



Committee on Trade and Environment

REPORT OF THE MEETING HELD ON 3 JULY 2020

NOTE BY THE SECRETARIAT¹

The Committee on Trade and Environment (CTE Regular) met on 3 July 2020, chaired by H.E. Mr Chad Blackman (Barbados). The Committee adopted the Airgram, **WTO/AIR/CTE/12**, issued on 10 June 2020. The latest list of documents of the Committee was circulated on 29 February 2016 in document [WT/CTE/INF/5/Rev.12](#). The Report of the last CTE meeting, held on 26 and 27 November 2019 is contained in [WT/CTE/M/68](#).

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¹ This document has been prepared under the Secretariat's own responsibility and is without prejudice to the positions of Members or to their rights and obligations under the WTO.

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ACRONYMS

ACCTS	Agreement on Climate Change, Trade and Sustainability
BRS Conventions	Basel, Rotterdam and Stockholm Conventions
CITES	Convention on International Trade in Endangered Species of Wild Fauna and Flora
CoP	Conference of the Parties
CTE	Committee on Trade and Environment
ESM	Environmentally Sound Management
FAO	Food and Agriculture Organization of the United Nations
FAST group	Friends of Advancing Sustainable Trade group
FFSR	Fossil Fuel Subsidy Reform
IISD	International Institute for Sustainable Development
JWPTE	Joint Working Party on Trade and Environment
MC	Ministerial Conference
MEAs	Multilateral Environmental Agreements
OECD	Organisation for Economic Co-operation and Development
PIC	Prior Informed Consent
SC	Standing Committee
SDG	Sustainable Development Goal
TBM	Transboundary Movement
UNCTAD	United Nations Conference on Trade and Development
UNEA	United Nations Environment Assembly
UNEP	United Nations Environment Programme
UNFCCC	United Nations Framework Convention on Climate Change
WCEF	World Circular Economy Forum
WCO	World Customs Organization
WWF	World Wildlife Fund

1 ENVIRONMENTAL MEASURES AND MARKET ACCESS (PARAGRAPH 32 OF THE DOHA MINISTERIAL DECLARATION)

"The effect of environmental measures on market access, especially in relation to developing countries, in particular the least-developed among them, and those situations in which the elimination or reduction of trade restrictions and distortions would benefit trade, the environment and development."

1.1 Fossil Fuel Subsidy Reform

1.1. The representative of New Zealand, on behalf of the signatories of the Statement on Fossil Fuel Subsidy Reform (FFSR), said that a group of 12 developing and developed Members had launched a Statement on FFSR at the eleventh WTO Ministerial Conference (MC11). The signatories had confirmed their intention to seek the rationalization and phase-out of inefficient fossil fuel subsidies that encouraged wasteful consumption, while recognizing that reform needed to take into account the specific needs and conditions of developing countries and to minimize the possible adverse impacts on their development in a way that protected poor and affected communities. The signatories also recognized the importance of the WTO as a forum to advance discussions to achieve ambitious and effective disciplines, including through enhanced transparency and reporting to enable the evaluation of the trade and resource effects of fossil fuel subsidy programmes.

1.2. Since December 2017, the signatories had organized information-sharing events to raise awareness of the scale and impacts of fossil fuel subsidies, advances in methodology such as for national reporting on Sustainable Development Goal (SDG) 12(c) and the opportunities that reform presented. A wealth of information on reporting on SDG 12(c) was available at the SDG 12 Hub.² A recent report by the International Institute for Sustainable Development (IISD) titled "Exploring the Trade Impacts of Fossil Fuel Subsidies" set out the multiple pathways through which fossil fuel subsidies could affect competitiveness and trade at various stages of fossil fuel product value chains.³ As noted in the report, the likely trade impacts of fossil fuel subsidies were important in markets for crude fossil fuels, transformed energy products, as well as non-energy but energy-intensive products. Markets for substitute products, such as those related to renewable energy, could also be significantly affected.

1.3. Prior to the COVID-19 outbreak, the signatories had been actively engaging with WTO Members to renew the MC11 statement for delivery at MC12. Their proposed approach included sharing information and experiences at the WTO, developing a supportive international setting for addressing these subsidies and assisting domestic reform. Due to the challenges of COVID-19, outreach had been paused. For example, a seminar due to be held during the week of the March 2020 meeting of the CTE had to be cancelled. However, the signatories were pleased to speak on FFSR at a webinar organized by IISD on 28 May 2020 on Trade and Climate after COVID-19.⁴ As explained at the webinar, the sharing of information and experiences was even more important following the COVID-19 pandemic. Countries were launching stimulus packages of unprecedented size to assist the economic recovery. Governments were investing in infrastructure, supporting private investment, and considering tax policies to assist those affected by the economic consequences of the pandemic. All this – along with low world oil prices – presented a window of opportunity for reform. Sharing information and experience would help. Signatories were planning events in the fall focused on FFSR as part of a green COVID-19 recovery. They were looking forward to furthering engagement with Members who might be interested to join as signatories.

1.4. The representative of the Kingdom of Saudi Arabia reiterated that the issue of FFSR was dealt with in other forums such as the G20. Her delegation did not agree to link this issue to the WTO.

1.5. The representative of Norway recalled that her country was one of the signatories of the Ministerial Declaration on FFSR and a member of the Friends of Fossil Fuel Subsidies Reform (FFFSR). Her delegation supported efforts to discuss how the WTO could be part of the solution regarding the reduction of inefficient consumption subsidies.

² <https://www.oneplanetnetwork.org/platform-sustainable-development-goal-12>.

³ <https://www.iisd.org/library/exploring-trade-impacts-fossil-fuel-subsidies>.

⁴ <https://youtube.com/watch?v=HD7CdTw5GtU>.

1.6. The representative of the Russian Federation welcomed efforts on environmental protection and said that a good level of ambition and work had been achieved in other international forums, including the G20. Discussions should be held taking into consideration the interest of different parties and based on consensus. Russia had taken an important step by deciding on the elimination of fuel subsidies in fisheries. Fuel subsidies undermined competition and increased pollution. His delegation expressed readiness to engage in consultations and recalled that the G20 was a more appropriate forum for consultations.

1.7. The representative of the Bolivarian Republic of Venezuela said that her delegation did not agree to deal with this issue within the WTO.

1.8. The representative of Switzerland expressed support for the intention of rationalizing and phasing out fossil fuel subsidies that encourage wasteful consumption. To achieve the objectives set out in the Paris Agreement and the SDGs, action was required. Not only did fossil fuel subsidies have a detrimental impact on climate change, but they also had trade-distorting effects, especially on low emission technologies. The WTO was the right place to discuss this issue. She invited all WTO Members to join this important initiative and hoped that, by the next Ministerial Conference, a much bigger group would take forward this issue.

1.2 Other

1.9. The representative of New Zealand, speaking on behalf of participants in the Agreement on Climate Change, Trade and Sustainability (ACCTS), said that in September 2019, the launch of the ACCTS initiative had been announced by New Zealand, Costa Rica, Fiji, Norway and Iceland at the margins of the UN General Assembly Leaders' Week in New York. Since January 2020, Switzerland had formally joined the initiative. A host of actions in the trade policy area could contribute meaningfully to combatting climate change and other serious environmental challenges. The participants of the ACCTS initiative believed that trade and environmental policies had to be mutually supportive. The ACCTS initiative was intended to demonstrate in practical terms how trade rules and architecture could be used to support climate and broader sustainable development objectives while generating momentum towards an eventual multilateral outcome. Since the ACCTS launch announcement, the COVID-19 pandemic had drastically shifted the global context. In responding to this crisis, governments and businesses around the world were taking or considering actions with potentially wide-reaching trade and climate implications. Against this backdrop, the aims of the ACCTS initiative remained as pertinent and significant as ever.

1.10. ACCTS would include trade rules that would help achieve the objectives of multilateral environmental agreements, including the Paris Agreement, and would facilitate increased trade that contributed to green growth and sustainable development. ACCTS would be fully consistent with WTO rules and other international agreements. It would include measures in areas such as: the removal of tariffs on environmental goods and the establishment of new and binding commitments for environmental services; the establishment of disciplines to eliminate harmful fossil fuel subsidies; and the development of guidelines to inform the development and implementation of voluntary eco-labelling programmes and mechanisms. This instrument would be open for accession by other countries able to meet its obligations. This initiative would be a pathfinder to multilateralism over time. Following the postponement of the first round of negotiations scheduled for March 2020, discussions had re-commenced using videoconferencing. The aim remained to conclude the negotiations on a high-quality agreement as swiftly as possible. New Zealand and co-participants remained committed to keeping the CTE informed of progress and were willing to engage further with interested Members.

1.11. The representative of the European Union noted that her delegation had been a longstanding promoter of mutual supportiveness between trade, sustainable development and climate action objectives. Trade initiatives like ACCTS or the Environmental Goods Agreement could contribute to global efforts to mitigate climate change. Her delegation looked forward to seeing further details on the content of this initiative.

1.12. The representative of Switzerland announced that, since January 2020, Switzerland had formally joined the ACCTS initiative. This initiative would send an important signal. The implementation of the Paris Agreement required a contribution from all policy areas, including trade. ACCTS was a concrete step in this direction. The urgency of the situation required rapid action and

tangible results should be achieved. Her delegation hoped that the negotiations would act as a pathfinder and contribute to strengthening the discussion on trade and environmental sustainability.

1.13. The representative of the Kingdom of Saudi Arabia noted that climate change issues were discussed under the Paris Agreement and could not be discussed or even open for interpretation under any forum other than the United Nations Framework Convention on Climate Change (UNFCCC).

2 MULTILATERAL ENVIRONMENTAL AGREEMENTS (MEAS) AND THE WTO (ITEM 1 OF THE CTE WORK PROGRAMME)

"The relationship between the provisions of the multilateral trading system and trade measures for environmental purposes, including those pursuant to multilateral environmental agreements (MEAs)."

