



SUSTAINABILITY AT THE INTERSECTION OF TRADE, ENVIRONMENT AND DEVELOPMENT

UNCTAD-CITES-OAS

Side event to the Eighth Session of the Open Working Group on
Sustainable Development Goals

Wednesday 5 February 2014, 1:15-2:45 pm

Conference Room E, UN Headquarters, New York

Meeting report

1. Description

The Rio+20 outcome document: "The Future We Want", reaffirms the role of biodiversity and ecosystem services as key elements for sustainability and human and economic well-being. It also provides for current discussions on Sustainable Development Goals (SDGs). As discussions on possible SDGs advance in the Opening Working Group, the role of trade as a catalyst for sustainable development has been considered. The Rio+20 outcome document calls the UN and other organizations to keep mainstreaming sustainable development within their respective mandates, programmes, strategies and decision-making processes, in support of the efforts of all countries, in particular developing countries. Similarly, Convention on International Trade in Endangered Species of Wild Fauna and Flora, also known as the Washington Convention (CITES), was described as an agreement that stands at the intersection between trade, environment and development to regulate international trade in wildlife – both plants and animals.

As a contribution to the Open Working Group discussions on biodiversity, The United Nations Conference on Trade and Development (UNCTAD), CITES Secretariat and the General Secretariat of the Organization of American States (OAS) organized a side event with relevant stakeholders working on trade, environment and development. The event would enlighten UN and OAS member States on options to mainstream sustainable trade in biodiversity within the process leading to Post 2015 Development agenda. Sustainable trade in biodiversity-based products and services is becoming a fast growing sector in which local and international value chains interact. For example, sales of BioTrade products and services have been estimated at US \$4.1 billion in 2011.

The objective of the side event was to explore how the sustainable trade of biodiversity-based products and the fight against wildlife trafficking could serve future SDG's, while preserving biodiversity, ensuring sustainable use and improving livelihoods. Improved sustainability, accountability and branding systems and better use of innovative technologies will allow consumers to better understand and differentiate sustainable traded products.

2. Final Programme

Chairman: H.E. Mr. Gustavo Meza-Cuadra Velázquez, Ambassador, and Permanent Representative of Peru to the United Nations

- Mr. Fernando Ocampo, Vice-Minister of Foreign Trade, Costa Rica
- Mr. Braulio Dias, Executive Secretary, of the CBD
- Ms. Arancha González, Executive Director of ITC.
- Ms. Claudia S. de Windt, Chief, Environmental Law, Policy and Good Governance Department of Sustainable Development, OAS
- Mr. Juan Carlos Vasquez, Legal Officer, CITES
- Mr. Bonapas Onguglo, OIC, Trade, Environment, Climate Change and Sustainable Development Branch, DITC, UNCTAD

3. Presentation and discussions

The side event brought together high-level participants from trade and environment sectors and highlighted the prominent role of trade enabler for sustainable production and consumption, environmental and wildlife conservation, local economic development and enhanced livelihoods, especially in developing countries. Ambassador **Gustavo Meza-Cuadra** of Peru chaired the meeting, which was attended by 37 participants.

Ambassador **Meza-Cuadra** indicated that sustainable use of wild fauna and flora and other biodiversity goods and services can provide significant opportunities for the development of new markets in a significant number of innovative products and services, including food, cosmetics, fashion design, phytomedicine and eco-tourism services just to mention a few. As a Megabiodiverse country Peru has been at the forefront in seeking conservation and sustainable use in its own biodiversity in its developing strategy by introducing and supporting regional and national capacity building initiatives such as the CITES/ITTO programme on tropical timber for the sound management of mahogany, cedar and other precious timber, Biocomercio Andino, the National BioTrade Programme, Peru Biodiverso, and Prodern. Peru is already exporting more than \$2 million on selected biodiversity-based products generated by 69 SMEs working in more than 50'000 hectares of managed land. While these amounts may sound small to many they have a huge impact at the local level employing more than 3500 producers.

