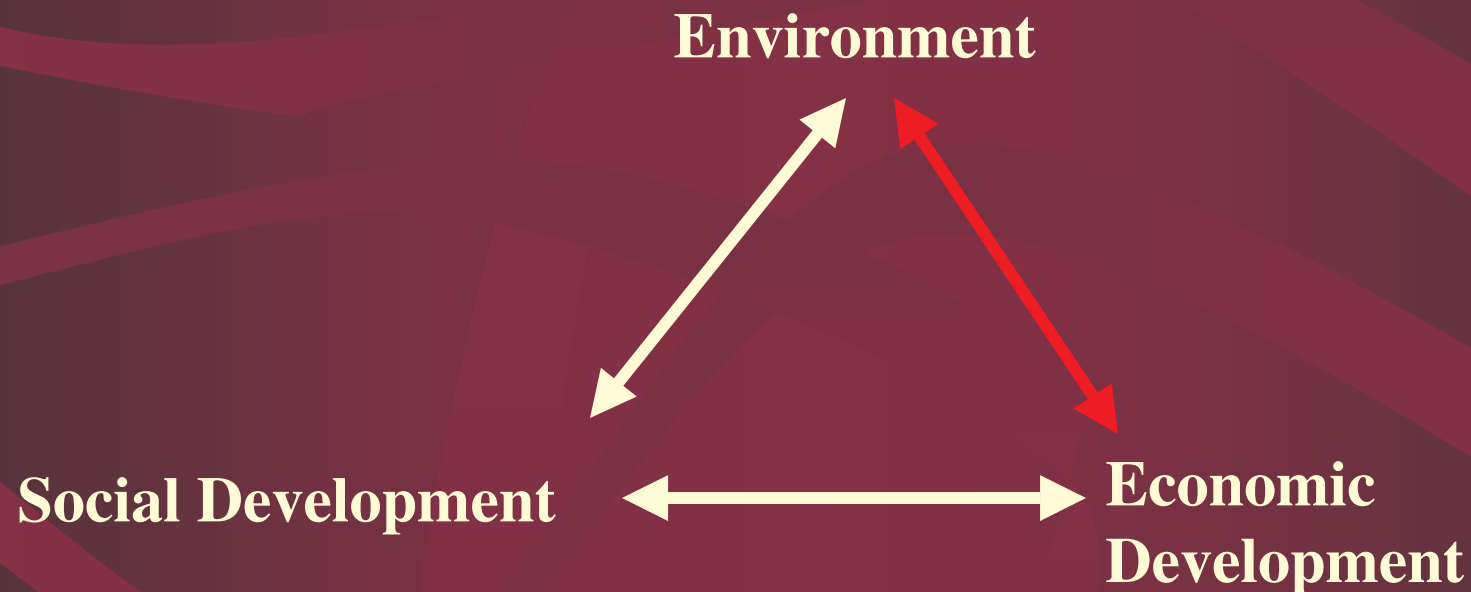


# MEAs and International Trade

- Relationship between two of the three pillars of sustainable development



# MEAs and International Trade

## A. Potential for conflict between environmental and trade aims at the international level:

- International trade (impacts, measure to promote) is contrary to environmental interests
- Measures to protect the environment are contrary to trade interests

# MEAs and International Trade

## B. Creation of economic incentives to achieve environmental targets

- Promotion / support of environmental measures through economic instruments

# 1. Trade measures in MEAs

- Trade measure: A government measure applied to goods in international trade, with the aim of influencing trade in order to protect another good or interest.
- Forms:
  - Legal norm setting out an obligation, prohibition or restriction
  - Tax or duty

# 1. Trade measures in MEAs

## Examples

- *Basel Conv.*: Prohibition / restriction of hazardous waste export
- *CITES, Basel Conv., Montreal Prot.*: Restrictions on trade with non-party states
- *Basel Conv., Cartagena Prot., Stockholm Konv.*: Obligations in connection with trade in the form of PIC /AIA requirements

# 1. Trade measures in MEAs

## Objectives:

- Incentive for ratification of an MEA
- Incentive for compliance with the MEA
- Creation of a closed system (trade to take place only in accordance with the MEA)
- Disincentive to „Free Riders“
- Combatting transfer of an environmental problem to other parts of the world

## 2. Economic incentives

- Indirect influence on trade through creation of incentives to carry out trade in conformity with environmental objectives  
⇒ „win-win situation: promotion of trade and environmental protection
- New concept in IEL – effectiveness remains to be seen

## 2. Economic incentives

### *Important example: Kyoto Protocol*

- Joint Implementation
  - Clean Development Mechanism
  - Emissions trading
- Provide an economic incentive for participation in global measures to reduce emission of greenhouse gases

## 3. WTO rules and MEAs

- *WTO Treaties*: Objective to promote and facilitate international trade (goods, services, intellectual property rights), in particular through eliminating trade restrictions.
- *Key treaty in context of MEAs*: General Agreement on Tariffs and Trade 1994 (GATT)

## 3. WTO rules and MEAs

- *GATT* Articles 1, 3, 11: Prohibition of discrimination against like products in international trade
- *GATT Article 20(b) and (g) „Environmental“ exceptions*
  1. The measure is necessary for protection of human and animal health / relates to conservation of exhaustible resources (contemporary interpretation - protection of the environment)
  2. No arbitrary discrimination between countries where the same conditions prevail