UN environment

Environment and Trade Hub

Making trade work for the environment and the 2030 Agenda

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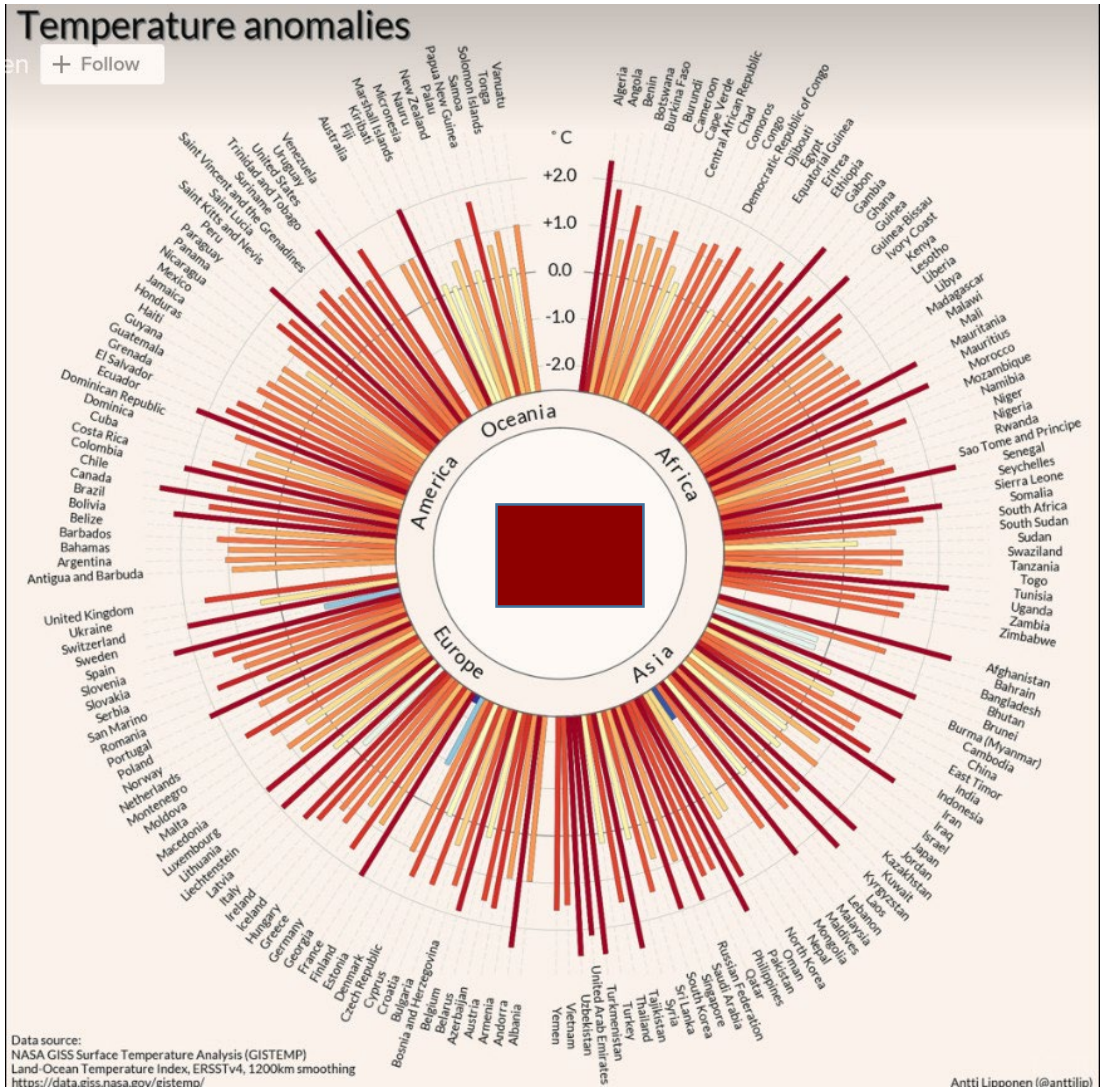

Temperature anomalies
+ Follow
°C
+2.0
+1.0
0.0
-1.0
-2.0
Oceania
Africa
Asia
Europe
America
Data source:
NASA GISS Surface Temperature Analysis (GISTEMP)
Land-Ocean Temperature Index, ERSSTv4, 1200km smoothing
https://data.giss.nasa.gov/gistemp/
Antti Lipponen (@anttilip)

Main causes of biodiversity loss

More than **16,000 species are threatened with extinction**, almost wholly as a result of human action

Habitat destruction

Agriculture,

Infrastructure (industry, urbanisation, etc).

Sumatran Orang-utan *(palm oil*

Global warming

Habitat and food loss from temperature change.

Disruption of migration patterns.

