7th Annual Queen’s Institute on TRADE POLICY

October 4 - 6, 2015
Queen’s University
Kingston, Ontario

www.queensu.ca/sps
Where next for Canadian trade policy?

Trade policy is central to the formulation of government strategies to ensure Canada's future prosperity. The trade policy environment is rapidly changing, however. Future trade strategies must take account of new players as the centre of gravity in global governance continues to shift to the countries that ring the Pacific, of technological change that alters what things are traded, and of new business models as production fragments into global value chains. Trade and investment can spur sustainable economic growth and create jobs in developing countries, the key to poverty reduction and shared prosperity, and developing economies are increasingly important trading partners for Canada. Recent developments in trade theory help make sense of a rapidly evolving trading system. The purpose of this course is to help a new generation of federal, provincial and territorial trade policy practitioners to acquire the skills and perspectives needed to develop trade negotiation strategies. The course is intended for mid-level officials who already have some experience with the basics of trade policy and negotiations.

The thematic question for this year's institute, “Where next for Canadian trade policy?” has two dimensions. We will ask about both the subjects on the emerging trade policy agenda, and the countries with whom negotiations should be pursued. Canadian negotiators have had an active agenda for many years. When all of the current negotiations come to a conclusion, Canada will have free trade agreements with partners covering 80% of our trade. Should Canada pursue high ambition agreements on such issues as regulatory cooperation, investment, and services with new partners, or would our policy objectives relating to the nexus of trade and development be better achieved in simpler deals on traditional issues, leaving newer issues to multilateral negotiations in the World Trade Organization, or to discussion in the Organisation for Economic Co-operation and Development?

Drawing on the experience of former multilateral negotiators and trade experts, the training objective for the course is to develop the ability to think strategically in developing negotiation objectives. The emphasis will be on trade strategy as a specialized mode of policy analysis, with seminar discussions in small groups focused on how Canada should prepare for the next era of trade negotiations. The course will expand knowledge of, and capacity to use, analytic and communications tools to formulate trade policy strategies and prepare for negotiations, with particular attention to issues on the new trade policy agenda. Background reading material will be available on a special web page for participants in advance.
AGENDA – Sunday October 4

3:30 pm  
**Welcome and Introduction**  
How trade contributes to growth in the Canadian and world economies: do trade agreements make a difference?  
*John M. Curtis*, Senior Fellow C.D. Howe Institute; Founding Chief Economist, Department of Foreign Affairs, Trade and Development

4:00 pm  
**Matching trade policy objectives with trade policy tools and negotiation strategies**  
This session will introduce the themes for the seminars, framed in terms of how to prepare for the launch of a chapter in a new trade negotiation.  
*Terry Collins-Williams*, Former Director-General Multilateral Trade Negotiations, and Lead Canadian Negotiator, Non-Agricultural Market Access (NAMA), Department of Foreign Affairs, Trade and Development

4:45 pm  
**Break**

5:00 pm  
**Trade and trade policy in a global value chains world**  
How do Canadian firms participate in global value chains? What are the policy implications? Using practical examples the session will include suggestions on how the new thinking applies to trade negotiations.  
*Ari Van Assche*, Associate Professor, Department of International Business, HEC Montréal

5:45 pm  
**Return to hotel**

6:30 pm  
**Reception**  
**Banquet**  
St. Lawrence Ballroom A  
Residence Inn by Marriott

7:15 pm  
**Keynote:**  
*Trade Policy in Washington*  
What do we learn from the battle over Trade Promotion Authority?  
*Gary Clyde Hufbauer*, Reginald Jones Senior Fellow, Peterson Institute for International Economics
AGENDA – Monday October 5

8:30 am  What a trade strategy looks like
Developing strategic approaches to trade negotiation having regard to the interdependence of trade
liberalization and domestic policy reform.
Don Stephenson, Chief Negotiator, Canada-India; former Assistant Deputy Minister, Trade Policy and
Negotiations, Department of Foreign Affairs, Trade and Development