2.1 United Nations Framework Convention on Climate Change – 26th Conference of the Parties (CoP 26)

2.1. The Ambassador of the United Kingdom said that, on 28 May 2020, the Bureau of the CoP, with the United Kingdom and its Italian partners, had agreed on new dates for CoP26, which would take place between 1 and 12 November 2021 in Glasgow. This was a crucial moment for the world to come together and commit to a climate-resilient, zero-carbon economy. This meant more ambition to reduce emissions, to build resilience, and to cooperate and support one another. In the wake of COVID-19, action through multilateral institutions was needed – including the WTO – to support a clean, inclusive and resilient recovery built on the principles of the Paris Agreement and the SDGs. Despite the pandemic, the United Kingdom's commitment to urgent climate action had not wavered. The work to protect citizens and repair economies had to go along with actions on climate change. Coronavirus had provided a stark reminder of what happened when humanity's relationship with nature broke down. The recovery was an opportunity to build back better and to protect and restore nature, while reducing exposure to deadly viruses and climate impacts.

2.2. The overarching goal at CoP26 was to raise ambition at the country level. While his delegation recognized the constraints that many countries were facing in light of the ongoing pandemic, it encouraged all countries to make every effort to come forward as soon as possible, and well ahead of CoP26, with more ambitious Nationally Determined Contributions (NDCs) and long-term strategies. Coming out of CoP25, the Climate Ambition Alliance had brought together countries, businesses, investors and other institutions committed to reaching net-zero by 2050. The United Kingdom had recently launched the "Race to Zero" campaign to build on this success and to encourage others to make the same commitment. The CTE was the place to bring together objectives on trade liberalization and climate ambition and to ensure that these were mutually enabling. His delegation wanted to see the CTE facilitate discussions on how to remove barriers to trade in environmental goods and services, encourage innovation in the low-carbon and circular economies, and ensure transparency in relevant policies and regulations. His delegation looked forward to working with the Secretariat and Members on achieving these goals.

2.3. The representative of Argentina said that her delegation was committed to climate action and negotiation under the UNFCCC and the Paris Agreement. Argentina would continue to work to promote ambitious progress on this agenda to ensure a successful CoP26.

2.4. The representative of Canada commended the United Kingdom for its leadership on climate change including the CoP26 presidency and efforts to keep ambitious climate action at the top of the global agenda, even in light of the pandemic. His delegation looked forward to working with the United Kingdom in shaping CoP26 discussions and strongly supported the United Kingdom's efforts to advance transformative action across the five areas identified as requiring special attention, including sustainable finance and the energy transition.

2.5. The representative of Switzerland said that CoP26 was expected to finalize the rules for the implementation of the Paris Agreement and would therefore be an important milestone. Her delegation supported the United Kingdom's efforts to achieve an ambitious outcome at CoP26.

2.2 MEAs Dealing with Chemicals and Waste

2.6. The representative of the Basel, Rotterdam and Stockholm (BRS) Conventions (UNEP) said that the fourteenth meeting of the Conference of the Parties (CoP14) to the Basel Convention, held in April–May 2019, had adopted plastic waste amendments to the Convention with the goal of enhancing the control of the transboundary movements (TBM) of plastic waste and clarifying the scope of the Convention as it applied to such waste. The amendments included:

- i. Annex II (new entry Y48), which made plastic waste, including mixtures of such wastes, subject to the Prior Informed Consent (PIC) procedure as "Other waste", unless these were hazardous (covered in Annex VIII, new entry A3210) or presumed not to be hazardous (covered in Annex IX, new entry B3011);
- ii. Annex VIII (new entry A3210), which clarified the scope of plastic waste presumed to be hazardous and therefore subject to the PIC procedure; and
- iii. Annex IX (new entry B3011), which clarified the types of plastic waste that were presumed not to be hazardous and, as such, not subject to the PIC procedure (provided they were destined for recycling and almost free from contamination and other types of waste).

2.7. The amendments had entered into force on 24 March 2020 for all Parties except those that had opted out. The new entries would become effective as of 1 January 2021.⁵ Webinars and technical assistance activities were also planned for Parties. CoP14 had established the Plastic Waste Partnership to improve and promote the Environmentally Sound Management (ESM) of plastic waste at the global, regional and national levels and to prevent and minimize plastic waste generation. As of 25 June 2020, the Partnership had the following membership: 49 Parties, 1 non-Party State, 56 observer organizations (of which 13 international governmental organizations, 11 Basel and Stockholm Conventions Regional Centres, 2 governmental bodies, 10 non-governmental organizations and 20 industries). Delegations were invited to contact the BRS Conventions Secretariat if interested in joining the Partnership. The first face-to-face meeting of the Partnership had been held in Seychelles from 2 to 5 March 2020. Four project groups had been established to deal with: (i) prevention and minimization; (ii) collection, recycling and other recovery, including financing and related markets; (iii) TBM of plastic waste; and (iv) outreach, education and awareness raising. The first meeting had agreed on the workplans of the project groups. A call for pilot projects would open in July 2020. France, Norway and Switzerland had provided funding.

2.8. Several technical assistance activities had been carried out with the financial support of the European Union, France, Norway and Sweden, including pilot projects to support Parties to implement the three pillars of the Basel Convention (TBM, ESM and prevention of plastic waste, and cross-cutting awareness raising) and to support plastic waste management in remote and mountain areas. Technical assistance activities had also comprised the development of: vital graphics on marine litter and plastic waste (together with the United Nations Environment Programme (UNEP)), a plastic waste inventory toolkit, guidance on ESM of plastic waste and a compilation of best practices for the prevention of plastic waste. Regarding COVID-19, several tools were available in the BRS Conventions website, including technical guidelines on ESM of medical waste adopted by the Basel Convention and factsheets on ESM of medical waste, including plastics. The BRS Conventions Secretariat was also working on the collection of information on best practices to manage medical waste in light of the COVID-19 pandemic.

2.9. With funding from the European Union, Japan and Norway, scientific, technical and legal experts were developing guidelines and guidance, including an update of technical guidelines on ESM of plastic waste and guidance on the development of inventories of plastic waste. The BRS Conventions Secretariat was also providing inputs to the United Nations Environment Assembly (UNEA) process and the *Ad Hoc* Open-Ended Expert Group on Marine Litter and Microplastics. It was collaborating closely with the UNEP Regional Seas Programme, including through a Memorandum of Understanding with UNEP's Mediterranean Action Plan. The representative highlighted the importance of collaboration between the WTO and the BRS Conventions. The BRS Conventions also collaborated with other organizations, including the World Customs Organization (WCO),

⁵ Additional information on the amendments is available at: <http://www.basel.int/Implementation/Plasticwaste/PlasticWasteAmendments/FAQs/tabid/8427/Default.aspx>.

International Maritime Organization, Food and Agriculture Organization (FAO) and the World Health Organization.

2.10. The representative of the European Union welcomed the landmark decision under the Basel Convention to ensure that it would no longer be possible to export most plastic waste without the agreement of importing countries and without any consideration for its final treatment. The European Union was completing changes to its legislation to implement the decision from 1 January 2021. As the European Union had stricter domestic measures for the export of waste than required by the Basel Convention, it would ban the export of plastic subject to the regime of the Basel Convention.

2.11. The representative of Switzerland said that the international chemicals and waste regime had to be further developed to control new dangerous chemicals like microplastics or wastes with global consequences. The ongoing synergy process among the BRS Conventions needed to be further enhanced and deepened, and the international governance structure for the post-2020 period prepared and adopted. Geneva should remain the competence centre for international chemicals and waste policy.

2.3 Members' Experiences on Circular Economy and Plastics

2.3.1 Fiji: Discussions on Trade and Plastic Pollution

2.12. The Ambassador of Fiji noted that the rising environmental, health and economic cost of plastic pollution was a concern for all countries. Given the need for more coordinated global action – and recognizing the important trade dimension of this challenge – a growing number of Members had begun exploring whether and how the WTO could support national and global efforts to reduce plastic pollution and create a more sustainable global plastics economy. On 25 November 2019, China, Sri Lanka and Morocco had co-hosted a workshop entitled "What role for the WTO in plastics pollution?" as part of the CTE's Environment Week. Attracting over 100 participants – including delegations, stakeholder groups and other international organizations – the meeting had helped raise awareness of the trade dimensions of the problem. In addition, the meeting had underscored the trade gaps in existing national and international approaches and had highlighted where the WTO could provide value added to these efforts.

2.13. She added that on 9 February 2020, China, Fiji and Geneva's Graduate Institute had co-hosted an informal consultation attended by 48 delegations. The consultation had underlined the strong and growing support for more focused discussions on plastics at the WTO. Three takeaways had resulted from this consultation. First, Members agreed on the serious nature of the problem and the urgent need to tackle it. All Members were already committed to reducing plastic pollution through specific commitments made in United Nations environmental processes and more broadly in the SDGs, and many Members were already taking concrete steps at the national, regional and international levels to address it. Second, Members recognized trade's central role in the global plastics economy, the range of trade and trade-related measures that were relevant, and the need to avoid fragmented or conflicting trade approaches. The WTO was the logical place to discuss the trade dimension of the challenge and to encourage greater trade cooperation. Developing more coordinated approaches – and avoiding a disjointed patchwork of trade measures and regulations – was perhaps the greatest value added that the WTO could bring to the table. Third, Members highlighted the need to complement – not duplicate – other international efforts. The WTO should not try to address the problem in isolation. Rather, it should be part of a larger solution by focusing on the trade dimension of the challenge and by working coherently with other relevant agencies, including the Basel and Stockholm Conventions, UNEP, the International Organization for Standardization (ISO) and the United Nations Conference on Trade and Development (UNCTAD), as well as with intergovernmental discussions in the context of UNEA. Many delegations saw this initiative as one way to promote coherence between the trade regime and the wider global sustainability agenda. Many delegations had supported the broad aim of launching a plastics initiative at MC12 which all WTO Members would be invited and encouraged to join. The rapid spread of the COVID-19 pandemic had overshadowed work at the WTO, including on plastics. The challenge of plastic pollution had not gone away. Many delegations fully supported resuming discussions on a WTO plastics initiative as soon as it would be feasible to do so. As WTO work resumed, the delegations of Fiji and China proposed holding another open consultation alongside the November 2020 session of the CTE to re-boot the initiative. In the meantime, it was suggested to create an informal friends group to organize future efforts and build support for the initiative.

