EXECUTIVE TRAINING SEMINAR

Transnational Regulation, Voluntary Standards and Trade

Florence, 16-20 October 2017

Scientific Coordinators: Bernard Hoekman | European University Institute (EUI) and Philip Schleifer | University of Amsterdam

Venue: Sala Belvedere, Villa Schifanoia, European University Institute

ABSTRACT

In today’s globalized economy, regulation and standard-setting has many levels and takes place in multiple fora. With a focus on international trade, this Executive Training provides a comprehensive and practical discussion of the manner in which business actors and civil society attempt to attenuate negative spillovers, address emerging problems of common interest and better achieve regulatory objectives.

After a brief overview of national standards-setting systems and international cooperation on product standards, the trainers will focus on the highly dynamic arena of transnational trade governance taking the form of Voluntary Sustainability Standards (VSS). Prominent examples of VSS are the Forest Stewardship Council, the Marine Stewardship Council, and the Rainforest Alliance. Seeking to address the social and environmental externalities of trans-border trade (e.g., deforestation, biodiversity loss, forced labor), VSS have become an important source of de facto regulation in global supply chains. However, their rapid proliferation has raised a number of questions and challenges to transnational governance. In this seminar, participants will be actively involved in deliberations focused on the following types of questions: Who (should) participate in these processes and why? What are their distributional consequences? Are VSS effective in achieving their objectives? How do private standards interact with the multilateral trade regime and domestic governance? How can we address the increasing fragmentation of the emerging global governance architecture in this arena?
In exploring these subjects and considering the associated policy challenges, the training will employ a combination of lectures, interactive seminars, group exercises and individual assignments. In addition to the scientific coordinators, participants will have the opportunity to interact with practitioners from relevant international organizations who work on VSS and related projects in developing countries.

### PROGRAMME

#### 16 October 2017

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<td>Miguel Poiares Maduro</td>
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<td>9.30 - 11.00</td>
<td>Introduction to Standard-setting: Rationales, Public vs. Private Norms, Basic WTO Rules on Product Standards</td>
<td>Bernard Hoekman</td>
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<td>11.00 - 11.30</td>
<td>Coffee Break (Sala Bandiere)</td>
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<td>11.30 - 13.00</td>
<td>WTO Rules on Product Standards</td>
<td>Bernard Hoekman</td>
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<td>13.00 - 14.00</td>
<td>Lunch (Sala Bandiere)</td>
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<td>14.00 - 15.00</td>
<td>Introduction to International Standard-setting: The International Organization for Standardization (ISO)</td>
<td>Reinhard Weissinger</td>
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<td>15.00 - 17.00</td>
<td>Case Study: The ISO at Work</td>
<td>Reinhard Weissinger</td>
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<td>19.00</td>
<td>Welcome Dinner at “Cucina Torcicoda” Via Torta, 5/r, 50122 Firenze (FI) Tel +39 055 265 4329</td>
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12.30 - 14.00 Lunch (Canteen Villa Schifanoia)

14.00-15.30 Local Implementation of Voluntary Standards: Opportunities and Challenges
Maja Tampe | ESADE Business & Law School

15.30-16.00 Coffee break (Sala Bandiere)

16.00-17.30 Case study: Local Implementation of Voluntary Standards: Experiences from Latin America and West Africa
Maja Tampe | ESADE Business & Law School

18 October 2017

9.00 - 10.30 The Effectiveness of Transnational Trade Governance (I): How to Govern the Social and Environmental Externalities of Trade?
Axel Marx | Katholieke Universiteit Leuven

10.30 - 11.00 Coffee Break (Sala Bandiere)

11.00 - 12.30 The Effectiveness of Transnational Trade Governance (II): Measuring the Effectiveness of Transnational Governance
Axel Marx | Katholieke Universiteit Leuven

Case Study: Changes in Design and Procedures of Enforcement Mechanisms of Voluntary Stability Standards: the Case of the Fair Wear Foundation
Axel Marx | Katholieke Universiteit Leuven