9:15  Introduction to the new new trade theory
How have the new firm-level trade models changed our understanding of trade flows? What is the
connection between trade and productivity? What are some of the main implications for trade policy? What
does firm-level data look like, where is it, and what can trade negotiators do with it?
Beverly Lapham, Professor, Department of Economics, Queen’s University

10:30 am  Break

10:45 am  Policy coordination on trade policy in Ottawa
Issues on the trade agenda now involve the provinces and many domestic departments. How and when do
you engage OGDS and the provinces? When is a mandate needed from Cabinet?
David Elder, Adjunct Professor, School of Policy Studies, Queen’s University; Former Assistant Secretary to the
Cabinet, Machinery of Government, Privy Council Office

11:30 am  Trade policy communications and consultation
How can trade negotiators use firm-level ideas to think about who to consult at the outset of a negotiation?
What is the role of communications in the development of a trade negotiation strategy?
Velma McColl, Principal, Earnscliffe Strategy Group; Former Senior Policy and Communications Advisor to
Federal Ministries of Environment, Industry, Health and Fisheries & Oceans

12:30 pm  Lunch
Keynote:
A firm-level perspective on trade
How do Canadian SMEs navigate international markets??
Peng-Sang Cau, President and CEO of Transformix Engineering

2:30 pm  Working with Canadian firms
How do trade commissioners support firms? What is TRIO? What is the link between trade and development?
Duane McMullen, Director General, Trade Commissioner Service – Operations, Department of Foreign Affairs,
Trade and Development

3:30 pm  First small group seminar
Building on the presentations to this point in the course, the participants will be asked to consider the
elements they think should be addressed in the future development of Canadian trade strategies.

4:30 pm  Break

4:45 pm  Trade and Development
Trade and investment can spur sustainable economic growth in developing countries, reducing poverty,
creating jobs and opening up new commercial opportunities. Developing economies are also increasingly
important trade and investment partners for Canada. What are the implications for Canadian trade policy?
How can Canadian development policy help with trade readiness and trade facilitation?
Margaret Biggs, Skelton-Clark Fellow, School of Policy Studies, Queen’s University; former President, CIDA
AGENDA – Tuesday October 6

8:30 am  A new agenda for trade in services?
New disciplines on trade in services feature in CETA and TPP as well as the Geneva-based Trade in Services Agreement (TiSA) negotiations. When these negotiations conclude, what will still need doing? How should Canada think about how and where to do it?
Pierre Sauvé, Director, External Programs and Academic Partnerships, World Trade Institute, University of Berne

9:30  Regulatory cooperation and trade policy
Both the global value chain and the new new trade theory approaches stress the importance of regulatory differences for firm strategies. What can trade negotiators contribute?
Robert Carberry, Assistant Secretary, Regulatory Cooperation Council Secretariat, Privy Council Office

10:30 am  Break

10:45 am  How can bilateral, regional, plurilateral and multilateral agreements be stitched together?
How will Canadian firms and trade negotiators respond to the challenges of overlapping and potentially inconsistent provisions in new agreements? Should we try to “multilateralize” disciplines in bilateral and regional agreements?
Andrew (Sandy) Moroz, Former Director, Tariffs and Goods Market Access Division, and Co-Lead Negotiator, Goods Market Access Negotiations for TransPacific Partnership (TPP), Department of Foreign Affairs, Trade and Development

11:45 am  Canadian trade policy in a G-0 world
Negotiations underway in bilateral, regional and multilateral configurations face varying prospects for reaching agreement. How can we analyze this natural experiment in institutional terms? The question includes both how the different negotiation fora are working, and what sort of fora are best for the key issues. Will trade policy in a G-0 world take us back to a coherent multilateral trading system, or forward to increased fragmentation?
Robert Wolfe, Professor, School of Policy Studies, Queen’s University

12:30 pm  Lunch

1:30 pm  How has Canada modified its model chapters for trade agreements?
This session will be a discussion of innovations in various chapters of recent agreements, including CETA and, if possible, TPP.
Steve Verheul, Chief Trade Negotiator (Canada-European Union, Department of Foreign Affairs, Trade and Development

