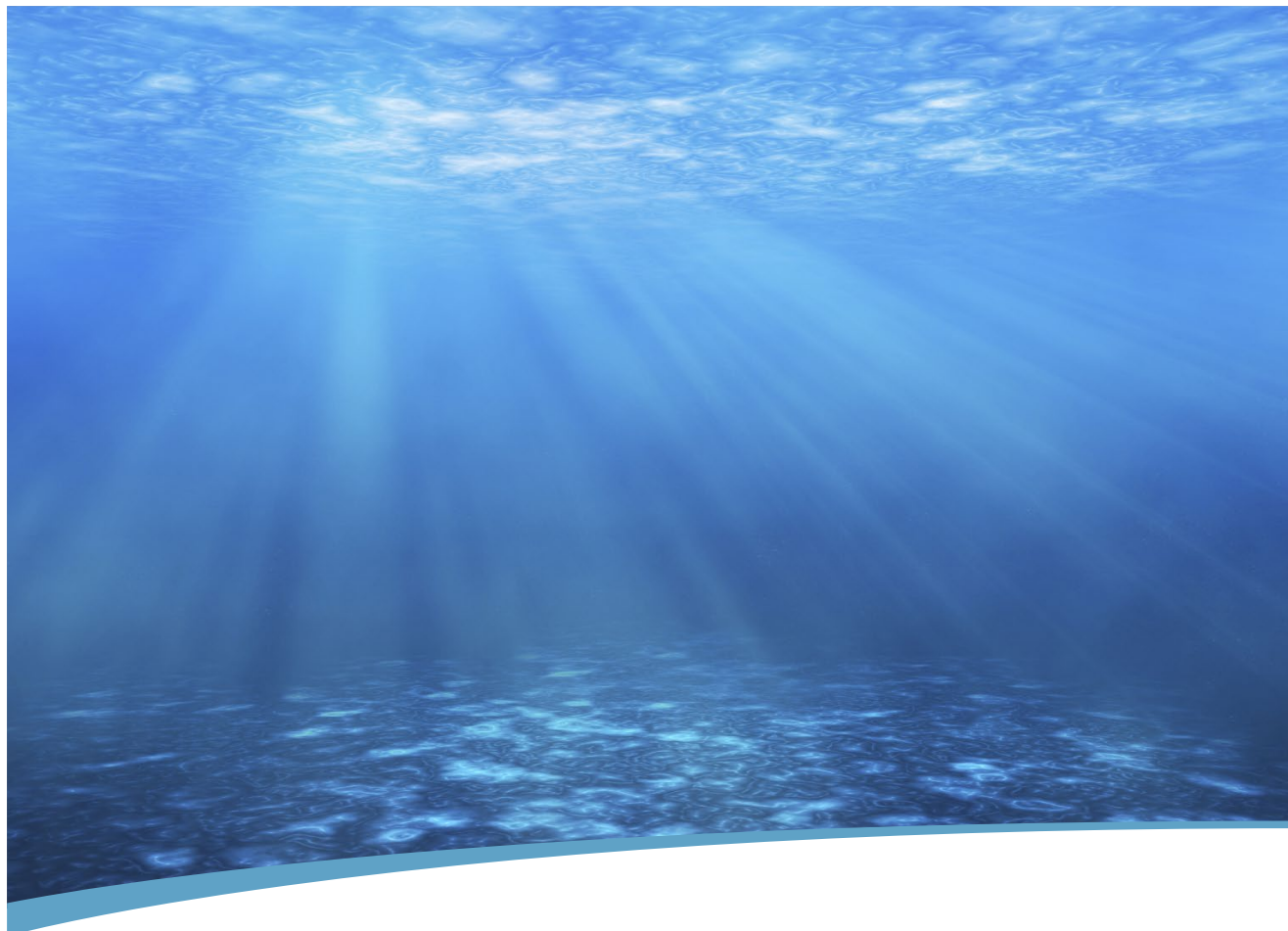


BRIDGES NETWORK

BIORES

Analysis and news on trade and environment

VOLUME 8, ISSUE 6 – JULY 2014



Plenty more fish in the sea?

FISHERIES

Trade policy and illegal, unreported, and unregulated fishing

WTO

Moving forward with fisheries subsidies negotiations

SUSTAINABLE DEVELOPMENT

Small island developing states needs at the WTO



International Centre for Trade
and Sustainable Development

BIORES

VOLUME 8, ISSUE 6 – JULY 2014

BRIDGES TRADE BIORES

The leading authority on news and analysis emerging from the trade and environment nexus.

PUBLISHED BY

ICTSD

International Centre for Trade and Sustainable Development

Geneva, Switzerland

www.ictsd.org

PUBLISHER

Ricardo Meléndez-Ortiz

EDITOR-IN-CHIEF

Andrew Crosby

MANAGING EDITOR

Kimberley Botwright

ADDITIONAL SUPPORT

Andrew Aziz, Sofia Baliño, Jessika Berns,
Taylor Clayton, Alice Tipping

DESIGN

Flarvet

LAYOUT

Oleg Smerdov

To join the BIORES Editorial Advisory Board,
write to us at biores@ictsd.ch

BIORES welcomes all feedback and is happy
to consider submissions for publication.
Guidelines are available upon request.
Please write to biores@ictsd.ch

FISHERIES

- 4 **Tackling illegal, unreported, and unregulated fishing:
New approaches**

Matthew Camilleri and Audun Lem

WTO

- 8 **A change in mindset:
The case for addressing fisheries subsidies**

Peter Allgeier

WTO

- 10 **Is an all-or-nothing WTO fisheries subsidies
agreement achievable?**

Rashid Sumaila

SUSTAINBLE DEVELOPMENT

- 12 **Small and vulnerable: Increasing SIDS resilience and
development through international trade**

Stephen Fevrier

POST-2015 DEVELOPMENT AGENDA

- 16 **Sustainable development and fossil-fuel subsidy reform**

Laura Merrill

ENVIRONMENTAL GOODS

- 18 **"Green Goods" trade talks kick off in Geneva**

POST-2015 DEVELOPMENT AGENDA

- 21 **Sustainable development governance
and goals in focus in New York**

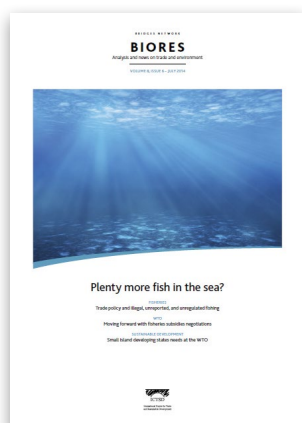
WILDLIFE TRADE

- 22 **CITES committee reviews action on illegal wildlife trade**

- 24 **The newsroom**

- 26 **Publications and resources**

Plenty more fish in the sea?



Fish make up around 17 percent of the global population's annual protein intake and almost 20 percent of the annual protein intake of about 3 billion people. Fish and fish products are among the world's most traded food commodities, worth around USD\$130 billion in 2012, with developing countries accounting for around 54 percent of total fishery exports by value. Between 10 and 12 percent of the world's population depend on fisheries and aquaculture for their livelihoods. Fisheries therefore have an important role to play in supporting food security and nutrition, income generation, employment and development.

But UN estimates suggest that 29 percent of marine fish stocks are harvested at a rate beyond biologically sustainable levels, 61 percent of stocks are fully exploited, with no room for expansion, while only 10 percent are under-used. And with two billion extra mouths to feed by 2050, global appetite for fish is unlikely to slow down any time soon. Aquaculture, which already makes up nearly half of the fish produced for human consumption, could help to fill some of this growing demand, as would sustainably managing marine fish stocks. The FAO estimates that restoring over-fished stocks to sustainable levels could lead to 16.5 million additional tonnes of annual harvest.

Moving global fisheries towards sustainability is imperative to ensure their future existence. Furthermore, tackling illegal, unreported, and unregulated fishing that undermines management efforts and denies economic opportunity to legitimate fishers, is an essential part of the task. This issue's lead article looks at what states can do to prevent stolen fish from entering global markets and where trade policy might play a role. Disciplining harmful subsidies, as a key driver of overcapacity and overfishing, is another must on the to-do list. Stalled progress in this area in the WTO's Doha Round, however, suggests new approaches to the talks might be needed. Will governments and negotiators step up to the challenge?

Starting with the landmark 1992 Rio Earth Summit, and cemented at the UN conference on sustainable development twenty years later, the international community has recognised the importance of balancing and integrating three pillars of development; economic, social, and environmental. The need for this balance is well-exemplified by a group of countries known as small island developing states (SIDS). Global decline in fish stocks and deteriorating ocean health present a grave threat for these countries given their dependence on marine resources and without many options for alternative industries. Ahead of the SIDS conference due to be held this September in Apia, Samoa, Stephen Fevrier reflects on what the WTO might do to address some of the global and local sustainable development challenges SIDS face.

Some scientists have predicted that continuing along current trends risks giving way to a fishless blue. Fortunately, glimmers of hope can be seen also be seen here and there, although much more need to – and must – be done.

What do you think? [Write to us](#) and we may publish your letter in a future issue. You can also follow us on [Twitter](#) and [Facebook](#). We appreciate both your time and your feedback.

The BioRes Team

FISHERIES

Tackling illegal, unreported, and unregulated fishing: New approaches

Matthew Camilleri and Audun Lem

Illicit fishing activities are piling pressure on already fragile wild fish stocks and marine ecosystems as well as threatening important food supplies for local communities. Where might trade policy complement regional and international action to tackle the challenge?

