

# GENERAL AGREEMENT ON

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## TARIFFS AND TRADE

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### TRADE AND ENVIRONMENT

#### Statement by the Delegation of Pakistan

Today, I take the floor with a deep sense of humility. I shall explain why a little later.

Since EFTA countries raised the issue of trade and environment in the GATT last December, our delegation has not intervened in the debate which has taken place in almost all successive Council meetings. Not that we did not recognize the importance of the subject and the complexities it involves. Quite to the contrary: our authorities have been deeply involved in the preparation of the forthcoming 1992 United Nations Conference on Environment and Development which, to say the least, promises to be an occasion of far-reaching implications. The views that I would seek to express therefore, are without prejudice to Pakistan's belief that GATT should not be the primary forum for dealing with the subject of environment. That is not, however, to say that the outcome of the United Nations conference might require the GATT to assess the implications of measures, taken for the protection of environment, for the conduct of trade in general and for the General Agreement in particular.

We are deeply conscious of the fact that far from being the idiosyncrasy of a few eccentrics or millionaires, environment has indeed fired the imagination and conscience of the masses in a number of countries particularly those in the Western World, and has entered into the mainstream of political life. A politician could refuse to face this fact only at some peril. Indeed governments are stampeding to take the lead in riding the crest of this wave. New words and phrases are entering into the day-to-day vocabulary. Almost everything now, including aid or trade, is discovering its new, and hitherto ignored, relationship with the environment.

The source and strength of human endeavour has always been, and must always remain, the same as was agreed to by the founding fathers of the General Agreement when they wrote in its preamble that "their relations in the field of trade and economic endeavour should be conducted with a view to raising standards of living, ensuring full employment and a large and steadily growing volume of real income and effective demand, developing the full use of the resources of the world and expanding the production and exchange of goods".

Today the Western World has been alerted to the demands of environment by the facts of its own patterns of production and consumption. Some of the most striking of these have been referred to by the distinguished Ambassador from Malaysia. The developing countries for their part, however, remain concerned by the economic and social problems (including those of the degradation of the environment) generated by poverty and suffering. In other words, somehow the world is divided by almost opposing concerns when it comes to approaching the issues of environment. I think I can be excused for putting it so starkly. The challenge, therefore, is to engage in a political dialogue, the purpose of which ought to be to synthesize and reconcile these seemingly disparate concerns.

Of course, poverty is at the core of most problems in the developing countries. The pressures on natural resources are increased to a large measure by increased demand and hence, the exploitation of these resources in both developed and developing countries, [if I may say so]. Developing countries, in addition, are burdened with the problems generated by protectionism in the developed world, their ever-increasing debt profiles and the consequent handicaps in finding the resources necessary to sustain minimum levels of growth and development. We believe that efforts to eradicate poverty and restore growth and development must provide the essential underpinning for any efforts aimed at improving the environment. This implies that industrialized countries have the primary responsibility to put in place the mechanisms for ultimate solutions to the global environmental concerns. It also implies provision of additional financial resources by the industrialized countries, improving access to technologies and, in the peculiarly GATT context, eliminating the protectionist measures which serve as a drain on the generation of resources needed for growth and development in the developing countries.

Against these concerns, let us see if the ad hoc measures being adopted by some countries measure up to the development needs of the developing countries. Sadly the restrictions being imposed against the import of fish from some developing countries, on the grounds that not enough attention is being paid by fishermen when netting their fish, to take adequate precautions against simultaneous netting of another supposedly endangered species in the sea; or against the imports of particular types of furniture on the grounds that one of the trees being used is an endangered one and does not serve the development (indeed subsistence) interests of these developing countries.

At the other end of the spectrum there was the perverse complaint by a large trading entity a couple of years ago against a developing country imposing restrictions on the export of tropical timber even though the restrictions could have helped to preserve the environment in some way at least.

How do we square these contradictory demands! I have sought to invite attention to these, some could say, stray examples to underscore the point that there is a lot which the world has to analyse and discuss before an agreed "contract" emerges following the conclusion of the United Nations Conference on Environment and Development.

At the start of my remarks I referred to the feelings of humility with which I was participating in this debate. It derived from a realization that I was unable to follow the structure so ably and painstakingly put together by the Chairman of the contracting parties, Ambassador Recuperero, for a structured debate in the Council these two days. Perhaps the time for putting a coherent point-by-point structure into these discussions may not have been possible yet. At least that is the feeling that one came up with, listening to the statements so far. It is clear that we still need to deepen our understanding on the trade implications of environment-related concerns.

We do not deny the importance of the subject and of these discussions. But we must caution against any premature rushing of the process. We therefore would favour a step-by-step approach in addressing these issues. Such a step-by-step approach would indeed be necessary if only to avoid detracting from the Uruguay Round, which has been and must remain, our primary focus in the GATT. We can therefore support the ASEAN suggestion in document L/6859 that the Council may request the GATT Secretariat to produce factual background information to allow our governments the possibility of considering all relevant issues, including those related to the trade implications of environmental concerns, so they could reach a view as to how best to deal with them in an integrated manner, most immediately in the context of the forthcoming UNCED, and in the meantime from the point of view of whether the GATT provisions do not already cover the environment-related concerns.