

GENERAL AGREEMENT ON

TARIFFS AND TRADE

RESTRICTED

Spec(91)31
28 June 1991

COUNCIL
29-30 May 1991
Item No. 1

Original: English

TRADE AND ENVIRONMENT

Statement by the Delegation of Tanzania on behalf of the African Contracting Parties

African representatives to the GATT Council have accepted the proposal, arising from the extensive consultations the Chairman of the contracting parties has undertaken for the past several weeks, to participate in a general discussion on the subject of Environment and Trade.

We do so without prejudice to the position that the members of the African Group may take either collectively or individually at the appropriate time and place, taking into account the enormous complexity of the issues involved. These issues have direct relevance to national policy making, especially keeping firmly in view the central, unassailable objective of development.

We have taken full note of the interest expressed on behalf of the EFTA countries in using the existing stand-by machinery, of a group set up on 9 November 1971, primarily "to examine upon request any specific matters relevant to trade policy aspects of measures to control pollution and protect human environment, especially with regard to the application of the provisions of the General Agreement, taking into account the particular problem of developing countries and to report its activities to the Council!" Having listened carefully to the very comprehensively searching statement of the delegation of Austria on behalf of EFTA countries one's immediate, although altogether preliminary reaction is this: if countries which have reached high levels of industrialization find the potential impact of environment-protection measures on what can be described as bread and butter issues to be of such enormous complexity, we shall need to multiply those concerns by a factor of ninety-eight to be able to understand our hesitation to be drawn into anything like a structured treatment of the subject in the context of the GATT.

We have not abstractly chosen the factor of ninety-eight. It represents the global percentage of intellectual property rights held on behalf and for the benefit of industrialized countries' material and services production capacity.

We consider it significant that since its inception twenty years ago, no contracting party has seen it necessary to invoke this group. While we would not wish to speculate the reasons for this, we would not be surprised if on further reflection, the major industrialized countries remained content with taking environmental risks in the course of their rapidly

accelerating industrialization through technological innovation and application of new technologies with calculations of informal trade-offs. And it should not be surprising that most developing countries, already in the grip of soil erosion, deforestation, and desertification were in no position to translate these negative phenomenon in terms of the provisions of the General Agreement, the basic framework of which itself was for all practical purposes as remote and out-of-reach of their day-to-day preoccupations based on primary commodity dependence, as anything could possibly be.

We are mindful that only when developing countries were seen to be convenient dumping ground for exports of toxic and hazardous industrial products, the interrelationship between trade practices and environmental concerns began to be driven home to them.

We believe this example to be the tip of an enormous iceberg. It is ironical that the GATT secretariat paper L/3538 of 9 June 1971 should have convinced itself that "since the problems posed by solid waste disposal are mainly national and local in character, the (background) paper is concerned primarily with pollution by processes of industrial production".

Only when off-shore dumping of industrial waste became a practice, not to mention under-water nuclear explosions aimed at developing appropriate technology, and what it may be doing to ocean resources in the immediate medium and long term, the first shock waves began to be registered.

However, for us, our main environmental concerns are primordial. They concern soil erosion, deforestation and desertification loss of water catchment zones, pollution of our shores by ships plying along our coastlines, and practices which could be foreclosing the sustainable use of our economic zone in the seas and oceans whose waves unceasingly lash our shores. As if this was not enough, we now have to remain in a state of unrelieved anxiety about the integrity of the Ozone Layer.

It will be misleading to speak only of trade-related environment measures, or environment-related trade measures. We are concerned with modes of industrial production, of the disciplines of maritime shipping and maritime exploitation of seas and above all of the inescapable measures that must be undertaken without an hour's delay in reconstituting our soils, in resolving the cruel dilemma of procurement of energy for even elementary purposes such as cooking and deforestation, and what all these external and internal imperatives mean to the terms of trade - we repeat - terms of trade - of economies dependent on commodity production, and at the mercy of consumers' choices, influenced by fiscal and non-tariff measures.

We have little say on industrial technology and the process of industrialization which are in reality responses to ever more intense consumption modes of increasing variety, including consumption of defensive and offensive hardware and software.

If trade is anything at all, it is seen by us as a function of development. And if all play the rules of the game in accordance with

their accumulated capacity and capability, then trade can be an effective means of further development. So, we reiterate development is our categorical imperative.

The U.N. Conference on Environment and Development scheduled to take place in June 1992 in Rio de Janeiro, can be a watershed in humanity's progress towards a saner and more just world in which the marginalization of development begins formally to be arrested, and development becomes the global objective to which all are committed unequivocally, transcending narrow national, special interests which possess so much leverage, disproportionate to their genuine needs as human beings living with other human beings.

Permit me to quote what Robert McNamara had to say in his address to the African Leadership Forum in Nigeria, exactly eleven months ago, after he had given all-too-familiar stern critical strictures on the subject of governance.

One, he quoted former Tanzanian President Nyerere in his 1985 address to the FAO, namely, "until the last few years, Africa regarded environmental concern as an American or European matter. Indeed there was a tendency to believe that talk of environment was part of a conspiracy to prevent modern development of our continent. Now, we have reached a state of recognizing that environmental concern and development have to be linked together if the latter is to be real and permanent".

Two, McNamara said: "The disappearance of Africa's natural treasures has implications beyond the extinction of species. It means loss of genetic material for future development of crops, medicines and industrial products - which of course has implications beyond Africa. This threat presents an opportunity to mobilize international resources to help save Africa's environment. Saving Africa's environment should not be presented simply as a matter of donors giving aid to African recipients. We are talking of the "global concern here and of benefits that will accrue to all of us - industrial and developing countries alike - by preserving Africa's patrimony. The issue is therefore of cost-sharing. And since the industrialized countries have greater ability to pay (and he might have added, greater accumulated technological capacity through transformation of what was extracted from the outermost reaches of natural resources and environment) they should shoulder the larger part of the burden".

We have given preliminary consideration to the contents of the letter addressed to the Chairman of the contracting parties on behalf of the ASEAN countries, on 22 April 1991 reprinted as L/6859 of today's date. While we have no objection to the secretariat complying with what has been suggested in that letter, we would like to stress that in respect of each of the four indents (i) to (iv), the secretariat should indicate if development concerns were taken into account or were in any way reflected in the course of its research in respect of the four indents.

Spec(91)31

Page 4

To avoid any doubt, the African contracting parties would like to emphasize that any question of modifying or replacing the mandate of the 1971 standing machinery would have to await an exhaustive scrutiny of the the complex subject of environment as it continues to be examined in broader universal United Nations fora.