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Redesigning Canadian Trade Policies for New Global Realities

Edited by Stephen Tapp, Ari Van Assche and Robert Wolfe

About this chapter

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Redesigning Canadian Trade Policies for New Global Realities, edited by Stephen Tapp, Ari Van Assche and Robert Wolfe, will be the sixth volume of The Art of the State. Thirty leading academics, government researchers, practitioners and stakeholders, from Canada and abroad, analyze how changes in global commerce, technology, and economic and geopolitical power are affecting Canada and its policy.

COMMENTARY

Inclusive Trade, Inclusive Development: Opportunities for Canadian Leadership

Margaret Biggs

The term "trade and development" usually prompts people to think of niche issues and special measures for developing countries, not matters of strategic importance to Canada. After all, for decades, "development" typically has been equated with good causes and aid programs, and Canada has not had extensive trade relations with the developing world. In global talks, trade and development has rarely been at the top of the policy agenda — and when they have, as in the Doha Round, lack of common interest has blocked significant progress. Meanwhile developing countries themselves have often had conflicted views about trade opening and the trade liberalization agenda of the advanced economies. But these traditional views are all increasingly outdated in light of dramatic global shifts. The role of developing and emerging economies in the global economy is no longer a side issue. Indeed, the question of how trade can be inclusive and can advance sustainable, inclusive growth and development is now a central concern for developing and advanced economies alike.

In this commentary, I explore how the concept of trade and development needs to be reconceived — in Canada, in developing countries and in global trade discussions more generally — in response to major global economic, political and social shifts. For example, economic power is shifting to developing economies; technology and globalization are reorienting international trade and investment patterns around global value chains; trade agreements are touching on domestic issues such as regulatory cooperation and investment rules; and advanced economies are facing persistent slow growth and elevated inequality. Meanwhile developing countries are rethinking how best to leverage trade and investment to advance their own growth and poverty-reduction strategies.

These dramatic shifts are creating new opportunities, but they are also unsettling, and have contributed to growing protectionist and populist pressures in several advanced economies. Critics of a more liberal trade order in the developing world have been joined by millions of citizens in advanced economies in questioning the societal benefits of trade liberalization. At the core of these contemporary dynamics is the issue of how trade liberalization and trade integration can advance shared prosperity and improve the welfare of all citizens — in all countries, developing and advanced. Inclusive trade and inclusive development are now central to the future of the international trading system and to any conception of a progressive trade agenda for Canada.

Thus, this commentary, which re-examines Canada's policy approach to trade and development, is broad in scope, but so is the topic at hand. I argue that Canada is well positioned to find creative ways to integrate trade and development and to revitalize the world trade system for the benefit of both developing *and* advanced economies. To do so, Canada should be a leader on trade and investment facilitation, work to reinvigorate the multilateral system, prioritize inclusive trade in its development efforts, promote two-way trade and investment with developing economies and ensure that its social policy architecture is sufficiently robust to support an open and inclusive economy.

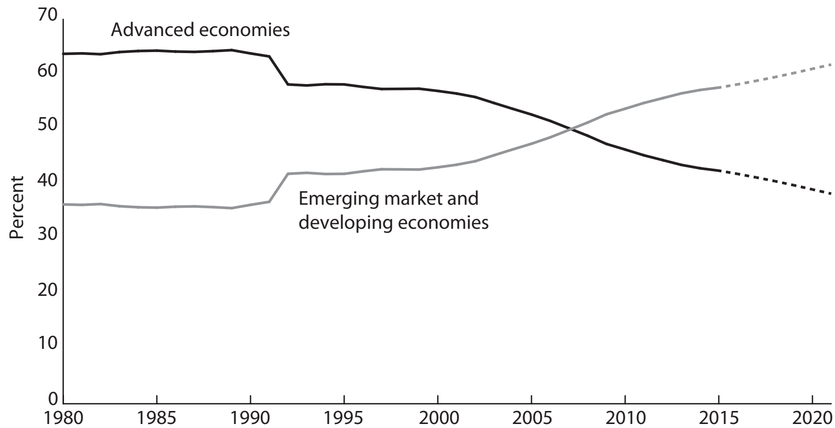
New Global Realities for Trade and Development

SEVERAL CHAPTERS IN THIS VOLUME DESCRIBE NEW GLOBAL REALITIES AND THE IMPLICATIONS for Canadian trade policy writ large. Here, I highlight the global trends that are having a significant impact on trade and development. Taken together, these dynamics are creating new tensions, but also new opportunities for reinvigorating the world trade system, advancing inclusive growth and reducing poverty in developing countries.

Developing economies are the new engines of global growth

One worrisome trend has been the sluggish growth of the global economy and global trade in the years since the 2008-09 global financial crisis, when, for the first time in the post-war period, growth in trade has lagged overall economic growth (International Monetary Fund 2016, chap. 2). Developing and emerging economies have not been immune to these economic headwinds, which

Figure 1
Advanced and developing countries' shares of global output, 1980-2020



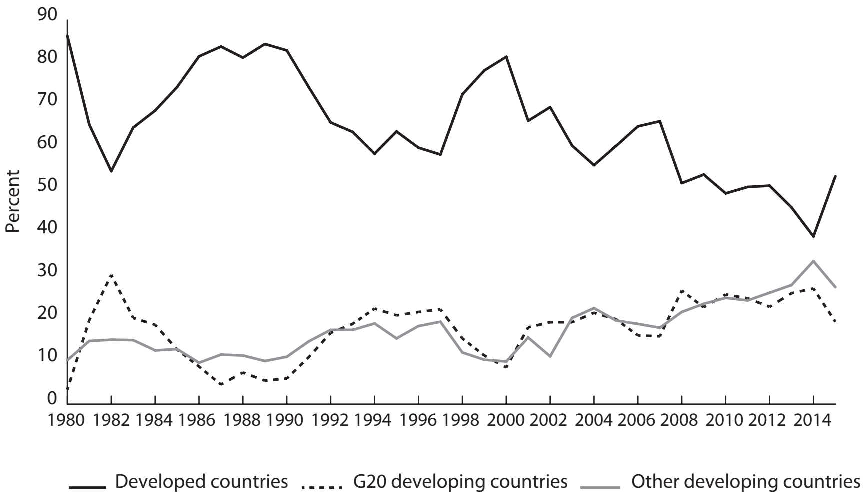
Sources: Author's calculations based on International Monetary Fund, World Economic Outlook database.
Note: Calculated using purchasing-power-parity exchange rates; values for 2016-20 are October 2016 forecasts.

are compounded in many developing economies by falling commodity prices. Nonetheless, developing economies remain bright spots on the global economic horizon. Looking ahead over the medium to longer term, three points are worth emphasizing.

First, developing and emerging economies are clearly replacing advanced economies as the engines of growth in the global economy. As figure 1 shows, the share of global output accounted for by these countries has increased steadily in recent decades. In fact, a symbolic tipping point occurred in 2007, when developing countries began to account for the majority of world output. Expressing these trends in terms of contributions to global *growth* tells a similar story. For example, whereas high-income countries accounted for about 70 percent of global economic growth in 2000, with low and middle-income countries accounting for only 30 percent, this situation had shifted dramatically by 2013, at which point low- and middle-income countries generated 60 percent of global growth (Biggs et al. 2015).

