



## TRADE AND ENVIRONMENTAL SUSTAINABILITY STRUCTURED DISCUSSIONS

MEETING HELD ON 19 AND 20 JULY 2022

*Informal summary by the Coordinators<sup>1</sup>*

The eighth plenary meeting of the Trade and Environmental Sustainability Structured Discussions (TESSD) was held on 19-20 July 2022. The meeting was chaired by the TESSD Coordinators, Canada and Costa Rica. The agenda for the meeting was contained in document [INF/TE/SSD/CN/9/Rev.1](#). In keeping with TESSD's open, transparent and inclusive approach, all WTO Members had been invited to attend the meeting.

### 1 INTRODUCTORY REMARKS BY THE COORDINATORS

1.1. The TESSD coordinators said that the road to the Twelfth WTO Ministerial Conference (MC12) had laid the foundations for work in the second half of 2022 through the creation of four working groups reflecting the interests of the diversity of co-sponsors. They highlighted that TESSD had grown to 74 co-sponsors representing around 90% of world trade following Brazil's and the United Arab Emirates' co-sponsorships. The coordinators noted the importance of moving forward on technical elements of the discussions and continuing to focus on the contribution of the WTO and trade policy in identifying concrete actions to address environmental challenges. It was also suggested that co-sponsors begin reflecting on tangible outcomes for the high-level stocktaking event planned for 1-2 December 2022 and for the Thirteenth WTO Ministerial Conference (MC13). Following the remarks by the Coordinators, several delegations took the floor to express their positions on the conflict in Ukraine.

### 2 TRADE-RELATED CLIMATE MEASURES

2.1. The co-facilitators of the working group, Jean-Marie Meraldi (Switzerland) and Göksu Tülümen (Türkiye), provided Members with a summary of the presentations and discussions that had taken place in the first meeting of the Working Group on Trade-related Climate Measures on 17 May 2022. Presentations had been provided by the World Bank and the United Nations Industrial Development Organization (UNIDO). Among the elements that Members had raised were definitional elements of carbon pricing, implicit and explicit carbon-pricing policies, development levels, and reflecting national circumstances and efforts, including common but differentiated responsibilities and nationally determined contributions (NDCs) under the United Nations Framework Convention on Climate Change (UNFCCC), the avoidance of trade distortions, and access to finance. Members had also considered a discussion paper by the United States on climate change - circular economy, and shared experiences with regard to carbon pricing and decarbonization efforts.

2.2. The co-facilitators suggested that the question of embedded emissions of traded goods and how Members are using trade policies to incentivize decarbonization could be a focus of the working group. They had also indicated that carbon pricing had specifically come forward from past meetings as an issue of particular interest. To support such discussions and improve the understanding of ongoing efforts in multilateral fora, the co-facilitators suggested that the next meeting could include presentations on carbon pricing by international organization such as the IMF, OECD and WTO. In addition, the next meeting could be a good opportunity to learn more about plans by the G7 to establish a climate club and consider the issue of carbon standards. Regarding outcomes, the

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<sup>1</sup> This summary, prepared and circulated under the Coordinators' responsibility, provides a non-exhaustive, illustrative review of the issues addressed by Members at the meeting.

facilitators suggested that Members could work towards creating a compilation of best practices or guidelines for the design of national measures.

2.3. Members welcomed discussions on carbon clubs that had been suggested at the previous meeting, including on approaches to encourage carbon pricing, approaches that ensured comparability with implicit carbon pricing, and which could lead to enhanced trade in technology, innovation, and incentivize sustainable outcomes. It was suggested that such discussions should consider WTO rules and international obligations, including under multilateral environmental agreements. Outcomes of the discussions could then inform Members as they to pursue tangible outcomes in the WTO. As a first outcome, a Member suggested that a compilation of discussions could be produced to identify trade policy barriers and opportunities to address these. Another Member noted that such discussions should remain inclusive, transparent, and open to all WTO Members.

