

WORLD TRADE ORGANIZATION

RESTRICTED

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Committee on Trade and Environment

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DOMESTICALLY PROHIBITED GOODS

Proposal by Nigeria

The delegation of Nigeria is submitting this document with a view to intensifying work on the issue of domestically prohibited goods. It is Nigeria's firm view that the CTE should be in a position to present a result on this item to the WTO Ministerial Conference in December 1996.

Nigeria has always stressed the need for multilaterally defined WTO rules to deal with trade in DPGs and believes that there remains a strong rational for concluding a DPGs agreement as there is an increasing trend for industries and firms to export products for which domestic sale has been prohibited or severely restricted to protect human health or safety or the environment. Nigeria also recalls that Article 14 of the Rio Declaration on Environment and Development encourages States to "effectively cooperate to discourage or prevent the relocation and transfer to other States of any activities and substances that cause severe environmental degradation or are found to be harmful to human health".

Nigeria considers that disciplines on trade in DPGs should be non-discriminatory, least-trade-restrictive, and should increase transparency in this area, without leading to the extra-territorial application of national measures. Developing countries do not always have the technical knowledge to deal in an appropriate way with imports of DPGs and their import control procedures are not fully developed. Therefore, there should be a reasonable degree of responsibility on exporters of products which are restricted or prohibited on the domestic market because they present danger to public health or the environment.

A great deal of work was achieved by the GATT Working Group on Domestically Prohibited Goods and Other Hazardous Substances, which submitted a draft Decision on DPGs in July 1991. It is Nigeria's view that, where relevant, the results of this work should be used, while taking into account the latest developments in this area, both within GATT/WTO and in other international organizations.

The main elements to be included in a decision on DPGs are the following:

(i) Duplication

Nigeria shares the concern expressed by many delegations that disciplines in the WTO should not duplicate existing mechanisms of other international organizations which have competence and expertise in the areas concerned. Existing international instruments address the problem of DPGs and hazardous wastes and most of them include notification schemes.

The WTO's contribution in the field of DPGs should be to "fill the gaps" in order to strengthen the network of international agreements. In that regard, the solution contained in the

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1991 draft Decision should be carried on, i.e. a WTO Member does not need to notify other WTO Members of a product which it already notifies under another international instrument in which those Members are participants.

(ii) Coverage

Disciplines on DPGs should cover products which are banned or severely restricted on the domestic market of the exporting country because they are determined to present risks for human, animal or plant life or health, or the environment, but which may nevertheless be exported. This includes in particular, pharmaceuticals for human and animal use, consumer goods, chemicals, cosmetics, foodstuffs and dangerous wastes.

Intensive technical work is needed on product coverage in order to define precisely which products would fall under a DPGs decision. In that regard, the CTE could benefit from the participation of experts from relevant international organizations.

(iii) WTO Disciplines Relating to DPGs

Disciplines in the field of trade in DPGs must not go beyond the competence and expertise of WTO but should aim at improving and strengthening the network of related international agreements.

At a minimum, WTO disciplines should aim at increasing transparency on trade in DPGs through a notification system. When a product is banned or severely restricted on the domestic market, but may nevertheless be exported, the exporting country should notify other WTO Members of the measures relating to the product, as well as the reasons for which they were adopted.

Exporting countries should establish enquiry points which would provide, on request, more specific information on the notified products.

(iv) Technical Assistance

In line with the Rio Declaration and Agenda 21, Members should aim at strengthening capacity-building for trade in DPGs by assisting developing countries in developing and strengthening risk assessment capabilities in order to make informed decisions about their imports.

Members should undertake, with the collaboration of the WTO Secretariat and relevant international organizations, to provide technical assistance to developing countries on mutually agreed terms, and taking into account the necessity to develop national means to effectively control trade in DPGs.

(v) Institutional Aspects

The Goods Council should monitor and review the implementation of the decision on DPGs.