

# Trade Policy, Investment and Migration

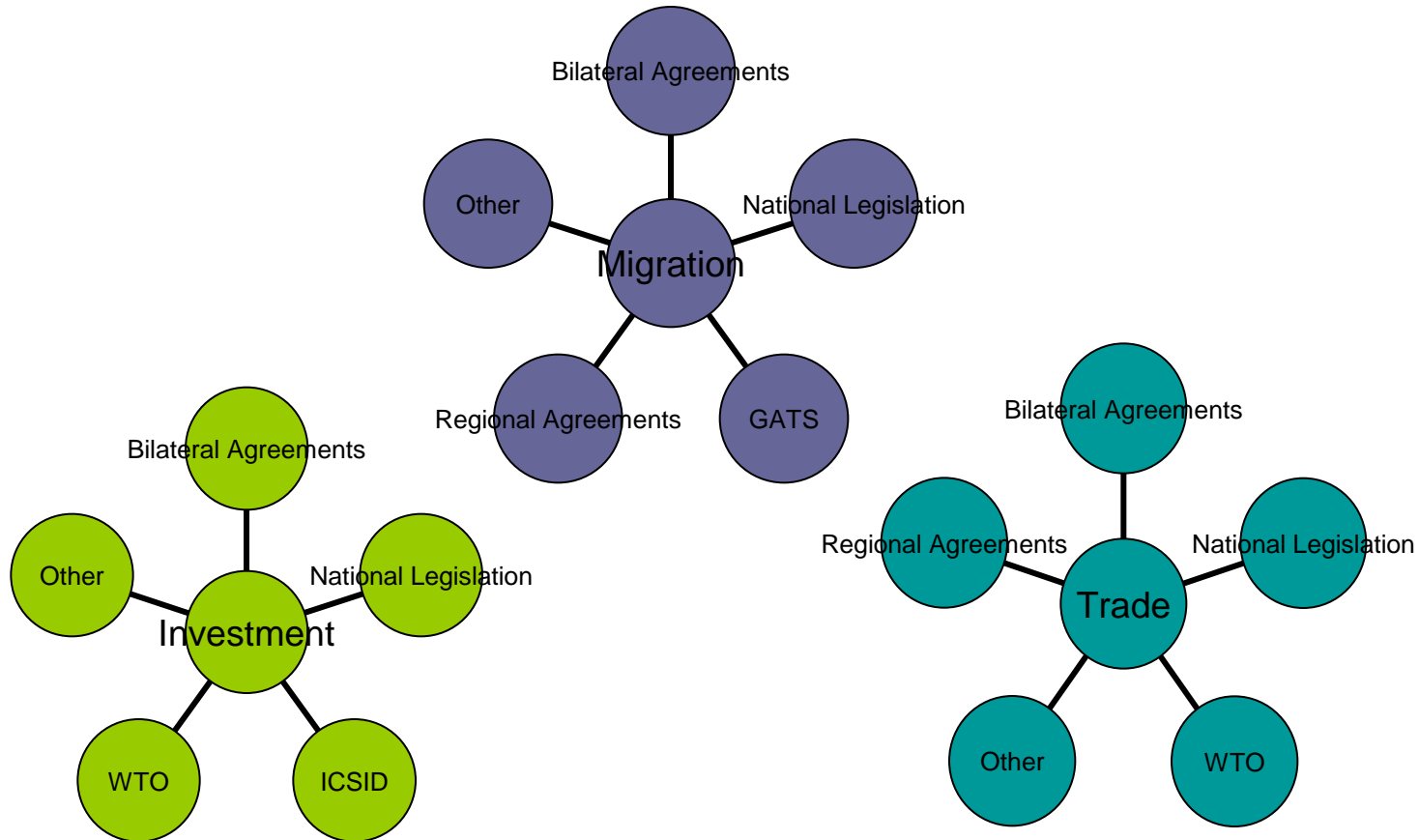
## The Liberalisation Paradigm

Thomas Cottier & Charlotte Sieber-Gasser  
World Trade Institute, University of Bern

„Markets for Migration and Development“  
Global Forum on MIGRATION & DEVELOPMENT  
13-15 September 2011, Bern

[www.wti.org](http://www.wti.org)  
[www.nccr-trade.org](http://www.nccr-trade.org)  
[thomas.cottier@wti.org](mailto:thomas.cottier@wti.org)  
[charlotte.sieber@wti.org](mailto:charlotte.sieber@wti.org)