2:30 pm  Second small group seminar
Again building on the course presentations and the discussions in the first small group seminar, the participants should elaborate the future evolution of Canadian trade negotiating strategy, including the countries with whom negotiations should be pursued, and the models we use in FTAs

3:30 pm  Break

3:45-5:00 pm  Roundtable: Where next for Canadian trade policy?
Where should negotiators put their efforts after the CETA and TPP texts are final? How should we prepare at home and build support abroad?
Steve Verheul
**Speaker/Instructor Biographies**

**Margaret Biggs** is the Skelton-Clark Fellow in the School of Policy Studies at Queen's University. From 2008-2013 she was President of the Canadian International Development Agency (CIDA) responsible for overseeing Canada's international development and humanitarian assistance efforts worldwide. In this role, Ms. Biggs spearheaded Canadian initiatives on maternal and child health, education, sustainable economic growth, and food security. In this capacity, she also contributed to the horizontal management of major foreign policy priorities such as the whole-of-government mission in Afghanistan. Previously, Ms. Biggs served as Deputy Secretary to the Cabinet and Assistant Secretary, Priorities and Planning, in the Privy Council Office. As an Assistant Deputy Minister she was responsible for policies and programs in the areas of social development, labour markets, skills and learning. Ms. Biggs has an extensive background in federal-provincial relations and played a key role in the creation of Canada’s National Child Benefit.

Ms. Biggs has represented Canada in numerous international fora and has served as Canada's Alternate Governor to the World Bank, as International Executive Co-chair of the China Council on International Cooperation on Environment and Development, and on the Board of Governors for the International Development Research Centre. Ms. Biggs is a graduate of the University of British Columbia and the Norman Patterson School of International Affairs, Carleton University.

**Robert Carberry** was appointed to the United States-Canada Regulatory Cooperation Council in Spring 2011.

Mr. Carberry has an extensive background in regulatory organizations having held senior positions in areas of operations, programs and policy. He has had a leadership role in several high profile trade issues, many of which were between Canada and the U.S. He has worked in a senior capacity in central agencies of the Government of Canada for the last 6 years.

Mr. Carberry obtained a Bachelor of Science in Agriculture (Food Science) from the University of Manitoba and a Masters in Business Administration from the University of Ottawa, where he was the recipient of the Award of Academic Excellence in 2001. He is also a Certified Management Consultant and has considerable private sector experience through family-owned businesses.

**Peng Sang Cau** founded Transformix Engineering in 1995 with three engineers. She has served as the company's President and CEO since 1999, guiding its transition from a local provider of engineering services to international supplier of Advanced Automation Solution. In 2012, Transformix developed an innovative technology called CNC AssemblyTM that is revolutionizing the automation industry.

In 2007, she and her partners won the Kingston Chamber of Commerce Young Entrepreneur Award. She was inducted into the Kingston Chamber Business of Hall of Fame in 2011 and was Kingston Business Woman of the year in 2012, sharing the honor with Leslee Thompson, CEO of Kingston General Hospital. In March and November 2014, she was invited to join Prime Minister Harper and Minister of Trades, James Moore on a Trade Mission to the Netherlands.

In addition to leading Transformix, Peng Sang Cau is a Director in the Kingston General Hospital's Board of Directors. She advised the Ontario Research Council as a member of the Research Matters Panel Advisory Board, and was a member of Intel Customer Advisory Group. She sat on the Kingston Town & Gown Economic Development Committee and served the Kingston Economic Development Center for several years as a member of its Economic Advisory Board. In 2000, she founded and directed the CEO Roundtable, a peer-to-peer support group.
Terry Collins-Williams retired from the Public Service of Canada after a career of more than thirty years in the field of international trade and economic relations. He participated as a principal negotiator in many of the key trade negotiations in which Canada has been involved over the last twenty years, including the Uruguay and Doha Rounds of multilateral trade negotiations, the North American Free Trade Agreement and Canada’s FTA with Chile. He also served abroad in economic and trade positions at the Canadian Embassies in Washington and Tokyo and at the Canadian Mission to the World Trade Organization in Geneva.

