

GENERAL AGREEMENT ON

TARIFFS AND TRADE

RESTRICTED

L/6859

29 May 1991

Limited Distribution

Original: English

TRADE AND ENVIRONMENT

The following communication, dated 22 April 1991, from the delegation of Malaysia, on behalf of the ASEAN contracting parties, has been received by the Chairman of the CONTRACTING PARTIES with the request that it be circulated subsequently to contracting parties.

In the context of your on-going consultation in preparation of the forthcoming GATT Council debate on trade and environment in May, my colleagues from the ASEAN delegations of Indonesia, Singapore, Thailand, and the Philippines and I wish to express to you our view that the Council should not be rushed into adopting definitive decisions regarding environment within GATT. We are of the opinion that since the preparations for the 1992 United Nations Conference on Environment and Development are in progress, and that a great deal of scientific and technical uncertainties still prevail in the area of environment, it is essential that a step-by-step approach be followed in addressing these issues in the GATT Council. We also consider it crucial that these steps should be transparent so as to serve the balanced interests of all parties both within UNCED and in the GATT. It will be undesirable if parties should pursue unco-ordinated and contradictory views in these or other fora concerning the same questions.

Arising out of these concerns the Contracting Parties members of the ASEAN propose that the Council debate should conclude with a decision to request the GATT secretariat to prepare a factual paper on the subject of "Trade and the Environment" which should be submitted to the GATT Council for assessment and evaluation. The Council could then decide on how to deal with the paper in relation to the UNCED 1991 process. To facilitate the preparation of the paper by the GATT secretariat, I append herewith the elements which should be covered in the proposed paper.

I shall be very grateful if you would kindly take this proposal fully into account in coming to a decision following your consultations.

ENVIRONMENT AND TRADE

ASEAN Proposal

1. The paper which the GATT secretariat could produce should be factual, and could contain the following elements:

- (i) historical background on circumstances which led to the establishment of the 1971 Working Party with its particular mandate;
- (ii) background information on any other GATT work in the past on environmental issues;
- (iii) describe how existing international arrangements on environmental protection, such as the Vienna Convention, Basel Convention, etc., affect GATT principles;
- (iv) listing of trade measures taken by countries for environmental protection, and environmental measures with trade implications.

Comment

2. Any paper prepared by the GATT secretariat must be only for the purpose of providing background factual information. The paper should not attempt an assessment of the broad question of the effects of environmental policies and measures on international trade.