Wellington's Solitary Coral *(bleaching)*

Over-exploitation

Species hunted for food, pet trade, medicines.

Logging, mining, fishing, groundwater extraction.

Pollution *(air, land, water)*

Fossil fuels, pesticides, sewage, waste, oil slicks, sonars, etc

Yangtze River Dolphin *(pollution, river traffic)*

Accidents / persecution

Ensnarement in fishing nets.

Traps, "pest" control, shooting, poisoning.

Non-native species

eg. cats and rats on islands; water hyacinth in US, Africa, Middle East

Echo Parakeet *(introduction of rats and pigs)*

Human Activity and the Planet: looking ahead:

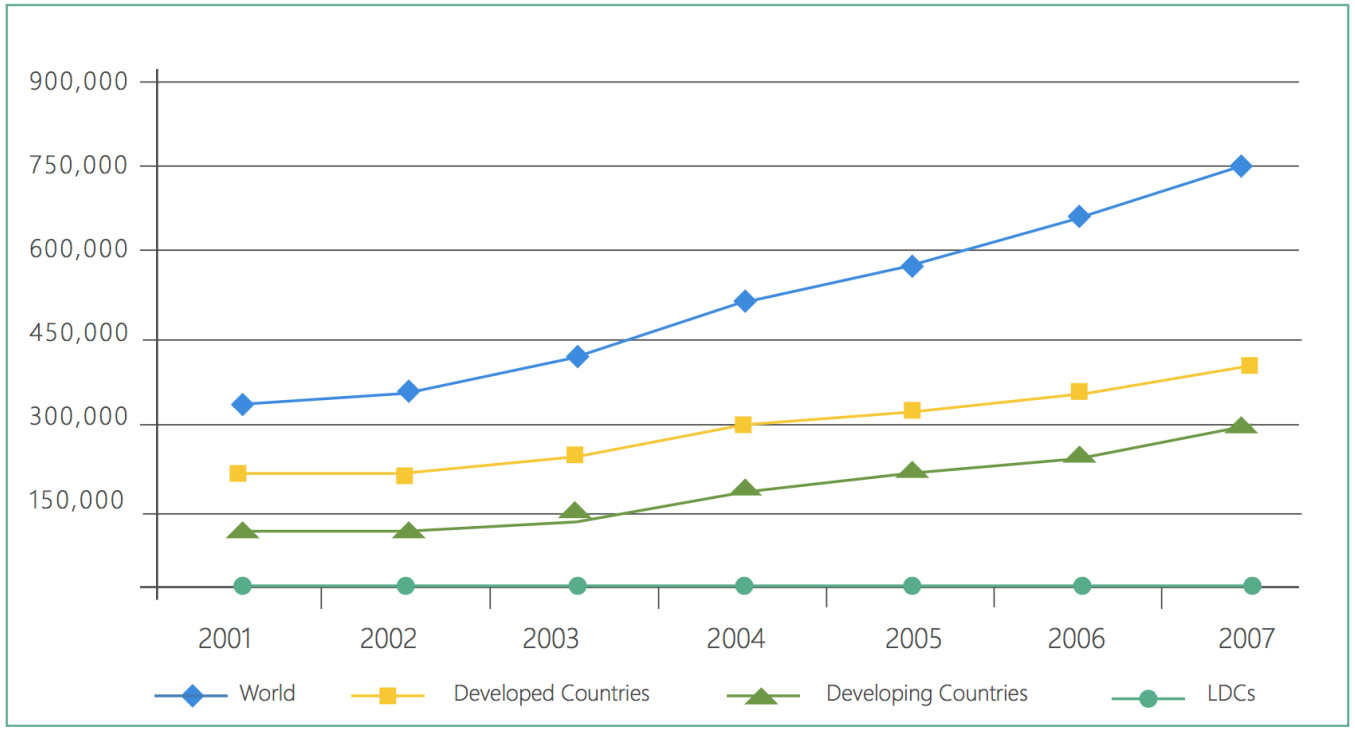
- **Food system: with population growth to 9,6 billion and dietary changes global demand for food up by 70% by 2050,**
- **Energy system: represents 68% of GHG emissions today and will see a 30% increase in electricity demand by 2040,**
- **Cities: projected to be home to two-thirds of the global population by 2050, up from slightly more than half today,**
- **Global production/ consumption system: the current "take-make-waste" model has nearly quadrupled global waste creation since 1970.**

Trade Trends:

3X	Since 2002, the financial volume of international trade has more than tripled in the last 15 years
$22.9	Global exports of goods and services in 2017: US$ 22.9 trillion → 29.4% of global GDP
44.5%	Total developing economies merchandise export increase: 31.91% in 2000 → 44.5% in 2018 of global exports
+88%	GHG emissions from international maritime & aviation transport: + 88% in the last 25 years
2/5	Two-fifths of global raw material extracted are used to enable global exports

