

World Trade Institute

Annual Report 2018



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**UNIVERSITÄT
BERN**

From the Managing Director



A handwritten signature in black ink, reading "Joseph Francois". The signature is fluid and cursive, with the first and last letters of the first and last names being capitalized and prominent.

Joseph Francois
Managing Director
World Trade Institute

The past year at the WTI has been one of both change and continuity. In 2018, we continued our outreach activities through both new global cooperation agreements and strengthening of existing partnerships. We delivered customized external training to government officials both in Bern and internationally, and hosted numerous events and special lectures for students, alumni, diplomats and the public. At the same time, the recent dramatic shift in the trade policy landscape toward unilateralism and conflict has been reflected in a shift in our outreach activities.

On the scientific front, WTI researchers have continued publishing on the multilateral trading system and global economic governance. New research projects were started as well, in addition to ongoing projects. Details can be found in the report.

On the education front, we have further consolidated our new programme structure, in particular the MILE, TRAIL+ and CAS/DAS programmes. Details on developments in these programmes, as well as the Doctoral School and Summer Academy, can also be found in the report.

We hope you take the opportunity to learn more about our work at the WTI through this annual report. For the most up-to-date information about our institute, including news stories, recent publications and a list of upcoming events, please visit:

www.wti.org

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The Institute

The World Trade Institute was established in 1999 to train future practitioners and researchers from all over the world and to strengthen research capacities in the field of international trade and investment regulation. The WTI combines graduate-level education and interdisciplinary research in law, economics and political science, as well as specialised advisory services. We recruit students, researchers, faculty and employees from around the world, creating a diverse culture and stimulating environment.

Executive Board



Members of the Advisory Board

- Arthur Appleton
- Richard Baldwin
- Thomas Bernauer
- Didier Chambovey
- Thomas Cottier
- Victor do Prado
- Roberto Echandi
- Arancha González
- Bernard Hoekman
- Beata Javorcik
- Gabrielle Marceau
- Joakim Reiter

Administration



Highlights of the Year

New Research Projects

In 2018, researchers at the WTI started two new research projects: Heterogeneity - Regulatory heterogeneity in international trade: from measures to systems; and RESPECT - Realising Europe's soft power in external cooperation and trade. The Heterogeneity project is funded by the SNSF for the period 2018-2022. RESPECT is an EC Horizon 2020 project spanning 2018-2021.

For more information about the new and on-going research projects at the WTI, please visit the Research section of this report.

Publications

In 2018, the WTI was pleased to have numerous books, book chapters, articles, datasets and working papers published by our researchers. We also relaunched the WTI Working Paper Series and introduced the WTI Policy Brief Series.

All 2018 publications by our researchers can be found on our website:
www.wti.org/research/publications

Events

In 2018, the WTI both hosted and co-organised a number of events and activities including workshops, tailor-made training, summer academies, doctoral colloquia, special lectures, larger conferences and smaller seminars. Of special note is the successful launch of our Global Economic Governance Seminar Series, which began in September 2018 and featured ambassadors, Appellate Body members, and senior government officials speaking about various topics on global economic governance.

For more details about our events in 2018, please visit the Events section of this report.

Outreach

Our tailor-made training both at the WTI premises and elsewhere continued in 2018, and our network of academic and strategic partners was further enlarged.

For more information about our tailor-made training and partnerships, visit the Outreach section of this report.

Education

Due to increased interest in the week-long modules offered in our Summer Academy, the WTI announced in 2018 the creation of the Winter Academy. The first Winter Academy begins in January 2019 and, like the Summer Academy, features modules that can be taken à la carte on a week-long basis or with the aim of obtaining a certificate or diploma. Both the Winter and Summer Academies cover cutting-edge issues in trade and investment law and policy. They are designed for private and public sector and civil society professionals as well as higher-education students.

More information about our week-long modules can be found in the Education section of this report.



Graduate Programmes

MAS in International Law and Economics (MILE)

In 2018, 15 students representing 13 nations finished the coursework of the MILE programme (MILE 18) and another 14 students from 9 nations embarked on it (MILE 19). A further 63 external participants joined the programme on a weekly basis, through our à la carte offer, to study topics of specific interest to them.

Established in 1999, the Master of Advanced Studies (MAS) in International Law and Economics (MILE) was the first educational offer of the WTI. This programme remains synonymous with the Institute, although it is now just one of a range of programmes offered. This 90 ECTS programme is interdisciplinary in nature and trains students in methodologies and ways of thinking other than those of their initial area of specialisation. The comprehensive knowledge of the law, economics and politics of international trade and investment, which students acquire through the MILE programme, prepares them well for work in international organisations, government ministries, academic institutions, global companies and internationally operating law firms.

The tuition fee for the MILE programme is **21,000 Swiss francs**.

