have a significant share in global supplies of oil, gas and other commodities such as wheat, sunflower oil. Thus, this war has adversely impacted their supply chains across the globe. Its direct impact on South Asia occurs through trade linkages, particularly through rising commodity prices as the region is a net importer of many of them. Even before this invasion, inflation in many South Asian economies rose significantly as compared to their global peers.

Therefore, this Occasional News Wrap (ONW) has reviewed and compiled various relevant articles in print and electronic media on the implications of this war on South Asian economies.



<https://cuts-citee.org/pdf/onw-2-2022.pdf>

International trade can address climate change

The linkages between trade and climate change are undeniable and its challenges increasingly intersect with global economic integration. Trade offers low emission goods and services to the consumers that help to adapt to higher average temperature and extreme weather events.

Expansion in global trade has beneficial effects on climate change as it promotes efficient use of scarce resources and avoids wastage. Also, global trade provides market access which opens paths for developing new products and services to mitigate climate change.

Various international bodies, such as the World Trade Organisation (WTO), the United Nations Environment Programme (UNEP) and various multilateral environmental agreements (MEAs) have highlighted the role that trade can play in the transition to a global low-carbon economy and a greener, more sustainable

society

Therefore, this ONW has reviewed and compiled various relevant articles in print and electronic media on international trade can address climate change.

<https://cuts-citee.org/pdf/trade-onw-2.pdf>

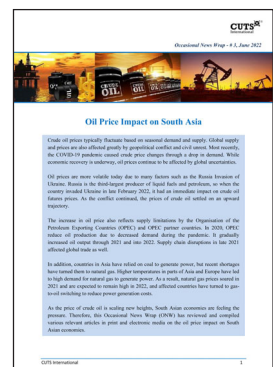
Oil Price Impact on South Asia

Crude oil prices typically fluctuate based on seasonal demand and supply. Global supply and prices are also affected greatly by geopolitical conflict and civil unrest. Most recently, the COVID-19 pandemic caused crude price changes through a drop in demand. While economic recovery is underway, oil prices continue to be affected by global uncertainties.

Oil prices are more volatile today due to many factors such as the Russia invasion of Ukraine, supply limitations by the Organisation of the Petroleum Exporting Countries (OPEC), and others.

As the price of crude oil is scaling new heights, South Asian economies are feeling the pressure. Therefore, this ONW has reviewed and compiled various relevant articles in print and electronic media on oil price impact on South Asian economies.

<https://cuts-citee.org/pdf/onw-3-2022.pdf>





The Road to the WTO's Twelfth Ministerial Conference (MC12)

Since the last meeting of the General Council (GC) of the World Trade Organisation (WTO) in late February, the Ukraine conflict has taken centre stage in international affairs. Spillovers of the political tensions have adversely affected progress on trade negotiations inside the WTO.

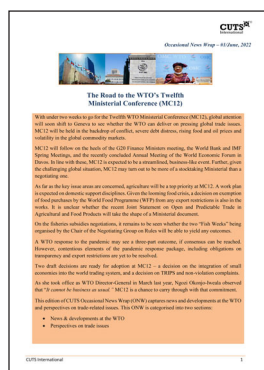
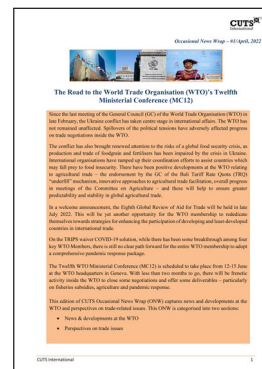
The conflict has also brought renewed attention to the risks of a global food security crisis, as production and trade of foodgrain and fertilisers have been impaired by the crisis in Ukraine.

The Twelfth WTO Ministerial Conference (MC12) is scheduled to take place from 12-15 June at the WTO headquarters in Geneva.

With less than two months to go, there will be frenetic activity inside the WTO to close some negotiations and offer some deliverables – particularly on fisheries subsidies, agriculture and pandemic response.

This edition of ONW captures news and developments at the WTO and perspectives on trade-related issues.

<https://cuts-citee.org/pdf/onw-april-1-2022-the-road-to-the-wto-mc12.pdf>



The Road to the WTO's Twelfth Ministerial Conference (MC12)

With under two weeks to go for the Twelfth WTO MC12, global attention will soon shift to Geneva to see whether the WTO can deliver on pressing global trade issues. MC12 will be held in the backdrop of conflict, severe debt distress, rising food and oil prices, and volatility in the global commodity markets.

MC12 is expected to be a streamlined, business-like event. Given the challenging global situation, MC12 may turn out to be more of a stocktaking Ministerial than a negotiating one.

