Joint Working Party on Trade and Environment

Draft Agenda for the NGO Consultation

2 December 2004

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Joint Working Party on Trade and Environment

NGO Consultation

2 December 2004, 9.30-18.00

OECD Headquarters, 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 JWPTE’s 2005-6 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. Philip Callaghan (UK). The working languages of the meeting will be English and French. Simultaneous interpretation will be provided.

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.

Delegations are asked to register NGO through their Permanent Delegations by 24 November 2004 and to provide the following information: country delegation, name of participant(s), 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.
PRACTICAL INFORMATION

Getting to the OECD

The entrance to the OECD’s headquarters is located at 19 rue de Franqueville, between rue André Pascal and rue Alfred Dehodencq, on the western side of Paris (16th arrondissement), 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

09.30 WELCOMING REMARKS BY THE JWPTE CO-CHAIRS

10.00 PRESENTATION OF WORK IN THE JWPTE SINCE THE LAST CONSULTATION WITH CIVIL SOCIETY (JUNE 2003)

Open discussion — THE OECD’s 2005-6 PROGRAMME OF WORK ON TRADE AND ENVIRONMENT

Participants are invited to voice their opinions and provide suggestions on the programme of work that the JWPTE is expected to take up in 2005-6. Broadly, that programme of work envisages work on environmental goods and services, regional trade agreements and the development dimensions of Trade and Environment. The first two items will be discussed during the morning session, the third one at the beginning of the afternoon session.

10.00

11.30 ENVIRONMENTAL GOODS AND SERVICES: Continuing to undertake analyses in support of the DDA mandate, paragraph 31(iii) of which calls for “the reduction or, as appropriate, elimination of tariff and non-tariff barriers to environmental goods and services.” Currently, the JWPTE is undertaking a study that attempts to identify the synergies between liberalisation of environmental goods and liberalisation of environmental services.

Background: Since 2002, the WTO’s Committee on Trade and Environment (meeting in Special Session), and the Non-Agricultural Market Access negotiating group, have been considering ways to implement the DDA’s paragraph 31(iii) mandate. Various lists of candidate goods have been circulated to the two groups, including ones developed before the negotiations started (by the OECD and APEC). Much of the debate is centred on the definition of “environmental goods” which the proponents of this negotiating mandate generally understand to be goods or services that are beneficial for the environment or provide environmental protection — e.g., equipment for air-pollution control, recycling, incineration, and measuring and monitoring. However, some developing countries feel that these lists (and the ones subsequently circulated by Japan and Chinese Taipei) reflect a bias towards goods exported by developed countries, and would like the WTO to develop a list of products of export interest to developed countries. Others have raised concerns related to intellectual property rights (IPRs) and the cost of obtaining licenses to use technologies produced by developed countries.

Discussions in the Council for Trade in Services on liberalising trade in environmental services are proceeding slowly. There is much controversy over liberalisation of trade in services that rely on fixed infrastructure, such as water treatment. Yet almost no attention has been paid to the other environmental services, which rely much less on fixed infrastructure: solid waste management services; sanitation and similar services (i.e., street and beach cleaning, and snow removal); and other environmental services (air-pollution control and monitoring; noise and vibration abatement services; nature and landscape protection services; remediation and clean-up of soil, surface water and groundwater; and environmental protection services not elsewhere classified).

Meanwhile, the OECD has tried to emphasise the benefits for developing countries in liberalising trade in EGS. These benefits include meeting environmental goals and improving the welfare of their own populations at lower cost; increasing exports of EG&S, especially to other developing countries; and attracting inward investment.
Participants are invited to suggest ways of moving forward negotiations in this area. Do they have particular goods that they think should be covered by the ¶ 31(iii) mandate? What objections do they have (if any) against encouraging developing countries to open up their trade in environmental services, including services such as solid waste management services, sanitation and similar services, and other environmental services? How important do they see maintaining coherence between the outcomes on environmental goods and on environmental services. How important are non-tariff barriers to trade in environmental goods, and how should the WTO fulfil the mandate in that area? What should “special and differential treatment” mean in the context of these negotiations?

Documentation:


11.30 – 13.00 REGIONAL TRADE AGREEMENTS (RTAs): Beginning new work to gain a better understanding of the ways in which environmental policy goals can best be reflected in RTAs, of the environmental effects of trade liberalisation under RTAs, and of the effects on trade patterns of environmental provisions in RTAs.

Background: Countries have been entering into RTAs for many years. However, the pace at which new RTAs are forming has recently accelerated, and this tendency seems likely to continue for the time being. Since it has been recognised that RTAs have both direct and indirect links to the regional and global environment, it is important to reflect on the ways in which environmental and trade policy objectives can be made as mutually supportive as possible when developing and implementing RTAs.

To date, the OECD has completed several projects related to RTAs and their implications for the environment, most recently in connection with the OECD Trade Committee’s 2002 study on the Relationship between Regional Trade Agreements and the Multilateral Trading System (TD/TC/WP(2002)26/FINAL. This study included a chapter which compared provisions relating to the environment and sustainable development in WTO agreements with those in selected RTAs. It highlighted similarities and differences in the legal provisions and institutions related to the environment between the WTO agreements and RTAs, but did not go into much detail. In particular, the previous work did not attempt to examine the direct and indirect implications of RTAs for environment or trade, nor did it examine actual experience with the implementation of particular RTAs.

