

COP29 High-Level Experience Sharing

**Trade Policy
Experiences
Contributing to
Climate Action**

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INTRODUCTION

At COP28 in Dubai in 2023, under the presidency of the United Arab Emirates, the WTO Secretariat developed a 10-point set of “[Trade Policy Tools for Climate Action](#)” in support of discussions at the dedicated thematic Trade Day. In the publication, the WTO Secretariat explored 10 trade policy tools that have already been used by WTO Members to accelerate progress towards climate goals.

As a follow-up to the COP28 toolkit, the WTO Secretariat has prepared this short **Trade Policy Experiences Contributing to Climate Action** booklet, compiling non-exhaustive trade policy experiences in support of the high-level discussions being hosted by the COP29 Presidency. It builds from the toolkit and is based on the experiences and examples shared by delegations at the WTO.¹ Based on WTO sources, experiences are provided for 21 WTO Members representing different regions and stages of development with policies such as trade facilitation, government procurement, regulatory measures, import tariffs and support programmes, as well as examples of trade-related international cooperation. The examples show that, while trade policies can be undertaken for a variety of purposes, some may have positive direct or indirect climate effects even if climate-related objectives were not the primary purpose.

The booklet should be read in conjunction with the toolkit and is intended to provide illustrative background for experience sharing discussions on trade and trade-related policy actions that may contribute to climate action.

¹ The experiences have been collected from three main sources: the [WTO Environmental Database](#) containing environment-related WTO notifications and entries in trade policy reviews of its members; meetings and thematic discussions held at the WTO's Committee on Trade and Environment, including those experiences collected for the background note prepared by the WTO Secretariat (JOB/TE/89); and experiences shared by delegations in the meetings of the [Trade and Environmental Sustainability Structured Discussions](#) (TESSD) initiative. The inclusion of experiences in this publication is without prejudice to the positions of WTO Members. Moreover, the inclusion of policies in this publication does not mean that they have been adopted with climate mitigation as the main objective. Such measures should therefore not be construed as trade-related climate measures.

1 TRADE FACILITATION

1.1 Costa Rica – Panama – Modernization of border post Paso Canoas and EDGE sustainability certification²

The border post Paso Canoas between Costa Rica and Panama was built under Costa Rica's Border Integration Programme and financed through a loan by the Inter-American Development Bank (IADB). Paso Canoas consists of an integrated control centre, with digitized and optimized processes, and a dual-facility system where the two countries carry out joint and simultaneous control at a single point. This arrangement slashes average transit times from hours to minutes, reducing cargo and passenger times by 50%.

In the design of the border post, the EDGE sustainability certification was applied, meaning it uses the most effective ways to reduce energy, water and resources in building materials. The sustainable design process following the EDGE standard Light-Emitting Diode (LED) to savings of at least 20% in energy consumption, 20% in energy embodied in materials and 20% in water savings. In addition to the environmental dimension, the project was also embedded into the community socially and economically. The trees that were cut down during the construction process were donated to produce desks and build a classroom in two schools in the local area, thereby supporting the quality of children's education.

1.2 United States – Mexico – Greenhouse Gas (GHG) reductions at Mariposa border crossing³

Trade between the United States and Mexico exceeds USD 1 million per minute, with the majority of this trade transiting through land border ports of entry. The Mariposa port of entry in Nogales, Arizona (United States) is one of 48 border crossings between the United States and Mexico (according to the Smart Border Coalition). To facilitate freight transport at the Mariposa border crossing, several policies were adopted by the two countries, including:

- the US Free and Secure Trade Program (2001), which was established to enhance border security while facilitating the movement of low-risk commercial goods between the US, Canada and Mexico. It included pre-registering drivers, vehicles and cargoes, and certifying every link in the supply chain such as the manufacturer, carrier and importer; and
- the Joint US-Mexico United in Cargo Processing Program (2018), which was implemented at certain border crossings, with the aim of harmonizing and expediting the processing of commercial cargo by implementing joint inspections and coordinated customs procedures.