2.4. Several Members highlighted the importance of addressing carbon leakage. It was noted that Members had different approaches to reducing emissions, and that equity and fairness should be central considerations to mitigate risks of leakage. Discussions on this topic were suggested to explore different approaches that could be adopted, including the impact of non-pricing measures that could complement the transition towards decarbonizing industry and business.

2.5. Several Members highlighted that eliminating carbon leakage required a global carbon price. To this end, several Members illustrated the benefits of greater cooperation with stakeholders and international bodies with regards to decarbonization efforts, including for priority sectors for developing countries. A Member noted that such cooperation could encourage the creation of a global monitoring, reporting, and verification (MRV) system on carbon pricing. In addition, several Members noted that discussions could delve deeper into analysing carbon standards and methodologies to account for carbon content and to evaluate mitigation efforts, including determining where risks for carbon leakage existed. It was noted that any carbon pricing methods should be consistent with WTO rules and international commitments under the UNFCCC, avoid trade distortions and not lead to additional costs. To advance the discussions, it was suggested that Members focus on basic concepts to build a common understanding and find common solutions that could, *inter alia*, establish principles to minimize discrimination against imported products, recognize carbon-pricing mechanisms and efforts to certify carbon content, and serve to enhance technical assistance and capacity building for developing countries. It was noted by a Member that measuring carbon pricing and carbon content was discriminatory and a disguised restriction on trade, and should not be discussed within TESSD.

2.6. A Member suggested that discussions on trade-related climate measures should include agriculture. It was noted that agriculture, forestry, and other land uses accounted for almost 30% of global emissions, equivalent to heat and electricity production, and that addressing agriculture and land use emissions had a key role to play in achieving net-zero emissions by 2050.

2.7. A Member said that the TESSD Work Plan for 2022 included the objective of increasing transparency. The Member suggested that Members could provide information on their intended measures and their objectives, so that Members could share experiences with similar tools and instruments. This would allow developing countries and LDCs to better prepare for such measures. In turn, efforts to increase transparency in TESSD could be replicated in the Committee on Trade and Environment (CTE) with regard to trade-related climate measures. Another Member suggested that efforts to increase transparency with regard to existing and planned measures could be reflected in Trade Policy Reviews.

2.8. Several Members shared their views regarding potential outcomes from the discussions in the working group. A Member suggested that a written report should be prepared to summarize key points of the discussions, which would provide pathways for deliverables for 2023. Another Member suggested that discussions were still in a preliminary stage and that further discussions were necessary before identifying concrete outcomes.

2.9. The representative of Australia provided an update with regard to national efforts to reduce emissions by 43% by 2030. Australia had included this target in an enhanced NDC under the Paris Agreement and was working to implement the measures to reach this target, as well as working

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with regional partners to increase climate finance and strengthen partnerships to reduce emissions across all sectors of the economy.

2.10. Stakeholders highlighted their efforts and shared views on how to promote engagement and understanding on trade and climate change. The representative of the Forum on Trade, Environment and the SDGs (TESS) suggested that discussions could focus on how international cooperation on trade could support adaptation efforts and noted an upcoming publication that identified access to electricity and resilience-building as strategic objectives across developing countries. Regarding outcomes, he highlighted the benefits of soft law, guidelines, and voluntary pledges to facilitate the design and implementation of trade-related climate measures. The representative of the Organisation for Economic Co-operation and Development (OECD) highlighted the recent launch of the Inclusive Forum on Carbon Mitigation Approaches (IFCMA) aimed at facilitating an evidence-based exchange of information on different efforts to reach net-zero emissions, which would include a stocktaking of current measures and their effectiveness.