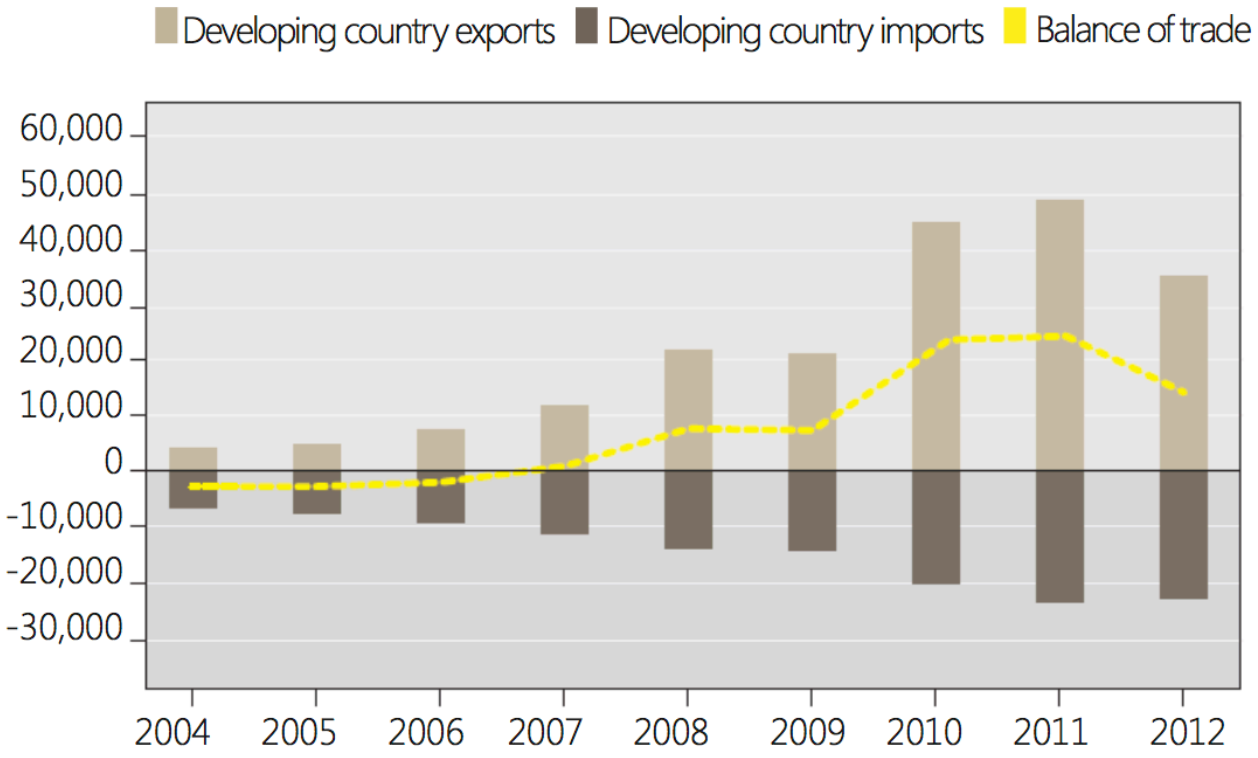
Diffusion of and Access to Environmental Goods and Technologies

Figure 4: Growth in trade of environmental goods (2001-2007), US$ million



(UNEP 2013, 37)