Illegal, unreported, and unregulated (IUU) fishing remains one of the greatest threats to marine ecosystems due to its potent ability to undermine national and regional efforts to manage fisheries sustainably as well as endeavours to conserve marine biodiversity. Driven by the promise of short-term economic gain, IUU fishing takes advantage of corrupt administrations and exploits weak management regimes, especially those of developing countries lacking the capacity and resources for effective monitoring, control, and surveillance (MCS). It is found in all types and dimensions of fisheries, occurs both on the high seas and in areas under national jurisdiction, concerns all aspects and stages of the capture and utilisation of fish, and may sometimes be associated with organised crime. Fisheries resources available to bona fide fishers are poached in a ruthless manner by IUU fishing, often leading to the collapse of local fisheries, with small-scale fisheries in developing countries proving particularly vulnerable. Products derived from IUU fishing can find their way into overseas trade markets thus throttling local food supply. IUU fishing therefore threatens livelihoods, exacerbates poverty, and augments food insecurity. It is well known that IUU fishing has escalated in the past 20 years, especially in high seas fisheries. Unfortunately the dynamic, adaptable, highly mobile, and clandestine nature of IUU fishing prevents a straightforward estimation of its impact. Rough calculations, however, indicate that IUU fishing across the world's oceans weighs in at around 11–26 million tonnes of fish each year or a price tag of US\$10–23 billion.^①

Next port of call

In 2001, in light of the urgent need to address the issue, members of the UN Food and Agriculture Organization (FAO) adopted the International Plan of Action to Prevent, Deter and Eliminate Illegal, Unreported and Unregulated Fishing (IPOA–IUU). This voluntary instrument, concluded within the framework of the Code of Conduct for Responsible Fisheries (the Code), is a toolbox for use by all members, whether general, flag states, coastal states, or port states. Mindful of the needs of developing economies, it calls upon all countries to develop and implement a consistent national plan of action for tackling IUU and highlights the central role played by Regional Fisheries Bodies (RFBs). Over the years, RFBs have engaged in vigorous campaigns to combat IUU fishing, and they have contributed extensively to the implementation of the IPOA–IUU. Efforts comprise strengthening MCS measures including port state measures, trade monitoring and control, listing of fishing vessels authorised to fish, listing of IUU fishing vessels, use of vessel monitoring system (VMS), establishment of dispute settlement processes, cooperation and coordination with other RFBs including information sharing on IUU fishing activities, joint enforcement activities, and the organisation of regional workshops.

Soon after adopting the IPOA–IUU, the international community recognised the importance of developing internationally agreed upon standards for the implementation of port state measures, already a central feature of the IPOA–IUU. Port state measures are actions taken by port states to tackle illegal fishing activities at landing point. Examples include outlining certain documentation requirements necessary in order to gain access to a port and its services. FAO members therefore began work on the drafting of a Model Scheme on Port State Measures to Combat IUU Fishing, concluded in 2005. This scheme was later taken to a higher level when it provided the basis for the drafting of the binding FAO Agreement on Port State Measures to Prevent, Deter and Eliminate

The Code of Conduct for Responsible Fisheries

Adopted by members of the UN Food and Agriculture Organization (FAO) in 1995, the Code is designed to strengthen the international legal framework for more effective conservation, management, and sustainable exploitation of living aquatic resources.

Illegal, Unreported and Unregulated Fishing (PSMA), approved at the FAO Conference in November 2009. The PSMA will enter into force 30 days after ratification by 25 parties. As of 1 July there have been 10 ratifications, acceptances, approvals or accessions. In addition, the US Senate ratified the PSMA in April 2014, but the legal instrument has yet to be deposited with the FAO.

The PSMA lays down a minimum set of standard measures for port states to apply when foreign vessels seek entry into port or while they are in port. Through the implementation of defined procedures to verify that such vessels have not engaged in IUU activities, fish caught through illegal activities can be blocked from reaching national and international markets. The PSMA also addresses the requirement for flag states to take certain actions, at the request of the port state, when vessels flying their flag are identified as participating in IUU fishing. In addition, it seeks to prevent the occurrence of "ports of non-compliance," which do not conform to internationally-agreed upon port control and MCS standards, and also calls for effective cooperation and information exchange among parties, as well as with relevant international and regional organisations, including RFBs. The PSMA places a particular responsibility on Regional Fisheries Management Organizations (RFMOs) to foster cooperation among their members to implement regionally-agreed port state measures that are compliant with the provisions of the PSMA. Used in conjunction with other tools, such as catch documentation schemes, port state measures have the potential to be one of the most cost-effective and efficient means of combating IUU fishing. They could also play a valuable role in helping to boost countries' compliance with conservation and management measures adopted by RFMOs. The PSMA, therefore, represents a multi-level tool that could scale-up international efforts to curb IUU fishing while also contributing to strengthened fisheries management and governance at all levels.

To be effective, however, parties would need to move ahead with developing implementation strategies, supported by sound policy, legal and institutional frameworks, as well as operational mechanisms sustained by sufficient human and financial resources. The PSMA calls on parties to provide assistance to developing states, directly or through FAO and other international entities, to enhance their capacity to implement port state measures. It provides for the establishment of funding mechanisms for this purpose managed by an ad hoc working group set up specifically to address the needs of developing states that are party to the PSMA. In November 2011 FAO convened an informal open-ended technical meeting to review draft terms of reference for this working group. FAO's Committee on Fisheries (COFI), a subsidiary body of the FAO Council, endorsed these terms in 2012.

Meanwhile, FAO has embarked on the delivery of a global series of regional capacity-development workshops, in collaboration with relevant regional and international organisations, to facilitate accession to the PSMA. The aim is to bring the PSMA into force as soon as possible and ensure that it receives the widest possible international acceptance. FAO's guide to the background and implementation of the PSMA serves as a principal resource document during the workshops.

Vessels are governed by the states whose flag they are entitled to fly. These states - known as flag states - in turn have certain responsibilities under international law. Flag states have the potential to play an important complementary role in the implementation of effective port states measures to combat IUU fishing. In this context a technical consultation on flag state performance produced the "Voluntary Guidelines for Flag State Performance" (VGFSP) to prevent, deter, and eliminate IUU fishing through the effective implementation of flag state responsibilities. The agreed VGFSP – endorsed by COFI at its most recent session in June – are wide-ranging and address the purpose and principles, the scope of application, performance assessment criteria, cooperation between flag states and coastal states, a procedure for carrying out an assessment, encouraging compliance and deterring non-compliance by flag states, cooperation with and assistance to developing states with a view to capacity development, and the role of FAO. They are expected to provide a valuable tool for strengthening compliance by flag states with their international duties and obligations regarding the flagging and control of fishing vessels. Moreover, it is hoped

that the VGFSP will encourage fisheries and maritime administrations to work more closely together, that national regimes and capacities will be strengthened, and RFMOs will play a meaningful role in using the voluntary guidelines to combat IUU fishing.²

Keeping track

A central challenge in addressing IUU fishing is that vessels caught fishing illegally can simply change their name – and thus their maritime 'identity' – thereby evading enforcement efforts. One way of closing this loophole is to allocate unique identification numbers to fishing vessels.

FAO is working in close collaboration with the International Maritime Organization (IMO) on vessel identification and other measures to combat IUU fishing, particularly through the Joint FAO/IMO Ad Hoc Working Group on IUU Fishing and Related Matters. In 2013, the IMO Maritime Safety Committee approved a paper submitted by several IMO member states, together with FAO and WWF, proposing to extend the IMO ship identification numbering scheme to fishing vessels on a non-mandatory basis. The scheme now applies to both merchant ships and fishing vessels of 100 gross tonnage and above. This means the IMO number can be used as the global unique vessel identifier, recognised by COFI as a key component of the FAO Global Record of Fishing Vessels, Refrigerated Transport Vessels and Supply Vessels (the Global Record). The Global Record is one of the latest tools being developed by FAO to combat IUU fishing by making readily available information on vessels engaged in fishing and fishing-related activities, including, *inter alia*, on their operations, physical characteristics, ownership, flag history, track record, and previous convictions. The Global Record is expected to strengthen MCS schemes and serve as an important facilitating tool in the implementation of international instruments such as the PSMA and VGFSP.

Efforts towards achieving more sustainable fisheries have been aided by a number of market-based measures including certification schemes originating in the private sector. Although concerns have been raised regarding the proliferation of such schemes, the cost of certification, and whether the role of private organisations in certifying official fisheries management systems is fully appropriate, there can be no doubt that these initiatives have in many instances contributed to improved sourcing practices in the supply chain, and to more responsible harvesting operations.

Tackling IUU through trade policy

In their fight against IUU activities, a number of importing countries of fish and fishery products have started to implement complementary measures that attempt to tackle the problem from a new angle, namely from a market and trade perspective. The most prominent is the EU requirement on catch documentation stipulating that from January 2010 all fish and fishery products of wild origin imported into the EU must carry documentation testifying the legal origin of the catch. The catch documentation must be verified by the authority of the flag state and non-cooperating countries may be subject to import bans. Following through on this, Brussels has now designated Belize, Cambodia and Guinea as non-cooperative, meaning that seafood products from these countries can no longer be exported into the trade bloc. Brussels has also issued warnings to other fishing nations. Some countries, such as the USA, generate lists of vessels engaged in IUU fishing. Imports from non-cooperating countries may be denied entry to the US market while the vessels may be banned from US ports. In parallel, some countries and RFBs are implementing new and more advanced traceability schemes, including electronically based systems that vastly facilitate the collection and verification of catch data.

Many fishing and exporting countries, however, are concerned that such schemes could become unnecessary barriers to trade. The UN General Assembly Resolution on Sustainable Fisheries in December 2013 addressed the issue requesting member countries to assist the FAO in elaborating guidelines and other relevant criteria relating to catch documentation schemes. At its June session, COFI requested these to be in conformity with the provisions of relevant international law; not create unnecessary barriers to trade; follow the principle of equivalence; and be risk-based. They should be reliable, simple,

clear, transparent, and electronic if possible. The assessment of schemes and formats shall include cost-benefit considerations and take into account catch documentation schemes already existing in certain member states, member organisations, and in the context of RFMOs. Countries are aiming for adoption of the catch documentation guidelines at COFI's next session.

In their fight against IUU activities, a number of importing countries of fish and fishery products have started to implement complementary measures that attempt to tackle the problem from a new angle, namely from a market and trade perspective.

One interesting and quite recent development is the proposal by some countries to include fisheries management provisions, flag- and port-state responsibilities, trade and IUU fishing, as well as reporting mechanisms for fisheries subsidies in regional and bilateral trade agreements. In many cases, these inclusions go beyond the trading partners' binding commitments under existing multilateral agreements and can be seen as an attempt to move the agenda forward in the absence of solutions at the multilateral level, or to implement on a bilateral basis measures that form part of international instruments not yet entered into force. While it is far too early to judge the impact of these provisions, the signal effect may be important as they highlight that fighting IUU activities is also a national and regional moral responsibility, whether or not action is anchored in international or multilateral agreements.

FAO members have repeatedly highlighted the persistent and detrimental problem of IUU fishing in their implementation of the Code and related instruments. Most members indicate that they have taken steps to develop national plans of action to deter, prevent, and eliminate IUU fishing, including improving MCS setups and introducing cross-border cooperation between authorities and legal framework improvements. This suggests that a global, firm, and growing commitment is in place to tackle IUU fishing. In addition, the toolbox available to policymakers in the fight against IUU fishing continues to be enriched by new and more effective instruments, ranging from measures affecting fisheries operations and management schemes to market- and trade-based measures. It is therefore a legitimate hope that concerted efforts by the international community at all levels will at last be able to effectively reduce and eradicate activities that for too long have been allowed to endanger the sustainability of fish stocks as well as the economic and social wellbeing of key stakeholders.