Second, despite some likely bumps along the road ahead, most forecasts expect this general trend to continue over the medium term, driven by factors such as demography and consumer demand. Frequently in recent years

Figure 2
Developed and developing countries' shares of foreign direct investment inflows, 1980-2015

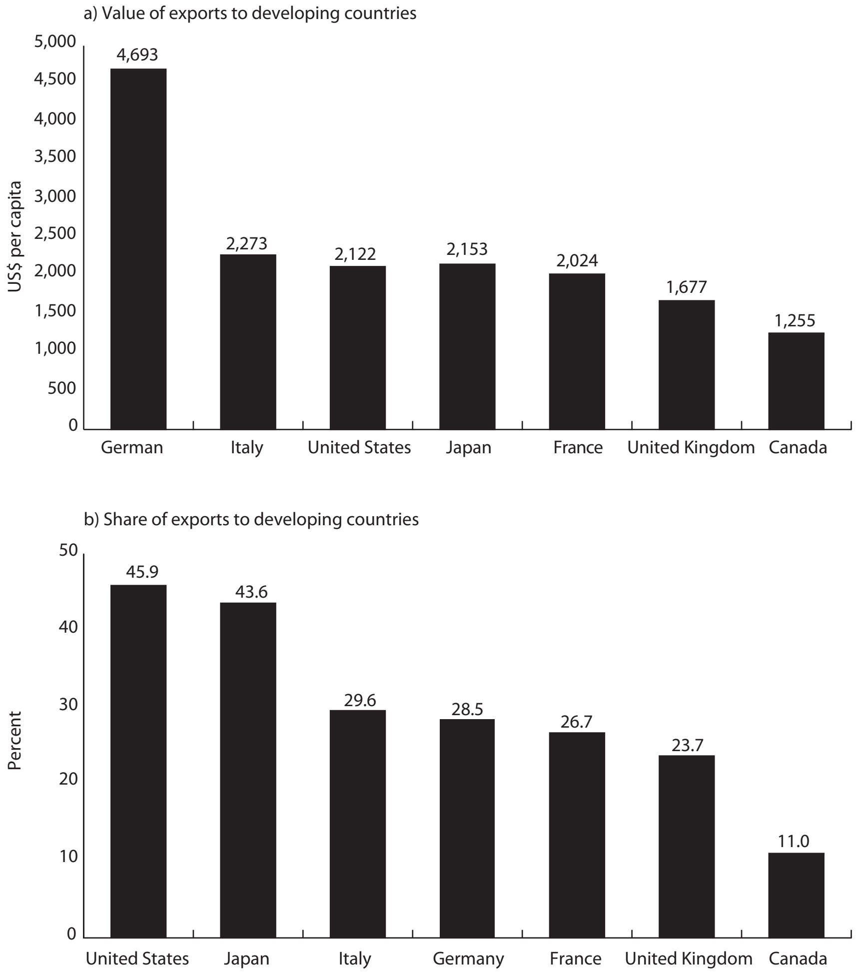


Sources: Author's calculations based on United Nations Conference on Trade and Development, "Foreign Direct Investment: Inward and Outward Flows and Stock" (http://unctadstat.unctad.org/wds/TableViewer/tableView.aspx?ReportId=96740); World Trade Organization (2014).
Note: The G20 developing countries are Argentina, Brazil, China, India, Indonesia, South Korea, Mexico, Russian Federation, Saudi Arabia, South Africa and Turkey. For the full list of countries in the other categories, see World Trade Organization (2014, appendix table B.1).

developing and emerging economies collectively have been the majority recipients of global foreign direct investment — a leading indicator of future trade flows (United Nations Conference on Trade and Development 2016a). Figure 2 shows that the increased share of global investment that goes to developing economies not only goes to the so-called G20 developing countries, but also to other developing countries, and in similar magnitudes.

Third, given that some of the foremost opportunities for trade and investment now lie in the developing world, Canada has a stake in tapping into these new commercial opportunities across all sectors, including agriculture, natural resources, manufacturing and services. Unfortunately, Canadian firms are not yet significantly engaged in these markets, both relative to their potential and relative to other member countries of the Organisation for Economic Co-operation and Development (OECD). Of the G7 countries, Canada has the lowest exports per capita to, and the lowest share of total exports destined for, developing countries (figure 3). Canada's pattern reflects

Figure 3
Value and share of G7 countries' exports to developing countries, 2015



Source: Author's calculations based on International Monetary Fund, "Exports, FOB to Partner Countries" (http://data.imf.org/regular.aspx?key=61013712); and United Nations Conference on Trade and Development," Total and Urban Population" (http://data.imf.org/regular.aspx?key=61013712).

its strong ties with traditional trade partners, particularly the United States and Europe — links which must be sustained and nurtured — but it also suggests that Canadian firms are not as focused as they should be, or as competitors in peer countries are, on fast-growing emerging markets (Canadian Chamber of Commerce 2015).

The increased importance of global value chains and of reducing trade costs
One of the most significant new global realities of the twenty-first century is the large and growing share of world trade that is being driven by global value chains (GVCs). Although much has been written elsewhere in this volume about GVCs — see, for example, the chapters by Van Assche, and DeBacker and Miroudot, among others — a few key points are important to emphasize from a trade and development perspective. In a GVC world, quality, reliability and timeliness matter as much or more than price, trade costs matter more than distance, the costs of delays and inefficiency at the border are magnified, and "behind-the-border" issues such as investment rules, regulatory regimes and labour and environmental standards are equally vital. Advanced economies have now turned their trade policy attention to such issues, including regulatory cooperation.

For developing countries, GVCs present both opportunities and risks (see Blanchard, in this volume). On the upside, there are advantages of not having to produce complete products along the whole value chain, as companies can specialize in inputs and specific tasks. There are also upsides in terms of the transfer of technology and know-how. Evidence suggests that the jobs associated with GVCs are more skills intensive than other exports and that expanding participation in GVCs can increase a country's chance of avoiding the middle-income trap (González 2016; Moran 2014).

On the downside, however, few developing countries to date have been able to capitalize on these opportunities; countries such as the Philippines and Vietnam are among the exceptions. The barriers to entry can be high, and the impact of high trade costs can be punishing. A firm has to be able to produce at world-class standards with minimal friction at the border. To do so, a range of enabling conditions must be in place: an efficient border, consistent quality and timeliness of inputs and outputs, a skilled work force, good transportation infrastructure and a strong investment climate and regulatory environment. And these efforts must be comprehensive. Case study research indicates that a certain threshold of business ease needs to be achieved — a "tipping point" — before trade increases materialize (World Economic Forum, Bain & Company and World Bank 2013).

Trade costs: A major impediment to trade
The single biggest trade impediment for many developing economies is arguably the cost of trade — that is, the cost of getting a good or service to its intended user, whether to or across the border, in either direction. For goods, border

procedures, logistics, product standards, fees and transportation infrastructure can add to trade costs; for services, network infrastructure, such as information and communications technology and telecommunications, matters, along with the regulatory environment, standards and professional qualifications.

