

OVERVIEW OF TECHNICAL COOPERATION/CAPACITY BUILDING ACTIVITIES OF THE UNCTAD SECRETARIAT ON TRADE, ENVIRONMENT AND DEVELOPMENT

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Chapter

This final section provides short summaries of the main technical cooperation (TC) and capacity-building (CB) activities of the UNCTAD secretariat in the area of trade, environment and development (TED) issues. The chapter also gives a short overview of recent publications on TED issues by the UNCTAD secretariat. More information on each activity can be obtained from the TED website at www.unctad.org/trade_env, the website of the UNEP-UNCTAD Capacity-building Task Force (CBTF) on Trade, Environment and Development at www.unep-unctad.org/cbtf, the website of the BIOTRADE Initiative at www.biotrade.org, and the climate change website at www.unctad.org/ghg.

TED TC/CB focuses on issues such as market access, environmentally preferable products, the preservation, protection and promotion of traditional knowledge, the promotion of trade and investment in bio-diversity-based products and services, and environmental goods and services. The programme's general activities include UNCTAD Expert Meetings, exchanges of national experiences, studies, subregional seminars, national workshops and training. The programme also exploits potential synergies between activities under different projects and cross-fertilization between projects.¹

A. Market access

A large part of analytical work and TC/CB activities of TED focus on the interface of environmental/health requirements, market access/entry² and export competitiveness of developing countries.

Environmental requirements present both challenges and opportunities to developing countries. The need to address capacity and institutional constraints in developing countries thereby allowing them to respond to environmental requirements in international markets and to take advantage of new production and export opportunities, was acknowledged during the Expert Meeting on Environmental Requirements and International Trade, held in Geneva from 2 to 4 October 2002. Following this meeting, UNCTAD, in cooperation with other institutions, has been exploring the creation of a Consultative Task Force (CTF) on Environmental Requirements and Market Access for Developing Countries.

The Consultative Task Force

It is envisaged that the CTF, as a project-based activity, will be a multi-stakeholder forum of government, private sector and NGO representatives from developed and developing countries that aims to:

- Discuss ways of, and make a contribution to, improving collection and dissemination of information on environmental/health requirements,³ notably on voluntary standards, and analyse key underlying trends. In this regard, the CTF will (i)

- advise the UNCTAD secretariat on required data collection, dissemination and analysis; (ii) closely follow the relevant work done by different multilateral, bilateral and private agencies; and (iii) facilitate coordination and cooperation among these agencies with a view to enhancing transparency and facilitating access to such information by developing country exporters;
- Review experience in involving developing countries in pre-standard-setting consultations concerning regulations and standards that may have significant implications for them;
 - Discuss proactive adjustment policies and measures in developing countries, with special focus on (i) improving information flow and dissemination on new standards and regulations, including support for setting up national or subregional early-warning mechanisms on new requirements and for effectively participating in pre-standard setting consultations in export markets; (ii) assisting developing countries in examining how compliance with environmental requirements can help to improve economic efficiency and export competitiveness of developing countries; and (iii) identifying measures and strategies to address the specific needs of small and medium-sized enterprises (SMEs);
 - Act as a “think tank” to give guidance, from a holistic point of view, to further analytical and practical work on the issues under consideration and to promote coordination of activities by different institutions.

The CTF would closely coordinate its activities with other initiatives and pool resources from different organizations. It would place particular emphasis on voluntary environmental requirements set by the private sector and buyers, and involve the private sector in its deliberations. Market access/entry and export competitiveness is also one of the key themes of the UNCTAD project on Building Capacity for Improved Policy Making and Negotiation on Key Trade and Environment Issues (see below). The CTF would report to UNCTAD’s Commission on International Trade in Goods and Services, and Commodities, and also inform the CTE and TBT Committees of the WTO and the Joint Working Party on Trade and Environment of OECD about the results of its work.

Current exploratory activities for creating the CTF focus on (i) sharpening the thrust of the CTF; (ii) identifying the specificity of the CTF and its synergies with other initiatives; (iii) clarifying the composition and modalities of the CTF; and (iv) conducting some illustrative activities that may help UNCTAD’s International Trade Commission and UNCTAD XI provide further guidance to the work of the CTF.