Balance of Trade Environmental Goods Developing countries



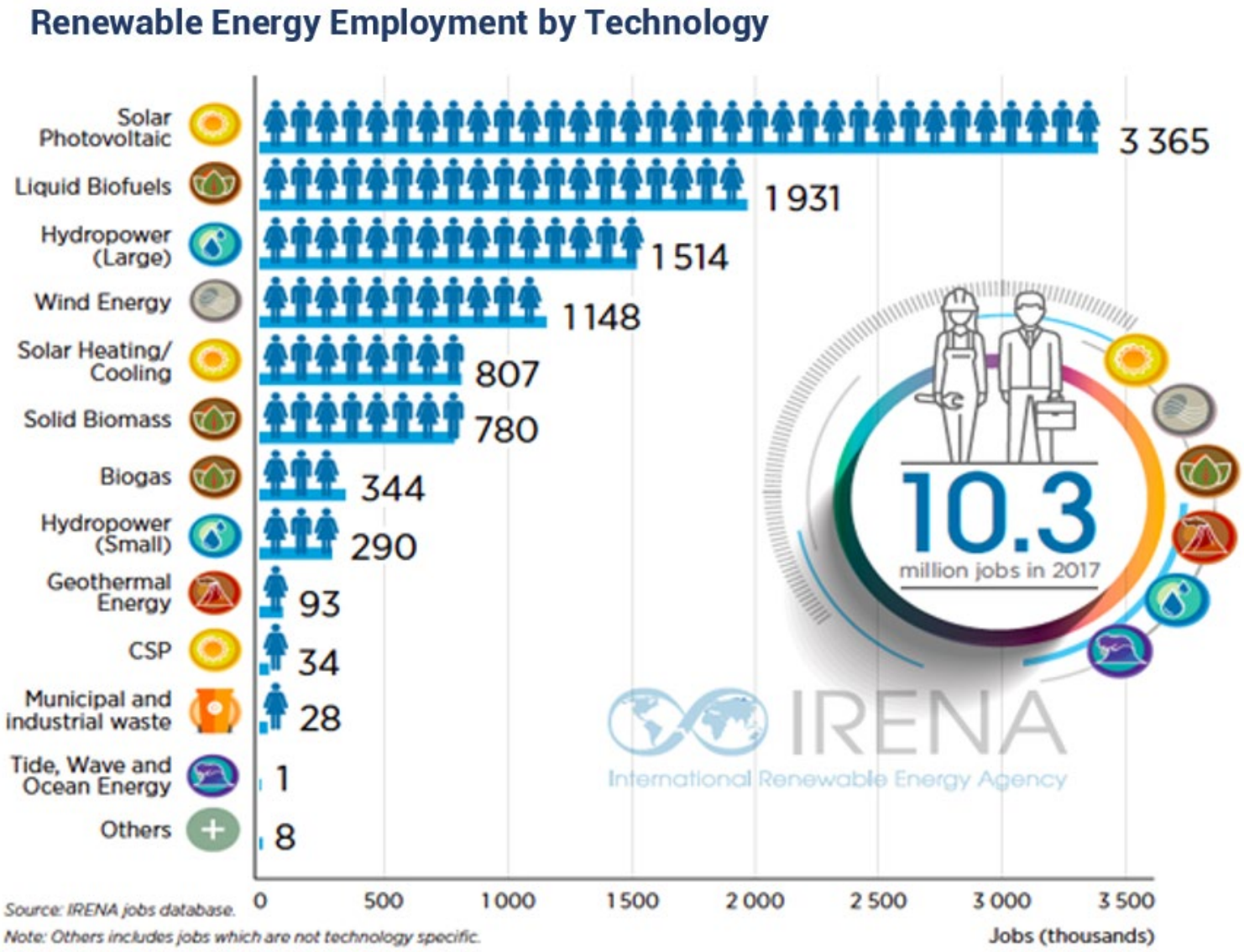
(UNEP 2014, 7)

… opportunities for green jobs…

3.4 million jobs are in the solar industry

1.5 x job growth from 2012 (excl. large hydro)

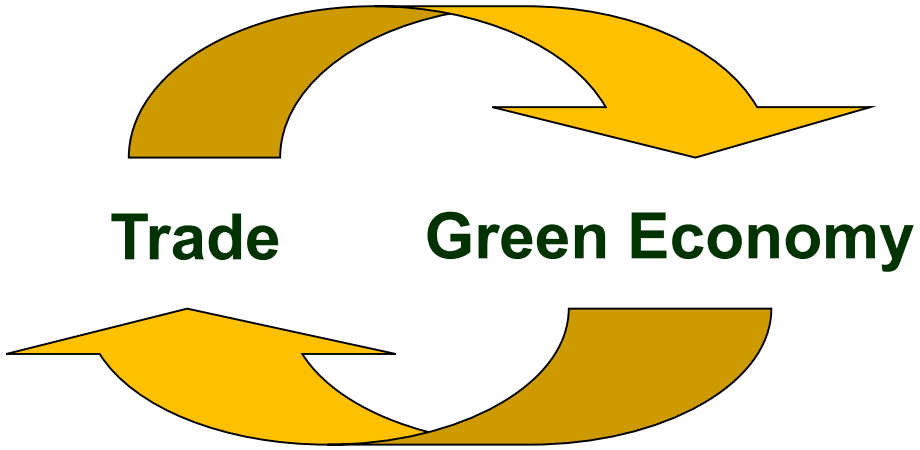
5.3 % growth



Interactions between Trade and the Green Economy

Trade as an engine

Appropriately regulated, trade can drive development, sustained economic growth & the Green Economy transition



Trade opportunities

Global market in low-carbon and energy efficient technologies

Kyrgyz Republic

- Economy mainly driven by agriculture, extractive industries and hydropower energy sectors.
- Government committed to reversing environmental degradation trends and capturing opportunities for economic growth that is both inclusive and sustainable.
- National Sustainable Development Strategy : Currently being updated for the 2018-2023 period, aligning development priorities with the SDGs
- Kyrgyz Republic is developing a longer-term 2040 Sustainable Development Vision and drafting a *Green Economy Policy Document and Action Plan* (supported by PAGE).
- Trade plays important role in the economy: trade as a percentage of GDP is 54%
- The economy vulnerable to external shocks due to its reliance on one gold mine, which accounts for about 10% of GDP
- Need to build economic and environmental resilience: potential to expand and green key sectors such as agriculture and tourism

SPECA Regional Trade

- Low intra-regional trade but significant potential
- Cooperation and coordination at the sub-regional level key to fully harnessing sustainable trade opportunities and achieving the SDGs.
- SPECA countries landlocked, close proximity to three BRICS countries
- To leverage these opportunities:
  - allow green goods and services to cross borders.
  - reduce trade procedures to improve efficiency and reduce waste.
  - increase connectivity for sub-region's green transaction.

