WORLD TRADE

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Committee on Trade and Environment Committee on Technical Barriers to Trade Original: English

DRAFT DECISION ON ECO-LABELLING PROGRAMMES

Communication from Canada

The following draft Decision is for discussion purposes to indicate the elements of any decision on eco-labelling that Canada believes important to include. This draft Decision could either be a stand-alone decision or integrated into an omnibus Ministerial decision or resolution.

Ministers,

Recalling their Decision on Trade and Environment taken at Marrakesh on 15 April 1994 that recognized the need for rules to enhance positive interaction between trade and environmental measures for the promotion of sustainable development;

Recognizing that voluntary eco-labelling programmes can be effective market-based policy instruments to encourage environmentally-preferable products and services;

Acknowledging that eco-labelling programmes are predominantly based upon life-cycle approaches;

Emphasizing that there should not be, nor need be, any policy contradiction between upholding and safeguarding an open, non-discriminatory and equitable multilateral trading system on the one hand, and acting for the protection of the environment, including by implementing and maintaining effective eco-labelling programmes, on the other;

Desiring that eco-labelling programmes be designed in such a manner as to ensure non-discrimination, and not create unnecessary obstacles to nor disguised restrictions on international trade;

Mindful of the need for all types of eco-labelling programmes to have a transparent development process and to be based upon criteria that are verifiable, justifiable and scientifically-based;

Decide as follows:

1. Mandatory eco-labelling measures, voluntary eco-labelling measures, and eco-labelling compliance procedures are within the scope of the WTO Agreement on Technical Barriers to Trade (the "TBT Agreement") and its Code of Good Practice for the Preparation, Adoption and Application of Standards (the "Code of Good Practice").

2. The coverage applies to all eco-labelling programmes, whether voluntary or mandatory, whether these be governmental (central or sub-central) or non-governmental.

3. For the purpose of the TBT Agreement, eco-labelling programmes are established by standardizing bodies; therefore, such bodies should accept the TBT Code of Good Practice.

4. The Committee on Trade and Environment, jointly with the Committee on Technical Barriers to Trade, should, as part of its future work programme, analyse the impact of the development of international standards based upon life-cycle approaches.

5. This Decision is not intended to prejudge whether measures related to non-product-related process and production methods are within the scope of that Agreement.

23 July 1996