Joint Working Party on Trade and Environment

DRAFT AGENDA FOR THE NGO CONSULTATION

3 June 2003

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Joint Working Party on Trade and Environment

NGO Consultation

3 June 2003, 9.30-18.00

OECD Headquarters, 2, rue André-Pascal, Paris (16th)

OVERALL PURPOSE AND BACKGROUND

The consultation is designed with the aim of providing NGOs with the opportunity to exchange views with delegates of the OECD Joint Working Party on Trade and Environment (JWPTE) and to provide input into the formulation of the latter's work programme. Discussions will focus on current key questions in the area of trade and environment and on elements of the future work programme that have been identified as of high priority.

Since its creation in 1991, the JWPTE has sought to promote a dialogue with interested parties outside government. Seven consultations have been held since then, with representatives of industry, trade unions, and environmental organisations, focusing on both the nature and direction of the JWPTE’s work, as well as on particular trade-and-environment topics. OECD Members are keen that their efforts in this respect should continue.

The meeting will be chaired by the Co-Chairs of the JWPTE: Ms. Harriët Lapidaire (The Netherlands) and Mr. Enrique Lendo (Mexico). The working languages of the meeting will be English and French. Simultaneous interpretation will be available.

PARTICIPATION

National NGOs: Delegations are invited to nominate up to 3 NGO representatives to participate in the meeting. It is recommended that delegations include one representative from a national industry and one representative from a national environmental group. It is hoped that representatives of development-oriented NGOs will also attend.

International NGOs: Representatives from international industry, trade union and environmental organisations will be invited, respectively, through BIAC, TUAC and a co-ordinator for environmental NGOs. In order to achieve a balance between national NGO representatives from different member countries, and because of space restraints, it is requested that national delegations and international co-ordinators respect the guidance provided on numbers to be invited.

Delegations are asked to notify the OECD Secretariat (Martina Abderrahmane, tel: 33 1 45 24 89 31, fax: 33 1 44 30 61 63, Martina.Abderrahmane@OECD.org or Rebecca Smith tel 01 45 24 96 96, fax 33 1 45 24 78 76, Rebecca.Smith@oecd.org) of their nominations by no later than Tuesday, 27 May 2003 and to provide the following information: country delegation, name of participant(s), ministry or organisation to which the participant is affiliated, type of NGO (industry, environment, trade union, development, other), telephone and fax numbers, mail address, and e-mail address.

BACKGROUND MATERIAL

Relevant background studies are available on the Trade Directorate and Environment Directorate websites at http://www.oecd.org/. The reference numbers of documents issued since the previous NGO consultation (November 2001) available on these sites are indicated at the bottom of the agenda.
PRACTICAL INFORMATION

Getting to the OECD

The OECD’ headquarters are located 2, rue André Pascal, on the western side of Paris, near Porte de la Muette. Bus lines 32, 63 and PC have stops near to the OECD. The nearest metro stop is La Muette (line 9). The OECD is also near to two RER (line C) commuter-train stations, Boulainvilliers and Avenue Henri Martin, and approximately equidistant between Paris’ two major airports: Charles de Gaulle (also known as Roissy) and Orly.

Accommodation

Participants are expected to make their own travel and accommodation arrangements. However, a list of local hotels will be sent upon request.

OECD security arrangements

Participants are advised that the security arrangements in force at the OECD include the obligation to present an identity document bearing a photograph. This document will be requested at the time of issuing entry badges for the meeting.
## DRAFT AGENDA

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<tr>
<td>9.30–10 00</td>
<td>WELCOMING REMARKS BY THE JWPTE CO-CHAIRS</td>
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<tr>
<td>9.30–10 00</td>
<td>PRESENTATION OF PAST AND CURRENT WORK IN THE JWPTE</td>
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<tr>
<td>10.00–11.00</td>
<td>Open discussion: PRESSING ISSUES AT THE INTERFACE OF TRADE AND ENVIRONMENT</td>
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<tr>
<td>11–11.30</td>
<td>Coffee break</td>
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<tr>
<td>11.30–13.00</td>
<td>Open discussion: WTO MINISTERIAL MEETING IN CANCÚN — EXPECTED OUTCOMES</td>
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Participants are invited to address the following issues:

- What outcomes in the area of trade and environment would the different stakeholders see emerging from it?
- What issues would stakeholders identify as requiring additional analysis?
- In which areas do stakeholders consider that the OECD — and the JWPTE in particular — can contribute to progress?

Participants are reminded that at Cancún WTO Ministers may address any or all of the topics enumerated in paragraphs 31 through 33 of the November 2001 Doha WTO Ministerial Declaration, including:

- the relationship between the WTO and multilateral environmental agreements,
- environmental goods and services,
- the effect of environmental measures on market access, especially in relation to developing countries,
- situations in which the elimination or reduction of trade restrictions and distortions would benefit trade, the environment and development,
- the relevant provisions of the Agreement on Trade-Related Aspects of Intellectual Property Rights,
- labelling requirements for environmental purposes,
- assistance and capacity building in the field of trade and environment to developing countries, in particular the least-developed among them; and
- the sharing of expertise and experience among members wishing to perform environmental reviews at the national level. (“The Committee [on Trade and Environment] shall report to the Fifth Session of the Ministerial Conference, and make recommendations, where appropriate, with respect to future action, including the desirability of negotiations.”)

| 13.00–15.00 | Lunch        |
The afternoon session will address two topics. Each one will be introduced by two speakers, followed by an open discussion.

“An Agreement on Environmental Goods: Early Harvest or Permanent Preference?”

Speakers: Mr. Reinhard Quick, Verband der Chemischen Industrie (VCI) and Mr. Mahesh Sugathan, International Centre for Trade and Sustainable Development (ICTSD).