This new work will examine the environmental aspects of key RTAs, and will focus on provisions related to the environment; implications of RTAs for the environment; and implications of environmental provisions of RTAs for regional trade. The report will then summarise experiences with the implementation of existing RTAs, and highlight findings from the above analysis that could be useful for the discussion and implementation of new RTAs. The
span of RTAs to be included in the analysis will be kept broad, in order to cover a variety of regional arrangements that deal with trade, either primarily or as one of several areas of cooperation. Relevant bilateral agreements that include provisions related to environment will also be covered.

Participants are invited to comment on the relevance of this project for the trade and environment debate; suggest areas of analysis which they consider of particular importance for this project; point out which RTAs they consider should be included in the analysis, and provide examples of how environmental considerations have influenced the way in which RTAs are worded and implemented. Participants are also invited to discuss how civil society has been involved in the negotiation and implementation of RTAs, and whether improvements would be necessary.

Documentation


13.00 Lunch
14.30 Development Dimensions of Trade and Environment: Follow-up to the work done in 2002-4 on the development dimensions of trade and the environment, with a focus on capacity building and technical assistance.

Background: In November 2000, the JWPTE decided to devote increasing attention to the development dimensions of trade and environment, in line with the overall strategic orientations of the Organisation to integrate development into all aspects of its work. This new emphasis was reinforced by adoption in November 2001 of the Doha Development Agenda by WTO Ministers.

The focus of the first stages of the JWPTE’s work was on the effects of environmental requirements (regulations and standards) on the access of developing-country exporters to OECD markets. This resulted in the preparation of 20 case studies, a workshop in New Delhi, India, a study looking into the perceived and actual difficulties faced by exporters in developing countries wishing to qualify for certain selected ecolabelling schemes, and a report that draws lessons from the case studies.

Currently, there appears to be considerable interest in sharing national and regional experiences in providing technical assistance (TA) and capacity building (CB) in the area of environmental standards and regulations. TA and CB in this area are not only important for complying with foreign environmental requirements, but also for ensuring that countries’ own regulations and standards are well-designed, monitored and enforced.

Participants are invited to discuss examples of TA and CB in the area of trade and environment with which they have been involved, and to comment on how TA and CB in this area could be improved. In particular, it would be useful to hear from participants what they think should be the roles of civil society and governments.
16:00 Break

16:15 Trade and Environment in a post-Doha world

17:45 Open discussion — WTO MINISTERIAL MEETING IN HONG KONG: EXPECTED OUTCOMES

At the end of its meeting in July 2004, the WTO’s General Council called upon all Members to redouble their efforts towards the conclusion of a balanced overall outcome of the Doha Development Agenda in fulfilment of the commitments Ministers took at Doha. The Council agreed to continue the negotiations launched at Doha beyond the timeframe set out in paragraph 45 of the Doha Declaration, leading to the Sixth Session of the Ministerial Conference, which will be held in Hong Kong some time in December 2005.

In December 2005, WTO Ministers will meet for the purposes of, they hope, finalising the current round of multilateral trade negotiations. Whether or not the current negotiations are finalised by then, it is likely at least that they will be completed soon thereafter. Meanwhile, by early 2006, the OECD will have to begin planning what issues (if any) it will address in its 2007-08 programme of work on trade and the environment.

Participants are invited to address themselves to the following questions:

- What outcomes in the area of trade and environment do you see, or hope to see, emerging from the Hong Kong Ministerial?
- What issues would you identify as requiring additional analysis?
- In which areas do you consider that the OECD — and the JWPTE in particular — can contribute to progress?
- In order to help the OECD look ahead to the kinds of issues it might need to address in the future, what outstanding issues do you imagine will remain at the trade and environment interface in three years’ time, and what kind of work (analyses, dialogues, etc.) will be needed to help inform the debates that will likely ensue?
Participants are reminded that at the Hong Kong meeting (December 2005), 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: (a) the relationship between the WTO and multilateral environmental agreements, (b) environmental goods and services; (c) the effect of environmental measures on market access, especially in relation to developing countries; (d) situations in which the elimination or reduction of trade restrictions and distortions would benefit trade, the environment and development; (e) the relevant provisions of the Agreement on Trade-Related Aspects of Intellectual Property Rights; (f) labelling requirements for environmental purposes; (g) assistance and capacity building in the field of trade and environment to developing countries, in particular the least-developed among them; and (h) the sharing of expertise and experience among members wishing to perform environmental reviews at the national level.

Ministers will also be informed by reports from the Committee on Trade and Development and the Committee on Trade and Environment on progress they have made in identifying and debating the developmental and environmental aspects of the negotiations, “in order to help achieve the objective of having sustainable development appropriately reflected” (paragraph 51 of the DDA).

17.45 CHAIR’S SUMMARY
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18.00