### **3 ENVIRONMENTAL GOODS AND SERVICES**

3.1. The representative of the United Kingdom provided a presentation on the impact of technical barriers to trade (TBT) on environmental goods. The presentation aimed to improve the understanding of relevant barriers that could lead to improved collaboration in addressing imbalances in TBT and better regulatory cooperation to ensure high levels of safety and more efficient trade. Through case studies on components for wind turbines and solar panels, the presentation highlighted that: (i) technical barriers decreased trade in environmental goods but with varying impacts depending on the exporting and importing countries; (ii) incidences of duplication or divergence led multiple importing Members to impose similar technical requirements to the exporting country; and (iii) that high levels of regulation reduced the number and diversification of trade flows in environmental goods. It was suggested that trade in environmental goods could be facilitated by: (i) discussing the reduction of imbalances of TBT through assistance to developing countries; (ii) assessing duplicated requirements to promote harmonization and minimizing regional biases; (iii) analysing which developing country exporters held comparative advantages in environmental goods and which were impacted by TBT; (iv) engaging with business to improve understandings of TBT for exporters; and (v) improving data to fully understand the impact of TBT.

3.2. The facilitators of the Working Group on Environmental Goods and Services (EGS), Carlos Guevara (Ecuador) and Helga Helland (Norway), informed Members of discussions that had taken place during the first working group meeting, in which Members had shared their priorities for future discussions and heard a presentation from the International Renewable Energy Agency (IRENA). Members had suggested that a focus on non-tariff barriers (NTBs) would also be useful to the discussions, as well as technology access and development, promoting sustainable supply chains, building institutional infrastructure, and market access for goods, services, and investment.

3.3. For the next meeting, the co-facilitators suggested deepening the focus with regard to climate change mitigation and environmental services. With regard to mitigation, discussions could include examples and characteristics of key goods, services and technologies, non-tariff measures and regulatory issues as well as developing country needs and priorities. Regarding environmental services, facilitators suggested that a presentation by the Secretariat on discussions in the Council for Trade in Services Special Session (CTS-SS) could help Members develop a common understanding and how TESSD could complement this work, while regional experiences with trade in environmental services could be brought in through a presentation by the APEC Secretariat.

3.4. Members welcomed the idea of a staged approach, where Members would discuss objectives and sectors sequentially, and to focus discussions first on goods and services that could help achieve climate goals. Several Members noted that such an approach could avoid definitional challenges and, alternatively, the use of internationally recognized labels or standards could help facilitate the recognition of environmental goods or services. Certain Members indicated their preference to focus on EGS related to climate change mitigation and, specifically, those that directly contributed to reducing greenhouse gas emissions, whereas certain Members indicated the preference of developing countries to discuss climate change adaptation. Members noted that other objectives for their discussions could also include biodiversity loss or pollution.

3.5. Members provided several topics that could be included in future discussions under the objective of climate change, noting, *inter alia*, green infrastructure and sustainably supply chains, energy-efficient smart grids, energy storage, alternative energy, waste management and recycling, direct air capture, carbon capture usage and storage, and e-fuels. A few Members also made reference to the communication by Australia of July 2021 (INF/TE/SSD/W/16), which provided examples for elements that could be discussed in the Working Group on Environmental Goods and Services, including trade facilitation and government procurement.

3.6. Regarding services, Members suggested building on the work of the CTS-SS to avoid a duplication of efforts. A Member noted that discussions on services were less advanced than those on goods, which could warrant a separate track of discussions. Members welcomed the suggestion of a briefing on the state of play of discussions in the CTS-SS. A Member suggested mapping the sectors and subsectors that could contribute to environmental objectives, including through a scope broader than that identified in Section 94 of the Provisional Central Product Classification.

3.7. Several Members welcomed the suggestion to focus on non-tariff measures (NTMs), noting that tariffs on environmental goods were currently low and that addressing NTMs could accelerate the dissemination of such goods. Addressing NTMs could also help promote supply chain resilience, the development of new goods and technologies, encourage product diffusion, and increase the transparency of domestic regulations. It was noted that exchanging information on regulations, standards, and conformity assessment could assist in advancing environmental policy objectives. By promoting the circular economy, facilitating investment in environmental goods and technologies, and through government procurement, the dissemination and adoption of EGS could be accelerated. To advance the discussions, it was suggested that Members could catalogue how NTBs impacted trade through restrictions, testing procedures and import licensing, technical regulation, and customs codes.