For more information about the MILE programme, please visit our website: www.wti.org/education/master/mile

MAS in Trade and Investment Law & DAS in International Law and Economics (TRAIL+)

In 2018, three students representing three nations finished the coursework of the TRAIL+ programme (TRAIL+ 1) and another 10

The **John H. Jackson Internship Fund** continued into its second year in 2018, providing financial support to a WTI master's student undertaking a three-month internship of an interdisciplinary nature that would otherwise be unpaid. The fund consists of generous contributions made by the family of the late Professor Jackson and WTI faculty members. The Selection Committee, chaired by Dr Lee Ann Jackson, awarded the 2018 John H. Jackson Internship Prize to Sonam Wangdi of Bhutan. The award enabled her to pursue an internship in the Trade Policy and Facilitation Division at the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP) which provides technical assistance and capacity building to member States in the areas of macroeconomic policy, poverty reduction and financing for development.

students from six nations embarked on it (TRAIL+ 2).

Established in 2017, the TRAIL+ programme combines a Master of Advanced Studies (MAS) in Trade and Investment Law (LL.M.) with a Diploma of Advanced Studies (DAS) in International Law and Economics. This programme is offered in cooperation with the Faculty of Law of the University of Bern. The programme includes more law courses and fewer courses in economics and political science than the MILE programme. A total of 60 ECTS are required to fulfil the LL.M. requirement while an additional 30 ECTS must be completed in the social science courses of the WTI to fulfil the DAS requirement. The in-depth knowledge of the law of international trade and investment combined with the understanding of the related economics and politics, which students acquire through the TRAIL+ programme, prepares them well for work as lawyers in the public or private sector or as legal scholars.

The tuition fee for the TRAIL+ programme is **21,000 Swiss francs**.

For more information about the TRAIL+ (LL.M.) programme, please visit our website: www.wti.org/education/master/trail





For more information about the CAS ILE and DAS ILE programmes, please visit our website:

www.wti.org/education/other/cas-das-programmes

CAS/DAS in International Law and Economics

In 2018, five persons were pursuing the Certificate of Advanced Studies (CAS) in International Law and Economics, and one successfully finished the programme.

The CAS and DAS programmes are open to participants with undergraduate degrees and relevant professional experience, with applications being accepted on a rolling basis. Participants who complete 8 ECTS of coursework and write a research paper may be awarded a Certificate of Advanced Studies (CAS) in International Law and Economics. Participants who complete 22 ECTS of coursework and write a research paper may be awarded a Diploma of Advanced Studies (DAS) in International Law and Economics. CAS/DAS students benefit from the mentorship of a senior WTI academic advisor during the duration of their study.

The tuition fee is **4,000 Swiss francs** for the CAS ILE, and **10,000 Swiss francs** for the DAS ILE.

Summer Academy

The 2018 WTI Summer Academy went from 9-27 July and included courses on “The Future of the Trade and Investment Regime” and “New Frontiers in Investor-State Dispute Settlement”. 65 students participated, many of whom came from the World Bank Group, the governments of Canada, France, Indonesia and the United States, as well as several national banks.

Beginning in January 2019, the WTI will offer both a Winter Academy and Summer Academy.

Tuition for one week is **1,200 Swiss francs**, for two weeks **2,200 Swiss francs** and for three weeks **3,200 Swiss francs**.

For more information about the Winter and Summer Academies, please visit our website:

www.wti.org/education/other/winter-and-summer-programmes





Doctoral Programme

In 2018, six students joined the Graduate School of Economic Globalisation and Integration (4 law students and 2 economics students). At the end of 2018, the Graduate School comprised 31 doctoral students, of whom 15 were women. The majority were law students (21), followed by students of political science (5) and economics (5).

Simon Wüthrich completed his PhD with the submission of a thesis on “Preferential Trade Negotiations: Feedback Effects and the Provision of Information at the Domestic-International Interface”.

In 2018, the WTI organised two PhD colloquia. Six students presented their work in January, and 11 students presented their research in September, to receive feedback from their supervisors, WTI faculty, and fellow PhD students. In September 2018, 14 PhD students also participated in the 2018 PhD seminar with lectures by Prof. Dr. em. Ernst-Ulrich Petersmann, Professor of Law, European University Institute, Florence, Prof. Dr. Marcelo Olarreaga, Professor of Economics, University of

Geneva, and Prof. Dr. Manfred Elsig, Professor of International Relations, World Trade Institute, as well as presentations by the participating students of their research findings on specific issues regarding international economic governance.

Following the positive experience with PhD courses in previous years, the WTI offered four PhD courses in 2018. The topics included “Treaty Interpretation”, “Foreign Direct Investment”, “Applied General Equilibrium Theory”, and “Bayesian Econometrics”. In total, 28 PhD students from Swiss and other European universities attended one or more of the 2018 WTI PhD courses.