According to the Vice-Minister of Trade of Costa Rica, **Mr Fernando Ocampo**, “strong, open and sound market economies can be a complement to sustainability efforts”. This has been put in practice by Costa Rica in sectors such as biodiversity based products, clean energy, and ecotourism. Last January, Costa Rica, along with other twelve World Trade Organization (WTO) country members including China and the United States, announced its intention to work together towards achieving a shared objective: global free trade in environmental goods. This initiative intends to build upon the APEC leaders’ agreement to reduce tariffs on the “APEC List of Environmental Goods”, taking this ground-breaking commitment as a starting point to reach an agreement within the WTO. This initiative could, according to him, provide a significant contribution to climate change mitigation once it is finally ratified and comes into effect.

Mr. Braulio Dias, Executive Director of the CBD, indicated “Biodiversity is getting significant attention in the construction of the SDGs. Trade is critical in this construction, as it can be a vehicle for sustainable use”. He also mentioned that new ABS rules under the Nagoya Protocol provide legal certainty and can enable trade flows of biodiversity-based products. In this regard, Mr. Dias recommended: “UNCTAD’s BioTrade Initiative should be spread among a larger number of countries and BioTrade Principles and Criteria should be widely used and become more acceptable to all Member States through CBD processes”.

Ms. Arancha Gonzalez, Executive Director of the ITC, said, “sustainability must be an essential part of the SMEs business model”. Engaging SMEs in sustainable production can assist them to overcome non-tariff measures (NTMs) and ensure that producers become key actors in local resource conservation and management. An ITC survey conducted last year reported that 70% of exporters and importers in LDCs faced burdensome NTMs, compared to an overall average of 54% from developing countries. In order to assist SMEs to overcome these barriers, ITC provides a free-of-charge online database which maps a vast range of private standards, bringing much needed transparency to the different voluntary standards, which are in many cases simply de facto market access requirements for the export of “green” or sustainably-produced products and services. This type of tools can help in empower SMEs in further accessing profitable markets.

Ms. Claudia de Windt, Senior Legal Specialist of the Department of Sustainable Development of the OAS Secretariat, emphasized the key role and contribution of trade and sustainable use of biodiversity to social justice, economic welfare, and the enjoyment of basic rights such as the right to a healthy environment. Ms. de Windt indicated that “the full democratic development of the peoples of the hemisphere depends in great measure on the ability of our people to protect, manage and use our natural endowment in a sound way. Trade has a significant role in this task.” She also highlighted the need to work on three concrete areas: 1) Supporting the implementation of regional and global agreements related to biodiversity through sustainable use and trade; 2) Building on the space provided by the Regional Trade Agenda for cooperative action on this topic; and 3) Monitor progress with regards to conservation and the sustainable use of biodiversity in the context of good governance and rule of law. Regarding the later, Mrs. de Windt highlighted the relevance of mainstreaming of sustainable use of Biodiversity into the SDG process.

Mr. **Juan Carlos Vasquez**, on behalf of the CITES Secretary-General Mr John E. Scanlon, pointed at the fact that we need to deliver on sustainability and make it visible and understandable by the general public and policy-makers. He presented the case of the Vicuna in the Andes, as a concrete example of sustainability. This species had a population of 5’000 individuals by the 70’s and that with the application of CITES permits and new tools for extraction of the wool without killing the animal, the population had grown to about half a million individuals by 2012. This type of example gives a clearer message to consumers, conservationists and producers that sustainability is a journey and is not a possibility but a reality and is happening under CITES. .

Mr. Bonapas Onguglo, UNCTAD, expressed that the three pillars of sustainable development cannot be decoupled, but on the contrary they should be integrated in a coherent manners in future Post 2015 Development Agenda. International trade can enable the conservation and sustainable use and benefit sharing of biodiversity-based resources in many different ways. For example, the BioTrade Initiative has been a clear response to the Strategic Plan for Biodiversity 2011-2020 and a key mean to advance the Aichi Targets. SDGs targets and indicators for biodiversity can be constructed from both the Strategic Plan and the Aichi Targets. The BioTrade Initiative can also support CITES in ensuring the implementation of legal, verifiable and non-detrimental trade of wild species.

Comments from the floor pointed at the limitations of the current framework for environmental goods negotiations, whether under a multilateral or plurilateral format, as it only focused on the liberalisation tariffs for industrial goods. This framework excludes agricultural goods and commodities (e.g. organics) that could also be friendly to the environment. Comments were also made in relation to the fact that most barriers today are non-tariff based but a regulatory, administrative and price related measures. This situation implies the need for further attention to non-tariff measures in any future negotiation. Additionally, the role of public participation and the existing mechanisms available within present organization were highlighted in order to showcase how citizens are taken into consideration when discussing such thematic.