2.14. The representative of China said that plastic pollution was an important issue for both developing and developed Members. Addressing the issue could demonstrate that the WTO was still relevant for emerging topics of concern for stakeholders. He invited Members to work together and engage in discussions at the WTO.

2.15. The Ambassador of Sri Lanka recalled that her delegation was a co-sponsor of this initiative. International trade policies should support national efforts to reduce plastic pollution and consumption while encouraging alternatives. Such policies, which were in place in many countries, included: import restrictions on single use plastics, standards and labelling on plastic products, extended producer responsibility schemes, deposit refunds and product payback programmes, recycling targets and taxes and fees on plastic consumption. Global value chains and policies promoting a circular economy for plastics were also important. Significant progress had been made in tackling plastic pollution at different levels and the WTO could contribute to further progress. WTO rules did not prevent Members from taking trade-conducive measures to address and mitigate plastic pollution both on land and at sea. Plastic pollution had reduced the sustainability of fisheries resources. There were WTO negotiations on fisheries subsidies, but it was important to have complementary measures within the WTO to address plastic pollution. It was also important to provide trade-related capacity building for reducing plastic pollution in developing countries, with a focus on: technology transfer for countries to adapt existing methods and introduce new ones; the creation of an enabling environment for technology transfer; sustainable transformation of waste material into usable materials; and global value chains involving plastics. It was important to assist developing countries in developing projects targeted at minimizing the environmental effect of plastic waste and its sustainable transformation into usable materials.

2.16. The Ambassador of Pakistan highlighted that the surprising bounce-back of the environment during the lockdown period should encourage the preservation of the environment by taking the right actions while recovering from the impacts of the pandemic. Economic activities should not be detrimental to the environment. With access to and use of proper technology and production methods, economic development could be achieved simultaneously with the conservation of the environment. Sustainable production and consumption were already listed as a goal in SDG 12. According to the UNCTAD report circulated for the CTE meeting, "constraints on the capacity of developing countries to manage waste were a major source of plastic pollution"⁶, plastic pollution had become a global issue that could only be addressed with concerted and coordinated efforts from each country. In its report, UNCTAD had also found that 75% of all plastics ever produced had become waste. Countries had started to act on their own to tackle plastic pollution, which demonstrated the importance of this issue. The importance of the global plastics economy on the one hand, and the costs of its pollution on the other, were the real challenges. The WTO could play a complementary role to other institutions addressing this issue. His delegation looked forward to discussing the issue of plastic pollution and to exploring possibilities for more sustainable and environmentally friendly development approaches in developing countries.

2.17. The representative of Morocco said that his delegation supported the proposal by China and Fiji. The context of the pandemic had led to a new dynamic that could send a positive message on the topic. This dynamic represented great hope, particularly if it considered the technology transfer dimension.

2.18. The representative of Malaysia welcomed Fiji and China's leadership on the trade and plastic pollution initiative and a more sustainable plastics economy. During the United Nations *Ad Hoc* Open-Ended Expert Group meeting on Marine Litter and Microplastics in 2018, APEC had estimated that the impact of marine plastic pollution to the Asia Pacific region amounted to USD 30 billion. Around 70% of all marine debris consisted of plastic, mainly single-use plastic. All countries should observe and adhere to the Basel Convention to combat plastic pollution. This was also in line with SDG 14 related to the conservation and sustainable use of the oceans, seas and marine resources.

2.19. At the domestic level, Malaysia had launched in 2018 a roadmap towards zero single-use plastic by 2030. The roadmap provided a framework to mobilize a multi-stakeholder approach to address this issue. As of 2020, the Malaysian government had successfully closed 153 illegal plastic recycling factories. Efforts among various agencies and departments had been consolidated. To curb the importation of plastic waste, since 2018, the government had enhanced enforcement at Malaysian ports. In 2018, 0.87 million tons of plastic waste had reached Malaysia, up by 59%

⁶ See document JOB/TE/63.

compared to 2017. The latest figures showed that 225 cargos containing plastic waste had been returned to their countries of origin while 69 cargos were at the port awaiting approval from the competent authority, as stipulated in the Basel Convention. His delegation emphasized the urgency for strict regulations to control scrap plastic movement and for Members to adhere to the principles of the Basel Convention.

2.20. The representative of the European Union said that plastic pollution – both on land and in seas and oceans – was a big environmental challenge. The international community had also started to act through initiatives in the G7 and G20; regional measures; MEAs, including the landmark decision on plastic waste under the Basel Convention; and UNEP and UNEA resolutions on marine litter and single-use plastics. The European Union had been supportive of all multilateral efforts on this front. There was a need to continue exploring additional avenues, including through a possible global agreement on plastics. Launching a specific WTO initiative on plastic pollution required some further thinking. When contemplating different multilateral initiatives, it was important to check their complementarity and ensure their usefulness. A possible WTO initiative should create positive synergies with ongoing international processes. Solid coordination and cooperation with relevant international bodies and processes would be required. Ensuring transparency of national measures and the consistency between import and export measures was important. A broader and deeper reflection on the overall role of the WTO in advancing environmental sustainability would provide a good context to have this discussion.

2.21. The representative of New Zealand welcomed the leadership of China and Fiji on this issue. This initiative aligned well with New Zealand's view on the intersection of global environmental challenges and international trade, and the importance of tackling these issues within the established rules-based architecture of the WTO. The work towards a ministerial declaration on trade and environmental sustainability within an informal group would include thematic discussions on a wide variety of trade and environment-related topics. It was important to address both the upstream and downstream aspects of plastic pollution and the challenge of creating more efficient markets that would better align supply and demand. As the key multilateral trade body, the WTO could add value by facilitating cooperation and improving transparency among WTO Members on the trade dimensions, particularly the upstream causes of plastic pollution related to growing production and consumption. WTO work should support and complement work undertaken by international organizations such as UNEP and the Basel and Stockholm Conventions.

2.22. The representative of Bangladesh welcomed Fiji and China's leadership in this discussion. It was important to find solutions to the impacts of single-use plastic and to save the environment, on land and in oceans, with a view to ensuring sustainable development. His delegation encouraged Members to think of alternatives to single-use plastic and reminded Members to follow the call of the United Nations General Assembly Resolution of 14 November 2019 on Natural Plant Fibres and Sustainable Development.

2.23. The representative of Vanuatu, on behalf of the Pacific Group, expressed support for the proposal of Fiji and China to initiate consultations and discussions at the WTO in support of other international efforts, including co-operative approaches and assistance to developing countries. Plastic pollution had emerged as one of the world's growing challenges. The interconnected nature of production and global trade in plastics had accelerated the growth of plastics around the world including in remote regions such as the Pacific. Plastics were finding their way into land, waterways and oceans. Marine pollution and discarded plastic waste threatened the sustainability of the Pacific and were considered one of the priority issues for the region. Plastic pollution incurred significant environmental, health and economic costs and, if left unchecked, could have irreversible consequences. Small vulnerable economies like the Pacific Members were struggling to cope with the safe disposal of plastic. In 2017, the Pacific Islands Forum Leaders Meeting had "committed to fast track the development of policies to ban the use of single-use plastic bags, plastic and styrofoam packaging and called on Pacific Rim partners to join and commit to action on addressing marine pollution and marine debris, to maintain the environmental integrity of the Pacific Ocean for people, planet and prosperity." This problem could not be addressed alone, and international cooperation and collective action were critical. Trade played a critical role and the WTO could effectively contribute to finding solutions.

2.24. The representative of Canada said his delegation was committed to reducing plastic waste and pollution and advancing circular economy approaches. Canada was implementing a range of complementary measures across the plastics value chain to achieve its vision of zero plastic waste

by 2030 and to contribute to strengthened management of plastic resources globally. His delegation thanked UNCTAD for preparing the report and China and Fiji for circulating it. The report provided useful context and background on trade and plastics, including the impact on both developed and developing countries. His delegation remained open to discussing the role that WTO Members could play to address plastic pollution and echoed New Zealand's point regarding the ministerial declaration on trade and environmental sustainability. His delegation requested China and Fiji to provide additional thoughts on what role they would envisage for potential work on trade and plastics at the WTO and indicate how this would complement existing work in this area, including efforts underway at the United Nations.

2.25. The representative of Switzerland welcomed efforts on how the WTO could contribute to reducing plastic pollution and a more sustainable plastic economy. Her delegation attached great importance to the question of circular economy and the reduction of environmental impacts from plastics, among other issues. Trade could play a supportive role in reducing the environmental impacts of plastics. Different policy levels came into play for implementing effective measures: from local (e.g. waste collection) to international (e.g. reuse and recycling). This issue could be discussed in the context of the Informal Working Group on Trade and Environmental Sustainability that her delegation hoped would be established soon. Her delegation remained open for discussions on this issue and on how this work would be taken forward.

2.26. The representative of Norway said that her delegation had also prioritized the issue of plastic pollution. The WTO could play a role to achieve a more sustainable plastics economy. Cooperation in the WTO could help to ensure that trade-related policies were coherent, transparent and effective. The WTO could complement and support other international efforts, primarily the work of UNEA and other organizations. It was important to avoid duplication.

2.27. The representative of the United States said that her delegation would need time to consult capital officials on this proposal, whose approach it found problematic. Some of the elements of the proposal appeared to focus on virgin plastic production, trade flows and global supply chains rather than on circular economy of recyclable materials, recovery and reuse. The WTO could support better environmental outcomes by taking a trade facilitative approach to reverse supply chains.