The US Environmental Protection Agency estimates the two programmes achieved an 85% reduction in GHG emissions and particulate matter emissions at the Port of Nogales-Mariposa crossing, mostly due to a substantial reduction in vehicle queue lengths and crossing times. The United in Cargo Processing Program has since been expanded to nine other locations along the US-Mexico border.

² Based on experiences shared by Costa Rica in TESSD meetings in April and June 2023 (INF/TE/SSD/R/24), and website of [IADB](#).

³ Based on WTO Publication [Trade Policy Tools for Climate Action](#).

2 GOVERNMENT PROCUREMENT

2.1 Japan – Policy for Promotion of Procurement of Eco-Friendly Goods and Services⁴

Japan's Basic Policy on Promoting Green Procurement defines the basic policies for promoting comprehensive and planned procurement of materials, components, products and services with low environmental impact (eco-friendly goods). This includes the identification of designated procurement items and related evaluation criteria to identify eco-friendly goods that the national government should prioritize in its procurement.

Government institutions are required to formulate each fiscal year a green procurement policy in line with the basic policy, considering environmental consideration and environmental impacts throughout the lifecycle. Local governments, enterprises and citizens are encouraged to take the policy into consideration and commit to the procurement of eco-friendly goods.

In 2022, the policy was revised to include the 2050 Carbon Neutrality Declaration and the 2030 Greenhouse Gas Emission Reduction Target (reduced by 46% from its 2013 level), updating the status of climate change and global warming issues, and revising the government action plan.

2.2 Montenegro – Green Procurement Strategy⁵

Public procurement constitutes a significant part of economic activity in Montenegro, amounting to around 12% of GDP and around 20%-25% of government spending. Under its Green Procurement Strategy, government authorities in Montenegro consider innovation and degree of environmental protection as evaluation elements for bidders in public tenders. For example, in the context of its National Forest Strategy, green procurement criteria were privileged to promote the use of sustainable wood products in public buildings.

Through the application of sustainability evaluation sub-criteria and degree of environmental protection, potential bidders must meet the specific requirements by using the innovative technologies. The Strategy also includes considerations on socially responsible procurement, innovative procurement, e-procurement and support for SMEs.

3 REGULATORY MEASURES

3.1 China – Green Product Certification and Labelling System⁶

China adopted in November 2016 its Green Product Certification and Labelling System, with a view to establishing a unified standard, certification and labelling system for green products. Based on the whole life cycle concept, China's system examines in each stage of the product life cycle a number of aspects, such as low resource and energy consumption, low pollutant emissions, low toxicity and low harm, easy recycling and

4 Based on Japan's notification to the Agreement on Government Procurement (GPA/LEGIS/JPN/1 and subsequent amendments under GPA/LEGIS/JPN/4, 5, 8 and 9) and the [Basic Policy document](#). Updated with information from Japan's latest trade policy review ([WT/TPR/S/438](#)).

5 Based on Montenegro's notification to the Agreement on Government Procurement (GPA/LEGIS/MNE/1), questionnaire replies (GPA/WPS/SME/14) and latest trade policy review ([WT/TPR/S/369](#)).

6 Technical Barriers to Trade (TBT) Committee thematic session on regulatory cooperation between members on climate change (March 2023; G/TBT/GEN/352).

reuse, health and safety, and high quality. In designing this system, China considered the green/eco-related compliance assessment systems of a number of countries, regions and organizations, such as “Blue Angel” of Germany, the Eco-label of European Union, and the Global Environmental Labelling Network (GEN).

At present, the green products system has resulted in 90 types of products included in the scope of the green product certification, more than 20,000 unified green product certificates issued and more than 2,000 certified enterprises. In the short term, China will focus on: (i) accelerating the construction of a unified green product certification and labelling system; (ii) promoting the acceptance of green product certification results and strengthen the supervision and regulation on green product certification activities; and (iii) promoting international cooperation and mutual recognition on green and ecological products.