For more information about the Graduate School of Economic Globalisation and Integration, please visit our website: www.wti.org/education/doctoral-programme



WTI-CWS Joint Academy on International Trade Law and Policy

The fifth WTI-CWS Joint Academy on International Trade Law and Policy took place from 4 - 29 June 2018 in New Delhi, India. This annual four-week Academy is a joint programme by the WTI and the Centre for WTO Studies (CWS) of the Indian Institute of Foreign Trade (IIFT). The Joint Academy was established in 2014 to provide law students and legal professionals in India with an opportunity to increase their knowledge of trade regulation and international economic governance issues. This year, 26 students from 18 different Indian

law colleges and three professionals from select law firms participated in the Joint Academy. The topics covered in the courses of the 2018 Joint Academy included the rules on trade in goods, on trade in services, and on intellectual property protection, as well as recent developments at the WTO and select current WTO issues. Each course module was taught by an international faculty member from the WTI network and a faculty member from an Indian institution. This set-up enables students to receive an international and an Indian perspective on the various topics. As in previous years, the Embassy of Switzerland in New Delhi organised a panel discussion and reception at the premises of the Embassy for Joint Academy students, WTI alumni and other invitees. At this occasion, the WTI faculty member Prof. Dr. Krista Nadakavukaren-Schefer gave a presentation on 'Rethinking Investor-State Relations'.



For more information about the WTI-CWS Joint Academy, please visit our website: www.wti.org/education/other/winter-and-summer-programmes



The Governance of Big Data in Trade Agreements: Design, Diffusion and Implications

This research project is part of the National Research Programme (NRP) 75 Big Data. It brings together a small interdisciplinary research team under the leadership of Mira Burri (University of Lucerne) and Manfred Elsig, and examines the pertinent trade rules that impinge on Big Data. The three-year project started in May 2017 and seeks to offer cutting-edge research and to contribute to the public debate.

The project has three discrete but interlinked objectives: (1) to map all the existing rules of relevance for Big Data applications in international, regional and bilateral trade agreements; (2) to trace how certain regulatory solutions and models have evolved over time and what the political forces driving these choices have been, employing both legal and political science methodologies; (3) to inform the debate on how decision-makers should use the instruments of international trade law to better reflect the changes in the digital economy and take account of important public interests, notably the protection of privacy.

In addressing the first task, the project team collected all publicly available PTAs based on the DESTA database. The collection started with treaties concluded since 2002, which marks the start of the US Digital Agenda and the related endorsement of digital trade rules. For the purpose of mapping the specific provisions of these treaties that are relevant for Big Data, a codebook was developed. During 2017 and 2018, the Big Data team collected data to create a new database called "Trade Agreement Provisions on E-commerce and Data Flows" (TAPED). The database consists of 291 preferential trade agreements (PTAs), of which 99 have concrete e-commerce or data flow provisions. The goal is to make this dataset available to the public as well as easily accessible and reusable for scientists and experts in the coming year.

In 2018, the project organised a Conference on



Big Data and Global Trade Law which took place at the University of Lucerne, from 16-17 November 2018. The conference was aimed at bridging the discourses on trade law and policy and data-driven innovation. A general overview of TAPED was also presented at the 2018 WTO Public Forum.

The project has an annual budget of 183,258 Swiss francs and a duration of three years.

Common Concern

This research project studies the potential of the legal concept of 'Common Concern of Humankind' (CCH) to emerge as a normative principle in international law, guiding the conduct of states and bringing about international cooperation in dealing with shared problems (e.g. monetary regulation, climate change, human rights crises, the distribution of income, and wealth within states) that require collective action. It is led by Prof. em. Thomas Cottier who, as the principal investigator, is also engaged in the development of the theoretical framework of Common Concern. Doctoral researchers are undertaking individual case studies in

monetary regulation, low-carbon technology transfer, human rights issues and the distribution of income and wealth within states.

The project focuses on two issues in particular. First, from a theoretical point of view, it seeks to establish interconnections between CCH on the one hand, and the economic concepts of public good and multilevel governance on the other. Based on the evolution of the concept, this part emphasises the need for international law to recognise and develop Common Concern as a legal principle calling for enhanced cooperation, and domestic as well as extraterritorial action. Second, separate case studies undertaken by the project's PhD students test the concept's suitability to resolve collective action problems in four different areas.

To showcase the initial conclusions and to submit these to critical review, a conference took place in June 2018. The papers presented at the conference and the summarised panel discussions will be published in an edited volume under the title "The Prospects of Common Concern of Humankind in International Law". It is expected to come out in 2019. The PhD candidates progress with their individual research projects.

The project, initially expected to run for three years, was launched in 2015 with an annual financial package of approximately 173,463 Swiss francs granted by the Swiss National Science Foundation (SNSF). The project duration was extended to mid-2019.

Complexity and the structure and regulation of trade and investment

The main objective of this research project is the analysis of the relationship between changes in the institutional architecture governing trade and investment flows and the emergence of Global Value Chains (GVCs).

Following revolutionary advances in information technology that occurred in the early 90s, the production of goods and services underwent changes that radically altered the world's economic and political landscape. The lower cost of transferring ideas and technology resulted in the fragmentation of production across countries and continents.

Simultaneously, countries increasingly turned to bilateral foreign economic policy in order to foster their participation in the global production system. This resulted in a complex web of preferential trade agreements (PTAs) and investment agreements (IAs), which themselves increased in complexity due to the development of provisions included in those agreements. This gave rise to the trade and investment development nexus, which is the objective of analysis of the project.

