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# Informal dialogue on response measures

**Henrique Pacini**

Economic Affairs Officer  
Trade and Environment Branch  
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## Overview

- Institutional cooperation on trade-related implications of response measures
- Trade and response measures
- Sharing risks and benefits of transformation
- UNCTAD work towards facilitating dialogue between agencies
- Concrete examples of UNCTAD work



## Cooperation on a global context

- No mentions of trade in Paris Agreement
- No mentions Climate Change in main trade treaties
  - However... PA acknowledged large interrelations
  - Forum on response measures – important PA innovation





## Cooperation on a global context (2)

- Response measures (examples)
  - Taxes and subsidies
  - Tariffs
  - Non-tariff barriers (public and private standards)
  - Emission trading schemes, etc
- Above tools for NDC delivery makes evident the consequences to domestic markets and trade.
- It is essential that multilateral organizations talk: UN, OECD, WB, Regional Banks, etc.
- SB 48 – informal draft elements by chairs on forum on response measures: Principle 1a – Action oriented.

## Finding a common ground

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- UNFCCC and trade agencies seek very similar objectives
  - UNFCCC: incorporation of an externality (GHG emissions) beyond conventional business cycles
  - Trade agencies: material prosperity via (equitable) gains from trade.
  - Both seek to safeguard material prosperity for enduring global prosperity and peace.
- Climate change work very aligned with SDGs.
  - SDG 17 directly calls for cooperation – future focus of forum on response measures likely aligned to this.

## Finding a common ground (2)



- UNFCCC & Trade agencies
  - Each has a very specific technical role
  - No "encroaching" in competences - roles are not mutually exchangeable.
- However, venues for informal dialogue are very important for aligning work – which share very similar objectives.
  - We need eachothers advice



## UNCTAD contributions to inter-institutional dialogue

- Facilitating Inter-agency dialogues and producing numerous studies on trade & climate change issues.
- Expert meetings on:
  - Domestic content requirements (2013);
  - Trade Remedies (2014);
  - SDGs linkages with climate change and trade (2015),
  - Event on co-benefits at COP21 (2015);
  - On the impact of mitigation measures on trade at COP22 (2016), E
  - Expert meeting on Response Measures (2017)
  - COP23 event on response measures in 2017





