WORLD TRADE

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Committee on Trade and Environment

REPORT OF THE MEETING HELD ON 4 OCTOBER 2001

Note by the Secretariat

1. The Committee on Trade and Environment (CTE) met on 4 October 2001 under the Chairship of Ambassador Alejandro Jara. The agenda in WTO/AIR/1617 was adopted.

Report of the CTE for 2001

2. The CTE <u>adopted</u> the Report of the Committee for 2001 (WT/CTE/6) and its work programme and schedule of meetings for 2002 (See Annex I). The representative of <u>Switzerland</u> indicated that his country attached importance to the precautionary principle, which had previously been discussed in the CTE in relation to the submission by the European Communities (EC) on "The European Council Resolution on the Precautionary Principle"(WT/CTE/W/181). He wanted the CTE to continue discussing this principle in order to keep up with developments in other international fora, such as the Biosafety Protocol. He believed that further discussions could prevent the use of precaution in a way that would create barriers to trade.

Observer status for intergovernmental organizations

3. The <u>Chairman</u> indicated that a new request for observer status in the CTE had been made by a multilateral environmental agreement (MEA), the International Tropical Timber Organization (ITTO). It was <u>agreed</u> to postpone discussion of the requests for intergovernmental observer status pending discussions in the General Council, including the latest request from the ITTO (WT/CTE/COM/9). The list of pending requests is contained in WT/CTE/W/41/Rev.8.

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

- 4. The <u>Chairman</u> recalled that the Decision on Trade in Services and the Environment instructed the CTE to examine and report on the relationship between services, trade and the environment, including on whether the provisions of Article XIV of the General Agreement on Trade in Services (GATS) required any modification.
- 5. The representative of <u>Switzerland</u> indicated that based on the guidelines for negotiation on trade in services, adopted in March 2001 by the Council for Trade in Services, negotiations in the services area were proceeding. Members had not examined, however, the impact of services trade liberalization on the environment. At the CTE meeting of October 2000, delegations pointed out four services sectors in which liberalization could have environmental consequences; namely, tourism, transport, energy and environmental services. With regard to environmental services, Switzerland said that it was generally assumed that liberalization in this sector benefited the environment. For tourism, transport and energy services, on the other hand, some believed that liberalization could have adverse environmental effects. Several studies had been conducted to better understand the nature of this impact. At the international level, the Organisation for Economic Co-operation and Development (OECD) prepared a study on the benefits of trade liberalization in environmental services. Other organizations, such as the World Tourism Organization, may have also carried out studies on environmental impacts of services liberalization in the tourism sector. At the national level, several

Members of the World Trade Organization (WTO) had conducted their own environmental impact assessments. Norway, Canada and the European Union (EU), for instance, had referred to ongoing studies on the environmental effects of services liberalization. Finally, several non-governmental organizations (NGOs) had conducted interesting studies. For example, the World Wide Fund for Nature (WWF) had assessed the environmental effects of liberalization in tourism services. Given the large body of literature which now existed on the environmental impact of services liberalization, Switzerland requested the Secretariat to compile the results of the studies that have been conducted in a document for the CTE. Such a compilation would also help the Council for Trade in Services in its deliberations. Switzerland questioned whether liberalization in the services area was taking place due to further GATS commitments, or as a result of Members having already liberalized their respective services sectors and enshrined this liberalization in GATS. If liberalization took place at the national level, prior to being given any specific direction by GATS, then corrective environmental measures would also be needed at the national level. Switzerland insisted that it was important to ensure that new GATS rules would not prevent Members from adopting appropriate environmental measures.