Results of recent project activities on market access

The interface between environmental requirements, market access/entry and export competitiveness is also at the heart of the UNCTAD project on Building Capacity for Improved Policy Making and Negotiation on Key Trade and Environment Issues (for further information, see below). In the Asian cluster of this project, which involves six beneficiary developing countries (Bangladesh, Cambodia, China, Philippines, Thailand and Viet Nam), environmental requirements as they affect market access are investigated in three key sectors (leather and footwear, electrical and electronic goods, as well as horticultural products). A recent subregional workshop on leather and footwear (Bangkok, 19-21 November 2003), which discussed six country-case studies that reviewed information flow, level of awareness, current adjustment strategies and proactive national and sub-regional approaches, came to the following general conclusions:

- Environmental requirements in key export markets are in general becoming more stringent, frequent and complex. In addition to existing tariff barriers and other NTBs, TBT and SPS measures are becoming decisive tools in the competitiveness race and need to be dealt with as an integral part of business strategies of companies and economic strategies of developing countries (i.e. eco-positioning together with price, quality and brand positioning) to defend and expand international market shares.
- The complexity of measures requires a strategic and proactive response by exporting developing countries, rather than a piecemeal, reactive and short-term approach.
- The elements of such a strategic, proactive approach may, *inter alia*, include:
 - Development of national and regional strategies in response to some very important, multisectoral environmental requirements, such as the EU's Draft REACH Directive on a new chemicals policy;
 - Establishing information clearing houses, at the national, subregional or international level on environmental requirements and related early warning and quick response systems. It is also important to gather more information on emerging regulations/standards and certification requirements and related stakeholder consultations. All avenues should be explored for active participation therein;
 - Creating or improving systems of adequate national environmental regulation and standards, as well as, where considered appropriate, specific standards for export that are similar to environmental requirements in key target markets.
 - Improving or creating eco-labelling systems;
 - Actively pursuing avenues of harmonization, technical equivalence and mutual recognition of regulations and standards;
 - Adopting measures to strengthen export competitiveness of enterprises, including reviews of environmental performance, environmental adjustment costs etc.;
 - Considering creation a mechanism for review of notifications under the TBT Agreement;
 - Better coordination of technical assistance and capacity-building activities of foreign donors (including importers, in accordance with Article 11 of the TBT Agreement) to implement the elements above.
- There is a need for strengthening international cooperation. This can include the following measures:
 - Actively harnessing provisions on special and differential treatment (S&D) in the TBT and SPS Agreements.
 - Creating international or subregional clearing houses on environmental requirements by Governments and the private sector. UNCTAD's initiative on exploring various options in this regard in the context of the planned Consultative Task Force on Environmental Requirements and Market Access for Developing Countries is a step in the right direction. The establishment of a subregional database on trade-related environmental TBT and SPS measures is proposed.
 - There is room for exploring the creation of regional or subregional standards and certification systems.
 - Developing countries need to use far more actively discussions in the TBT and SPS Committees of WTO to preserve or improve export competitiveness. All avenues should be explored to enhance transparency, prolong review periods of notifications and adjustment, and facilitate participation of developing countries in standard-related consultations.

Developing countries should also much more actively use the WTO Committee on Trade and Environment to raise concern on environmental measures related to market access, in particular critical general trends, to operationalize S&D measures, and to support proactive adjustment strategies and active involvement in stakeholder consultations in standard setting.

- UNCTAD's initiative on creating a Consultative Task Force on Environmental Requirements and Market Access for Developing Countries, as a project-based activity, was welcome and should be pursued with appropriate vigour to make it operational soon.

Participants encouraged further consultation and coordination among government agencies and business associations at national level. Particular attention should be paid to small and medium-sized enterprises in the light of their importance for employment creation and export potential.

Further information and links:

- Website on “Exploratory Activities for a Consultative Task Force on Environmental Requirements and Market Access for Developing Countries” at www.unctad.org/trade_env/test1/projects/taskforce.htm
- Outcome of the Expert Meeting on Environmental Requirements and International Trade: www.unctad.org/Templates/meeting.asp?intItemID=1942&lang=1&m=4224
- Draft conclusions of the subregional workshop on environmental requirements, market access and export competitiveness for leather and footwear producers/exporters in Bangladesh, Cambodia, China, the Philippines, Thailand and Viet Nam, held in Bangkok from 19 to 21 November 2003 in the context of the UNCTAD project on Building Capacity for Improved Policy Making and Negotiation on Key Trade and Environment Issues: www.unctad.org/trade_env/test1/meetings/bangkok5.htm

The UNEP-UNCTAD Capacity-Building Task Force (CBTF) on Trade, Environment and Development

The UNEP-UNCTAD Capacity-Building Task Force (CBTF) on Trade, Environment and Development aims to help beneficiaries, in developing countries and countries with economies in transition, to effectively address trade-environment-development issues at the national level and to participate effectively in related deliberations at the international level, through its five activity clusters — thematic research, country projects, training, policy dialogue and networking.

