Covid 19 and International Trade

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‘Stress Test’ of Entire Economies

‘Covid 19 resembles a “stress test” of entire economies’

Aim
→ To discover…

1. Aspects which functioned well during the crisis

2. Vulnerable points and next steps
1. Solid Japan – EU Economic Ties During the Covid19 Pandemic

I. Close coordination between Japan and the EU

- Bilateral: the Japan-EU EPA
- Plurilateral: G7, G20
- Multilateral: WTO

Ex. May Leaders’ Meeting
→ Important agreements on trade policy

II. EU’s shift to a ‘geopolitical’ stance on trade

Ex. EU – China Summit
2. Vulnerabilities of the International Trade System and Next Steps

I. Disruption of supply chains by export restriction measures (“Panic buying” by governments)
- Transparency and sharing of information
- Strict implementation of WTO notification rules
- Keep trade-related measures “targeted, proportionate, transparent and temporary”

II. Difficulty of communication
- Rekindle discussion of e-commerce in WTO
- Consider inclusion of data flow provisions in the EPA

III. State of turmoil (based upon the ‘law of the jungle’)
- Ensure a level playing field (LPF) in the global market
- Explore fundamental solutions to the issue of the Appellate body of the WTO
Thank you for your attention