- 6. The representative of the <u>European Communities</u> (EC) supported the Swiss request. He recalled that the last substantive discussions in the services area were held in November 1998 in relation to a Secretariat Note prepared in 1995 (WT/CTE/W/9). This Note could usefully be updated and combined with the Swiss request.
- 7. The representative of <u>Japan</u> supported the Swiss request.
- 8. The representative of the <u>United States</u> (US) supported the Swiss request, indicating that the US was conducting its own review of the WTO's built-in negotiating agenda in the services area, as per its Executive Order on environmental reviews. The review would consider the potentially significant environmental effects of services liberalization, both positive and negative. The US believed that services liberalization could and should proceed in a manner consistent with national regulatory objectives. New GATS obligations should continue to ensure the right of Members to set, maintain and enforce high levels of protection for consumer health, safety and the environment. In the energy sector, the US had indicated to the GATS Committee on Specific Commitments that it was regulating, and would continue to regulate energy services in a manner consistent with objectives of environmental protection, the conservation of natural resources, and sustainable development. The US considered it important not to prejudge the results of any of the reviews that would be conducted and looked forward to further discussions in the CTE on this item.
- 9. The representative of the Czech Republic supported the Swiss request.
- 10. The representative of Canada supported the Swiss request. He confirmed that Canada was indeed conducting an assessment of ongoing GATS negotiations, and recalled that the Secretariat had itself prepared a factual Note on the different approaches used in environmental assessment (WT/CTE/W/171). Canada's framework for conducting environmental assessments of trade negotiations, which outlined the process and analytical requirements for conducting environmental assessments, linked each stage of the environmental assessment to the negotiating process. This was designed to make environmental assessments run parallel to the actual negotiations. The Canadian assessment would culminate in the issuance of a report at the conclusion of the negotiations, summarizing the outcomes. Canada's assessment of GATS was still at an early stage, as were the GATS negotiations themselves. Whatever had been completed could already be shared with the Secretariat. Canada believed that it was important not to operate on the assumption that the environmental impact of services negotiations would be negative; it could also be positive. The objective of environmental assessments should be to determine whether the impacts would be positive or negative, as well as to enhance and build upon positive elements.
- 11. The representative of Norway also expressed his support for the Swiss proposal.

- 12. The representative of <u>Switzerland</u> agreed with the EC on the need to update document WT/CTE/W/9.
- 13. It was <u>agreed</u> that the Secretariat would respond to both the Swiss and EC requests through a single document.

MARKET ACCESS

- Item 4: The provisions of the multilateral trading system with respect to the transparency of trade measures used for environmental purposes relating to products, including standards and technical regulations, packaging, labelling and recycling
- 14. The <u>Chairman</u> indicated that the Environmental Database (EDB) for the year 2000 had been prepared and was contained in document WT/CTE/W/195.
- The representative of Canada thanked the secretariat for the EDB. He referred to paragraph 40 of this document on the Canadian Trade Policy Review (WT/TPR/S/78), which related to the Biosafety Protocol. He informed the Committee that this part of Canada's Trade Policy Review had been corrected. The EDB referred to document WT/TPR/S/78, although a corrigendum to that had been issued (WT/TPR/S/78/Corr.1), and had changed the paragraph of the Review relating to biosafety. He asked the Secretariat to make a corresponding change to document WT/CTE/W/195. As a further update, he confirmed that Canada signed the Biosafety Protocol on 19 April 2001. In addition, he pointed out that significant developments had taken place with respect to the issue addressed in paragraph 43. The first part of paragraph 43 referred to a notification under the Agreement on Technical Barriers to Trade (TBT) on the introduction of an environmental assessment process for food, drugs and cosmetics that are micro-organisms, cultured cells, or products derived from "transgenic" animals or plants, under the Canadian Food and Drug Act. The paragraph stated that these regulations were expected to come into force in 2001. A decision had been reached by Canada to revise the draft environmental regulations, and to include regulations for the environmental assessment of chemicals and polymers. As a result, the regulations specified in the notification never actually came into force, and the general regulations, already in force under the Canadian Environmental Protection Act of 1999, remained applicable.
- 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

Sectoral analysis

Agriculture

16. The representative of Costa Rica presented a paper on the growing importance of the organic agricultural sector for the Costa Rican economy. In the last fifteen years, small agricultural producers in Costa Rica have been shifting into organic agriculture because of the high costs of agrochemicals and their loss of effectiveness, the health and environmental problems associated with traditional agriculture, and their desire to capture new niche markets. Costa Rica noted that there were more than 4,000 organic agricultural producers in Costa Rica today, and over 9,400 hectares devoted to organic production. Most of organic agriculture in Costa Rica was structured in a vertically integrated system, where producers, as well as indigenous communities, were organized according to products and regions. Costa Rica indicated that it was presently producing a vast range of organic products such as bananas, coffee, sugar beet, mangoes, pineapples, and oranges. Many of these products had been exported to the US and EU. In 1998, Costa Rica exported 84,968 tons of