The overall objectives of the CBTF include:

- Providing assistance in understanding and responding to linkages between trade, environmental protection and economic development;
- Developing policies that maximize the net development gains from trade and trade liberalization;

- Meeting capacity-building needs of developing countries, in particular least developed countries (LDCs) and transition economies, relating to their effective participation in the WTO Doha Work Programme in the area of trade and environment; and
- Capturing “win-win” opportunities offered by trade and globalization, with special reference to the Plan of Action adopted at the World Summit on Sustainable Development (WSSD).

The CBTF, phase II, launched at the WSSD in Johannesburg, will implement regional and country programmes with special attention to Africa. The CBTF will also organize back-to-back events with WTO regional seminars on trade and environment.

In 2003, the CBTF organized two regional workshops held back to back with regional seminars of the WTO on trade and environment. On 22 May 2003, a CBTF workshop was held in Cape Town for English-speaking Africa. The workshop focused on the following subjects: (i) integrated assessment of trade policies; (ii) promoting production and trade in organic agricultural products; (iii) protecting and promoting traditional knowledge; and (iv) assessing capacity-building needs of English-speaking African countries.

On 27 and 28 November, 2003, a regional CBTF workshop was held for English-speaking Caribbean countries in Kingston, Jamaica. The workshop centred on the following themes: (i) integrated assessment of trade policies; (ii) environmental goods and trading opportunities for environmentally preferable products; (iii) fisheries subsidies; and (iv) developing a capacity-building programme on trade, environment and development for the Caribbean region. The workshop was organized in cooperation with the Institute for the Integration of Latin America and the Caribbean (INTAL) of the Inter-American Development Bank (IDB), the CARICOM secretariat and the Government of Jamaica.

Further information:

- UNEP-UNCTAD CBTF web site at www.unep-unctad.org/cbtf/
- UNEP-UNCTAD CBTF Workshop for Caribbean Countries Concept note and training module at: www.unep-unctad.org/cbtf/cbtf2/meetings.htm

The project on Building Capacity for Improved Policy Making and Negotiation on Key Trade and Environment Issues

The project on Building Capacity for Improved Policy Making and Negotiation on Key Trade and Environment Issues, funded by the UK Department for International Development (DFID), has assisted beneficiary developing countries in national policy-making and coordination as well as in their participation in the Doha work programme on trade and environment issues. Following a planning phase completed in December 2002, DFID agreed to fund two regional components: (i) Central America and Spanish-speaking countries in the Caribbean (Costa Rica, Cuba, Dominican Republic, Guatemala, Honduras, Nicaragua and Panama); and (ii) East and South-East Asia (Bangladesh, Cambodia, China, Philippines, Thailand and Viet Nam).

Activities

South and South-East Asia

Activities will mostly focus on national or subregional initiatives in the following areas:

- Collecting, processing and disseminating information on new environmental and health requirements in export markets and their key underlying trends and exploring the creation of warning systems at national or subregional level.
- Contributing to building institutional capacity on designing and implementing effective proactive adjustment strategies, both at national and subregional level, to (a) assess the potential impact of environmental measures taken by developed countries; (b) reduce adjustment costs and harness developmental benefits of higher environmental requirements, including for improving export competitiveness; and (c) become much more active in pre-standard-setting consultations in key export markets.
- In 2003, analytical work on environmental requirements and market access/penetration and export competitiveness focused on leather and footwear, as well as on electrical and electronic products. As regards leather and footwear, country case studies were prepared for Bangladesh, Cambodia, China, Philippines, Thailand and Viet Nam. On electrical and electronic products, country case studies were conducted for China, Philippines and Thailand. In 2004, country case studies will be prepared for horticultural products in Bangladesh, Cambodia, China, the Philippines and Viet Nam.

Project activities in Asia also include a training component for the LDCs and Vietnam. In 2003, national training workshops were held in Bangladesh and Cambodia on environmental requirements, market access/entry and export competitiveness for leather and footwear exports. A large number of private sector and local government representatives profited from these training workshops.

Central America and Caribbean

Project activities focus on two themes: (a) examining implications of trade liberalization in environmental goods and services (EGS);⁴ and (b) market access for specific agricultural products, including trading opportunities for organic agricultural products.