This paper is an updated and expanded version of the IUU section in the chapter on governance and policy in the 2014 edition of the UN Food and Agriculture Organization (FAO)'s State of World Fisheries and Aquaculture flagship report.



Matthew Camilleri
PhD, Fishery Liaison Officer,
Policy and Economics Branch,
FAO



Audun Lem
PhD, Chief, Products, Trade and
Marketing Branch, Fisheries and
Aquaculture Policy and Economic
Division, FAO Fisheries and
Aquaculture Department

- ① Agnew, D.J., Pearce, J., Pramod, G., Peatman, T., Watson, R., Beddington, J.R. & Pitcher, T.J. (2009), Estimating the worldwide extent of illegal fishing, *PLoS ONE*, 4(2).
- ② Bloomberg New Energy Finance/Ernst & Young (2013), South Korea's Emissions Trading Scheme.

WTO

A change in mindset: The case for addressing fisheries subsidies

Peter Allgeier

There is an explicit mandate on governments and trade negotiators to ensure the sustainability of the oceans' fisheries. This mandate, however, may require an uneasy shift in trade negotiations.

Hundreds of millions of people depend on fishing for all or part of their income. The sustainability of fisheries also is critical to meeting the food needs of the three billion people who depend on fish for almost 20 percent of their average animal protein intake. International trade is a key factor in the economic welfare of countries' fishing industries, affecting exports, imports, terms of competition, and so on. Nearly 40 percent of the total production of fish and fish products enters international trade, with an estimated value of US\$130 billion in 2012. The fishing industry is particularly important for developing countries, given that they account for about 80 percent of world fishery production, and around 50 percent of world exports of fish and fishery products in value terms. The world faces a major challenge to ensure the sustainability of fisheries. According to the UN Food and Agriculture Organization (FAO), 90 percent of the world's fisheries are now overexploited, fully exploited, significantly depleted, or recovering from over exploitation. The situation is so severe that, based on current trends, leading fisheries scientists estimate the world's fisheries could be beyond recovery within decades.

Fisheries management alone will not be sufficient. In order to relieve the pressure on the ocean's fish stocks it is necessary to reduce harmful subsidies and eliminate illegal fishing. Subsidies permit fleets to fish more intensively, longer, and further afield than would be the case in their absence, especially with regards to the operational subsidies such as fuel and construction.

Ahead of the launch of the WTO's Doha Round in 2001, leaders and ministers recognised the importance of fish resources for trade and development, as well as the clear link between subsidies and depletion of those resources. This recognition led WTO trade ministers to include negotiations to discipline such subsidies in the Doha Development Agenda (DDA). At the WTO Hong Kong ministerial conference in 2005 ministers were more explicit about their objectives. Their instruction to negotiators was to strengthen fisheries subsidy disciplines including through the prohibition of certain subsidies that contribute to overcapacity and over-fishing.

Characteristics of the negotiations

The fisheries subsidy talks have several unique characteristics that warrant discussion. While one objective of the negotiations is a typical WTO "level the playing field" commercial objective, there also is an important aim to promote the sustainability of the world's ocean fisheries. This sustainability objective creates a significant challenge to trade negotiators whose DNA dictates that they should negotiate for their own country's commercial interest. But if they are to achieve the sustainability goal they have to adopt a mentality – at least with one side of their brain – of what is best for the global commons. The explicit environmental mandate requires trade negotiators, and their governments, make "concessions" to the common environmental good as well as to their trading partners. Similarly, solutions will not fit the normal WTO mould of adjusting the border measures, or internal policies, of each member. The fisheries subsidy issue involves both activities within members' marine "borders," namely their Exclusive Environmental Zones (EEZs), and activities on the high seas beyond everyone's EEZ. And to make matters more complicated migratory fish species move back and forth between EEZs and the high seas.

Another important characteristic of these negotiations is that they cut across north-south lines. The major fishing subsidising members include developed and developing countries while those adversely affected by the subsidies – both economically and environmentally – also represent a range of rich and poor nations. The negotiations also raise new institutional issues for the WTO. What distinguishes the WTO from other international agreements is that the members' commitments are subject to a robust dispute settlement system that can sanction economic retaliation to enforce members' compliance with their obligations. A question arises, however, as to whether the current Dispute Settlement Understanding (DSU) is equally workable for an agreement with a global sustainability objective.

Beyond the complications and challenges of these various characteristics, there is the overriding challenge of finding the proper balance between development and trade on the one hand, and sustainability and the environment on the other. How can we do that? In reality, however, development and trade ultimately will not be realised if the sustainability objective is not met. Can a potential tragedy of the commons be a sufficiently powerful incentive for negotiators, and their political leaders, to adjust their mindset and negotiating approaches to give proper weight to the sustainability objective?

Subsidies

Subsidies in manufacturing and agriculture are addressed in the WTO but as a practical matter disciplining fisheries subsidies is the missing piece. The subsidy prohibitions under Article III of the WTO Agreement on Subsidies and Countervailing Measures (SCM agreement) apply only to situations in which the subsidies are contingent upon export performance or use of domestic goods over imported goods. Neither of these conditions would appear to apply to most of the subsidies granted to fishing enterprises.

The SCM agreement also defines a category of "actionable subsidies" that have "adverse effects" on the interests of another member. The definition of adverse effects, however, is cast in terms that are much more oriented to head-to-head competition in a given manufactured product in the same market(s) than to adverse effects upon a common resource on which all producers depend. This traditional view of trade-distorting effects of subsidies misses the point that such subsidies, in addition to having the direct competition-distorting effects described above, also have a significant "adverse effect" on the sustainability of the underlying resource being produced, such as fish, which threatens the viability of all other members' fishing industries. It would not be a huge leap in logic to supplement the current understanding of "adverse effects" in the SCM agreement with recognition that, by definition, subsidies that contribute to over-fishing seriously damage the common interests of other members with fishing enterprises. A draft text (TN/RL/W/213) presented by the chair of the WTO negotiations on rules – which cover the fisheries subsidies negotiations – did in fact include a "General Discipline" that would prohibit the use of subsidies in respect of straddling or highly migratory stocks whose range extended into another member's EEZ, or to stocks in which another member had "an identifiable fishing interest."

Conclusion

Much of the criticism directed at the WTO and trade negotiations generally from environmentalists has been that trade negotiations exacerbate environmental problems. Moving forward it is essential, therefore, that new trade opportunities be structured in a manner that also promotes sustainability of trade activities. Eliminating destructive fisheries subsidies through WTO rules is exactly the kind of environmentally supportive trade negotiation that the WTO should, and can, foster. Although this may require a change in mindset by trade negotiators, the increasing severity of global environmental challenges has prompted heightened attention to the relationship between international trade and resource issues, and governments may well feel the pressure to make this shift.



Peter Allgeier
Former US Ambassador to the
WTO

This article is adapted from a longer piece published in ICTSD's Africa focused periodical, Bridges Africa.

WTO

Is an all-or-nothing WTO fisheries subsidies agreement achievable?

Rashid Sumaila

Progress on disciplining harmful fisheries subsidies at the WTO has been slow. Could a distinction between different types of fish stocks according to their national or international locales help move the multilateral talks forward?

Since a back of the envelope calculation by the UN Food and Agriculture Organization (FAO) revealed that the total amount of fisheries subsidies in maritime countries globally could be as high as US\$50 billion annually in the early 1990s, eliminating harmful fisheries subsidies has become an essential part of the quest to achieve sustainable fisheries. More recent detailed studies have put this number at US\$15-27 billion. This is still a substantial amount given that the total gross revenue from the world's fisheries is estimated at around US\$80-85 billion. There is a strong connection between fisheries governance, subsidy policies, and sustainable development. The crucial issue is that subsidies that motivate fishers to exert more pressure on stocks make fisheries governance – and therefore the attainment of sustainability and conservation goals – difficult to achieve. Negotiations for improved disciplines on fisheries subsidies at the WTO have, however, stalled in recent years and considerable challenges remain before a meaningful agreement can be reached.

Challenges to the WTO negotiations

A key reason for the lack of progress in these multilateral talks, after seven years of trying, is that the negotiations suffer from the problem of "lumpiness." By this I mean negotiators aim for an all-inclusive deal or no deal at all. This lumpiness takes two forms. Firstly, the WTO Doha Round was constructed as a "single undertaking," meaning that results must be achieved in all areas of the negotiations and not only in those regarding fisheries subsidies. Under this modus operandi any potential breakthrough in the negotiations on fisheries subsidies would be dependent on similar breakthroughs in the rest of the Doha Development Agenda (DDA).

The second lumpiness, which is the focus of this contribution, relates to negotiators' goal to cut an all-inclusive deal on fisheries subsidies. Within this setting, a draft text released on 30 November 2007 (TN/RL/W/213) by the chair of the WTO Rules negotiations – the body charged with discussing issues including anti-dumping and subsidies – proposed an entirely new set of fisheries sector-specific disciplines. The draft text was designed to have two core elements; a broad set of prohibited subsidies and a list of general exceptions to these prohibitions, with complementary regulations guarding against circumvention; and a second special & differential treatment (S&DT) category, giving policy flexibility to developing countries through provisions of additional exceptions based on various combinations of factors, such as types and locations of fisheries. Most exceptions would be conditional on certain fisheries management requirements. As with many international agreements it is always a tricky issue when, even though there are often good reasons for doing so, developing countries are given special exemptions. I think some of the resistance to such exemptions, in the case of fisheries subsidies, lies in the fact that developing countries are not a homogenous group.

Subsequent sessions of the rules negotiations group revealed a range of conflicting views on the draft text. In December 2008, the chair issued revised versions of negotiating texts for the other rules issues, accompanied by a "roadmap" of a detailed list of questions around the fisheries subsidies sticking points. In 2011 the next Rules Chair produced a report on the fisheries subsidies negotiations, identifying areas of more and less convergence, but no new negotiating text.

Response to the challenge

One way to move forward would be to split the world's fisheries into two categories. The first would be domestic fisheries, for example, fish stocks that spend all their lives within Exclusive Economic Zones (EEZ). The second would be international fisheries, made up of fish stocks that do not qualify as domestic fisheries as defined herein. These consist of transboundary fish stocks, highly migratory stocks – such as tunas that straddle the EEZs of many countries as well as the high seas – and stocks that spend all their lives in the high seas. This split could enable progress with the WTO fisheries subsidies negotiations in at least three ways. Firstly, the incentive for countries to eliminate harmful subsidies differs significantly, depending on whether a fishery is domestic or international; and within the latter, whether a fishery is a transboundary, highly migratory, or a discrete high seas stock. Secondly, different institutional frameworks are required to support the elimination of harmful subsidies between the two categories. Thirdly, by dividing fisheries into these groups, it would be easier to identify where to put emphasis on eliminating harmful subsidies.

