Dear Delegates,

I would like to welcome you to the Southern Regional United Nations Conference (SRMUN) XVII and the World Trade Organization (WTO). My name is Reggie Thomas and it is an honor to serve as your Director. This is my second year as a Director at SRMUN. I've been involved in Model United Nations (MUN) extensively over the past five years, participating in 17 conferences on regional, national and international levels. I graduated from Pace University in 2008 with a Bachelor of Arts in Political Science & Economics. Joining me is Morgan Gibson who is a senior at the University of Tennessee and is pursuing a degree in French and World Business with an emphasis in Agricultural Economics. She served as the Secretary-General of the University of Tennessee's High School Model United Nations.

The WTO is the premiere organization charged with addressing international trading rules between nations. From 1948 to 1994, the General Agreement on Tariffs and Trade (GATT) was the main source of legal trading rules between nations. As the world progressed to intense globalization throughout the late 1980s and early 1990s, a new system was needed for our multilateral trading system. As a result of the Uruguay Round of negotiations, the WTO was founded on January 1, 1995. The WTO is based on three pillars. It is first and foremost a forum for trade negotiations between nations. It is a set of agreements signed by a majority of the world's nations, which provide a legal framework for trade. Finally, it is a dispute settlement body, which ensures that all nations have an independent, neutral body to settle trade conflicts.

The topics to be addressed by our committee for this conference are:

- I. Reducing Internal Barriers to Trade and Development: Examining the Organization's Aid for Trade Programme
- II. Tariffs and Market Access for Agriculture
- III. Examining the Relationship between the World Trade Organization and Environmental Agreements

This background guide and accompanying technical appendix will provide you with a foundation for your research. However, it is by no means exhaustive of the information available to you for each topic. Your thorough preparation of each topic is fully expected from every delegate to ensure that our committee is successful. This background guide will provide an initial step in your research, but you will need to do research beyond the material presented in the background guide.

Each delegation is required to submit a position paper, which covers each of the three topics. Position papers should be not longer than 2 pages in length and single-spaced. Your paper should demonstration your country's position, policies and recommendations on each of the three topics. Please review all the details regarding position papers at the SRMUN website at http://www.srmun.org. Position papers must be submitted on-line via the SRMUN website at http://www.srmun.org. Position papers must be submitted on-line via the SRMUN website and will be due by 11:59PM EST on October 24, 2008. Late or improperly formatted papers will not be considered for awards.

Morgan and I are excited to serve you in our roles and wish you the best of luck for the 2008 SRMUN Conference. If you have any questions, please do not hesitate to contact us at any time.

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History of the World Trade Organization

Founded in 1995, The World Trade Organization (WTO) is a relatively new actor on the global stage although its founding principles are over fifty years old.¹ At its foundation, the WTO functions as an open forum in which countries discuss, negotiate, and settle disputes about trade at the global or near global level. In order for this body to function in an orderly and equitable manner, it is governed by a set of rules and contracts, which have been "negotiated and signed by the bulk of the world's trading nations."² These important governing principles are in place "to help trade flow as freely as possible"³ and to provide "transparent' and predictable"⁴ rules so that all governments and businesses can easily comply with international trade rules. The WTO deals with a myriad of trade issues but five main principles are instilled within the negotiation and resolution of each discussion. The trade system is based on:

- 1. Trading equally and without discrimination;
- 2. Lowering trade barriers through negotiation to produce freer trade;
- 3. Building confidence in the WTO's commitments through transparent and binding predictability;
- 4. Promoting fair competition;
- 5. Encouraging development and economic reform.⁵

These principles are based on the rules set up during the Uruguay Round, which founded the WTO, but are also based on the General Agreement on Tariffs and Trade, more commonly referred to as GATT.⁶

The General Agreement on Tariffs and Trade was created in the aftermath of World War II as a part of reforming and rebuilding the international community and economy.⁷ It was originally conceived as the rules of the International Trade Organization, which was the third of a triumvirate of economic organizations to be known as the Bretton Woods organizations—The World Bank, the International Monetary Fund (IMF), and the International Trade Organization (ITO).⁸ After failure to ratify a charter for the ITO, the international community produced a secondary document in 1947, the GATT, to be used as an "interim agreement until the ITO came into being."⁹ Put into effect as a temporary measure in 1948, the GATT would be used as the guiding principles of international trade for the second half of the 20th century. Many of the four central principles of the GATT remain in the mandate of the WTO today. These included: (1) nondiscrimination or "most favored nation" principle; (2) tariff reductions and binding; (3) national treatment; and (4) prohibition of protective measures other than tariffs.¹⁰

As you can see, the GATT mainly dealt with transparency in trade policy and in creating binding tariff reduction schedules with little mention of development or sustainable practices. The basic principles of the GATT remained

² Ibid.

³ Ibid.

4 Ibid.

7 Ibid.

⁹ Ibid. pp. 19-22.

¹ "What is the World Trade Organization?" The World Trade Organization. http://www.wto.org/english/thewto_e/whatis_e/tif_e/fact1_e.htm

⁵ "What is the World Trade Organization?" The World Trade Organization. http://www.wto.org/english/thewto_e/whatis_e/tif_e/fact2_e.htm

^{6 &}quot;The GATT Years: from Havana to Marrakesh." The World Trade Organization. http://www.wto.org/english/thewto e/whatis e/tif e/fact4 e.htm

⁸ Buterbaugh, Kevin and Richard Fulton. *The WTO Primer: Tracing Trade's Visible Hand through Case Studies*. New York: Palgrave Macmillan. 2007. pp 16-18.

for the majority of the end of the 20th century.¹¹ However, during two "rounds," or multilateral trade negotiations, helped pave to way to the Uruguay Round which would ultimately form the WTO.

The Kennedy Round from 1963 to 1967 dealt heavily with tariffs but also produced two key pieces of legislation in the form of the GATT Anti-Dumping Agreement and a section on development.¹² The Tokyo Round was the first to "tackle trade barriers that do not take the form of tariffs and to improve the system" since the inception of the GATT.¹³ Tariff reductions remained a top priority but the Tokyo Round also ushered in discussion of non-tariff trade barriers. Because the Round failed to adequately, address important issues such as the safeguarding of emergency imports and ongoing farm trade inequities, few multilateral trade agreements were made concerning non-tariff trade barriers.¹⁴ Although the Tokyo Round was not successful on all accounts, the continued tariff reductions and a new tariff schedule produced "an average one-third cut in customs duties in the world's nine major industrial markets."¹⁵ The new discussion of non-tariff trade barriers also laid a firm foundation for multilateral agreements during the Uruguay Round.

Referred to as "the round to end all rounds,"¹⁶ the Uruguay Round set out to cover all outstanding trade issues and to include new issues such as "trade in services and intellectual property."¹⁷ The round also dealt with reform of the GATT and reform in the important sectors of agriculture and textiles.¹⁸ This ambitious negotiating schedule began in September of 1986 with the launch of the round in Punta del Este, Uruguay and set out to complete its four-year timetable.¹⁹ At the beginning of the negotiations, progress seemed heartening. However, after the two-year mark it became clear that these negotiations would either enormously succeed or massively fail. Although progress was made in the form of streamlined dispute settlement systems, a new Trade Policy Review Mechanism, and concessions on market access to benefit developing nations, many countries had outstanding trade disputes and thus the debate was extended multiple times. After a 1990 meeting in Brussels ended not in the adjournment of the Uruguay Round but in an extension of negotiations, the Uruguay Round entered "its bleakest period."²⁰ The four years leading up to the signing of the Marrakesh agreements were indeed bleak. Many countries entered into trade negotiations on the sensitive issues and, especially in the case of agricultural disputes, resolution did not come easily. Surprisingly, by 1993 most negotiations had ended excepting a few market access talks.²¹ On April 15, 1994 in Marrakesh, Morocco, the Marrakesh agreements were signed by most of the 123 participating nations, effectively singing into existence the World Trade Organization.²²

Current members of the World Trade Organization are:

ALBANIA, ANGOLA, ANTIGUA AND BARBUDA, ARGENTINA, ARMENIA, AUSTRALIA, AUSTRIA, BAHRAIN, BANGLADESH, BARBADOS, BELGIUM, BELIZE, BENIN, BOLIVIA, BOTSWANA, BRAZIL, BRUNEI DARUSSALAM, BULGARIA, BURKINA FASO, BURUNDI, CAMBODIA, CAMEROON, CANADA,

12 Ibid.

13 Ibid.

14 Ibid.

15 Ibid.

¹⁶ "The Uruguay Round." World Trade Organization. <u>http://www.wto.org/english/thewto_e/whatis_e/tif_e/fact5_e.htm</u>

- 18 Ibid.
- 19 Ibid.
- ²⁰ Ibid.
- ²¹ Ibid.
- ²² Ibid.