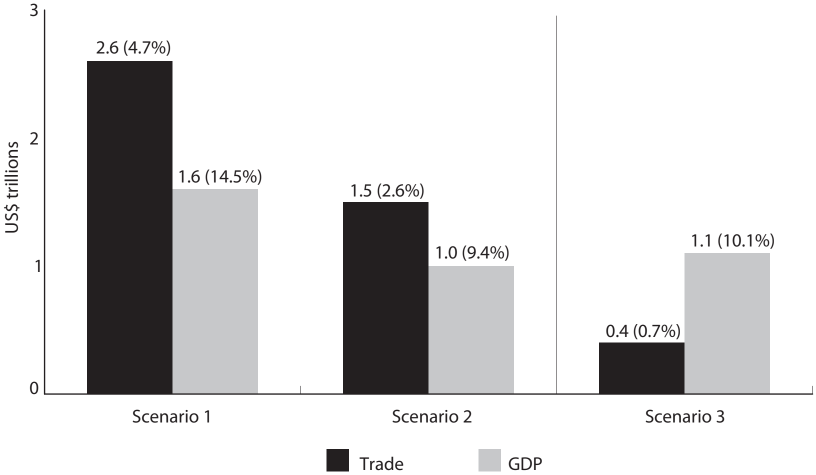
Developing countries can face trade costs that are three to four times higher than those for advanced economies. Such costs can keep producers in poorer countries out of global markets, preventing them from accessing foreign inputs and getting a toehold in GVCs, and undermining economic welfare by raising consumer prices (OECD and WTO 2015). This is true for trade in goods, services and agricultural products. In fact, it is especially true for agricultural trade because of the higher incidence of product-specific standards and procedures in such trade (World Bank 2016). The corollary is also true: poor countries — in particular, their small and medium-sized enterprises (SMEs) — have the most to gain from lower trade costs. Indeed, estimates suggest that the potential impact of reducing trade costs on gross domestic product (GDP) and trade growth in these countries could be sizable (World Economic Forum, Bain & Company and World Bank 2013). As figure 4 demonstrates, the benefits of improving trade facilitation exceed the benefits of further reducing tariffs.

Trends in international trade policy

One of the most significant shifts in trade and development in recent years has been the drift away from multilateral trade negotiations at the World Trade Organization (WTO) — as epitomized by the slow demise of the Doha Round, noted earlier — and the rapid proliferation of preferential trade agreements (see Wolfe, in this volume). (For more context on the history of trade and development, see box 1.) These developments have important implications for the trade prospects of developing countries, for negotiations between developing and advanced economies and for the long-term objective of integrating developing countries into the world trade system.

For developing countries, the Doha Round was meant to tackle issues of critical importance to them that previous trade talks had failed to address, such as barriers to agricultural exports. As Wolfe argues, however, Doha was haunted by grievances and polarization left over from previous rounds. As talks dragged on, stalemated on long-standing issues and negotiating positions, global commerce continued to evolve. Eventually, advanced economies moved on, deciding that, if they could not address twenty-first-century trade and investment issues in the Doha Round, they would look for regional and plurilateral alternatives.

Figure 4
Effect of trade facilitation and tariff reduction on GDP and trade, various scenarios



Source: World Economic Forum, Bain & Company, and World Bank (2013).
Note: Figure shows increase in US$ trillions from base case (percentage increase is in parentheses).
1 Countries improve trade facilitation halfway to global best practices.
2 Countries improve trade facilitation halfway to regional best practices.
3 All tariffs removed globally.

In recent years, preferential trade agreements have broken ground on new behind-the-border issues and injected some momentum into trade liberalization efforts, but their proliferation and ambiguous relationship to the WTO have ignited concerns about the impact of such preferential arrangements on the nondiscriminatory, multilateral trade system. The risks are well documented, including: the diversion of trade and investment, the setting of new rules outside WTO norms, the fragmentation of the trading system, the potential for the emergence of rival trade blocs and increased complexity. How can these new agreements be knitted into a more coherent and inclusive multilateral whole?

Developing countries are largely excluded from the most ambitious of these talks. Sometimes this exclusion is by design, when developed countries assume that developing countries are not capable of accepting ambitious new disciplines on behind-the-border issues, and sometimes because developing countries choose not to participate. Nonetheless, the risks of an increasingly fragmented and complex world trading system are particularly acute for devel-

Box 1
A brief history of trade and development

Trade and development were considered together from the very start in the multilateral trading system — from Article XVIII of the General Agreement on Trade and Tariffs (GATT) in 1947 to the addition to GATT of Part IV on Trade and Development in 1964. These foundational elements recognized the importance of trade for development, but also acknowledged that developing countries may lack the resources needed to take on the full obligations of GATT membership. Other measures followed, such as the Generalized System of Preferences — a preferential tariff system that provides certain exemptions for developing countries from GATT rules (agreed in 1971 and made permanent by the "Enabling Clause" in 1979) and a number of other "special and differential" measures.

Developing countries themselves have long had conflicted views about trade opening, and have often been at odds with the trade liberalization objectives of developed economies and international organizations. They largely stood aside from multilateral trade negotiations until the Uruguay Round, which led to the creation of the World Trade Organization in 1995. The 2001 launch of the Doha Development Agenda was explicitly designed with a development focus, in large part to address outstanding issues from previous trade rounds, such as high trade barriers on agricultural products of interest to developing countries. Unfortunately, the Doha Round encountered numerous roadblocks and is now effectively dead — although it made progress on a few issues of interest to developing countries. Most noteworthy were the 2005 Hong Kong Ministerial decision on duty-free and quota-free access for least developed countries' exports — which most advanced economies now provide for at least 98 percent of such exports — and the 2015 Nairobi Ministerial decision to ban agricultural export subsidies.

Nevertheless, over half a century since the original conception of trade and development in the GATT, the question facing the world trading community is whether the traditional concept and application of "special and differential treatment" remains robust in light of contemporary realities, such as the growth of global value chains and "behind-the-border" issues, the increase in South-South trade, the proliferation of preferential trade deals and the significant economic advancement of middle-income countries. The Trade Facilitation Agreement provides an example of a constructive path forward.

oping countries. Poorer countries likely have the most to lose from the erosion of a rules-based, nondiscriminatory trade regime — and, similarly, the greatest stake in its reinvigoration. Not only has attention shifted away from the Doha issues of primary concern to developing countries; the proliferation of new preferential trade agreements and the fragmentation of global trade threatens to freeze out these countries and divert trade and investment away from them. Importantly, the Trans-Pacific Partnership (TPP) agreement includes a trade and development chapter that acknowledges the special situation of the developing country partners to the agreement; however, it does not mention the effects on, or the on-ramps for, other developing countries.

Behind-the-border trade and investment issues

Growing links between investment and trade and GVCs have shifted trade negotiating attention to behind-the-border issues. The inescapable reality of the rise of GVCs is that these domestic policy issues are increasingly consequential, and can influence investment decisions and trade flows.