Disciplining harmful subsidies to domestic fisheries

If a country depletes its domestic fish stock it would suffer the consequences. Hence the battle for eliminating or at least redirecting harmful subsidies for domestic fisheries should rightly be at home in individual countries. The key to success is to make it abundantly clear to fishing countries that it is in their best interest to divert harmful subsidies into more constructive uses. For example, countries that redirect their harmful subsidies to provide skills to fishers to help them transition to more sustainable livelihood activities would see win-win benefits in the sense that they would keep the money in the fishing communities while reducing the pressure to deplete a renewable food source.

Disciplining harmful subsidies to international fisheries

Incentives are less clear and more complicated at the international level. If a nation subsidises and over-fishes a highly migratory fish stock, its citizens will enjoy the short-term benefit of doing so, while the negative consequences are suffered by many other countries. As a result of the asymmetric nature of this cost-benefit distribution, the multilateral level and the WTO in particular, appears to be the most appropriate arena for tackling harmful subsidies in this second category of fish stock.

The trick here is to identify the low-hanging fruit. Examples include fisheries based on high and deep sea fish stock, as well as highly migratory high seas tuna species. Ecologically, high and deep sea fish stocks are known to grow slowly and live long, some with up to 100 year lifespans, both of which make them very vulnerable to overfishing. In addition, current legal and management structures are weak to say the least. These fisheries are operated by a few, mostly developed countries, producing a small percentage of the world total fisheries catch while employing only a small number of people. It has been estimated that without subsidies many of the bottom trawl fleet operating in the high seas would not be economically viable. Broadly speaking, the production-distorting effects of fisheries subsidies are most pronounced in high seas fisheries. Obtaining a WTO agreement on subsidies relating to these fisheries would therefore be a significant win for conservation and sustainability.

Towards sustainable fisheries

While focusing on international fisheries presents an attractive option, particularly from an environmental perspective, this does not mean that the international community should ignore what happens to harmful subsidies domestically. From the development perspective the international community should be interested in disciplining domestic subsidies if only for global food security reasons. And the trade distorting aspects of subsidies to domestic fisheries should still make them a matter of concern to the global community. More details would also need to be worked out to implement the proposal outlined in this paper. For instance, how would countries be able to distinguish among subsidy programmes to target only certain species? Still, the principles behind my proposal are clear; in order to succeed in disciplining harmful fisheries subsidies, angle efforts more towards the interest of fishing nations, and deal domestically and internationally where appropriate.



Rashid Sumaila
Director of the Fisheries
Economics Research Unit,
Fisheries Centre at the University
of British Columbia, Vancouver,
Canada

SUSTAINABLE DEVELOPMENT

Small and vulnerable: Increasing SIDS resilience and development through international trade

Stephen Fevrier

Small island developing states face a number of specific sustainable development challenges, some of which might usefully be addressed at the WTO.

In September, delegates will gather in Apia, Samoa for the Third International Conference on Small Island Developing States (SIDS) guided by the overarching theme of the "sustainable development of SIDS through genuine and durable partnerships." The conference offers an opportunity to reaffirm commitments already taken and to further advance issues related to the sustainable development of SIDS. At the pivotal 1992 Rio Earth Summit held in Rio de Janeiro, Brazil and in the resulting Agenda 21, SIDS were recognised as having particular characteristics that make them unique from both environment and development perspectives. Twenty years later, "The Future We Want" the outcome document of the follow-up UN conference on sustainable development held in the same South-American city, brings a new sense of momentum to addressing SIDS sustainable development needs.

Notwithstanding the significant strides forward SIDS have made as a group towards mainstreaming the principles of sustainable development into national development plans and priorities, persistently low rates of economic growth, high levels of external debt, high input costs, remoteness from external markets, and a host of other structural rigidities continue to weaken their capacity to respond to current and future development demands. Key to overcoming these challenges is a deeper and more beneficial integration into the global economy. Such efforts aimed at beneficially integrating SIDS into the multilateral trading system must be supported by strategies focused on strengthening supply-side capacities and increasing macro-economic competitiveness, which is defined as the mix of institutions, policies, and factors that determine the level of productivity in a country. Furthermore, the Marrakech Agreement establishing the WTO *inter alia* mandates the "optimal use of the world's resources in accordance with the objective of sustainable development, seeking both to protect and preserve the environment and to enhance the means for doing so in a manner consistent with the respective needs and concerns [of countries] at different levels of economic development." WTO members in general, and SIDS in particular, should therefore pursue an international legal architecture that links economic development to environmental sustainability.

It is notable that some of the elements of the zero draft of the outcome document proposed for the September SIDS conference either directly or indirectly addresses disciplines and market access issues currently being considered within the context of the WTO Doha Round negotiations. The rules-based nature of the WTO supports both trade liberalisation and a governance framework that can effectively enable and support the long-term development prospects of SIDS. Translating the theory to practice, however, will continue to challenge countries both small and large. This paper proposes approaches that could support the responsiveness of the multilateral trade system to some of the specific development challenges faced by SIDS. It is nevertheless recognised that a trade-focused response the challenges faced by SIDS is but one ingredient in a policy mix needed to promote and foster sustainable development. Beyond trade reforms, developing countries and in particular SIDS, have been key demanders for adjustment and supply side capacity support. In order for the welfare gains from trade reforms to be realised within the multilateral framework, complementary support aimed at enhancing productive capacity, value enhancement, and accessing markets is also important. The capacity of SIDS to respond to non-tariff measures remains an obstacle to sustainable growth. These

SIDS and sustainable development commitments:

1. The Rio Declaration
2. Agenda 21
3. The Plan of Implementation of the World Summit on Sustainable Development and the Johannesburg Declaration on Sustainable Development
4. The Barbados Plan of Action (BPOA)
5. The Mauritius Strategy for the Future Implementation of the Programme of Action for the Sustainable Development of SIDS (MSI)
6. Rio+20, The Future We Want

issues, along with domestic policy reforms, must be pursued in tandem to enhance the prospect of sustainable and sustained economic development.

Oceans and seas

Oceans and seas, along with coastal areas, form an essential component of the earth's ecosystem and are intrinsically linked to sustainable development. Healthy, productive, and resilient oceans are critical to the economic viability of SIDS. Many of the marine resources harvested in oceans and seas are not targeted for local markets but exported as raw materials, intermediates, or final products. The demand for goods and services originated from the oceans is likely to increase in the near future as global population and terrestrial food production constraints grow. If done sustainably, trade in marine products can create opportunities for economic growth, export diversification, and new investments. Major trade sectors where opportunities exist or could emerge in the near future include: sustainable fishing and aquaculture; certain marine transport services and port management; marine renewable energy; marine bio-prospecting and biotech; regulated seabed mineral resource extraction; and maritime and coastal tourism. Trade in marine sectors can be supported by the introduction of sound regulatory and institutional frameworks that also assist in developing ancillary services required to undertake marine related economic activities. These services include financial, insurance, telecommunication, testing and certification, as well as research and development.

Optimising the use of natural oceanic resources that are directly traded or serve as inputs to industrial and services activities must, however, extend beyond economic considerations by incorporating environmental and social factors into the equation to ensure long-term sustainability. Over-exploitation and poor management of marine resources have resulted in lost opportunities to sustain growth, heightening risks to global food security, and threatening livelihoods. These risks are of particular importance to SIDS who stand to be more heavily impacted by the depletion of marine resources than other country groupings. For example, according to new UN-backed research, most of the Caribbean's coral reefs – which generate around US\$3 billion annually from tourism and fisheries – are in danger of disappearing in the next 20 years due to overfishing, destructive coastal development, and pollution.❶

Fisheries subsidies and SIDS

Recognising the need to regulate subsidies that contribute to the unsustainable harvesting of the world's fisheries, the 2001 WTO Doha Ministerial Declaration launched negotiations to clarify and improve WTO disciplines on fisheries subsidies. The mandate to advance negotiations on fisheries was further elaborated at the WTO Hong Kong ministerial conference in 2005, where members agreed to strengthen disciplines including the prohibition of certain forms of fisheries subsidies that contribute to overcapacity and overfishing. The main challenge that confronts WTO negotiators is finding the appropriate balance between, on the one hand, disciplining the use of subsidies that result in overcapacity and resource depletion and, on the other, protecting the needs of developing and least developed countries (LDCs).

Excess fishing capacity has been pointed to as one of the main contributors to overfishing and is mainly a consequence of the provision of ill-conceived subsidies to domestic fishing industries. Such realities bring into sharp focus the need to align the sometimes-competing interests of potential economic gains with environmental sustainability. These conflicting priorities also highlight the need for countries to agree on binding multilateral rules aimed at governing the sustainable harvest of marine resources within the framework of a broader strategic approach to safeguarding the ecological diversity of the world's oceans. In this context, SIDS can explore approaches within the WTO Rules negotiations specific to fisheries subsidies, as well as in the negotiating group on Market Access in relation to fish and fish products, to achieve balanced outcomes that take account of the economic, trade, and ecological imperatives of SIDS. In theory, the negotiations on fisheries subsidies at the WTO hold potential for the multilateral trading system to rise to the challenge of effectively balancing ecological governance with economic considerations, although stalled progress in the talks demonstrates some of the pitfalls of this process.

While SIDS should seek to eliminate harmful subsidies through the disciplining of unsustainable practices, it is in the interest of SIDS to preserve policy space to build domestic sustainable fishing sectors. A draft negotiating text put forward by the Chair of the WTO Rules negotiations on fisheries subsidies in 2007 provides for general exceptions and special & differential treatment (S&DT) for developing countries. These flexibilities, including those proposed for small economies, are linked to fisheries management systems aimed at regulating marine wild capture within a member's jurisdiction. While such systems imply financial costs, they can have positive effects on the sustainability of local fish stocks in the medium and longer terms. The 2007 draft text *inter alia* promotes: fisheries management systems; monitoring; control and surveillance and marine protection. The document calls for enhancing and implementing the regime for monitoring, control and surveillance of fishing vessels to tackle illegal, unreported and unregulated (IUU) fishing, including by investing in institutional capacity at the national, regional and international levels. It also calls on the UN system and regional fisheries bodies to pay increased attention to the value of small-scale fisheries and also to improve food security. These are all key objectives of SIDS as reflected in the Apia Outcome Document and are all in line with the objectives of SIDS negotiating within the WTO.

