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TRADE AND ENVIRONMENT

Statement by the Delegation of the Czech and Slovak Federal Republic

I am pleased to have the opportunity to contribute to a structured discussion on a topic which is receiving the growing attention of the whole international community. Consultations under the chairmanship of Ambassador Ricupero and the ongoing debate in the Council are clear evidence that interlinkages exist also between trade and environment and that GATT should not ignore this fact and would enter into a deep dialogue within the established institutionalized framework.

Czechoslovakia is aware of the importance of this relationship, especially at present when our society has decided to transform its economy into a market system. The ultimate goal of this transformation process is to restore economic growth towards higher standards of living. Among the major obstacles in implementation of the transformation is the quality of the environment that has sharply deteriorated practically on the whole territory of the country over the past decades. Therefore, we consider the transition period to the full functioning of the market economy as a critical period in which our new development policy should be oriented to the gradual and speedy ecological optimization of processes taking place in our society within the framework of the strategy of sustainable development.

That is also why Czechoslovakia welcomes the initiative of the EFTA countries and considers it as positive and constructive. The interlinkages between the economy and environment are generally recognized and we share the view that it is desirable to attain the necessary coherence also between trade, finance and other spheres of the economy and environment. We find the GATT an appropriate forum for further deliberations concerning the mutual relations of trade and environmental policies.

New proposals tabled by Austria on behalf of the EFTA countries on institutional matters seem to be well founded and procedural suggestions flexible enough. However, it is our understanding that discussion in the Council would not probably substitute a detailed debate of experts which is to take place in a specialized body of experts. The Group on Environmental Measures and International Trade established in 1971 should be, therefore, convened and contracting parties wishing to do so should be free to express their views and opinions. Czechoslovakia is ready to participate in the work of this Group.

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Statements submitted so far have clearly demonstrated that a lot of work is to be done in updating the mandate of the above-mentioned Group. Concerns were also raised about possible use of environmental criteria for the introduction or maintenance of protectionist measures. In this context we share the view expressed by the representative of Austria and I quote: "Environmental concerns should neither lead to unnecessary barriers or non-tariff barriers to international trade, nor to a new excuse for protectionism in the modern form of 'eco-protectionism'". We have recognized that there is a difference between the situation in 1971 when the Group was established and the present stage. But the main difference consists in the urgency of the problem. Therefore the debate in the Working Group should start without further delay.

It would not serve the prestige of the GATT if it failed to do so in the period when other international fora have already started debates on the environmental aspects of the respective areas of the economy, including trade.