Many developing countries worry that efforts to reduce or harmonize regulations will privilege Western corporate interests at the expense of their own development needs and state sovereignty (Draper et al. 2015). These views are also echoed in many advanced economies, as evidenced by concerns regarding investor-state dispute settlement clauses in the Comprehensive Economic and Trade Agreement (CETA) between Canada and the European Union, in the TPP and in negotiations on the Transatlantic Trade and Investment Partnership (TTIP) between the European Union and the United States. A significant development in this regard is the final version of an investor-state dispute settlement clause in CETA, which both Canada and the EU have touted as having strong protections for domestic regulation and a commitment to evaluate environmental and socio-economic effects regularly. It is noteworthy that policy-makers are now actively looking for constructive ways to address domestic concerns about the reach of these new trade agreements.

The Trade Facilitation Agreement breakthrough

A hopeful development that might point the way forward is the recent Trade Facilitation Agreement (TFA) at the WTO. The TFA aims to expedite the movement of goods across international borders by creating norms for customs and logistics at the border. The WTO estimates this agreement will lower total trade costs by more than 14 percent for low-income countries and by slightly more for lower-middle-income countries by streamlining the flow of goods across borders (Moïsé and Sorescu 2013). The WTO also estimates that full implementation of the TFA could generate 20 million new jobs, the vast majority in developing countries, and boost global merchandise exports by up to $1 trillion annually, including $730 million in developing countries.

The TFA is a breakthrough on several fronts. It is the first major multilateral agreement in two decades and, as such, demonstrates that the WTO can still be an effective decision-making forum if countries want it to be. The TFA also represents a major step forward on the new trade agenda, as it seeks to tackle the trade costs associated with thick borders that are a key constraint in a GVC world. Equally important, the TFA represents a new kind of agreement and a different application of special and differential treatment. All parties have agreed to adopt all of the TFA's elements. This means that special and differential treatment applies not to *whether* developing countries will adhere to the multilateral norms, but to *how* quickly they will, while recognizing their capacity differences. The TFA therefore could represent the emergence of a new mindset more attuned to contemporary global commerce. It suggests a shift in developing countries' thinking and traditional positions on special and differential treatment as an exemption from trade disciplines, which is ultimately counterproductive in a world where GVCs demand uniform standards of timeliness and quality.

A new emphasis on inclusive growth

For decades, there have been divergent views across the developing world on the best way to advance economic growth and development. Long-standing concerns about overly rigid market-oriented policy prescriptions from the Bretton Woods institutions traditionally have shaped developing countries' negotiating positions at the WTO. Recently, however, there have been significant shifts in development policy thinking in developing countries and in international institutions. On the one hand, it is clear that inward-looking economic policies have not resulted in sustained economic growth and poverty reduction; rather, they have created serious economic and political economy constraints on growth. On the other hand, the simplistic application of market disciplines has not worked either.

Beginning with the important work of the Commission on Growth and Development (2008), a more nuanced consensus on growth dynamics and development pathways has emerged, one that emphasizes the importance of economic growth, openness and inclusion. Ongoing research and debate remain about the best policy mix in the context of different countries, but the key findings are now broadly shared. For instance, we now know that sustained economic growth is critical, not as an end in itself, but as a means to reduce poverty and achieve societal objectives. Institutions such as the International Monetary Fund (IMF) and the OECD now emphasize that inclusion and economic growth are mutually reinforcing, as more equal societies are more likely to achieve lasting growth (see, for example, Lagarde 2016).

Although there is no single recipe for sustainable, inclusive economic growth, there are essential ingredients. We know that smart economic policies (such as solid macro- and micro-economic measures, mobile resources, good infrastructure and the building of backward linkages into the domestic economy) matter, as do smart social polices (such as investments in health and education, skills development and social protection). Effective government and strong institutions are also critical, in order to create conditions for the private sector to thrive and the broader public interest to be protected. A final, critical ingredient is strategic integration with the world economy. Not only does expanded trade contribute to economic efficiency, consumer benefits, and low-cost, high-quality inputs — which are critically important for GVCs — it also brings more discipline and transparency to government regulation and administration.

Lowering trade costs is a critical component of trade opening. Not only does this provide a significant growth dividend for developing countries at an aggregate level, it is particularly beneficial for SMEs and women-led businesses that are disproportionately affected by complex and time-consuming border procedures (see González, in this volume). Other elements of an integrated approach to making trade work for development include:

> building the competitiveness of local enterprises, the skills of the local population and value chain linkages;
> improving the enabling environment — everything from investment and regulatory regimes to transportation and connectivity infrastructure to financial services, including trade finance;
> reducing poverty by addressing the constraints and risks faced by the poor, including women; and
> mitigating trade shocks and risks, particularly those affecting the poor, through, for example, insurance and safety net measures (World Bank and WTO 2015).

The focus on how trade can reduce poverty and grow economies is not new, of course. For over a decade, the WTO's Enhanced Integrated Framework has provided guidance and support to least developed countries on how to integrate trade-enabling building blocks into their poverty-reduction strategies. However, this focus on inclusive growth and inclusive trade has not always been mainstream, and has not always had the full support of major international institutions, from the IMF and World Bank to the WTO to the UN system. Now, there is a broad consensus among these international institutions, and their stakeholders, that growth must be inclusive if it is to be robust, self-sustaining and poverty reducing, and that the benefits of trade must be broadly distributed. Indeed, these principles are now embedded in the new Sustainable Development Goals (SDGs) adopted in 2015 by all UN member states.

New developments in global cooperation and global political economy

The UN's SDGs are on their way to becoming the dominant framework for coordinating international economic, social and environmental cooperation through to 2030. Three points are worth emphasizing from a trade and development perspective. First, the SDGs provide a new way of thinking about trade, which can no longer be viewed in isolation from other economic, social and environmental policies that are necessary for inclusive growth and sustainable development. The integrated SDG framework breaks down the silos between trade policy and related issues such as jobs, inequality, gender, sustainable infrastructure and accountable governance. As noted by Tipping and Wolfe (2016, iv), "Trade can make a crucial contribution to sustainable development objectives, including economic growth and poverty reduction, but requires a coherent policy framework that links helping businesses harness trading opportunities with managing the social, economic and environmental impacts of trade."

Second, achieving the SDGs will require unprecedented levels of investment, mostly private, and new forms of partnerships across multiple sectors. For example, over the 2015-30 period, infrastructure requirements — on things such as climate-smart transport, connectivity, water and sewage — are estimated at US$75 to $86 trillion. When energy-related investments are added in for clean energy and energy efficiency, the estimates rise to over US$116 trillion. Fully 70 percent of this financing will be needed in developing and emerging economies (Meltzer 2016). These estimates are indicative of the scale of demand, not just for financing, but also for goods, services, technology and expertise. They also point to the importance that nontraditional actors such as firms, trade officials and financial institutions understand the scope, scale and substance of the global sustainable development challenge.

Third, the universality of the SDGs has the power to reframe the "us-versus-them" dichotomy that has characterized relations between developed and developing countries for decades. The SDGs offer a way to break through the doctrinal debates that have stymied traditional trade discourse, similar to the way the TFA has provided a new way of looking at trade liberalization. These goals provide a shared framework within which developed and developing countries can identify areas of common interest — from responsible investment to skills development to assisting SMEs to environmental standards and green growth. In sum, the SDGs have the potential to transform the way we conceive of trade and development.