3.8. Several Members provided their views with regard to deliverables for the high-level stocktaking event of 1-2 December 2022. A Member noted that TESSD participants could be tasked with identifying one environmental objective and designing a framework for future negotiations ahead of MC13, whereas another Member noted that discussions should first build common understandings on the challenges hindering the deployment and dissemination of EGS. It was also noted that outcomes should be inclusive and particularly represent the views of developing countries and LDCs.

3.9. The representative of the TESS suggested that working backwards from the environmental objective towards identifying the relevant goods or services could require a focus on standards, regulations, NTMs, or investment. Such an approach could include objectives such as decarbonization, climate adaptation, or plastic pollution. It was also suggested that a non-market access discussion would require addressing issues such as regulatory measures, trade and investment facilitation, government procurement, technology transfer, and technical assistance and capacity building. The representative of the World Economic Forum (WEF) provided an update with regard to a report on climate goods and services to be released in September 2022, which would propose a reference list of climate goods, examine non-tariff barriers, and identify services relevant to the identified climate goods. The representative of the United Nations Economic Commission for Europe (UNECE) informed Members of efforts to enhance sustainable traceability in textiles and footwear, which could serve as an example to promote sustainable solutions and the transparency of value chains in relevant sectors.

#### **4 CIRCULAR ECONOMY – CIRCULARITY**

4.1. The facilitators of the Working Group on Circular Economy – Circularity, Olivia Cook (Chile) and Kazunari Morii (Japan), summarized the previous meeting of the working group. They said that presentations made by industry representatives and stakeholders had indicated the need for holistic approaches and consistent policy frameworks, the introduction of recycled materials into supply chains, addressing administrative requirements and customs procedures, and subsidies to promote the circular economy. Members had suggested elements that could be included in future discussions, including whole-of-life approaches which also encompassed emissions, or coherence with multilateral instruments such as the Basel Convention. The co-facilitators suggested that future meetings could invite international organizations working in policy analysis, cooperation, and negotiations with regard to the circular economy. The co-facilitators suggested that, to advance the discussions, a mapping exercise on the different trade aspects and sectors related to the circular economy could

be initiated. This exercise could serve to build a broader understanding of the trade-related dynamics of the circular economy.

4.2. Members welcomed the proposal to conduct a mapping exercise. It was noted that the overarching objective of the exercise should be to identify potential challenges and opportunities to align and strengthen a resource-efficient circular economy. Members suggested building on existing work and to complement efforts in other initiatives, such as the Informal Dialogue on Plastics (IDP). A Member suggested that the mapping exercise could include national measures that had been taken to advance domestic resource efficiency and circular economy targets to provide a baseline understanding amongst Members of current measures. From these elements, Members could share their experiences with regard to what could constitute a best practice. Such discussions, as well as presentations from Members, could encourage learning and help facilitate more circular global trade, across the full lifecycle. Several Members also noted that the mapping exercise should play a supportive role for developing countries and LDCs, an outcome of which could be to promote sustainable waste management practices and the incorporation of circular economy practices into macroeconomic planning.

4.3. A Member noted that the working group could deepen discussions on value-retention processes, while being aware of relevant multilateral environmental agreements. To this end, future discussions could prioritize circular design, which would help address downstream impacts to help durability, reparability, upgradeability, and recyclability. In particular, focusing on necessary standards, such as product passports, and their harmonization could help improve global circularity.

4.4. With regard to waste, another Member suggested that Members could work towards creating fast-track processes with reduced procedures for high-quality waste recycling to help support zero-pollution objectives. Such discussions could be supported through cooperation with the World Customs Organization (WCO).

4.5. Several Members suggested that, given the interlinkages between trade and circular economy, discussions could focus on trade facilitation and leveraging trade deals to facilitate access to goods and technologies that could contribute to the circular economy, *inter alia*, for reverse-supply chains and for goods that supported climate-related solutions such as decarbonization of energy-intensive industries or remanufacturing. Identifying the supportiveness of WTO and trade rules was suggested as a first step towards determining the role of the WTO in supporting a climate-aligned circular economy.