EGS:

- To help beneficiary countries to participate effectively in WTO negotiations;
- To promote regional dialogues and identify national and regional interests in the area of EGS, for example with regard to classification and negotiating objectives;
- To explore strategies to strengthen national and regional capacities in certain EGS sectors.

Market access:

- Assist beneficiary countries in their participation in WTO discussions, in particular by promoting national and regional policy dialogues aided by concept papers, case studies and policy briefs.
- Identify policies and practices to assist Central American/Caribbean countries, including through regional cooperation, in strengthening their capacities to respond to environmental requirements in international and domestic markets and adopt proactive adjustment policies, and take advantage of trading opportunities for organic agricultural products.

These countries all expressed a strong interest in the linkages between environmental requirements and market access, including their export competitiveness and developmental implications.

Links and further information:

- The project section of the TED website at: www.unctad.org/trade_env/test1/projects/field.htm

B. Environmental goods and services

Trade liberalization in environmental goods and services (EGS) has potential benefits for developing countries, such as easier access to environmentally sound technology; more efficient resource use and associated improved environmental conditions; enhanced capacity for exports to comply with environmental requirements in international markets; and new export opportunities in some sectors. UNCTAD has been assisting developing countries in issues related to EGS through the promotion of policy dialogues (involving trade negotiators, policy makers in environment, trade and other ministries, regulatory authorities and other stakeholders) and studies.

Several experts participating in UNCTAD's TC/CB programme presented their national experiences in a recent Expert Meeting on "Definitions and Dimensions of Environmental Goods and Services in Trade and Development" held from 9 to 11 July 2003 back to back with the Special Session of the WTO Committee on Trade and Environment. As outlined in the article entitled "Environmental goods and services: Challenges and opportunities for Central American and Caribbean countries" in the first part of this Review, a whole series of EGS studies and policy dialogues for several Central American and Caribbean countries has been implemented within the framework of the DFID-funded project, referred to in the previous section.

UNCTAD is also assisting interested developing countries in compiling lists of environmental goods that reflect their trade, environmental and developmental priorities. As current approaches in the WTO include few products of export interest to developing countries, this should help to work towards a more balanced outcome of the negotiations.

Further technical cooperation and capacity-building activities will focus on:

- In the area of environmental services: revision and completion of national studies on environmental services, as well as new studies; a comparative analysis of national experiences and an identification of issues of common regional interest in the services negotiations;
- In the area of environmental goods: support to the development of illustrative national and regional lists of environmental goods that represent developing countries' trade and sustainable development interest; and discussions on ways to promote markets for environment-friendly goods and services from developing countries, including outside the EGS negotiations.

Further information and links:

- Official website of the Expert Meeting at: www.unctad.org/Templates/Meeting.asp?intItemID=2283&lang=1
- All presentations and other papers at the Expert Meeting at: www.unctad.org/trade_env/test1/meetings/egs.htm
- Material of the workshops in Cuba, Nicaragua and Panama of the project on Building Capacity for Improved Policy Making and Negotiation on Key Trade and Environment Issues at www.unctad.org/trade_env/test1/projects/field.htm
- Conference room paper on "Environmental goods: Trade statistics of developing countries". This paper supplements the analysis contained in TD/B/COM.1/EM.21 with a statistical overview of trade in selected environmental goods from 1996 through 2001. Special focus is given to examining the trade patterns of developing countries. Accessible at www.unctad.org/trade_env/test1/publications.htm

C. Environmentally preferable products

Growing environmental awareness in industrialized countries may create export opportunities for environmentally preferable products (EPPs) from developing countries, such as organic products, non-wood forest products (NWFPs), natural fibres, soaps colorants and others. Some developing countries have expanded their exports of several products with environmental and health attributes and have profited from changes in consumption patterns in developed countries. The challenge is now to increase the number of developing countries' enterprises that can turn this potential into practical financial, social and environmental gains. However, there is a realization that these benefits will mean addressing a number of challenges and constraints, including insufficient access to information, a lack of financial support, lack of knowledge and experience in the export business, insufficient government support for product promotion and technology dissemination, and absence of adequate national infrastructure.

