TRADE AND ENVIRONMENT: MAIN WTO RULES AND DISPUTES

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Environment in GATT/WTO Law

GATT Article XX

- Exceptions for measures
- (b): necessary to protect human, animal or plant life or health
- (g): relating to the conservation of exhaustible natural resources
 - "Chapeau": not applied in a manner which constitutes
 - a means of arbitrary/unjustifiable discrimination or
 - a disguised restriction on international trade

TBT (preamble+ Arts. 2; 5)

Right to regulate, through technical regulations, in areas such as public health or the environment and, provided that such measures are neither discriminatory nor constitute unnecessary barriers to trade.

SPS

(Art. 2.1)

Right of Members to take sanitary and phytosanitary measures necessary for the protection of human, animal or plant life or health

TRIPS

(Art. 27.2)

Right to exclude from patentability inventions, whose prevention within their territory is necessary to protect, amongst other objectives, human, animal or plant life or health or to avoid serious prejudice to the environment.

GATS

(Art. XIV)

Article XIV provides for exceptions that are similar to GATT Article XX(b)



Preserving Members' policy space while respecting trade rules

US – SHRIMP (Appellate Body)

"In reaching these conclusions, we wish to underscore what we have <u>not decided</u> in this appeal.

We have <u>not decided</u> that the protection and preservation of the environment is of no significance to the Members of the WTO. Clearly, <u>it is.</u>

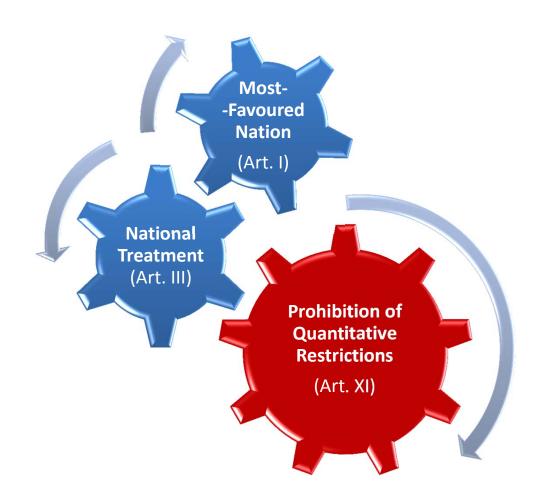
We have <u>not decided</u> that the sovereign nations that are Members of the WTO cannot adopt effective measures to protect endangered species, such as sea turtles. <u>Clearly, they</u> can and should.

And we <u>have not decided</u> that sovereign states should not act together bilaterally, plurilaterally or multilaterally, either within the WTO or in other international fora, to protect endangered species or to otherwise protect the environment. <u>Clearly, they should</u> and do.

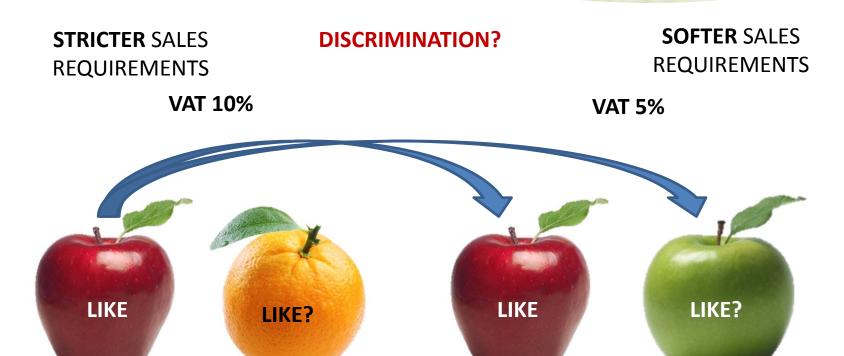
... WTO Members <u>are free to adopt</u> their own policies aimed at protecting the environment as long as, in so doing, they fulfill their obligations and respect the rights of other Members under the WTO Agreement."



Fundamental Principles



Non-discrimination



Imported Apples

Imported Oranges

Domestic Apples

Other Imported Apples

:1, Most-Favoured Nation

advantage, favour, privilege or immunity

Granted to

uct originating in or destined for any other country

Immediately and unconditionally accorded to

oduct originating in or destined for the territories of all other contracting parties