¹¹ "The GATT Years: from Havana to Marrakesh." The World Trade Organization. http://www.wto.org/english/thewto_e/whatis_e/tif_e/fact4_e.htm

CENTRAL AFRICAN REPUBLIC, CHAD, CHILE, CHINA, COLOMBIA, CONGO, COSTA RICA, CÔTE D'IVOIRE, CROATIA, CUBA, CYPRUS, CZECH RUPUBLIC, DEMOCRATIC REPUBLIC OF THE CONGO, DENMARK, DJIBOUTI, DOMINICAN REPUBLIC, ECUADOR, EGYPT, EL SALVADOR, ESTONIA, EUROPEAN COMMUNITIES, FIJI, FINLAND, FORMER YUGOSLAV REPUBLIC OF MACEDONIA, FRANCE, GABON, THE GAMBIA, GEORGIA, GERMANY, GHANA, GREECE, GRENADA, GUATEMALA, GUINEA, GUINEA BISSAU, GUYANA, HAITI, HONDURAS, HONG KONG (CHINA), HUNGARY, ICELAND, INDIA, INDONESIA, IRELAND, ISRAEL, ITALY, JAMAICA, JAPAN, JORDAN, KENYA, REPUBLIC OF KOREA, KUWAIT, KYRGYZ REPUBLIC, LATVIA, LESOTHO, LIECHTENSTEIN, LITHUANIA, LUXEMBOURG, MACAO (CHINA), MADAGASCAR, MALAWAI, MALAYSIA, MALDIVES, MALI, MALTA, MAURITANIA, MAURITIUS, MÉXICO, MOLDOVA, MONGOLIA, MOROCCO, MOZAMBIQUE, MYANMAR, NAMIBIA, NEPAL, NETHERLANDS, NEW ZEALAND, NICARAGUA, NIGER, NIGERIA, NORWAY, OMAN, PAKISTAN, PANAMA, PAPUA NEW GUINEA, PARAGUAY, PERU, PHILIPPINES, POLAND, PORTUGAL, QATAR, ROMANIA, RWANDA, SAINT KITTS AND NEVIS, SAINT LUCIA, SAINT VINCENT & THE GRENADINES, SAUDI ARABIA, SENEGAL, SIERRA LEONE, SINGAPORE, SLOVAK REPUBLIC, SLOVENIA, SOLOMON ISLANDS, SOUTH AFRICA, SPAIN, SRI LANKA, SURINAME, SWAZILAND, SWEDEN, SWITZERLAND, CHINESE TAIPEI, TANZANIA, THAILAND, TOGO, TONGA, TRINIDAD AND TOBAGO, TUNISIA, TURKEY, UGANDA, UNITED ARAB EMIRATES, UNITED KINGDOM, UNITED STATES OF AMERICA, URUGUAY, VENEZUELA, VIETNAM, ZAMBIA, ZIMBABWE

Topic I: Reducing Internal Barriers to Trade and Development: Examining the World Trade Organization's Aid for Trade Programme

Introduction

At the heart of economic development and international organizations is the principle of trade. Trade allows all people to ascertain goods and services that they may be unable to produce themselves. This includes a wide array of goods, including everything from your morning cup of coffee to nations trading to acquire satellite technology. There in an intrinsic link between the quality of life people attain and the level of trade within their nation. Many developing nations face significant fiscal hardships and extreme poverty due to their stagnant levels of trade and economic growth.

In his remarks to the "Infrastructure for Development" Conference, former World Bank President Paul Wolfowitz stated, "Among 6.3 billion people in the world today, there are 1.6 billion that don't have access to the most basic energy services. 500 million of those live in Sub-Saharan Africa. 2.4 billion people in the world today cook their daily meals using wood, dung or other biomass fuels. 2.6 billion people lack access to clean water and sanitation."²³

Mr. Wolfowitz continued to discuss the story of a Rwandan businesswoman who created a flower farm, which employed 200 people. Most of her employees were woman from rural villages who did not have the skills needed to receive a measurable income.²⁴ Today her flower farm is succeeding which a significant amount of exports to Europe. Upon asking what her greatest challenge was, she responded: "electricity."²⁵ As a result of refrigeration not being consistent due to frequent power outages, she loses approximately 5 percent of her crop every year.²⁶ Mr. Wolfowitz emphasized that 5 percent could be the major difference between 200 jobs growing into 600 jobs, or a business "going under."²⁷

Electricity is only one of many obstacles businesses and governments around the world face in their attempt to participate in international trade. Much of Africa's transport methods are not in modern shape and prevent businesses such as the flower farm from engaging in trade.²⁸ According to United Nations (UN) Special Advisor on Africa, Cheick Sidi Diarra said, "road transport, which accounts for 90 percent of inter-urban transport in Africa,

²⁴ Ibid.

25 Ibid.

²⁶ Ibid.

²³ Paul Wolfowitz. *Opening Speech – Infrastructure for Development*. Tokyo, Japan. May 29, 2006. http://web.worldbank.org/WBSITE/EXTERNAL/NEWS/0, contentMDK:20937329~pagePK:64257043~piPK:437376

²⁸ "Poor State of African Roads Keeping the Continent Poor, UN Advocate Says." United Nations News Center. February 22, 2008. <u>http://www.un.org/apps/news/story.asp?NewsID=25733&Cr=africa&Cr1=develop</u>

was particularly poor."²⁹ It is believed that only 30 percent of the 2 million kilometers of roads are paved. Given this obstacle, transport costs are "as much as 77 percent of the value of African exports."³⁰ Development necessities such as electricity and roads, which are essential in successful trade and export growth, are considered internal barriers to trade in Africa. As a result, there continues to be a major development gap between strong economic nations and the developing world.

What is Aid for Trade?

The World Trade Organization is committed to integrating the least developed nations, those that are suffering from internal barriers and stagnant economies into the global market. This is based on the systemic belief that there is a connection between levels of trade and economic growth and the number of those in poverty. The WTO is involved in addressing this issue as they are the international trade body and have a responsibility to include as many nations as possible within the global trade system. However, they are a not a development agency. The main mandate of the WTO is "settling trade rules."³¹ As a result, the WTO established the Aid for Trade program. This program is aimed at assisting developing nations to increase their ability to trade goods and services as well as build an infrastructure needed to support increasing trade.³² Given that global trade is a complex system, Aid for Trade cannot be explained in a mere sentence or two. There are four primary pillars of this program. The first is technical assistance. Nations are in need of assistance to "develop strategies, negotiate more effectively, and implement outcomes."33 The second pillar is infrastructure development. In order for any nation to engage in trade, they must have roads and ports to transport goods.³⁴ Further, telecommunications are needed to link domestic markets with international trade. The third pillar is based on the need for productive capacity. Nations are encouraged to invest in different types of goods and services. This will ensure that they "can build on comparative advantages."35 Comparative advantage is a principle in international economics that allows all nations to engage in trade by specializing in the production of certain goods. The fourth pillar of the Aid for Trade program is in adjustment assistance. Monetary assistance is needed to build infrastructure and invest in various industries. This also includes reducing barriers to trade such as tariff reductions that prevent developing nations from international trade.³⁶

History and Progression of Aid for Trade

Since the start of the Doha Development Round, technical assistance and capacity building in the area of trade has increased significantly.³⁷ However, additional assistance in trade development has been much needed, especially for those least developed nations. In February 2005, Ministers of the G-7 requested the International Monetary Fund and the World Bank to assist these nations so that they can reap the major benefits of trade liberalization and more open markets. ³⁸

²⁹ Ibid.

30 Ibid.

32 Ibid.

33 Ibid.

34 Ibid.

35 Ibid.

³⁶ Ibid.

³¹ Aid for Trade Fact Sheet." The World Trade Organization. September 14, 2007. http://www.wto.org/english/tratop_e/devel_e/a4t_e/a4t_factsheet_e.htm

³⁷ "Aid for Trade and the WTO work Programme." The World Trade Organization. June 25, 2007. http://www.wto.org/english/tratop_e/dda_e/background_e.htm

In December 2005, the WTO held its sixth ministerial conference in Hong Kong, China. Ministerial conferences are the uppermost decision-making forums of the WTO and usually meet every one to two years.³⁹ The December 2005 Ministerial Declaration created a new work program of the WTO: Aid for Trade. More specifically, the mandate included the creation of a Task Force by July 2006 to "operationalize Aid for Trade" and secondly, the consultation with "Members, international organizations and development banks" to ascertain additional resources to assist developing nations.⁴⁰ This taskforce included 13 members (Barbados, Brazil, Canada, China, Columbia, the EU, Japan, India, Thailand, United States and the ACP, African and LDC Groups).

In July of 2006, the Aid for Trade Task Force submitted a report, which outlined recommendations on how best to fulfill the "development dimension of the Doha Development Agenda."⁴¹ In particular, a series of recommendations included the need for adequate and reliable funding to assist in this ambitious trade agenda. A balance was struck between the interests of recipient and donor members. Further, it was suggested that in order to strengthen national coordination, a "national aid for trade committee" could be established that would leverage development, collection of data and collaboration between "agencies, donors, regional banks, and governments."⁴² To ensure that aid for trade was continuously being monitored and evaluated, the task force recommended a WTO monitoring body which would execute a macro-review of Aid for Trade, including the roles that "recipients, the donor community, regional and multilateral agencies, and the private sector" all engage in for this initiative.⁴³ In October 2006, these recommendations were endorsed by the General Council.⁴⁴

A follow-up to the Aid for Trade Taskforce was held in December 2006 to further solidify the recommendations made. A three-level monitoring process was established that first allowed for the assessment of global flows.⁴⁵ This included an understanding of what gaps currently exist and how additional resources can most efficiently be used. Level two included progress reports from agencies and organizations that would increase transparency on pledges and commitments made.⁴⁶ This monitoring process established is especially essential in the data collection area, as although OECD data would give a global picture of Aid for Trade, additional information from agencies and organizations would allow for a more thorough review.⁴⁷ The 3rd monitoring level included in-country assessments. This level is the most focused of the monitoring levels as it would report whether needs are being met, adequate funding is present, and how to improve the effectiveness of Aid for Trade.⁴⁸ Additional follow-ups were made in the area of infrastructure, specifically which mechanisms and bodies should be utilized to further discuss Aid for Trade activities.⁴⁹

In 2007, a series of meetings were held in response to the work of the Aid for Trade task force. On April 2nd, a session of the Committee on Trade and Development focused on leveraging support for the monitoring process established as well as tentatively scheduling regional reviews of Asia, Africa and Latin America to evaluate the

⁴⁰ Ibid.