Shifting political economy in advanced economies

The political economy of global trade and investment has been shifting in many advanced countries, with potentially significant effects on future trade negotiations and the trade integration prospects of developing countries. Many OECD countries have been struggling with slow economic growth, technological change, stagnant middle-class incomes and rising income inequality, particularly in the aftermath of the global financial crisis. The migration crisis in Europe has recently exacerbated these concerns. Citizens are quick to blame trade and investment agreements for the challenges they face and for a perceived loss of control over their economic futures. These sentiments were reflected in the UK Brexit vote and in the widespread anti-trade sentiment in the 2016 US election, where both major political parties said they would reject the TPP, while President-elect Donald Trump promised to renegotiate the North American Free Trade Agreement.

The World Bank's Commission on Growth and Development anticipated these tensions back in 2008:

> Economic insecurity is not confined to the developing world. In a number of high-income countries, inequality is rising as median wages stagnate. The cause of these trends is disputed. But whatever the true culprit, the public tends to blame globalization. As a result, they are increasingly skeptical of the case for an open economy, despite the great gains it brings. The Commission thinks governments should try harder to spread the benefits of globalization more equitably and to protect people from economic dislocation, whatever the cause. Support for an open global economy depends upon it. (Commission on Growth and Development 2008, 6-7)

It remains to be seen how robust these pressures and criticisms will become and how policy-makers will respond. The final round of changes to CETA, for instance, suggests that these forces are potent, but also that some policy-makers are listening and that they might be able to allay these concerns by adjusting policies. What is clear at this point is simply that the governments of advanced economies have received a wake-up call. Fundamental questions are being asked about who benefits from trade and investment agreements, how benefits are shared, whether governments can protect domestic policy priorities and whether adequate measures are in place to assist those who are negatively affected. Since these are the same questions that developing countries have been raising for many years, this opens new avenues for dialogue and joint problem solving.

Implications for Canadian Policy

These trends point to the imperative of global trade being inclusive of developing and emerging economies, which is essential for poverty reduction and sustainable development in the developing world, as well as for global economic and trade growth. They also point to the imperative of ensuring that the benefits of trade and growth are broadly shared within countries, developing and advanced economies alike. The implications of these trends for Canadian public policy cut across multiple policy fronts, from international affairs to socio-economic to environmental. Here, I propose five substantive ways that Canadian policy-makers can advance a next generation of progress on inclusive trade and development. Each priority meets the triple test of being (1) good for inclusive, sustainable development; (2) good for Canada's international interests; and (3) implementable over the medium term.

Take the lead on trade and investment facilitation

In the near term, the single most important thing Canada could do to make progress on its trade and development objectives is to ratify the TFA (legislation was tabled in April 2016 to this effect). With that in place, Canada could then lend its diplomatic and development heft to full TFA implementation, with an eye to helping developing and least developed countries address their implementation capacity gaps.

Canada recently announced support for TFA implementation in developing countries through the new Global Alliance for Trade Facilitation (GATF), a public-private platform that aims to bring private sector insights and solutions to trade facilitation reforms. For the most part, however, Canada's efforts have been spotty and never part of a deliberate strategy. Canada has only a small stake in the World Bank-International Finance Corporation's new Trade Facilitation Support Program. Moreover, trade facilitation is a priority in only a few of Canada's bilateral and regional development programs. A promising example of what can be done is Canada's work with Trademark East Africa to speed up and modernize border and customs management within the East African Community.

Given the potential dividends for inclusive growth and trade, trade facilitation is an area where Canada needs a comprehensive action plan to help developing country partners cut trade costs and meet their TFA commitments. Canada now has an opportunity to bring concentrated attention to this task — to move away from a few disparate activities toward an integrated strategy and investment portfolio and to draw on Global Affairs Canada's expertise in trade policy, trade promotion, business intelligence and development.

But Canada should not stop there. Once progress on the TFA is consolidated, Canada should spearhead a move to broaden the agreement to cover the facilitation of responsible investment as well. After all, in a world of GVCs, the TFA addresses only one side of the equation: the trade dimension. Although there are other ways for developing countries to obtain technical assistance on investment issues — such as the investment advisory services provided by the IMF and the United Nations Conference on Trade and Development — extending the TFA "to become an Investment and Trade Facilitation Agreement" (E15 Initiative, 18) would have the virtue of being grounded in a multilateral protocol and a set of shared commitments that developing countries could help shape. It would have the added benefit of bringing focus and coherence to capacity-building efforts, much as the TFA and Aid for Trade have done for trade facilitation. Action on investment facilitation could range from transparency and accountability requirements to administrative and consultation procedures and technical cooperation (United Nations Conference on Trade and Development 2016b).

Reinvigorate the relevance and reach of the multilateral trade system

The world trading system is at a critical juncture. Risks to its integrity and coherence are putting global growth and poverty reduction in developing countries in jeopardy. The overarching challenge is to bolster support across nations for open trade and international cooperation and governance. On trade policy, this will require action on multiple fronts: building more coherence across increasingly disparate parts of the global trade system, strengthening the WTO's relevance to twenty-first-century behind-the-border issues and building a community of interest between developed and developing countries in this modernization effort. Canada is well placed to lead the reinvigoration of the multilateral trade system, but this will require placing more of Canada's political and policy attention on modernizing the WTO. Why Canada, and why now? There are three main reasons.

First, it is in Canada's interest. As an open and relatively small economy, Canada's long-term interests lie in a transparent, rules-based and inclusive international trading system. As protectionist pressures mount on many fronts, Canada needs more than ever to press for open and inclusive trade through multiple venues.

Second, Canada has world-leading expertise and experience, acquired on multiple tracks over many decades — multilateral, bilateral and preferential. Canada has played an outsized role in the creation and evolution of the multilateral trade system, and has a strong reputation at the WTO. It also has deep experience on preferential trade agreements, including on cutting-edge and often troublesome behind-the-border trade issues, as found in CETA and the TPP. Few countries are as well placed as Canada to explore ways to build connectivity and coherence across the "spaghetti bowl" of contemporary trade and investment agreements.

Third, now is the time for leadership on new ideas and coalition building. Canada is well placed, perhaps uniquely so, to play this leadership role. The G20 made limited progress on a joint strategy in 2016. Developing countries, for the most part, remain offside or excluded. The major advanced economies are in no position to lead, as they are currently preoccupied with domestic concerns and anti-trade pressures. Canada, however, has connections in the G7 and the G20, credibility as a country committed to openness and convening power to bridge these divides and start building a new, open and inclusive trade coalition. Canada could also draw upon its extensive outreach with emerging economies such as those in the Association of Southeast Asian Nations (ASEAN) and in the Pacific Alliance, as well as on recent trade and investment agreements with African economies.

There is no blueprint for modernizing the multilateral trade system. Over time, however, steps could be taken to achieve greater relevance and reach for the WTO and the greater integration of developing countries. Chapters in this volume outline some of the possibilities, including ways to integrate plurilateral deals (Wolfe), negotiating multilateral rules for rules of origin (Moroz) and developing global rules for investment dispute (Newcombe). Others have written about how the WTO could multilateralize progress on regulatory cooperation or rethink its governance — along the lines of "variable geometry"; see Bollyky and Mavroidis (2016).

