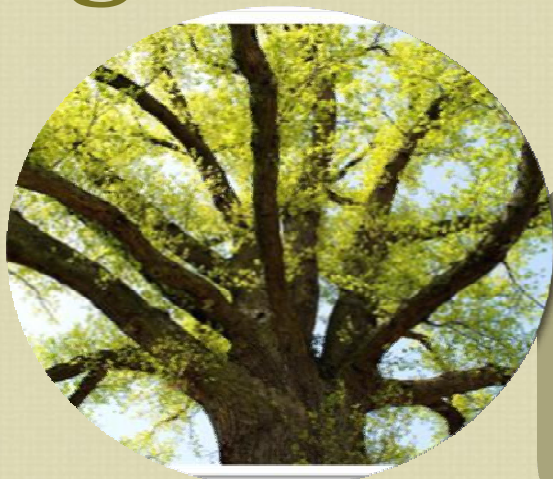




WORLD TRADE ORGANIZATION
ORGANISATION MONDIALE DU COMMERCE
ORGANIZACION MUNDIAL DEL COMERCIO

Role of the MTS in promoting coherence between trade & climate agendas



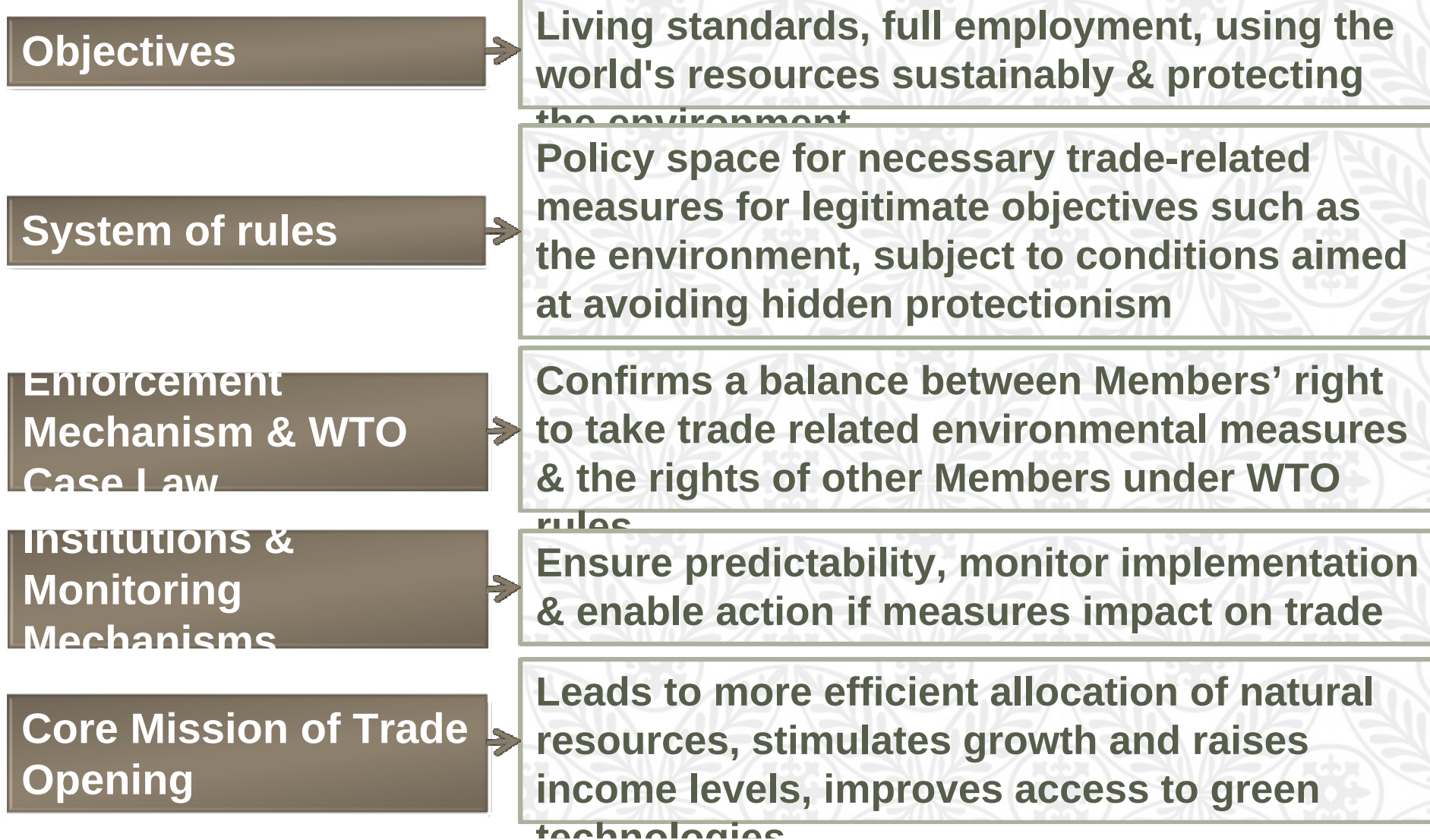
Ludivine Tamiotti
Counsellor,
WTO Trade and Environment Division,
Ludivine.tamiotti@wto.org