Methodologically, it will partly be based on techniques that are suitable for the analysis of complex systems.

The first year of the project was dedicated to the processing and merging of different data sources and to a comprehensive literature review of different methodologies and concepts used in computer science and biology to characterise complex systems. Databases of PTAs (DESTA) and IAs (EDIT) were integrated and analysed. The purpose of such an exercise is to provide a comprehensive and holistic descriptive view of the different modes of institutional regional integration that govern trade and investment flows. On the investment and trade flows side, recent advances in disaggregating gross bilateral trade into value added components at the sectoral level were reviewed and applied to multiregional input-output data. Following this initial phase of the project, the relation between the evolution of countries' positions in the complex world economic production system and their policies will be further analysed.

The project is under the leadership of Prof. Joseph Francois, and is funded by the Swiss National Science Foundation (SNSF). It runs from 2017 to 2021 and has funding of 465,220 Swiss francs.

CLI_M_CO2
in Vanuatu



Global Value Chains and Provisions in Preferential Trade Agreements

Global value chains (GVCs) of multinational enterprises are complex and encompass different cross-border supply relationships that include various forms of trade, investment, and strategic partnerships. Yet, the complexity of these relationships and their interactions are not always fully understood, and there is a widespread perception that they may not be comprehensively and coherently addressed in international frameworks such as preferential trade agreements (PTAs). The objective of this project is to develop a more comprehensive and nuanced coding of GVC-related provisions in PTAs, and to assess their coherence across relevant provisions as well as between agreements.

This project builds on the existing Design of Trade Agreements (DESTA) dataset and uses inputs from the EDIT dataset on bilateral investment treaties, and the Big Data project, particularly the database entitled “Trade Agreement Provisions on E-commerce and Data Flows” (TAPED).

By the end of 2018, the project coded over 210 variables related to GVCs in PTAs such as investment chapters, provisions on market access for goods and services, entry of business

persons, e-commerce and data flows, capital movement and exchange rates, intellectual property rights, regulatory cooperation, and transparency and competition, in over 690 PTAs.

The project partner is the OECD, and both research and outreach activities are currently being considered in how to present this data in 2019. The project lasted one year and had funding of 56,711 Swiss francs.

Switzerland’s Sustainability Footprint: Economic and Legal Challenges

In the first year of the project, the research team developed a set of international footprint inventories datasets and carried out applied analysis of these datasets.

The first dataset developed is a new international dataset of Methane emission inventories based on territorial production, final production, and consumption patterns for the years 1997, 2001, 2004, 2007, 2011, and 2014. A working paper describing the dataset construction and the main stylised facts is under review in a scientific journal.

A first article has been published in the journal *Economics Letters*, where the authors estimate the income-elasticity of methane emissions per



CLI_M_CO2
in Vanuatu

EDIT

The Electronic Database of Investment Treaties (EDIT) is a new systematic and comprehensive database on international investment agreements, including all available texts in one single language (English) and format (XML).

Treaty texts were collected, digitised and non-English texts translated through machine translation software. Articles and paragraphs of the agreements were categorised using different techniques (automated labelling and based on a keyword dictionary, as well as on manual annotation).

The project used texts and metadata of international investment agreements (IIAs) found in governmental webpages, as well as in open databases, notably UNCTAD's International Investment Agreement Navigator, and transformed them into a machine-readable format that allows analysis on the article, chapter or treaty-level of the IIAs texts. In the process of collecting these agreements, the project team found some 'missing investment treaties' that were not previously available in other databases. All IIAs that were not found in English were translated into that language, using machine and manual translation.

All available texts of IIAs are included in EDIT, regardless if they are currently in force. Through this database, the project team aims to support researchers, scholars, students, practitioners, international organisations, policy-makers, civil society members and other stakeholders in their work and studies concerning international investment law. The forthcoming website will be an on-going collaborative effort that can involve academia and international organisations. All users can correct or improve the data, following the Wiki model.

The EDIT webpage will be available as a free service by the World Trade Institute in late 2019. EDIT was developed as a spin-off of the SNIS-funded project "Diffusion of International Law: A Textual Analysis of International Investment Agreements" (2015–2017), in cooperation with the World Bank.

capita derived from production, final production, and consumption using a first version of the dataset for 1997–2011. The article shows evidence of relative decoupling between emissions and income, and evidence for a piecewise linear relationship. The relation between economic growth and emissions improves as countries reach high levels of income, although the magnitude of the improvement is small. This points to very minor methane-efficiency gains from economic development.

Also within the work programme, an update of the worldwide dataset of carbon dioxide emission inventories has been carried out. An article on the convergence of CO₂ emissions has been accepted in *Environmental & Resource Economics*. There, the authors address international convergence in carbon dioxide emissions per capita and per value added derived from emission inventories based on production and consumption patterns. The results highlight the current incompatibility between emission targets and economic growth and the need for faster diffusion of green technologies. Moreover, there is no evidence for specific convergence dynamics in

the European Union, the OECD, or the countries that are subject to binding emission constraints specified in the Kyoto Protocol. The institutional frameworks implemented in industrialised countries did not induce faster convergence among developed economies.