¹ WT/CTE/W/202 (8 October 2001).

bananas, 12,000 tons of coffee and 15,692 tons of sugar. Costa Rica had developed legislation as well as national standards in the field of organic agriculture, and had a rigorous system of inspection and certification. It hoped to be included in the near future in the list of third countries under EU regulation 2092/91, which would enable it to substantially increase exports to the Union. In Costa Rica, the Ministry of Agriculture was in charge of supporting and promoting organic agriculture and of supervising and controlling standards and procedures established for the sector. Three bodies were in charge of controlling and promoting organic agriculture: the phytosanitary service of the state, the national commission of organic agriculture, and the national programme of organic agriculture. In addition to these bodies, the Costa Rican Foreign Trade Corporation had developed a training programme for producers to help them promote their products on the international market.

- 17. Despite the growth of this sector, problems were encountered due to the small size of production units, geographically dispersed production, the high cost of certification, the lack of information on market opportunities, and insufficient research, transfer of technology and financial resources. She indicated that many efforts had been undertaken at the national level to address these problems, and that NGOs, universities, and development agencies were all supportive of this sector. She welcomed the support given by developed countries and various international organizations. For instance, a project by the United Nations Conference on Trade and Development (UNCTAD), on *Strengthening Research and Policy-Making on Trade and Environment in Developing Countries*, attempted to promote organic agricultural exports from the developing world.
- 18. The representative of <u>Paraguay</u> thanked Costa Rica for its document on organic agriculture, which was relevant to the agriculture sector of many developing countries. Paraguay agreed with the concerns expressed by Costa Rica and emphasized the importance of designing governmental support programmes for this sector, and for developing effective inspection and certification systems for organic agriculture as well as marketing strategies.
- 19. The representative of <u>Chile</u> shared the concerns expressed by Costa Rica. Chile also had a growing organic agricultural sector (producing organic tea, honey and wine). He highlighted the important role the private sector played in the transition to organic agriculture, indicating that many consumers were willing to pay price premiums for organic products. He also emphasized the importance of greater international cooperation in this field between governmental and international bodies such as UNCTAD, as well as cooperation with NGOs and consumer groups.
- 20. The representative of the <u>European Communities</u> thanked Costa Rica for its paper. The EC recognized that organic agriculture was of growing importance and offered a considerable number of economic opportunities. The sector was a good and concrete example of the synergies that could exist between trade, development and the environment. He emphasized the importance of having transparent certification systems for organic agricultural produce so as to allow for market access, and welcomed the growing size of this sector in the developing world.
- 21. The representative of <u>India</u> argued that when Item 6 was put on the agenda of the CTE by developing countries, their intention had been to increase market access for the developing world in sectors such as agriculture and textiles, in which there had been a long history of protectionism. This protectionism prevented developing countries from obtaining, through trade, the financial resources required for environmental protection. However, India felt that gradually Item 6 had been narrowed down to only those market access opportunities that could lead to "win-win" situations (for trade and the environment). While the emphasis on win-win situations was not wrong and it was a welcome development that developing countries could export environmentally friendly goods (such as organic products), India stated that the original focus of this item was on granting greater market access to developing countries in all areas of comparative advantage, since any form of trade could generate desperately needed financial resources for environmental protection.