What is needed now is the strategic deployment of trade diplomacy, active experimentation, like-minded partners and some early wins. Canada should be leading the search for practical ideas that best meet the triple tests of being good for global sustainable development (high relevance and impact for developing countries and high potential for broader system reform), being good for Canadian interests (including those of Canadian SMEs) and implementable over the medium term. For example, Canada could consider expanding the circle of engagement on the new G20 Guiding Principles for Investment Policymaking, using its role on the G20 Trade and Investment Working Group to identify ways to bridge to multilateral norms and promoting the prototyping of a WTO Model Investment Agreement.

Canada could also champion the successful conclusion of the Environmental Goods Agreement (EGA). The EGA is expected to advance trade liberalization and trade rules that lower the cost and increase the availability of climate-friendly and clean energy technologies, which are of critical importance for the achievement of the Paris Agreement on climate change and SDGs 7 and 13. The EGA has the virtue of being an "open plurilateral" agreement within the WTO framework, which provides a clear path to accession for other WTO members and involves a solid cross-section of advanced and developing countries.

Finally, Canada could provide systemic leadership by examining its overall trade policy from the standpoint of the opportunities and risks it poses for strengthening the multilateral trading system and for supporting the trade and development efforts of developing countries. Canada could do so as part of its national SDG implementation plan, as suggested by Tipping and Wolfe (2016), and its G20 accountability reporting. This should not be a pro forma exercise, but a serious effort to identify ways to maximize inclusion and work toward greater system coherence, including working for development-friendly outcomes at the WTO Ministerial Conference in Buenos Aires in December 2017. In this regard, Canada has two potential opportunities on the horizon — a possible Canada-ASEAN free trade agreement and bilateral free trade talks with China — to advance greater understanding of issues that need to be addressed on the multilateral agenda.

Prioritize inclusive trade in Canada's international development efforts

The Canadian government is championing "a more inclusive and progressive approach to international trade" (Global Affairs Canada 2016b). The time is therefore ripe for Canada to promote inclusive trade in its global development and international assistance efforts, consistent with the priorities of developing countries. For much of the past decade, although Canada has made stimulating sustainable economic growth a development priority, it has not systematically focused on enabling trade. By way of contrast, Australia has a dedicated Strategy for Australia's Aid for Trade Investments: Supporting Developing Countries to Trade and Prosper, and aims to target 20 percent of its international assistance efforts to this strategy by 2020. The strategy looks to help developing countries in their efforts to participate in the global trade system by

> focusing on initiatives that encourage open markets, trade facilitation and broader economic reform;
> enabling infrastructure investments that contribute to efficient commerce, trade and connectivity;
> enhancing engagement with the private sector in areas that will have a significant impact on the poor;
> encouraging economic opportunities for women, including growth in entrepreneurship and improved workplace standards; and
> advocating a stronger economic and trade development agenda in international forums (Australia 2015, 7).

Canada's work on sustainable economic growth already focuses on many of these areas, including an emphasis on the business environment and growing micro, small and medium-sized private sector businesses, particularly women-led firms. Now what is needed is a deliberate Inclusive Trade Strategy as a key component of an overarching approach to sustainable and inclusive growth that looks systematically at competitiveness, trade readiness, GVC opportunities, constraints on doing business and crossing the border and ways to make trade work to reduce poverty, all tailored to the context of specific countries. Three areas of particular emphasis are recommended.

First, maximize job creation and poverty reduction by prioritizing women's economic empowerment and the competitiveness and trade readiness of SMEs (see González, in this volume). SMEs are important job creators in all countries and major employers of women and young people — in developing countries, women own one-third of SMEs. But many SMEs find it difficult to trade, whether due to information and financing gaps, complex border procedures, standards compliance or other challenges (WTO 2016). An important building block for inclusive trade is understanding and addressing the constraints SMEs face. Canada, for example, is providing technical and research assistance to ASEAN countries to help small and medium-sized firms integrate into GVCs. This includes collaborative research on how effective participation in global production chains in the garment, electronics and industrial agriculture sectors — many of which employ large numbers of low-skilled workers and women — can contribute to more and better jobs (Global Affairs Canada 2016a).

Second, support least developed countries in their efforts to use trade as a vehicle for economic growth and poverty reduction by upping Canada's contribution to the work of the WTO's Enhanced Integrated Framework and actively using the framework's tools and guidance in development work in least developed and low-income countries.

Third, adopt programmatic approaches that take an integrated approach to trade, investment and growth, and that incorporate blended financing whenever possible to maximize impact. The prototype for this approach is the innovative Canada-Asia Trade and Investment Program for Growth. This initiative aims to stimulate sustainable growth by boosting local capacity to connect to regional and GVCs and markets and by strengthening the investment climate in a responsible and sustainable manner.

Promote two-way trade and investment

Developing and emerging economies represent the foremost sources of future global market growth and opportunity. As such, being engaged in these markets is a source of long-term competitive advantage. However, too few Canadian businesses and investors are adequately engaged with these new frontiers of the global economy. Canada's trade and investment with developing and emerging economies remain low, and lower than most of Canada's peers (as shown in figure 3). Canadian firms also appear to lag their global counterparts in major agenda-setting forums and institutions such as the World Economic Forum and the World Business Council for Sustainable Development (Biggs et al. 2015). The reverse is also true. Canada's imports from developing countries remain relatively low, which also means Canada is losing out on access to potentially high-quality, low-cost intermediate inputs. As noted earlier, multiple factors are at play, most significantly Canada's traditional North American trade and investment links. These links have been the foundation for much of Canada's prosperity, but they have also bred a complacency that is holding Canada back. Canadian companies are not poised to take full advantage of the potential commercial opportunities in developing countries.

Canadian policy-makers are encouraging firms to think more globally, with active promotion of trade and investment links with new emerging markets such as the ASEAN and Pacific Alliance countries, new trade and investment agreements with countries as diverse as Nigeria, Senegal, Peru and Jordan, plus concentrated attention on two-way commercial links with China and India. Canada has also introduced CanExport to help SMEs develop new export and market opportunities, particularly in high-growth emerging markets.

Are these efforts sufficient? Probably not, given the scope and scale of global opportunities, as well as Canada's limitations in market awareness, business experience, and business culture. The default is often to look at how Canada's development program can do more to assist Canadian commercial interests, and complementarities certainly can be found here. More could be done to pool the market intelligence of trade commissioners and the insights of development practitioners, to inform Canadian businesses of partner countries' development priorities and to identify market opportunities. Sometimes matchmaking on joint initiatives makes sense from both a development and a business perspective — taking care not to slip back into "tied aid." But this is small change relative to the scope and scale of development needs and market opportunities in developing and emerging economies.

Canada could also do more to reduce barriers that restrict imports from developing countries. In the Commitment to Development Index compiled by the Center for Global Development, Canada rates as only average across OECD countries in terms of its openness to trade with developing countries and the efficiency of its trade procedures (Center for Global Development 2016). Canada is, however, a leader on duty-free, quota-free provisions for least developed countries in terms of both coverage and, even more important, extended rules of origin that are helpful in a world of GVCs. In 2014, Canada also announced a promising initiative: the creation of the Canadian Trade and Development Facility to help developing countries negotiate, implement and benefit from trade and investment agreements with Canada and other countries.