The International Task Force (ITF) on Harmonization and Equivalence in Organic Agriculture

The International Task Force (ITF) on Harmonization and Equivalence in Organic Agriculture is a joint initiative of UNCTAD, the Food and Agriculture Organization of the United Nations (FAO) and the International Federation of Organic Agriculture Movements (IFOAM). It serves as an open-ended platform for dialogue between public bodies and agencies and private sector institutions/companies involved in trade and regulatory activities in organic agriculture, in order to facilitate international trade in organic agricultural produce. Besides exploring opportunities for harmonization, equivalence and mutual recognition of organic agriculture standards, regulations and conformity assessment systems, the Task Force discusses measures to facilitate access to organic markets, in particular by developing countries and smallholders.

More specifically, the Task Force will:

- Review the existing organic agriculture standards, regulations and conformity assessment systems;
- Build on the recommendations of the IFOAM/FAO/UNCTAD Conference on International Harmonization and Equivalence in Organic Agriculture (2002), and on the reviews mentioned above, to formulate proposals for the consideration of Governments, the Codex Alimentarius Commission, relevant bodies of FAO, UNCTAD and IFOAM and other appropriate organizations;
- Advise stakeholders and provide information on developments following discussions of proposals.

Task Force meetings were held in February and October of 2003. The October meeting reviewed draft discussion/background papers on:

- The current status of standards and conformity assessment systems;
- Current mechanisms that enable international trade in organic products;
- Existing general models and mechanisms for harmonization, equivalence and mutual recognition;
- The impact of organic guarantee systems on production and trade of organic products.

The meeting adopted a work programme until the next ITF meeting (likely to be held in summer 2004), which will focus on:

- The revision of the above studies;
- A new study on short- and medium-term options for equivalence and mutual recognition in four clusters (standard setting; certification; inspection; accreditation), including very practical measures;
- A new study on the evaluation of existing organic guarantee systems in relation to the provisions of the WTO TBT Agreement.
- Preparation of a survey on consumer perceptions of organic logos.

Links & further information:

- See “TOPICS” link at:
www.unctad.org/trade_env/itf-organic
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BIOTRADE Initiative

UNCTAD’s BIOTRADE Initiative promotes trade and investment in biodiversity-based products and services in developing countries to further sustainable development.

The BIOTRADE Initiative helps developing countries and partner organizations to create an enabling environment for the development of biodiversity-related sectors by building partnerships with key public and private actors, promoting sustainable business ventures and providing inputs to policy-making.

BIOTRADE supports the establishment of regional BIOTRADE programmes and is assisting the development and implementation of national programmes in Bolivia, Colombia, Ecuador, Peru, Venezuela and Uganda. Most recently, a national BIOTRADE programme was launched in Bolivia. The programme seeks to promote “biotrade” with a particular focus on value chains for domestic and international markets. The programme forms part of the Bolivian National Poverty Alleviation Strategy.

This regional and country work is complemented by the BioTrade Facilitation Programme (BTFP), which provides practical assistance to Andean, Amazonian, African and Asian BIOTRADE partners in trade promotion of biodiversity-based products and services.

Further information and links:

www.biotrade.org

D. Other Issues

Mainstreaming the gender perspective in the promotion of international trade and sustainable development

The Millennium Declaration calls for more effective responses from the international community to promote gender equality and the empowerment of women as effective ways to combat poverty, hunger and disease and to stimulate development that is truly sustainable. As trade can be a key instrument in promoting growth and development, it is essential to assess how trade and trade liberalization can best contribute to sustainable economic development that also leads to gender equality and the empowerment of women.

In response to this, UNCTAD has identified gender and trade as one of its focal issues for the forthcoming UNCTAD XI meeting, to be held in São Paulo, Brazil, in June 2004.

Additionally, the UN Inter-Agency Task Force on Gender and Trade was launched in July 2003 as the first step towards stronger inter-agency cooperation to strengthen thinking and action on gender and trade issues. UNCTAD, as the focal point agency for the UN system to deal with gender and trade issues, leads the inter-agency task force, which brings together the Food and Agriculture Organization of the United Nations (FAO), the International Labour Organization (ILO), the Office of the High Commissioner for Human Rights (OHCHR), the United Nations Development Programme (UNDP), the United Nations Environment Programme (UNEP), the United Nations Industrial Development Organization (UNIDO), the United Nations Development Fund for Women (UNIFEM), the UN regional commissions, the World Bank and the WTO. Other agencies and non-UN organizations will join the Task Force in the future.

At its first meeting (Geneva, 17-18 July 2003), the Task Force defined its main objective as that of sensitizing policy makers at the national and international level to issues and policies it identifies as important for achieving gender equality and development. Other objectives include the promotion of gender perspectives in national and international policies, global economic processes and trade agreements.