3.2 Indonesia – Minimum Energy Performance Standard (SKEM) and Energy-Saving Label for LED lamps and Draft Decree of Minister of Energy and Mineral Resources on the Minimum Energy Performance Standard (SKEM) and Energy-Saving Label for electric stoves and LED lamps⁷

As part of its efforts to reduce emissions from the energy sector, Indonesia is aiming to improve its energy efficiency performance. According to its First Nationally Determined Contributions, Indonesia adopted Presidential Regulation No. 22/2017 on National Energy General Plan (RUEN) which mandates a 1% reduction in energy intensity annually during the period of 2015-2025, and reductions in the final energy consumption by 17% and 39% by 2025 and 2050 respectively.

In this regard, one of RUEN’s derivative policies is to promote energy conservation by implementation of Minimum Energy Performance standards (MEPS) for appliances, energy efficiency improvement of equipment and the use of efficient streetlamps.

For example, pursuant to Regulation of the Minister of Energy and Mineral Resources Number 14 of 2021 concerning Implementation of Minimum Energy Performance Standards (SKEM) for Energy Utilizing Households, Indonesia set the SKEM and Energy-Saving Label for electric stoves. This draft regulation measure covers various types of electric stoves and addresses various issues, including the energy-saving rate value, shape, and specification of the Energy-Saving Mark; the energy-saving and testing certification type; performance testing requirements and procedures; exemption of energy-saving certification obligations; and non-conformance tolerance for test results.

Another example is Indonesia’s Decree of the Minister of Energy and Mineral Resources No. 135.K/EK.07/DJE/2022 on the SKEM and Energy-Saving Label for LED Lamps (notified to WTO through G/TBT/N/IDN/141). Pursuant to this regulation, domestic manufacturers and importers of self-ballasted LED lamps, self-ballasted tube LED lamps, and luminaire lamps are required to apply for minimum energy performance standards through the inclusion of energy-saving labels on the product packaging, including the following specifications: lamp type; energy-saving rate value, shape and specification of energy-saving sign label; SKEM certification scheme requirements; and energy-saving test requirements and procedures.

⁷ Based on Indonesia’s Enhanced Nationally Determined Contribution and notification under the TBT Agreement (G/TBT/N/IDN/141) and (G/TBT/N/IDN/144).

4 SERVICES

4.1 Guyana – Expansion of fibre optic capability, support for call centres and business process outsourcing as part of its Low-Carbon Development Strategy 2030⁸

Under its Low-Carbon Development Strategy 2030, Guyana has sought opportunities to increase the country's integration into low-carbon value chains, including in agriculture and telecommunication services exports. In the latter, in particular, the country has invested in expanding its fibre optic capability, providing targeted support for call centres and business process outsourcing, and the completion of telecommunications liberalisation. Other initiatives are in progress, including through the 200 Information and Communications Technology hubs in the Hinterland digital access project. Since 2013, significant progress has also been made on the digital components (such as satellite monitoring) of Guyana's Forest Monitoring, Reporting and Verification System.

5 IMPORT TARIFFS

5.1 Fiji – Tariff incentives for energy transition⁹

To incentivize investment into renewable energy projects, Fiji provides for duty-free importation of renewable energy equipment (e.g. solar, hydro, biomass, biogas, wind, geothermal, solar heaters, and solar water pumps), as well as a five-year tax exemption for businesses undertaking a new activity in renewable energy and co-generation power projects.

Fiji also combines tariff and tax incentives to encourage new investment activity in processing agricultural commodities into biofuels as an alternative to fossil fuels. Duty-free treatment is granted to imports of plant, machinery, and equipment for the initial establishment of a factory; to imports of chemical products required for biofuel production; and to imports of all agricultural items with the permission by the Ministry of Agriculture. In addition, businesses that undertake investment projects in biofuels and employ 20 or more local workers every income year may benefit from a tax holiday between 5 and 13 years, depending on the amount of invested capital.