4.6. Several Members shared their experiences with regard to the circular economy. The representative of the Maldives highlighted that the preservation of the ocean was a national priority given its economic importance from which 60% of its GDP was derived. She said that reducing waste was a useful method to reduce energy use and that the Maldives had banned eight varieties of common single-use plastics since 1 June 2022. In addition, partnerships with industry had led to the collection of plastic products for value creation.

4.7. The representative of Canada highlighted Canada's experience with regard to regional trade in the circular economy in recovered paper products to build circular supply chains. He also noted efforts under the Canada-Mexico-United States Commission for Environmental Cooperation to study recycling infrastructure and circular trade with a view to reducing the extraction of primary resources and defining the circular economy.

4.8. The representative of Switzerland shared an update on the national legislative process regarding the circular economy, noting that, following a national consultation, the national legislature was working to set out the conditions for a domestic circular economy. Efforts were underway to revise national laws with a view to implement a new national circular economy policy by the end of 2023.

4.9. The representative of TESS said that Members could seek closer collaboration with the WCO to contribute to the reform of the HS System. He also suggested that soft law and fast-tracking of procedures could provide solutions in the short-term for industries to accelerate their actions on the circular economy. The representatives of the OECD and WEF said that discussions on the circular economy in other fora did not focus on trade-related aspects and that the WTO had an important role to play, in particular regarding regulatory fragmentation. It was noted that support for

developing countries and LDCs through Aid for Trade was underdeveloped and could provide opportunities for such countries to engage more actively in the circular economy.

4.10. The representative of UNECE shared takeaways from an event on "Accelerating the Circular Economy Transition: Policy Options for Harnessing the Power of Trade and Economic Cooperation" on 27 June 2022, which had demonstrated the relevance of the circular economy in addressing climate change, biodiversity loss, and pollution. She underlined that trade could play a key role as an enabler of the circular economy, including by promoting trade in secondary materials, capacity building, and facilitating access to investment.

## **5 SUBSIDIES**

5.1. The co-facilitators of the Working Group on Subsidies, Sveinn K. Einarsson (Iceland) and Mariana Vera (Uruguay), shared an overview of the discussions and the presentations by international organizations that had taken place in the first working group meeting. The presentation by the OECD had highlighted methodologies for evaluating fossil fuel subsidies (FFS) as well as existing information and information gaps. The presentation by the United Nations Environment Programme (UNEP) had summarized the findings of a joint UNEP-FAO-UNDB report, noting that food systems supported the achievement of at least 12 Sustainable Development Goals (SDGs), that government agricultural support policies were not fit for today's food systems, and offered suggestions regarding public policy measures for agricultural producers. The co-facilitators further highlighted points raised by Members during the discussion, including on definitional aspects, the possible scope of the discussions, and the need for transparency.

5.2. With regard to next steps, the co-facilitators suggested focusing the next meeting on industrial subsidies and the trade-related aspects of green subsidies to broaden the scope of discussions based on inputs from Members. To deepen common understandings, it was suggested that the WTO could present information available in the Environmental Database with regard to the use of subsidies by Members to achieve environmental objectives. Other stakeholders could be invited to make presentations on information availability and analysis regarding industrial and green subsidies, whereas Members would be invited to share their experiences.

5.3. A number of Members suggested that discussions in the working group should not duplicate efforts from the work ongoing in the Committee on Agriculture Special Session (CoA-SS). It was noted that the CoA-SS would be the appropriate forum to discuss agricultural reform, including those with regard to subsidies. Other Members suggested that TESSD could contribute to the discussions and needs of the CoA-SS, due to subsidies in the food sector, which of over USD 800 billion between 2019-2021 and the large share of global emissions from the food sector. In addition, it was noted that the links between agricultural support and environmental impacts such as deforestation or biodiversity degradation could be relevant elements in TESSD. Addressing agricultural subsidies was also suggested as an opportunity to help improve the competitiveness of developing countries without requiring burdensome compliance or distorting trade. One Member suggested that the CoA-SS could be informed on the progress of discussions in TESSD.