The task force members will undertake a wide range of activities, including impact analysis of international trade and investment agreements, socio-economic analysis of the linkages between trade and gender and analysis of institutional issues. It will also conduct capacity-building and advocacy activities such as training workshops for policy makers and economic actors. Additionally, the Task Force is working on a special event on gender and trade to be held at UNCTAD XI, as well as a joint publication on the topic, to be launched at that meeting. The International Trade Division is actively contributing to this publication, covering topics and case studies related to trade in services, trade in commodities, trade in textiles and trade and environment issues, all from a gender perspective.

In the TED Branch, the gender perspective is being taken into account, particularly in work related to environmentally preferable products, traditional knowledge and sustainable tourism.

Further information:

<http://www.un-gender-trade.org>

- Contact on mainstreaming gender issues at the International Trade Division: Dr. Nuria Castells, focal point (nuria.castells@unctad.org)

UNCTAD/Earth Council Carbon Market Programme

The Carbon Market Programme (CMP) is focused on the trade and investment impacts of the emerging climate regime and carbon market, with a particular emphasis on potential risks and opportunities available to developing countries. The CMP supports the establishment of public-private operational entities in developing countries, particularly in LDCs and countries with economies in transition in order to facilitate investments and maximize the sustainable development benefits of the Clean Development Mechanism (CDM), one of the “flexibility mechanisms” of the Kyoto Protocol of the UNFCCC.

The main objective is to promote developing countries’ participation in the emerging carbon market through the use of clean technologies and by bringing together Governments, industry and civil society. The activities related to the implementation of CDM projects take into account the national circumstances of developing countries by supporting the establishment of projects that better suit each country’s economic, social and environmental needs and conditions. The programme also develops research activities on various issues associated with the emerging carbon market. In addition, the CMP provides complementary learning opportunities to a global audience on the use of CDM through e-learning courses.

The main projects are: Engaging the Private Sector in CDM; Building Capacity for Designated National Authorities; Getting Started with CDM in Least Developed Countries; Supporting GHG Markets in Countries with Economies in Transition; Carbon Market E-Learning Centre (CMEC); CDM Challenges and Opportunities in the Rubber Commodity Sector; and Organization of the Petroleum Exporting Countries (OPEC) Study.

Further information and links:

www.unctad.org/ghg

Protection and promotion of knowledge, innovations and practices of indigenous and local communities

The importance of protecting the knowledge, innovations and practices of indigenous and local communities (TK) is increasingly recognized in international forums. TK-based products including handicrafts, medicinal plants, traditional agricultural products and NWFPS are traded in both domestic and international markets and already provide substantial benefits for exporter countries.

Possible instruments for the protection of TK include traditional/customary law, modern intellectual property rights instruments, *sui generis* systems, documentation of

TK and instruments directly linked to benefit sharing. In addition to national systems, the protection of TK and equitable sharing of the benefits derived from the use of biodiversity resources and associated TK may also require measures by user countries and cooperation at the multilateral level. To harness TK for development and trade, developing countries need assistance to build national capacities in terms of raising awareness of the importance and potential of TK for development and trade; developing institutional and consultative mechanisms on TK protection and TK-based innovation; and facilitating the identification and marketing of TK-based products and services.

In February 2004, UNCTAD and the Commonwealth Secretariat organized a workshop on “Elements of National Sui Generis Systems for the Preservation, Protection and Promotion of Traditional Knowledge, Innovations and Practices (TK) and Options for an International Framework”. Some 80 participants with a range of perspectives and expertise (trade, environment, intellectual property, indigenous issues, enterprise development, and so forth) participated in their personal capacities as experts. They identified a number of possible actions which could be taken at a national level to meet the inter-related goals of preservation, protection and promotion for development of TK, and also discussed international dimensions.

Further information and links:

- See ‘TOPICS’ link at www.unctad.org/trade_env

E. Publications

The book *Trade and Environment: Issues and Options for India*, explores the linkages between the objectives of liberalized international trade, globalization, protection of the environment and the promotion of the overall objective of sustainable development. There are many divergent views in India on the compatibility of trade and environment policies. This book is a first attempt to fill the information gap by developing an empirical base for understanding these linkages and the policy issues in the context of the Indian economy.

The book presents an anthology of essays by leading experts, government officials, researchers and practitioners. It analyses the impact on trade and development of environmental policies. At the same time it outlines several environmentally friendly practices in India. While the book tries to balance the challenges and opportunities for reconciling trade and environment policy-making in India, there is an underlying streak of optimism running through the essays. This book provides useful information to general readers and serious researchers on trade and environment issues. To policy makers, as well as advocacy groups, it provides an objective explanation of the linkages backed by empirical research.