6 SUPPORT MEASURES

6.1 Norway – Incentives provided for purchase and usage of electric vehicles¹⁰

Norway has been supporting the introduction of electric vehicles (EV) for some time. Policies make a distinction between cars with combustion engines and EVs. Incentives included the exemption of certain taxes at the moment of purchase of new EVs, most notably the special 'one-off registration tax' on vehicles and the 25%

⁸ Based on WTO Trade Policy Review of Guyana in 2022 (WT/TPR/S/422), complemented with information available in [Guyana's Low Carbon Development Strategy 2030](#).

⁹ Based on WTO Trade Policy Review of Fiji in 2023 (WT/TPR/S/444/Rev.1).

¹⁰ Based on TESSD MC13 outcome document: Compilation of experiences and considerations regarding subsidy design (WT/MIN(24)/11/Add.5).

value-added tax (VAT). Support measures for usage have also been granted, such as exempted or lower fees for road toll and ferries, subsidized public charging facilities, as well as privileged access to road lanes generally reserved for buses and taxis. These incentives are considered to have contributed substantially to the steady increase in the number of EVs sold in the Norwegian market, as a proportion of total car sales, over the last decade.

Over time, the Government has modified some of the policies. The strong tax incentives combined with increased share of EVs has led to a substantial decline in tax revenues. To slow down this revenue decline, Norway has introduced VAT for the more expensive EVs (cars that cost more than NOK 500,000) and a low one-off registration tax for EVs. This also reduces the share of support given to customers who buy cars in the premium segment. In addition, the road toll and ferry fees are being gradually increased to keep public transport competitive. The scaling down in support also responds to the increasing maturity and competitiveness of EV technology. Indeed, Norway has become the first country in the world with more EVs than petrol-driven vehicles (excluding hybrids) in service.¹¹

6.2 European Union – Hydrogen Strategy and initiatives¹²

In its strategic vision for a climate-neutral EU published in November 2018, the share of hydrogen in Europe's energy mix is projected to grow from the current less than 2% to 13-14% by 2050. The EU strategy on hydrogen was adopted in 2020 and suggested policy action points on: investment support; support production and demand; creating a hydrogen market and infrastructure; research and cooperation; and international cooperation.

The EU provides support for renewable hydrogen value chain through State aid and EU wide programmes available to companies in EU Member states, as well as in third countries. Renewable hydrogen and derivatives projects are supported through the European Hydrogen Bank aiming to unlock private investments in hydrogen value chains, both domestically and in third countries, by connecting renewable energy supply to EU demand and addressing initial investment challenges, as well as through renewable hydrogen partnerships aiming at promoting decarbonization and hydrogen production in third countries as well as imports to the EU of renewable hydrogen and derivatives. The Hydrogen Public Funding Compass provides an online guide to identify public funding sources for hydrogen projects and relevant EU programmes.

The objective of facilitating and promoting trade of renewable hydrogen as part of the broader category of renewable fuels of non-biological origin is also achieved through the “energy and raw materials” chapters in the network of free-trade agreements which the EU has concluded (in the case of Chile/EU Free-Trade Agreement) and is negotiating with other countries. These chapters include provisions which aim at promoting the sustainable production of energy and raw materials- specifically hydrogen and its derivatives.

The EU has also adopted legislation to define what can be considered renewable hydrogen, including methodologies to assess the actual reduction of GHG emissions and on additionality, the need to encourage additional production of renewable energy, in conjunction with the increase in production of hydrogen, to guarantee sustainability and use of electricity for other primary uses. In addition, as part of the sustainability rules, any public financial support should take into consideration the environmental impacts of renewable hydrogen production, in particular, in terms of water use. Last but not least, more recent legislation has been enacted in the EU to also cater for the design of an internal market on hydrogen, and in particular the necessary infrastructure which would enable trade and circulation of the products within and outside of the EU.

¹¹ See <https://www.bbc.com/news/articles/cx25ljxpygeo>.

¹² The example presents a climate policy that is only marginally trade related but was considered nevertheless illustrative for a specific sector or type of climate action. Based on TESSD MC13 outcome document: Compilation of experiences and considerations regarding subsidy design (WT/MIN(24)/11/Add.4).