2.28. The representative of Turkey noted that it would be more difficult to trade hazardous plastics and other plastic waste due to recent multilateral developments on plastic waste. The Basel plastic amendments would impact trade flows. In this context, her delegation intended to propose an agenda item in the WTO related to the plastic waste amendments. The issue was a matter of discussion at the OECD too. Her delegation was pleased that the topic was being discussed at the WTO. As a Party to the Basel Convention, Turkey had recently adopted modifications, which had been developed following the amendments and in cooperation with the private and public sectors. There was a need for guidance from the Basel Convention and time to effectively implement the policies. As a WTO Member and one of the leading international traders of plastic scrap and waste, Turkey supported the initiative and was interested in furthering the discussions on the implementation and the effects of the amendments at WTO level in the context of trade. While the priorities of developing and developed countries converged, the issue underlined the importance of multilateral platforms.

2.29. The representative of China said his delegation felt encouraged by the many comments and suggestions and that it would continue to discuss the issue and reach out to interested Members. The WTO could add value in addressing the issue. This was important for future generations.

2.30. The representative of the United States reiterated that her delegation wished to consult on this topic. As had been made clear in prior meetings, the United States found this approach to plastics problematic and did not endorse it. The WTO could better support environmental outcomes by taking a trade facilitative approach.

2.3.2 The Philippines' Plastic Bank project

2.31. The representative of the Philippines commended Members with initiatives to promote environmental sustainability at the international or national levels. The Philippines, in collaboration with the Canadian government and the private sector, had launched a project known as "Plastic Bank". The project aimed to turn plastic waste into currency and reduce plastics in the ocean while

improving the lives of collector communities. Plastic Bank built ethical recycling ecosystems in coastal communities, diverting plastic waste away from these marginalized communities and from other unfavorable destinations such as landfills, and into the circular economy, while also providing increased income opportunities and social benefits for these communities. Collectors received a premium for the materials they collected, which helped them provide basic family necessities such as groceries, cooking fuel, school tuition, and health insurance. The collected material was reborn as "Social Plastic", which could be easily reintegrated into products and packaging as part of a closed-loop supply chain. As of May 2020, there were around 980 registered collectors, providing increased income for over 3,000 household members. With an average monthly collection of around 200,000 kilograms of plastic, more than 2.5 million kilograms of plastic so far had been collected. Her delegation welcomed collaborative efforts with Members and the private sector to tackle the global problem of ocean plastics.

2.3.3 Ecuador's National Strategy for a Circular Economy

2.32. The representative of Ecuador said that Ecuador's National Strategy for a Circular Economy was the result of a coordinated effort since June 2009 between the Vice Presidency, the Ministry of the Environment and the Ministry of Production. The strategy was a key instrument to generate public policies for environmental sustainability. In the context of the Ecuador 2030 Agreement, the government had signed the National Alliance for Circular Economy with some 180 companies in August 2019. The goal was to support public and private circular economy initiatives in nine areas: (i) the use and industrialization of waste; (ii) eco-design; (iii) cooperation with academic institutions; (iv) clean production; (v) sustainable and resilient infrastructure; (vi) education; (vii) sustainable business; (viii) progressive replacement of single-use plastic, and (ix) economic indicators. The first phase of a White Paper on the Circular Economy had been completed. It established basic principles and sought to place circular economy in the broader context of Ecuador's policy planning, development and management processes. The White Paper would identify actions to promote the circular economy along four main pillars: (i) sustainable production; (ii) responsible consumption; (iii) sound waste management; and (iv) policies and financing.

2.3.4 Norway's Work on Trade and Circular Economy

2.33. The representative of Norway noted that many plans and processes had been put on hold due to the pandemic. Trade had been severely affected and global value chains had been interrupted, and this had negatively affected trade in waste. COVID-19 posed new waste challenges. A circular economy, including trade, was a prerequisite for resource efficiency and green growth. Trade in waste was to a certain degree necessary because of the need to make use of adequate disposal facilities in other countries. At the same time, the Basel Convention underlined the responsibility of each Party to seek to minimize the need for TBM of waste and to ensure the availability of adequate facilities for environmentally sound management of waste, preferably within its own borders. A more circular economy was even more fundamental than before the pandemic. Norway was developing a national strategy for a green, circular economy. The strategy would go beyond the existing waste and circular economy policies and introduce circular economy aspects more broadly across sectors. Among the priorities was a more circular economy for plastic products, strengthened producer responsibility schemes, possible partnerships with business and industry on single-use plastic and the promotion of circular consumption patterns in public procurement and by private consumers. The aim was to finalize the strategy in 2020.

2.34. Combatting marine litter was high on the agenda and a key priority. Knowledge on the sources, pathways and impacts of plastic waste and marine litter was growing. Norway was working towards a new global agreement to combat marine litter. There was a need for a stronger, dedicated global structure to increase the effectiveness and coordination of international efforts in this area. In 2019, Nordic ministers had called for the development of a new global agreement to combat marine plastic litter and microplastics. Other regions had made similar calls, including the Caribbean Community (CARICOM) Heads of State meeting in the summer of 2019 and the 17th Regular Session of the African Ministerial Conference on the Environment in the fall of 2019. A new global agreement to combat marine litter should be in place by 2023. Her delegation would like to partner with like-minded countries to advance this agenda at the 5th session of UNEA so that it would take the next step in establishing a path towards a new global agreement. At the World Oceans Day on 8 June 2020, Norway, together with some 30 countries, had launched a Group of Friends based at UN headquarters to combat marine plastic pollution. The Group of Friends intended to continue to advance efforts to find common understanding on how to address marine plastic pollution among

diplomats based at UN headquarters and capital-based officials. The Group of Friends would have technical-level discussions that included building a deeper foundational knowledge of the challenges posed by plastic waste, including the current work underway in various multilateral forums such as UNEA. The work on circular economy and combatting marine pollution required many different solutions. One part of the work and the solution could be to raise awareness in the WTO and particularly in the CTE.

2.3.5 Members' Discussion

2.35. The representative of the United States said that WTO Members could effectively contribute to reducing waste and creating a sustainable supply of renewable materials for global manufacturing through a trade facilitative approach. Her delegation looked forward to hosting a workshop focused on the circular economy as part of the next in-person CTE meeting. The workshop would build on discussions held during the November 2019 CTE meeting following the tabling by her delegation of the unofficial room document "Circular Economy and the WTO"⁷. As outlined in this document, the circular economy required a supply chain that worked in reverse to channel end-of-life products to be de-manufactured and recycled into scrap materials and then manufactured into recycled commodities. Panelists from a variety of public and private sector organizations would discuss the role that trade policies had in promoting resource efficiency in reverse supply chains and how a trade facilitative approach to the circular economy could further the economic and environmental interests of WTO Members.

2.36. The representative of Canada said that fostering a circular economy offered new opportunities to advance common commitments to achieving the SDGs and the Paris Agreement goals and targets. Canada was pleased to host the next World Circular Economy Forum (WCEF) with the Finnish Innovation Fund Sitra. Originally planned for 2020, it had been postponed due to the COVID-19 pandemic to 13-15 September 2021. The event would be held in Toronto, Canada. This was the first time that WCEF would be held in North America. Finland, Canada and the Netherlands had recently announced details of events leading up to WCEF 2021. Sitra was organizing a virtual WCEF online event on 29 and 30 September 2020 to showcase how the circular economy could help rebuild stronger, greener and better economies. This event would offer opportunities for third party-organized side events. The Netherlands would host a high-level WCEF event on 15 April 2021 with participants online and in the Netherlands. This event would address the links between the circular economy and climate change and sought to position the circular economy higher on the agenda of the UNFCCC CoP 26. These two events would culminate in and support WCEF 2021 in Toronto. WCEF 2021 would bring together business leaders, policymakers and experts to demonstrate how businesses could seize new opportunities and gain a competitive advantage through circular economy solutions, and to examine how the circular economy contributed to achieving the SDGs. WCEF 2021 would present an opportunity to explore the systemic-level changes required to move towards a global circular economy, including how trade rules and trade policy could facilitate this transition. Previous Forums had explored the topic of trade and circular economy with active participation from WTO experts. At the WCEF 2021, the aim was to continue this dialogue, including by drawing on WTO discussions.

2.37. The representative of Costa Rica said that her delegation stood ready to work with the CTE Chair to highlight the environmental element of trade as one of the top priorities of WTO reform. Costa Rica was strongly committed to the multilateral trading system, especially regarding environmental issues. Her delegation was encouraged by the different initiatives that had been raised over the past few months. Costa Rica was part of and supported efforts led by New Zealand under the FFSR process and had participated with Finland in several circular economy sessions and consultations. Her delegation also viewed positively the recent initiative on trade and plastic pollution. Interest in holding thematic discussions on specific trade-related environmental issues revealed Members' appetite to deliver concrete outcomes. As part of the group of Members working to advance a ministerial statement on trade and environmental sustainability, her delegation saw an opportunity to work with ongoing processes and to bring individual initiatives under the broader trade and environmental sustainability statement and the informal working group foreseen in the statement. Given that issues under discussion were interconnected, there was an enormous opportunity to discuss linkages collectively in a forum that complemented the regular work of the CTE. The CTE and the WTO had a fundamental role in the implementation of the SDGs. This role had acquired even more relevance given the circumstances imposed by the post-pandemic economic

⁷ See document RD/CTE/153.

recovery. Humanity was dealing not only with a sanitary emergency but also with an economic crisis and a climate change disaster. Her delegation was hopeful not only that there was a silver lining to these crises as humankind was reacting to facts and science, but also that the crises would be overcome with solidarity and compromise.