Sustainable energy, environmental goods and services

Worldwide demand for renewable energy is expected to increase two and half times by 2035, according to the International Energy Agency, (IEA). Renewable energy generation can contribute to energy security, diversify a given country's energy mix, and contribute to efforts to mitigate the effects of climate change. SIDS typically have low levels of renewable energy infrastructure and high-energy costs. They could thus potentially explore investment incentives and consumption subsidies such as feed-in-tariffs as a means of attracting investment, although past disputes at the WTO suggest such policies would need to be carefully formulated in order to comply with multilateral trade rules. Partnerships and technical assistance with key agencies can also play an important role in undertaking the necessary analytical work to support the adaptation of local regulations and attract financing for pilot projects. It must, however, be acknowledged that the economic, technical, and public policy capacity of SIDS is not at the same level as their developed counterparts. Therefore, while SIDS should pursue renewable energy options, expectations should be calibrated in accordance with their capacities in this area. ❷

Environmental goods and services are included in a subset of the goods and services negotiations in the Doha Round and members could use these negotiations to pursue liberalisation of products that support sustainable energy. It should be noted that a group of WTO members are now engaged in negotiations on environmental goods trade liberalisation, and separately, on negotiations aimed at the establishment of regional trade agreements that might include environmental services. While SIDS are not party to these negotiations or agreements, progress should be monitored with a view to assessing the possible systemic impacts and the specific trade related opportunities they may give rise to. Additionally, SIDS could encourage enhanced multilateral dialogue on products and services that support sustainable development, including clean energy. Such an approach would not only support energy independence but also reduce national dependence on fossil fuels. SIDS may also want to encourage renewed dialogue on the liberalisation of trade in environmental services.

Small islands face numerous challenges with respect to fresh water resources, including wastewater. SIDS also recognise the need for the management of chemical effluent and waste as critical to the protection of human health and the environment. Negotiations on trade in environmental services provides an opportunity for SIDS to respond to emerging demands for water, chemical, and waste disposal. During the last 13 years, as part of the Doha Round, several WTO members have called for the identification of core environmental services. To this end, WTO members have submitted various communications aimed at improving environmental services classification by including the following environmental services; (1) liquid waste services, (2) refuse disposal services, (3) sanitation, water and wastewater and, (4) other environmental services (S/C/W/320). One difficulty with drawing up lists is that some green services, like green goods, can have

both environmental and non-environmental end-uses. Broadly speaking, however, most environmental services can be divided into two general categories: infrastructure and non-infrastructure environmental services. Under the ambit of both regional and multilateral trade agreements, SIDS could consider pursuing liberalisation of sectors specific to wastewater and sewage services, remediation services, and renewable energy. SIDS can assess the opportunities presented through multilateral negotiations on environmental services and consider the role that private participation, regulations, and institution building can play in creating economic opportunities while simultaneously mitigating the impacts of human activities.

Food security

As identified in the proposed Apia Outcome Document, SIDS are in the main net food importing countries, and are exceptionally vulnerable to the availability and price volatility of food imports. This situation is complicated by the fact that, in most cases, imported food is cheaper than the like-product locally produced. The existing WTO draft agriculture modalities negotiating text (TN/AG/W/4/Rev.4), allows Small Vulnerable Economies (SVEs) – the majority of them SIDS – the flexibility to strengthen the domestic supply of sensitive agricultural products. With this in mind SIDS should seek to ensure that any new or amended agricultural modalities reflect the needs of small states to maintain policy space in support of food security.

Conclusion

The multilateral trading system as embodied in the WTO is at a watershed moment in the context of finding an appropriate road ahead following decisions made at the ninth WTO ministerial conference held last December in Bali, Indonesia. It should be noted that while progress has been made on trade facilitation, food security for developing countries, and within the generalised rubric of LDC issues, there has been no significant movement or early harvest on issues relevant to SIDS. The WTO now has a mandate to establish a work programme that would guide the negotiating process beyond 2014. The areas outlined above demonstrate possible synergies between multilateral trade negotiations and sustainable development opportunities for SIDS. The time is ripe for focusing on these opportunities as the international community gears up to agree on a set of sustainable development goals within the post-2015 development agenda. The SIDS Apia conference in September will provide a platform for island voices, and needs, to be heard in this area. Trade-related issues are on the agenda for both the Apia and the New York processes; ensuring coherence with future WTO work will be important for securing the sustainable development of SIDS.

The views expressed in this article are those of the author and do not necessarily represent the views, and should not be attributed to, the Commonwealth.

- ① Jackson JBC, Donovan MK, Cramer KL, Lam W (editors), (2014), Status and Trends of Caribbean Coral Reefs: 1970-2012. Global Coral Reef Monitoring Network, International Union for the Conservation of Nature.
- ② Fevrier et al., (August 2014), Sailing into Oceans Economy: Opportunities and Challenges for Small Island Developing States, Commonwealth.



Stephen Fevrier

Trade Adviser to Small States,
the Commonwealth Secretariat,
Geneva, and former diplomat

POST-2015 DEVELOPMENT AGENDA

Sustainable development and fossil-fuel subsidy reform

Laura Merrill

Fossil-fuel subsidies run counter to bids to move to low-carbon economies. Reform is both important and complex, not least in development contexts.

Economic theory explains that subsidies can represent a deadweight loss to society because they artificially lower costs, which encourages inefficient allocation and use of resources resulting in very real consequences for economies and society, particularly in the case of fossil-fuel subsidies. There is good reason why governments – through economic and regional coalitions such as G20 and the Asia-Pacific Economic Cooperation (APEC) group – have committed to phasing out fossil-fuel subsidies. Countries pointed to fossil-fuel subsidy reform in their submissions to the preparatory process for the last Conference of the Parties (COP) to the UN Framework Convention on Climate Change (UNFCCC). The issue was included in the outcome document from the Rio+20 conference on sustainable development, where countries reaffirmed commitments in paragraph 225 to “phase out harmful and inefficient fossil-fuel subsidies that encourage wasteful consumption and undermine sustainable development.” The International Institute for Sustainable Development (IISD) and others have frequently raised the issue of fossil-fuel subsidy reform in many international arenas,^① through support to the Friends of Fossil-fuel Subsidy Reform,^② and as part of a broader organised move towards sustainable development.

Looking ahead, fossil-fuel subsidy reform is currently captured under the goal of sustainable energy in a revised zero draft of sustainable development goal (SDG) recommendations, put forward by a UN body formally known as the Open Working Group on Sustainable Development Goals (OWG). The working group will shortly finalise their SDG recommendations and send these to the UN General Assembly for consideration as part of the debate around the post-2015 development agenda. Language in the revised zero draft – released on 30 June – runs, “by 2030 phase out fossil fuel production and consumption subsidies that encourage wasteful use, while ensuring secure affordable energy for the poor.” The original zero draft published at the beginning of June had made reference to fossil fuel elimination in the context of wasteful consumption. The reference to production subsidies in the revision would encourage countries to also pay attention to measuring and reforming this category of subsidies.

Counting the cost

According to the Organisation for Economic Co-operation and Development (OECD), government producer and consumer support for fossil fuels sat between US\$55 to US\$90 billion annually between 2005-2011. In developing countries subsidies make up a significant portion of government budgets. Globally, fossil-fuel subsidies totalled around US\$544 billion in 2012, according to the International Energy Agency (IEA). By comparison, renewable energy sources are subsidised to the tune of US\$101 billion a year. As countries will need to find the resources to deliver on the new SDGs, one financing stream – coupled with donor support – could well be funds established from budget savings generated by the removal of fossil-fuel subsidies, followed by ongoing revenues from taxation of fossil fuels. For example, the Philippines removed various fossil-fuel subsidies between 1996-2001 and underwent fuel price increases. It has since, however, been able to invest more in safety nets and renewables, and now can tax fuels to collect ongoing revenues.

Tackling greenhouse gas emissions

The IEA includes the reform of fossil-fuel subsidies as one of the four policies needed to limit global warming to below two degrees Celsius compared with pre-industrial levels. Fossil-fuel subsidies create incentives for higher levels of fossil fuel use, which in turn produce more local and global pollutants on behalf of both industry and consumers. Subsidies also depress investment in a low-carbon future by actively keeping the price of carbon lower than international market rates, likely reducing competition from as well as investment in and entrepreneurial activity around renewables, eco-efficiency, and low carbon energy. Around 15 percent of global carbon dioxide emissions receive an [incentive](#) of US\$110 per tonne in the form of fossil-fuel subsidies with only 8 percent subject to carbon pricing. Including [externalities](#) such as air pollution, accidents, and the social cost of carbon, the International Monetary Fund (IMF) estimates post-tax global energy subsidy calculations at around US\$2 trillion in 2011.

Addressing energy poverty

Research by the IMF has also [found](#) that “over 97 out of every 100 dollars of gasoline subsidy ‘leaks’ to the top four quintiles” and that “on average, the top income quintile received about six times more in subsidies than the bottom quintile.” The IEA found that although fossil-fuel subsidies are intended to improve access to modern energy services for the poor, only eight percent of the subsidy granted typically reaches lowest income groups. Yet, removal of fossil-fuel subsidies will have some direct impacts on specific groups and indirect impacts on the poor, so reform should include complementary measures to protect these groups. In this context it is important that OWG’s revised SDG zero draft couples fossil-fuel subsidy removal with affordable energy access. Overall, if done carefully, fossil-fuel subsidy reform could contribute to achieving a range of development goals by providing governments with the fiscal space to invest in more productive sectors of society such as sustainable energy for all, health, or education. For example, Iran removed subsidies in 2009 and linked this to almost universal cash transfers, halving poverty levels by 2012. The [move](#), however, came at the cost of high inflation.

Competing on international markets

Fossil-fuel subsidy reform will not be straightforward. In the short term, subsidy reform increases energy prices and production costs, raising competitiveness concerns. But in the long term, resources are reallocated to less energy- and capital-intensive activities, implying greater resource efficiency. Countries that undergo reform are still in competition with other countries that keep the price of imported fossil fuels lower than the international price. This may put reformers at a disadvantage by comparison with others when it comes to production costs especially for energy intensive and tradable industries. Competition and industry interests play a big role in retaining fossil-fuel subsidies. Fuel smuggling between countries or adulteration between fuels as a result of subsidies is also a huge problem, representing lost revenues to governments due to illegal trade, as well as further entrenchment of vested interests.

Time to act

The international community is increasingly signalling the importance of fossil fuel reform; not least within the new post-2015 development framework. The difficulty is not the intent, nor in the measurement, but rather the delivery. How to undertake reform in the least disruptive way for economies and societies alike? This question sits at the nexus of the environment, economic, and social pillars the SDGs have been mandated to balance. IISD has proposed its own three-pronged approach; get the prices right, build support for reform, and manage the impacts of reform.^① Continuing with fossil-fuel subsidies will not help bids to unlock ourselves from carbon-driven economies. Good reason to remove them and work towards sustainable energy development pathways.