# Sharing risks and benefits of transformation

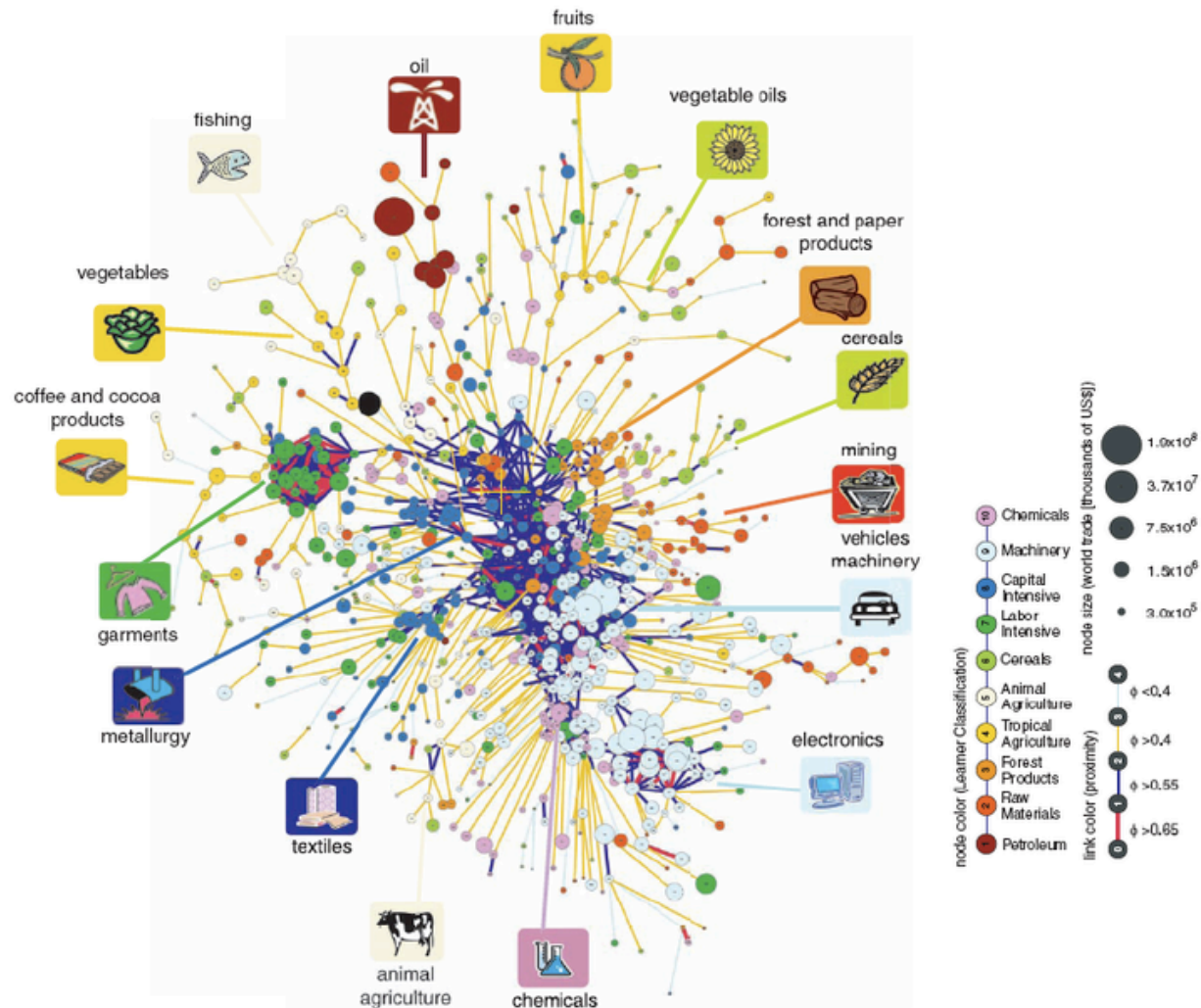
- Response measures - More risks for countries with high reliance on few products/sectors.
  - Reducing risks involve measures to facilitate their development of alternative markets
    - Precondition: avoid domestic and trade barriers to alternative products, investments and entrepreneurship.
  - Valid for both green industrial policy and Global Value Chain inclusion.
- Sharing benefits as well: co-benefits of transformation
  - Green products - USD 250billion market
  - Riding high in the smiley curve: educational systems paramount.



## Practical examples

- Aligned to SB48 Principle 1: Practical approaches
  - Essential to de-politize issues
- National Green Export Reviews (NGERs):
  - Technical assistance to 10+ countries to develop green sectors and aid in economic diversification efforts.
- Circular economy work: country analysis and policy
- Biodiversity products (Biotrade) initiative – tackling deforestation via income provision to locals
- Work on automation, A.I, digitalization (e-banking, e-commerce) – all essential for capturing good opportunities in face of the “smiley curve” trend.

# Working on the ground: Product Space and other tools



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# Countries with National Green Export Reviews