2.38. The representative of Switzerland said that trade could play a role by providing the scale a circular economy required by pooling supply and demand for reusable materials currently spread out in various markets. The WTO could support the circular economy by enhancing transparency and coherence of Members' regulations and lowering barriers for green goods and services. Her delegation supported the work on circular economy and looked forward to engaging further on this issue.

2.39. The representative of the European Union said that her delegation appreciated the workshop that the United States would be organizing in the autumn and the forum that Canada would be hosting in 2021. The circular economy merited attention and the European Union was open to following up on this issue at the next Environment Week which would be organized back-to-back with the fall meeting of the CTE.

2.3.6 United Nations Conference on Trade and Development (UNCTAD) Report on Trade in Plastics, Sustainability and Development

2.40. The representative of UNCTAD, at the request of the delegations of Fiji and China, noted that the objective of its report on "Trade in Plastics, Sustainability and Development" was to support an informed dialogue by Members when discussing links between trade and plastic pollution in the context of the CTE and in light of the SDGs.⁸ Plastic pollution was one of the most pressing global environmental challenges alongside climate change and biodiversity loss. This was mainly due to the polluting effects of plastic production and disposal processes on air, water and ecosystems, as well as on human and animal health. About 75% of all plastic ever produced had become waste. The cost of plastic waste externalities plus the cost associated with greenhouse gas emissions from plastic production was estimated at USD 40 billion annually. Challenges around trade and plastics were related but not limited to: (i) ecosystem pollution (air, water and land); (ii) health and safety impacts on all living organisms, especially during and in a post-COVID-19 pandemic scenario; (iii) impacts on roads, sewage and water systems; (iv) imports of hazardous and other plastic wastes without PIC; (v) insufficient waste management capacity and the costs of building such capacity and clean-up; and (vi) the need to expand business opportunities for the provision of waste management services and for diversification towards plastic substitutes.

2.41. Developing countries were key players in the global plastics economy. Developing countries had surpassed the developed world in overall plastic production. The combined share of developing countries in global plastic output had risen from 43.5% in 2009 to 58% in 2018. Developing countries also accounted for half the world's plastic consumption in 2016, closely followed by developed nations (44%) and transition economies (6%). Two in every three jobs in plastic product manufacturing were concentrated in developing countries: the industry was estimated to generate 7.7 million direct jobs in developing countries, compared with 2.9 million jobs in developed countries and 500,000 in transition economies. Lack of capacity in developing countries to manage waste was a major source of plastic pollution. The bulk of global macro-plastic leakage into the environment was estimated to originate in developing countries, mostly through the mismanagement of solid waste (e.g. open dumping, incineration and inadequate landfilling). Improved and increased solid waste management and wastewater treatment coverage were urgently needed to prevent plastic leakage into inland waterways and oceans, and to avoid soil and air pollution linked to disposal by incineration.

2.42. In the WTO context and over the past decade, the number of notifications of trade measures involving plastics had increased at a rate of 28% annually. From 2015, Members had progressively shifted to plastic-specific policies as opposed to horizontal measures including plastics. Plastic-specific policies (meaning those that mainly or solely targeted plastics) accounted for 86% of plastic-related measures notified to the WTO in the 2017-18 biennium, compared with 56% in 2015-16. This trend was likely to accelerate due to recent policy developments, including the plastic waste amendments to the Basel Convention; increased environmental, materials and waste disposal regulations; and the implementation of extraordinary measures in response to the COVID-19

⁸ See document JOB/TE/63.

pandemic. The mix of plastic-related trade and environmental measures notified by Members changed with development status. At the global level, measures related to technical regulations and specifications and conformity assessment procedures made up the bulk of notifications (57%). Developed economies tended to rely more on technical regulations (67% of their notified measures), subsidies to private firms and greener procurement schemes (28%). By contrast, policy tools such as import licenses and bans were commonly used by developing countries (37% of their notified measures). This was not surprising as developing countries had less capacity to set and implement technical regulations on the large myriad of plastic products or to provide subsidies to shift production towards alternative materials, greener processes, or to support the expansion of waste management capacity.

2.43. When considering solutions, a key area of interest was the identification and utilization of substitutes that could perform similar functions to plastic but without its negative health and environmental impacts. The proposed focus was on substitutes that were not based on fossil fuels, such as mineral or organic/biomass materials. Their use could allow for the reduction or phase-out of chemical based polymers used in certain value chains, provided that sufficient incentives and demand emerged, and that the imposition of restrictions on plastics and their use continued to increase. The list of plastic substitutes comprised many well-known materials, including glass, ceramics, natural fibres, paper, cardboard, rice husk, organic wastes, natural rubber and animal proteins. Most proposed substitutes were propitious materials from a circular economy standpoint, as they were recyclable, biodegradable, non-toxic and sometimes reusable. These were the types of characteristics required of current and future plastic substitutes alongside versatile industrial and tradable properties. Since many plastic substitutes were also labour intensive, changes in production and consumption patterns could lead to the creation of green jobs. To effectively address the global challenges posed by plastic pollution, Members had an opportunity to discuss and design the right multilateral trade and environment policy mix, including by internalizing the disposal costs of plastic, promoting plastic substitutes, and expanding waste management capacity. Within the scope of its mandate, UNCTAD stood ready to support Members individually and in emerging efforts to cooperate on the trade aspects of plastic pollution at the WTO, by facilitating informed dialogue, providing technical assistance and exploring options for sustainability, substitutability and the emergence of new business opportunities. UNCTAD could also contribute by expanding research on the development dimensions of trade in plastics, assessing the potential for plastic substitutes and related industries and supporting the development of national circular, green and blue economy strategies to reduce plastic use and ultimately phase out plastic pollution.

2.44. The representative of the [Philippines](#) extended her delegation's appreciation to UNCTAD's submission and supported UNCTAD's recommendation to integrate discussions on plastic pollution and sustainability in the work of the CTE. The Philippines was among the largest producers of natural fibres such as abaca, coconut and pineapple, which had been included in the illustrative list of plastic substitutes highlighted in UNCTAD's report. Trade policies played an important role in the nexus between reducing plastic pollution and promoting a greener and more sustainable environment. The WTO could serve as a key platform to carry forth this agenda – particularly drawing from SDGs 11, 12 and 14. However, she noted that Members would need to define how the CTE discussions could be framed to enable the WTO to contribute. Information sharing on national best practices, as well as receiving expert contributions from international expert agencies, could set the stage for further discussions.

2.45. The representative of [Guatemala](#) noted that UNCTAD's report emphasized recycling and reuse of plastics. Although these concepts were important, they were insufficient when discussing the circular economy. Solutions for a circular economy in respect of plastics went beyond these actions and should include other measures such as redesigning, innovating and eliminating certain chemicals from packaging and, in general, preventing plastics from becoming waste in the first place. Regarding sustainability challenges, leaked and uncollected wastes, including plastics, were the result of inadequate waste management, an especially challenging issue for developing countries since most of them lacked adequate infrastructure, waste-management laws and policies and education programs to promote the correct disposing of their waste. According to the World Wildlife Fund (WWF), while most high-income countries had a collection rate of close to 100% for general waste, low-income countries achieved on average only 39%. This underscored the urgency to improve waste collection and management in developing countries.

2.46. The statistics and data contained in UNCTAD's document should be further disaggregated. The presentation of aggregate data only for developing countries might result in imprecise

conclusions such as in paragraph 12, which noted that "developing countries were the world's largest producers and consumers of plastics and plastic products." Disaggregated information from other sources showed that the three major global plastic producers were China with 29.4%, Europe with 18.5% and North America with 17.7%. North America accounted for 21%, China for 20% and Western Europe for 18% of the world's consumption. Latin America accounted for only 4% of the world's plastic production and 8% of the world's plastic consumption. For countries like Guatemala, the lack of disaggregated data could thus result in inadequate recommendations and actions. Paragraph 13 of UNCTAD's report made an inaccurate generalization of all developing countries by saying that "plastic production in developing countries grew at rates significantly above the world average in the first two decades of the 21st century" and as a result, "surpassed the developed world in overall plastics production." The statement did not accurately reflect the situation in many developing countries such as Guatemala. Therefore, trends should be measured and analysed based on disaggregated information.

2.47. On the other hand, paragraph 19 correctly pointed out that appropriate definitions were imperative. The term "biodegradable" was regularly abused, resulting in misleading and false claims about its real contribution to the waste problem. FAO recommended that the term biodegradable be accompanied with the specification of the environment where biodegradation was expected to happen and the time scale of the process. Regarding plastic substitutes, the promotion and use of such substitutes had to be carefully analysed and should be based on a complete lifecycle analysis. According to a publication by the Wuppertal Institute on the environmental impacts of bio-based materials, some substitutes based on biodegradable plastics required industrial composting for their degradation and, if not managed properly, would end up posing a new environmental problem. Truecost had estimated the environmental benefits, costs and opportunities of improvements in plastic sustainability and had found that substitution of plastics in consumer products and packaging could increase environmental costs and required adequate waste management for a circular economy of such materials. Finally, a UNEP report on bioplastics and marine litter had highlighted that biodegradable plastics were likely to take longer to biodegrade in a marine environment, where conditions, including on temperature, differed from those found in a terrestrial setting. For this reason, biodegradable plastics were not necessarily a perfect solution to the issue of plastic litter in the ocean. Global prevention of litter, proper waste management and public awareness continued to be much more important tools to tackle marine litter.

2.48. The representative of China noted that the study was comprehensive and informative and could support discussions on next steps. Fiji and China and several interested Members had held discussions on this issue with relevant international organizations such as UNCTAD, UNEP and the Basel Convention.

2.49. The representative of Argentina noted that all contributions to know-how and exchange of information were valuable and enabled stakeholders to look at the right strategies and approaches to combat plastic pollution and plastic waste and to analyse new trends in plastic production.