To go global, however, Canada needs to think bigger. First, Canadian governments and business need to brand Canada as a trade and investment partner of choice, a partner that understands the perspectives of developing and emerging economies and one that is in it for the long haul. When developing economies choose countries and firms with which they want to work, they look for long-term partnerships and an understanding of their economic and social needs — from cultivating local businesses that can act as suppliers into GVCs to being world class in environmental mitigation to promoting responsible investment. They are looking for companies that will bring solutions and add value, not merely seek profit. Indeed, leading firms realize that, by focusing on mutual benefits, they can ensure the sustainability of their activities and optimize returns on their investments.

Canada is well positioned to be a partner of choice, but government and business need a new outlook, a blended toolkit and steadfastness. A recent report on what Canada needs to do to build stronger ties with Indonesia puts it well: "Canada has been perceived by Indonesians as self-interested. Its approach cannot be solely transactional and pre-occupied with commercial objectives. It must be long term and multi-faceted and based on a cooperative and mutually beneficial partnership" (Centre for International Governance Innovation 2016, 3).

Second, Canada needs a "new generation of innovative trade promotion strategies and mechanisms" (Asia Pacific Foundation 2016) that takes into account the specific challenges of breaking into new emerging markets and the special requirements of SMEs. Currently, Canada's trade service only works with 5 percent of Canadian exporters, and these tend to be older, more experienced firms (see Sui and Tapp, in this volume). Canada also needs to take active advantage of the Geneva-based International Trade Centre, much as countries such as Japan have done for years, to build connectivity between SMEs in Canada and developing countries.

Third, since development finance is key to the future growth of developing and emerging economies, Canada should create a twenty-first-century Canadian Development Finance Institution (DFI) of global scale and ambition. The financing needs of developing countries are vast, far outstripping available aid resources, and most developing and emerging countries are focused on attracting investment across multiple sectors. In creating a DFI — the federal government indicated in 2015 that it was moving in this direction — Canada could learn from decades-long experience in other countries and build something fit for contemporary and future purposes (Leo and Moss 2016; Kharas et al. 2013). The goal would be twofold: to crowd in private capital without competing with private sources of finance, and to demonstrate clear development impacts. Best practices suggest that a DFI would need to offer a full suite of products and services, from direct loans and loan guarantees to risk insurance to seed financing and technical assistance.

Needless to say, there are many devils in the details of establishing and operating a DFI. From design to governance to portfolio management to operations, there are embedded tensions and tradeoffs between the twin goals of financing and development. These need to be anticipated at the outset and mitigated. Most important, to deliver on its unique mandate a DFI should have institutional autonomy combined with balanced governance, world-class expertise and high standards of transparency and public reporting.

Note that a Canadian DFI would not support only Canadian investors; the best DFIs do not tie their financing to national firms. Rather, all investors, including local businesses, should be able to compete for support. But a DFI would build awareness in Canada of global investment opportunities and help Canadian firms navigate the world of development finance. It could work in tandem with other Canadian institutions such as Export Development Canada, the Business Development Bank of Canada and Global Affairs Canada when their interests intersect. As well, being located in Canada would make it easier for Canadian firms to jump to the frontiers of global economic activity. In sum, a Canadian DFI has the potential to be a game changer.

Finally, government can do only so much. Canada needs a critical mass of forward-looking business leaders across key sectors — such as agri-business, financial services, clean technologies and digital media — who are interested in fostering international norms across Canadian firms, championing sustainable development and promoting investment and trade with developing economies. Canada needs a Canadian Business Council on Global Sustainable Development (Biggs et al. 2015) that could draw Canadian business into the frontier of global economic and sustainable development discussions.

Ensure Canada's social policy architecture supports shared prosperity

Canada currently enjoys public (Angus Reid Institute 2015) and parliamentary support for trade liberalization. At its best, Canada could serve as a global model for how to build an open and inclusive economy. However, at a time when nativist and protectionist political forces are drawing support in Europe and the United States, Canada cannot be complacent. It is essential to pay attention to the social foundations that underpin an open trade policy. Canada's ongoing prosperity depends on an open outlook on trade and investment and the ability of industry and workers to adjust to changing conditions. This, in turn, requires sustained public and political support for related policies.

To date, Canada has not experienced the kind of protectionist pressures seen bubbling up in other advanced countries. Canada came through the 2008 economic crisis in better shape than many of its peers, unemployment has not reached the heights seen in many European countries and Canada also has not experienced the same growth in income inequality as some of its OECD peers (Scarpetta 2016). To a significant extent, Canadians can thank good public policy. In particular, Canada's tax-and-transfer system worked effectively for many years to partially offset market income inequalities. Canada has also benefited from good luck: the booming resources sector helped to mitigate rising income inequality and compensate for underlying shifts in the labour market.

The tide, however, might be turning. The effect of Canada's redistributive policies waned after the mid-1990s, and the commodity boom has come to an end — for now, at least. Public social spending has also declined significantly as a proportion of GDP in recent years, and is now below the OECD average (OECD Social Expenditure Database). Meanwhile, levels of inequality remain elevated and problematic (Green, Riddell and St-Hilaire 2016), and there continue to be persistent labour market challenges, including a rise in long-term unemployment, the risk of job displacement for low-skilled workers, the underemployment of key segments of the labour market such as immigrants, new entrants and Indigenous Canadians and continued private sector underinvestment in training.

There are also new challenges on the horizon. Technological change continues to reduce demand for middle- and low-skilled jobs. Some estimates suggest that one-third of Canadian jobs are likely to undergo significant change due to automation (Scarpetta 2016), while work in many sectors and occupations is expected to become more precarious, with fewer salaried jobs with benefits and more part-time and contract work. This new world of work will suit some Canadians well, but for many — particularly young families with children — it will be challenging to make ends meet and save for the future. In this regard, the new Canada Child Benefit is an important enhancement to Canada's social policy firmament.

The question for policy-makers is whether the current mix of social and labour market measures — which were largely designed for a twentieth-century labour market reality — will be sufficiently robust in light of these persistent and emerging challenges. Will they provide the protection, upskilling and adjustment support that workers and their families need in the face of continued technological change and global competition? Two areas that are fundamental for a robust and resilient labour market and that are ripe for review are (1) more and better skills development; and (2) reform of employment insurance (EI) eligibility. Indeed, EI is a litmus test for whether Canadian public policies are fit for contemporary purpose. Due to a combination of program changes and a decline in standard employment, EI eligibility is currently at its lowest rate since 1944, with less than 40 percent of jobless Canadians receiving benefits (Granofsky et al. 2015).

Toward Inclusive Trade and Inclusive Development

DRAMATIC GLOBAL SHIFTS ARE TURNING THE POSTWAR TRADING SYSTEM ON ITS HEAD, with important implications for how trade and development is understood and pursued in Canada, in developing countries and in global trade discussions more generally. Economic dynamism and heft are shifting to developing economies, creating new markets, but also increasing the importance of ensuring these economies can integrate fully into the global trading system. Production, trade and investment patterns are increasingly being shaped by global value chains, creating new trade opportunities and risks for developing countries, putting a premium on trade facilitation and generating a new generation of behind-the-border policy challenges. At the same time, trade policy attention has shifted away from the WTO and toward preferential trade arrangements, largely in order to address these new issues with like-minded partners.