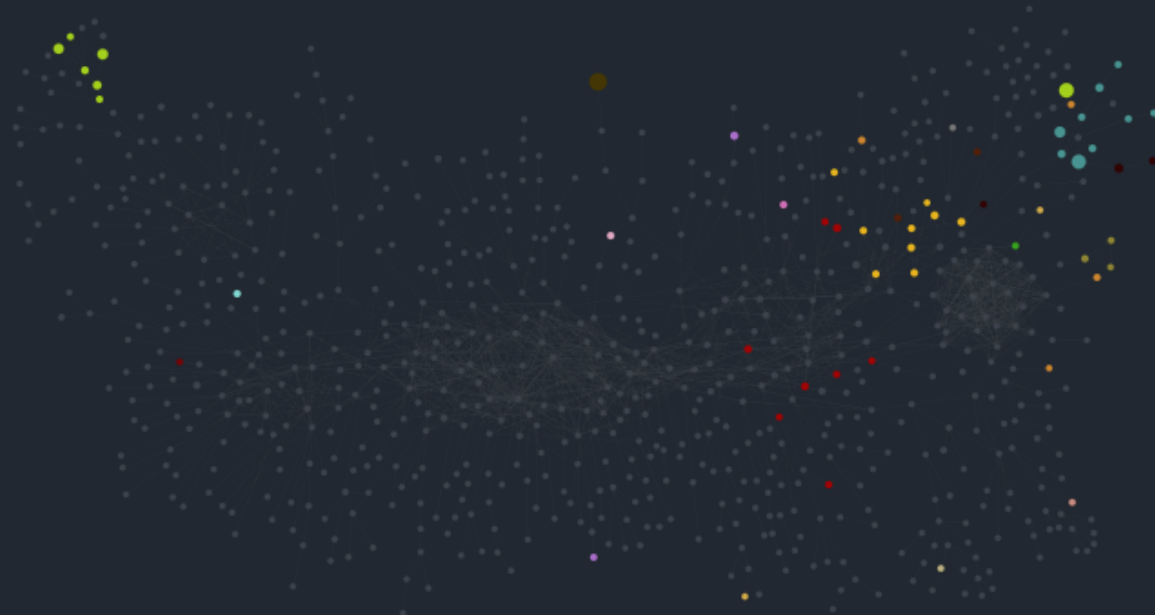
- Ecuador (*fish, cocoa*)
- Vanuatu (*coconut, cocoa, essential oils*)
- Morocco (*aromatic & medicinal plants, olives*)
- Oman (*ecotourism, fish, dates*)
- Ethiopia (*sesame, natural leather*)
- Lebanon (*energy efficient and recycling products*)
- Madagascar (*vanilla, cocoa, coffee, essential oils*)
- Moldova (*honey, cereals and walnuts*)
- Senegal (*mango, cashew and cosmetics*)
- Angola\* (*Fish, Wood and Coffee – ongoing*)



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# Ecuador (2016)

Total: \$16.4B

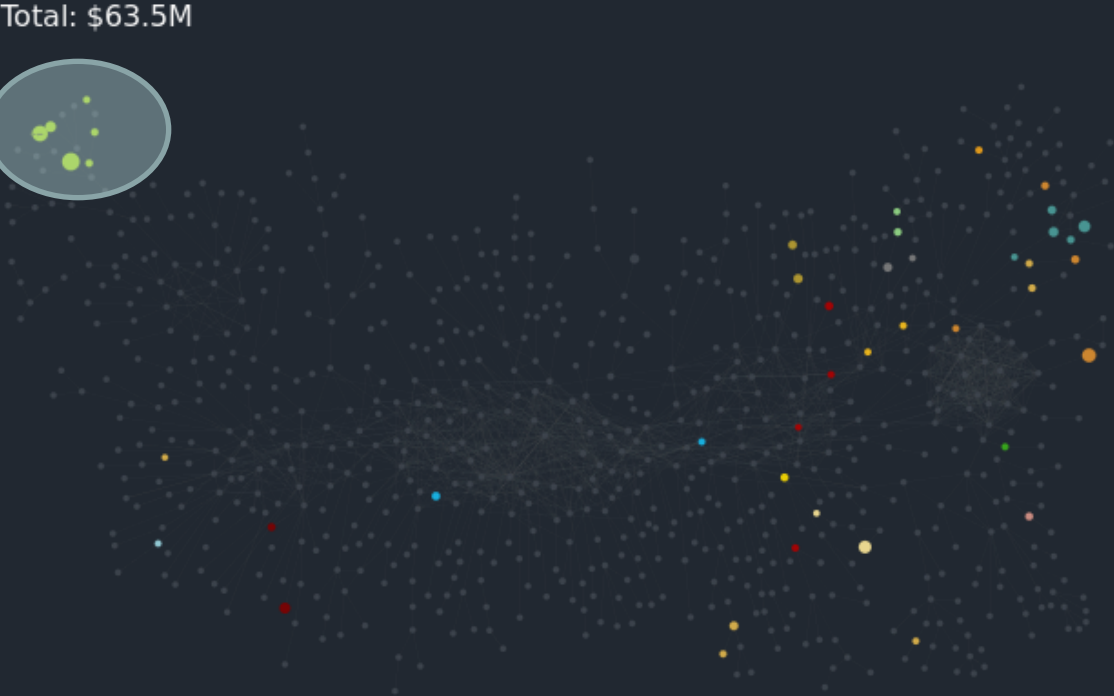
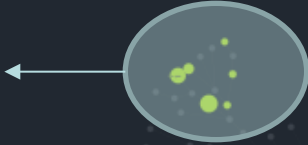