Energy Charter Conference
Session on Adaptation of Current Rules to New Challenges
Geneva, WTO, 29 April 2013

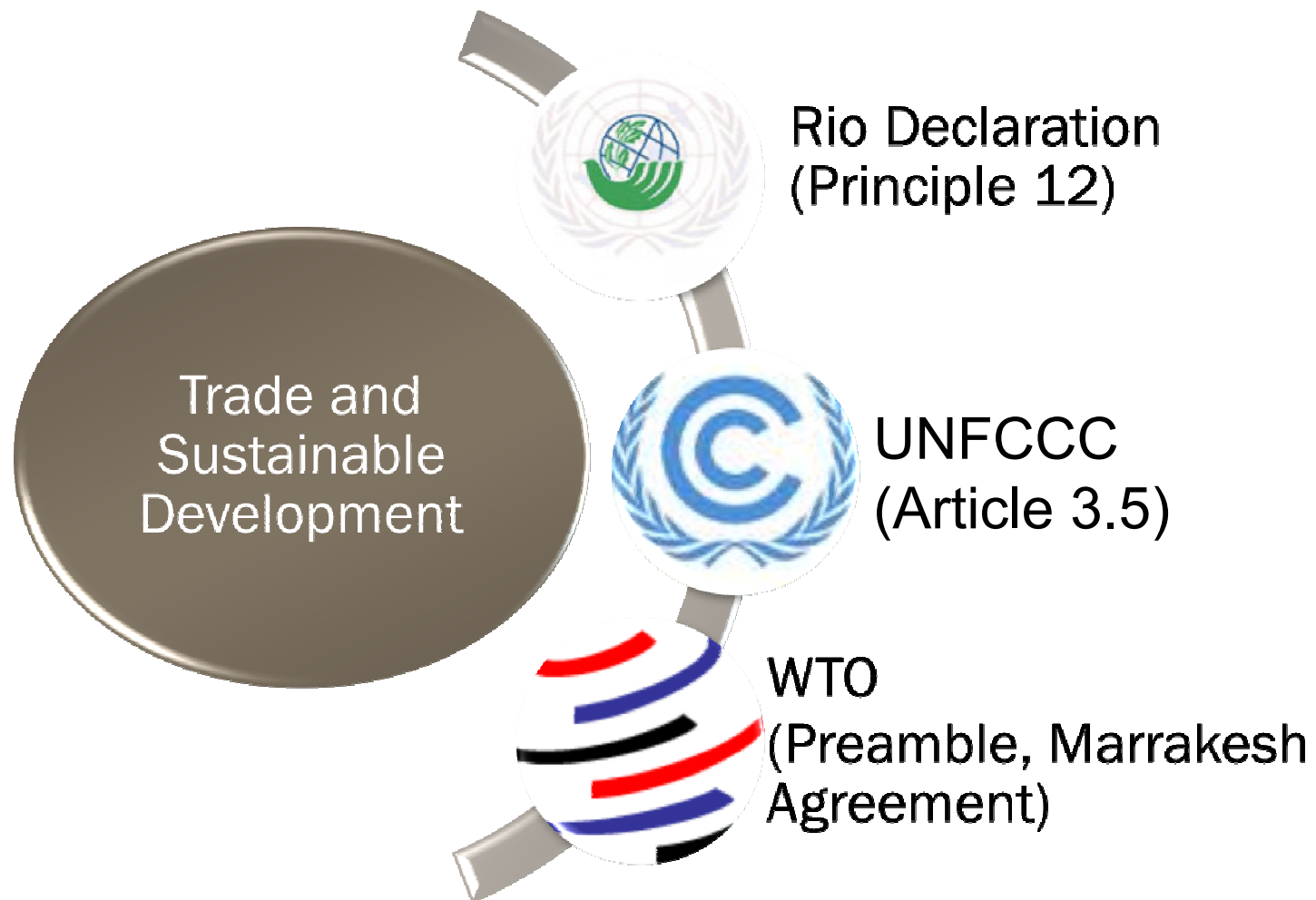
WTO: A framework for advancing sustainable development policies



