

## Trade and the Environment: Where Do We Stand After Doha

Nathalie Bernasconi-Osterwalder,  
Center for International  
Environmental Law (CIEL)

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## Trade and Environment at the GATT and WTO

- 1970's and 80's: GATT focuses on the implications of environmental policies on trade, rather than the opposite.
- Early 1990's: Tuna-Dolphin reports give rise to concerns about implications of trade rules on environmental policies.
- 1994: Creation of the CTE
- 2001: Doha Mandate / CTESS

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## Doha Ministerial Declaration and the Environment

- Para. 31 (i): MEA-WTO Relationship
- Para. 31 (ii): Information Exchange MEAs-WTO / Observer status
- Para. 31 (iii): Environmental goods and services
- Para. 28: Fisheries subsidies

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## Paragraph 31 (i)

With a view to enhancing the mutual supportiveness of trade and environment, we agree to negotiations, without prejudging their outcome, on:

- (i) the relationship between existing WTO rules and specific trade obligations set out in multilateral environmental agreements (MEAs). The negotiations shall be limited in scope to the applicability of such existing WTO rules as among parties to the MEA in question. The negotiations shall not prejudice the WTO rights of any Member that is not a party to the MEA in question;

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## Paragraph 51

The Committee on Trade and Development and the Committee on Trade and Environment shall, within their respective mandates, each act as a forum to identify and debate developmental and environmental aspects of the negotiations, in order to help achieve the objective of having sustainable development appropriately reflected.

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## WTO Symposium on Trade and SD within the Framework of Para. 51

*While the WTO has discussed [quote unquote] "environmental and developmental issues" in the Committees on Trade and Environment and Trade and Development for many years now, Paragraph 51 of the Doha Development Agenda has come to reshape our thinking. In Paragraph 51, Ministers instructed us to change our frame of mind. In other words, to no longer compartmentalize our work; discussing environmental and developmental issues in isolation of the rest of what we do. These are issues that permeate all areas of the WTO. In fact, it is through the lens of Paragraph 51 that we must now begin to look at the rest of the WTO. We must remember that sustainable development is itself the end-goal of this institution...'*

Pascal Lamy, 10 October 2005

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## NAMA negotiations and environmental considerations

- “Informal” negotiations in specific sectors, including environmentally-sensitive sectors, such as fisheries, forest products, chemicals, and raw materials.
- Lack of consideration of potential environmental impacts of such liberalization

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## WTO Symposium on Trade and SD within the Framework of Para. 51

*... if you believe in markets, you also believe that they are in need of being [quote unquote] “corrected” every once in a while. In other words, the “invisible hand” itself needs to be “taken by the hand” sometimes.*

...

*So what does all this mean for the WTO? It means that while the WTO has the capacity to open borders — and to thereby switch on an important engine of economic growth — for the benefits of that growth to show, Members will need “accompanying policies.”*

Pascal Lamy, 10 October 2005

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## Environmental Measures and Market Access

- Developments in the NAMA negotiations reflect the unresolved tension between environmental regulation and developing countries’ market access opportunities.
- The impacts of environmental regulations on trade are perceived as illegitimate, even where the regulations are WTO compliant.

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## Addressing developing country concerns

- Enhancing transparency and notification of SPS and TBT measures
- Addressing financial and technical assistance to enable effective response to the introduction of environmental and health measures
- Enhancing expertise and capacity to analyze and implement international standards
- Ensuring effective participation in standard-setting bodies
- Addressing obstacles to the effective use of dispute settlement

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## Inside or outside the WTO?

- Many environmental groups (as well as MEAs) are taking the stance: Let’s keep the environment out of the WTO.
- The WTO itself says that it is not an environmental organization.

*However:*

- If the implementation of existing rules and the negotiations leave out environmental considerations, it will be hard to deal with the resulting problems and conflicts outside the WTO.

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## Final Considerations

- WTO must consider the impacts of trade on the environment and environmental policy-making (not only the opposite).
- WTO must address developing country concerns regarding environmental regulation in a meaningful and effective manner.
- Members’ right to protect the environment must be preserved.
- Civil society should increasingly monitor WTO dispute settlement to ensure that jurisprudence evolves towards a balance between environmental and other considerations.
- Transparency and participation in dispute settlement are indispensable.

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