Milestones in Global Governance

Rio + 20	Financing for Development	SDGs	Paris Agreement	G7/20	UNEA 4	G20
2012	July 2015	Sept 2015	Dec 2015	2017	2019	2019
Green economy and Trade as tools for sustained and sustainable economic growth	Need for inclusive and sustainable Trade and Investment Agreements	Trade as cross-cutting vehicle	International community tasked to take effective measures for achieving the 2° C and 1.5 target	Promotion of global growth, recovery fair trading system	Innovative Solutions for Environmental Challenges and Sustainable Consumption and Production	To Ensure Glob Sustainable Development

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Trade Related SDGs

Goal 2

2.a Increase **investment** in DC, in particular LDCs

2.b Correct and prevent trade restrictions and distortions in world **agricultural markets** in accordance with the Doha Development Agenda

Goal 7

7.a By 2030 enhance international cooperation to facilitate access to **clean energy** research and technologies, including renewable energy, energy efficiency, and advanced and cleaner fossil fuel technologies, and promote investment in energy infrastructure and clean energy technologies

Goal 8

8.2 Achieve higher levels of economic productivity through **diversification, technological upgrading and innovation,** including through a focus on high value added and labour-intensive sectors

8.a Increase **Aid for Trade** support for DCs, particularly LDCs, including through the Enhanced Integrated Framework for LDCs

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Goal 10

10.a Implement the principle of S&DT for DCs, in particular LDCs, in accordance with WTO agreements

10.b Encourage **ODA and financial flows**, including foreign direct investment, to states where the need is greatest

Goal 14

14.6 By 2020, prohibit certain forms of **fisheries subsidies** which contribute to overcapacity and overfishing eliminate subsidies that contribute to illegal, unreported and unregulated fishing and refrain from introducing new such subsidies, recognizing that appropriate and effective S&DT for DCs and LDCs should be an integral part of the WTO fisheries subsidies negotiation

Goal 17

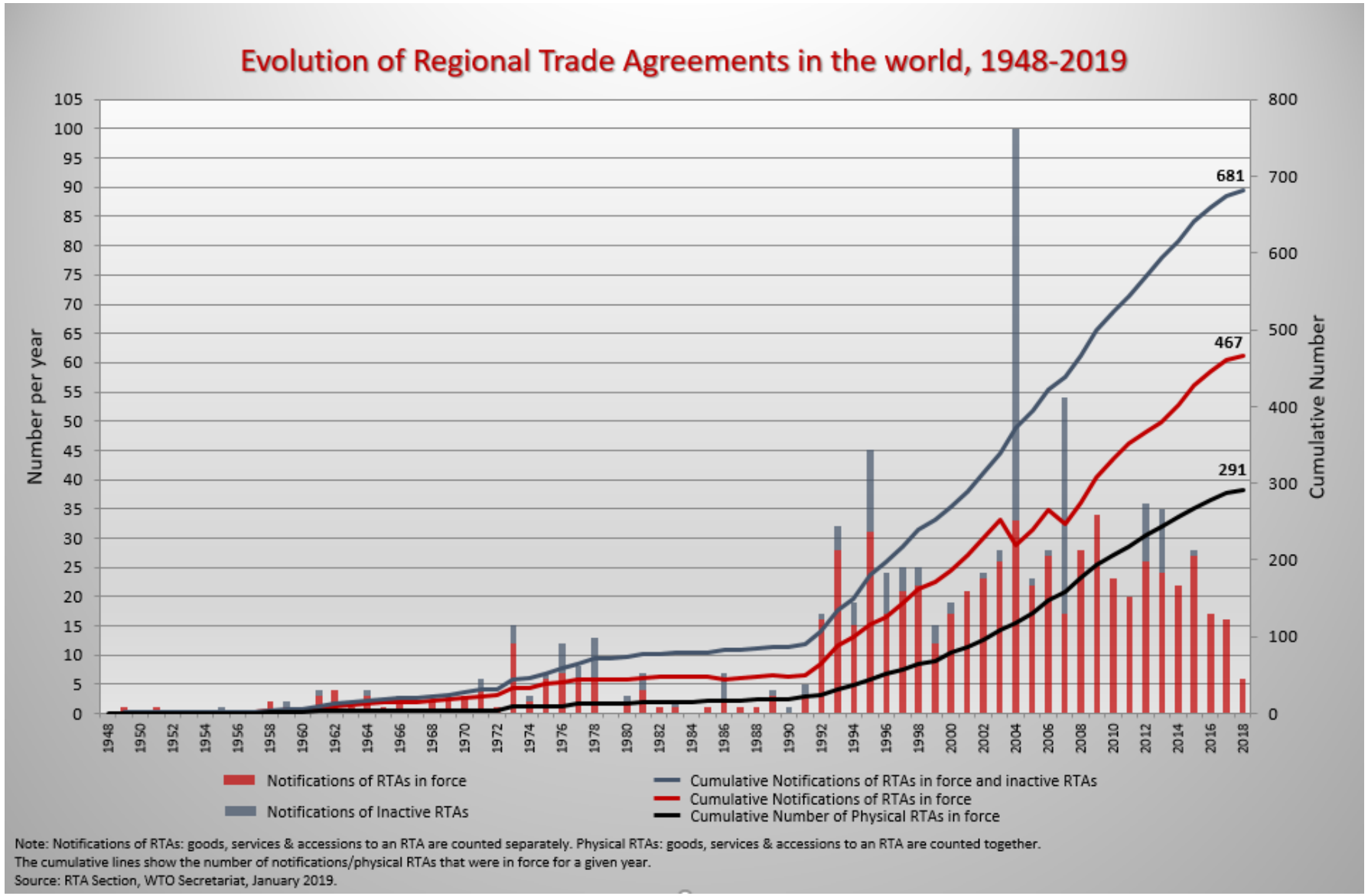
17.10 Promote a universal, rules-based, open, non-discriminatory and **equitable multilateral trading system** under the WTO, including through the conclusion of negotiations within its Doha Development Agenda