2.50. The representative of the United States noted that there were areas in the report where additional information was desirable. For example, it would have been helpful if the report had provided the sources of information in section 6 regarding plastic alternatives. Her delegation welcomed the opportunity to provide substantive comments to support UNCTAD's work and its efforts to publish a balanced report on this important issue and asked if there would be an opportunity to provide such comments.

2.51. The representative of UNCTAD confirmed that comments could be provided and welcomed further engagement to make the report more accurate and balanced. Concerning the issues raised by Guatemala, she said that clarifications would be provided through bilateral channels. She referred to footnote 19, which noted that Latin America and Caribbean share in global plastic manufacturing and processing employment came at a distant second place at 10%, whereas Asia came first at 53%.

3 OTHER BUSINESS

3.1 The Russian Federation's National Project on Ecology

3.1. The representative of the Russian Federation noted that the project "Ecology" was one of 12 national projects approved by Presidential Decree of 7 May 2018. The so-called 'May decrees' were a cornerstone of the work of all Russian government bodies until 2024. The project was supervised at the Deputy Prime Minister level and its financing exceeded RUR 4 trillion (over USD 55 billion). The project had five main elements: waste management, water, air, biodiversity and technologies. It included 11 federal projects and contained target indicators and plans for the liquidation of the 17 most harmful objects of accumulated ecological damage, including abandoned enterprises and places of industrial waste concentration. Waste management reform had already started, and the project aimed to increase the share of city-dwellers provided with quality water to 99%. Among the project's aims and tasks were: (i) radical decrease in air pollution levels in large industrial centres (for cities and towns with the highest pollution level the ratio for the decrease was set at 20%); (ii) preservation of biodiversity, including the creation of not less than 24 protected natural areas; (iii) establishment of a comprehensive system for solid municipal waste management, including the dismantling of landfills and restoration of the land where landfills were located and the creation of conditions for recycling of all production and consumption waste; (iv) restoration of water resources, including a decrease in the volume of polluted effluent diverted into the basin of the Volga river and Baikal lake, the world's deepest lake and the reservoir of 19% of the world's lacustrine fresh water; (v) modernization of the Russian industry through the project titled "Implementing best available technologies", the most expensive of the 11 projects with 60% of total investment; and (vi) the achievement of 100% balance by 2024 between forest disposal and reproduction. Russian forests represented 20% of the world's forests and had the highest absorption rate of CO₂. According to research by WWF, Russia was the only large State whose biological resources were growing, with the area covered by forest having increased by 79 million hectares from 1995 to 2015. In 2019, Russia had acceded to the Paris Agreement, confirming that it attached great attention to the environmental agenda.

3.2 Joint Ministerial Declaration on Trade and Environmental Sustainability

3.2. The representative of Costa Rica, on behalf of the Group of Friends of Advancing Sustainable Trade (FAST), briefed the Committee about discussions for a proposed Joint Ministerial Declaration on Trade and Environment Sustainability. Not only had the world had been hit by an unprecedented economic crisis because of the COVID-19 pandemic, but it also was at a critical crossroads regarding climate change. It was important to enhance efforts to implement the 2030 Agenda for Sustainable Development and recognize international trade as a key means to implement the SDGs. It was also important to implement multilateral environmental agreements, including the UNFCCC, the Paris Agreement and the Convention on Biological Diversity (CBD). Trade and environmental sustainability objectives and policies should be mutually supportive. Trade and trade policy could be key enablers for the necessary transition to a climate-neutral, more efficient and circular economy that promoted conservation and a more sustainable use of biodiversity, taking into account the principle of a just transition. For these reasons, the FAST group considered that environmental sustainability should be one of the guiding principles of WTO reform. In this vein, the group sought to advance the discussions on trade and environmental sustainability by intensifying the exchange of best practices and experiences and working jointly with relevant international organizations and relevant actors proficient in the issues and who based their views on science.

3.3. The FAST group was working on a draft Joint Ministerial Statement on Trade and Environmental Sustainability. The Statement's main objective was to create an Informal Working Group to assert that trade, trade policy and the multilateral trading system – including the WTO – had an important role to play in supporting the international community's efforts towards achieving the SDGs and international environmental commitments through forward-looking, focused, systematic and action-oriented dialogue. The Informal Working Group would be able to host thematic discussions on trade-related topics such as climate change, circular economy, plastic pollution, FFSR, conservation and sustainable use of biodiversity. Moreover, it would promote engagement with a range of stakeholders, from the private sector and civil society to international organizations and academia to enhance understanding of current challenges and identify possible areas of work within the WTO context. This was the most important value added of the proposal. The purpose was to complement the existing regular work of the CTE and other WTO bodies. The initial target date for presenting the Joint Statement had been June 2020 in Nur-Sultan, but circumstances had prevented

this. The FAST group invited all delegations to participate in the Joint Statement process in the hope of raising interest among delegations in joining it. The text had not yet been finalized and would need to be adapted to the new realities of the COVID-19 pandemic, but that did not change the goal of launching the Informal Working Group promptly to begin meeting as soon as possible, with the highest possible level of participation. The ongoing global crisis highlighted the need to increase the preparedness and strengthen the resilience of global value chains, as did climate change. Ensuring that global trade was better equipped to face climate change was important. The FAST group was optimistic that the current situation had given rise to opportunities for solutions and a heightened level of urgency.

3.4. The representative of Mexico supported and joined the statement made by Costa Rica on behalf of the FAST group and acknowledged its importance in fulfilling the SDGs. She noted the need for mechanisms to enable information exchange between WTO Members.

3.5. The representative of the Kingdom of Saudi Arabia thanked Costa Rica for its update on the draft Ministerial Statement on Trade and Environmental Sustainability but reiterated her delegation's position and concerns about including the issues of FFSR and climate change in the work of the Committee. Her delegation did not support this proposal.

3.3 Webinar on World Environment Day 2020

3.6. The representative of Barbados briefed delegations on the webinar held on 4 June 2020 on the occasion of World Environment Day 2020 titled "Sustainable trade after COVID-19: Can we do better?" The webinar had been organized by H.E. Mr Chad Blackman, Ambassador and Permanent Representative of Barbados in Geneva, with the support of the WTO Secretariat. The COVID-19 pandemic presented unprecedented challenges to the international community. It was also an opportunity to rethink the way economies were structured to embrace the nexus between societal well-being and a healthy environment. For trade to play a role, countries would need to enhance cooperation at the WTO and in other international agencies. The webinar had brought together rich perspectives from the WTO Director-General and panellists from government, the private sector and international organizations to address the following key questions: (i) what was the role of sustainable trade after COVID-19?; (ii) how could global supply chains be rendered both greener and more resilient to environmental and other shocks?; and (iii) what concrete action could WTO Members consider to support and facilitate efforts to rebuild economies in line with the SDGs?

3.7. The WTO Director-General had said that "protecting the planet was not a luxury; it was a necessity". He noted that the COVID-19 pandemic had drawn attention to the health crisis, along with its immense social and economic effects, and that growing environmental challenges rendered societies vulnerable to natural disasters, disease and reduced access to resources. As environmental issues increased, it was the poorest who suffered the most. A collective response on trade that fostered sustainability, inclusiveness and resilience was necessary to effectively respond to the crisis.

3.8. A key takeaway from the webinar had been that the WTO and trade had important roles to play in steering the global recovery towards a sustainable course in the wake of the COVID-19 crisis. Panellists had recalled the role of the CTE as a global forum dedicated to promoting global cooperation on sustainable trade through the discussion of WTO Members' policies to establish circular economies, address plastic pollution and eliminate trade barriers on environmental goods and services. Panellists had encouraged WTO Members to intensify policy dialogue, invigorate efforts to make trade policies more supportive of sustainability and explore creative ways to make trade more resilient to growing environmental risks. COVID-19 presented an opportunity for Members to harness what they had been trying to achieve within and outside of the WTO. WTO Members were yet to conclude an agreement to liberalize trade in environmental goods and services. The need to rebuild and to address the climate crisis created an opportunity for Members to revisit the mandate. Regarding the role of the private sector, participants noted the need to adapt to ensure that global supply chains were effective. The discussions had underscored the importance not only of preserving multilateral rules to realize global and national wealth, but also of utilizing the current circumstances to deliver on longstanding mandates in fisheries subsidies and other issues such as FFSR, carbon markets and illegal and unregulated wildlife trade. Regarding the impact of the COVID-19 crisis on Small Island Developing States (SIDS) that were challenged by climate disruptions, the webinar had highlighted the importance of trade in building resilience, creating jobs and supporting economic diversification as a means of economic recovery. The importance of building capacity through Aid for Trade and helping developing countries to manage the green transition was another key

takeaway. Regarding the question whether stakeholders could do better on sustainable trade after COVID-19, the answer by the panellists had been a resoundingly clear yes. There was a clear role for the CTE and the WTO in assisting with the pursuit of sustainable trade after COVID-19 and a clear commitment on the part of the WTO Secretariat to support WTO Members to pursue more sustainable trade. Her delegation thanked the Trade and Environment Division of the WTO Secretariat for its support in organizing the webinar and for its commitment to support Members in the pursuit of sustainable trade. Her delegation would continue to examine the key takeaways from the webinar to ensure that the interests of SIDS could be taken forward. SIDS had been significantly affected by the COVID-19 crisis and continued to be confronted by the impacts of climate change and other challenges related to their small size and high vulnerability.

3.9. The representative of Canada thanked the Chair for his leadership in organizing the event.

3.10. The representative of the United Kingdom thanked Ambassador Blackman for organizing the webinar, and for the invitation to be part of it. As Deputy Permanent Representative Andrew Staines had noted in his remarks at the event, rebuilding economies post-COVID-19 had to support a fundamental shift away from carbon-intensive energy and a linear economy, and towards more sustainable and more inclusive economies and societies. Many people had participated in the webinar, reflecting the high level of interest in what the WTO could do to support this effort and to make trade and global supply chains more robust, resilient and sustainable. Her delegation thanked the Trade and Environment Division of the WTO Secretariat for making the event possible and looked forward to being part of future activities.

