

Academic Support on the challenges to the future prospects of global value chains in the current global trade war

A round table about the "the challenges to the future prospects of global value chains in the current global trade war", hosted by Shenzhen Fair Trade Promotion Agency, Shenzhen WTO Affairs Center for Post-doctoral Innovation Practice Base and Shenzhen Joint Conference Office of WTO Affairs, guided by the World Trade Organization and the China Law Society, co-organized by the WTO Law Research Society of China Law Society was held at the Shenzhen Civic Center on 13 October. The event was provided with academic support by the School of Trade Negotiations and WTO Chair Institute China of Shanghai University of International Business and Economics (SUIBE). The seminar was based on the background that prevalent global unilateralism and protectionism, such as the current Sino-US trade war, the trade war between European and American, was impacting the development of global value chains, even causing fragmentation and regionalization. It was proposed to discuss the future challenges and solutions of global value chains in East Asia and Southeast Asia from an economic perspective. Mr. GAO Zhan, the Director of Shenzhen WTO Affairs Centre chaired the opening ceremony.

DDG YI Xiao Zhun of the WTO addressed the opening ceremony. DDG YI said that the global value chains were related to many WTO trade policy issues, and the WTO would still play an important role in those fields. He quoted the recent report on "Revitalizing Trade and Inclusive Growth", which was jointly released by the World Trade Organization, the International Monetary Fund and the World Bank, arguing that the opening of trade had played a key role in lifting living standards and reducing poverty, but that that work remained incomplete. Trade reform had not sufficiently kept pace with the changing landscape of services trade, digital technologies, and foreign direct investment. Much also remained to be done in areas such as market access for goods and regulatory cooperation. While traditional areas, such as agriculture or

fisheries subsidies, remained of great importance, notably for more inclusive growth, certain “frontier” areas of trade policy might have a particularly high potential to lift global productivity and durably increase medium-term growth. He described the investment field as an example.

“Trade policy increasingly reaches ‘behind the border’ and interacts with domestic regulation. At the international level, therefore, policy coherence becomes critical in designing and implementing trade reforms.” DDG Yi Xiao Zhun further pointed out, “to make progress in these and other areas, a strong multilateral trading system seems indispensable, particularly as some of these issues, such as e-commerce, are inherently global in nature. The traditional areas of WTO rule-making remain vitally important, including for the proper functioning of the global value chain, and cannot easily be replicated at bilateral or regional levels.”

The WTO Chair Professor Zhang Lei, hosted the first session of the conference discussion. Mr. Robert Koopman, Chief Economist and Director of Economic Research and Statistics Division of WTO, analyzed the current situation of world trade and shared his preliminary study on " the impact of the global trade war on the future prospects of the global value chains". His remarks were followed by Professor Zhao Zhong Xiu, Vice President of the University of International Business and Economics.

Subsequently, Professor Yang Guo Hua, Vice President of the WTO Law Research Society of China Law Society, hosted the second unit of the conference discussion. More than 50 experts and scholars from domestic participated in the discussion. DDG YI Xiaozhun gave important responses to and commented on the speakers' views.

The seminar was concluded by Professor Zhang Lei and Mr. Gao Zhan.