Immediately prior to retiring, Terry was Director General of Multilateral Trade Policy in International Trade Canada. In that capacity, he was responsible for the formulation and implementation of multilateral trade policy, primarily in relation to Canada’s participation in the World Trade Organization. He served concurrently as Canada’s Deputy Chief Negotiator, as well as Lead Negotiator for Non-Agricultural Market Access, in the Doha Round of trade negotiations at the WTO.

During the period 2000-2005 Terry was Minister and Deputy Permanent Representative of Canada to the World Trade Organization in Geneva. He was responsible for the management of the team representing Canada at the WTO and for coordination of their participation in the multilateral trade negotiations under the Doha Development Agenda. He was also lead negotiator for Canada for China’s accession to the World Trade Organization.

Since retiring from the Government, Terry has been teaching trade policy and trade negotiations skills in Canada and internationally, including in Kazakhstan, Kyrgyz Republic, Malaysia, Barbados and Cuba.

John Curtis was the founding Chief Economist of the Department of Foreign Affairs and International Trade, having earlier served in a number of economic policy positions in several departments. Throughout his career, his focus has been on all aspects of international trade, most recently on the relationship of trade to the domestic economy, particularly in the field of intellectual property, innovation, and competitiveness. With a strong interest in Asia over the years, he spent two years with the International Monetary Fund on Asian economic matters and some years later played a major role in the development of the Asia-Pacific Economic Cooperation (APEC) forum, serving as the founding Chair of its Economic Committee. He was also involved during this period in the work of the OECD Trade Committee. Dr. Curtis has an undergraduate degree from the University of British Columbia and holds a Ph.D in economics from Harvard University.

David C. Elder is an Adjunct Professor in the School of Policy Studies at Queen’s University. He was a member of the Public Service of Canada for over 30 years, beginning his career in 1973 with the Department of External Affairs, now the Department of Foreign Affairs, Trade and Development. Among his assignments in the Department’s headquarters he served as the Department’s Senior Assistant to the Minister and was Director of International Economic Relations in the Economic Policy Bureau. He had foreign postings in the Canadian Embassy in Dakar, Sénégal, the Canadian High Commission in Harare, Zimbabwe, and as Deputy Permanent Representative of Canada to the Organization for Economic Cooperation and Development. In 1993, he moved to the Privy Council Office, where he served more than 10 years. He was the Assistant Secretary to the Cabinet, Machinery of Government, from 1998 to 2001, and had the responsibility of advising the Prime Minister on matters related to Canada’s system of responsible, representative constitutional government and its operation and structure. At Queen’s University he has been teaching in the Master of Public Administration program since September 2001. From 2002 to 2015, he taught, with Professor Robert Wolfe, the core course on Approaches to Policy Analysis (MPA 802). He also serves as a consultant on public policy and public sector reform and has provided advice to governments, including Nepal, Libya, Russia, Indonesia, Ukraine, Georgia, and Bénin.
Gary Clyde Hufbauer has been the Reginald Jones Senior Fellow at the Peterson Institute for International Economics since 1992. He was on leave as the Maurice R. Greenberg Chair and Director of Studies at the Council on Foreign Relations (1996–98), and he formerly held positions as Marcus Wallenberg Professor of International Finance Diplomacy at Georgetown University (1985–92), deputy director of the International Law Institute at Georgetown University (1979–81); deputy assistant secretary for international trade and investment policy of the US Treasury (1977–79); and director of the international tax staff at the Treasury (1974–76). Dr. Hufbauer holds an A.B from Harvard College, a Ph.D. in economics from King College at Cambridge University, and a J.D. from Georgetown University Law Center. He has written extensively on international trade, investment, and tax issues.