3.11. The representative of Switzerland noted that it was important that the WTO and the trade community supported global efforts to implement the SDGs and address climate change. Trade and trade policies could help societies fulfill their needs and aspirations in the post-COVID-19 era by helping steer the economic recovery onto a more sustainable and resilient track. The COVID-19 pandemic had also highlighted the need to strengthen the resilience of global value chains and increase preparedness to face not only the global health crisis but also climate risks, including natural disasters. This was crucial and should be an area for future work. Her delegation supported enhanced cooperation between the WTO and UNEP. It had been almost two years since their joint high-level event.

3.12. The representative of the Russian Federation thanked Finland, IISD, New Zealand, the WTO Secretariat and others for their efforts in organizing four webinars in May and June 2020.

3.4 Briefings by Observer Organizations

3.13. The representative of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) briefed delegations on: (i) the linkages between zoonotic diseases and CITES, and the role CITES could play in addressing the risks of zoonotic spill over; and (ii) the impact of the current pandemic on CITES activities. Regarding linkages, there were several linkages between zoonotic diseases and CITES. First, international trade in wild animals and animal products could spread diseases. Therefore, regulation, monitoring and control of such trade were critically important to limit any risks of pathogen spill over – both to humans and to livestock. Second, disease outbreaks among wild animals could impact the population of that species. This could mean that trade that would otherwise be sustainable and had no impact on the species might no longer be possible because of the pressure on the population caused by the disease outbreak. Third, sanitary and phytosanitary regulations might themselves restrict trade in wild animals – as had been the case after the avian flu pandemic which had led to some countries to put in place bans on the import of wild birds. Fourth, communities depending on wildlife trade for their livelihood might be severely affected by trade-restrictive measures – not only through trade in animal and animal products themselves but also wildlife tourism.

3.14. CITES regulated international trade in species of wild fauna and flora. The objective of CITES was to ensure that no plant or animal species went extinct because of international trade. Species were included under the control of the Convention based on biological criteria and on whether they might be impacted by international trade. Parties had been reluctant to expand the scope of the Convention to address objectives other than conservation and sustainable use. However, as the main international legally binding treaty regulating trade in wild animals, CITES had the responsibility to ensure that it did not contribute to future pandemics and to prevent their

occurrence. Together with Parties and partners such as the World Organization for Animal Health (OIE) and the International Air Transport Association (IATA), the CITES Secretariat was reflecting on ways and means whereby the Convention and its various tools for implementation might be used to this effect. CITES regulated trade from the source to transport and transit up to the destination. The goal was to identify the relevant points for intervention. Under Article XIV of the Convention, Parties might take domestic measures with regards to public health. Some parties had done so over the past months. As illegal trade was likely to carry more risks of zoonotic pathogen spillover, the CITES Secretariat continued to engage considerable efforts and resources to support Parties in the combat against illegal wildlife trade, in close collaboration with partners such as the United Nations Office on Drugs and Crime, Interpol and the WCO. The CITES Standing Committee (SC) would discuss this issue at its next meeting.

3.15. Regarding the impact of the pandemic on CITES' work, the CITES Secretariat had been able to maintain business continuity. Nonetheless, its meeting schedule had been affected. The year 2020 was the first year of the three-year cycle following the CITES CoP meeting in Geneva in August 2019 and meetings of the three permanent committees had been planned for this year. The meetings of the two technical advisory committees had been scheduled to take place in Geneva over two weeks in July 2020. Following consultations, it had been decided to postpone the meetings until 2021 and not to organize them in online mode. The focus had thus moved to the meeting of the CITES SC scheduled for one week in early October 2020 in Geneva. The SC was the senior inter-sessional committee reporting directly to the CoP, with responsibility for making important decisions on compliance matters, providing general policy and operational direction to the Secretariat and overseeing the implementation of the more than 350 decisions adopted by the 2019 CoP. It was important for the functioning of the Convention that the SC remained active and operational, particularly in times of uncertainty. Given the uncertainty in the evolution of the pandemic, it was unlikely that participants would be able to travel to Geneva from all over the world for the meeting in October, so alternative options were being considered by the Committee and the Secretariat. A decision on the organization of the SC meeting was expected shortly.

3.16. The representative of the Organisation for Economic Co-operation and Development (OECD) updated the Committee on the latest developments of its work on trade and environment. The OECD worked on trade and environment issues under the Joint Working Party on Trade and Environment (JWPTE), which had last met in February and virtually in June 2020. There were four main areas of updates: (i) regional trade agreements (RTAs) and the environment; (ii) trade and circular economy; (iii) clean technology diffusion and environmental goods; and (iv) illegal trade in pesticides. Regarding RTAs and the environment, the OECD had released a report in January 2020 on "Greening regional trade agreements: Subsidies related to energy and environmental goods." The report, available online, investigated ways that RTAs could incorporate environmental objectives in chapters and articles related to subsidies. The OECD aimed to finalize two other reports on RTAs and the environment, one on investments and the other on non-tariff measures related to technical barriers to trade and regulatory cooperation.

3.17. Regarding trade and circular economy, in June 2020, the OECD had published a new report entitled "The consequences of a more resource efficient and circular economy for international trade patterns." The report, also available online, modelled stylised policy packages on resource efficiency and circular economy to assess how economies and trade patterns would change in 2040. The results showed a future shift in primary and secondary materials. As an example, by 2040, primary non-ferrous metals were projected to decline by 35 to 50%. One-third of these effects could be attributed to the regional shift in production and to trade. The OECD was developing another paper on trade and circular economy policy alignment which would be available later in 2020. In February 2020, the OECD had organised a two-day workshop on trade and circular economy which gathered around 130 participants, including government officials and experts from the private sector and civil society. There had been several takeaway messages. The first revolved around the need to focus on supply chains and on a just transition for the extractive sector. The second was that trade in waste required balance. While waste could be traded as a valuable resource to achieve economies of scale, there was a need to ensure its environmentally sound management when reaching its destination. Third, there were differences on how waste could contribute to the circular economy when considering capital-intensive goods versus fast-moving consumer goods. Finally, there was scope to investigate resilient value chains that work for the circular economy. This could include better classification, definitions, standards, customs frameworks and new digital solutions and innovation. Increased international cooperation in these areas was required. Regarding clean technology diffusion and illegal trade in pesticides, the OECD Trade Directorate was working on two reports, one on trade as

a channel for green technology diffusion focusing on wind turbines and the other on tackling illegal trade in pesticides through new digital technologies. Both would be developed in 2020. The next JWPTTE meeting was scheduled to take place in December 2020.

3.18. Due to technical difficulties, the representatives of the United Nations Environment Programme (UNEP) and the World Customs Organization (WCO) could not deliver their statements orally during the meeting. Their written statements are contained in Annex1 and 2.

ANNEX 1: STATEMENT BY UNITED NATIONS ENVIRONMENT PROGRAMME (UNEP)

UNEP RESPONSE AND PRIORITY ACTION DURING COVID-19

1. The United Nations Environment Programme (UNEP) stands in solidarity with the billions of people around the world that are suffering the impact of the global pandemic of COVID-19. The transmission of diseases, like the Novel Coronavirus COVID-19, between animals and humans (zoonoses) threatens economic development, animal and human well-being, and ecosystem integrity.

2. UNEP believes that faster progress on the SDGs and the Paris Agreement on Climate Change would have better equipped the world to face COVID-19 – with a healthier environment and more resilient societies and fewer people living in poverty. COVID-19 now provides the impetus to revisit our relationship with nature and build a better world. We see significant opportunities for governments to simultaneously address environmental objectives and ensure that recovery leads to more sustainable outcomes.

THE UNEP COVID-19 RESPONSE STRATEGY FOCUSES ON FOUR KEY AREAS OF ACTION:

(1) To fight against pollution UNEP is supporting countries in managing waste, and particularly medical waste.

Actions include:

- Undertaking country medical waste management assessments.
- Examining waste management legislation, and developing guidance to tailor it to COVID-19.

Challenges

- Promoting environmentally sound waste management technologies and methods – including the stop-gap solution of stockpiling waste and preventing open dumping and burning.
- Supporting nations to build new infrastructure for dealing with medical waste.

(2) To respond to COVID-19 and avoid similar diseases in the future, UNEP contributes to developing science and policy options to better understand and respond to zoonotic threats. This includes:

- Investment in nature for improved human health, sustainable socio-economic recovery, poverty reduction and livelihood recovery.
- Supporting nations to deliver stronger commitments under the Paris Agreement, agree on the post-2020 Global Biodiversity Framework, and adopt the Post-2020 Chemicals and Waste Management Framework.
- Raising awareness of environment and human health links, creating public support for green growth opportunities within economic recovery.

(3) To ensure that investments in the aftermath of COVID-19 contribute to long-term prosperity and resilience, the COVID-19 recovery will need to aim at "building-back-better". To support governments in their greening recovery efforts, UNEP offers support via the following key actions:

- Supporting country actions on the climate promise – repurposing energy, cooling and recovery investments to align with the Paris Agreement, in cooperation with UNDP and other partners.
- Targeting high-carbon and resource-intensive sectors with actions that are job-rich;
- Working with investors and Ministries of Finance to shift investments and subsidies towards nature-based and climate-neutral strategies.

(4) To support the resilience of the multilateral environmental governance system, and to decrease environmental impacts of global conferences, UNEP is reviewing the implications of moving environmental governance and multilateralism towards virtual, and thus lower environmental footprint, meeting platforms. In this context, UNEP published a number of policy papers and reports that are relevant to the trade and environment discussion:

- [Policy brief](#) on 'The implications of COVID 19 on Environment and Trade': in the context of serious disruptions to global trade during to the COVID-19 pandemic, the policy brief

discusses some of the pathways to rebuild the trading system into one that is more resilient and sustainable. Among others, the policy brief highlights the need for fossil fuel and fisheries subsidies reform, facilitating Trade in Environmental Goods and Services, and assisting developing countries in building resilience and greening their export sectors. An updated version will be available shortly.

