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TRADE AND ENVIRONMENTAL SUSTAINABILITY STRUCTURED DISCUSSIONS (TESSD)

COMMUNICATION BY THE TESSD CO-CONVENORS

Revision1

The following communication, dated 12 February 2024, is being circulated at the request of the delegations of Canada and Costa Rica (TESSD Co-convenors).

TESSD WORK PLAN - UPDATE

- 1.1. The 2021 TESSD Ministerial Statement on Trade and Environmental Sustainability provides for the objectives, scope and themes of the work in TESSD. Its implementation over the last two years was guided by the TESSD Work Plan 2022 and the Statement by the TESSD Co-convenors at the occasion of the High-Level Stocktaking Event on 2 December 2022.² This update of the Work Plan is intended to reflect the progress and evolution of the discussions and guide the work towards identifying possible concrete actions or recommendations by the Fourteenth WTO Ministerial Conference (MC14). Going forward, the Work Plan may be further adapted to provide for flexibility and enhance the effectiveness of work in TESSD.
- 1.2. Work will continue in the formats of formal plenary meetings and four informal Working Groups, which are led by facilitators in an inclusive and transparent way, and in coordination with the Co-convenors. Building on the outcomes for the Thirteenth WTO Ministerial Conference (MC13), TESSD and its Working Groups will continue working towards tangible results and identifying concrete actions that participating Members could take individually or collectively.
- 1.3. The Working Groups will also continue monitoring developments in the WTO and international fora so that the different discussions can be mutually supportive. Efforts to support the multilateral work in the Committee on Trade and Environment (CTE) and other WTO bodies will continue and will be strengthened, with a view to reflect relevant outcomes, ideas and progress from discussions in the Working Groups.
- 1.4. Across the four Working Groups, common elements that will be reflected in guiding questions for meetings include transparency, best practices and opportunities for policymaking, and development perspectives, among others. Particular attention will be paid to fostering complementarities across the Working Groups as well as ensuring inclusive approaches to the discussions. The Working Groups will identify challenges and opportunities for trade to contribute to achieving environmental sustainability, especially for developing and least developed Members, and with a particular emphasis on MSMEs. Members will consider the types of capacity building and technical assistance that may aid in overcoming specific challenges, and seek to identify where the WTO and its Agreements can provide support.

¹ This revision includes slight amendments to the language in paragraphs 1.6 as well as 1.7 and reduces the number of planned plenary meetings, reflecting the discussion at the TESSD plenary meeting on 25 January 2024.

² Documents: TESSD Ministerial Statement (<u>WT/MIN(21)/6/Rev.2</u> – 14 December 2021); TESSD Work Plan 2022 (<u>INF/TE/SSD/W/17/Rev.1</u> – 18 February 2022); and Statement by the TESSD Co-convenors (<u>INF/TE/SSD/W/21</u> – 30 November 2022).

- 1.5. In 2024 following MC13, two plenary meetings and three dates for informal Working Group meetings are foreseen. Tentative meeting dates are provided in the Annex. A flexible approach will be taken regarding the organisation and number of Working Group meetings, based on the respective needs of the four Working Groups. The Working Groups will continue their work as outlined below.
- 1.6. The Working Group on Trade-related Climate Measures (TrCMs) will share experiences on the use of TrCMs aimed at achieving climate change objectives and further discuss how trade and environment must be mutually supportive. The Working Group will complement the sharing of experiences by identifying practical ways to enhance cooperation, drawing from technical efforts in other international fora on TrCMs. It will do so by focusing on specific climate objectives, including the clean energy transition and climate change adaptation, while paying particular attention to developing country perspectives. The Working Group will build on and complement discussions in other Working Groups to provide for a comprehensive contribution on these issues.
- 1.7. The Working Group on Environmental Goods and Services will continue an objective-based approach and examine sector-specific issues involved in the promotion and facilitation of trade in environmental goods and services, as well as the identification of climate-friendly technologies. Particular attention will be given to issues of interest to developing countries. Where appropriate, the Working Group will examine cross-sectoral approaches with regard to environmental goods and services. Under the objective of climate change mitigation and adaptation, the Group will continue its work on renewable energy and add other sectors or technologies related to climate change, including adaptation and mitigation. The Working Group will further develop the analytical summary as an outcome document, covering indicative lists of relevant goods and services, trade barriers, including non-tariff barriers, and supply chain bottlenecks, developing country perspectives, and opportunities and approaches to promote and facilitate trade in these goods and services, and explore concrete actions that Members could further undertake.
- 1.8. The Working Group on Circular Economy Circularity will continue its work on trade-related issues of circular economy along the entire lifecycle of products. Members will prioritize their work based on trade aspects of circular economy identified in the outcome document of the mapping exercise ³ transparency; standards and regulations; trade facilitation; waste management; capacity building and technical assistance; technology and other trade-related aspects for cooperation with reference to the illustrative and non-exhaustive list of possible future work in Table 5. Members will deepen their understanding on different approaches to circular economy and share relevant policy experiences. In carrying out this work, the Working Group may take a sector-specific approach.
- 1.9. The Working Group on Subsidies will continue its work on the potential positive and negative environmental effects of subsidies, as well as their trade impacts. In addition to continuing these focused and balanced discussions on agriculture and the transition to a low-carbon economy, the Working Group will also cover further types of subsidies, including subsidies related to biofuels and industrial subsidies. The Group will further develop the compilation of experiences and considerations regarding subsidy design as an outcome document, with a focus on identifying best practices and working towards recommendations on how to enhance transparency and data availability.

³ Mapping Exercise: Trade and trade policy aspects along the lifecycle of products – <u>INF/TE/SSD/W/27/Rev.3</u>.

Annex
Tentative meeting dates for 2024 following MC13

Date	TESSD Meeting
15-16 April	Working Groups
14 and 17 June	Working Groups
29-30 October	Working Groups
28 November	Plenary