⁴¹ "WTO Aid for Trade Task Force Submits Final Report to Members." International Centre for Trade and Sustainable Development. August 2, 2007. <u>http://www.ictsd.org/weekly/06-08-02/story3.htm</u>

42 Ibid.

43 Ibid.

⁴⁴ WT/AFT/1. Follow-up to the Aid-for-Trade Task Force Recommendations. The World Trade Organization. December 12, 2006. <u>http://iatp.org/tradeobservatory/library.cfm?refID=97118</u>

45 Ibid.

46 Ibid.

⁴⁷ Ibid.

48 Ibid.

³⁹ Ibid.

effectiveness of Aid for Trade.⁵⁰ On April 27th, a meeting with representatives of regional development banks and the International Finance Corporation (IFC) to examine the role and effectiveness of Trade Finance Facilitation Programs (TFFPs). These programs would provide trade assistance to "small private sector players" and increase efficiency of trade flows.⁵¹ In June, a second session on Aid for Trade was held which focused on standards and trade development facility (STDF).⁵² Presentations were made from the World Bank, the World Customs Organization and the Organization for Economic Cooperation and Development on the ongoing work for capacity building.⁵³ In July 2007, a 3rd session on Aid for Trade of the Committee on Trade and Development was held. This session focused on the trends in trade-related infrastructure development. Representatives from the EU, Japan, the OECD and the World Bank presented their roles in this process and discussed the priorities of their organizations and the global community in strengthening Aid for Trade.⁵⁴

Aid for Trade and the Latin American and Caribbean Regions

The Aid for Trade Regional Review for Latin America and the Caribbean was held in September 2007 in Lima,

Peru.⁵⁵ This high-level conference included "finance ministers, bilateral donors, regional and multilateral agencies and private sector representatives" with the goal of creating a strategy that would ensure that developing nations

could build the capacity and infrastructure needed to participate in a competitive, international economy.⁵⁶ Specifically, there were four primary objectives, which included identifying what constraints prevented export growth, highlighting the necessity of trade to in development, addressing the need for efficient financing, and

establishing political commitment towards the Aid for Trade program.⁵⁷

The common theme for the plenary session was with the growing nature of globalization, new opportunities must exist to ensure countries could connect their trade growth with poverty reduction. This was considered more important as the Caribbean and Latin American regions have economic trade policies that are dependent on

increasing their exports.⁵⁸ It was further emphasized that although financial assistance from other nations was not

the sole means to increase development, it was "an important catalyst for export growth and competitiveness."⁵⁹ There was general consensus that more importantly than financial assistance was the need for an improvement in

trade, investment and domestic reform for development. 60

During the conference, breakout sessions for specific regions took place. The session aimed at developing strategies for Central America and Mexico focused on the role the private sector in as both "a supplier and recipient of aid for trade." It was noted that when private firms adjusted their practices to contend with the United States in North American Free Trade Agreement (NAFTA) or the Dominican Republic – Central America Free Trade Agreement

⁵¹ Ibid.

52 Ibid.

53 Ibid.

54 Ibid.

⁵⁵ Mobilizing Aid for Trade: Focus Latin America and the Caribbean. World Trade Organization. New York and Geneva: United Nations. 2007. <u>http://www.wto.org/english/tratop_e/devel_e/a4t_e/latin_american_e.pdf</u>

56 Ibid.

57 Ibid.

58 Ibid.

59 Ibid.

⁶⁰ Ibid.

⁵⁰ "The WTO Work Programme on Aid for Trade." The World Trade Organization. July 31, 2007. <u>http://www.wto.org/english/tratop_e/devel_e/a4t_e/developments_e.htm</u>

(DR-CAFTA), these firms tended to support national policies and institutions.⁶¹ As one of the major tenants of the Aid for Trade program is public-private sector partnership, the participants firmly believe in the possibilities of Aid for Trade. The time frame to see substantial results is much shorter in the business world than it is for government and international institutions. As a result, it was stressed that in order for the private sector to stay connected to the

principle of the Aid for Trade program, there would need to be "tangible results in the short term."62

Aid for Trade and the African Region

In October 2007, the Africa regional Aid for Trade review was held in Dar es Salaam, Tanzania with the goal of "mobilizing the resources required expanding Africa's trade capacity and connecting with the global economy."⁶³ This was the first meeting of its kind in Africa. The conference focused on opportunities to use trade for poverty reduction and assess what Africa's trade priorities were.⁶⁴ The success of trade in certain African countries was highlighted, as there was a 6 percent growth in GDP over the past decade.⁶⁵ However, the need for modern trade infrastructure development was stressed. Specific needs were emphasized including new custom facilities to export products across borders, information systems to connect small businesses with the global market, and testing labs to meet international regulations.⁶⁶

It was noted that political leadership was a cornerstone in meeting any of these developments. "Harness globalization for development ultimately depends on African countries themselves."⁶⁷ Trade in Africa is highly dependent upon cross-border relations and trade needs. As a result, any strategy that includes national goals that would be mainstreamed across government would need a regional perspective. As a result, "close cooperation among neighboring economies" would be required.⁶⁸

Within the final recommendations was an emphasis on public-private partnerships. Assistance and lending from the international community by itself would not address Africa's infrastructure needs. Although private investment in energy and telecommunications has been increasing (\$4 billion in 2004 to \$6 billion in 2006), an expansion of partnerships using Aid for Trade is an essential objective.⁶⁹ It was further resolved that countries and sub-regions should develop Aid for Trade action plans that "mainstreamed country priorities" and "identified actors/activities, financing needs and an implementation schedule."⁷⁰ The most prominent resolution from the conference was the goal of creating an "African Aid for Trade Network" which would be led by Economic Commission for Africa and the African Development Bank. This network would assist nations in the creation of their action plans and the assessment of their progress.⁷¹

Aid for Trade and Asia and the Pacific

61 Ibid.

62 Ibid.

64 Ibid.

65 Ibid.

66 Ibid.

67 Ibid.

68 Ibid.

69 Ibid.

70 Ibid.

⁶³ Mobilizing Aid for Trade: Focus Africa. World Trade Organization. New York and Geneva: United Nations. 2007. <u>http://www.wto.org/english/tratop_e/devel_e/a4t_e/africa_e.pdf</u>

The Aid for Trade conference focusing on Asia and the Pacific was held in Manila, Philippines in September 2007. At the outset of the conference, it was established that there were "two faces of Asia and the Pacific." East Asia's newly industrialized economies (NIEs), the People's Republic of China (PRC) and India combined to produce 21 percent of the world exports in 2006 compared to 6.7 percent in 1980.⁷² However, the 22 least-developed economies in the region as well as 15 other developing nations only accounted for 2.8 percent of world exports. This was a minor improvement from 2.2 percent in 1980.⁷³ Overall as a region, Asia and the Pacific have participated in the globalized economy and have pulled millions out of poverty by reducing trade barriers, increasing the number of transnational corporations, lowering communications costs and rapidly producing technology needs.⁷⁴

During the conference plenary discussion, the connection between underperformance in some countries and the high trade costs was called in attention. In the NIEs, PRC and India, it costs \$608 to export one 20-foot container, whereas the costs rises to \$1,029 from the LDCs and small states and \$1,855 from the 15 developing nations in the region.⁷⁵ This trend continues with the time needed to process exports, as the NIEs, PRC and India utilize 16 days, while the LDCs and small states take 31 days and the 15 developing nations take 43 days.⁷⁶ This dramatic gap in effectiveness is apparent in the areas of "logistics, production, technology, marketing, and other export-related capabilities."⁷⁷

The conference conclusions varied from common themes of cooperation to specific needs of trade facilitation. It was believed that the improvement Asia and the Pacific have made over the past 20 years is an example of how public-private partnerships and national development strategies can have on an economy.⁷⁸However, it was agreed that much more work needed to be accomplished. First, the Aid for Trade program is an "Aid for Trade for Development" program and must be rooted in the region's development agenda.⁷⁹ Second, countries must shift focus on what is most effective in increasing trade. Specifically, "regional cooperation, infrastructure, trade facilitation and trade finance" are the most effective routes in improving trade. Further, the regional technical group would create a proposal that would provide a strategy to operationalize Aid for Trade in sub-regions and countries.

2008 Aid for Trade Roadmap

On 25 February 2008, WTO Director-General Pascal Lamy announced the creation of the roadmap for the Aid for Trade program at the Committee on Trade and development. The three emphasized areas of the roadmap include monitoring, implementation, and greater involvement of developing nations.⁸⁰ Lamy specifically addressed the measures needed for each of these three objectives. Monitoring of trade flows is essential in determining the progress of goals set by Aid for Trade. Lamy has asked the OECD and the World Bank to develop indexes and indicators that would be able to address the effectiveness of Aid for Trade. Secondly, the implementation of programs by various regions, including Africa, Latin America, the Caribbean, and Asia and the Pacific will be supported by national and sub-regional Aid for Trade Reviews.⁸¹ The primary goal of these Reviews will be to

⁷³ Ibid.
⁷⁴ Ibid.
⁷⁵ Ibid.
⁷⁶ Ibid.
⁷⁷ Ibid.
⁷⁸ Ibid.
⁷⁹ Ibid.