6.3 Mauritius – Targeted support for sustainable agriculture management by smallholders¹³

Mauritius has implemented a number of support programmes for smallholder farmers to incentivize sustainable agriculture practices. For instance, Small planters registered with the Small Farmers Welfare Fund (SFWF) and sugar cane planters registered with the Sugar Insurance Fund Board (SIFB) are eligible to receive 30 % support for locally produced compost up to a maximum of 1 ton/arpent to incentivize the shift from the use of chemical inputs to organic ones. Similarly, with the stated objective to promote organic farming and increase the agricultural productivity while maintaining soil health and environmental safety, under the Bio-Farming Support Scheme (BFSS), SFWF registered planters can receive support to up to 60 % of the purchase price of bio inputs (pesticides and fertilisers). Finally, as part of its climate adaptation actions, under the Agricultural Calamities Solidarity Scheme (ACASS), SFWF registered farmers receive support in case of crops lost or affected by extreme weather events, in particular cyclones, excessive rainfall and drought.

7 FOOD AND AGRICULTURE

7.1 El Salvador's efforts to promote sustainable farming and adapt plantations to climate change¹⁴

El Salvador's agricultural policy is set out in its "National Agricultural Policy 2019-24" whose general objective is to boost the sector's sustainable development. The current policy pays particular attention to aspects such as climate change and the role of women and young people in the sector's revival. In 2021, an Environmental and Climate Change was created under El Salvador's Ministry of Agriculture and Livestock (MAG) Office to oversee all environmental, agro-climatic risk and climate change management for the sustainable development of its agricultural sector.

El Salvador employs a number of sustainable farming projects and investment support, including for: implementation and equipment of ecological coffee processing plants for small producers; general research conducted by the National Centre for Agricultural and Forestry Technology, focused on climate change resilience and adaptation; biofertilizers to low income/resource-poor producers of maize, bean and coffee; training for organic poultry producers; and climate change adaptation actions for coffee plantations. For example, with a total budget of USD 17 million, the MAG's National Economic Transformation Programme – Rural Adelante seeks to sustainably increase the incomes of poor and vulnerable rural families in the eastern part of the country and to enhance their resilience to climate change. The programme will wrap up at the end of 2024 and will have benefited 8,300 families, including many women and young people.

¹³ Based on Mauritius notification to the WTO Committee on Subsidies and Countervailing Measures (G/SCM/N/401/MUS) and its latest trade policy review (WT/TPR/S/417).

¹⁴ Based on El Salvador's notifications to the WTO Committee on Agriculture (including, G/AG/N/SLV/65, G/AG/N/SLV/77 and G/AG/N/SLV/83) and its WTO Trade Policy Review in 2023 (WT/TPR/S/440).

8 INTERNAL TAXATION AND CARBON PRICING

8.1 Singapore – Carbon tax and energy efficiency¹⁵

To achieve its climate ambition and transition to a low-carbon economy, Singapore introduced a carbon tax on GHG emissions through the Carbon Pricing Act on 1 January 2019. To provide a transition period the tax rate was set at SGD 5 per tonne of carbon-dioxide equivalent (tCO₂e) from 2019 to 2023. Following a review in 2022, the carbon tax trajectory was set for SGD 25 in 2024-2025 and SGP 45 in 2026-27, with a view of reaching SGD 50 to SGD 80 by 2030. The tax is applied uniformly to emissions from all sectors, including those from the manufacturing, power generation, and water and waste management sectors, covering around 80% of national GHG emissions.

As part of the five-year transition, the Government supported companies, including small and medium-sized enterprises (SMEs) and power-generation companies, to improve their energy and carbon efficiency by adopting greener and cleaner technologies and practices. In addition to making changes in the energy sector, Singapore has taken action across the economy, such as switching to cleaner-energy vehicles, improving energy efficiency in buildings, and encouraging energy efficiency in the industrial sector, including through energy management practices such as minimum energy efficiency standards for common industrial equipment and systems.

