Environment and Trade: The GATT/WTO Dimension

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Abstract

This paper reviews the theme of environment and trade, with special reference to the rules and practice of GATT/WTO. The link between environment and trade was becoming more and more relevant in the 1970s. Indeed, the GATT did involve in the examination of the proper role trade restriction might play in protecting the environment. In practice, the GATT is more concerned about the risk of environmental measures unilaterally applied as a trade protective means in the form of non-tariff barrier. The Uruguay Round Final Act has already extended the scope of WTO competence to other policy areas. Therefore, trade-related environmental measures will become a key focus of WTO's work.

Environment and trade presents a new challenge for sustainable development. Emphasis of this paper is thus placed on utilizing appropriate combinations of legal, political, economic and social analyses. In most cases, each general subject is discussed from a broad and contextual perspective. In this context, this paper examines the following core issues: environment and trade, GATT/WTO, sustainable development, international cooperation, and human role. This paper also considers the kind of policy reforms needed to achieve the goal of sustainable development. It is suggested that policy coordination in the issue of environment, trade and development should be resolved in a way that upholds and safeguards the spirit and the rules of both the WTO and the UN system.

Key words: environment, trade, GATT, WTO, sustainable development