- The book was launched in May 2003 and can be downloaded from: www.unctad.org/trade_env/test1/publications.htm

Trading Opportunities for Organic Food Products from Developing Countries. This project report provides a synthesis of studies and discussions on promoting trade in organic products in developing countries.

Several authors have combined to elaborate on production and marketing issues for producers, strengthening capacities to export organic products, and standards, certification and accreditation — including methods to reduce certification costs in developing countries. Implications for development, the environment and trade in selected developing countries are also examined.

Organic agricultural production is growing rapidly in developing countries, often without government subsidies. Certification is the key to promoting consumption and international trade with the advantage of price premiums. This report provides information on the certification process and means of enhancing production and export capacities in developing countries.

The authors conclude that organic products may open up new trading opportunities for developing countries, however, a number of constraints have to be overcome. Among these are the lack of information, insufficient awareness of commercial and environmental benefits of organic agriculture, lack of certification infrastructure, lack of qualified personnel and lack of domestic demand.

The book will appear soon and can be downloaded from: www.unctad.org/trade_env/test1/publications.htm

The book entitled ***The Organic Guarantee System – The Need and Strategy for Harmonisation and Equivalence*** is but one of the many outcomes of the Conference on International Harmonisation and Equivalence in Organic Agriculture organized in February 2002 by the International Federation of Organic Agriculture Movements (IFOAM), in cooperation with the Food and Agriculture Organization of the United Nations (FAO) and UNCTAD. This publication includes many contributions from the original Conference Reader (edited by Willie Lockeretz and Gunnar Rundgren) as well as a considerable amount of new material from presentations made at the conference. It shows the wide spectrum of topics involved in the process of harmonizing organic guarantee systems as well as different approaches to the subject. The result is a comprehensive publication for all stakeholders in the various fields connected with organic guarantee systems. As most articles are based on the Conference Reader, it is important to note that they are updated as of February 2002. The information in this book will be drawn upon by the IFOAM/FAO/UNCTAD Task Force on Harmonisation and Equivalence in Organic Agriculture, which began its work in February 2003.

- The book can be downloaded from:
www.unctad.org/trade_env/test1/publications.htm

The paper on ***Science and Technology Diplomacy*** elaborates the conceptual basis and elements of a programme of work on science and technology diplomacy for UNCTAD. This programme is being developed in accordance with resolution 2001/31 of the United Nations Economic and Social Council (ECOSOC), adopted in July 2001, following recommendations of the United Nations Commission on Science and Technology for Development (UNCSTD) and consultations with the Secretary-General of UNCTAD. This paper has been prepared in consultation and collaboration with Calestous Juma, Profes-

sor of the Practice of International Development and Director of the Science, Technology and Innovation Program at Harvard University's Kennedy School of Government.

- The paper can be accessed at:
www.unctad.org/trade_env/test1/publications.htm

The book entitled *Organic Fruit and Vegetables from the Tropics* provides producers and trading companies with (i) information on market potential and conditions for access to European, American and Japanese markets for organic products; (ii) details of production and processing requirements as well as best management practices for a selection of organic tropical fruits and vegetables; and (iii) a list of useful addresses and contacts in selected European, American and Japanese markets.

- The book can be downloaded from
www.unctad.org/en/docs//ditcom20032_en.pdf

The study entitled *The New Bioeconomy* is a spin-off of an ad hoc expert group meeting on Industrial and Environmental Biotechnology and its Implications for Trade and Development, held in Geneva in November 2001. The study argues that the confluence of modern biotechnologies and the market niches that they occupy point to the emergence of a "bioeconomy". Sustaining a new bioeconomy entails the adoption of a global governance regime for biotechnology so as to bring a large number of developing countries into the global trading system. Failure to do so will create a "genetic divide" among countries and is likely to intensify public opposition to biotechnology. Such opposition is likely to be fuelled by presumptions about possible market dislocation and apparent features of technological disparities between nations. The elements of such a governance system include improvements in market access, development of technological capabilities, access to technology, national regulation of biotechnology, and the management of risks and benefits associated with its use.