12.30 - 14.00 Lunch (Canteen Villa Schifanoia)

14.00 - 17.00 Solving Problems in Transnational Governance (Group work Part I)
Philip Schleifer | University of Amsterdam

19 October 2017

9.00 - 10.30 The ITC Trade for Sustainable Development (T4SD) Programme: Tools for Navigating the Field of Voluntary Sustainability Standards
Regina Taimasova | International Trade Centre

11.00 - 11.30 Coffee break (Sala Bandiere)

11.30 - 13.30 Insights from the Field
Regina Taimasova | International Trade Centre
20 October 2017

9.00 - 12.00 Transnational Governance Interactions: How to Close the Public-Private Engagement Gap
Philip Schleifer | University of Amsterdam

Case Study: EU Biofuel Governance
Philip Schleifer | University of Amsterdam

12.00 - 13.30 Farewell Lunch (Sala Bandiere)

13.30 - 16.30 Group Presentations and Discussions

16.30 - 17.00 Final Remarks and Award of Certificates

FACULTY

Bernard Hoekman European University Institute, Italy
Axel Marx Katholieke Universiteit Leuven, Belgium
Philip Schleifer University of Amsterdam, The Netherlands
Regina Taimasova International Trade Centre, Geneva
Maja Tamp ESADE Business & Law School, Spain
Reinhard Weissinger International Organization for Standardization, Switzerland

PARTICIPANTS

Elizabeth Boomer The Graduate Institute of International and Development Studies, Switzerland
Assia Djenouhat University of Badji Mokhtar, Turkey
René Alarcon INTRACEN - Office for Latin America and The Caribbean -, Switzerland
Abhinayan Basu Bal University of Gothenburg, Sweden
SESSIONS ABSTRACTS AND RECOMMENDED READINGS

a) Introduction to International Standard-Setting: the International Organization for Standardization:
The session will give an overview of the structure, governance and working methods of the International Organization for Standardization and its infrastructure which is made up of its membership of national standards bodies. It will introduce the principles of standards development in ISO, the relationship between ISO and the WTO, the use of ISO standards in support of trade facilitation and in particular in the area of sustainability. It will further address work of ISO and others on measuring the impacts of standards and will discuss the relationship between ISO standards and private or voluntary sustainability standards.

1. OECD Report on ISO
2. ISO Guide 82. 2014. Guidance to Addressing Sustainability in Standards
3. FAO-WTO Trade and Food Standards

b) Voluntary Stability Standards: an Introduction: The objective of this session is to introduce the participants of the Executive Training to the field of voluntary sustainability standards (VSS). We begin with defining the phenomenon at hand (what are VSS and what do they do?). Then, the session focuses on some of the key topics and trends that dominate the discussion about voluntary standards today. In a tour d’horizon participants will learn about: Firm’s changing motivation to engage with VSS, the growing fragmentation of sustainable markets, and VSS’ capacity to contribute to sustainable development.

c) Transnational Governance Interactions: How to Close the Public-Private Engagement Gap: In the first part of this session, participants will learn about the theory and practice of transnational governance interactions. Introducing the concepts of indirect governance and “orchestration”, we will...
explore new modes of governance and techniques that state actors can use to engage with the multiplicity of private regulatory programs (including voluntary sustainability standards) that have emerged in recent years. In a second part, the case of EU biofuel governance is used to illustrate the benefits and drawbacks of “orchestration” in action.


d) Local Implementation of Voluntary Standards: Opportunities and Challenges: Voluntary standards have been proliferating rapidly. But what happens on the ground where these standards are supposed to be implemented? We will examine the opportunities and challenges from two perspectives – those of the adopters of standards and those of their partners in the supply chain based on theoretical insights and empirical case studies. Together we will explore what it takes for adopters and supply chain partners to put voluntary standards to good use and to overcome typical obstacles. We will also examine what else, besides voluntary standards, might be needed to get the desired social and environmental outcomes.


