

ADVANCING EVIDENCE-BASED TRADE AND ENVIRONMENTAL POLICY: CONCEPT NOTE

The answers

It is *markets* rather than *trade* that inform the core of policy concerns relating to green economy. However, trade and trade policy are relevant.

Trade has an important role to play in opening up new paths for sustainable development and in ensuring that green economy is inclusive within and across countries.

Trade policy in pursuit of green economy can be contentious, creating both winners and losers and providing cover for what are essentially protectionist measures.

Few trade disputes go to the heart of the multilateral trading system the way the cases relating to green economy do. These cases - as some older cases about trade and the environment - are not about whether the rules are followed or not. They are about whether the rules are right or not.

Countries need green jobs and green energy to make a truly sustainable economy. What if global trade rules threaten that goal, as the complainants suggest they do in some cases? Should the countries abandon the policies that get them part way there? Or should they adapt existing trade rules to, or define new rules for, green economy? Should the support measures in the developing countries be held to the same criteria as those in developed countries?

Objective evidence on the economic and environmental effectiveness of trade-related measures such as subsidies or local content requirements can provide the answers.

The solution

Evidence alone is not good enough though.

The position of an expert is one without power to make material change. Trade policy makers and negotiators tend to be influenced by their own values; it is rare for them to pick up research recommendations automatically.

"Boundary organizations" such as UNCTAD, i.e. organizations that cross the boundary between analysis and politics, can provide a solution.

UNCTAD is planning to hold LEARNING EVENTS on topical issues arising at the intersection of green economy and trade.

The EVENTS will enable leading experts to engage trade practitioners with their analysis and help them act as *policy entrepreneurs*, i.e. consider how blurring the boundaries between evidence and politics — rather than maintaining their separation,

which is often advocated and practiced — can lead to more productive decision making.

The EVENTS will serve as a place, away from formal negotiations and dispute settlement, where countries would resolve their differences among themselves rather than rely on formal negotiations or the judicial systems.

The EVENTS will enable experts to deal with contentious trade measures on a case-by-case basis, without going into the legality of the measures and focusing primarily on their adverse trade impact.

The EVENTS will help build *a roster of individual experts and organizations* of international renown in areas relevant to green economy and trade to provide developing country governments with, and if necessary subsidize, access to the best available expertise.

The EVENTS will help monitor non-tariff measures relating to green economy, analyze their actual or potential trade impact; compare the design and the use of these measures across countries and sectors.

The EVENTS will help analyze deadlocks or lacunas in multilateral frameworks and "hard" rule-making and identify elements necessary for *consensus building*.

The EVENTS will help consider the special situation of particular developing country exporters and will determine priorities for S&D treatment or technical assistance.

The EVENTS will serve as a place for *focused networking* as a deliberate strategy of identifying stakeholders and nurturing a relationship of mutual trust that could drive various policy agendas.

The EVENTS will enable discussions with a view to making sure the diverse perspectives are heard and that a careful *balance* is maintained, especially in those instances where scientific or economic consensus is split along national lines.

The LEARNING EVENTS will be held on a regular basis, e.g. once a year, as *ad hoc* expert groups, diplomacy dialogues, consultations and peer reviews (National Green Economy Reviews). Capacity building advisory missions and regional workshops will support this process, drawing in expertise from across countries and regions.