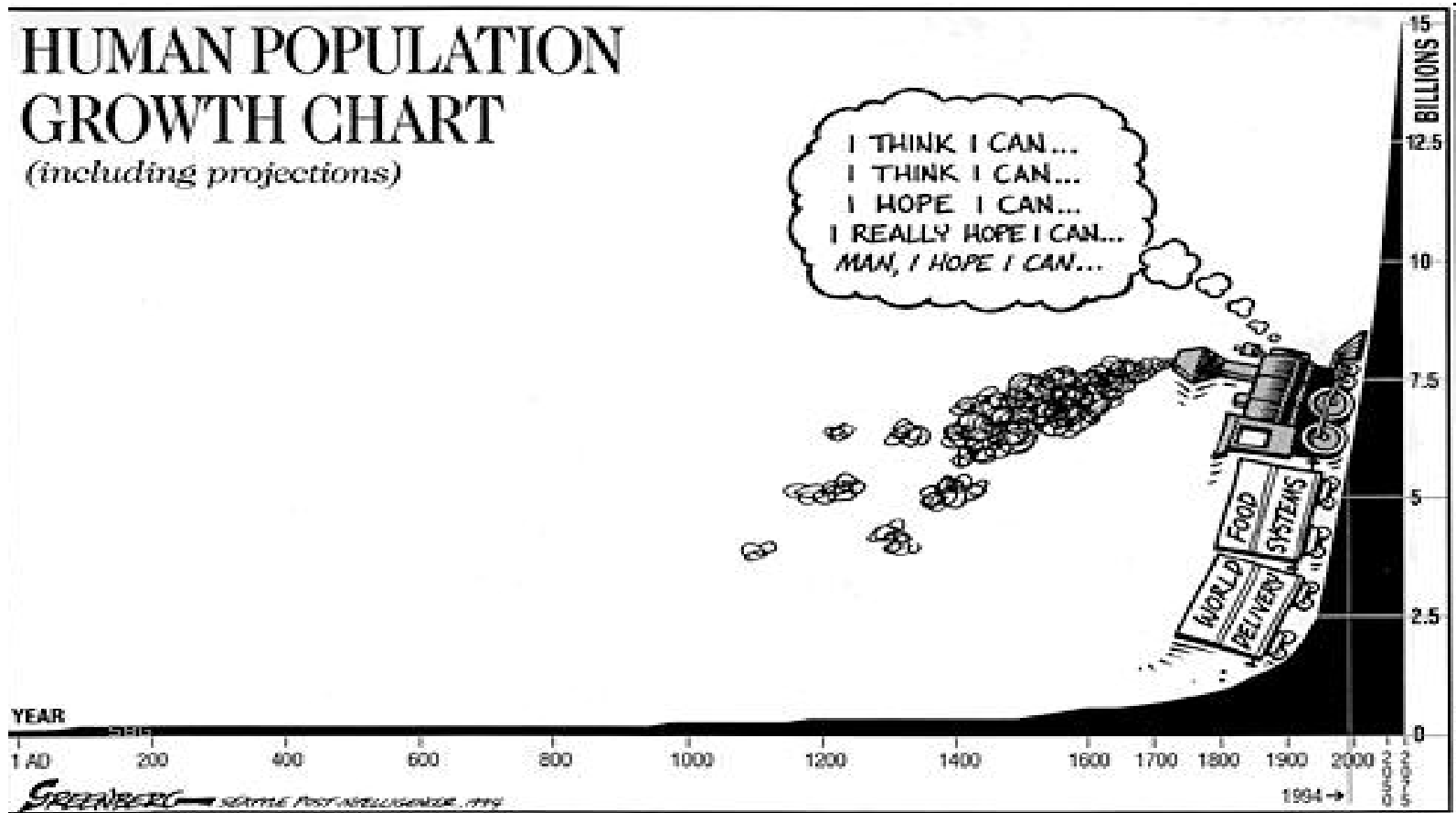
# Fragmentation



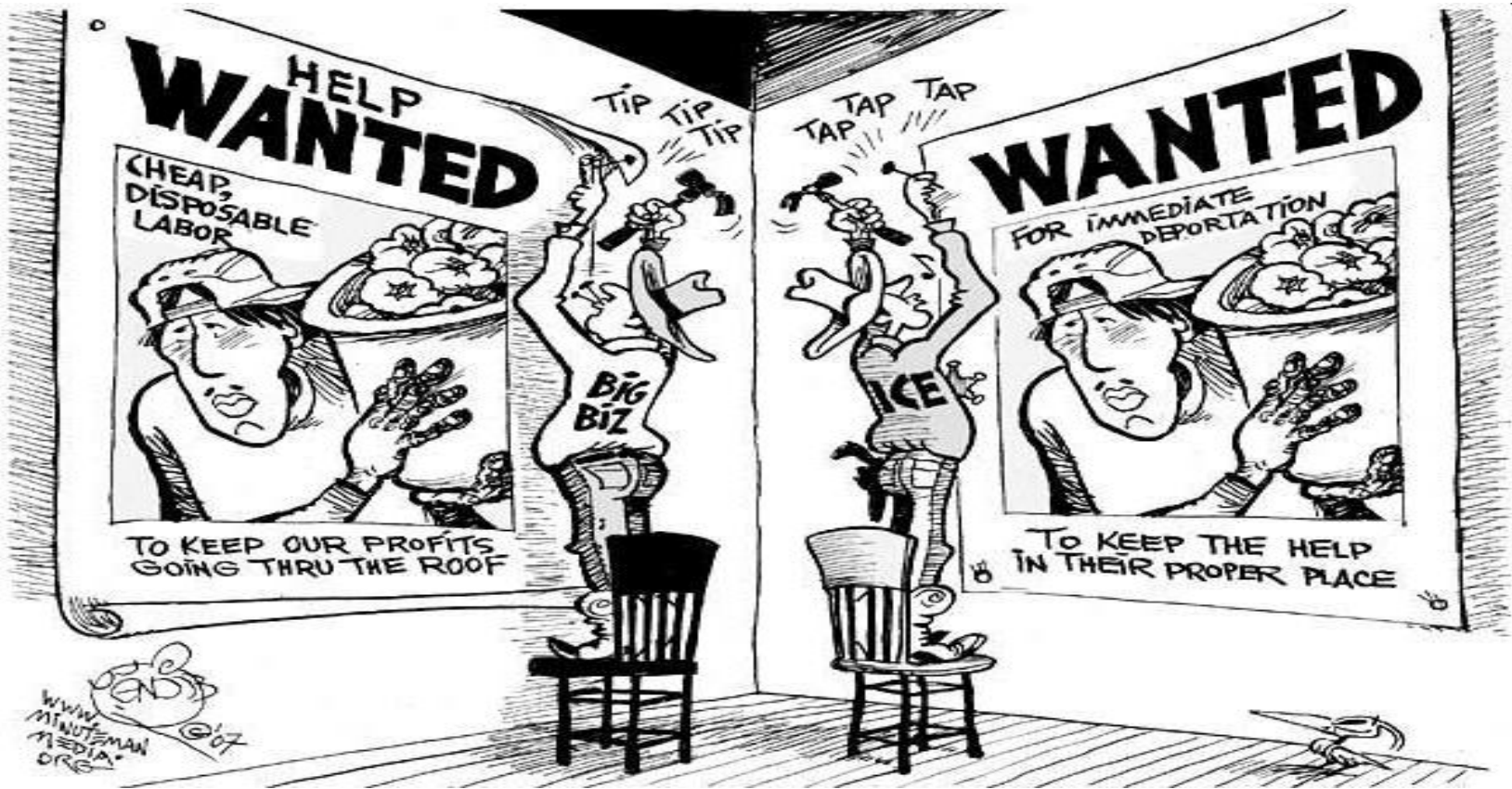
# The Challenge

## HUMAN POPULATION GROWTH CHART

(including projections)