Also within the work programme, the project team developed a new international dataset on energy usage inventories. This dataset includes energy usage inventories based on territorial production, final production, consumption activities, and several sources of energy. The dataset has the same structure as other datasets developed within the project, which facilitates comparisons.

This research project is part of the NRP 73 and is directed by Prof. Joseph Francois. Funded by the Swiss National Science Foundation, the project runs from 2017 to 2021 and has funding of 863,950 Swiss francs.

Regulatory Heterogeneity in International Trade

The past 50 years have seen an unparalleled reduction of tariff barriers to international trade. Positive experiences from seizing the gains of tariff-free trade have shifted the attention to so-called non-tariff measures (NTMs). The potential gains from reducing trade frictions in this area are expected to be very significant, particularly for small and medium-sized companies, which has put NTMs on the modern trade policy agenda.

In contrast to tariffs, trade frictions induced by NTMs are not necessarily caused by border measures per se, but are the result of differences in the types of regulations set by countries. Oftentimes these have a *raison d'être* other than regulating trade, which makes it not only more complex for trade negotiators as a substance matter, but also potentially politically sensitive. Furthermore, regulatory measures may not exist in isolation but are instead dependent on other measures – together forming a “system” of regulations.

This research project aims to shed some light on heterogeneity and system aspects of NTMs and analyse their impact on international trade flows. Four research questions are guiding the project:

- How can we aggregate NTM data in order to obtain a bilateral indicator that not only reflects the heterogeneity of regulatory “systems” but also includes aspects of measure interdependencies?
- What is the impact of regulatory heterogeneity on international trade flows?
- Is regulatory heterogeneity (or similarity for that matter) a predictor for the depth of trade agreements?
- How can information on NTM interdependencies and regulatory heterogeneity help us to design trade policy scenarios?

Thus, the first stage of the project is concerned with finding alternative measures of NTMs and improving the way they are aggregated in order to quantify regulatory profiles on different sectoral levels. These indicators are then used to analyse the impact on trade as well as improve the way we formulate trade policy scenarios in impact assessments. By this the project participants aim to make

contributions to the trade cost literature and advance relatively scarce findings on regulatory heterogeneity and its impact on trade policy outcomes. The work can help inform the debate around 21st century trade agreements.

This project runs from 2018-2022 and has funding of 636,238 Swiss francs.

RESPECT

The WTI participates in the EU's Horizon 2020 project RESPECT, which aims to identify options and opportunities for better realising the EU's soft power in achieving its external policy objectives. It does so through rigorous empirical analysis of the effects of trade and trade policy on non-trade policy objectives (NTPOs) and the development of conceptual frameworks to inform the design of a more coherent external policy mix.

In an international consortium of research institutes coordinated by the European University Institute, the WTI leads a stock-taking exercise of EU and Member State policies and international engagement. This includes applied trade policies, the content of



EU trade agreements, as well as Member States' investment promotions activities. In the course of this, the WTI will collect additional data on NTPOs in trade agreements that will feed into the DESTA database.

In addition, the WTI team contributes to the qualitative and quantitative assessment of EU external policies. With regard to the latter, the main objective is to use the data compiled in the stock-taking exercise and empirically assess the impact of the implementation of EU and Member State external policies on trade flows as well as the realisation of the EU's NTPOs. The wide array of different measures and their interaction makes establishing cause and effect relationships particularly challenging. Thus, complementary to the quantitative analysis, case studies and policy-specific analyses will be conducted in order to expand the evidence base on the effectiveness of EU external policies. Finally, to contribute towards a better understanding of which policy strategies work under what circumstances, the WTI will aim to measure the domestic success of EU external action.

This not only concerns the design but also

implementation of specific aspects of EU policies and their flanking measures.

This project runs from 2018-2021 and has funding of 396,081 Euros.

BRICS Globalization and Labor Protections in Advanced and Emerging Economies

This research project, part of an SNF research professorship, investigates under what conditions BRICS trade and foreign direct investment (FDI) enhances (or undermines) labour rights, working conditions and protective labour market institutions, with a particular focus on European countries, Brazil and China.

