

## TRADE AND ENVIRONMENT

### The issue

As part of the Doha Development Agenda, WTO members are considering how the WTO might make a contribution to global sustainability. One element in that process relates to the trade and environment agenda as established in Doha, Qatar in 2001.

### The negotiations

This objective is currently being pursued in the Committee on Trade and Environment in Special Session (CTE-SS) of the World Trade Organisation in Geneva. The agenda is broadly consistent with the Government's Framework for Integrating Environment Standards and Trade Agreements. This recognises the significance of both New Zealand's trade and environmental objectives whether in the WTO or in the negotiation of bilateral closer economic partnerships or free trade agreements.

### What is covered?

There are a range of issues under negotiation in the CTE between now and the end of 2006. These include:

- the relationship between existing WTO rules and specific trade obligations in multilateral environment agreements (MEAs), between parties to both the WTO and the particular MEA in question.
- information exchange between MEA Secretariats and relevant WTO committees, and criteria for observer status.
- the reduction or elimination of tariff and non-tariff barriers to environmental goods and services. (Tariffs are taxes on imports imposed as they cross the border. Non-tariff barriers may include 'red tape', labelling requirements, standards or specifications that add to the cost of getting imports on foreign shelves.)

The Doha Mandate also provides for negotiations aimed at clarifying and improving the WTO disciplines on fisheries subsidies. These negotiations are expected to have a significant positive effect on the global fishery resource and are taking place in the Negotiating Group on Rules.

In addition, the CTE in Regular Session (which does not form part of the Doha negotiations) is responsible for examining:

- whether environmental measures inhibit imports, and ways in which the elimination or reduction of trade restrictions and distortions would benefit trade, the environment and development.
- the relationship between the current intellectual property regime and environmental values, including the protection of traditional knowledge of indigenous communities.
- labelling for environmental purposes.

The above items are being discussed on the understanding that any recommendations will be compatible with the open and non-discriminatory nature of the multilateral trading system. This means they must not affect the rights and obligations of WTO members under existing WTO rules.

### New Zealand position

#### - WTO/Multilateral environment agreements

Discussions on the relationship between multilateral environment agreements, or MEAs, and WTO rules remain focused on how to structure the negotiations within the confines of the current negotiating mandate. There has been some progress over practical measures to strengthen coherence between the WTO and MEAs, including ideas for enhanced information exchange, and granting observer status in the WTO's Committee on

Trade and Environment to MEA Secretariats on an ad hoc basis. New Zealand would like to see invitations to MEA observers put on a routine footing, pending resolution on criteria for formal observer status. In addition, New Zealand supports the possibility of MEA Secretariats having observer status in the WTO's Committee on Trade and Environment.

**- Eliminating trade barriers on environmental goods and services**

The reduction or elimination of trade barriers on environmental goods and services would deliver important benefits to the environment and to industry, including New Zealand's. Progress on eliminating the barriers to trade in environmental services depends largely on parallel negotiations, now well underway in the Council for Trade in Services. To help clarify our negotiating objectives for the purposes of the environmental goods-related discussions, New Zealand has submitted several papers to the WTO that establishes New Zealand's objectives and ambitions.

For a glossary of trade associated words please go to:  
[http://www.wto.org/english/thewto\\_e/glossary\\_e/glossary\\_e.htm](http://www.wto.org/english/thewto_e/glossary_e/glossary_e.htm)



To keep up to date with developments visit  
[www.mfat.govt.nz/foreign/tnd/newissues/environment/environmentnegs.html](http://www.mfat.govt.nz/foreign/tnd/newissues/environment/environmentnegs.html)

For any other enquiries, please contact the Trade Policy Liaison Unit at [tplu@mfat.govt.nz](mailto:tplu@mfat.govt.nz)