# The Liberal Paradox



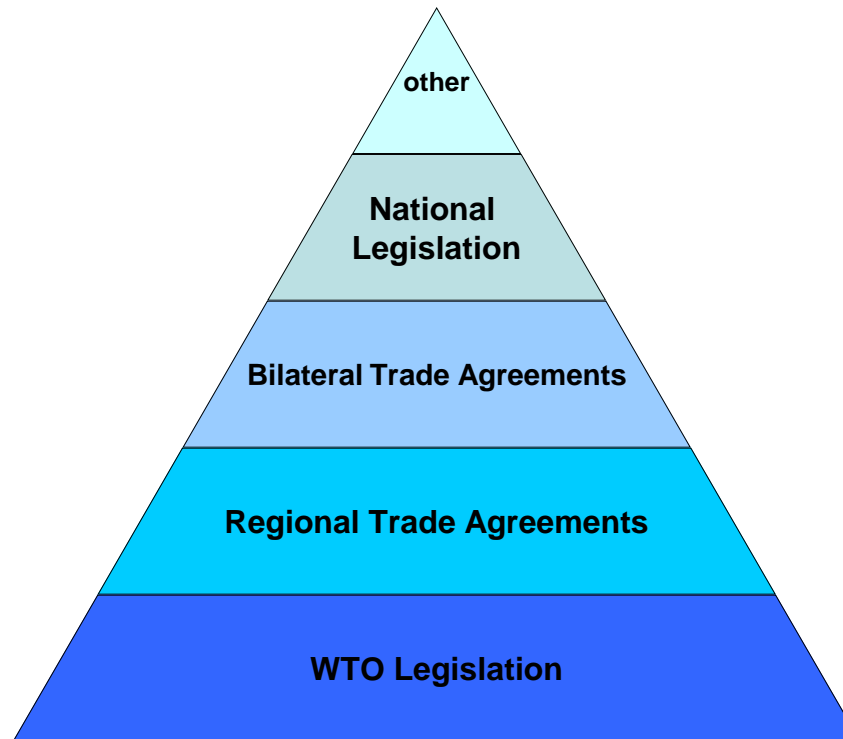
[http://stkarnick.com/blog2/2008/04/post\\_118.html](http://stkarnick.com/blog2/2008/04/post_118.html)