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# Vanuatu (2012)

Total: \$63.5M

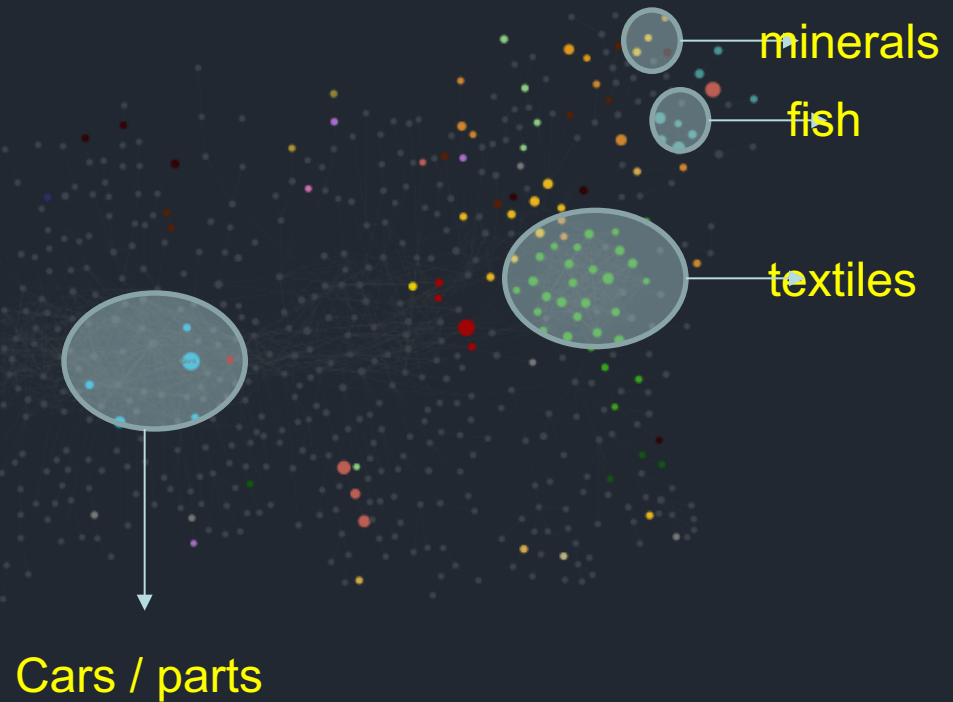
Cocoa /  
copra /  
plants



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# Morocco (2016)