WTO: A framework for advancing sustainable development



Objectives of environmental protection and trade go hand-in-hand



Carbon policies



Environmental requirements

- Improve resource use and reduce pollution
- Impede market access?



Taxes and other market tools

- Address environmental externalities
- Border adjustments?



Subsidies

- Promote green technology innovation and diffusion
- Trade distortions?

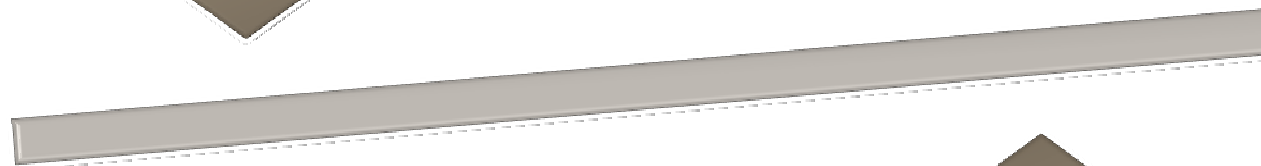
Carbon Measures and Relevant WTO Rules

Key policy instrument	Key objective	Key WTO Agreement
Technical requirements , e.g. Product/production specifications, voluntary/mandatory, characteristics/ performance, labelling	Improve resource use & reduce pollutants, e.g. for energy efficiency	TBT Agreement
Price & market mechanisms , e.g. carbon taxes, ETS	Internalize env'tal costs, e.g. for GHG emissions	GATT
Support programs , e.g. R&D, fiscal, price and investment measures	Promote development & deployment of green	SCM Agreement

WTO rules maintain a delicate balance



Right to adopt
measures to
achieve legitimate
objectives



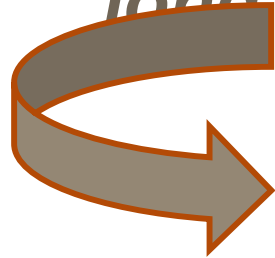
Rights of
others under
basic trade
rules



Policy Space for Carbon Measures related to Trade

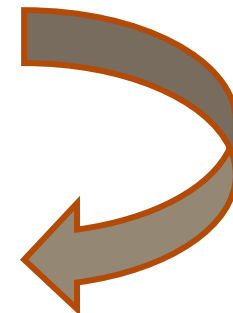
WTO jurisprudence has confirmed that WTO rules do not trump environment, as

long as...



several carefully crafted conditions are respected...