# Thinking Outside the Box



<http://jrempel.wordpress.com/2011/04/21/creative-thinking-inside-the-box/>

# TRADE



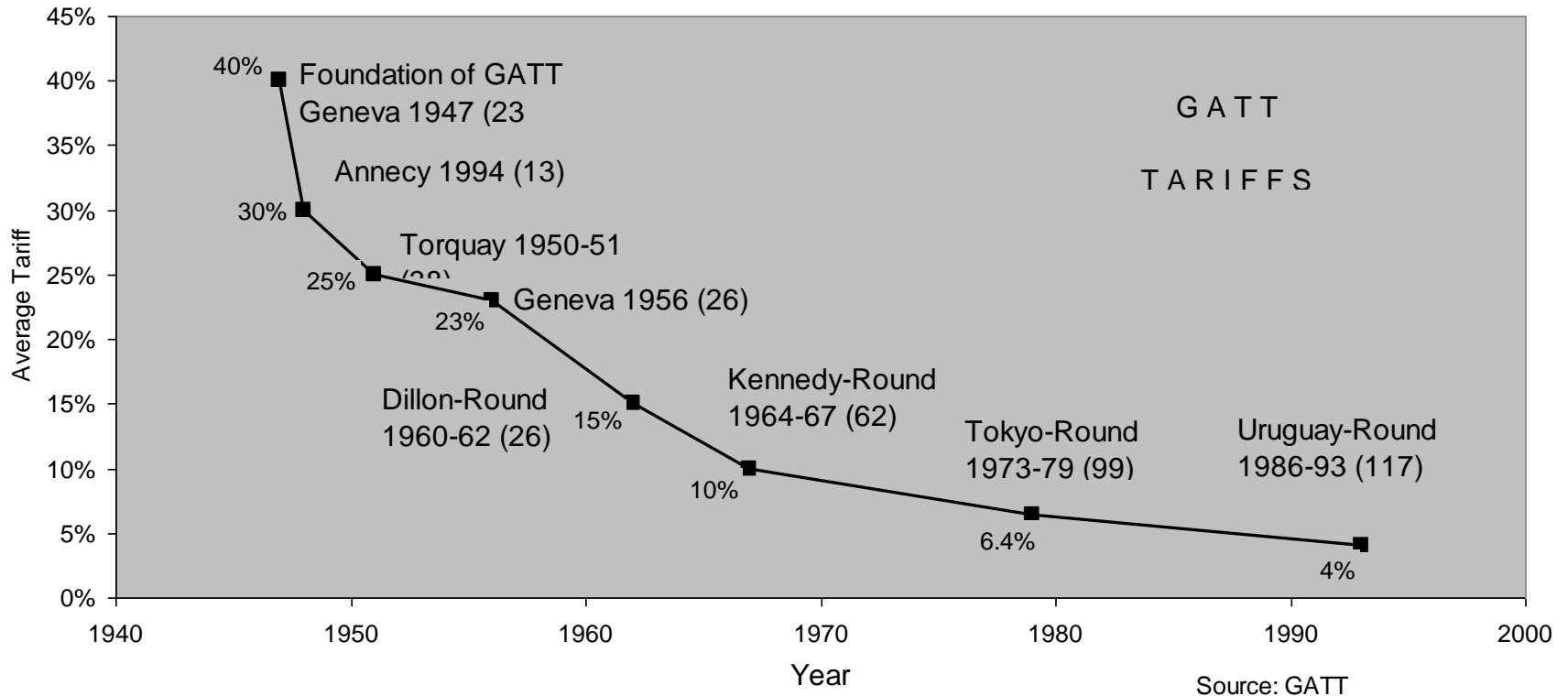
# Short Introduction to WTO System

- The WTO (1995) results from an ever increasing complexity of successive agreements and dispute settlement practices
- The WTO provides common structure to GATT 95, GATS and TRIPs and Dispute Settlement (DSU)
- Other than for DSU, it did not fundamentally alter the traditions of GATT
- The Doha Development Agenda (2001-\*\*\*\*)



# Tariff Reductions in the Industrial Sector (Developed Countries)

Weighted Average Tariffs





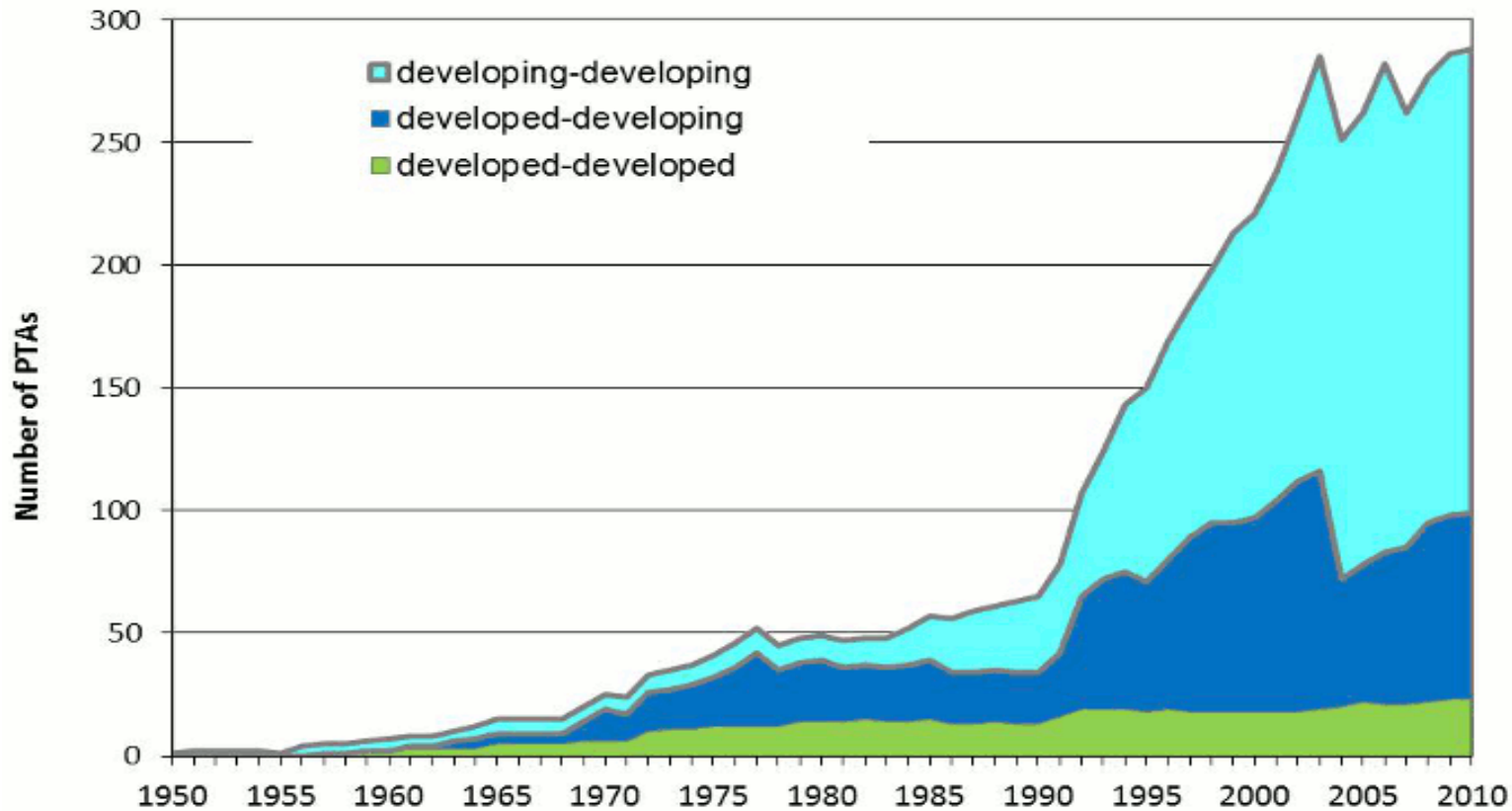
# Principles of Multilateral Trade Regulation

- Non-discrimination (MFN, National Treatment)
- Progressive Liberalisation of Goods and Services
- Protection of Intellectual Property
- Transparency
- Consensus in Decision-Making
- Binding Dispute Settlement and Enforcement