⁷² Mobilizing Aid for Trade: Focus Asia and the Pacific. World Trade Organizations. New York and Geneva: United Nations. 2007. http://www.wto.org/english/tratop_e/devel_e/a4t_e/asia_pacific_e.pdf

⁸⁰ "The WTO Director General Lamy Announces Aid-for-Trade Roadmap." *Harvard International Law Journal*. February 29, 2008. <u>http://www.harvardilj.org/digest/archives/316</u>

highlight successful programs with the hopes of serving as a model for a region throughout 2008 and 2009, the WTO will sponsor "Aid for Trade National Reviews" at both a national and sub-regional level.⁸² Further, the creation of incentives for programs that support Aid for Trade would be explored. Lastly, developing nations must take a pro-active role in supporting programs, which assist in Aid for Trade. This is highlighted within the context of "effectively mobilizing domestic and international constituencies."⁸³

Conclusion

The Aid for Trade program is an ambitious undertaking that strives to close the trade gap between the most developed nations and the least developed which face unprecedented poverty and significant lack of basic resources. However, there is hope with the implementation of Aid for Trade. Each of the three Aid for Trade regional review conferences emphasized the need for a comprehensive approach to implementing this program. This program is based on two main principles: trade assistance and political leadership. We have learned that trade assistance is a multi-faceted concept that reaches into infrastructure development, strategic planning, and trade and adjustment assistance. However, this by itself will not improve the quality of life of the poorest in the globe. The most vital task is developing cooperation between neighbors to attain mutual economic trade goals. The next two years are a crucial time with the implementation of the "Aid for Trade National Reviews" and the "Aid for Trade Roadmap." All nations, regardless of economic standing must commit to the principles of this program in order to fully harness the shared benefits of international trade.

Committee Directive

The World Trade Organization has taken on a significant task in the implementation of the Aid for Trade program. It is essential that delegates have a strong grasp of the basic concepts of trade, comparative advantage, and the four pillars of the Aid for Trade program. This will serve as a foundation for your discussion and negotiations throughout the conference. Delegates are expected to review each of the regional conference reports on Aid for Trade. Ask how your nation has contributed to achieving its goals, objectives, and recommendations? Ask yourself what barriers to trade currently exist in your nation and what opportunities are present to address these? What current regional bodies or agreements exist that play an important role in your Aid for Trade activities? In light of the SRMUN XIX theme of *Promoting Partnerships for a Sustainable Future*, what regional/neighboring nations share the same trade and economic growth objectives as you? *Delegates* are strongly encouraged to review and assess their states' views towards the Aid for Trade Program in light of WTO/GATT at 60. What additional measures can the WTO take to address development issues while maintaining its core mandate of being an institution that settles international trade?

Topic II: Tariffs and Market Access for Agriculture

Introduction

The SRMUN XIX theme of *Promoting Partnerships for a Sustainable Future* is especially significant in building cooperation between the developed and developing world. One of the most prominent and pressing inequalities between these two groups is in the role of international agricultural trade. More specifically, disagreements have developed over the depth of which both tariffs and subsidies are used to achieve national and international priorities.

⁸² "Trade." The World Bank. June 25, 2007. <u>http://web.worldbank.org/WBSITE/EXTERNAL/EXTSITETOOLS/0, contentMDK:20147690~menuPK:</u> <u>344199~pagePK:98400~piPK:98424~theSitePK:95474,00.html#6</u>

⁸³ "The WTO Director General Lamy Announces Aid-for-Trade Roadmap." *Harvard International Law Journal*. February 29, 2008. <u>http://www.harvardilj.org/digest/archives/316</u>

Since the inception of GATT over 50 years ago, the main protection put in place for agricultural goods were tariffs.⁸⁴ As economist Dilip K. Das explains, "[h]igh tariffs…have been age-old chestnuts in agricultural trade."⁸⁵ Because of the legacy of high levels of protectionism on agricultural goods, the impact of tariffs of the free trade of agricultural products is especially profound. In agricultural trade, tariff barriers most notably affect countries whose main exports are agricultural goods, which are typically unindustrialized developing nations. ⁸⁶

It is essential to first understand the basis for this form of protectionism in the international agriculture sector. Tariffs are customs duties placed on an imported product by the country importing the product. ⁸⁷ This is basically a tax "billed to" an exporter to be paid to the country who imports their product. There are different types of tariff classifications. Ad valorem tariffs have a fixed rate which is determined by taxing a percentage of the value of the good being imported.⁸⁸ For example, if the United States levies a 3 percent tariff on all imported coffee from Colombia, this would mean that \$150,000 worth of imported Colombian coffee would result in \$4,500 of tax revenues for the United States. A specific tariff's rate is fixed per quantity and does not vary.⁸⁹ Therefore, if Italy charges a rate of 7 cents per pound for pistachios 10,000 pounds are imported from Tunisia, Italy makes \$700 in tax revenue. There are also instances in which both ad valorem and specific tariffs apply to one product, which is called a two-part tariff.⁹⁰ This is more likely to happen with manufactured goods, which house multiple components and are taxed differently.⁹¹

Every member state is affected by tariff rates, through either paying them or receiving their revenues. As a result, tariffs are an integral instrument of aiding or blocking the flow of free trade and their use produces positive and negative effects on the global market. ⁹² Tariffs allow a country to protect its national interests by scheduling higher tariff rates on certain goods.⁹³ For instance, suppose Argentina was interested in trading live cattle in Japan, but it was in Japan's interest to protect its citizens from foreign outbreaks of possible cattle-related diseases. Japan would levy high tariffs on Argentinean livestock to ensure its national interests were met. Argentina would be unable to trade its livestock with Japan due to the cost of tariffs. As a result, a "trade roadblock" was established through the use of tariffs.

However, this "trade roadblock" has now prevented nations from participating in a free trade environment. Using the same example, although Japan may have protected its national interest in the short-run, it may have potentially impaired its domestic livestock trade by sheltering it from international competitors.⁹⁴ In the long run, all nations

86 Ibid.

⁸⁷ "Glossary: A guide to 'WTO speak.'" The World Trade Organization. <u>http://www.wto.org/english/thewto_e/glossary_e/</u> <u>glossary_e.htm</u>.

88 Ibid.

89 Ibid.

⁹⁰ Suranovic, Stephen M. "Trade Policy Tools." *International Trade Theory and Policy*. May 13, 2008. <u>http://</u>internationalecon.com/Trade/Tch10/T10-1.php

91 Ibid.

⁹² Suranovic, Stephen M. "Introductory Issues." *International Trade Theory and Policy*. December 24, 2006. http:// internationalecon.com/Trade/Tch5/T5-1.php

93 Ibid.

94 "The Case for Open Trade." The World Trade Organization. http://www.wto.org/english/thewto_e/whatis_e/tif_e/ fact3_e.htm.

⁸⁴ "The Uruguay Round." World Trade Organization. <u>http://www.wto.org/english/thewto_e/whatis_e/tif_e/fact5_e.htm</u>

⁸⁵ Das, Dilip K. *The Doha Round of Multilateral Trade Negotiations: Arduous Issues and Strategic Responses.*" New York: Palgrave Macmillan. 2005, p. 144.

have the potential to benefit from free trade because it forces producers, manufacturers, and governments to "sharpen competition, motivate innovation and breed success."⁹⁵

Market access is the accessibility of a nation to trade with another nation.⁹⁶ The level of market access is different for each Member State as each has a different set of conditions for goods, which enter their market.⁹⁷ To WTO Member States, those conditions come in the form of non-tariff and tariff quotas, which are usually price agreements agreed on during trade negotiations.⁹⁸ While the discussion on non-tariff quotas is important, our main focus is tariffs and their effect on agricultural market access

History of Modern Agricultural Trade

In the years after World War II, great strides were taken to form a more global, less protectionist international trade structure.⁹⁹ Industrial trade negotiations were extremely successful in "spurring technological change…leading to accelerated growth."¹⁰⁰ Agriculture, however, remained highly protected and regulated—even more so than today—until the Uruguay Round trade negotiations of the 80s and 90s.¹⁰¹ Although global trade has taken great strides toward less protectionist policies, agriculture remains one of the most highly protected sectors in the world. Agricultural trade has been an extremely sensitive issue since the earliest years of the General Agreement on Tariffs and Trade (GATT) because of the protectionist policies of most nations.¹⁰² Because of the delicate and often volatile nature of agriculture negotiations, little was done in the early years of GATT to reform agriculture. Agricultural trade is only referenced once within Article XI, Clause 2, sub-clause (c)—in the General Agreement on Tariffs and Trade (GATT 1947), which remained true until the Uruguay Round trade negotiations.¹⁰³ In the over 50 years of GATT's rule, the main protection put in place for agricultural goods were tariffs.¹⁰⁴ As economist Dilip K. Das explains, "[h]igh tariffs and non-tariff trade barriers (NBTs) as well as subsidization have been age-old chestnuts in agricultural trade."¹⁰⁵ This structure remained in place until the Uruguay Round trade negotiations, which gave life the WTO and produced the first dramatic change in international agriculture policy in over 50 years.

The Uruguay Round officially lasted eight years, from September of 1986 to April of 1994.¹⁰⁶ Agriculture and market access were key negotiation points during the trade talks because little had been done in years before to address issues of agricultural market inaccessibility.¹⁰⁷ In addition to agriculture, special attention was to be paid to

97 Ibid.

98 Ibid.

100 Ibid.

¹⁰² Das, Dilip K. The Doha Round of Multilateral Trade Negotiations: Arduous Issues and Strategic Responses." New York: Palgrave Macmillan. 2005, p. 144.

¹⁰⁵ Das, Dilip K. The Doha Round of Multilateral Trade Negotiations: Arduous Issues and Strategic Responses." New York: Palgrave Macmillan. 2005, p. 144.

⁹⁵ Ibid.

⁹⁶ "What is the World Trade Organization?" The World Trade Organization. <u>http://www.wto.org/english/thewto_e/whatis_e/</u> tif_e/fact1_e.htm.

⁹⁹ Diaz-Bonilla, Eugenio, et al. "Overview." WTO Negotiations and Agricultural Trade Liberalization: the Effects of Developed Countries 'Policies on Developing Countries. Eds E. Diaz-Bonilla et al. Cambridge: CAB International. 2006, p. 1.