This edition of ONW captures news and developments at the WTO and perspectives on trade-related issues.

<https://cuts-citee.org/pdf/onw-june-1-2022-the-road-to-the-wto-mc12.pdf>

India at the WTO's Twelfth Ministerial Conference (MC12)

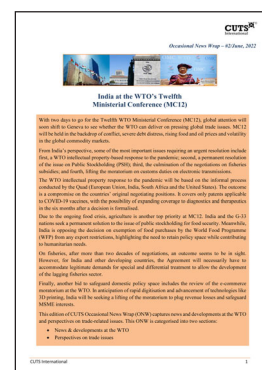
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From India's perspective, some of the most important issues requiring an urgent resolution include first, a WTO intellectual property-based response to the pandemic; second, a permanent resolution of the issue of Public Stockholding (PSH); third, the culmination of the negotiations on fisheries subsidies; and fourth, lifting the moratorium on customs duties on electronic transmissions.

India has stated that for MC12 to be successful, WTO members need to build mutual trust and repose confidence in the multilateral trading system.

This edition of ONW captures news and developments at the WTO and perspectives on trade-related issues.

<https://cuts-citee.org/pdf/onw-june-2-2022-twelfth-ministerial-conference.pdf>





BIMSTEC and Regional Cooperation

The Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) is a regional initiative that was established on 06 June 1997 with the signing of the Bangkok Declaration. It aims to accelerate shared growth and cooperation between and among littoral and adjacent countries in the Bay of Bengal region. The grouping is a bridge between South and Southeast Asia.

Recently, the Fifth BIMSTEC Summit was held in Colombo, Sri Lanka on 30 March 2022. The leaders of the seven-member states attended the Summit virtually with the Ministers of External/Foreign Affairs present physically at the Summit venue. They adopted and signed the BIMSTEC Charter which will provide institutional support for furthering its objectives.

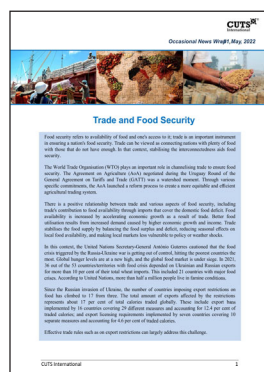
The leaders also witnessed the signing of three other legal documents:

- BIMSTEC Convention on Mutual Assistance in Criminal Matters
- Memorandum of Understanding on Mutual Cooperation between Diplomatic Academies/Training Institutions of BIMSTEC Member States
- Memorandum of Association on the Establishment of the BIMSTEC Technology Transfer Facility

In addition, the Leaders also adopted the Masterplan on Transport Connectivity and approved the reconstituted sectors and sub-sectors of cooperation.

In this context, this Occasional News Wrap (ONW) has reviewed various relevant articles in print and electronic media and has compiled them with respect to the BIMSTEC regional cooperation.

<https://cuts-citee.org/pdf/onw-1-2022.pdf>



Trade Instability Threatens Global Food Security

Food security refers to the availability of food and one's access to it; trade plays an important role in ensuring a nation's food security. Trade can be viewed as connecting nations with plenty of food with those that do not have enough. In that context, stabilising the interconnectedness aids food security.

In 2020, more than 800 million people were estimated to be suffering from hunger. Price hikes picked up steam in early 2022, even before the spillovers from Russia's invasion of Ukraine. The impact of the war in Ukraine added risk to global food security, with food prices likely to remain high for the foreseeable future and is expected to push millions of more people into acute food insecurity.

Therefore, this ONW has reviewed and compiled various relevant articles in print and electronic media on how trade instability is threatening global food security.

<https://cuts-citee.org/pdf/trade-onw-1.pdf>



DIGITAL STORIES

Voices of Women from the Meghna Basin

This digital story has been produced under the regional programme Transboundary Rivers of South Asia (TROSA), which aims to understand and address challenges related to transboundary rivers and reduce the poverty of communities. TROSA is a regional programme supported by the Swedish International Development Cooperation Agency and implemented by Oxfam Novib in the Ganges, Brahmaputra, Meghna and Salween basins.

To voice the concerns of the riverine communities alongside the transboundary rivers of Tripura, CUTS International organised Nadi Baithoks (river meetings). The Nadi Baithoks are platforms which enable and equip communities to know more about their rights, identify issues that they need to be

concerned about, and raise their collective voice to stand up for themselves and protect their livelihoods. These meetings also have women participants.

Women bear the responsibility of water management for household purposes in the riverine communities. They also endure the brunt of floods and erosion disproportionately. However, women's involvement in water governance and decision making is minimal.