Energy

- 22. The <u>Chairman</u> indicated that the Secretariat had prepared a new study on this sector entitled *The Environmental Benefits of Removing Trade Restrictions and Distortions: the Energy Sector* (WT/CTE/W/200).
- 23. The representative of the Czech Republic welcomed the Secretariat Note, highlighting the importance of the energy sector for all countries. He stated that the production of energy was the greatest polluter of the environment, and that attention needed to be given to energy savings and the use of renewable sources. The objective of the State Environmental Policy developed by the Czech Ministry of the Environment consisted of increasing energy supply in accordance with the principle of sustainable development. This required the sound use of non-renewable energy sources and energy savings. In this context, the Czech Republic welcomed the recent Directive by the Council of the European Union on the promotion of renewable sources of energy in the electricity market. In the energy sector, the internalization of negative environmental externalities (to do with the environmental damage caused by acid rain, greenhouse gases, etc.) was important. Such internalization would reduce the competitiveness of traditional sources of energy, making renewable sources more attractive. He indicated that the State Programme on Energy Conservation and Use of Renewable Sources of Energy for 2002 would be endorsed by the Czech Government in the near future. The main long-term objective was to increase the ratio of renewable energy use to primary energy by 4-6 % by the year 2010. He pointed to another problem in the development of renewable energy; namely, the fact that investments in energy savings and the use of renewable resources were uneconomical and required state support. To address this problem it was necessary to correct energy prices.
- 24. The representative of the <u>European Communities</u> welcomed the Secretariat Note, indicating that it would provide written comments on it in future. It found the energy sector to be particularly challenging because of the wealth of information that existed on it. It indicated that energy was particularly challenging from a trade and environment point of view because of the issue of climate change. On the Secretariat Note, the EC indicated that many of the aggregate figures which it contained for groups of countries hid the effects of subsidies at the grassroots level. The elasticity of demand for energy was also important to consider in looking at environmental effects. On paragraph 32 of the Note, the EC stated that the Committee had to distinguish between good and bad subsidies, and argued that there would be a need to carefully define subsidies. Subsidy reform was needed, it argued, so that energy prices could reflect their environmental cost. It argued that the Note would benefit from additional information on clean and renewable forms of energy.
- 25. The representative of the <u>United States</u> thanked the Secretariat for its useful paper and agreed with the central premise of the paper that energy development and use should be environmentally and economically sustainable. Although the subject was very complex, overall the paper had been well prepared. The US would provide more detailed comments on it in future.
- 26. The representative of Norway thanked the Secretariat for its update of the energy section of document WT/CTE/W/67. Norway agreed with a number of statements made in the study. First, there were both good and bad subsidies; second, subsidy reform did not equal subsidy removal; third, subsidies had to be carefully targeted to have real environmental benefits because there was an array of measures in the energy sector that had trade-distortive as well as environmentally harmful effects; and fourth, certain taxes and subsidies were important for social and developmental objectives (examples of such subsidies had been given in the paper). And finally, referring to paragraph 74 of the Note, Norway highlighted the fact that carefully formulated environmental policies would always be necessary.
- 27. The representative of <u>Canada</u> joined the other delegations in thanking the Secretariat for preparing this study which synthesised the work carried out in various fora on energy and the

environment. Canada cautioned that while the Note (paragraph 74) suggested that carbon taxes were a useful remedy for the environmental problems associated with energy consumption, it was important to bear in mind that they were not the only instrument. Recent work by the OECD and the International Energy Agency (IEA) had highlighted this.

- 28. The representative of <u>Egypt</u> raised the issue of the transfer of technology as crucial for developing countries in the energy sector.
- 29. The representative of <u>India</u> supported the Egyptian statement. In addition, he argued that energy consumption, as opposed to production, needed to be given greater attention, since energy consumption could also be environmentally harmful.
- The observer of the OECD presented the results of a recent study conducted by the OECD on the Environmental Effects of Liberalising Fossil Fuels Trade: Results from the OECD GREEN Model.² The study was initiated by the OECD Joint Working Party on Trade and Environment (JWPTE). It identified the price gaps in the pricing of energy in various OECD and non-OECD countries, and simulated the effects of eliminating these price gaps both in the OECD and the rest of the world. While all the effects of government interventions could not be addressed with price gaps, many of the important ones were captured by the study. The environmental variable that was modelled was carbon dioxide (CO₂), mainly because of its international interest. The OECD used a general equilibrium model, called the GREEN model to undertake this analysis. The result of this study showed that with trade liberalization there would be net reductions in global carbon emissions and that there would be relatively small changes in welfare, i.e. less than +/- 1%. There would also be some shifts in the energy trade, although not huge ones overall, more in the form of a rearrangement of trade patterns. In some countries, where domestic prices were considerably above world prices, there would be an increase in demand through liberalization which suggested a need for environmental measures that would prevent emissions from rising. In countries where domestic prices were lower than world prices, the expected result was a reduction in consumption. One of the interesting results of the study was that most of the simulated carbon emissions reductions would result almost entirely from liberalization outside the OECD region. The OECD representative supported the statements made by several delegations on the need to distinguish between good and bad subsidies. However, he cautioned against the simplistic classification of subsidies into "good" and "bad", since subsidies that were good in some situations could be bad in others. Much of the OECD work, whether on energy, agriculture or fisheries, tried to stay away from branding particular subsidies as either good or bad.
- 31. The <u>Chairman</u> thanked the Secretariat on behalf of delegations for its Note, and indicated that it would be reverted to at the next meeting.