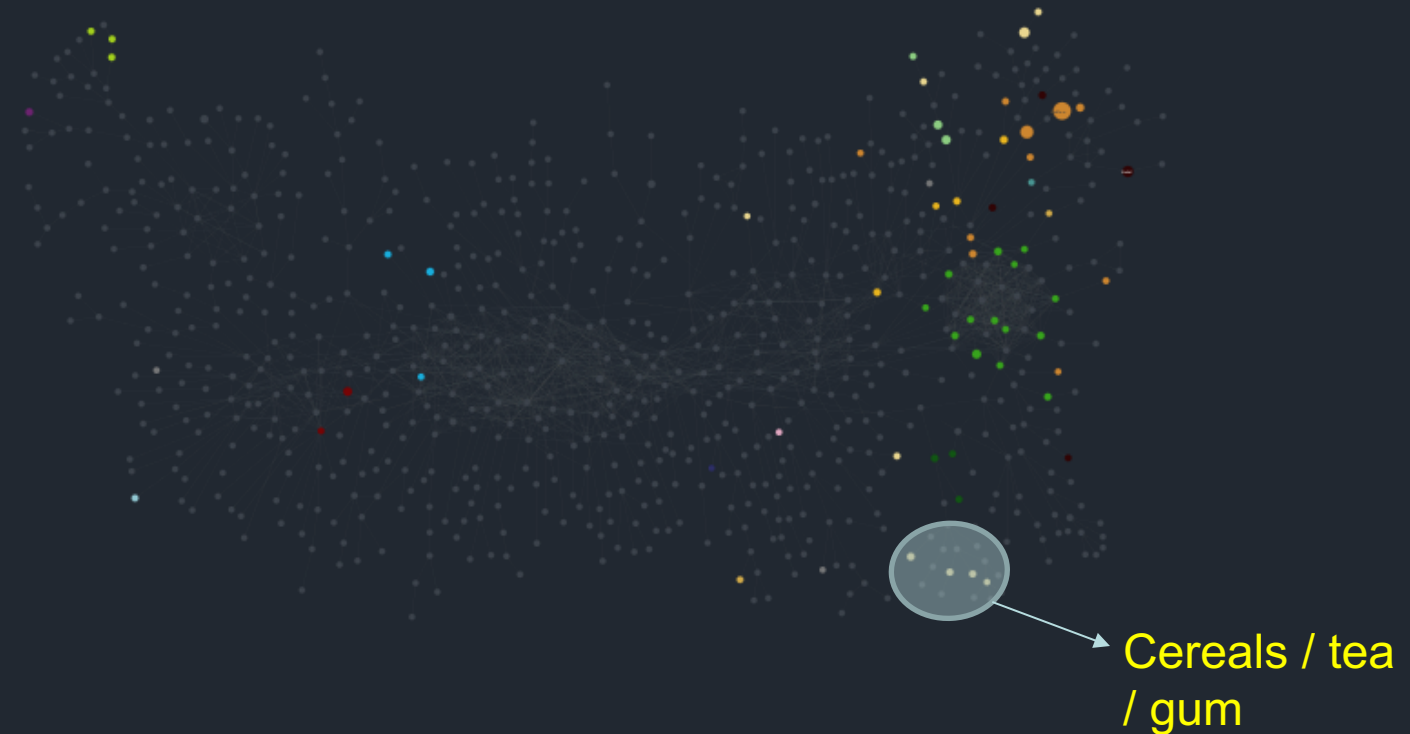
Total: \$22.5B



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# Ethiopia (2016)

Total: \$1.71B

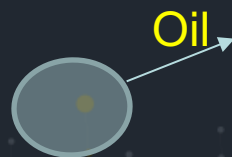




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# Oman

Total: \$18.8B

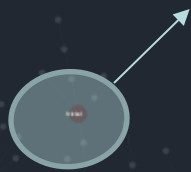


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# Madagascar (2016)