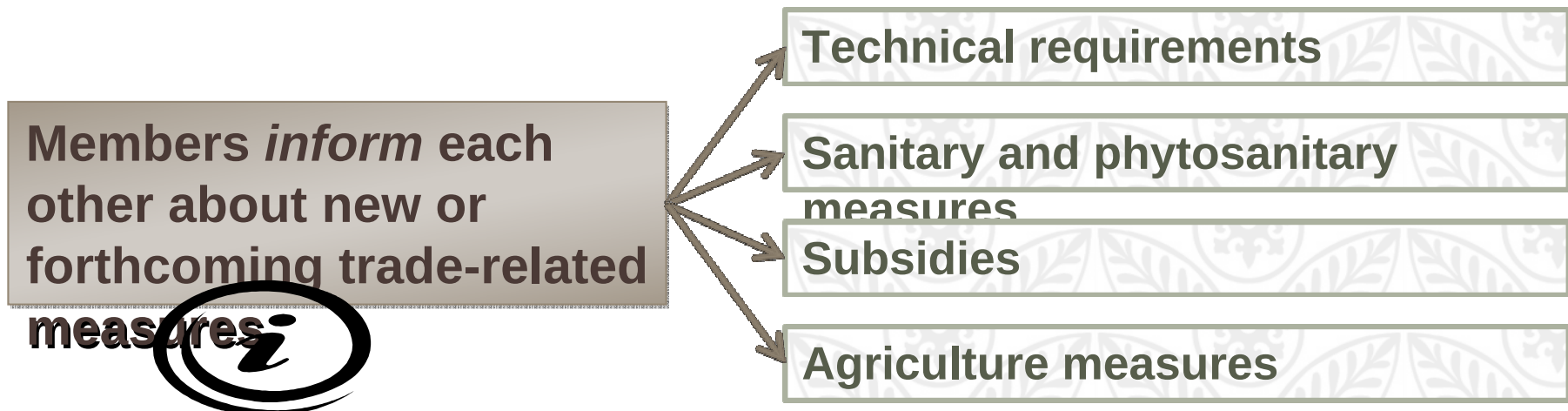
which seek, among other things, to ensure that environmental measures are not applied arbitrarily and not used as disguised protectionism



Transparency, Monitoring & Enforcement Mechanisms of the WTO



The WTO is a *repository* for trade-related policy information and a forum for deliberations



Transparency, Monitoring & Enforcement Mechanisms of the WTO

Example...

Technical Barriers to Trade Agreement

**1995 to 2012:
15746 notifications submitted
to the TBT Committee, an
average of 875 measures
notified per year**

**16.8% about measures
related to the**

**1995 to 2012:
365 specific trade concerns
raised in the TBT Committee,
an average of 20 concerns
raised per year**

**26% about measures
related to the**

International Co-operation on Green Economy Measures



The WTO Committee on Trade and Environment is the right forum to foster international co-operation on trade-related green economy measures

Coverage includes

Sustainability aspects of trade in individual sectors such as forestry and energy

The effect of green labelling schemes on market access

DDA Negotiations on Environment and the climate agenda?

- 1 Relationship between existing WTO rules & *specific trade obligations* set out in MEAs
- 2 Procedures for *regular information exchange* between MEAs and relevant WTO committees and the criteria for the granting of *observer status*
- 3 Reduction/elimination of *tariff and non-tariff barriers* to *environmental goods and services*

Negotiations on environmental goods

The key aim is to reduce or eliminate import tariffs and non tariff barriers on environmental goods: immediate deliverable for climate change mitigation

In the category of *renewable energy* products, on average, the MFN applied duty is:

**In developed country Members:
1.4% (0% - 2.7%)**

**In developing country Members:
6.3% (0% - 17.8%)**

**In LDC Members:
9.6% (1.7% - 24.3%)**

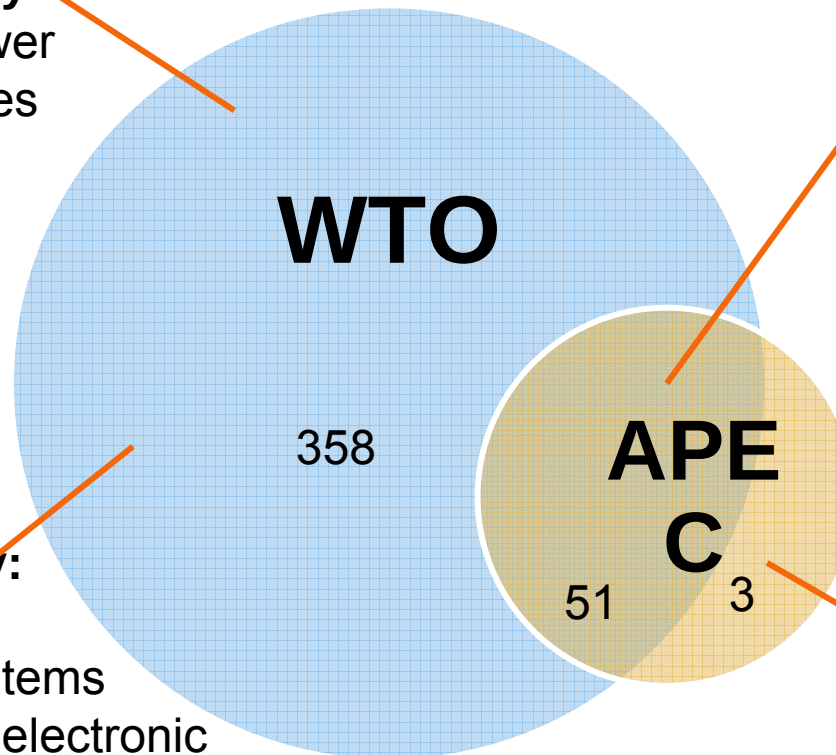
WTO and APEC Environmental Lists

Renewable energy:

- Wind turbine tower
- Hydraulic turbines and water wheels
- Hybrid vehicles
- ...

Energy efficiency:

- Fuel cell
- LED lighting systems
- Energy efficient electronic equipment



Renewable energy:

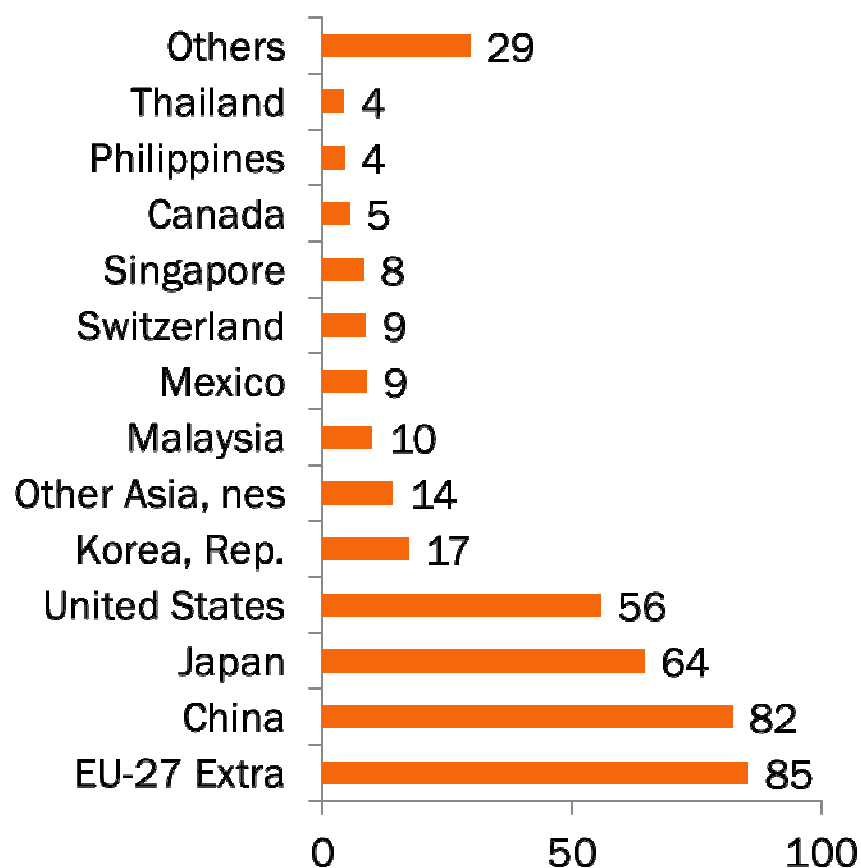
- Biomass boiler
- Solar water heaters
- Wind-powered electric generating equipment
- Photovoltaic cells, modules and panels