A first collaborative research article "The 'EU Effect': Does FDI to Social Europe Affect Labor Standards in Investing Countries" was finalised and submitted for publication. This paper is situated at the centre of the larger research project and provides a common central source tying together individual research of the project members in China, Brazil, and Europe. In it, the team proposes a theory concerning the process by which developing country FDI in high-standard European countries acts as a channel for improved labour standards and practices at home through a process of learning-based diffusion, which is termed the "EU Effect." The statistical results presented in the paper strongly support the existence of the hypothesised "EU Effect" on de facto working conditions, though not on measures of de jure workers' rights. Additionally, utilising a comparative research design in which the EU results are presented alongside similar results from developing country FDI into the United States, the actual mechanism driving the diffusion of improved labour practices is refined which further supports the proposed learning-based diffusion. The paper was presented at the American Political Science Association. As part of a side project on the rise of China and the Western World Order, another paper "Chinese Outward Foreign Direct Investment and UN Voting Realignment" was finalised and presented at various conferences. Both PhD projects undertook extensive fieldwork in 2018 in China and Brazil. In China, dozens of interviews were carried out in view of gathering information related to the impact of outward Chinese foreign investment on domestic labour issues. The field research in



Brazil has led to the construction of a novel nation-wide database which includes every municipality in Brazil, the domestic and international locations of Brazilian multinationals, and various indicators measuring treatment of workers at the subnational level in order to measure the impact of internationalisation of Brazilian enterprises on the treatment of workers in Brazil. Fieldwork and data collection was supported by researchers at DIEESE in São Paulo.

The project is directed by Prof. Damian Raess and is funded by the SNSF for the period 2017–2020. It has funding of 1,237,618 Swiss francs.

Framing Environmental Degradation, Human Mobility and Human Development as a Matter of Common Concern (CLI_M_CO2)

This research project, which is led by Prof. Elisa Fornalé and is part of an SNSF research professorship, approaches international migration in the context of environmental degradation by conceptualising the issue as a ‘common concern of humankind’. In order to contextualise its theoretical approach, the project selected the Pacific Island Countries and Territories as a case study.

During the year of 2018, the project team carried out fieldwork research in Fiji, Samoa, Vanuatu, Kiribati and New Zealand. In-depth interviews were held with key stakeholders who are active in the fields of climate change, human mobility and human rights at the international, regional and local levels. The data collected will complement the analysis of the legal instruments regarding the environment and human mobility, as well as the conceptualisation of the doctrine of common concern of humankind. Team members have presented initial findings at various conferences that focus on sustainable development.

The project team has been involved in the consultation, drafting and adoption processes of the UN Global Compact on Safe, Orderly and Regular Migration. As a result, team members have co-published two commentaries on Objective 18 of the mentioned compact.

Prof. Fornalé was also nominated as Member of the International Law Association (ILA) Swiss



Chapter, and Member of the ILA Committee on International Law and Sea Level Rise.

The project is funded by the Swiss National Science Foundation (SNSF). It runs from 2017-2021 and has funding of 906,215 Swiss francs.

Climate Security with Local Authorities (CLISEL)

This research project, led by Prof. Elisa Fornalé, pursues two main objectives: (1) the development of activities and training modules for policy-makers at the national, European and international level; and (2) the implementation

For more information about projects at the WTI, please visit the Projects section of our website: www.wti.org/research/res





of the CLISEL Climate Change Security Toolbox, which includes operational instruments that are being prepared especially for policy-makers.

In regards to the first objective, several meetings and training modules were organised during the year with policy-makers in the form of (1) face-to-face seminars that took place in Brussels and in Rome; (2) speed training sessions, which were organised in Stockholm; (3) training modules that were organised in Sardinia and Naples. The CLISEL team also continued to interact with policy-makers and stakeholders in different international workshops and symposia.

In regards to the second objective, the work was dedicated to organising and managing the first end-users' tests on the Travel App and the Interactive Maps. To this end, a series of CLISEL "on the move" workshops were organised in

2018 in different regions of Italy (Calabria, Piedmont, Trentino Alto Adige, and Sardinia). Another CLISEL tool, the online Geo-archive, was enriched with new contributions and will include historical cases of environmentally induced migration. During the Environmental Humanities Training School 2018 on "Loss, Damage and Mobility in the context of Climate Change" which took place in Naples, each participant produced a brief historical case study on loss and damage and/or the climate-migration nexus, which will be included in the archive. During the event, the CLISEL project's activities and the CLISEL Toolbox, including the Institutional Index and the thematic glossaries, were illustrated.

The University of Bern's (WTI) participation in the project is financed by SERI and runs for 3 years from 2016, with a total budget of 841,000 Euros.

Outreach

The WTI Network

The WTI cooperates with leading universities and institutes through memoranda of understanding or joint (long-term) projects. These partnerships allow us to carry out joint research and teaching programmes. Students pre-selected by our partner universities benefit from a preferential tuition fee for the MILE and TRAIL+ programmes.

External Training

The WTI offers not only full-time master's and doctoral programmes but also tailor-made training programmes for policy makers and officials. These programmes range from highly individualised, fine-tuned consultative workshops to practice-oriented courses on applied trade regulation or policy and academic seminars on trade policy modelling and principles. In 2018, we provided, for example, a mid-career training course on trade law and policy for the Ministry of Commerce and Industry of India, as well as a specialised course on SPS and TBT law for the UK Department of International Trade.

Policy Research

The WTI offers research-based contract-work for a range of stakeholder institutions in the fields of international trade and investment. WTI experts are actively engaged in providing opinions and advice on topics such as WTO reform, US trade policy and Brexit. In late 2018, the WTI re-launched the WTI Working Paper Series as well as the WTI Policy Brief Series.