Total: \$2.13B

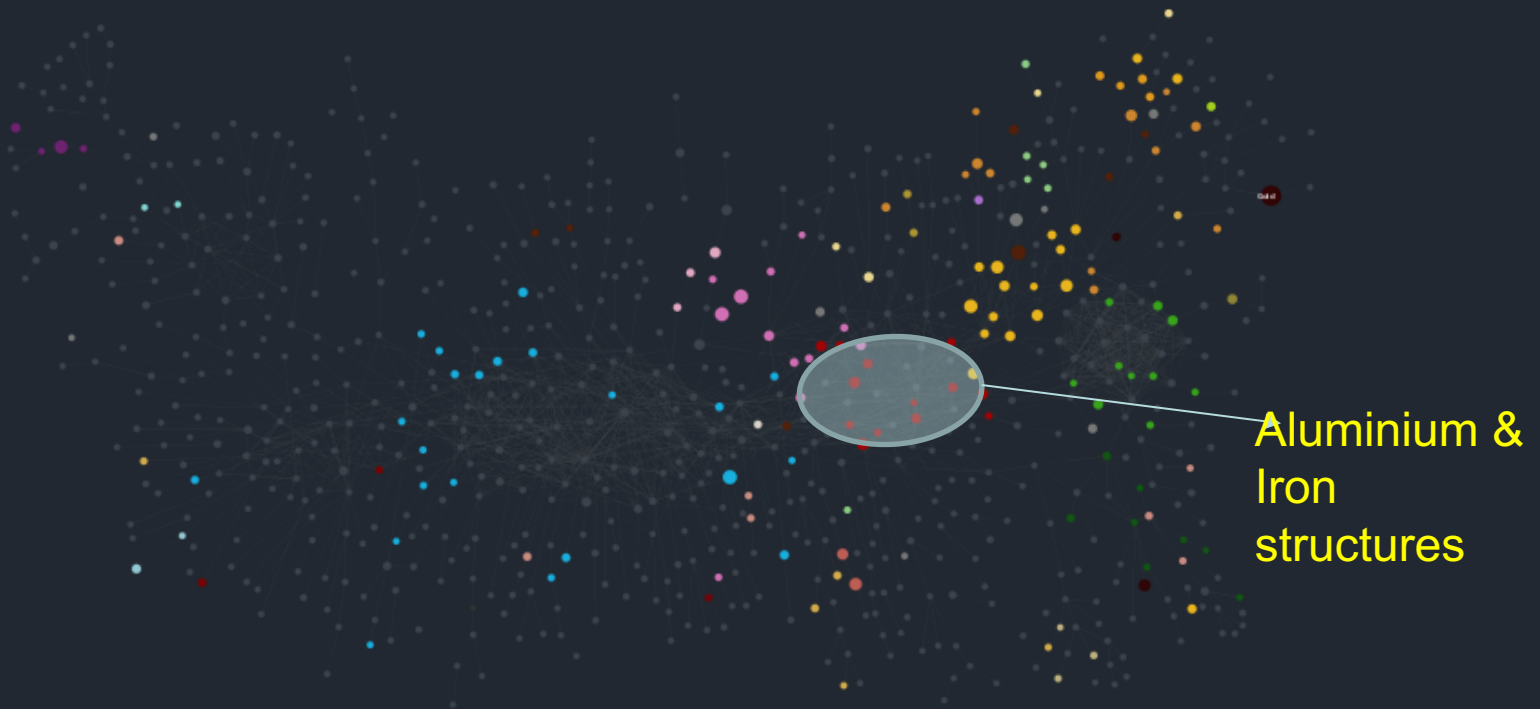
Nickel



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# Lebanon (2014)

Total: \$3.31B



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# Moldova (2016)