<https://www.youtube.com/watch?v=9TBfyYab5jg>

Boating Towards Inclusivity

Trade and transit through inland waterways between India and Bangladesh are governed by the Protocol on Inland Water Transit and Trade (PIWTT) which is operational since 1972. CUTS study under the regional programme Transboundary Rivers of South Asia (TROSA) has pointed out that short-haul trade through transboundary waterways would benefit the local producers, consumers and traders.

TROSA is a regional water governance programme supported by the Swedish International Development Cooperation Agency and implemented by Oxfam Novib in the Ganges, Brahmaputra, Meghna and Salween basins.

The study stresses engaging with local communities and youth so that they can harness the emerging opportunities in cross border trade through waterways.

<https://www.youtube.com/watch?v=4uYxVg9BeOM>





PARTICIPATION

- Pradeep S Mehta spoke at the interactive discussion on "How consumers can help move the needle and advocate for fairer and more inclusive digital economies" held under the leadership of UNCATD's Secretary General Rebeca Grynspan at Geneva on April 26, 2022. Also spoke at the High-Level Session on Global and Regional Trade Negotiations on e-Commerce: What's at stake for development? during UN e-Commerce week "Data and Digitalisation for Development" in Geneva on April 29, 2022.
- Bipul Chatterjee participated in a roundtable discussion on 'Opportunities and Challenges for Regional Cooperation and Connectivity in South Asia,' organised by the South Asia Regional Integration and Engagement team of the World Bank Group at New Delhi on April 27, 2022. It was organised on the occasion of the visit of Cecile Fruman, Director for South Asia Regional Integration and Engagement, The World Bank Group to India.
- Advaiyot Sharma and Sneha Singh successfully completed the first Online Course on Sustainable Development Provisions in Free Trade Agreements organised by the UN Economic and Social Commission for Asia and the Pacific from May 02-10, 2022. The course covered provisions to address environment, labour, MSMEs, health, and gender issues in trade agreements, and their role in achieving sustainable development.
- Saurabh Kumar attended NADI 2022 Conclave (Natural Allies in Development and Interdependence) organised by the Asian Confluence in Guwahati on May 28-29, 2022. The objective was to discuss emerging issues and policy and institutional challenges hindering the cooperative governance of the Ganga-Brahmaputra and Meghna river basin.
- Advaiyot Sharma attended a virtual briefing by the WTO at the General Council meeting on May 10, 2022. He also attended a virtual briefing by the WTO at the Special General Council meeting on June 07, 2022.
- Yatika Agrawal and Md. Quaisar Ali represented the findings of the Kailash Landscape under the We-Trade project at Kailash Cafe 2.0: Sharing knowledge of a sacred landscape organised by International Centre for Integrated Mountain Development (ICIMOD), held on June 17, 2022.
- Veena Vidyadharan participated in the National Closing Workshop of the TROSA programme organised by Oxfam in Bangladesh at Dhaka from June 22-23, 2022. The workshop showcased the major outcomes under the programme at national and regional levels, particularly in the areas of inland water transport, fisheries regulations, erosion management and sand mining.



The new TRIPS “waiver” solution is misguided

Economic Times, April 12, 2022 • By Pradeep S Mehta and Sneha Singh

18 months of negotiations have led to Members merely clarifying flexibilities that already exist and making some of these more burdensome to avail. In such a scenario, Members will fare better by utilising TRIPs in its original form and channeling their time and resources on models of collaboration that have proven to be effective. Per a leaked draft, India, South Africa, the EU and US have shaken hands on a WTO Secretariat’s response to the pandemic (Draft). The Draft is a compromise on the countries’ original negotiating positions without any substantial shift, while the critical need to distribute vaccines to people in poor countries remains unmet.

<https://cuts-citee.org/the-new-trips-waiver-solution-is-misguided/>

High time for a Framework Agreement to further BIMSTEC connectivity

ARTNET, April 20, 2022 • By Bipul Chatterjee and Suresh Prasad Singh

At Colombo Summit, the leaders of the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) group of countries adopted a Master Plan for Transport Connectivity. Now, we need a framework for its operationalisation. An important element in building a regional community is trust. Initiatives towards connectivity promotion do strengthen trust and thus can lead to increased trade and investment as well as tourism and other people-to-people contacts.