17.11 Increase significantly the exports of DC, in particular with a view to doubling the LDC share of global exports by 2020.

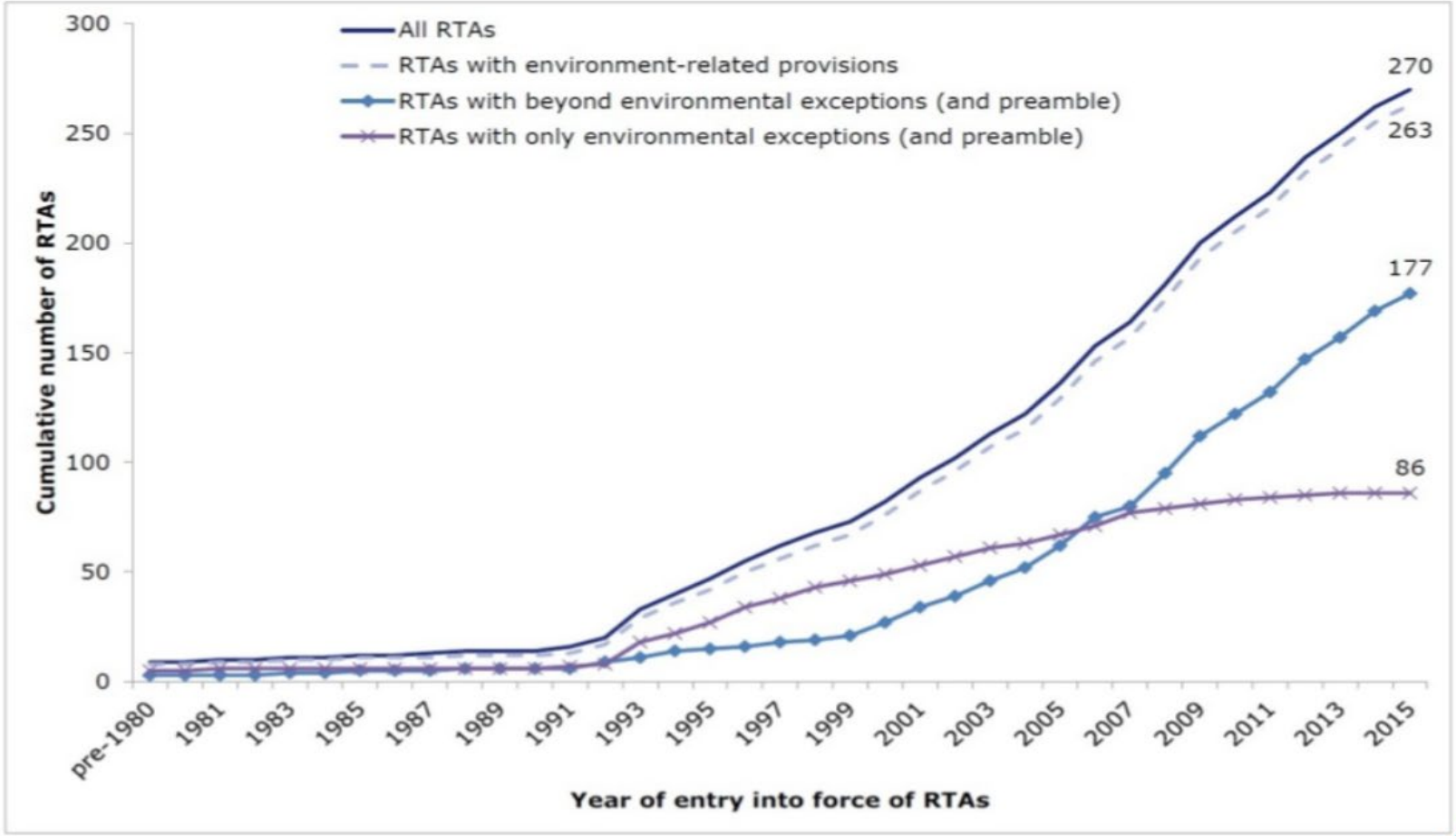
17.12 Realize timely implementation of DFQF market access on a lasting basis for all LDCs