¹⁰¹ "The Uruguay Round." World Trade Organization. <u>http://www.wto.org/english/thewto_e/whatis_e/tif_e/fact5_e.htm</u>

¹⁰³ "The General Agreement on Tariffs and Trade." The General Agreement on Tariffs and Trade. Geneva, July 1986

¹⁰⁴ "The Uruguay Round." World Trade Organization. <u>http://www.wto.org/english/thewto_e/whatis_e/tif_e/fact5_e.htm</u>

¹⁰⁶ "The Uruguay Round." World Trade Organization. <u>http://www.wto.org/english/thewto_e/whatis_e/tif_e/fact5_e.htm</u>.

import duties on tropical products "which are mainly exported by developing countries."¹⁰⁸ With new focus placed on the developing world and market access, participants of the Uruguay Round were faced with some of the most difficult trade talks the GATT had ever seen. Agricultural talks and agreements, such as the "Blair House accord", played pivotal roles in deciding whether the Uruguay Round would proceed onward with success or hang inevitably in an uncompromising limbo.¹⁰⁹ The Marrakesh Agreements, which ended the Uruguay Round, provided provisions touching on nearly every international trade topic possible and, finally, agriculture had received the attention it needed.¹¹⁰ From the World Trade Organization:

"On the market access side, the Uruguay Round resulted in a key systemic change: the switch from a situation where a myriad of non-tariff measures impeded agricultural trade flows to a regime of bound tariff-only protection plus reduction commitments. The key aspects of this fundamental change have been to stimulate investment, production and trade in agriculture by (i) making agricultural market access conditions more transparent, predictable and competitive, (ii) establishing or strengthening the link between national and international agricultural markets, and thus (iii) relying more prominently on the market for guiding scarce resources into their most productive uses both within the agricultural sector and economy-wide."¹¹¹

Along with these overarching philosophies written in to the Marrakesh Protocol Agriculture Agreement, all Member States were assigned their own "schedule" of tariff concessions.¹¹² Each tariff schedule "sets out for each individual agricultural product, or, in some cases agricultural products defined more generally, the maximum tariff that can be applied on imports into the territory of the Member concerned."¹¹³ This was an important step in further liberalizing agricultural trade because it created a price ceiling—or a set price which countries pledge not to charge higher than —for tariff duties, thus alleviating some problems of market access.¹¹⁴ Even in the light of newfound interest and attention given to aiding developing nations build or rebuild their economies, disparities still existed after the results of the Uruguay Round and still exist today.

Tariff Barriers to Market Access

Agricultural negotiations have proven to require painstaking political will power.¹¹⁵ "Producing, processing and providing the food we eat touches upon matters of food security, employment, environmental protection while shaking the existence of a great number of rural communities."¹¹⁶ As a result, nations have a significant interest in ensuring that their agricultural sector is shielded from intense international competition.¹¹⁷

108 Ibid.

109 Ibid.

110 Ibid.

¹¹¹ "Agriculture Explanation: Market Access." The World Trade Organization. agric e/ag_intro02_access_e.htm#conceptual. http://www.wto.org/english/tratop_e/

112 Ibid.

113 Ibid.

¹¹⁴ "Agriculture Explanation: Introduction." The World Trade Organization. <u>http://www.wto.org/english/tratop_e/agric_e/</u> <u>ag_intro01_intro_e.htm</u>

¹¹⁵ Carlos A. Primo Braga & Kjersti Brokhaug. "Agriculture and the Doha Development Agenda." The World Bank. <u>http://siteresources.worldbank.org/EXTPARLIAMENTARIANS/Resources/</u> <u>Agriculture_brief_for_PNoWB-Feb05-final.pdf</u>

116 Ibid.

It is important to realize that tariffs impact different countries in different ways. An industrialized country is more likely to have an offensive strategy in tariff trade negotiations in order to capitalize on an already growing sector.¹¹⁸ Developing nations are more likely to support defensive policies in order to ensure preferential access to industrialized sectors as a result of their vulnerable agricultural sector.¹¹⁹

Industrialized nations most assuredly embody the idea that "agricultural health equals economic wealth."¹²⁰ These nations and trade blocks are the economic leaders of the WTO. Countries such as the United States of America, the European Union, Japan, South Korea, Switzerland, and Norway do not depend on agricultural trade as a main source of revenue and can thus afford to implement protectionist policies.¹²¹ The strength of most industrialized nations' agriculture sectors are great enough to be able to produce enough food supply to allow for higher import tariffs.¹²² Higher import tariffs in turn make the farming and agriculture sectors much more competitive in these nations.¹²³

Although industrialized nations benefit from agricultural revenues, agricultural exports provide "a significant source of export revenue" in the developing world.¹²⁴ "At the same time a number of…countries are not self-sufficient in food production, making food imports a vital necessity."¹²⁵ As a result, even if a member state has an environment where food production can flourish, there still may be a dependency on food imports because many developing nations lack infrastructure, technology, or communication within their own country and/or region to capitalize on their regional and climate advantages.¹²⁶ To further compound the issue, many developing nations charge high export taxes on their own citizens so that farmers wishing to export goods must already have enough capital to afford shipping their goods.¹²⁷ In addition, tariffication and the remaining protectionist agricultural policy structures of many Member States, the cost of export tariff duties in many industrialized nations still prevent developing nations to viably break in to foreign markets.¹²⁸

Doha Development Agenda and Agricultural Negotiations

In November 2001, a new commitment for international trade negotiations was forged at the Fourth Ministerial Conference in Doha, Qatar.¹²⁹ Included within these negotiations was a focus on agriculture and services. In

¹¹⁹ Ibid, p. 6.

¹²⁰ Ibid.

¹²¹ Ibid, p. 2-3.

122 Ibid.

¹²³ Gersfelt, Brigitte., et al. "The Common Agricultural Policy in an Enlarged Europe: Bright or Bleak Prospects for Africa?." WTO Negotiations and Agricultural Trade Liberalization: the Effects of Developed Countries 'Policies on Developing Countries. Eds E. Diaz-Bonilla et al. Cambridge: CAB International. 2006, pp. 66-67.

124 Ibid.

¹²⁵ Ibid, p. 66.

126 Ibid.

- ¹²⁸ Frandsen, Søren E., et al. "Assessing the Harbinson Draft on Modalities in the WTO Agriculture Negotiations." WTO Negotiations and Agricultural Trade Liberalization: the Effects of Developed Countries 'Policies on Developing Countries. Eds E. Diaz-Bonilla et al. Cambridge: CAB International. 2006, pp. 143-44.
- ¹²⁹ "Doha Development Agenda: Negotiations, Implementation and Development." The World Trade Organization. July 18, 2008. <u>http://www.wto.org/english/tratop_e/dda_e/dda_e.htm</u>

¹¹⁸ Diaz-Bonilla, Eugenio, et al. "Overview." WTO Negotiations and Agricultural Trade Liberalization: the Effects of Developed Countries 'Policies on Developing Countries. Eds E. Diaz-Bonilla et al. Cambridge: CAB International. 2006, pp. 2-5.

September 2003, the Fifth Ministerial Conference took place in Cancún, Mexico.¹³⁰ Although intended to provide a framework on how to address future negotiations, there was deep discontent on agricultural issues including cotton. As a result, there were no negotiations for nearly 6 months. In 2004, the Geneva "July package" was negotiated which provided a framework for future negotiations as well as hope for the Doha Development Agenda.¹³¹ In December 2005, continued progress was shown in the Hong Kong Ministerial Declaration. Specifically, it was agreed that all forms of export subsidies would be eliminated by 2013. A significant agreement was made on market access, with the creation of "four bands for structure tariff cuts."¹³²

In order to conclude the Doha Found by the end of 2008, the "July 2008 package" is being negotiated. In order to achieve consensus between all of the 153 a level of flexibility in both the final agreement and negotiations are required.¹³³ The negotiations are described as "concentric circles."¹³⁴ Small groups of countries meet to negotiate various difference each have on trade. After consensus is built, these groups meet with "progressively larger groups of countries so that more and more views can reach convergence."¹³⁵ This is done with the ultimate goal of providing a fully agreed upon document that is approved by all members of the WTO. Coordinators of each of these smaller groups consult with other coordinators to seek consensus under the guidance of the Director-General.¹³⁶ This process is referred to as the "Green Room."¹³⁷ Since July 21st, the Trade Negotiations Committee (TNC) have begun meeting.¹³⁸ This committee consists of all 153 WTO members and is charged with coordinating all of the Doha negotiating groups. Most importantly, the principle of "single undertaking" served as the foundation for the entire round of negotiations.¹³⁹ In short, nothing is agreed upon until everything is agreed upon. This is to ensure that full consensus on all aspects of negotiations are established so that all member states feel as though they have benefited from the round of negotiations.¹⁴⁰

Conclusion

It can be argued that agriculture is the most prominent sector of trade on both domestic and international levels. It is a source of income and food security for billions and as such, negotiations must be thorough, efficient and conducted in an environment with as little political pressure as possible. Tariffs serve an important role in international trade, whereas they protect local trade economies. However, this is done at the expense of furthering the trade and development gap between industrialized nations and the developing world. The July 2008 package of the Doha Development Round is making significant progress towards full consensus on array of agricultural trade concerns. It is imperative that negotiations continue with the hopeful completion of the Round by the end of 2008.

Committee Directive

132 Ibid.

¹³³ "How the Meeting is Organized." *The World Trade Organization*. July 27th, 2008. <u>http://www.wto.org/english/tratop_e/dda_e/meet08_org_e.htm</u>

134 Ibid.

135 Ibid.

136 Ibid.

137 Ibid.

138 Ibid.

139 Ibid.

¹³⁰ Ibid.

¹³¹ WT/MIN (05)/DEC. Ministerial Declaration. World Trade Organization. December 22, 2005. <u>http://www.wto.org/english/thewto_e/minist_e/min05_e/final_text_e.htm</u>

Delegates should understand that this is a highly technical topic and as a result, proper preparation is needed to ensure successful discussion at the conference. Delegates should review their national policies on agricultural trade and assess their own levels of tariffs and protectionism. Upon doing so, you will be able to evaluate the best method to balance the protection of your nation's economic interests and your desired level of agricultural trade liberalization. Delegates should review the "July 2008" package of modalities to understand the latest progress and agreements of the Doha Development Agenda focused on agricultural trade. Based upon your member states' position, you may recommend changes to your own national policies or to the latest round of negotiations.