Environmental Services

32. A representative of the <u>Secretariat</u> said that environmental and energy services were included in the new round of services negotiations. With respect to environmental services, the United States, the European Communities, Canada, Switzerland and Australia had presented written communications to the Special Session of the Council for Trade in Services.³ These communications were based on the assumption that increased liberalization in this sector had the potential to generate economic gains (such as technological developments and increased availability of environmental services), as well as to contribute to environmental protection, provided that appropriate environmental policies and instruments were in place. They also suggested that negotiations should proceed on the basis of a list of "core" environmental services, as well as a list of services that were not environmental *per se*, but had been identified as having an environmental end-use (such as

² COM/TD/ENV(2000)38/FINAL (September 2001).

³ See documents S/CSS/W/25, -/38, -/51, -/76 and -/112.

consultation, engineering, research and development). The latter category could be included in a checklist which might be used in the market access negotiations. One of the main issues in environmental services remained that of classification. Various Members were of the view that the current WTO classification⁴ was obsolete, mainly because it focused on end-of-pipe pollution control whereas the industry was now focusing on pollution prevention. The communication presented by the European Communities proposed to revise the current classification in order to better reflect trade and sectoral realities. The European Communities proposed the creation of seven sub-sectors, instead of the current four, based on the environmental media (air, water, soil, waste, noise, etc.). The communication presented by Switzerland was close to the EC proposal. The United States and Australia were in favour of a revised classification. Canada proposed to conduct negotiations on the basis of the existing classification. Members continued to hold various views with respect to these proposals.

- 33. Concerning energy services, this sector had not been negotiated as such during the Uruguay Round and did not appear as a distinct sector in the WTO Services Sectoral Classification List. Until recently, energy production, transportation, and distribution had been dominated by stateowned vertically integrated enterprises. There was, however, an increasing trend towards privatization and liberalization. In the context of the services negotiations, the United States, Canada, Norway, the European Communities, Venezuela, Chile and Japan had presented communications on energy services.⁵ Classification was also one of the main issues in this sector and proposals ranged from creating a new category for energy services to identifying energy-related services in the existing Services Sectoral Classification List. The communications referred to above also addressed regulatory issues, including rules on transparency and pro-competitive disciplines, but underlined that liberalization did not mean deregulation. Most proposals stressed that liberalization in this sector could not impair governments' ability to ensure objectives such as the protection of consumers and of the environment, or the conservation of natural resources. Nearly all the proponents explicitly stated that the question of ownership of natural resources was outside the scope of the negotiations.
- 34. The representative of <u>India</u> stated that it should come as no surprise that developing countries had not made a single proposal on environmental services, because from a developing country perspective, the definition of environmental services was itself an unresolved issue in the GATS Committee on Specific Commitments, and because developed countries were the main suppliers of these services and would be the main ones to benefit from their liberalization. He acknowledged, however, that environmental benefits could accrue to both developed and developing countries. Concerning the cluster approach referred to by the Secretariat representative, these were fine for developing countries as long as they remained only guidelines. A problem would arise if developing countries making commitments in one sub-sector had to make commitments in other related sub-sectors, because they formed part of the cluster.

LINKAGES BETWEEN THE MULTILATERAL ENVIRONMENTAL AND TRADE AGENDAS

Items 1 and 5: The relationship between the provisions of the multilateral trading system and trade measures for environmental purposes, including those pursuant to MEAs; and the relationship between the dispute settlement mechanisms in the multilateral trading system and those found in MEAs

35. A representative from the <u>United Nations Environment Programme</u> (UNEP) updated the CTE on UNEP's work on trade and environment. He indicated that UNEP had developed three central elements to its work programme including: enhancing mutual supportiveness between MEAs and the WTO; assessing the environmental benefits of trade-related policies and capacity-building on the

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⁴ Services Sectoral Classification List (MTN.GNS/W/120): (A) Sewage services; (B) Refuse disposal services; (C) Sanitation and similar services; (D) Other environmental services.

