

PARAGRAPH 33 OF THE DOHA DECLARATION

Submission by the United States

Paragraph 33: We recognize the importance of technical assistance and capacity building in the field of trade and environment to developing countries, in particular the least-developed among them. We also encourage that expertise and experience be shared with members wishing to perform environmental reviews at the national level. A report shall be prepared on these activities for the Fifth Session.

I. INTRODUCTION

1. Since the Fourth WTO Ministerial Meeting in Doha, Qatar, in 2001, a useful exchange of ideas and information under Paragraph 33 of the Doha Ministerial Declaration has occurred in the CTE Regular Session. This submission by the United States highlights some of the suggestions and efforts we find especially useful for enhancing trade and environment capacity building. In addition, this paper identifies efforts by U.S. government agencies to provide technical assistance in this area. We submit this paper with the expectation that it will contribute to the report of the CTE Regular Session to the Fifth Ministerial Meeting in Cancun, Mexico, in September 2003.

II. MEMBER COMMENTS

2. Several themes have begun to emerge from Member statements in the CTE Regular Session about technical assistance and trade capacity building. First, many Members have noted the importance of creating capacity building programs to assist developing country negotiators to prepare for negotiations in the WTO. The promotion of South-South cooperation, including information exchange and sharing common experiences, should be an essential part of these trade capacity building programs. Second, in order for capacity building to be successful, it is fundamental to conduct a proper assessment of country needs by national authorities as well as by regional and multilateral institutions. UNEP has been particularly active in this area. Finally, the key element of any trade and environment capacity building or technical assistance program is to bring together officials from domestic trade and environment ministries to exchange views on issues of mutual interest. The United States believes that trade and environmental capacity is enhanced when focused at the national level on establishing lines of communication between environment experts, who may not have an extensive background on trade matters, and trade experts, who similarly may not have an extensive background in environmental policy. This idea of domestic coordination between trade and environment officials has also received emphasis in the discussion of Paragraph 31 (i) in the CTE Special Session.

III. U.S. EFFORTS

3. An important part of the U.S. trade agenda is to help developing nations build the capacity to take part in trade negotiations and then implement the results. The United States provides substantial bilateral trade-related technical assistance to developing countries, with programs that totaled \$638 million in 2002. During fiscal years 1999-2001 the U.S. contributed over \$84 million worldwide in trade capacity building specifically related to environmental trade and standards. From October 2001 through August 2002 the total contributions for these programs exceeded \$19 million. Of these contributions, over \$8.7 million went to LDCs between 1999 and 2000.

4. The United States has also made a number of specific contributions to assist the WTO, most recently on April 2, 2003, when it announced that it would contribute \$1 million to a voluntary WTO Global Trust Fund to provide technical assistance for developing country trade capacity-building efforts. Beyond the April announcement, the United States has also given \$1 million to the WTO Global Trust Fund following the Doha Ministerial, and contributed \$250,000 to the WTO's regional trade policy courses in Kenya and Morocco.

5. The United States implements trade and environment capacity building through efforts of its Federal agencies, including the Agency for International Development (USAID), the Trade and Development Agency, the Environmental Protection Agency (EPA), the Department of the Interior, the Department of Commerce, the National Oceans and Atmospheric Administration (NOAA), the Department of State, the Department of Agriculture (USDA), and the Office of the United States Trade Representative (USTR). Presently the USTR is leading an interagency discussion to facilitate bilateral trade capacity building and technical assistance with several developing countries. Activities vary widely depending on the agency offering the technical assistance and the priorities of the host country, but a major emphasis in many programs is given to enhancing communication and collaboration between trade and environment officials at the national level. Some examples of these trade and environment capacity building programs include USAID and EPA efforts to assist Central American countries with environmental compliance and enforcement in areas likely to be impacted by trade; workshops designed by the Department of Interior to improve enforcement of CITES in Mexico to prevent illegal wildlife trade; and the U.S.- Asia Environmental Partnership program (USAEP), which creates partnerships to support the exchange of best practices and technology as a means to promote cleaner and more efficient industries and cities in developing Asian countries. In addition, the Department of State is leading an interagency process to develop environmental cooperation mechanisms to, among other things, assist developing country trading partners with trade and non-trade related environmental capacity building.

IV. ENVIRONMENTAL REVIEWS

6. Paragraph 33 also encourages expertise and experience to be shared with members wishing to perform environmental reviews at the national level. The U.S. experience with conducting formal environmental reviews goes back to the 1992 NAFTA report on environmental issues. In 1999, the United States began conducting formal environmental reviews of certain trade negotiations under Executive Order 13141. The purpose of these reviews is to help identify potential environmental effects of trade agreements, both positive and negative, in order to facilitate responses to such effects throughout the negotiation and implementation processes. Reviews are intended to be one tool, among others, for integrating environmental information and analysis into the fluid, dynamic process of trade negotiations. The overarching framework usually contains three major components: a determination of the scope that the environmental review will take; an estimation of the economic and regulatory effects of the proposed trade agreement; and estimates of the subsequent environmental impacts. Throughout the review process the United States maintains a commitment to intergovernmental and public participation. Since the Executive Order was signed, environmental reviews have been conducted for several bilateral trade negotiations, including the U.S.-Jordan,

U.S.-Singapore, and U.S.-Chile Free Trade Agreements. In addition, environmental reviews are presently underway for the WTO Doha Round of negotiations and the Free Trade Area of the Americas negotiations, as well as for current FTA negotiations with Morocco, Central America, the Southern African Customs Union and Australia.

7. Given the relatively recent arrival of environmental reviews of proposed trade agreements, the United States considers its methodology for conducting these reviews to still be an evolutionary process. The United States already has learned a great deal from its work, and is willing to share its experience in this area with developing countries. In this spirit, EPA has developed a training course on conducting national environmental reviews of trade agreements, and is using it in Central America to assist countries to predict and plan for anticipated environmental changes due to trade liberalization. This process also helps in identifying potential areas to put in place improved environmental measures to further promote a country's efforts towards sustainable development.

V. UNEP EFFORTS

8. The United States supports ongoing work by UNEP in support of the objectives of Paragraph 33. In particular, we believe that recent studies of the impact of trade liberalization on certain agriculture and natural resource sectors in several developing countries (most recently in Argentina, China, Ecuador, Nigeria, Senegal and Tanzania) are useful for identifying vulnerable sectors and policy failures, as well as possible policy solutions to address these problems. The diverse array of issues identified come from a complex set of distinct policy variables in each situation, but across many studies the conclusions point to, among other suggestions, the importance of increasing domestic coordination among environment, trade, finance, and other government officials.

VI. CONCLUSION

9. In conclusion, the United States supports many forms of technical assistance for trade and environment capacity building, through bilateral, regional, and multilateral programs and initiatives. Regardless of the forum, the United States believes that these programs are most effective when they lead to enhanced coordination between domestic environment and trade officials.