At the November 2001 WTO Ministerial, in Doha, Qatar, Ministers pledged to negotiate “the reduction or, as appropriate, elimination of tariff and non-tariff barriers to environmental goods and services.” This session could explore different attitudes towards a possible agreement on environmental goods (and services). For example, should it be approached as a one-off deal — i.e., a sectoral agreement that advances the cause of more general trade liberalisation (at least of manufactured goods) — or as a longer-term arrangement dependent on protecting the tariff advantages (i.e., by maintaining tariffs on “non-environmental” goods) of designated environmental goods indefinitely?

Participants may want to reflect on the ongoing negotiations in the WTO Council for Trade in Services (meeting in Special Session). For example, how might co-ordination be ensured between the two sets of negotiations, so as to ensure complementarities between goods (“the hardware”) and services (“the software”)?

Labelling for environmental purposes: how can they contribute to better market access for developing countries? Special focus on Exports of Organic Agriculture from Developing Countries.

Speakers: Mr. James Griffiths, World Business Council for Sustainable Development (WBCSD) and Ms. Diane Bowen, International Federation of Organic Agriculture Movement (IFOAM).

Ecolabelling schemes — that is, labels that help consumers to identify environmentally preferable products — present both opportunities and challenges for developing-country exporters and are, thereby, part and parcel of the international trade, environment and development debate. At the recent JWPTE Global Forum Workshop on Environmental Requirements and Market Access (held in Delhi, India 27-28 November 2002), participants discussed a series of OECD case studies examining environmental labelling requirements in regards to developing country exports. Several developing-country participants expressed concerns that both voluntary and regulatory environmental labelling and certification programmes may not be taking local market conditions and capacities into account, which they perceived as a barrier to developed-country markets.

Observers regard the expansion of organic agriculture in developing countries as an answer to many problems. Besides improving the sustainability of farming, organic agriculture can exploit the natural advantages of developing countries, yielding products that can be exported to developed countries at a premium price. Or so goes the theory. In practice, developing-country exporters face many tariff and non-tariff barriers when exporting to developed countries. This session could discuss ideas on how procedures (labelling, conformity assessment and determination of equivalence) could be improved and streamlined so as to remove some of the impediments to exports, as well as how to improve the capacity of local institutions to support trade in organic products.

CHAIR’S SUMMARY

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RECENTLY PUBLISHED JWPTE WORK

Since the last consultation, the OECD has released several new documents on trade and environment:

“Environmental Goods: a Comparison of the APEC and OECD Lists”. This document describes how and why the OECD and Asia Pacific Economic Co-operation (APEC) each prepared lists of environmental goods in the late 1990s, compares their coverage, and explains their divergences. Though these lists were developed for purposes other than multilateral trade negotiations, and therefore have to be regarded as only indicative, several countries have considered them to be useful starting points for the discussions currently underway at the WTO on the possibility of reducing or eliminating tariff and non-tariff barriers to environmental goods and services.


“The Polluter-Pays Principle as it Relates to International Trade”. This document: looks at current definitions of the Polluter-Pays Principle (PPP); provides information on the way in which the main elements of the PPP have been incorporated into different laws and practices; analyses the application of the PPP in an international, trade and environment, context; and provides an overview of the linkages and relationship between trade and environmental issues.


“Uncertainty and Precaution: Implications for Trade and Environment”. This document addresses the use of precaution in situations of scientific uncertainty in the context of trade and environment. It reviews the objectives related to precaution that appear in national and international instruments, gives concrete examples of the use of precaution, and sets out the key issues arising for trade and environment from the two previous sections.


“The development dimension of trade and environment: case studies on environmental requirements and market access”. This report contains an overview chapter and 19 case studies on the effects of environmental requirements on developing countries’ access to developed countries markets. The case studies cover a wide range of requirements (both mandatory and voluntary), countries and products. Following a standard format, each case study examines: (a) the motivations behind the measure and the procedures followed in developing and notifying the measure; (b) its impact on exporters; (c) the reaction of developing-country exporters; and (d) the response of importers to developing countries’ concerns.

http://www.olis.oecd.org/olis/2002doc.nsf/43bb6130e5e86e5fc12569fa005d004c7a760535126c10c0c1256c76005aea76/$FILE/JT00135498.PDF [WARNING: 1.2 MB!]

An article was also published in the September 2002 issue of the OECD Observer on this same theme, under the title “Trade and environment: Striking a balance”:


“The relationship between regional trade agreements and the multilateral trading system: environment”. This report, which forms a chapter in a larger study, provides an overview of how environmental considerations are addressed in regional trade agreements and partnerships (RTAs), and highlights similarities and differences between these agreements and relevant provisions in the WTO Agreements.

http://www.olis.oecd.org/olis/2002doc.nsf/43bb6130e5e86e5fc12569fa005d004c3856258c3729095dc1256c5a00520529/$FILE/JT00133879.PDF
“Checklist of Issues for Ex Ante Environmental Assessments of Trade Liberalisation”. This checklist of issues brings together recurring themes arising from Member country experiences with carrying out ex ante environmental assessments of trade liberalisation agreements. It is used by the JWPTE to organise its discussions as Member countries share experiences concerning difficulties encountered and solutions tried.


“Assessing the Environmental Effects of Services Trade Liberalisation: A Methodology”. This 15-page document sets out a six-step approach to assist national policy-makers when undertaking a review of the environmental effects of services trade liberalisation. Explanatory sections provide indicative questions to help analysts ensure that they have considered potential environmental effects.


RELATED WORK

The OECD Secretariat has been actively involved in a cross-directorate programme of work on “environmentally harmful subsidies”. An expert workshop was held on this topic in November 2002. For more information see http://www1.oecd.org/agr/ehsw/