# Eight Rounds (1947-1993)

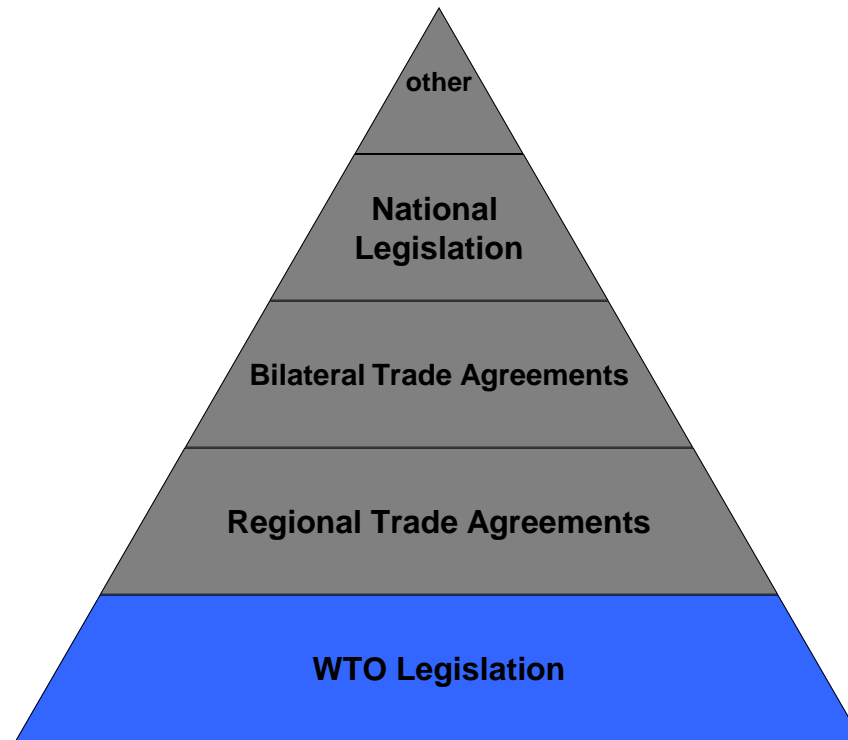
- Overall Tariff Reduction from 40% ad valorem to 4% world wide
- Addressing second generation trade barriers
  - Technical barriers to trade
  - Subsidies, Anti-dumping disciplines
- Addressing third generation barriers to trade in domestic regulations in Uruguay Round
  - Services, Intellectual Property, Agricultural Domestic Support Levels

# Number of Preferential Trade Agreements World Wide



Source: WTO secretariat and <http://voxeu.org/index.php?q=node/6777>

# Relevant Aspects of Trade Policy for Migration: Global



# Revisiting GATT

- Enhancing Market Access for Agricultural Products by Industrialised and Emerging Economies
- Tariff Reduction and Tariff Escalation
- Limiting Non-tariff Barriers
- Labelling (fair trade)
- Textiles

# Revisiting GATS

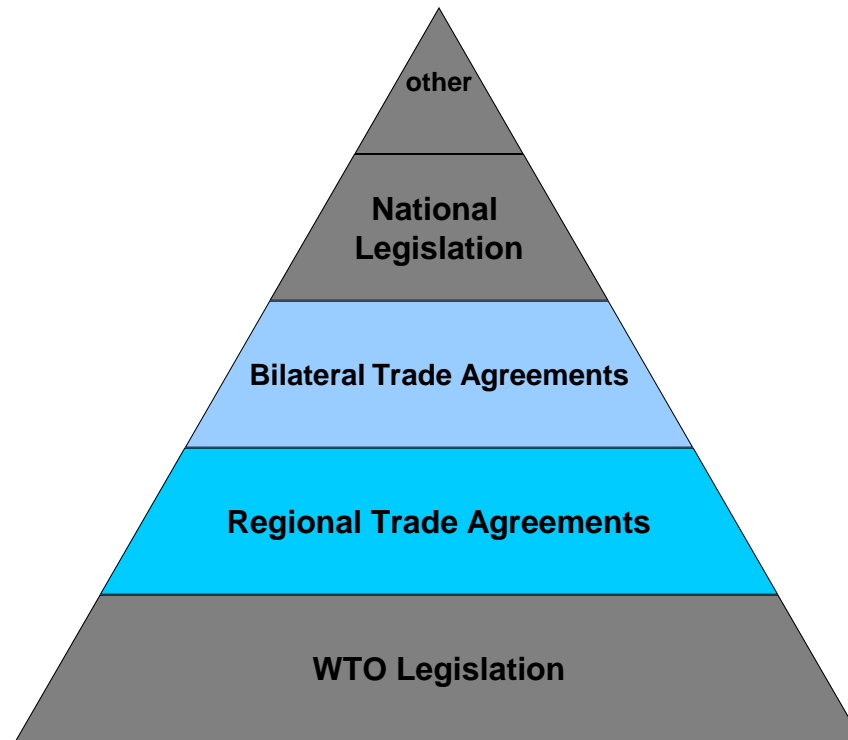
- Revisiting Mode 4
  - Binding Visa-Fast Track Procedure
  - Multilaterally agreed Criteria for Non-Formal Qualifications?
  - Extension to Low-Skilled Labour?
  - Modes of Graduation
- Multilaterally agreed System of Limited Working Permission?

# Revisiting other WTO Agreements

- Local Content Requirements
  - TRIMs Agreement (NT)
  - GPA (Agreement on Government Procurement)
- Knowledge-Transfer
  - TRIPs Agreement Art. 66:2 (tax breaks)
- Modes of Graduation