Total: \$2B



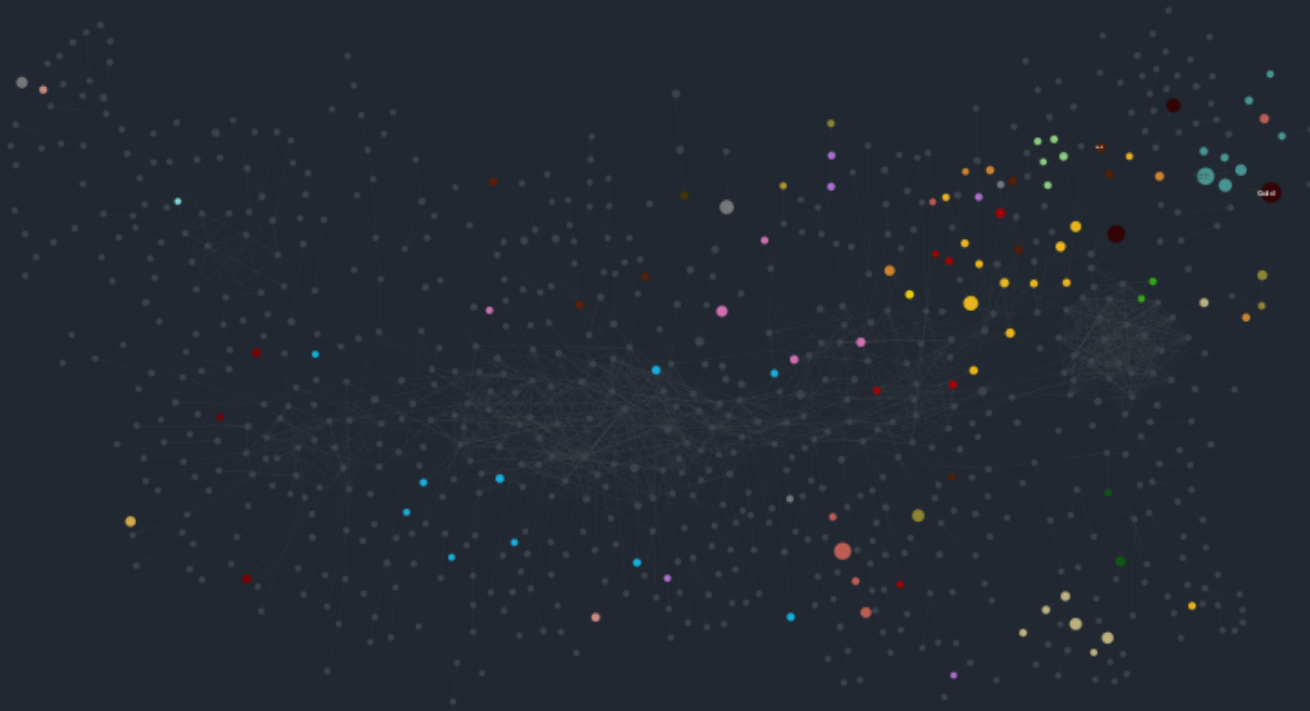
Oilseeds



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# Senegal (2016)

Total: \$2.37B



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# Angola (2015)

Total: \$31.4B

Oil





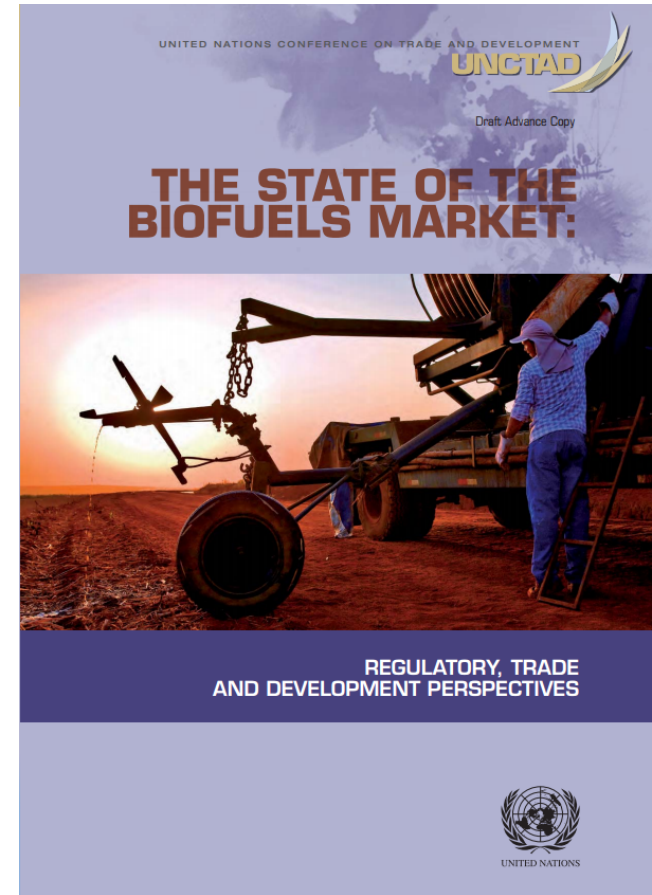
## Assistance on biofuels policy

18 studies since 2005

Range of topics: Market mapping, certification, biofuel technologies, standards, south-south cooperation, controversies, waste-to-biofuels, advanced biofuel markets.

- Developing country perspectives

Country studies in India, Guatemala, Mexico and Thailand.





# Circular Economy



India CE Report



Policy brief on trade & CE





[Henrique.pacini@unctad.org](mailto:Henrique.pacini@unctad.org)

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