Dissemination

Through our outreach strategy, the WTI seeks to present WTI outputs externally, enhance WTI participation in (local, national and international) policy discussions and debates, and promote the general visibility of the University of Bern. In 2018, this included both hosting and organising numerous events including conferences, workshops and special lectures. Please visit the Events section of this report for details.

For more information, please visit the Outreach section of our website:
www.wti.org/outreach/outreach-activities
and **www.wti.org/outreach/outreach-activities/advisory-services**





Sponsorship

In 2018, the WTI sponsored two moot court competitions

- **Gujarat International Moot Court Competition (GIMC):**

The 10th edition of the GIMC competition took place at the Gujarat National Law University (GNLU) in India from 7 - 11 February 2018. 52 teams from more than 10 countries and many law schools around India participated in the competition. As a prize, the winners received a full tuition scholarship to the 2018 or 2019 WTI Summer Academy.

- **John H. Jackson Moot Court Competition (formerly EMC²)**

The 16th edition of the John H. Jackson Moot Court Competition (formerly known as the ELSA Moot Court Competition, EMC²) took place from 28 February to 24 June 2018. It involved 380 students from 32 different countries. The Regional Round and Final Oral Round winning teams won a full tuition scholarship to the 2018 or 2019 WTI Summer Academy. The best outstanding performer overall was awarded a full tuition scholarship for the 2018/2019 or 2019/2020 TRAIL+ (LL.M.) programme at the WTI.



Special lecture with Nora Neufeld in January 2018



Events

In addition to Brown Bag seminars, doctoral colloquia, workshops and conferences, the WTI hosted or took part in numerous events in 2018.

On 30 January 2018, Nora Neufeld from the WTO Secretariat gave a special lecture on the topic of “The Trade Facilitation Agreement: Genesis & Current Application”. In the framework of the Trade Lecture Sessions Series organised by the Israeli Mission to the WTO, the WTI organised on 9 March 2018 a session on “The Future of WTO Dispute Settlement”, with presentations by former Managing Director and Founder of the WTI Thomas Cottier, and Deputy Managing Director of the WTI, Manfred Elsig.

On 13 March 2018, Elisabeth Tuerk, Chief of UNCTAD’s Section on International Investment Agreements, gave a special lecture on the topic of “Investment in the Sustainable Development Goals: UNCTAD Policy Tools”.

To mark 15 years since Switzerland joined the United Nations, the United Nations Association Switzerland, the Centre for Development and Environment (CDE) and the WTI co-hosted the first Swiss-UN Day on 23 March 2018 at the University of Bern. More than 230 people attended, and some 20 panelists from international organisations, academia, civil society, political organisations and the Swiss

government took part in three sessions and a concluding roundtable discussion.

On 25 April 2018, Stephen de Boer, Canada’s Ambassador and Permanent Representative to the WTO, held a distinguished guest lecture at the WTI on “Canada’s Progressive Trade Agenda”.

On 7 and 8 June 2018, the WTI sponsored an authors’ workshop organised by Michael Hahn (WTI & Institute for European and International Economic Law) and Guillaume Van der Loo (European Law Institute, University of Ghent & Centre for European Policy Studies (CEPS)) on “The Law and Practice of the Common Commercial Policy: 10 Years after the Treaty of Lisbon”. This workshop featured a public event with Pascal Lamy, former EU Trade Commissioner and Director-General of the WTO and Maria Åsenius, Head of Cabinet of the EU Trade Commissioner Cecilia Malmström as keynote speakers.

On 29 June 2018, WTO Deputy Director-General Alan Wolff delivered the keynote speech on “The Rule of Law in an Age of Conflict” at the Closing Ceremony of the 2017-18 WTI Advanced Master Programmes.

For a full list of our events in 2018, please visit our website:
www.wti.org/outreach/events





1st Swiss UN Day
in March 2018

The annual World Trade Forum, jointly organised by the WTI and the European University Institute (EUI) was hosted at the EUI in Florence from 28-29 September 2018. This yearly gathering brings together trade experts and policy makers to discuss a particular topic in international trade. The theme of the 2018 World Trade Forum was “Trade, Development and Sustainability”.

Also in the fall, the WTI launched the Global Economic Governance Seminar Series which consists of a number of stand-alone seminars on different aspects of global economic governance, taught by leading experts in the field. In 2018, this series included seminars by two Ambassadors, four Members of the WTO Appellate Body and two expert practitioners from the WTO and the European Commission. The purpose of the seminars is to allow students to benefit from the insights and personal experience of the experts invited, and to engage in discussions with the experts as well as among themselves on the aspects of global economic governance addressed.

Special lecture with
Amb. Stephen de Boer
in April 2018



Researchers from the WTI took part in the World Trade Organization Public Forum “Trade 2030”. Rodrigo Polanco, Academic Coordinator of the WTI Advanced Master Programmes and Senior Researcher, was a session panelist and presented about personal data protection and artificial intelligence, in the context of the WTI-University of Lucerne NRP 75 Big Data project. The Forum also included a book launch for the “Encyclopedia of International Economic Law” edited by Thomas Cottier and Krista Nadakavukaren-Schefer.