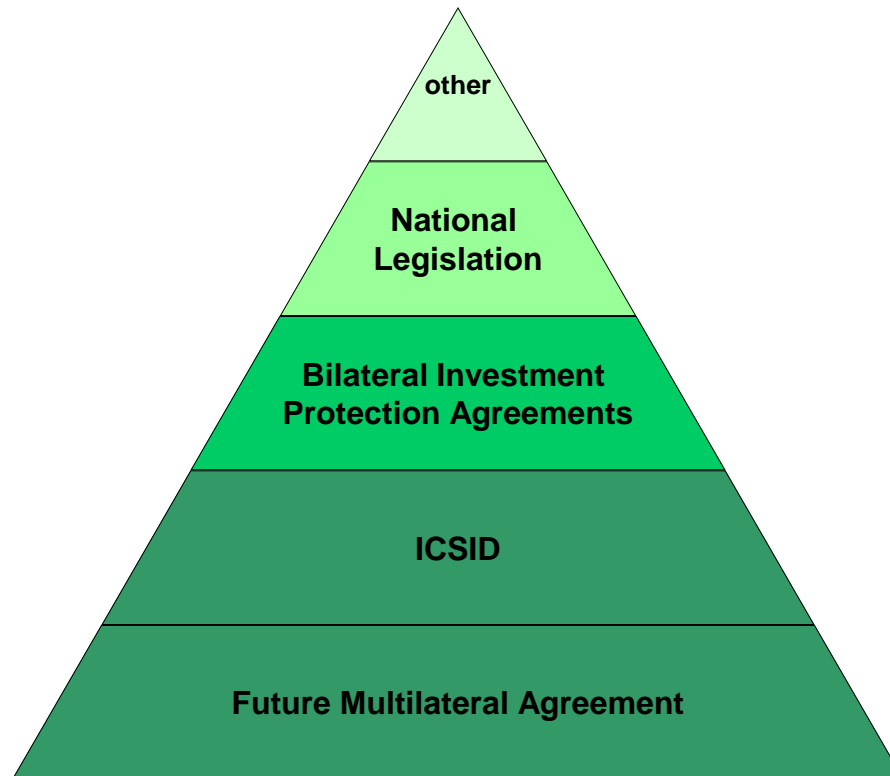
# Relevant Aspects of Trade Policy for Migration: Regional



# Revisiting Free Trade Agreements

- Adding Migration as a Pillar in FTAs
  - Market Access Regulation
  - Regulation of Circular Migration?
  - Extending GATS mode 4 to Low-Skilled Labour?
  - Educational Component

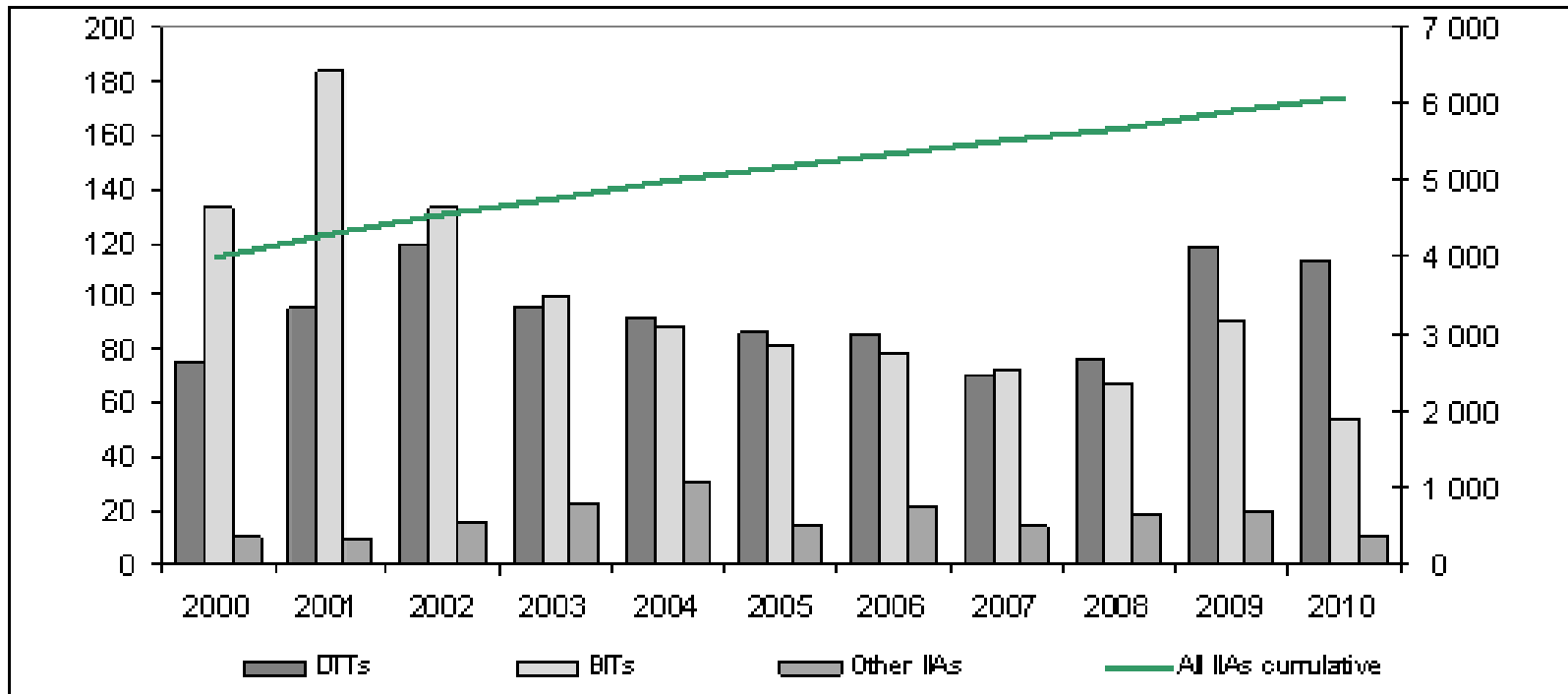
# INVESTMENT



# Short Introduction to International Investment Regulation

- Highly Fragmented Regulation (mainly National and Bilateral Regulation, some Regional Agreements and no Multilateral Agreement yet)
- Focus on Protection of Investment
- Rethinking the Balance of Rights and Obligations