8.2 Viet Nam – Differentiated excise taxes and the environmental protection tax¹⁶

Viet Nam applies differentiated excise taxes for conventional combustion, hybrid or electric motor vehicles. Starting from 150% for the highest cylinder capacity passenger car vehicles (of a cylinder capacity exceeding 6000 cm³), decreasing to 35% for the smallest ones. Hybrid cars running on both gasoline and electricity or bio-energy face an excise tax equal to 70% of the amount of tax applied for the same type of conventional combustion vehicles, while those running fully on bio-energy face a tax equal to 50% of the equivalent conventional car. Finally, passenger EVs face an excise tax 15%. Viet Nam also applies an environmental protection tax on petroleum products, coal, hydrogen-chlorofluorocarbon (HCFC) liquids (ozone-depleting substances), plastic bags, and various pesticides and herbicides.

9 INTERNATIONAL COOPERATION AND INITIATIVES

9.1 Agreement on Climate Change, Trade and Sustainability (ACCTS)¹⁷

On 2 July 2024, Costa Rica, Iceland, New Zealand, and Switzerland concluded negotiations on the Agreement on Climate Change, Trade and Sustainability (ACCTS). ACCTS is a first-of-its kind trade agreement focused on finding ambitious trade policy solutions to contribute to climate action. It contains provisions intended to address environmental challenges in four main areas:

- ACCTS eliminates tariffs on over 300 environmental goods. The list of environmental goods includes industrial as well as land-based products such as solar panels, wind and hydraulic turbines, EV, wool

¹⁵ Based on WTO Trade Policy Review of Singapore in 2021 (WT/TPR/S/413/Rev.1), complemented with information available on the website of Singapore's [National Environmental Agency](#).

¹⁶ Based on WTO Trade Policy Review of Viet Nam in 2021 (WT/TPR/S/410).

¹⁷ Based on various updates on ACCTS negotiations in the Committee on Trade and Environment such as in November (WT/CTE/M/79) and April 2024 (WT/CTE/M/80) as well as Members' websites.

fibre, recycled paper, electric static converters, and wood products offering a more environmental alternative to carbon-intensive construction materials.

- It also enhances market access and certainty for service suppliers on an ambitious list of more than 100 environmental services and environment-related services, which have been selected based on their substantial contribution to addressing pressing environmental purposes.
- ACCTS establishes a framework to discipline and eliminate harmful fossil fuel subsidies. The framework includes a meaningful definition of fossil fuel subsidies, alongside clear prohibitions and a limited set of exceptions to safeguard fundamental policy goals, including for energy security and disaster resilience.
- Finally, ACCTS provides guidelines to inform the design and implementation of voluntary eco-labelling programmes and related institutional mechanisms with the objective to promote trade in sustainable products by helping consumers and businesses receive meaningful information to choose products based on their environmental credentials while avoiding the creation of trade barriers.

9.2 Coalition of Trade Ministers on Climate¹⁸

Launched in 2023 and co-lead by Ecuador, the EU, Kenya and New Zealand, the [Coalition of Trade Ministers on Climate](#), brings together 62 Ministers from a diverse range of countries from different regions at different levels of development, climate vulnerabilities, and trade circumstances. With a clear commitment to driving political leadership on the nexus of trade, climate change and sustainable development, the Coalition seeks to foster inclusive international cooperation and dialogue on the positive role and contribution that international trade can and must make to the global climate agenda.

Since its launch in January 2023, the Coalition has sought to facilitate discussions on the synergies with the climate, finance, and trade communities in order to “break down the silos” and work towards cooperation and collective actions that support climate goals. This has included hosting a Ministerial discussion amongst Ministers of the relevant portfolios at Davos in January 2024 as well as engagements at COP28 in December 2023 during the inaugural COP28 Trade Day.

In the margins of WTO’s 13th Ministerial Conference (MC13), the Coalition convened its second Ministerial meeting resulting in the endorsement of a communiqué, accompanied by a Menu of Voluntary Actions. The Menu of Voluntary Actions includes a clear message for the WTO to pursue ambitious commitments in support of the global response to the climate crisis. The communiqué also called upon all WTO Members to accept the Agreement on Fisheries Subsidies.