- [Policy brief](#) on Aid for Trade: A Vehicle to Green Trade and Build Climate Resilience looks at the Aid for Trade as an opportunity and mechanism to support countries resilience and capacities to adapt to environmental shocks and disasters, to provide emergency relief and to re-establish a flourishing green trade sector.
- [Report](#) on 'Building Resilient Societies after the Covid-19, Pandemic. Key messages from the International Resource Panel' which provides policy recommendations to drive a resource smart recovery from the COVID-19 pandemic, generating socio-economic value while safeguarding the environment.
- A new report on 'Preventing pandemics: new report on zoonotics' will be released in July 2020 with key messages on preventing zoonotic disease in the future.

3. All COVID-19 related information and publications can be retrieved via: <https://www.unenvironment.org/resources/working-environment-protect-people-uneps-covid-19-response>.

UPDATE ON RELEVANT UNEP WORK:

4. The Environment and Trade Hub is working on trade and nature with the UKRI GCRF Trade, Development, and the Environment Hub ('TRADE' Hub), a global coalition of research partners, NGOs, and think-tanks, on enhancing benefits of trade for people and planet. The five-year research project, financed by the UK Research and Innovation Global Challenges Research Fund, aims to enhance the benefits of global commodity and wildlife trade for biodiversity preservation and socio-economic outcomes in developing countries. More information on UNEPs partnership with the UKRI GCRF Trade, Development, and the Environment Hub is available [here](#). As an example of the analysis that this project conducts, a recent report published by Hub partners assesses trade-linked biodiversity impacts using new methods which allow for the assessment of specific habitat loss driven by commodity expansion. Impact data linked to sub-national trade information via the TRASE and other economic models, allows to differentiate between impacts linked to domestic consumption, and to those linked to the export to different target markets. In this way, it will show linkages between specific supply chains and animal population decreases. The study can be retrieved [here](#).

5. In the overall framework of the UN Partnership on Green Economy (PAGE), the UNEP Environment and Trade Hub works with countries to promote the capacity of government stakeholders on sustainable trade and the environment, via online and in-person trainings and workshops. Current country led initiatives include:

- A training in South Africa, on climate smart agriculture and trade. The aim of the training is to increase the capacities of key stakeholders to recognize the economic and trade benefits from climate smart agriculture and act in support of implementing the Climate Smart Agriculture Implementation Guidelines. The training contributes to the uptake of climate smart agricultural practices and the promotion of sustainable products through trade and supply chains, in line with the findings and recommendations of the strategy.
- A training in Guyana on Green Industrial Policy and trade, tailored to the priorities of the country to support the Guyana Green State Development Strategy: Vision 2040 Strategy.
- This training will build on a UNEP-UNITAR Global course on Green Industrial Policy and Trade, that promotes the ability of current and future policy makers to implement structural economic change for shifting production towards a more sustainable model.

6. UNEP, together with IISD and OECD has developed methodological guidance for measuring fossil fuel subsidies in the context of SDG indicator 12.c.1: "Amount of fossil fuel subsidies per unit of GDP (production and consumption)", as part of our role as the custodian agency for the indicator.

This methodology is intended for use by National Statistical Systems in compiling national estimates of fossil fuel subsidies. UNEP is currently developing training materials (both online and off-line) to enable technical capacity building at a national level and show how to take the SDG 12.c.1 indicator methodology and apply it practically. This forms part of a support package that includes the development of a reporting template which will be used by national SDG focal points to report on the relevant data for the SDG 12.c.1 indicator. The data on fossil fuel subsidies generated from national sources will be consolidated in the SDG 12 Hub – an initiative by the UN custodian agencies of SDG 12, as part of a broader inter-agency collaboration to streamline methodologies and processes.

OTHER RECENT UNEP REPORTS RELEVANT TO TRADE AND ENVIRONMENT

- UNEP [report](#) on 'Illegal Trade in Chemicals', in April 2020, analyses governance and markets of illegal chemicals and waste trade, while showcasing best practices and gaps in the enforcement of existing rules. The report aims to provide policymakers and competent authorities at the national, regional and international level, and community and other stakeholders in contact with these chemicals with an authoritative source of information.
 - UNEP [report](#) on 'Financing Sustainable Land Use For People and Planet' in February 2020 highlights how to leverage and unlock private finance for sustainable commodity production, to improve rural livelihoods, protect forests and restore degraded land.
 - UNEP/FAO [released](#) 'The state of world's forest', in May 2020 assesses progress made to date in meeting global targets and goals related to forest biodiversity and examines the effectiveness of policies, actions and approaches, in terms of both conservation and sustainable development outcomes.
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ANNEX 2: STATEMENT BY THE WORLD CUSTOMS ORGANIZATION (WCO)

1. The WCO highly appreciates the opportunity to address the WTO Committee on Trade and Environment on the initiatives that our Organization and the Customs Community have been undertaking regarding environmental protection and the promotion of the SDGs.
2. "Customs fostering Sustainability for People, Prosperity and the Planet," is the WCO's theme for 2020, under which the broader Customs community is focusing on its contribution towards a sustainable future where social, economic, health and environmental needs are at the heart of its actions.
3. Since 2001, the WCO has been an active partner in the Green Customs Initiative (GCI), and through the WCO Environment Programme, we assist in strengthening Customs' pivotal role in implementing and enforcing trade-related MEAs in order to cope with the most urgent threats and in combatting environmental crimes.¹ A flagship WCO operation in this framework is the global enforcement operation "DEMETER" that will celebrate its sixth edition this year and has a focus on waste.
4. Moreover, the WCO continues to work with the Secretariat of the Basel Convention to review and identify the corresponding codes under the Harmonized System (HS) for waste covered by the Basel Convention. In recent editions of the HS, new or improved provisions have been made for a wide range of environmentally sensitive goods.²
5. Additionally, we have also started addressing the procedural aspects of the facilitation of legal goods that are "environmentally sensitive," such as plastic waste, e-waste or Ozone Depleting Substances.
6. Customs capacity, in this respect, depends on the implementation of the WCO's Revised Kyoto Convention and the WTO's Trade Facilitation Agreement requirements and the adoption of a number of existing WCO standards and tools, such as the Post Clearance Audit principles, the SAFE Framework of Standards, the Authorized Economic Operator (AEO) scheme and AEO Mutual recognition agreements, giving the opportunity to the trade to become trusted importers and exporters of sensitive goods.
7. WCO standards offer the trade opportunities in terms of voluntary compliance and harmonized, simplified and rapid release procedures on the provision of minimum information for compliant companies.
8. Moreover, other existing WCO tools like the Data Model and Single Window Compendium promote digital collaboration, harmonization, automation, but also predictability, accountability and transparency. These are all principles that play a pivotal role to ensure the efficiency in the legal flows of TBM of waste, but also for second-hand goods and goods that more generally might comply with circular economy standards.
9. In this respect, the WCO is closely liaising with Basel Convention Secretariat for the establishment of digital cooperation and exchange of information among the different authorities at the border for the TBM of waste, in particular plastic and e-waste.
10. Lastly, we are glad to announce that the WCO's Asia Pacific Plastic Waste Border Management Project is ready to kick-off. The Project will be implemented under the auspices of the WCO Environmental Programme and will aim to strengthen the capacity of Customs administrations to mitigate and appropriately respond to environmental threats in the Asia/Pacific region. It will have a special focus on the implementation of the Basel Convention.

¹ Illegal wildlife trade, illegal trade in hazardous and other waste, ozone depleting substances, and illegal trade in timber.

² In relation to e-waste, the upcoming HS 2022 edition will be the first time that such waste has been specifically identified within the HS, which foresees electronic waste that is used for the extraction of precious metals. We do not have specific codes for "second hand" goods, however we have a few for "used goods."

ANNEX 3: ITEMS OF THE CTE WORK PROGRAMME

- 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 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(a): The relationship between the provisions of the multilateral trading system and charges and taxes for environmental purposes.
- Item 3(b): The relationship between the provisions of the multilateral trading system and 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.
- Item 5: The relationship between the dispute settlement mechanisms in the multilateral trading system and those found in multilateral environmental agreements.
- 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.
- Item 7: The issue of exports of domestically prohibited goods.
- Item 8: The relevant provisions of the Agreement on Trade-Related Aspects of Intellectual Property Rights.
- 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.
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**ANNEX 4: PARTS OF THE DOHA MINISTERIAL DECLARATION
THAT RELATE TO THE WORK OF THE CTE REGULAR**

32. We instruct the Committee on Trade and Environment, in pursuing work on all items on its agenda within its current terms of reference, to give particular attention to:

(i) the effect of environmental measures on market access, especially in relation to developing countries, in particular the least developed among them, and those situations in which the elimination or reduction of trade restrictions and distortions would benefit trade, the environment and development;

(ii) the relevant provisions of the Agreement on Trade-Related Aspects of Intellectual Property Rights; and

(iii) labelling requirements for environmental purposes.

Work on these issues should include the identification of any need to clarify relevant WTO rules. The Committee shall report to the Fifth Session of the Ministerial Conference, and make recommendations, where appropriate, with respect to future action, including the desirability of negotiations. The outcome of this work as well as the negotiations carried out under paragraph 31 (i) and (ii) shall be compatible with the open and non-discriminatory nature of the multilateral trading system, shall not add to or diminish the rights and obligations of members under existing WTO agreements, in particular the Agreement on the Application of Sanitary and Phytosanitary Measures, nor alter the balance of these rights and obligations, and will take into account the needs of developing and least developed countries.

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.

51. The Committee on Trade and Development and the Committee on Trade and Environment shall, within their respective mandates, each act as a forum to identify and debate developmental and environmental aspects of the negotiations, in order to help achieve the objective of having sustainable development appropriately reflected.