Topic III: Examining the Relationship between the World Trade Organization and Multilateral Environmental Agreements

"There should not be, nor need be, any policy contradiction between upholding and safeguarding an open, nondiscriminatory and equitable multilateral trading system on the one hand, and acting for the protection of the environment, and the promotion of sustainable development on the other."¹⁴¹

Introduction

Throughout the course of human history, it has been shown that international cooperation to address the challenges of war, economic hardships and debilitating diseases have resulted in unprecedented growth and prosperity never before seen. This same collaboration was used in the creation of laws and agreements aimed at preserving our environment. The primary tools used in this area are Multilateral Environmental Agreements (MEAs). MEAs are "a subset of the universe of international agreements."¹⁴² MEAs are agreed upon at both international and regional levels, including some which have a few Parties and others where there is near universal consensus.¹⁴³

There are three primary classifications of MEAs. First, the scope can be either global or regional.¹⁴⁴ An example of a regional agreement would be the *Bamako Convention, which* addresses the management of hazardous waste within the African region.¹⁴⁵ The second classification focuses on whether the agreement is Appendix-driven or annexdriven. The *Convention on International Trade in Endangered Species of Wild Fauna and Flora* (CITES) is classified as Appendix-driven, as it lists animal and plant species in various levels of endangerment.¹⁴⁶ The *International Convention for the Prevention of Pollution from Ships* is considered to be Annex-driven, as there are "Annexes that address different types of pollution." Annex I focuses on oil, Annex II focuses on noxious liquid substances, etc.¹⁴⁷ The third classification are framework conventions. These conventions are "stand-alone all-inclusive agreements" that anticipate further layers to be agreed upon at a future time¹⁴⁸ The *Vienna Convention on*

143 Ibid.

144 Ibid.

¹⁴⁶ Ibid.

147 Ibid.

¹⁴¹ Decision on Trade and Environment – Uruguay Round Trade Negotiations Committee. World Trade Organization. April 14, 1994.

¹⁴² Guide for Negotiators of Multilateral Environmental Agreements. United Nations Environmental Protection Program. New York and Geneva: 2006. http://www.unep.org/DEC/docs/Guide percent20for percent20Negotiators percent20of percent20MEAs.pdf

¹⁴⁵ Bamako Convention on the Ban of the Import into Africa and the Control of Transboundary Movement and Management of Hazardous Wastes within Africa. Organization of African Unity. January 30, 1991.

the Protection of the Ozone Layer was established in 1985, however, its *Montreal Protocol* that set phase-out timetables was established in 1987.

It is believed that there are two "generations" of MEAs. The first generation focuses on a single issue or a specific sector.¹⁴⁹ For example, the 1972 Convention on the Prevention of Marine Pollution by dumping of Wastes and other Matter addressed the international control and prevention of disposing harmful chemicals into the sea.¹⁵⁰ This is a first generation MEA as it put forward a specific outline on addressing "threats to living natural resources, global common resources, and the marine environment."¹⁵¹

The second generation of MEAs was established after the United Nations Conference on Environment and Development (UNCED) took place in Rio De Janiero in June 1992.¹⁵² These MEAs provide a more "holistic" approach to international environmental cooperation. One of the well-known second generation MEAs is the UN Framework Convention on Climate Change (UNFCCC). This convention focused on how nations can focus efforts to prevent climate change and harmful changes to our atmosphere.¹⁵³ At initial glance, this would appear to be a first generation MEA, however, this convention distinguishes the systemic impacts that climate change can have on our "ecosystem, food production and sustainable development."¹⁵⁴

Currently there are over 250 MEAs that address a wide array of environmental issues including biodiversity, protection of oceans and water, climate change, etc. Approximately 20 of these contain trading terms that directly affect trade.¹⁵⁵ For example, there may be a restriction on trade of specific flora that may be near extinct. As noted in the committee history, the World Trade Organization at its foundation is a forum where countries discuss, negotiate, and settle disputes about global trade. Given that a number of MEAs stipulate trade restriction, there is a concern of whether these are compatible with WTO rules.¹⁵⁶ More specifically, the WTO developed "a non-discrimination principle known as most favored nation treatment."¹⁵⁷ With the founding of the General Agreement on Tariffs and Trade in 1947 (the precursor to the WTO), it was agreed that all members would enjoy the same benefits of tariffs and advantages as any other nation.¹⁵⁸ Further, it was agreed that all goods, regardless if they are imported or produced domestically should be treated equally after the goods have entered the market.¹⁵⁹ These non-discrimination principles can conflict with MEAs whereas certain goods can be traded between signers of an agreement, but banned otherwise.¹⁶⁰

¹⁵¹ Guide for Negotiators of Multilateral Environmental Agreements. United Nations Environmental Protection Program. New York and Geneva: 2006. http://www.unep.org/DEC/docs/Guide percent20for percent20Negotiators percent20of percent20MEAs.pdf

152 Ibid.

153 Ibid.

154 Ibid.

¹⁵⁵ "Relationship between WTO and MEA rules." The World Trade Organization. April 30, 2007. <u>http://www.wto.org/english/tratop_e/envir_e/envir_neg_mea_e.htm</u>

156 Ibid.

- ¹⁵⁸ General Agreement on Tariffs and Trade. United Nations Conference on Trade and Employment. 1947. http://www.wto.org/English/docs_e/legal_e/gatt47_01_e.htm
- ¹⁵⁹ "What is the World Trade Organization?" The World Trade Organization. <u>http://www.wto.org/english/thewto_e/whatis_e/tif_e/fact2_e.htm</u>
- ¹⁶⁰ "Relationship between WTO and MEA rules." The World Trade Organization. April 30, 2007. http://www.wto.org/english/tratop_e/envir_e/envir_neg_mea_e.htm

¹⁴⁹ Ibid.

¹⁵⁰ Convention on the Prevention of Marine Pollution by Dumping of Wastes and Other Matter. International Maritime Organization. November 13, 1975.

History of Multilateral Environmental Agreements

In the early 1970s, it was recognized by nations around the globe that there was an "impact of economic growth on social development and the environment."¹⁶¹ As a result, the United Nations held a Conference on the Human Environment in Stockholm in 1972. The outcomes of this conference included the establishment of a Group on Environmental Measures and International Trade (EMIT). This group would only meet at the request of GATT members. This meeting took place 20 years later prior to the United Nations Conference on Environment and Development.¹⁶² According to the WTO, the main reason for this inactivity was due to the few developments made in both trade and the environment during this time.¹⁶³

From 1970 to 1990, there were a number of public conversations on the effects of trade on the environment. During the Tokyo Round of trade negotiations from 1973-1979, there was discussion on whether technical environmental measures were an obstacle to trade.¹⁶⁴ It was agreed upon that all environmental technical regulations and standards would be non-discriminative and transparent. During the 1982 GATT ministerial meeting, measures were discussed that would regulate the export of domestically prohibited products. This ultimately led to the creation of the Working Group on the Export of Domestically Prohibited Goods and Other Hazardous Substances in 1989.¹⁶⁵ Most notably, the World Commission on Environment and Development produced the report, "Our Common Future" in 1987. This report first created the term "sustainable development."¹⁶⁶ It recognized that poverty is a cause of environmental degradation and "argued that greater economic growth, fuelled in part by increased international trade" could address this issue.¹⁶⁷

In June 1992, the United Nations Conference on Environment and Development was held in Rio de Janeiro. The purpose of this conference was to lay a foundation for sustainable development in the world. Principle 12 of the outcome document, known as the Rio Declaration, states:

"States should cooperate to promote a supportive and open international economic system that would lead to economic growth and sustainable development in all countries, to better address the problems of environmental degradation. Trade policy measures for environmental purposes should not constitute a means of arbitrary or unjustifiable discrimination or a disguised restriction on international trade. Unilateral actions to deal with environmental challenges outside the jurisdiction of the importing country should be avoided. Environmental measures addressing transboundary or global environmental problems should, as far as possible, be based on an international consensus."¹⁶⁸

Progression of Multilateral Environmental Agreements from Pre-Negotiation to Entry into Force

162 Ibid.

163 Ibid.

¹⁶⁴ "Developments: 1971-1991." The World Trade Organization. April 2, 2007. http://www.wto.org/english/tratop_e/envir_e/hist1_e.htm

165 Ibid.

166 Ibid.

¹⁶¹ "Early years: emerging environment debate in GATT/WTO." The World Trade Organization. April 2, 2007

¹⁶⁸ A/CONF.151/26. *Rio Declaration on Environment and Development*. United Nations General Assembly. 12 August 1992. http://www.un.org/documents/ga/conf151/aconf15126-1.htm

The formulation of an MEA takes significant time as it moves through various stages before it becomes a forceful tool. In the pre-negotiation stage, member states must come to an agreement whether there is a need for action regarding an environmental issue.¹⁶⁹ At times, they may call for the creation of an independent body, which would conduct scientific research into whether an issue exists.¹⁷⁰ In 1988, the Inter-governmental Panel on Climate Change (IPCC) was created to provide analysis as to whether there was a rising threat in climate change.¹⁷¹ Before the Negotiation Phase, preparatory committees are established to address logistics including procedure and cost.¹⁷² During the negotiation process, formal plenary bodies where members are present discuss and finalize possible agreements. After negotiations take place, the formal adoption and signing of an MEA is held during a diplomatic conference.