Laura Merrill

Senior Researcher at the Global Subsidies Initiative of the International Institute for Sustainable Development (IISD)

① Lang, K., Wooders, P., and Kulovesi, K. (2010), Increasing the Momentum of Fossil-Fuel Subsidy Reform: A Roadmap for international cooperation, International Institute for Sustainable Development.

② The Friends of Fossil-fuel Subsidy Reform include Costa Rica, Denmark, Ethiopia, Finland, New Zealand, Norway, Sweden, and Switzerland.

ENVIRONMENTAL GOODS

"Green Goods" trade talks kick off in Geneva

Negotiations have started towards an environmental goods trade agreement. Participants hope that the eventual deal will make a useful contribution to tackling climate change.

A group of 14 WTO members – including the US, EU, and China – formally launched negotiations on last week for a new agreement aimed at liberalising trade in environmental goods.

"The challenges we face, including environmental protection and climate change, require urgent action," the participating members said in a [joint statement](#) at a press conference in Geneva, Switzerland. Through this planned Environmental Goods Agreement (EGA), the group hopes to "achieve our shared goal of global free trade in environmental goods," the statement continued.

Participants said that they plan to hold intensive talks in Geneva, which began last week, geared at hammering out the substance of the eventual agreement. The first round of talks, held on 9-10 July, reportedly focused on the framework and structure of the negotiations. The next round of talks will be held in September.

While the group is aiming to reach agreement on an ambitious and broad range of goods, the selection would also be based on the specific objective of a product's ability to meet environmental challenges. This might include, for example, goods related to energy efficiency, combating air pollution, providing clean drinking water, and scaling up renewable energy equipment.

Total global trade in environmental goods reached roughly US\$955 billion in 2012, according to US data, with tariffs on some products as high as 35 percent. At the initiative's launch, Canada also stressed the sizable expected growth in these markets in the coming decades. With Australia, the EU, US, China, Canada, Costa Rica, Hong Kong, China, Japan, Korea, New Zealand, Norway, Singapore, Switzerland, and Chinese Taipei on board, the group represents some of the world's largest importers and exporters of such products.

An oft-repeated message by participants at the launch last week was the hope that an EGA would eventually serve the dual aim of tackling climate change as well as providing a lift to the multilateral trading system. "This agreement will boost global trade in green goods and services. It will be a valuable instrument to support green industry. And it will help us all to meet climate and energy targets," EU Ambassador to the WTO Angelos Pangratis told reporters.

Bringing a deal to the WTO

At the launch, participants also reaffirmed their commitment to bring the agreement into the WTO as a most-favoured-nation (MFN) style pact, which would extend the eventual benefits to the global trade body's full membership.

In order to do so, however, the initiative would need to be joined by enough WTO members to achieve a "critical mass." In other words, the deal would have to encompass a significant enough portion of trade in the list of covered goods to stave off potential free riders. EGA participants say that they have not yet decided on what threshold would constitute a "critical mass," and that this is the kind of detail that will be discussed in the coming months.

Trade watchers have speculated that the EGA group might set the number at 90 percent, following a precedent set by the WTO's Information Technology Agreement (ITA), a

plurilateral tariff-cutting deal covering information and communication technology products. The current 14 participating members of the EGA make up around 86 percent of global trade of the environmental goods that are under initial consideration by the group.

The group also stressed at the launch that they remained open to working with other trading partners interested in pursuing similar objectives and ambition. "We would like to see more developing members in particular join this process," said China's WTO Ambassador to the WTO Yu Jianhua at the launch.

Welcoming the news, WTO Director-General Roberto Azevêdo also highlighted this point, noting that EGA participants have made very clear that the negotiations are open to any and all interested WTO members. "The topic of environmental protection is of utmost importance in the WTO and the liberalisation of environmental goods is also a significant element of negotiations under the Doha Development Agenda," the WTO chief added.

According to a UN Environment Programme (UNEP) report released at the inaugural UN Environment Assembly (UNEA) meet in Nairobi Kenya earlier this month, developing countries moved from being net importers to net exporters of certain green goods in 2007, a trend driven in part by strong export growth from China, including in the renewables sector. (See BioRes, [2 July 2014](#))

Tariff-only focus, for now

EGA officials, such as Australian WTO Ambassador Hamish McCormick, explained at the launch that the negotiations would initially focus on tariff issues related to environmental goods. Other participants added, however, that this did not preclude returning to issues such as environmental services and non-tariff barriers (NTBs) at a later stage.

Several experts at a meeting held following the launch stressed the importance of eventually addressing such issues as an integral part of any effort to scale up green trade. Other experts participating in the event said that the green goods initiative could be a very important and useful contribution from the trade community to the effort to seal a global climate deal under the UN Framework Convention on Climate Change (UNFCCC) by the end of next year in Paris, France. *[Editor's note: the meeting was hosted by ICTSD, the publisher of BioRes]*

Questions have been raised, however, among the trade community as to whether environmental services should be considered elsewhere as part of other initiatives. For instance, some have suggested the inclusion of environmental services in separate trade talks focusing specifically on services – known as the Trade in Services Agreement (TISA) – among a group of different, albeit overlapping, WTO members.

Doha in the background

A commitment to negotiations towards lowering tariffs and NTBs in both environmental goods and services (EGS) trade was included in the WTO's original Doha Round negotiating mandate, launched in 2001. Progress at the multilateral level in this area stalled, however, with members running into hurdles such as how to identify an environmental good and what products to put forward.

The overall Doha Round has itself been deadlocked for several years, despite the recent advance seen at the WTO's latest ministerial conference in Bali, Indonesia, last December. At the time, the global trade body's members signed off on a new agreement on trade facilitation, as well as some agriculture and development-related deliverables, while pledging to develop a Doha Round "work programme" by end-2014 that would outline how to bring the negotiations to a successful conclusion.

Meanwhile, initiatives such as the EGA and TISA have been raised by some WTO members as possible avenues for advancing trade liberalisation – and potentially contribute to breaking the Doha Round deadlock – in line with the direction given by trade ministers at the 2011 ministerial conference to pursue new, more flexible negotiating approaches.

APEC list

The EGA group first signalled its intention to pursue a green goods trade agreement in January, making the announcement during the World Economic Forum's annual meet in Davos, Switzerland. (See BioRes, [28 January 2014](#))

At that time, the group said that it would use a list of environmental goods agreed to by the 21 economies that make up the Asia-Pacific Economic Cooperation (APEC) forum as a starting point. In late 2012, APEC members had announced their plans to reduce applied tariffs on a list of 54 green goods – including wind turbines and solar panels – to five percent or less by the end of 2015, following up on a commitment they made in 2011.

The decision was hailed at the time as a positive step in this area, and one that could have the potential to reinvigorate WTO talks on environmental goods and services. This latter idea, however, received a cold welcome by some members, who argue that agreements made outside the WTO should not influence the Doha Round negotiations. (See Bridges Weekly, [14 November 2012](#))

Some of the APEC members are also involved in the new EGA initiative, and how the two commitments will later intersect remains unclear, given that the APEC deal is non-binding.

Experts have also said that, while the APEC 54 list provides a good start to the new negotiation, some lessons might also be learned from the way in which APEC members implemented voluntary cuts and the goods that were subject to such cuts. For example, the APEC group leaves it up to member economies to decide whether or not to cut tariffs at the Harmonized System (HS) 6-digit level – a World Customs Organization classification – or pick and choose more specific products from within these categories. This approach has created a degree of uncertainty in the APEC agreement, trade sources say.

Changing trade realities, balancing interests

Along with considering these questions, EGA negotiators will also need to address other tricky areas, such as how to make sure a green goods trade deal keeps up with rapidly changing technological developments, consistent with participants' pledge earlier in January to negotiate a "future-oriented" agreement.

The WTO's ITA, for instance, has run into that same problem, given the myriad technological advances that have been seen in the information and communication technology field since the mid-1990s, when the agreement was originally negotiated.

Some of the participants in the ITA have attempted in recent years to expand the product coverage of the existing pact in order to reflect current trade and technological realities, only for those negotiations to stall in light of certain members' sensitivities.

Although pitted as a "win-win" initiative, EGA negotiators will also need to strike a balance between the commercial interests of participating countries and the stated environmental aims of the agreement. Some delegates from participating countries have said that the agreement will need to be based on a list that is both credible and practical.

Conflicted sector

The plans for this new environmental goods deal comes even as a number of participating members are engaged in a series of spats over allegedly unfair trade practices in this sector. Some of the most high-profile rows to date have involved the US, EU, and China. These disagreements, among others, have highlighted the question of how to support renewable energy generation and innovation domestically, while at the same time advancing the deployment of such goods at a global level and ensuring fair trade.

Last week at the launch, some delegates suggested that the new negotiations could help to assuage these renewables trade tensions. Others stressed that an EGA would nevertheless not go so far as to impose a moratorium on relevant trade remedies – actions deployed to address allegedly unfairly traded imports – in this area.

POST-2015 DEVELOPMENT AGENDA

Sustainable development governance and goals in focus in New York

The UN working group charged with proposing a set of sustainable development goals has entered its final week of negotiations, meeting in the wake of high-level discussion on the monitoring of sustainable development.

A UN forum charged with leading and reviewing the international community's work on sustainable development concluded its annual session last week. Delegates from UN member states, intergovernmental organisations, and stakeholders met in New York, US from 30 June-9 July to take stock on the millennium development goals (MDGs) and discuss the way forward for the post-2015 development agenda, including vis-à-vis the sustainable development goals (SDGs) currently under negotiation. The High-Level Political Forum on Sustainable Development (HLPF), as the UN forum is formally known, was an outcome of the UN conference on sustainable development held in Rio de Janeiro, Brazil in June 2012. At that time governments decided the new forum would take over from the Commission on Sustainable Development (CSD) as the institutional home of UN work on sustainable development issues. The forum also has a mandate to conduct regular progress reviews, beginning in 2016, of sustainable development commitments.

Discussion on the means of implementation (MoI) – a topic that has proved tricky to navigate elsewhere in a UN group focusing on the SDGs – took place as part of the dialogues scheduled in the first week. Participants reportedly debated the role of the private sector, together with innovation and entrepreneurship, in securing financing in the post-2015 development landscape. As one example of the challenges on the road ahead in this area, a UN Conference on Trade and Development (UNCTAD) report released at the end of June suggests that developing countries currently face an annual investment gap of around US\$2.5 trillion in SDG-relevant sectors. (See [BioRes](#), 2 July 2014)

A high-level ministerial segment was convened in the second week featuring, among other topics, a dialogue on macroeconomic policies in support of a sustainable development agenda. At the session, Yonov Frederick Agah, Deputy Director-General of the WTO, was reported as saying that the facilitation of technology, entrepreneurship, and technical capacity could each play an important role. Efforts should also be made to make goods cheaper and more widely available, he added.

