



## COMMUNICATION ON TRADE AND ENVIRONMENTAL SUSTAINABILITY

*Communication from Australia; Canada; Chad; Chile; Costa Rica; European Union; the Gambia; Fiji; Iceland; Japan; Korea, Republic of; Liechtenstein; Maldives; Mexico; Moldova, Republic of; Montenegro; New Zealand; North Macedonia; Norway; Senegal; Switzerland; the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu; and the United Kingdom*

1. We, the following Members of the WTO: Australia; Canada; Chad; Chile; Costa Rica; European Union; the Gambia; Fiji; Iceland; Japan; Korea, Republic of; Liechtenstein; Maldives; Mexico; Moldova, Republic of; Montenegro; New Zealand; North Macedonia; Norway; Senegal; Switzerland; the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu; and the United Kingdom note:

- (a) the importance of multilateral environmental agreements, including the United Nations Framework Convention on Climate Change (UNFCCC), the United Nations Convention to Combat Desertification (UNCCD), the Convention on International Trade in Endangered Species to Wild Fauna and Flora (CITES), the Paris Agreement and the Convention on Biological Diversity (CBD), among others;
- (b) there is an urgent need for action as highlighted by the Intergovernmental Panel on Climate Change (IPCC), the Intergovernmental Science-policy Platform on Biodiversity and Ecosystem Services (IPBES), the Global Soil Partnership (GSP) and the International Resource Panel (IRP);
- (c) that trade and environmental objectives and policies should be mutually supportive;
- (d) that international trade and trade policy, as key enablers of the transition towards a climate neutral, resource efficient, circular global economy, need to support global efforts towards the achievement of the Sustainable Development Goals (SDGs) and international environmental commitments, including efforts to reduce pollution; promote conservation, sustainable use and restoration of biodiversity; prevent overexploitation of natural resources, including marine fisheries and, land degradation, including deforestation and desertification; combat climate change and adapt to its effects; and promote more sustainable production and consumption, taking into account the importance of a just transition;
- (e) the human and social cost of the COVID-19 pandemic, its financial and other impacts on the global economy and trade, and the importance of ensuring an economic recovery compatible with advancing progress on the SDGs and other environmental objectives;
- (f) that the COVID-19 crisis has demonstrated the need to diversify and strengthen the resilience and sustainability of global supply chains to ensure stability of trade in the face of global challenges, such as pandemics, climate risks and impacts, and wider economic and trade risks presented by environmental degradation, biodiversity loss and natural disasters;
- (g) the need for a sustainable and inclusive approach to trade that considers the legitimate development requirements of many WTO Members;
- (h) that environmental sustainability should be one of the guiding principles of the wider reform of the WTO;

- (i) the current work on environmental issues in the WTO Committee on Trade and Environment (CTE) as well as other WTO regular Committees or Bodies where environment matters arise;
  - (j) the recent and current efforts by a diversity of WTO Members to address and promote dialogue and information sharing at the WTO on issues where trade and environment policy intersect, including on circular economy, natural disasters, climate change, fossil fuel subsidies reform, plastic pollution, combatting illegal, unreported and unregulated fishing and ensuring legal and sustainable trade in wildlife, the conservation and sustainable use of biodiversity, the Blue economy and sustainable agriculture as well as trade in environmental goods and services;
  - (k) the efforts, ranging from public-private partnerships to corporate social responsibility initiatives, by a diversity of relevant stakeholders, such as business and civil society organisations, on trade and environmental sustainability and the importance of creating and deepening dialogues between WTO members and these actors; and
  - (l) the important role of trade, trade policy and the multilateral trading system, including the WTO, in supporting the international community's efforts towards achieving the SDGs and international environmental commitments through a forward-looking, focused, systematic and action-oriented dialogue.
2. Therefore, express our intention to collaborate, prioritize and advance discussions on trade and environmental sustainability, including by:
- intensifying our work to share experiences and best practices; promote transparency, dialogue and information sharing along the full value chain of products and materials;
  - strengthening coherence at the national and international level with a view to identifying areas of common interest and for future work within the WTO, in order for WTO to address more effectively sustainable development issues;
  - working in cooperation with relevant international organizations and relevant actors, including the private sector, to identify and support technical assistance and capacity building needs of Members, and in particular least-developed countries (LDCs).
  - working on possible actions and deliverables of environmental sustainability in the various areas of the WTO.
3. We therefore intend to organise structured discussions for interested WTO Members as well as a dialogue with external stakeholders. This work is intended to complement and support the work of the CTE and other relevant WTO Committees and Bodies.
4. The dialogue with external stakeholders, including the business community, civil society, international organizations, and academic institutions is intended to bring their expertise and experience to the table in order to better inform discussion.
5. The structured discussions will organize regular meetings, with a first meeting early 2021. Participation will be open to all WTO Members. The structured discussions intend to inform regularly on their work, including at meetings of Heads of Delegations, the General Council and the CTE.
6. The structured discussions are not meant to duplicate other initiatives in the WTO, or indeed any other international or global initiative as well as existing WTO agreements and mandates.
7. We encourage all WTO Members to join our open effort to enhance environmental sustainability in international trade and actively participate in this work. Nothing in this communication compels any supporter to join any environmental-sustainability initiative at the WTO.
8. The structured discussions intend to report to Ministers no later than the 12th Ministerial Conference and, where appropriate, propose concrete deliverables, initiatives and next steps.
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