Beverly Lapham has been a professor in the Department of Economics at Queen’s University in Kingston, Ontario since 1989. Her research fields include international trade, international finance, industrial organization, and macroeconomics. She is particularly interested in issues on exchange rate pass-through, the impact of international price differences, business cycles, retail industry adjustments, and the productivity effects of international trade. She has been a co-editor of the Canadian Journal of Economics and has been an associate editor of the Journal of International Economics. She is a research associate in the Centre for International Price Research and has been a member of the Statistics Canada International Trade Advisory Committee.

Velma McColl blends her deep understanding of business, government and policy to create opportunities for her clients. She works on a range of economic and social issues and specializes in energy, environment and green technologies.

Prior to joining Earnscliffe in 2004, Velma advised Federal Cabinet Ministers on political strategy, policy and communications. She has also worked provincially in British Columbia and Alberta. Through her career, she has focused on Canada’s competitiveness and innovation opportunities, climate change, energy, technology and sustainable development. She has worked to find creative solutions across federal/provincial/territorial, North American and international boundaries. Her career includes success as an entrepreneur and experience working collaboratively with business, academia, think tanks, not-for-profit organizations and the public sector.

A Westerner with fifteen years of experience in Ottawa, Velma studied at the University of British Columbia and the Banff School of Management. She is a co-founder of the Canadian Clean Technology Coalition and Women in GR. She also plays a leadership role with several organizations including Sustainable Prosperity and the Ryan’s Well Foundation.

Duane McMullen is Director General, Trade Operations at Canada’s Department of Foreign Affairs, Trade and Development. He has previously led Canada’s commercial programs in China and Korea and worked in the office of the Deputy Minister of International Trade in Ottawa.

Duane McMullen won the Minister of International Trade award in 1999, the Clerk of the Privy Council award in 2003 and the 2012 Ken Sunquist Award for Excellence in International Trade. He is a graduate of Queen’s University in Engineering Physics.
Sandy Moroz joined the Department of Foreign Affairs, Trade and Development in 1987, and worked in the trade policy branch from 1989 in progressively responsible roles until his retirement in 2013. He was Deputy Director of the Canada-U.S. Free Trade Division (1989-91), then Canada’s lead rules of origin negotiator in the NAFTA negotiations (1991-93) and subsequently Deputy Director in the Tariffs and Market Access Division, and Canada’s lead rules of origin and co-lead market access negotiator in the FTA negotiations (1993-96). He served as Deputy Director of the Softwood Lumber Division (1996-97). Moroz was posted to Geneva in Canada’s WTO Mission to the World Trade Organization (1997-2002), with responsibilities for goods market access issues and textile and apparel matters and served for one year as Chair of the WTO Committee on Rules of Origin. Returning to Ottawa in 2002, he became the Director of the Import Controls Division and then Director of the Trade Remedies Division (2006-10).

As Director of the Tariffs and Goods Market Access Division (2011-12), he was the co-lead goods market access negotiator for Canada’s FTA negotiations with the EU, India and the TPP, with responsibility for the goods market access issues in the WTO and in the FTA negotiations as well as the rules of origin negotiations. He continued as Canada’s co-lead goods market access negotiator in the TPP negotiations until his retirement.

Pierre Sauvé is Director of External Programs and Academic Partnerships and a faculty member at the World Trade Institute, University of Bern, Switzerland. He holds visiting professor appointments at the University of Barcelona and the College of Europe. Mr Sauvé was educated in economics and international relations at the Université du Québec à Montreal and Carleton University in Canada, and at Cambridge and Oxford universities in the United Kingdom. He has held visiting lecturer appointments at Sciences-Po in Paris, the London School of Economics and Political Science and the Harvard Kennedy School and was a non-resident Senior Fellow at the Brookings Institution, in Washington, D.C. He served in the secretariats of the OECD, the GATT and the BIS. He was previously a member of the negotiating teams on services and investment of the Canadian Department of Foreign Affairs and International Trade during the NAFTA and Uruguay Round negotiations. He currently advises the World Bank’s investment climate team. His teaching and research activities concentrate on trade in services, investment regulation and comparative regionalism.