A ministerial declaration was adopted at the end of the eight-day meet, but questions remain as to the nature of the forum's monitoring role and its decision-making capacity, according to Earth Negotiations Bulletin (ENB).

OWG final session

The HLPF meetings closed just as a UN working group responsible for drafting a set of proposed SDGs – the Open Working Group on Sustainable Development Goals (OWG) – geared up for its final round of meetings scheduled from 14-18 July. Informal sessions were held at the end of last week, ahead of the formal concluding meeting, with discussions based on a revised "zero draft" text of recommended sustainable development goals and targets released at the beginning of July. (See [BioRes](#), 3 July 2014)

Another key Rio+20 outcome, governments agreed to draw up a set of SDGs, aiming at balancing and integrating the economic, environmental, and social dimensions of development. The new goals will replace the current eight MDGs, which will expire at the end of next year. The group's eventual SDG recommendations will be sent to the UN General Assembly for consideration as part of the post-2015 development agenda.

WILDLIFE TRADE

CITES committee reviews action on illegal wildlife trade

Illegal wildlife trade in a number of species continues to escalate. Failure to address the problem by certain countries could result in the imposition of trade bans on other legal wildlife commodities.

An international committee tasked with providing policy guidance on the regulation of wildlife trade last week adopted recommendations and reviewed actions designed to boost global efforts to protect threatened endangered species. In particular, the illegal trade in elephant ivory, rhino horn, Asian big cats, cheetahs, great apes, and pangolin parts all featured on the meetings agenda. Some estimates suggest that illegal wildlife trade – excluding timber and marine species – may be valued around \$20 billion per year. During the five-day meet, the committee also considered a wide-range of other trade-related wildlife and plant conservation and management issues, from the sale of seized precious wood stockpiles to online commerce in contraband animal parts.

The 19-member standing committee of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), as the body is formally known, meets annually to help move work forward based on decisions taken at the Convention's triennial Conference of the Parties (COP). Members of the standing committee are selected according to geographical regions, with a weighted system determining the number of participants for each. CITES parties not part of the standing committee may send observers to its sessions. With this year's standing committee meeting attended by some 400 government and civil society stakeholders, some participants branded the event as a "mini-COP," demonstrating heightened engagement on the issues covered by CITES.

"Following on from various high profile meetings around the world calling for action to control and stop poaching and illegal wildlife trade, this CITES meeting is where the rubber hits the road," said John Scanlon, CITES Secretary General, referring to events such as the inaugural UN Environment Assembly (UNEA) held last month and a high-level conference on the subject held in February. (See [BioRes](#), [2 July 2014](#) and [17 February 2014](#))

"It is where countries explain their action plans, their enforcement and demand reduction measures, and the Standing Committee takes stock of what has taken place since the CITES Parties [COP] met in March last year – the Committee can then decide on any further measures, including whether to use the various compliance measures available to it," added Scanlon, speaking at the beginning of last week.

The most recent CITES COP held last March in Bangkok, Thailand, saw governments afford new trade protections for 55 threatened species. This included agreement to change the trade status of five shark breeds in response threats posed by overfishing. (See [BioRes](#), [22 March 2013](#))

In force since 1975, CITES restricts and regulates a multi-billion dollar trade industry in 35,000 listed species of fauna and flora, using a system of classification appendices organised according to vulnerability. The Convention's Appendix I currently lists around 1000 species qualifying as endangered, in which international trade is generally prohibited, barring exceptional circumstances. Appendix II species raise sufficient conservation concerns for their trade to require controls to prevent unsustainable use, while Appendix III are those a party would like to see controlled through international trade in addition to its own domestic trade restrictions.

Elephants and rhinos in the spotlight

The standing committee meetings saw parties evaluate progress made by eight countries towards developing and implementing policies to halt a ferocious illegal elephant poaching and ivory trade. More than 20,000 elephants were killed in Africa alone last year, a figure far out-stripping population birth-rates and resulting in an ongoing decline of the animal on the continent, according to CITES. Recognising the severity of the elephant killings at the Bangkok COP last year, governments called on key source, transit, and destination countries including China, Kenya, Malaysia, the Philippines, Tanzania, Thailand, Uganda, and Vietnam, to develop "National Ivory Action Plans" (NIAP).

The standing committee last week found that reasonable progress had been made in this area by most of the eight countries although they also said that more work remains to be done. A number of participants said that Thailand, however, had not yet taken sufficient action to deal with the elephant poaching crisis. Bangkok, for its part, reportedly said that the country recognised the scale of the problem but that its border was large and difficult to monitor. The committee on Friday endorsed recommendations by a working group calling upon the Asian country to make further progress in this area in compliance with a specific timetable. Bangkok is requested to submit a revised NIAP by 30 September and two further progress reports are also scheduled for next year. The EU and the US both indicated they would be willing to support the use of non-compliance penalties if certain goals are not met. These could include an international trade ban on all CITES listed species exported from Thailand, a move that would hit the country's wildlife exports, such as orchids and exotic wood.

Black market trade in rhino horn was also on the agenda last week following decisions at the Bangkok COP calling on Mozambique, Vietnam, South Africa to enact stricter regulation to tackle poaching of the dwindling species. Participants expressed concern about the continued high rates of rhino killings and among other recommendations called on Mozambique – which did not attend the meeting – to develop a rhino action plan. Vietnam was also requested to provide a further progress report on efforts to prevent rhino horn trafficking by next March.

Securing the future for big cats

Demand for Asian big cats, including tiger parts and live animals, has increased in recent years driven, in part, by rising affluence in the region. In order to respond to this challenge, a standing committee working group agreed to convene intersessionally, with China stepping up to act as chair. The move was viewed by participants last week as an indication of the importance countries now attach to issues surrounding illegal trade in these species, according to ENB reporting. A debut study on illegal cheetah trade was also presented at the meetings and participants formed another intersessional working group to move forward with addressing the challenges in this area.

Stolen forests

Elsewhere, the standing committee took stock of Madagascar's efforts to combat the illicit trade in precious wood, and also considered the country's proposal to sell its stockpiles of confiscated stolen timber. Ahead of the meeting, the CITES Secretariat said that over 4000 tonnes of timber commodities such as ebony and rosewood suspected to have been exported out of Madagascar since last November have been seized in various countries. After some back and forth discussion on the merits and demerits of confiscated stockpile sales, standing committee participants last week agreed that further work was needed on Madagascar's stockpile audit and use plan, before a decision in this area could be taken. The standing committee also warned that it would consider non-compliance penalties if the island nation did not make progress on enforcement actions to clamp down on illicit timber trade by next year's meeting.

Discussion in this area last week also included the tricky subject of traceability and identification. Participants at the relevant session recognised that identifying a stolen wood product at the border can often prove very difficult. Some countries indicated that the preparation of manuals for customs agents could help in this area.

The newroom

Be sure to visit ictsd.org/news/biores regularly for breaking trade and environment news

UN climate talks shift to negotiating mode

The latest round of UN climate talks saw countries move into negotiating mode on some of the details that will need to be hammered out over the next 18 months in order to successfully deliver a global climate deal by 2015.

Meeting from the 4-15 June in Bonn, Germany for their annual mid-year session, delegates to the UN Framework Convention on Climate Change (UNFCCC) made progress on defining the scope of national contributions slated as the building blocks of a new multilateral agreement on climate change. The idea of national contributions, or "intended nationally determined contributions" (INDCs), emerged after 38 hours of straight negotiating at the latest annual Conference of the Parties (COP) held in Warsaw, Poland.

According to BioRes sources, exchanges during the two weeks in Bonn represented a decided shift towards more formal negotiations on the scope, content, and timing of countries' 2020 contributions as well as on other draft elements of the new climate agreement.

First global environmental assembly held

The largest global gathering of environment ministers in the last two years took place at the end of June in Nairobi, with the Kenyan capital playing host to the first-ever universal UN Environment Assembly (UNEA). The five-day long meet, held under the auspices of the UN Environment Programme (UNEP), resulted in 16 decisions and resolutions on major environmental issues such as illegal wildlife trade, climate change, biodiversity loss, marine plastic debris, and the post-2015 development agenda.

The ministerial outcome document featured calls to accelerate and support efforts towards sustainable consumption and production patterns, among other decisions. Ministers urged the full implementation of existing multilateral environmental agreements.

The second half of the week also included a high-level segment where ministers discussed the formulation of a set of sustainable development goals (SDGs), along with the escalation of poaching and related wildlife crime.

EU leaders review energy, climate plans

EU leaders in June reviewed progress toward a 2030 climate and energy framework, with a final decision planned for October. The Commission had outlined in January a new 10-year climate and energy framework that would take effect from 2020. The EU Council meeting saw some initial discussion on the Commission's European Energy Security Strategy (EESS), issued in May to both the Council and Parliament for review.

The EESS is meant to be closely tied to the 2030 framework and is aimed at avoiding future energy supply disruptions, such as those seen by some Eastern member states in the winters of 2006 and 2009. EU leaders called for additional efforts to limit the bloc's energy dependency and thus directed their officials to further analyse medium-to-long term solutions on energy security. These should also be ready by October, they said, and should place a particular focus on improving energy efficiency, as well as advancing the implementation and integration of the European energy market via a regional approach.

Obama administration reclassifies oil for export

A move by the US Commerce Department in June cleared the way for two Texas-based companies to export an ultralight form of oil, known as condensate, according to major international media. The Commerce Department's decision reclassified the commodity as a processed product, thereby freeing it from the US's blanket ban – in place since the 1970s Arab oil embargo – on selling unrefined oil abroad. Domestic production has boomed over the last decade thanks to advances in production techniques.

Some trade watchers said that the news could signal an easing up in Washington's policy on crude oil exports. Other experts nevertheless cautioned that the reclassification was not a sign of a change in US policy.

Following hot on the heels of the news, a document leaked to the Washington Post in July suggested that Brussels was pressing Washington to change its oil export policy as part of the Transatlantic Trade and Investment Partnership (TTIP) negotiations.

EU environment ministers accept national GMO bans

The EU's environment ministers passed a legislative proposal in June that would provide the bloc's member states with the legal basis to restrict or prohibit the cultivation of genetically modified organisms (GMOs) in their territory, even if the crop is authorised at the EU level. The proposal will be considered by the European Parliament in the autumn. The move comes after nearly four years of drawn-out debate.

Under current EU rules, member states may invoke national "safeguard" bans based on assessed risks to human health or the environment, supported by scientific evidence. These are, however, temporary measures. The new proposal would allow countries to implement prohibitions for additional reasons including socioeconomic concerns, land use and town planning, agricultural policy objectives, and public policy issues.