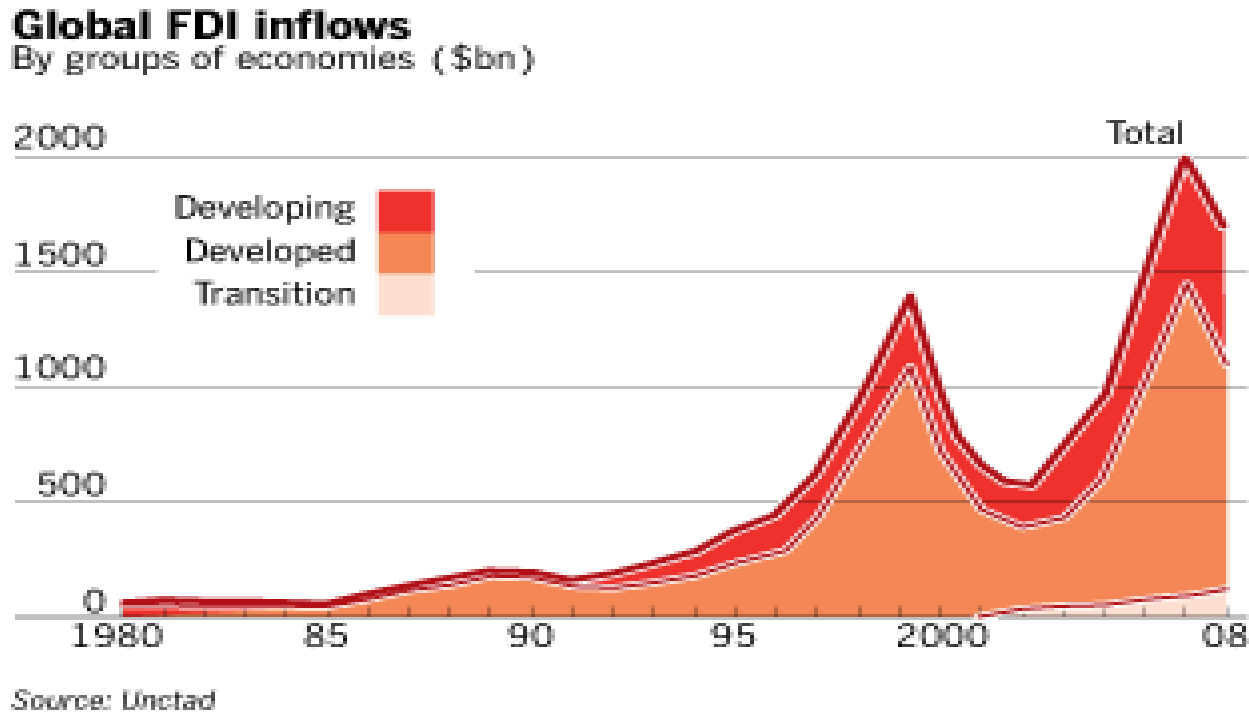
# Number of BITs, DTTs and other IIAs World Wide



Source: UNCTAD world investment report 2011

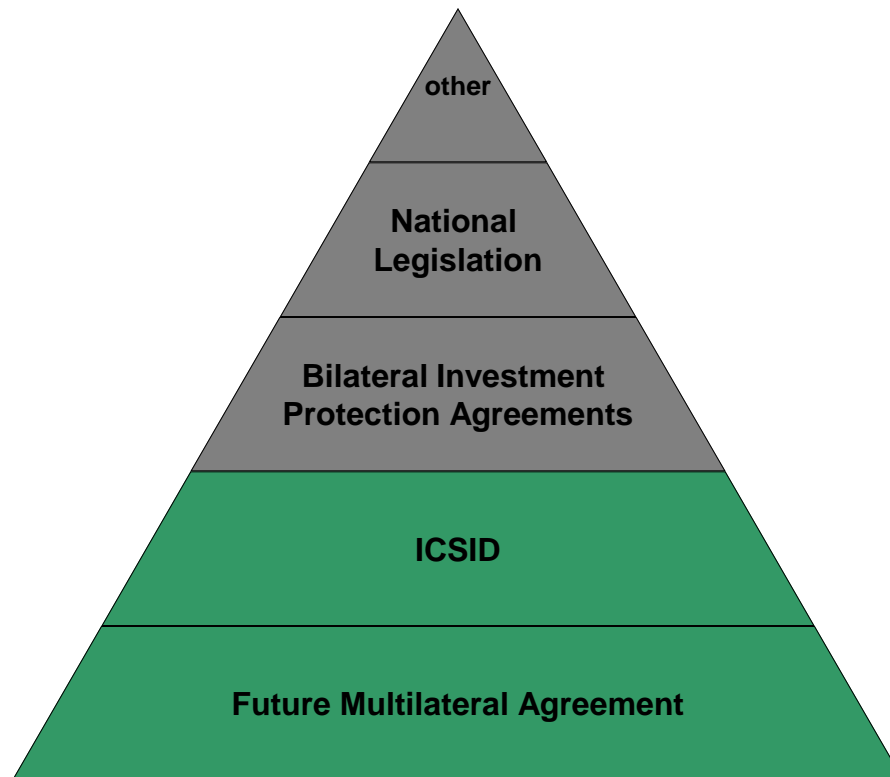
<http://www.unctad.org/templates/webflyer.asp?docid=15213&intlItemID=1465&lang=1>

# Global FDI Inflows by Groups of Economies (\$bn)



<http://www.ft.com/intl/cms/s/0/6b23fe18-a39f-11de-9fed-00144feabdc0.html#axzz1WiAFn Cvq>

