

**Committee on Trade and Environment
Special Session**

**REPORT BY THE CHAIRPERSON OF THE SPECIAL SESSION OF
THE COMMITTEE ON TRADE AND ENVIRONMENT
TO THE TRADE NEGOTIATIONS COMMITTEE**

1. The fourth meeting of the Committee on Trade and Environment Special Session (CTESS) was held on 12 November 2002 and was devoted to information exchange with the Secretariats of various multilateral environmental agreements (MEAs) and the United Nations Environment Programme (UNEP) on Paragraph 31 (ii) of the Doha Ministerial Declaration (DMD). The meeting was announced in the convening notice WTO/AIR/1954 and was convened in informal mode.
2. It was attended by the following MEAs, who were represented at high level:
 - The United Nations Framework Convention on Climate Change (UNFCCC);
 - the Convention on Biological Diversity (CBD) and the Cartagena Protocol on Biosafety;
 - the Rotterdam Convention on the Prior Informed Consent (PIC) Procedure for Certain Hazardous Chemicals and Pesticides in International Trade and the Stockholm Convention on Persistent Organic Pollutants (POPs);
 - the International Tropical Timber Organization (ITTO);
 - the United Nations Forum on Forests (UNFF); and
 - the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal.

WTO and UNEP Presentations

3. The meeting was started by a WTO Secretariat presentation on "Existing Forms of Cooperation and Information Exchange between UNEP/MEAs and the WTO" (TN/TE/S/2).¹ UNEP reported "UNEP-MEA Meeting on Enhancing MEA and WTO Information Exchange" that was held on 11 November 2002. The meeting had identified four areas for information exchange between UNEP/MEAs and the WTO: (1) the promotion of sustainable trade; (2) integrated assessment of the impact of trade policies on the environment; (3) economic incentives, and (4) technology transfer. On observer status, the meeting had proposed that the granting of observer status on an ad hoc basis to

¹ On information exchange, the presentation addressed: (1) the "Global Arrangement between the WTO and the United Nations," (2) the "Elements of Cooperation between the WTO and UNEP," (3) the WTO trade and environment regional seminars in which UNEP, the United Nations Conference on Trade and Development (UNCTAD), and MEAs participate, (4) the UNEP-UNCTAD Capacity-Building Task Force on Trade, Environment and Development in which the WTO participates, (5) the WTO MEA Information Sessions, (6) the WTO side-events organized at the Conferences of Parties (COPs) of MEAs, (7) the joint preparation of documents by the WTO, UNEP and MEAs, (8) the briefing sessions organized by the WTO for MEA Secretariats (so far, only for the CBD), and (9) the meetings organized back-to-back by UNEP with the CTE, and which allow capital-based environment officials from developing countries to participate, and (10) the new WTO document derestriction procedure. On observer status, the presentation explained that 25 international intergovernmental organizations have observer status in the regular CTE, and that the WTO observes the COPs of MEAs on a regular basis.

MEAs in the CTE and other WTO bodies be explored, and that the consideration of future MEA observership requests in WTO be expedited. The need for further capacity building on the trade and environment interface at the national and regional levels was also highlighted.

General Comments by MEAs on Information Exchange

4. A number of MEAs stressed that information exchange would be crucial to ensuring mutual supportiveness between their agreements and WTO rules, and that cooperation between the WTO and MEAs would contribute to sustainable development. The CBD indicated that information exchange could ensure that the linkages between the CBD, the Biosafety Protocol and WTO rules were addressed. This could help avoid potential tensions between these different regimes. In addition, it argued that improved information exchange at the international level would eventually lead to better national co-ordination between trade and environment officials. The PIC and POPs Conventions stressed that because the PIC Convention was a trade-related MEA, and the POPs Convention had a trade-related provision, coordination with the WTO would be important. Information exchange between the different legal regimes could address issues of compliance and dispute settlement, and ensure that mutually supportive views on environmental and trade regimes were expressed in different fora. It argued that information could also be usefully exchanged on paragraph 31 (iii) of the DMD which was relevant to the chemical Conventions. The Conventions also mentioned best-available technology (BAT) and best-environmental practice (BEP), concepts that were inextricably linked to environmental goods and services and to process and production methods.

5. The ITTO highlighted that Article 14 of International Tropical Timber Agreement (ITTA) called for information exchange with GATT. A number of decisions which were subsequently taken by ITTO confirmed the need to exchange information with WTO, and participate in WTO meetings when feasible. Trade was a vital aspect of the ITTO's work, and thus close coordination with WTO would be important. Various aspects of the Doha Development Agenda were relevant to ITTO, such as paragraph 32 (i) of the DMD on the effects of environmental measures on market access. The Basel Convention argued that information exchange with WTO would be crucial to review the impact of the international movement of hazardous waste on the environment, in particular in developing countries. The UNFF also pointed to the many areas of common interest with WTO, such as certification and labelling and illegal trade.

Specific Proposals by MEAs on Information Exchange

6. Specific proposals on information exchange were made by the UNFCCC and the UNFF. The UNFCCC proposed that (1) consultations between the WTO and parties to MEAs (not just MEA Secretariats) begin to take place, (2) all relevant WTO Committees, and not just the CTE, be encouraged to engage in Information Sessions with MEAs, and (3) the WTO create opportunities for information exchange with MEAs at their COP meetings. The UNFF proposed that MEA Information Sessions be given greater focus in future. As not all MEAs shared the same interests, it suggested that those which did be grouped together. It proposed that an MEA Information Session be organized on trade in illegally harvested wood, to which the CBD, the ITTO, the UNFF and the Convention on International Trade in Endangered Species (CITES) could be invited. Other Sessions could focus on dangerous chemicals, or compliance and enforcement.

MEA Comments on Observer Status

7. On observer status, MEA representatives called for observer status to be granted in the CTESS and other relevant WTO bodies. They pointed to their own rules on observer status which allowed other organizations to participate in their work by simply expressing an interest in doing so. The CBD indicated that it had pending requests for observer status before the TRIPs Council, the Agriculture, SPS and TBT Committees, and the CTESS. The UNFF indicated that it would be formulating a request for observer status in the CTE and its Special Session shortly.

Exchange with WTO Members

8. At the meeting, questions were posed by participants to UNEP and the MEAs, and vice versa. Many different aspects of the presentations made were raised. Thus, a number of WTO Members benefitted from this opportunity to comment on and/or seek further clarification from the organizations invited.

Direction for Future Work

9. To conclude, I believe that this Session was extremely useful. It was the first such Session to be held in the context of trade and environment negotiations in the WTO. I strongly urge all participants to now see how it can feed into the CTESS' work on the Paragraph 31 (ii) mandate. I also call upon participants to address the question of observer status in the CTESS, whether on an ad hoc basis or otherwise, as a matter of urgency.