Renewable energy:

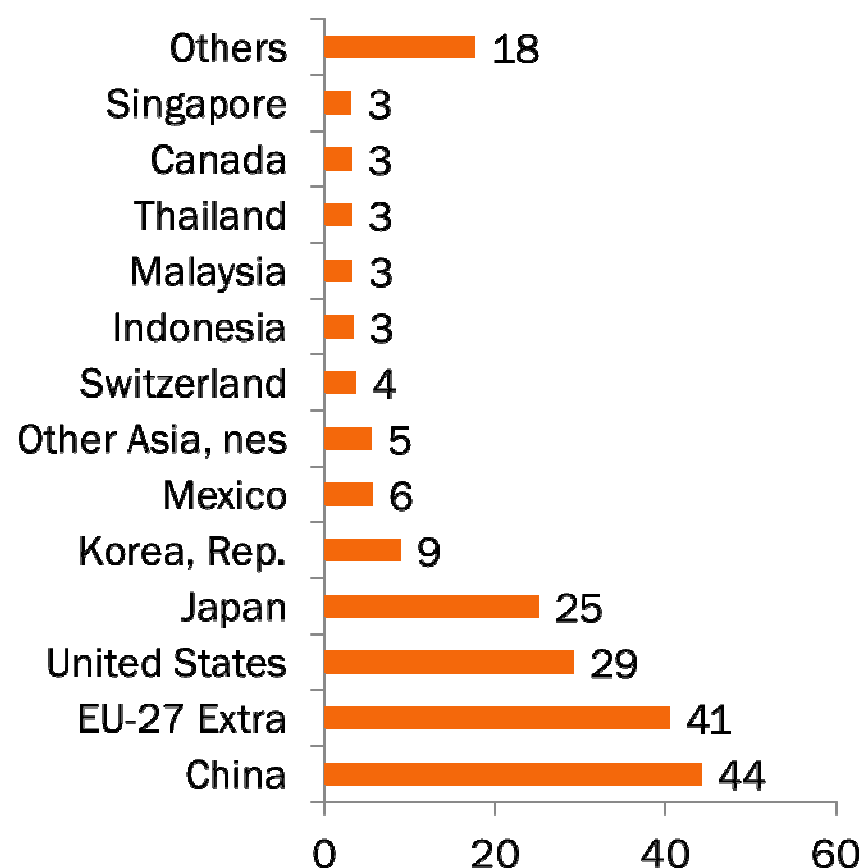
- Solar heliostats

WTO and APEC Environment Goods Lists

**Renewable Goods discussed
in the WTO (USD bil. 2011)**



**Renewable Goods agreed
in APEC (USD bil. 2011)**



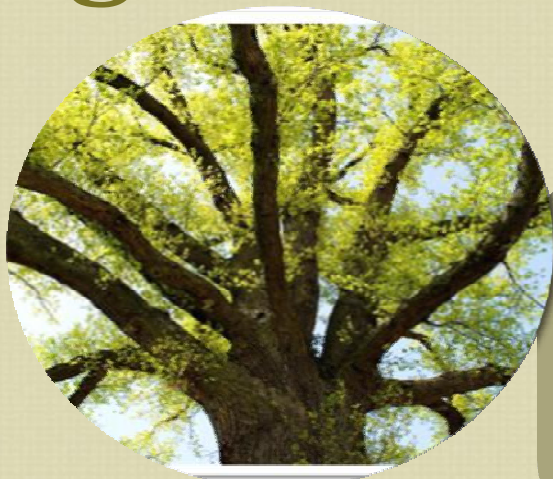
WTO: A framework for advancing sustainable development policies





WORLD TRADE ORGANIZATION
ORGANISATION MONDIALE DU COMMERCE
ORGANIZACION MUNDIAL DEL COMERCIO

Role of the MTS in promoting coherence between trade & climate agendas



Ludivine Tamiotti
Counsellor,
WTO Trade and Environment Division,
Ludivine.tamiotti@wto.org

Energy Charter Conference
Session on Adaptation of Current Rules to New Challenges
Geneva, WTO, 29 April 2013