However, the MEA does not go into effect immediately after the conference. Member states must have their legislative bodies ratify the agreement. ¹⁷³It allows for a fully democratic process that ensures that the member state governments fully approve of the agreement and that representatives have not overstepped their responsibilities.¹⁷⁴ The final stage is referred to as "entry into force."¹⁷⁵ Many MEAs use a procedure whereas entry into force depends on "a particular number of ratifications, acceptances, approvals, or accessions received."¹⁷⁶ This ensures that a significant number of member states are committed to the agreement and its systemic effects take place.

Review of Relationship between WTO and Multilateral Environmental Agreements

The WTO and MEAs each have specific objectives of creating consensus to establish rules and laws in the spirit of global prosperity. They only differ in their focus: the WTO utilizes the global trading system while MEAs strive for environmental protection. Given our complex international trading system, the WTO and MEAs must work side-by-side to ensure "that the trade and environment regimes develop coherently."¹⁷⁷ However, there is always the potential for conflict between each of their structures. MEAs encompass four categories that related to trade: "trade bans, export and/or import licensing procedures, notification requirements and packaging and labeling requirements."¹⁷⁸

In 1991, the first major conflict between WTO trade rules and the goal of environmental protection took place in the form of the "Tuna-Dolphin" dispute between the United States and Mexico.¹⁷⁹ Yellowfin tuna swim between

170 Ibid.

172 Ibid.

173 Ibid.

174 Ibid.

175 Ibid.

176 Ibid.

¹⁷⁸ Andrew L. Stoler. "The Doha Round Negotiations on the MEA – WTO Interface: Shared Perceptions or Ulterior Motives?"2004 International Bar Association Conference. Auckland, New Zealand. October 26, 2004. <u>http://www.iit.adelaide.edu.au/docs/IBA_NZ_TE1004v2.pdf</u>

¹⁶⁹ Guide for Negotiators of Multilateral Environmental Agreements. United Nations Environmental Protection Program. New York and Geneva: 2006. <u>http://www.unep.org/DEC/docs/Guide percent20for percent20Negotiators percent20of percent20MEAs.pdf</u>

¹⁷¹ "About IPCC." Intergovernmental Panel on Climate Change. June 11, 2008. http://www.ipcc.ch/about/index.htm

¹⁷⁷ "Collaboration between WTO and MEA Secretariats." World Trade Organization. April 30, 2007. http://www.wto.org/english/tratop_e/envir_neg_mea_e.htm

dolphins in the tropical areas of the Pacific Ocean.¹⁸⁰ When tuna is captured dolphins are often caught within the nets, resulting in death unless immediately released. US law prohibits such tuna being exported to its borders. Mexico believed that the US could not regulate its own environmental laws.¹⁸¹ Further, it was questioned whether trade rules could regulate the method of producing goods.¹⁸² Mexico requested a panel review which determined that the US could not embargo tuna products from Mexico due to the method for capture violating US regulations and that GATT rules did not allow for trade action to be taken based to enforce its own regulations worldwide.¹⁸³

The WTO fully supports a non-discrimination principle where all countries are equal trading partners.¹⁸⁴ This is also referred to as the most-favored nation principle (MFN). An example of a violation of this principle would include a nation lowering their duty rates for one of their allies.¹⁸⁵ If a nation does this for one trading partner, they must do it for all. It is believed that the most prominent way for MEA trade rules could violate the WTO MFN principle is through the banned trade of a specific environmentally unfriendly product.¹⁸⁶ If an MEA "banned trade in a particular product between its parties and non-parties to the MEA, but permitted trade in the same product between its own members," then WTO trading rules would be violated and a settlement would take place.¹⁸⁷

Given the number of ways for MEAs and WTO rules to conflict, it was agreed upon in the Doha Ministerial declaration that negotiations would take place to examine:

"The relationship between existing WTO rules and specific trade obligations set out in multilateral environmental agreements (MEAs). The negotiations shall be limited in scope to the applicability of such existing WTO rules as among parties to the MEA in question. The negotiations shall not prejudice the WTO rights of any Member that is not a party to the MEA in question."¹⁸⁸

Collaboration between MEA Secretariats and the WTO

The spirit of cooperation between the WTO and MEAs was continued in 2002 in the Plan of Implementation of the 2002 World Summit on Sustainable Development (WSSD). This summit called for the effort to "strengthen cooperation among UNEP and other United Nations bodies and specialized agencies, the Bretton Woods institutions and WTO, within their mandates."¹⁸⁹ Currently the WTO and MEA secretariats have established various mechanisms to ensure that these efforts were addressed. The WTO Trade and Environment Committee conducts information sessions with MEA secretariats where the exchange of documents and working papers are free flowing

181 Ibid.

182 Ibid.

183 Ibid.

185 Ibid.

¹⁸⁰ "Mexico etc Verses US: 'Tuna-Dolphin'." World Trade Organization. April 2, 2007. http://www.wto.org/english/tratop_e/envir_e/edis04_e.htm

¹⁸⁴ "Trade Without Discrimination." World Trade Organization. September 30, 2005. <u>http://www.wto.org/english/theWTO_e/whatis_e/tif_e/fact2_e.htm</u>

¹⁸⁶ Andrew L. Stoler. "The Doha Round Negotiations on the MEA – WTO Interface: Shared Perceptions or Ulterior Motives?"2004 International Bar Association Conference. Auckland, New Zealand. October 26, 2004. <u>http://www.iit.adelaide.edu.au/docs/IBA_NZ_TE1004v2.pdf</u>

¹⁸⁸ WT/MIN (01)/DEC/1. Doha Ministerial Declaration. World Trade Organization. November 20, 2001. http://www.wto.org/english/thewto e/minist e/min01 e/mindecl e.htm#para6

¹⁸⁹ Relationship between WTO and MEA rules." The World Trade Organization. April 30, 2007. http://www.wto.org/english/tratop_e/envir_e/envir_neg_mea_e.htm

and transparent.¹⁹⁰ Further, there is collaboration on providing technical assistance on trade and environmental policies to developing nations.¹⁹¹ Most laudable is the negotiation of granting MEA secretariats official WTO observer status. Currently these secretariats (and other institutions) are granted observer status to the WTO Trade and Environment Committee. ¹⁹²

Chile-Swordfish Case

Given the enormous number of multilateral environmental trade agreements, WTO trade agreements and UN environmental and trade conventions, it is understandable that any dispute would potentially be protracted through a complex process. From 1990 to 2001, the European Union and Chile have argued the interpretation of international law regarding swordfish fisheries in the South Pacific.¹⁹³ Chile believed that the EU violated the United Nations Convention on the Law of the Sea (UNCLOS) by failing "to cooperate with the coastal state to ensure the conservation of the highly migratory species." Chile requested that the International Tribunal for the Law of the Sea (ITLOS) review whether the EU had broken conservation regulations.¹⁹⁴ The EU countered that Chile's "denial of port access" violated the 1994 General Agreement on Tariffs and Trade (GATT 1994) and believed the WTO would be the appropriate forum to mediate. In January 2001, both parties agreed to suspend all hearings and take on bilateral cooperation over swordfish fisheries in a pilot phase. If this phase fell through, legal proceedings would have continued.¹⁹⁵

Conclusion

The World Trade Organization at its core is an institution with the goal of connecting the benefits of trade to all nations, regardless of economic status. Multilateral Environmental Agreements are created with the ultimate goal of protecting and promoting global environmental sustainability. In the mid-20th century, a divergence appeared where it was believed that each of these instruments of economic and environmental prosperity were mutually exclusive. However, in recent times we have seen an increased focus on the common thread between trade and our environment as shown through the increased cooperation of the WTO and MEA secretariats. Although a foundation for closer working ties had been established since the 2001 Doha negotiations, much work is still to be done. Specifically, the complex legal struggle of an MEA dispute within the WTO settlement system must become more transparent and predictable. In both the Chile-swordfish and tuna-dolphin cases, a protracted legal settlement occurred with no clear result. Furthermore, the 2001 Doha Ministerial Declaration called for an examination regarding the relationship between WTO and MEA trade obligations, little negotiation in this area has occurred. It is essential for the WTO to establish a tangible commitment to untangling the complexities of this relationship.

Committee Directive

In the spirit of the SRMUN XIX theme of *Promoting Partnerships for a Sustainable Future*, delegates are asked to closely examine the relationship between the World Trade Organization and Multilateral Environmental Agreements. Can both goals of promoting trade and environmental sustainability exist given the possibility for conflicts to occur in each complex system? Which MEAs are most relevant to the well-being of your nation's environmental sustainability? Explore how these agreements work with the global trading system and if not, how can the WTO build consensus? In light of the Chile-Swordfish case, which legal body would best be able to assist in cases of trade and environmental protection? Delegates should further study these various bodies including ITLOS, WTO and the

192 Ibid.

194 Ibid.

¹⁹⁰ Ibid.

¹⁹¹ Ibid.

¹⁹³ "The EU and Chile Suspend the Swordfish Case Proceedings at the WTO and the International Tribunal of the Law of the Sea." The American Society of International Law. February 2001. <u>http://www.asil.org/insights/insigh60.htm</u>

possible creation of international/regional conservations forums. Although there is been substantial cooperation between MEA secretariats and the WTO, what if any mechanisms can be introduced to ensure that an environmental perspective is included in trade negotiations? Finally, delegates are strongly encouraged to analyze the outcomes of the WTO Geneva negotiations of July 2008. Are further conferences and negotiations required to address MEA/WTO trade policies? Would a specific WTO "green" conference assist in producing consensus? What obstacles would regions and states face at such a proposed forum?