9.3 Singapore-Australia Green Economy Agreement¹⁹

Australia and Singapore signed the [Singapore-Australia Green Economy Agreement \(GEA\)](#) on 18 October 2022. The GEA lays the foundations for greater collaboration between the two countries to drive growth while reducing emissions. It is the world’s first agreement of its kind, which combines trade, economic and climate objectives. The GEA fosters common rules and standards to (i) promote trade and investment in environmental goods and service; (ii) develop interoperable policy frameworks to support new green growth sectors; and (iii) catalyse technology development and cooperative projects in the emerging green economy.

Under the GEA, Australia and Singapore are collaborating by: (i) reducing tariff and non-tariff barriers on a comprehensive list of environmental goods and services; (ii) decarbonizing the shipping and maritime industry, including a commitment to establish a Green and Digital Shipping Corridor by 2025, and aim to

18 Based on briefing by New Zealand, on behalf of the co-leads of the Coalition of Trade Ministers on Climate in the Committee on Trade and Environment in April 2024 (WT/CTE/M/80).

19 Based, *inter alia*, on briefing by Australia and Singapore in the Committee on Trade and Environment in June 2023 (WT/CTE/M/78).

develop joint supply chains for low-carbon fuels, support training programs for fuel handling, and leverage digital technologies to optimize port activities; (iii) fostering business collaboration, including through the Go-Green Co-Innovation grants Program to encourage Australian and Singaporean SMEs to co-innovate and develop products and services that drive growth in green sectors; (iv) promoting sustainable finance and green investment; (v) sharing insights into policies and programs that build green skills and workforce; and (vi) establishing the architecture, including the standards, norms and governance arrangements, that will facilitate cross-border electricity trade.

The GEA builds on the relationship between Australia and Singapore and existing areas of bilateral cooperation, including the: Singapore-Australia Free-Trade Agreement, Memorandum of Understanding for Cooperation on Low Emissions Solutions and 2021 Australia-Singapore Partnership on Hydrogen for Maritime Use. The initial work under the GEA spans seven key areas: (i) trade and investment; (ii) standards and conformance; (iii) green and transition finance; (iv) carbon markets; (v) clean energy, decarbonization, and technology; (vi) skills and capabilities for green growth; and (vii) engagements and partnerships.

9.4 Global Biofuels Alliance²⁰

The Global Biofuels Alliance, launched in 2023, has attracted the participation of 25 countries and 12 international organizations. Its primary goal is to contribute to global climate efforts by fostering a worldwide partnership of governments, agencies, industries, and other stakeholders to accelerate the development, production, and use of sustainable biofuels.

The Alliance aims to accelerate the global adoption of biofuels through three key strategies. First, it seeks to identify and develop markets with high potential for sustainable biofuels production. This will involve offering capacity-building initiatives across the biofuels value chain, providing technical support for national programs, and facilitating policy-sharing experiences. Additionally, the Alliance will establish a virtual marketplace to help countries, industries, and key stakeholders map supply and demand, and connect technology providers with end users.

Second, the Alliance will promote collaboration in deploying biofuel technologies. To meet the International Energy Agency's (IEA) net-zero trajectory estimate, advanced biofuel production needs to increase fifteenfold by 2030 from 2021 levels. Technology will play a critical role in enhancing land productivity, improving energy efficiency, and enabling the processing of various feedstocks and residues, adapted to each country's specific needs.

Third, the Alliance will promote common frameworks for performance-based sustainability assessments and other relevant standards. More consistent, internationally recognized sustainability criteria will support the development of coherent methodologies for measuring and reporting lifecycle GHG reductions. This will provide investors and stakeholders with clearer, more reliable insights into the environmental benefits and value of biofuels.

20 The text is based on the 2023 Report of the Committee on Trade and Environment (WT/CTE/30).



World Trade Organization

Centre William Rappard,
Rue de Lausanne 154,
CH-1211 Geneva 21, Switzerland
Website: <https://www.wto.org>

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