⁵ See documents S/CSS/W/24, -/58, -/59, -/60, -/69 + Add.1, -/88 and -/42/Suppl.3.

trade and environment policy interface. He indicated that at the WTO's Fourth Ministerial Conference, UNEP would present the results of its work on environmental assessment at a side event, which would take place on the morning of 11 November. Moreover, a second synthesis report on the outputs of five meetings on the WTO-MEA relationship, which UNEP had organized since June 1999, would also be released in advance of the Ministerial Conference. The document would outline next steps in the enhancement of synergies between the WTO and MEAs. Prior to the first CTE meeting in 2002, UNEP announced that it would hold a second workshop on Subsidies and Sustainable Fisheries Management. It would continue to complement the work of the CTE, and participate in the WTO's regional seminars on trade and the environment.

<u>Item 8</u>: The relevant provisions of the Agreement on Trade-Related Aspects of Intellectual Property Rights

- The representative of Brazil updated the CTE on two events which had recently taken place of 36. relevance to Item 8: (i) an event co-sponsored by the Brazilian government and the EC on The Protection of Biodiversity, Traditional Knowledge and Intellectual Property, which took place in Brazil from 9-11 September 2001; (ii) a seminar organized by UNCTAD and the Foundation for International Environmental Law and Development (FIELD) on Strengthening Research and Policy-Making Capacity on Trade and Environment in Developing Countries, which took place in Tanzania from 4-6 April 2001. In Brazil, fruitful discussions were held on how developing countries could grant access to their genetic resources in a sustainable manner and in fulfilment of their development objectives. It was noted that patents could be an important tool in promoting sustainable access to genetic resources. However, the meeting highlighted the importance of ensuring that the Agreement on Trade-Related Intellectual Property Rights (TRIPS) and the Convention on Biological Diversity (CBD) were implemented in a mutually supportive fashion. While the CBD refered to the TRIPS Agreement, the TRIPS Agreement made no similar reference to the CBD. The meeting indicated that certain elements of the CBD needed to be incorporated in Article 27.3(b) of the TRIPS Agreement.
- 37. In Tanzania, a working group on biodiversity held discussions on issues relevant to Item 8. The working group emphasized the need to maintain the existing flexibility in Article 27.3(b), but indicated that the Article should to be adapted to developmental and environmental needs. It noted that there was ambiguity in some of the terms used in the Article (such as the term "micro-organisms") which had to be addressed. It drew attention to the importance of protecting traditional knowledge and preventing biopiracy, as well as cooperating at the international level on these issues.
- 38. The representative of <u>India</u> expressed his country's hope that Ministers at the WTO's Fourth Ministerial Conference would give some direction to the CTE and the TRIPS Council in this area.

ANNEX I

Work Programme and Schedule of Meetings for 2002

- 1. The 2001 Report of the Committee on Trade and Environment (WT/CTE/6) sets out that the CTE will continue to analyse all the items on its work programme based on the "cluster approach" under the themes of market access and the linkages between the multilateral environmental and trade agendas. Building on the contribution of Members, including where possible their national experience, on the items of the work programme, the following tentative schedule of meetings is proposed. At each meeting, time will be allotted for Members, if they so wish, to return to items discussed at the previous meeting, and to raise other issues of relevance to the fulfilment of the Committee's mandate.
- 2. At a meeting to be held on 21-22 March, the Committee 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. On 12-13 June, the CTE will meet to discuss the items related to the linkages between the multilateral environmental and trade agendas, including:

MEA Information Session;

- 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. Discussions at the CTE meeting on 9-10 October will include:
- 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:

Review of the two thematic clusters of market access (Items 2, 3, 4 and 6) and the linkages between the multilateral environmental and trade agendas (Items 1, 5, 7 and 8); and adoption of the 2002 Report.