There are major risks for developing economies. They are largely excluded from these deals, and are ill equipped to deal with the increased fragmentation and complexity of the global trading system. Ironically, the move away from the WTO has coincided with renewed attention to trade and investment on the part of developing countries and a new consensus on the importance of leveraging trade to advance poverty reduction and inclusive growth. Finally, all of these shifts are now being overshadowed by new protectionist pressures and anti-globalization sentiments that have arisen in many advanced economies as a result of growing inequality and economic insecurity.

Fresh thinking on trade and development

The implications of these trends for developing and advanced economies, and for trade and development, are sweeping. For advanced countries such as Canada, the integration of developing economies into the global trading system is no longer a secondary issue, but of strategic importance. Developing and emerging economies have the potential to be much-needed engines of growth at a time when the global economy needs a boost. However, trade and growth pathways for many developing countries are being compromised by long-standing trade barriers, exclusion from new preferential trade deals and rising protectionist pressures.

For developing countries, the robustness and relevance of the overall multilateral trading system is vitally important. Trade and development usually has meant focusing on the special requirements of such countries. These issues remain critical, but developing countries also have a keen interest in reinvigorating a rules-based, nondiscriminatory multilateral trading regime, and they have much to lose from its fragmentation and erosion. Open markets and trade liberalization are essential if developing countries are to achieve their critically important goals of poverty reduction and sustainable growth. This includes reducing barriers in other developing countries and overcoming their own reluctance to liberalize imports, which are so essential to economic efficiency and GVC participation.

As negotiation of the Trade Facilitation Agreement demonstrated, seeking exemption from trade disciplines can be anachronistic and counterproductive in a world of GVCs. Special and differential treatment increasingly needs to be reframed, not in terms of whether developing countries should adhere to multilateral norms, but in terms of how best and how quickly they can do so, while recognizing their capacity gaps.

For both developing and advanced economies, the effect of trade on overall development and the distribution of benefits is now a top public and policy concern. In previous decades, it was mainly developing countries that raised questions about the distribution of benefits and the ability of government to protect domestic policy priorities. Now, however, the question of how trade can advance shared prosperity and improve the welfare of all citizens is at the core of contemporary political and economic dynamics in all countries. Inclusive trade and inclusive development is central to the future of the international trading system and to the advancement of a progressive trade agenda for Canada.

The integrated framework that the UN's SDGs offer provides a new way of looking at trade issues and thinking about inclusive trade. Trade can no longer be viewed in isolation from other economic, social and environmental factors that are required for inclusive growth and sustainable development. The universality of the SDGs also breaks down distinctions between countries. For example, the impact of trade on income inequality, gender and the environment is of global importance, and progress on job creation, clean energy and SMEs is of mutual interest. As such, the SDGs provide ways around the doctrinal debates and camps that have often gotten in the way of mutual understanding and progress at the WTO. The SGDs have the potential to transform the way trade and development is conceived and how countries can work together.

Priorities for action

Canada has a vital interest in pressing for open and inclusive trade on multiple fronts, and facilitating the integration of developing and emerging economies into the global trading system. To achieve these objectives, Canada should focus on five priorities for action.

A first order of business is to forge an open and inclusive trade coalition and to work to strengthen the relevance and inclusiveness of the multilateral trading system. Canada is well placed to lead, given its G7 and G20 connections and extensive outreach across the developing world, its credibility as a country committed to openness and its convening power to bridge these divides. Canada should spearhead the search for practical ideas, active experimentation and institutional innovation. Canada could also provide systemic leadership by examining its overall trade policy from the standpoint of the opportunities and risks it poses for strengthening the multilateral trading system and for supporting the trade and development efforts of developing countries. It should use the SDG and G20 reporting frameworks to push itself and others to track progress.

In the near term, the single most important thing Canada could do is to ratify the Trade Facilitation Agreement, then lend diplomatic and development heft to its full implementation. This would require an action plan for comprehensive trade facilitation to help developing country partners cut trade costs and meet their TFA commitments. But Canada should go further and initiate a move to broaden the TFA to cover responsible investment facilitation. An Investment and Trade Facilitation Agreement would, like the TFA, have the virtue of being a multilateral protocol that developing countries could help shape and that would bring focus to capacity-building efforts.

Third, Canada's push for "a more inclusive and progressive approach to international trade" should be accompanied by a push for inclusive trade in its global development and international assistance efforts. A deliberate "inclusive trade, inclusive development" strategy is required, consistent with developing countries' priorities and needs. In addition to supporting trade facilitation and ongoing efforts to stimulate sustainable growth, Canada should focus on the job-creation and poverty-reduction effects of women's economic empowerment and SMEs' competitiveness; supporting least developed countries' efforts to trade; and bringing an integrated trade and investment GVC lens to bear on its development programs.

Fourth, Canada needs a sea change in the way it approaches two-way trade and investment with developing and emerging markets. Business-as-usual approaches will not get Canadian investors and firms to the high-growth frontiers of global economic activity. To go global, Canada needs to think bigger: to brand itself as a trade and investment partner of choice, launch the next generation of innovative trade-promotion initiatives and fast-track a twenty-first-century Canadian Development Finance Institution.

Finally, at its best, Canada could serve as a model for how to build an open and inclusive economy and how to avoid the kind of serious social fault lines that have emerged in other countries. It is an open question, however, as to whether Canada's current mix of social and labour market measures is fit for purpose in light of rising income inequality, technological change and a rapidly changing labour market. Two urgent priorities are a major rethinking of employment insurance and the modernization of Canada's portfolio of skills development policies and programs.

Looking ahead, Canada has numerous opportunities to move forward on "inclusive trade, inclusive development." The federal government has a number of relevant policy reviews underway — for example, on a new trade and export strategy, trade and investment with emerging markets, international assistance and EI and skills development. At the practical level, Canada could use its interactions at the WTO, its bilateral and preferential trade talks and its development programs to build an open and inclusive trade coalition; advance trade and investment facilitation; take steps to progressively modernize the WTO; and help developing countries build trade readiness and competitiveness. Canada could also use its Sustainable Development Goals national implementation plan, which should roll out in 2017, to think systematically about how to advance inclusive trade throughout its domestic and foreign policy.

Most important, now is the time for Canada to provide policy and political leadership at the global level. The challenges ahead require deep and sustained commitment to constructive engagement across diverse global interests and ongoing, practical problem-solving. Fortunately, Canada is uniquely positioned to advance ideas and solutions in a manner the world will listen to. Rarely has there been such a structural global leadership gap among leading economies for promoting open, inclusive trade, given that the United States, the United Kingdom and the European Union remain preoccupied with domestic issues and backfooted on trade. As one commentator has noted, “It’s a rare moment of geopolitical geometry when the global policy community looks anxiously to Canada for leadership” (McArthur 2016). And rarely have Canada’s interests and values been as clearly convergent as they are currently on trade and development. With the 2017 WTO Ministerial and Canada’s 2018 G7 presidency on the horizon, work needs to start now to build a new global coalition for open, inclusive trade and development.

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