4. Conclusions

The Chair of the side event, Ambassador Gustavo Meza-Cuadra of Peru, concluded with the following points arising from the debate:

- Trade should be recognised as a key enabler of future SDGs and targets in a general and integrated manner but also specifically in a potential goal and targets related to biodiversity, wildlife and ecosystem conservation;
- Trade can provide a clear vehicle to promote more sustainable production and consumption patterns as recognised by the Rio + 20 Outcome document;
- Specific targets are needed to ensure that sustainably harvested and produced products and services, such as BioTrade, are mainstreamed into international trade;
- The SDGs should incorporate a clear link between illicit wildlife trafficking and organized crime, peace and security and the economic, social and environmental impacts of such illicit trade;
- SDGs should contain a clear goal or target to eliminate poaching and illegal trade as a threat to wild species and local communities and the rural poor.
- Mechanisms, such as the disclosure of origin and legal source of genetic resources and traditional knowledge in intellectual property applications, must be introduced in the TRIPS Agreement and WIPO Treaties in order to address concerns regarding “biopiracy and misappropriation”;
- Peru and Costa Rica and other Member States will seek to work together in introducing trade as an enabler of SDGs in future discussions.

5. List of participants

	First name	Last name	Title	Organization
1	Clea	Bowdery	Staff Attorney	Vance Center for International Justice
2	William	Calvo	Minister Counsellor	Permanent Mission of Costa Rica
3	Siba	Das	ITC Representative, New York	ITC
4	Braulio	Dias	Executive Secretary	CBD
5	Fabio	Fukuda	Adviser	FAO
6	Aniket	Ghai	Senior Officer	Executive Office of the S-G
7	Arancha	González	Executive Director	ITC
8	Marissa	Henderson	Economic Affairs Officer	UNCTAD/NY Office
9	Nneka	Henry	Adviser	ITC
10	Richard	Jordan	Chief of UN Operation	Royal Academy of Science International Trust
11	Jan	Kantorczyk	Counsellor	Germany

	First name	Last name	Title	Organization
12	Davies	Kashole	Extension Officer	Min of Lands, Natural Resources and Environment Protection-Zambia
13	Susan	Kath	Director	Vance Center for International Justice
14	Anik	Kohli	Advisor	Environment Ministry Switzerland
15	Mislav	Kolovrat	Second Secretary	Mission of Croatia
16	Christian	Kraef		Ifusa/Major Group of Youth
17	Nandhini	Krishna	Liaison office	CBD/UNCEP
18	Katuska	Lourenço da Silva	Environmental Law, Policy and Good Governance Section	OAS
19	Lesley	MacGregor	Policy Analyst	International Fund for Animal welfare (IFAW)
20	Gustavo	Meza-Cuadra	Ambassador, Permanent Representative	Permanent Mission of Peru
21	Milagros	Miranda Rojas	Minister Counsellor	Permanent Mission of Peru
22	Victor	Muñoz	Counsellor	Permanent Mission of Peru
23	Fabian	Nimea	Adviser	Nauru Mission
24	Fernando	Ocampo	Vice-Minister	Foreign Trade, Costa Rica
25	Bonapas	Onguglo	OIC, Trade, Environment, Climate Change and Sustainable Development Branch	DITC/UNCTAD
26	Fabio	Palacio	Representative	International Movement ATD Fourth World
27	Mikael	Rosengren	Programme Officer	DESA/CDO
28	Claudia	S. de Windt	Chief, Environmental Law, Policy and Good Governance Department of Sustainable Development,	OAS
29	Guri	Sandborg	Deputy Director General	Ministry of Climate and Environment

	First name	Last name	Title	Organization
30	Fred	Sarufa	Counsellor	Papua New Guinea Mission
31	Jan	Sniffen		UNEP
32	Alexandra	Tohmé	Advisor	Permanent Mission of Lebanon
33	Eduardo	Ulibarri	Ambassador, Permanent Representative	Permanent Mission of Costa Rica
34	Juan Carlos	Vasquez	Legal Officer	CITES
35	David	Vivas Eugui	Legal Officer	DITC/UNCTAD
36	Erika	Watanabe	Counsellor	Brazil
37	Rico	Zampetti	Head of Economic Section	EU Delegation to the UN