5.4. Members welcomed the broader scope suggested by the co-facilitators to include industrial and green subsidies in the discussions. For example, a Member highlighted that emissions from metal industries represented 10% of global greenhouse gas emissions. Another Member noted that addressing FFS could also present challenges, in particular for developing countries, underlining the importance of ensuring that the transition be gradual and offer inclusive opportunities for sustainable development. One Member noted that the FFS reform initiative had been created exclusively to discuss fossil fuel subsidies and that discussions on this topic should be excluded from TESSD to avoid duplication.

5.5. It was noted that discussions on the broadened scope could begin by first establishing an evidence-based understanding of the environmental impacts of such subsidies. A Member noted that, although much information existed with regard to subsidies in different sectors, it would be useful for Members to share a common understanding. Members suggested that the broadening of scope could also provide opportunities to enhance transparency and share experiences to explore effective means to rationalize or abolish subsidies, where relevant, based on national circumstances.

5.6. The representative of TESS suggested that the Working Group on Subsidies could identify which forms of support were likely to affect the environment and establish a ranking of problematic support measures in order to advance the discussions.

## **6 STOCKTAKING**

6.1. Members were invited to take stock of the implementation status of the Ministerial Statement and the need to adapt the Work Plan to achieve its full implementation, and to share their views regarding next steps and format of the high-level stocktaking event scheduled for 1-2 December 2022. The Coordinators noted that the Secretariat would prepare a summary of discussions, which could be supplemented by other outcomes.

6.2. Members expressed appreciation for the work achieved so far in TESSD and in the WTO to enhance the contribution of trade in sustainability, including through the MC12 outcome document recognizing climate change and biodiversity loss and pollution as global challenges of importance. To this end, several Members suggested that the high-level stocktaking event could provide an opportunity to draw further attention to the ways in which trade policy can support the environment and increase momentum ahead of MC13 to demonstrate the progress made within TESSD while bringing together the climate and trade communities.

6.3. A number of Members noted that the Work Plan only foresaw one more meeting of the informal working groups in 2022, and suggested that an additional meeting could be organized to further progress in discussions towards the high-level event.

6.4. A Member noted the achievements at MC12 with regard to trade and environmental sustainability. The Member highlighted the growing recognition of the contribution of trade in environmental objectives to encourage more Members to join TESSD. The Member also invited TESSD co-sponsors to identify concrete deliverables for the high-level event in December, which could serve as a precursor for tangible outcomes by MC13.

6.5. A Member suggested that the high-level event could provide an opportunity for Members to discuss the framework for negotiations for goods and services to reach climate goals, provide more transparency on trade-related climate measures in the CTE, identify work to prepare a compilation of best practices on the circular economy, and consider how the WTO could address the trade impacts of subsidies.

6.6. Another Member emphasized the need to turn ideas into the work needed for substantive progress. In particular, addressing climate change required a multifaceted approach combining discussion and outcomes across the thematic work areas in TESSD. With regard to the high-level event, the Member suggested that TESSD should continue to focus on implementing its Work Plan while identifying opportunities to increase knowledge under these workstreams so Members could make informed decisions to facilitate environmental sustainability in the trading system.

6.7. The representative of TESS suggested that a stakeholder day could be organized the day before the high-level stocktaking event.

## **7 REGIONAL SESSIONS**

7.1. Three regional sessions provided experiences at the intersection of trade, climate change, and sustainable development. In the regional session on Asia-Pacific, a presentation by the Pacific Islands Forum highlighted the benefits of the implementation of the Vanuatu e-Single Window (VeSW) in improving the efficiency of border clearance procedures in Vanuatu. The objective of the project was to reduce environmental impacts by integrating electronic systems through facilitated trade under the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) and in fuel-efficient products. The case study of Vanuatu illustrated measures that could be adopted by other Members to facilitate trade while reducing environmental impacts. A presentation by the Asia-Pacific Economic Cooperation (APEC) highlighted experiences with trade in EGS. The representative of APEC provided a breakdown of goods included in the APEC List of Environmental Goods, which included a plurality of goods in both "Renewable Energy Production" and "Environmental Monitoring Analysis and Assessment Equipment". It was noted that global trade in environmental goods had peaked in 2021 at USD 541.5 billion due to better affordability,