Technical Appendix Guide

<u>Topic I: Reducing Internal Barriers to Trade and Development: Examining the World Trade Organization's</u> <u>Aid for Trade Program</u>

"Aid for Trade at a Glance – 1st Global Review." World Trade Organization. 2007. http://tcbdb.wto.org/publish/FINAL percent20GLOSSY percent20EXECUTIVE percent20SUMMARY_ENGLISH.pdf

This document produced by the World Trade Organization (WTO) and the Organization for Economic Cooperation and Development (OECD) examines the necessity and approach of effectively monitoring aid for trade. It further introduces the joint WTO/OECD monitoring framework. This report is an excellent source to learn in-depth details of the Aid for Trade program and how to improve its efficiency. Recommendations are included as to how the mandate of the United Nations Environmental Program (UNEP) can be leveraged to assist in settlement disputes.

"Aid for Trade: Harnessing Globalization for Economic Development." The World Bank & the International Monetary Fund. August 2007. <u>http://www.imf.org/external/np/pp/2007/eng/080107.pdf</u>

One area that has not been fully emphasized is market competitiveness between member states. Governments of developing nations are slowly embarking on private sector development in this realm. Delegates will significantly benefit from reading the section on the status and progress of the Doha Round of negotiations. An outline is given of specific areas where trade negotiations have broke down and which negotiations are slowly resuming. This is especially important for those delegates who wish to resume both agriculture and environmental trade discussions within the Doha Round.

"The Context for Aid for Trade in Ghana and Tanzania." The Ethical Globalization Initiative & the Mission of Ireland to the United Nations. May 2006. <u>http://www.realizingrights.org/trade/</u><u>Aid_for_Trade_Intro_May06.pdf</u>

Many times the international community, upon reviewing large-scale international trading programs overlook the faces of those being directly effected. This report examines local perspectives on trade and development. Delegates would benefit from understanding the connection between the Integrated Framework Initiative and Aid for Trade. "Alternative approaches" for developing nations to leverage international trade through local and regional markets are also discussed.

<u>Note</u>: The World Trade Organization is an institution that emphasizes consensus in all negotiations. Delegates are expected to not only know their national/regional policies but the progress and goals of Aid for Trade within other areas of the globe. Although cited in the background guide, delegates are strongly urged to review the following:

"Mobilizing Aid for Trade: Focus Latin America and the Caribbean." The Inter-American Development Bank (IDB) and the World Trade Organization (WTO). November 2007. <u>http://idbdocs.iadb.org/wsdocs/</u> <u>getdocument.aspx?docnum=1113834</u>

This report is the outcome document of the Aid for Trade Regional Review for Latin America and the Caribbean held in Lima, Peru on September 13, 2007. This document is highlighted as it gives an excellent, well-rounded examination of the progress and future needs of the Aid for Trade program within these regions. Delegates should specifically read of the success of the region's trading blocs in leveraging the Aid for Trade program.

"Mobilizing Aid for Trade: Focus Asia and the Pacific." The Asian Development Bank (ADB) and the World Trade Organization (WTO). November 2007. <u>http://www.wto.org/english/tratop_e/devel_e/a4t_e/</u> <u>asia_pacific_e.pdf</u> This joint report by the ADB and WTO served as a foundation for discussion at the WTO inaugural Global

This joint report by the ADB and WTO served as a foundation for discussion at the WTO inaugural Global Aid for Trade Review in November 2007. Its contents are a reflection of the Asia and the Pacific regional

Aid for Trade review meeting held in Manila on September 19th & 20th, 2007. One of the major highlights of this document is the disparity between the trio of newly industrialized economies (NIEs), China, and India and the region's least-developed economies (LDCs).

"Mobilizing Aid for Trade: Focus Africa." The United Nations Economic Commission for Africa (UNECA), the African Development Bank (AfDB), and the World Trade Organization (WTO). November 2007. <u>http://www.wto.org/english/tratop e/devel e/a4t e/africa e.pdf</u>

This report and recommendations document is based on the work of the Africa regional Aid for Trade review held in Dar es Salaam, Tanzania on October 1st & 2nd, 2007. A triumvirate of government ministers and agencies, key donors, and the private sector representatives discussed Africa's potential to tap into the global economy. All delegates are strongly encouraged to review the sub-regional breakdowns of Aid for Trade progress and future challenges. Further, the decision to work towards an "African Aid for Trade Network" would be of interested for delegates representing developing states.

Topic II: Tariffs and Market Access for Agriculture

"Agreement on Agriculture." The World Trade Organization. January 2005. http://www.wto.org/english/docs_e/legal_e/14-ag_01_e.htm

The Agreement on Agriculture (AOA) entered into force alongside the establishment of the WTO on January 1, 2005. Delegates are strongly urged to read this as a foundation of further WTO and agricultural trade publication. This document established the WTO committee on agriculture and sets forth a majority of the basic trading rules that delegates should be conversant in prior to the conference.

Peters, Ralf. ARTNeT "Capacity Building Workshop on Trade and Research – Structure and Uses of the Agriculture Market Access Database." United Nations Conference on Trade and Development. March, 2005. <u>http://www.unescap.org/tid/projects/artnetbk05_d3s2.pdf</u>

The WTO is a highly technical committee where data is compiled from dozens of sources to assist in policy creation and enforcement. This presentation gives an excellent explanation of tariff rate quotas and how to utilize the agricultural market access database (AMAD). AMAD displays tariff protections by nations and market access commitments by individual nations. Delegates are strongly encouraged to analyze their own nation's commitments in coordination with AMAD.

"Chairperson's texts 2008." The World Trade Organization. July 10, 2008. http://www.wto.int/english/tratop e/agric e/chair texts08 e.htm

> At the time of the WTO background guide publication, substantial agricultural negotiations occurred. Ambassador Crawford Falconer, chairperson of the agricultural negotiations revealed draft "modalities" which contained a blueprint of what appears to be the final deal on tariffs, subsidies and other provisions. This website provides draft modalities and explanations dating back to February 2008, as well as press conference audio following the release of each text.

Ingco, Merlinda D. & Nash, John D. "Agriculture and the WTO: Creating a System for Development." The World Bank & Oxford University Press. 2004.

Delegates are encouraged to read Chapter 4 of this publication, which focuses on the market access aspect of agricultural trade. This section is also relevant to the Doha Development Agenda and future modalities. Specific objectives are outlined, including the examination of lowering tariffs and the effects of protectionism, increasing tariff rate quotas, and how safeguards restrict market access.

McMahon, Joseph. "The WTO Agreement on Agriculture: A Commentary." Oxford University Press: New York. 2007.

This publication is one of the most expansive and complete histories of the relationship between GATT, the World Trade Organization, and agricultural trade. Chapter 2 contains specific sections on tariffs reductions and tariffication. Chapter 6 focuses on special and differential treatment, which plays a significant role in the politics of international agricultural trade. Chapters 7 & 8 center on the modern negotiations and politics the international community faces. Keep in mind that at the end of each chapter there is a commentary, which provide the author's personal views on the subject matter.

Topic III: Examining the Relationship between the World Trade Organization and Multilateral Environmental Agreements

Phahl, Stefanie. "Is the WTO the Only Way? – Safeguarding Multilateral Environmental Agreements from International Trade Rules and Settling Trade and Environmental Disputes Outside the WTO." Adelphi Consult, Friends of the Earth Europe, and Greenpeace. 2004. <u>http://www.greenpeace.org/raw/content/</u> international/press/reports/is-the-wto-the-only-way.pdf

This discussion paper addresses the shortfalls of WTO negotiations to "safeguard" multilateral environmental agreements from WTO trade rules. As noted in the committee directive, delegates are asked to explore new opportunities to negotiate and settle conflicts between trade and the environment. This paper suggests new alternatives including The International Court of Justice (ICJ), The United Nations International Law Commission (ILC), and the International Court of Environmental Arbitration and Conciliation (ICEAC).

Brack, Duncan & Gray, Kevin. Multilateral Environmental Agreements and the WTO. International Institute for Sustainable Development. pp. 18-25. <u>http://www.iucn.org/themes/pbia/themes/trade/training/Multilateral</u> percent20Env percent20Agreements percent20and percent20the percent20WTO.pdf

This section of the report focuses on specific multilateral environmental agreements that could possibly conflict with international trade rules. This will be helpful to delegates to read tangible conflicts that have arisen between environment and trade. Delegates will further be benefited by understanding the historical context of the trade and environment debate.

"Trade Related Measures and Multilateral Environmental Agreements." Center for International Environmental Law. 2007. <u>http://www.unep.ch/etb/areas/pdf/MEA percent20Papers/TradeRelated MeasuresPaper.pdf</u>

Delegates are strongly encouraged to read this paper on the role multilateral environmental agreements play within trade. Specifically, six major environmental agreements are discussed and examined in light of their trade obligations. This will assist delegates in their efforts to understand the relationship between MEAs and trade with their own Member State.

Georgieva, Kristalina & Mani, Muthukumara. "Trade and the Environment Debate: WTO, Kyoto and Beyond." The World Bank. <u>http://siteresources.worldbank.org/INTRANETTRADE/Resources/Topics/Accession/</u> <u>438734-1109706732431/TradeEnvironment.doc</u>

This paper authored by Director of the World Bank Russia Office and a Senior Environmental Economist of the World Bank gives an in-depth review of the environment and trade debate within the context of international organizations and treaties. Potential conflicts between trade and the environment in the areas of tariffs, subsidies, and barriers to trade are each explored. Further, a new focus of climate change and the WTO is introduced.

"Policies to Enhance Sustainable Development." Organization for Economic Co-operation and Development (OECD). OECD Publications: Paris, France. 2001, pp. 67-78.

Much of the focus on the trade and environment debate is centered on the negative effects of our global trading system and its conflict with environmental agreements. This publication focuses on how trade and investment can have a positive impact on sustainable development. Most notably for this topic, the use of

the Official Development Assistance (ODA) funds in relation to sustainable development investment is explored. Delegates are encouraged to review these pages to prepare for discussions with other member states on how international trade and investment can result in mutually beneficial sustainable development practices for trade partners.