

FACULTY OF JURIDICAL SCIENCES

Lecture-32



Trade and environment

Sustainable development and protection and preservation of the environment are fundamental goals of the WTO. They are enshrined in the Marrakesh Agreement, which established the WTO, and complement the WTO's objective to reduce trade barriers and eliminate discriminatory treatment in international trade relations. While there is no specific agreement dealing with the environment, under WTO rules members can adopt trade-related measures aimed at protecting the environment provided a number of conditions to avoid the misuse of such measures for protectionist ends are fulfilled.

The WTO contributes to the protection and preservation of the environment through its objective of ensuring sustainable development and avoiding protectionism, through its rules and enforcement mechanism, and through work in different WTO bodies.

Trade and environment, as an issue, is by no means new. The link between trade and environmental protection — both the impact of environmental policies on trade, and the impact of trade on the environment — was recognized as early as 1970. Towards the end of the Uruguay Round (1986–1994), attention was once again drawn to trade-related environmental issues, and the role of the soon-to-be-created World Trade Organization.

Regular Trade and Environment Committee

The Trade and Environment Committee is the standing forum dedicated to dialogue between governments on the impact of trade policies on the environment, and of environment policies on trade. Created in 1995, the Committee has followed a comprehensive work programme.

Under the Doha Development Agenda, the regular committee is also looking at the effects of environmental measures on market access, the intellectual property agreement and biodiversity, and labeling for environmental purposes.

Negotiations

In the Doha Round, WTO members received a mandate to negotiate certain aspects of the link between trade and the environment, particularly the relationship between the WTO's agreements and those of other agencies, and market access for environmental goods and services. These talks take place in "Special Sessions" of the Trade and Environment Committee.

Environmental Goods Agreement

Separately, eighteen participants representing 46 WTO members are negotiating an Environmental Goods Agreement

Trade and environment issues

Trade and Climate Change

The issue of climate change, per se, is not part of the WTO's ongoing work programme and there are no WTO rules specific to climate change. However, the WTO is relevant because climate change measures and policies intersect with international trade in a number of different ways.

Trade and green economy

The WTO offers a powerful supporting framework for sustainable development and green economy. It provides an enabling environment through its objectives, institutions and monitoring of potential trade protectionism, enforcement mechanism, toolbox of rules, and growing case law in the environment area.

Sustainable Development Goals (SDGs)

The Sustainable Development Goals (SDGs) are a set of 17 goals and 169 targets that members of the United Nations have endorsed as part of the 2030 Agenda for Sustainable Development.

Co-operation with Multilateral Environmental Agreements

The WTO Secretariat cooperates with a number of implementing bodies for Multilateral Environmental Agreements (MEAs), following their work and providing information on WTO rules and mechanisms. The CTE also regularly receives trade-relevant information and updates from MEAs.