environmental awareness, and unstable oil prices. With regard to barriers to trade, 40% of non-tariff measures applied by APEC economies were export-related measures. Regarding environmental services, the presenter noted that services included in the APEC reference list were those directly relating to environmental conditions and those environmentally related for design, construction, or operation of facilities. A presentation by VIETRADE shared Viet Nam's efforts to promote green competitiveness and sustainability in line with the SDGs, highlighting that 20 companies had joined voluntary sustainable standards.

7.2. In the regional session on Africa, the African Development Bank (AfDB) shared perspectives on the circular economy through examples of capacity-building efforts and technical assistance, based on findings from a survey on national circular economy roadmaps. The AfDB noted efforts by African countries to extend the circular economy into national development planning, which were accounted for in eight African countries. It was noted that, to scale circular businesses in Africa, more financing and technical assistance were needed, as well as connections with the public sector. However, scaling the circular economy in Africa provided opportunities for sustainable job creation and development, in particular through the launch of the African Continental Free Trade Area (AfCFTA), which could expand Africa's economy to USD 29 trillion by 2050. The Global Shea Alliance highlighted the interaction between trade and sustainable development through the example of shea products, which supported economic growth by creating 20,000 jobs for women in parkland management and the protection of more than 5,000 hectares of parklands, in turn helping carbon recapture by trees. The Earth Builders Association shared its experience of south-south technological collaboration to develop innovative building tools that could reduce the use of cement and promote sustainable alternatives in the construction of homes.

7.3. The session on Latin America and the Caribbean saw presentations by the International Institute for Cooperation on Agriculture (IICA), Agroicone, UNCTAD-CITES, and Paccari. The presentation by IICA highlighted the contribution of the bioeconomy in promoting economic and social growth, including as a tool for decarbonization through alternative technologies such as biofuels and biomass. The presentation by Agroicone highlighted the experience of the private sector in Brazil with regard to the mutual supportiveness between agriculture and sustainable development through the contribution of technology in enhancing innovativeness and competitiveness and increasing agricultural yields. A joint presentation by the United Nations Conference on Trade and Development (UNCTAD) and CITES described the protection of the queen conch value chain through Blue Biotrade, a programme to commercialize goods and services according to sustainability guidelines including the conservation and sustainable use of biodiversity. The queen conch value chain represented USD 74 million in regulated trade in sectors including food, biochemicals, and eco-tourism. The presentation highlighted the example of the Blue Biotrade programme as a tool to ensure sustainable, legal, and traceable trade. The presentation by Paccari highlighted efforts by the company to responsibly source and sustainably produce and market products from the cocoa value chain, including through joining voluntary sustainability standards, using compostable packaging, and working to reduce emissions by transitioning to renewable energy sources.

## **8 CONCLUDING REMARKS BY THE COORDINATORS AND NEXT STEPS**

8.1. The TESSD Coordinators welcomed the positive reactions to the progress in TESSD as a recognition of the role of trade in addressing environmental challenges. They highlighted the growth of TESSD since early discussions took place in 2020 and the results achieved, including the recognition at MC12 for trade to contribute to sustainability. Ambassador Abraham Peralta (Costa Rica) encouraged Members to continue to work together and concentrate efforts on common objectives to achieve substantive and beneficial outcomes. Ambassador de Boer (Canada) noted the importance of cooperation at the intersection of trade and environmental issues to improve opportunities and quality of life for citizens and thanked the contribution of stakeholders in enriching the discussions. Ahead of their departure from Geneva, the Ambassadors were thanked for their leadership since the launch of the initiative which has seen good growth in participation as well as increasing depth of discussions.

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