

GENERAL AGREEMENT ON

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TARIFFS AND TRADE

Group on Environmental Measures and International Trade

REPORT OF THE MEETING OF THE
GROUP ON ENVIRONMENTAL MEASURES AND INTERNATIONAL TRADE

27 November 1991

1. The Group on Environmental Measures and International Trade held a first organizational meeting on 27 November 1991 under the chairmanship of Ambassador Hidetoshi Ukawa (Japan).

2. The Group adopted, for the present, the following three items as its agenda:

- (a) trade provisions contained in existing multilateral environmental agreements (e.g. the Montreal Protocol on Substances that Deplete the Ozone Layer, the Washington Convention on International Trade in Endangered Species and the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal) vis-à-vis GATT principles and provisions;
- (b) multilateral transparency of national environmental regulations likely to have trade effects;
- (c) trade effects of new packaging and labelling requirements aimed at protecting the environment.

3. On the organization of work, the Chairman drew attention to the background documentation prepared by the secretariat. This included the Factual Note on Trade and Environment (L/6896), in particular Section III, Annex IV and pages 10 through 16 and 34, and the two documents on the meetings of the UNCED Preparatory Committee (L/6892 and Add.1). He also referred to the summary of the structured debate on trade and environment, contained in C/M/250, and the full statements from this debate, contained in the document series Spec(91)27 through Spec(91)56. He considered that these documents contained sufficient information to begin substantive discussions; nevertheless he would welcome informal contacts from delegations on this matter, as well as on the possible structure and objectives of these discussions.

4. Delegations expressed general satisfaction with the convening of the long-dormant Group. Several stressed the positive rôle and appropriateness

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of GATT as the institution to address the subject of trade and environment. There was general agreement that the agenda would provide sufficient work for the time being. Any addition of new items was presently not an issue, but might be addressed at an appropriate time. It was generally considered that the present documentation would suffice; however a few delegations indicated that there might be a need for more analytical work by the secretariat. The Chairman's suggestion for informal consultations on the matters related to documentation and the work programme was viewed favourably.

5. Some delegations stated that the Group's work should take into account development concerns, in particular the discussions on the relationship between economic development and environmental problems in other fora such as UNCED and UNCTAD. A few delegations believed that the mandate of the Group did not allow for a "free-wheeling" discussion. Some delegations noted the need to elaborate a work programme to guide discussions. Another delegation saw issues in this area under two broad directions of impact: that of trade on the environment and of environment on trade. It believed that the mandate could accommodate examination of specific issues under both. Another delegation noted that it would have preferred the Group to meet under a new mandate, adding that it could visualize a situation in the future where the Group would need to review its present mandate.

6. One delegation stated that it did not view this Group as a negotiating forum but as a body in which to examine the interface of GATT rules and environmental concerns; this would involve technical work to which experts from capitals could provide input. Another delegation believed that the work of the Group should be conveyed to the UNCED. Another believed that there was a close link between the work of this Group and that of the Working Group on Domestically Prohibited Goods, to which this delegation attached a great deal of importance. It hoped that this Group could give new vigour to the work in the latter Working Group as it was in need of revival. Another delegation stated that the Group would enter into an entirely new area of work and therefore must proceed in a highly prudent manner. It believed that the rôle of the Group should be to send a positive message of the rôle of trade policy in environmental matters.

7. The Chairman took note of the statements made. It was agreed that, unless developments in the Uruguay Round posed problems, the next meeting of the Group would be 21 January 1992. Delegations should come to the next meeting prepared to fully address the three agenda items.