The use of the existing safeguard bans by some member states has historically been a source of controversy at the WTO; the European Commission has come under pressure by other members including the US, Argentina, and Canada to lift these prohibitions.

US executive actions to tackle illegal fishing

US President Barack Obama announced last month that he would be taking executive action to tackle the problem of illegal fishing. The global costs of black market fishing are estimated to be between US\$10-23 billion annually. Obama also confirmed the establishment of the world's largest marine sanctuary, banning commercial mining, fishing, and oil drilling in US-controlled waters in a large area of the south-central Pacific.

In a related measure, the Obama Administration has said that it will be pushing to advance congressional approval of the Port State Measures (PSM) Agreement, an international treaty designed to tackle illegal fishing at landing point.

Faced with an increasingly fractious domestic political climate, the US President has lately focused on using executive actions – those that do not require Congressional approval – to advance policy in certain areas, particularly those involving the environment. Other such actions have included new federal rules aimed at reducing greenhouse gas emissions, such as those that would require existing power plants to cut their carbon pollution levels by 30 percent from their 2005 levels by 2030.

China to nix rare earth export restrictions

China is said to be planning to get rid of strict export quotas and duties on certain rare earth elements. Beijing is also reportedly looking at additional domestic requirements. The move comes shortly after a March ruling by a WTO dispute panel deemed these measures to be in violation of global trade rules and Beijing's accession commitments. The 17 rare earths in question, as well as tungsten and molybdenum, are used in high-tech and green energy products, the defence sector, and in medical equipment.

China – which has long dominated the rare earths industry – claims to have imposed the controversial duties and quotas as part of a broader effort to regulate the sector. The panel found that there was "no basis" in China's accession protocol for justifying the use of export duties under Article XX of the WTO's General Agreement on Tariffs and Trade (GATT), a provision that allows for exceptions to compliance with the agreement in specific instances. The panel also said that the export quotas appeared to be geared more towards meeting industrial goals than conservation objectives. Following the ruling both the US and China filed appeals with the Appellate Body – the WTO's highest trade arbiter.

EU ProSun concerned over China solar trade deal

EU ProSun, an industry group, in June asked the European Commission to investigate claims that Chinese solar producers are violating a "price undertaking" deal agreed in July 2013, a move that could reignite solar trade tensions between Beijing and Brussels.

The deal was established following allegations that Chinese producers were selling solar panels and their components abroad at prices below their normal value, a practice known in trade jargon as "dumping."

ProSun, who filed the original complaint, says the arrangement has not yielded the intended result and that Chinese solar products continue to be dumped on the EU market. ProSun President Milan Nitzschke has claimed that "not one" Chinese producer appears to be following the agreed minimum prices. Representatives from Trina Solar and JinkoSolar, both cited by ProSun as violators of the deal, have denied the claims.

EU trade officials have pledged to investigate the complaint and, should there indeed be evidence of violations, respond accordingly with a withdrawal of the agreement.

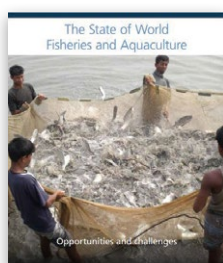
Publications and resources



Stable Policies, Turbulent Markets, Germany's Green Industrial Policy: The Costs and Benefits of Promoting Solar PV and Wind Energy – IISD – February 2014

This report, written by the International Institute for Sustainable Development (IISD)'s Global Subsidies Initiative, assesses Germany's policies to promote solar and wind power against a series of green industrial policy objectives, including environmental impact, fostering innovation, and job creation. It comes at a time when the debate over Germany's energy policies is heated and EU policymakers are weighing new climate change and economic goals.

The report can be accessed at <http://bit.ly/1pWJo7K>



The State of World Fisheries and Aquaculture: Opportunities and Challenges – FAO – May 2014

The UN Food and Agriculture Organization (FAO) has released its latest report on global fisheries and aquaculture focusing on the role that these play in eliminating hunger, promoting health, and reducing poverty. The report also takes stock of the rapid expansion of aquaculture but warns that continued sustainable growth will require a move away from dependence on wild fish for feed.

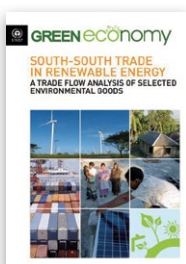
The report can be accessed at <http://bit.ly/1wIEW0j>



From Decline to Recovery: A Rescue Package for the Global Ocean – Global Ocean Commission – June 2014

The Global Ocean Commission recently released the findings of its 18-month study of sustainability on the high seas. The report includes a roadmap identifying five drivers of ocean decline and outlines eight proposals that could be implemented to stimulate ocean recovery. The latter includes addressing harmful subsidies and tackling illegal, unreported, and unregulated fishing.

The report can be accessed at <http://bit.ly/1rHoP0f>



South-South Trade in Renewable Energy: A Trade Flow Analysis of Selected Environmental Goods – UNEP – June 2014

The UN Environment Programme (UNEP) released a report on the sidelines of the inaugural UN Environment Assembly identifying key growth markets for trade in environmental goods and services (EGS). The report focuses on trade flows in this sector between developing countries, highlighting and providing recommendations on how renewables can play a role in developing economies' transition to a green economy.

The report can be accessed at <http://bit.ly/1kDejSQ>



International Trade and Sustainable Development: Post-2015 Development Agenda Briefing Series – ICTSD – June 2014

This series from the International Centre for Trade and Sustainable Development (ICTSD), based on submissions to the Open Working Group on Sustainable Development Goals (SDGs), summarises research on the role of trade in meeting sustainable development objectives. The Rio+20 outcomes acknowledge the importance of an enabling environment for sustainable development and international cooperation, including with respect to trade policy. This policy brief explains how trade can contribute to certain sustainable development challenges.

The report can be accessed at <http://bit.ly/1sKwhfl>



Fisheries, Trade and Sustainable Development: Post-2015 Development Agenda Briefing Series – ICTSD – June 2014

Fish products are among the world's most highly trade commodities and the health of the world's oceans and seas will be central to sustainable development in the coming decades. As part of the International Centre for Trade and Sustainable Development (ICTSD)'s series on the post-2015 development agenda and the sustainable development goals (SDGs), this policy brief sets out relevant research on how aspects of trade policy, such as subsidies reform and fisheries access agreements, can support the sustainable use of marine resources.

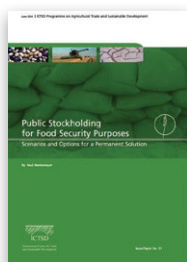
The report can be accessed at <http://bit.ly/1jViOYJ>



Climate Change, Trade and Sustainable Energy: Post-2015 Development Agenda Briefing Series – ICTSD – June 2014

How to best address climate change has been an important part of the debate around a new set of sustainable development goals (SDGs) in the post-2015 agenda. This policy brief draws on the International Centre for Trade and Sustainable Development (ICTSD)'s work in this area to explore ways in which trade can effectively contribute to efforts to address climate change, particularly through the transition to a sustainable energy future.

The report can be accessed at <http://bit.ly/1rG71T7>



Public Stockholding for Food Security Purposes: Scenarios and Options for a Permanent Solution – ICTSD – June 2014

At the WTO Bali Ministerial Conference, governments decided to shield public food stockholding programmes from challenge until a "permanent" solution was worked out. This paper, by Raul Montemayor and published by the International Centre for Trade and Sustainable Development (ICTSD), explores how various scenarios could affect the measurement of domestic agricultural support under WTO rules.

The report can be accessed at <http://bit.ly/1lwpAZo>



World Investment Report: Investing in the SDGs, An Action Plan – UNCTAD – June 2014

Published by the UN Conference on Trade and Development (UNCTAD), this latest annual report is geared towards informing the global discussion on how to accelerate progress towards achieving the current Millennium Development Goals and also discusses potential financial resources to set the post-2015 development agenda in motion. A financing gap is identified and options to enhance the role of business in achieving future sustainable development goals are put forward.

The report can be accessed at <http://bit.ly/1mm1DPX>



Environmental Crime Crisis Report – UNEP, INTERPOL – June 2014

Global environmental crime, including illegal trade in charcoal, wildlife, and timber products, could be worth up to US\$213 billion each year, according to a new report from the UN Environment Programme and INTERPOL. The report calls for further concentrated action to address this global threat, with twelve specific recommendations including strengthening environmental legislation, combatting corruption, and ensuring that legal trade is monitored and managed effectively.

The report can be accessed at <http://bit.ly/1lKtRjha>

EXPLORE THE TRADE AND SUSTAINABLE DEVELOPMENT
WORLD FURTHER WITH ICTSD'S BRIDGES NETWORK

BRIDGES

Trade news from a sustainable development perspective
International focus - English language
www.ictsd.org/news/bridges

BIORES

Analysis and news on trade and environment
International focus - English language
www.ictsd.org/news/biores

BRIDGES AFRICA

Analysis and news on trade and sustainable development
Africa focus - English language
www.ictsd.org/news/bridges-africa

PUENTES

Analysis and news on trade and sustainable development
Latin America and Caribbean focus - Spanish language
www.ictsd.org/news/puentes

МОСТЫ

Analysis and news on trade and sustainable development
CIS focus - Russian language
www.ictsd.org/news/bridgesrussian

PONTES

Analysis and news on trade and sustainable development
International focus - Portuguese language
www.ictsd.org/news/pontes

桥

Analysis and news on trade and sustainable development
International focus - Chinese language
www.ictsd.org/news/qiao

PASSERELLES

Analysis and news on trade and sustainable development
Francophone Africa focus - French language
www.ictsd.org/news/passerelles



International Centre for Trade and Sustainable Development

Chemin de Balexert 7-9
1219 Geneva, Switzerland
+41-22-917-8492
www.ictsd.org

BIORES is made possible through generous
contributions of donors and partners
including

**DFID - UK Department for International
Development**

**SIDA - Swedish International
Development Agency**

**DGIS - Ministry of Foreign Affairs
Netherlands**

Ministry of Foreign Affairs, Denmark

Ministry of Foreign Affairs, Finland

Ministry of Foreign Affairs, Norway

BIORES also benefits from in-kind
contributions from its contributing partners
and Editorial Advisory Board members.

BIORES accepts paid advertising and
sponsorships to help offset expenses and
extend access to readers globally. Acceptance
is at the discretion of editors.
The opinions expressed in the signed
contributions to BIORES are those of the
authors and do not necessarily reflect the
views of ICTSD.



This work is licensed under the Creative
Commons Attribution-Noncommercial-
NoDerivative Works 3.0 [License](https://creativecommons.org/licenses/by-nc-nd/3.0/).

Price: €10.00
ISSN 1996-9198