Don Stephenson joined the federal Public Service in 1981 and served at the Department of Communications as Executive Assistant to the Deputy Minister, Director of the Arts Policy Division, Director of the Cultural Initiatives Program, and as Cultural Policy Adviser to the Minister of Communications. He subsequently served as Director of Executive Services and of Communications at Consumer and Corporate Affairs; as Special Assistant to the Deputy Minister of Industry Canada; as Director General, Economic Policy at Western Economic Diversification; as Director General, Cultural Industries at Canadian Heritage; and, from September 2000 to October 2002, as Director General, Trade Policy Bureau II at the Department of Foreign Affairs and International Trade. From 2002 to 2004, he served as Assistant Secretary to the Cabinet, Economic and Regional Development Policy, Privy Council Office. In August 2004, Mr. Stephenson was appointed as Ambassador and Permanent Representative of Canada to the Office of the United Nations and to the World Trade Organization, in Geneva, where he served for two years as Chairman of the Non-Agricultural Market Access (NAMA) negotiations, a central component of the Doha Round of multilateral trade negotiations. Mr. Stephenson held the position of Assistant Deputy Minister, Trade Policy and Negotiations, from September 2008 until his retirement in September 2011. He continues to serve as Canada’s Chief Negotiator for the Canada-India Comprehensive Economic Partnership Agreement.

Since his retirement, he has lectured at the Norman Patterson School of International Affairs and the Public Affairs and Policy Management Program, Carleton University, in addition to serving as an instructor with the Centre for Trade Policy and Law at Carleton, the Institute on Governance, the Queen’s Institute on Trade Policy, l’École nationale d’administration publique and elsewhere.
Ari Van Assche is associate professor and chair of the International Business department at HEC Montreal, as well as research fellow at the research centers CIRANO and IRPP. He holds a BA and an MA in Chinese Studies from the Katholieke Universiteit Leuven and a PhD in Economics from the University of Hawaii at Manoa. His research focuses on the organization of global value chains and their implication for trade and competition policies. On this topic, he has recently published the book *Économie du Québec 2015: Contexte et enjeux internationaux* (co-edited with T. Warin and B. Sinclair-Degagné). He is also co-editing the forthcoming IRPP volume *Redesigning Canadian Trade Policies for New Global Realities* (with S. Tapp and R. Wolfe).

In early 2009, Steve Verheul was appointed as Canada’s Chief Trade Negotiator for negotiations between Canada and the European Union in the Department of Foreign Affairs and International Trade. Prior to that appointment, he worked in international trade policy at Agriculture and Agri-Food Canada from 1989 to 2009, where he worked on the NAFTA negotiations, the Uruguay Round of Multilateral Trade Negotiations that led to the establishment of the World Trade Organization (WTO), and the Doha round of WTO negotiations. He was Canada’s Chief Agriculture Negotiator from 2003 to 2009, responsible for leading Canada’s involvement in international trade negotiations on agriculture, including the WTO. Mr. Verheul graduated from the University of Western Ontario in 1984 after obtaining a Bachelor of Arts degree and a Master of Arts degree in Political science.

Robert Wolfe is professor in the School of Policy Studies at Queen’s University. He was a foreign service officer for many years, serving abroad in Dhaka, Bangladesh (1977-79) and in the Permanent Delegation of Canada to the OECD in Paris (1981-85). His Ottawa assignments included the U.S. Trade and Economic Relations Division; and Executive Assistant to the Ambassador for Multilateral Trade Negotiations and Prime Minister’s Personal Representative, Economic Summit. After completing a doctorate in Political Studies, he joined Queen’s in 1995, where he teaches policy analysis and trade policy in the MPA program. Wolfe is a Research Fellow of IRPP where is a co-editor of *Redesigning Canadian Trade Policies for New Global Realities*; a member of the ICTSD E15 task forces on Rethinking International Subsidies Disciplines and on Regulatory Systems Coherence; a Senior Associate of IISD where he works on trade and the post-2015 sustainable development goals; and a Senior Fellow of the Canadian Agricultural Trade Policy and Competitiveness Research Network.