How to promote sustainable trade

- Implement mutually-supportive trade and environmental policies
- Improve coherence between trade agreements and MEAs
- Promote sustainability in emerging sectors and when shifting to higher value added products (i.e. cotton)
- Support adoption of sustainability standards to improve market access opportunities
- Ensure trade and investment agreements support environment and sustainability objectives
- Address barriers to trade of environmental goods ands services, including clean technologies


Evolution of Regional Trade Agreements in the world, 1948-2019
Number per year
Cumulative Number
681
467
291
Notifications of RTAs in force
Notifications of Inactive RTAs
Cumulative Notifications of RTAs in force and inactive RTAs
Cumulative Notifications of RTAs in force
Cumulative Number of Physical RTAs in force
Note: Notifications of RTAs: goods, services & accessions to an RTA are counted separately. Physical RTAs: goods, services & accessions to an RTA are counted together.
The cumulative lines show the number of notifications/physical RTAs that were in force for a given year.
Source: RTA Section, WTO Secretariat, January 2019.

Evolution of RTAs and environmental provisions



Source: Monteiro (2016)

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- A **demand-driven mechanism** offering **capacity building and policy advice on sustainable trade and investment**
- Offers **interdisciplinary services tailored to local needs** and circumstances
- Delivers through a **network of national, regional, and international partners**
- Assists countries in using trade and investment as vehicles for achieving SDGs

Trade as a cross-cutting approach to the SDGs

Trade as cross-cutting vehicle for environmental sustainability, energy access, environmentally sound technologies, etc.

International trade can:

- promote Sustainable Consumption and Production
- provide access to ESTs
- enable economic growth, development and well-being

The Hub and the SDGs

Activities

Global research & knowledge projects

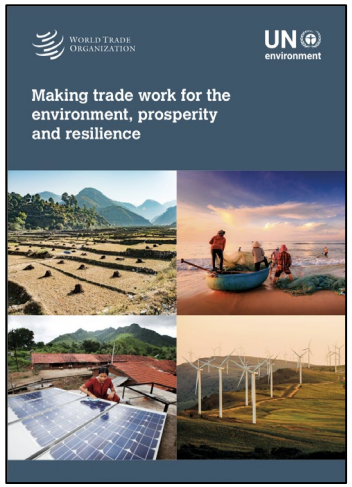
- Best practices for sustainable trade
- Generic tools and methodologies
- Global analysis & assessment
- Knowledge products

Advisory services & capacity building

- National analysis & assessment
- Training and capacity building
- Targeted advisory services and technical assistance

Facilitating Dialogue and Concerted Action

- Facilitate development agreements between different actors on sustainable trade
- Build capacity in environment ministries for trade negotiations
- Creation of fora for discussion and exchange of best practices