- The study can be downloaded from:
www.unctad.org/trade_env/test1/publications.htm

The study entitled *Making FDI Work for Sustainable Development: Integrating into Foreign Direct Investment*, by UNCTAD and the European Business School examines starting points for improved integration of environmental considerations into foreign direct investment (FDI) activities, from the perspective of German companies investing in developing countries. The underlying assumption is that FDI can accelerate the diffusion of modern, eco-efficient management know-how, technologies and their spillovers, and thereby contribute to sustainable development.

One of the main conclusions of the study was that environmental requirements pose no obstacle to FDI. Environmental management can, in fact, help to develop advantages for elaborating guidelines for the integration of environmental aspects into FDI.

The report provides a review of the environmental impacts of FDI and the strategies and behaviour of TNCs. The concluding recommendations discuss some means for integrating environmental aspects into international agreements on investment and for im-

plementing international environmental agreements. They also cover global transparency in environmental reporting and the greening of the supply chain.

- The report can be downloaded from www.unctad.org/trade_env/.

The monograph on *Energy and Environmental Services: Negotiating Objectives and Development Priorities* (UNCTAD/DITC/TNCD/2003/3) New York and Geneva, 2003, is a follow-up to two UNCTAD Expert Meetings on: Energy Services in International Trade: Development Implications, held in July 2001; and on Strengthening Capacities in Developing Countries to Develop their Environmental Services Sector, held in July 1998. The book provides insights and analysis of the negotiating positions taken by the WTO member countries on energy and environmental services within the ongoing GATS negotiations. Readers will get a better understanding of what is at stake in the negotiations by learning about the business trends, the major market players and the national strategies in these two service sectors, which have a huge economic value and immediate links with economic growth and investment, country competitiveness and, ultimately, sustainable development. The contributions on energy services discuss how increasing demand for investment, the introduction of new technologies and the liberalization of the energy markets have created a new dynamism in this sector and opened the way to the delivery and cross-border trade of an increasing number of energy services. On the other hand, they also highlight the plight of one third of humanity, mainly in the rural areas of poor countries, who still has no access to commercial energy sources. The papers present also the successful experiences in some energy-producing countries in developing domestic capacities in the energy services sector as a central element in their development strategies. The contributions on environmental services analyse how this sector, which went through deregulation and privatization, is now offering lucrative business opportunities for services providers. The papers highlight the efforts that should be made to link the growing dynamism of the sector, resulting from its structural reform and emerging as well from the WTO Doha Work Programme, to the fulfilment of people's basic environmental needs, especially in developing countries.

A Round Table was organized on 5 June 2003 for the launching of the book. Mr. Ricupero, Secretary-General of UNCTAD, Mr. Sharonov, Deputy Minister of Economic Development and Trade of the Russian Federation, and Mr. João Luis Aguiar Machado, Chief Services Negotiator of the EC Commission, participated in the Round Table.

- The monograph is accessible at: www.unctad.org/en/docs//ditctncd20033_en.pdf

Notes

¹ For a more elaborate overview, see UNCTAD's technical cooperation/capacity-building programme on trade, environment and development (TD/B/WP(XLI)/CRP.1), Geneva, 15 September 2003, accessible at www.unctad.org/Templates/Meeting.asp?intItemID=2250&lang=1.

² It is important to distinguish between market access and market entry. While the *possibility* of entering foreign markets depends on market access conditions (determined by the legal and administrative conditions imposed by the importing countries under internationally agreed trade rules), the *ability* to enter a market is a function both of the competitiveness of the exporter (determined by the relative cost and quality of the product, including environmental/health as-

pects), and of the characteristics of supply chains and the structure of markets. Thus, market access is a prerequisite for market entry to occur, but is not sufficient. An important difference between market access and market entry conditions is that while market access conditions in principle are subject to international jurisdiction under WTO rules, market entry conditions are not and producers have to conform to them or lose the opportunity to enter markets. For more information, see: Market entry conditions affecting competitiveness and exports of goods and services of developing countries: Large distribution networks, taking into account the special needs of LDCs (TD/B/COM.1/EM.23/2), Background Note of the UNCTAD secretariat, accessible at:

www.unctad.org/Templates/meeting.asp?intItemID=2286&lang=1&m=6036&info=doc.

- ³ The CTF will not only be restricted to environmental requirements, because in practice it is often difficult to distinguish between environmental and health requirements. The excessive use of agrochemicals, for instance, is a health concern for consumers, but also an environmental concern for producers. Such cases will also be covered by CTF activities.
- ⁴ For an overview of the preliminary results of the project activities on EGS, see the article entitled “Environmental goods and services: Challenges and opportunities for Central American and Caribbean countries” in the first part of this Review.