

## Committee on Trade and Environment

### REPORT (1998) OF THE COMMITTEE ON TRADE AND ENVIRONMENT

1. As agreed in the 1997 Report (WT/CTE/2), the Committee on Trade and Environment (CTE) continued to analyze all items of the work programme set out in the Marrakesh Ministerial Decision on Trade and Environment under the Chairmanship of Ambassador Chak Mun See (Singapore). In order to advance the discussions in 1998, the CTE based its analysis on the "cluster approach" under the themes of market access and the linkages between the multilateral environment and trade agendas.
2. The CTE held three meetings in 1998 (see attached Annex). The 19-20 March meeting addressed those items of the work programme relevant to the theme of market access, items 2, 3, 4 and 6, and included a sector specific discussion of agriculture, energy, fisheries, forestry, non-ferrous metals, textiles and clothing, leather and environmental services. The sectoral discussions and working documents, including those based on national experience, have helped the process of identifying situations where removing trade restrictions and distortions has the potential to be of economic and environmental benefit.
3. The focus of the meeting held on 23-24 July was on those items related to the multilateral environment and trade agendas, including items 1, 5, 7 and 8. On 23 July, the CTE held an information session with a broad range of Secretariats of Multilateral Environmental Agreements (MEAs) relevant to the work of the CTE in order to inform Members on developments in these agreements. The meeting helped to deepen the understanding of delegations of the relationship between the objectives and provisions of MEAs and the WTO. The 26-28 October meeting focused on Items 9, 10, both thematic clusters, and adopted this report of the CTE to the General Council.
4. In fulfilment of the recommendation in the 1996 Report of the CTE to the Singapore Ministerial Conference (WT/CTE/1), the CTE established a WTO Environmental Database according to which the Secretariat will undertake a comprehensive annual review of all environment-related notifications. The development of this database represents an important step towards increasing the transparency of trade-related environmental measures which are notified by WTO Members.
5. A Symposium on Trade, Environment and Sustainable Development with representatives of non-governmental organizations (NGOs) was organized by the Secretariat, under its responsibility, on 17-18 March 1998. The Symposium included the participation of approximately 50 NGOs, the Director-General of the WTO, the Secretary General of UNCTAD, the Executive Secretary of UNEP, the Deputy Administrator of UNDP, and representatives of WTO Member governments. The meeting provided a valuable opportunity for the exchange of views and information.
6. Regional seminars on trade and environment for government officials from developing countries and economies in transition were organized in 1998 by the Secretariat. The objective of these seminars was to raise awareness on the linkages between trade, environment and sustainable development and to enhance the dialogue between policymakers from Ministries of both trade and environment in WTO Member governments. Funding for these seminars was provided by Hong Kong, China; the Netherlands and Norway.

7. In 1998, the CTE extended observer status to the World Intellectual Property Organization and the International Plant Genetic Resources Institute.

8. The CTE agreed to hold three meetings in 1999 (February, June and October) to advance the analysis of all the items on its work programme based on the "cluster approach" under the themes of market access and the linkages between the multilateral environment and trade agendas. The contribution of Members, including where possible their national experiences, on the items of the work programme should enrich these discussions and move forward the process of fulfilling the tasks mandated in the terms of reference of the CTE.

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ANNEX

COMMITTEE ON TRADE AND ENVIRONMENT

Work Programme and Schedule of Meetings for 1998

1. As agreed in the 1997 Report of the Committee on Trade and Environment (WT/CTE/2), the CTE will continue to broaden and deepen the analysis of all Items on its work programme based on the "cluster approach" under the themes of market access and the linkages between the multilateral environment and trade agendas. Time will be allotted for Members, if they so wish, to return to Items discussed at the previous meeting.

2. The CTE's meeting on 19-20 March will address those Items relevant to the theme of market access, including:

- Item 2: the relationship between environmental policies relevant to trade and environmental measures with significant trade effects and the provisions of the multilateral trading system;
- Item 3: the relationship between the provisions of the multilateral trading system and:
  - (a) charges and taxes for environmental purposes;
  - (b) requirements for environmental purposes relating to products, including standards and technical regulations, packaging, labelling and recycling;
- Item 4: the provisions of the multilateral trading system with respect to the transparency of trade measures used for environmental purposes and environmental measures and requirements which have significant trade effects; and
- Item 6: the effect of environmental measures on market access, especially in relation to developing countries, in particular to the least developed among them, and environmental benefits of removing trade restrictions and distortions.

3. At a meeting on 23-24 July, the CTE will discuss the Items related to the linkages between the multilateral environment agenda and the multilateral trade agenda, including:

Information session with selected Secretariats of Multilateral Environmental Agreements;

- Item 1: the relationship between the provisions of the multilateral trading system and trade measures for environmental purposes, including those pursuant to multilateral environmental agreements;
- Item 5: the relationship between the dispute settlement mechanisms in the multilateral trading system and those found in multilateral environmental agreements;
- Item 7: the issue of exports of domestically prohibited goods; and
- Item 8: the relevant provisions of the Agreement on Trade-Related Aspects of Intellectual Property Rights.

4. On 26-28 October, the CTE's discussions will include:

Items under the market access cluster (Items 2, 3, 4 and 6);

Items under the linkages between the multilateral environment and trade agendas cluster (Items 1, 5, 7 and 8);

Item 9: the work programme envisaged in the Decision on Trade in Services and the Environment;

Item 10: input to the relevant bodies in respect of appropriate arrangements for relations with intergovernmental and non-governmental organizations referred to in Article V of the WTO; and

1998 Report of the CTE to the General Council.

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