<https://cuts-citee.org/high-time-for-a-framework-agreement-to-further-bimstec-connectivity/>

Bridges of Peace: The Case of Pithoragarh and Nepal

India Narrative, April 29, 2022 • By Yatika Agrawal and Md Quaisar Ali

Since ancient times, India and Nepal hold a special relationship in terms of historical ties, culture, economy, trade and connectivity, defence cooperation, and humanitarian assistance. Nepal shares its border with five Indian states, viz. Bihar, Sikkim, Uttarakhand, Uttar Pradesh and West Bengal span over 1,850 kilometres. Both countries share an open border, facilitating uninterrupted and regular movements of people, goods, and services for personal, commercial and emergency purposes. In the financial year 2020-21, their bilateral trade was around US\$8bn, with US\$7.23bn exports from India to Nepal and US\$736mn exports from Nepal to India.

<https://cuts-citee.org/bridges-of-peace-the-case-of-pithoragarh-and-nepal/>

Land Ports’ modernisation a game changer in India’s cross-border trade

India Narrative, May 01, 2022 • By Yatika Agrawal and Swati Verma

During 2021-22, India achieved the milestone of crossing US\$1tn worth of trade. Land ports are increasingly showing their importance in India’s trade with neighbouring countries. This is evident from an increase in the value of land-based trade from US\$4.37bn in 2012-13 to US\$12.73bn in 2020-21. According to the Land Ports Authority of India (LPAI), in 2020-21, our Integrated Check Posts (ICPs) also facilitated the movement of 262,396 persons. The establishment of the LPAI in 2012 has revolutionised land-based trade in India.

<https://cuts-citee.org/how-modernisation-of-land-ports-has-been-a-game-changer-in-indias-cross-border-trade/>



Trade Facilitation through a Gender Lens

Trade Insight Vol. 17, No. 3-4, 2022 • By Veena Vidyadharan

Furthering the objectives of the Joint Declaration on Trade and Women's Economic Empowerment at Buenos Aires in 2017, the upcoming Twelfth Ministerial Conference of the WTO is expected to commit its members to mainstream a gender equality perspective in Aid for Trade programmes. Trade liberalization policies have boosted the export sector of developing economies, thereby creating jobs, providing better wages, increasing access to education and technology, and providing other benefits for men and women. The classic case is of Bangladesh, as it witnessed a significant increase in female employment in its labour-intensive export-oriented garment industries that extensively contributed to the country's economic growth.

<https://cuts-citee.org/trade-facilitation-through-a-gender-lens-a-south-asian-perspective/>

Fork in the Road: India at the WTO Ministerial

Economic Times, June 12, 2022 • By Pradeep S. Mehta and Sneha Singh

Even as India's FTA negotiation priorities have seen a noteworthy course correction to match her domestic priorities, we are yet to see a similar convergence in relation to negotiation strategies adopted at the multilateral level. Such correction gains particular significance due to the WTO's Ministerial Conference taking place after almost five years, and amidst massive geopolitical turmoil. Even as Members adjust to ramifications from the pandemic and ongoing security crises, there is considerable pressure to see progress on an extensive list of issues – some of which have evaded consensus for decades.

<https://cuts-citee.org/fork-in-the-road-india-at-the-world-trade-organisations-twelfth-ministerial-conference/>

From Green Rooms to Red Carpet

Economic Times, June 19, 2022 • By Pradeep S Mehta

Ranging from decisions to enhance global food security to a holistic pandemic response, the Geneva Package has served as a decisive victory for the multilateral trading order and will help rejuvenate a moribund WTO. The WTO has delivered when the world doubted it most. Despite massive geopolitical turmoil and ongoing geoeconomic churns, Members were able to arrive at consensus on a range of issues at the 12th Ministerial Conference, now dubbed the "Geneva Package". This is a good sign for the future of the WTO that it can be a multilateral bulwark.

<https://cuts-citee.org/from-green-rooms-to-red-carpet-how-wto-members-defied-the-odds-and-delivered-at-mc12/>

Freeing trade, opening opportunities: India and FTAs

Deccan Herald, June 25, 2022 • By Pradeep S Mehta

India is in different stages of talks with London, Ottawa and Tel Aviv, among others, to seal trade pacts. This is the result of a marked difference in India's approach towards trade liberalisation on a bilateral basis, which has been particularly evident since at least 2020. India sealed a Comprehensive Economic Cooperation and Partnership Agreement with Mauritius in 2021, which came exactly a decade after India last entered into a bilateral trade deal (a Comprehensive Economic Cooperation Agreement between India and Malaysia was the last such deal signed in 2011). Also, there were back-to-back deals with the UAE (a Comprehensive Economic Partnership Agreement) and with Australia (an Economic Cooperation and Trade Agreement).

<https://cuts-citee.org/freeing-trade-opening-opportunities-india-and-ftas/>