The Future of WTO
Dispute Settlement
in March 2018

While we work hard at the WTI, sometimes we take a break! In 2018 the WTI launched the First Annual Table Football Tournament. Six teams of four people each competed, with teammates including students, professors, researchers and WTI staff. The competition involved a preliminary round, a semi-final round and final round.



Table Football Tournament
winning team



As of 2018, the WTI had over 550 MILE and TRAIL+ alumni from 106 countries. Several MILE 18 and TRAIL+1 graduates took internships in Geneva or elsewhere, including Ms. Sonam Wangdi from Bhutan, winner of the John H. Jackson Internship Award. This award allowed her to pursue an unpaid internship in the Trade Policy and Facilitation Division at the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP) in Bangkok, Thailand. Two other MILE 18 graduates took internships at the WTO in Geneva, and another took an internship at the Consulate General of Switzerland in New York.

In February 2018, several MILE alumni acted as panelists in the 10th edition of the Gujarat International Moot Court (GIMC) competition, which took place at the Gujarat National Law University (GNLU), India. The WTI has been a proud sponsor of this competition for ten years.

In May 2018, Karolis Gudas, who completed his PhD in law at the WTI in the year prior, published a book based on his research "The Law and Policy of International Trade in Electricity" (Europa Law Publishing). Also in May, WTI PhD alumna and researcher Tetyana Payosova was awarded the Roger Fisher and Frank E. A. Sander Prize for her LL.M. thesis on "Mediation in the Future WTO Dispute Settlement Governance" by Harvard Law School.

In the early summer of 2018, a reunion of MILE alumni from Southern Africa was held at the residence of Amb. Helene Budliger Artieda, Switzerland's ambassador to South Africa. In late September 2018, two MILE graduates (MILE 9 and 12) from Kazakhstan participated in the Seventh China Round Table on behalf of the government of Kazakhstan. The event, held in Astana, focused on the WTO accession of Eurasian economies and featured a session on Joint Initiatives on Trade, moderated by Pierre Sauv . Also in September, the WTI hosted its yearly alumni ap ero at the WTI Advisors in Geneva during the WTO Public Forum. Over 50 current students, alumni and lecturers attended the gathering.



Southern African alumni dinner with Amb. Helene Budliger Artieda

Jean-Philippe Herbert of MILE 17 was awarded the 2018 Thomas Cottier Prize for his master's thesis on "Legal Counsel in Investment Treaty Arbitration: Does Background Matter?" This 500-Swiss franc prize is awarded annually to the author of the best MILE or TRAIL+ master's thesis. It was created to honour the leadership and vision of Prof. em. Thomas Cottier, the founder and former Managing Director of the WTI.

MILE alumnus and WTI research fellow Dr. Arno Hold (MILE 6) accepted the appointment of Executive Director of the International Association for the Protection of Intellectual Property (AIPPI). His appointment began on 27 August 2018.



Gulmira Kuzhagaliyeva (MILE 12) and Alexander Strokatov (MILE 9) at the Seventh China Roundtable

Financial account for 2018

(in CHF, rounded)

| INCOME | |
|---|------------------|
| External funds | |
| Programme income | 1,724,000 |
| Other income (services) | 668,000 |
| Total external funds | 2,392,000 |
| University funds | |
| Contributions to office rent ¹ | 0 |
| Contributions to personnel expenditure | 1,323,000 |
| Contributions to operating expenses | 216,000 |
| Total university funds | 1,539,000 |
| Total income | 3,931,000 |
| EXPENDITURE | |
| Personnel | |
| Salaries | 2,814,167 |
| Social benefits | 562,833 |
| Total Personnel | 3,377,000 |
| Other Expenditure | |
| Office rent ¹ | 0 |
| Office operating expenses | 373,000 |
| Travel | 134,000 |
| Miscellaneous | 206,000 |
| Total other expenditure | 713,000 |
| Accruals | -159,000 |
| Total Expenditure | 3,931,000 |

The WTI is constituted as a centre of competence within the University of Bern, and the financial accounts are audited internally and externally. For accounting purposes, the University of Bern applies the accounting standard Swiss GAAP FER. A full overview, including the most recent financial positions, is available as part of the University's annual report.

¹ Paid directly by the university administration.

Scholarship funding 2018

(in CHF, rounded)

| INCOME | |
|--------------------------------------|----------------|
| Contributions from lecturers | 6,101 |
| Internal contributions | 80,950 |
| External contributions | 13,308 |
| Total income | 100,359 |
| EXPENDITURE | |
| Internship scholarships and stipends | 8,505 |
| Tuition scholarships | 80,950 |
| Accruals | 10,904 |
| Total Expenditure | 100,359 |



Contact information:

World Trade Institute
Hallerstrasse 6
3012 Bern
Switzerland

www.wti.org