e) The Effectiveness of Transnational Trade Governance (I): How to Govern the Social and Environmental Externalities of Trade?: The session will first introduce social and environmental effects of trade and the different public and private instruments through which these effects are addressed. Next it will focus on one specific instrument, namely Voluntary Sustainability Standards (VSS). It will discuss the emergence and development of VSS and some of the current challenges with which VSS are confronted.

f) The Effectiveness of Transnational Trade Governance (II): Measuring the Effectiveness of Transnational Governance: This session will first introduce the concept of effectiveness and different dimensions related to effectiveness. Next three dimensions will be discussed in-depth. First we will focus on institutional design effectiveness and assess the degrees to which VSS are designed to enforce standards. Next, we will focus on the impact VSS have on different parameters. Finally, we focus on the degree to which VSS are adopted across the globe. Most attention will be spend on institutional effectiveness which will be illustrated by several case studies including the Fair Wear Foundation.

g) The ITC Trade for Sustainable Development (T4SD) Programme: Tools for Navigating the Field of Voluntary Sustainability Standards: This session will cover the main areas of work of the programme including voluntary sustainability standards database Standards Map, tool for connecting producers and buyers Sustainability Map. Additionally, other ITC tools covering trade statistics, tariffs and non-tariff measures will be briefly presented.

Bernard Hoekman is Professor and Director of Global Economics at the Robert Schuman Centre for Advanced Studies at the European University Institute. Prior positions include Director of the International Trade Department and Research Manager in the Development Research Group of the World Bank. He has been an economist in the GATT Secretariat and held visiting positions at SciencesPo, Paris. He is a CEPR Research Fellow, where he also co-directs the Trade Policy Research Network; a Senior Associate of the Economic Research Forum for the Arab countries, Turkey and Iran; and a member of the World Economic Forum Global Action Council on Logistics and Supply Chains. Recent publications include Supply Chains, Mega-Regionals and Multilateralism: A Road Map for the WTO (London: CEPR Press, 2014); Structural Issues at the WTO (with Joe Francois), a special symposium issue of the World Trade Review (January 2015); and The Global Trade Slowdown: A New Normal? (London: CEPR Press, 2015).

Axel Marx is Deputy Director Leuven Centre for Global Governance Studies, University of Leuven. His research interests focus on voluntary sustainability standards, EU trade policy, labour rights and global governance. He has acted as a consultant to several national and international organizations including the European Parliament, the European Commission, the Committee of the Regions, International Labour Organization, United Nations Industrial Development Organization, the Belgian, Dutch and German Governments. His academic publications have appeared in several international peer reviewed journals.

Philip Schleifer is an Assistant Professor of Transnational Governance at the University of Amsterdam (UvA). His research interests lie in the areas of global environmental politics, international political economy, and Corporate Social Responsibility. Before joining UvA in 2016, Philip was a Max Weber Fellow at the European University Institute. He holds a PhD in International Relations form the London School of Economics.

Regina Taimasova is an Advisor on Sustainability Standards and Value Chains at the International Trade Centre (ITC). She works on analysing and referencing voluntary sustainability standards in the Standards Map database, she is also involved in developing customized projects such as standards’ benchmarking tools, producer assessments and provides trainings on standards and market access in developing countries. Previously she worked at the World Trade Organization in Trade Policies Review Division. Regina holds an MSc Degree in International Economics from Essex University, UK.

Maja Tampe is Assistant Professor at the Department of Social Sciences at ESADE Business School. In her research, she investigates private governance and sustainability, with a particular focus on work practices and organizational change. Her professional experience is in strategy consulting with McKinsey & Company and in organizational development. Maja holds a Master in Public Administration from the Harvard Kennedy School of Government, and a PhD in Management from the MIT Sloan School of Management.

Reinhard Weissinger is Senior Expert, Research and Education, at the Central Secretariat of the International Organization for Standardization (ISO) in Geneva, Switzerland. He is also a lecturer at the University of Geneva in the Master’s programme Standardization, Social Regulation, and Sustainable Development. He holds a Master degree in Chinese Studies and Linguistics of the
University of Tübingen (Germany) and a Master of Business Administration of the European University, Geneva.