World Trade Organization
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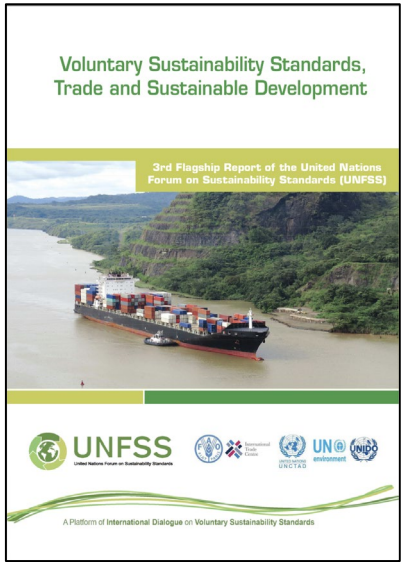
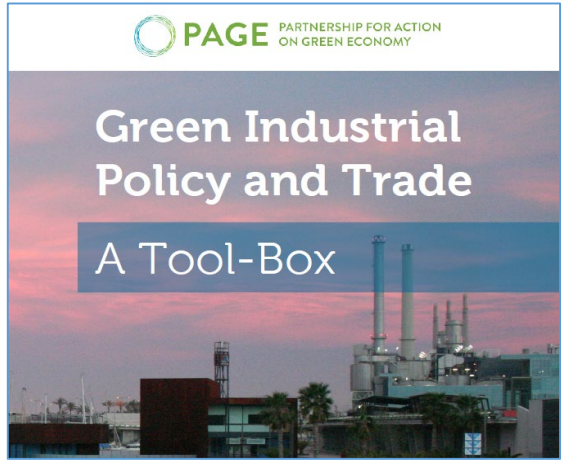
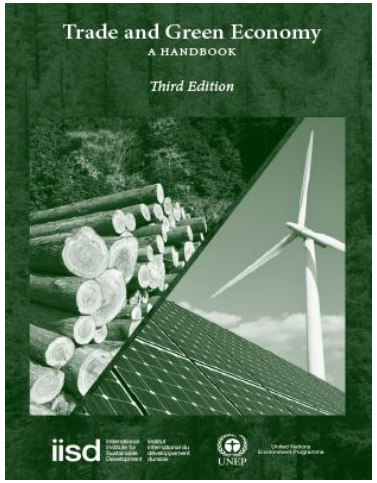
Making trade work for the environment, prosperity and resilience


Voluntary Sustainability Standards, Trade and Sustainable Development
3rd Flagship Report of the United Nations Forum on Sustainability Standards (UNFSS)
UNFSS
A Platform of International Dialogue on Voluntary Sustainability Standards


PAGE PARTNERSHIP FOR ACTION ON GREEN ECONOMY
Green Industrial Policy and Trade
A Tool-Box


Trade and Green Economy
A HANDBOOK
Third Edition
iisd
UNEP

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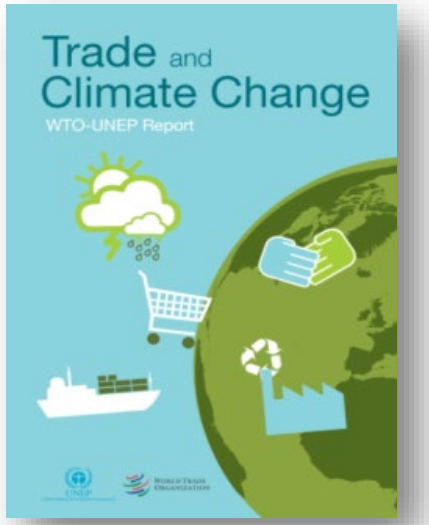
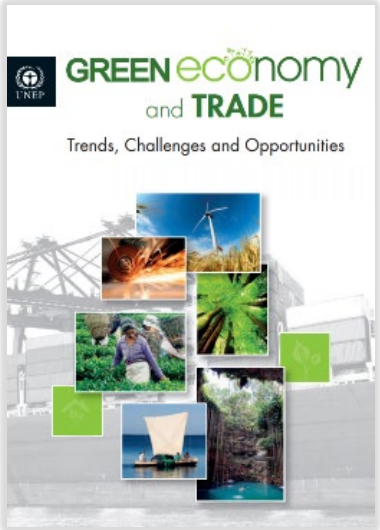
Environment and Trade Hub
IISD
A Sustainability Toolkit for Trade Negotiators:
Trade and investment as vehicles for achieving the 2030 Sustainable Development Agenda


Trade and Climate Change
WTO-UNEP Report


UNEP
GREEN economy and TRADE
Trends, Challenges and Opportunities

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- FCH – Fundación Chile
- TIPS
- Universiti Malaya
- DTU – Technical University of Denmark
- 环境保护部 环境与经济政策研究中心 – Policy Research Center for Environment and Economy, MEP, P. R. China
- IISD – International Institute for Sustainable Development
- CCPIT – 中国国际贸易促进委员会 中国国际商会 – China Council for the Promotion of International Trade (CCPIT) / China Chamber of International Commerce (CCOIC)
- profonanpe
- 全球价值链研究院 – Research Institute for Global Value Chains
- NTNU

Initiatives

- Green Growth Knowledge Platform
- PAGE
- UNFSS – United Nations Forum on Sustainability Standards – a joint initiative of FAO, ITC, UNCTAD, UN Environment and UNIDO
- UN environment
- WCMC
- Climate & Clean Air Coalition – to reduce short-lived climate pollutants

International

- World Trade Organization
- FAO – Fiat Panis
- United Nations UNCTAD
- UNIDO
- unitar – United Nations Institute for Training and Research
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