# Relevant Aspects of Investment Policy for Migration: Global

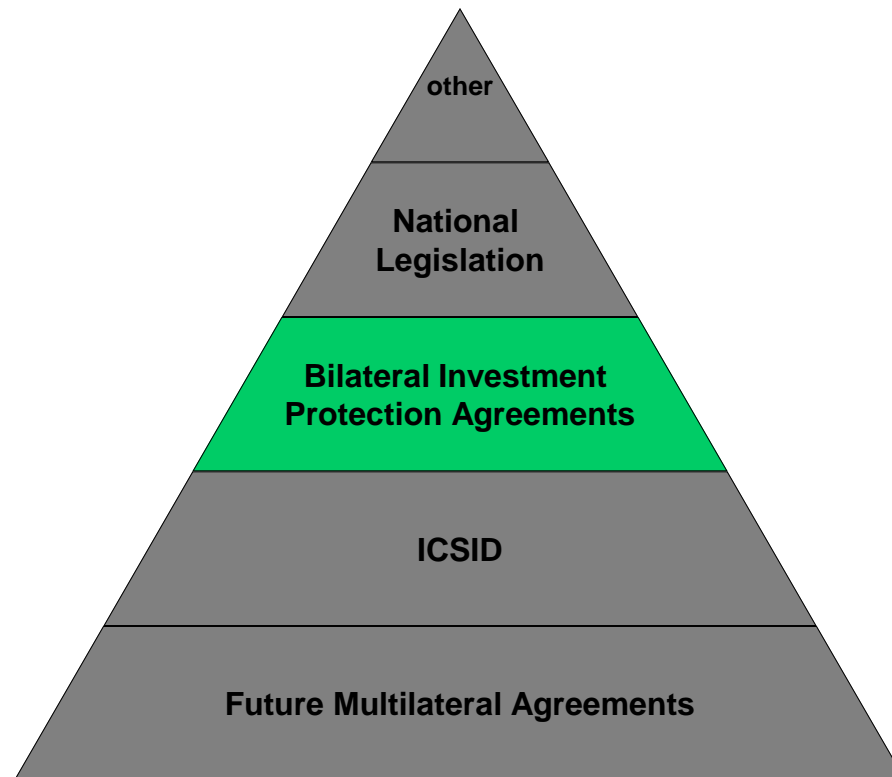




# Towards Global Standards

- Proper Balance of Rights and Obligations
- Transparency
- Securing Sustainable Investment
- Strengthening of Corporate Social Responsibility
- Limiting Sovereign Wealth Investment
- Binding Labour Standards
- Rule of Law
- Investment Dispute Prevention and Binding, cost-effective Judicial Dispute Settlement

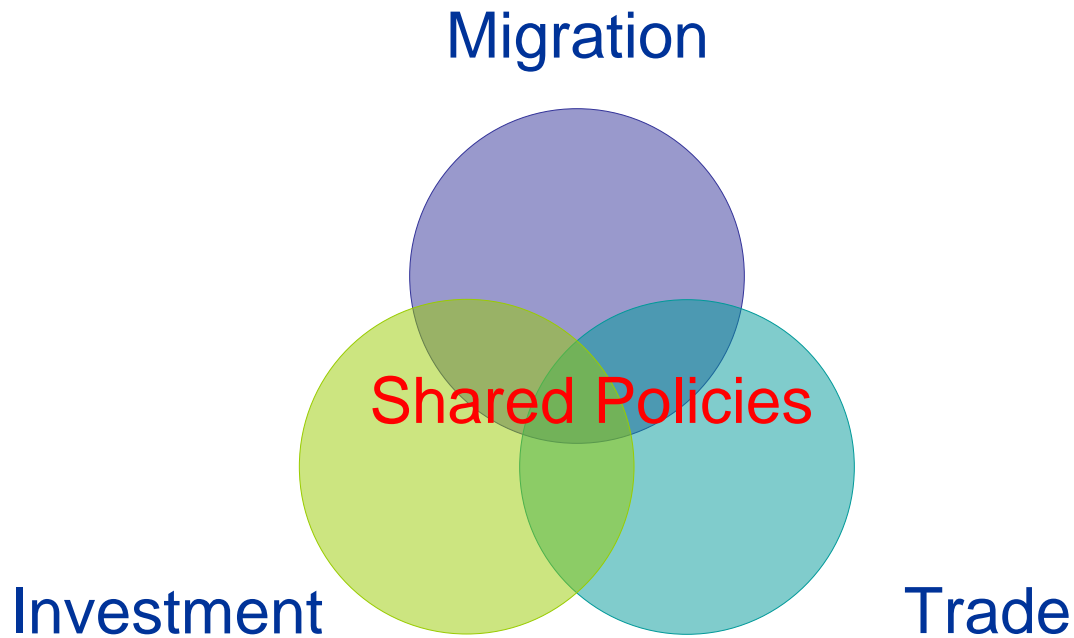
# Relevant Aspects of Investment Policy for Migration: Regional



# Revisiting Bilateral Investment Protection Agreements

- Adding Migration as a Pillar to BITs
- Preparing for the Global Standards (trial and error)
- Specific Bilateral Commitments in the Field of Education, Knowledge-Transfer

# Emerging Coherence



# Thank you for your attention!

I wish you an inspiring conference in Bern.

Prof. Thomas Cottier

## BIO NOTE

**Thomas Cottier**, Managing Director of the World Trade Institute and the Institute of European and International Economic Law, is Professor of European and International Economic Law at the University of Bern. He directs the national research programme on trade law and policy (NCCR Trade Regulation: From Fragmentation to Coherence) located at the WTI. He is an associate editor of several journals. He was a visiting professor at the Graduate Institute, Geneva and also currently teaches at the Europa Institut Saarbrücken, Germany and at Wuhan University, China. He was a member of the Swiss National Research Council from 1997 to 2004 and served on the board of the International Plant Genetic Resources Institute (IPGRI) Rome during the same period. He served the Baker & McKenzie law firm as Of Counsel from 1998 to 2005.

Prof. Cottier has a long-standing involvement in GATT/WTO activities. He served on the Swiss negotiating team of the Uruguay Round from 1986 to 1993, first as Chief negotiator on dispute settlement and subsidies for Switzerland and subsequently as Chief negotiator on TRIPs. He held several positions in the Swiss External Economic Affairs Department and was the Deputy-Director General of the Swiss Intellectual Property Office. In addition to his conceptual work in the fields of services and intellectual property and legal counselling, he has also served as a member or chair of several GATT and WTO panels.