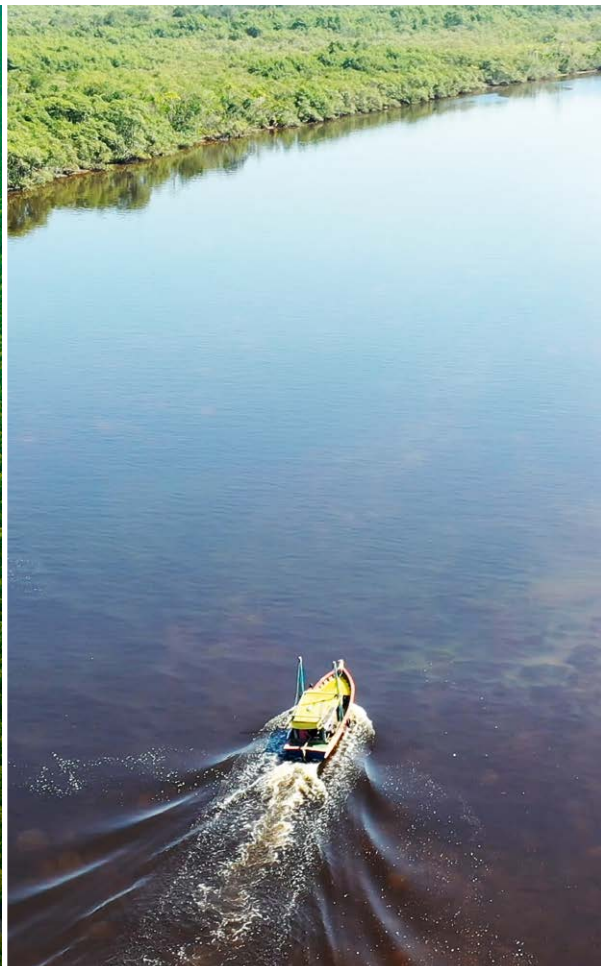


TRADE *and*
ENVIRONMENT
at the WTO



Disclaimer

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COMMITTEE ON TRADE AND ENVIRONMENT

Mandate and origins. In April 1994, a Ministerial Decision on Trade and Environment was adopted in Marrakesh, calling for the establishment of a WTO Committee on Trade and Environment (CTE). A broad-based mandate was agreed for the CTE, consisting of identifying the relationship between trade and environmental measures to promote sustainable development, and making recommendations on whether any modifications of the provisions of the WTO agreements are required.

Participation in the CTE and how it works. The CTE is open to all WTO members and has granted observer status to over two dozen intergovernmental organizations. Government representatives meet regularly to exchange experiences on how trade and environmental measures can work better together. The CTE also hears presentations from international organizations, including UN agencies and secretariats of multilateral environmental agreements (MEAs), helping delegates stay up to date on initiatives and technical developments.

Scope of discussions. The CTE has structured its work around the ten items listed in the 1994 Marrakesh Ministerial Decision on Trade and Environment (the “work programme”), covering a broad range of topics. Over time, the topics addressed by the CTE have included: sectoral sustainability issues (e.g. forestry, energy and fisheries); effects of eco-labelling and standards on market access; transparency of environment-related trade measures; climate change and trade; circular economy; and plastics pollution. In creating the CTE, ministers echoed the pronouncements on trade and environment made at the 1992 Rio Earth Summit of maintaining mutual supportiveness between an open, non-discriminatory and equitable multilateral trading system and the protection of the environment and promotion of sustainable development.

Work programme. The work programme contains ten items. - **Item 1:** Multilateral trading system (MTS) provisions and trade measures for environmental purposes, including those pursuant to MEAs. - **Item 2:** Environmental policies relevant to trade and measures with significant trade effects, in relation to MTS provisions. - **Item 3(a):** Charges and taxes for environmental purposes in relation to MTS provisions. - **Item 3(b):** Product requirements for environmental purposes (standards, technical regulations, packaging, labelling, recycling) and their relationship with MTS provisions. - **Item 4:** Transparency of trade measures used for environmental purposes and environmental measures and requirements with significant trade effects. - **Item 5:** Relationship between dispute settlement in the MTS and in MEAs. - **Item 6:** Effects of environmental measures on market access (with a focus on developing members, especially least developed countries) and environmental benefits of removing trade restrictions and distortions. - **Item 7:** Exports of domestically prohibited goods. - **Item 8:** Relevant provisions of the Agreement on Trade-related Aspects of Intellectual Property Rights (TRIPS). - **Item 9:** Work under the Decision on Trade in Services and the Environment. - **Item 10:** Relations with intergovernmental organizations (IGOs) and non-governmental organizations (NGOs) under Article V of the WTO Agreement.

Role of the CTE. The CTE was created to make sure that trade and environmental policies are mutually supportive. Its work aims to equip trade officials with the information and tools to maximize the contribution of trade to the broader goal of sustainable development, as called for in the UN’s 2030 Agenda for Sustainable Development. The CTE provides a unique platform for transparency, dialogue and practical problem-solving at the trade-environment interface. Its non-agreement-specific nature facilitates exploratory exchanges, whereby members test ideas, exchange national and regional experiences and best practices, dive deeper into topical issues at the intersection of trade and the environment with a view to improving coherence with parallel international environmental processes.

Did you know?

- **The CTE has held a series of thematic sessions** to provide members with an opportunity to discuss specific topics, share experiences and hear from invited experts. Topics included: sustainable agriculture; transfer of technology; trade-related climate measures; and trade contributions to energy transition efforts concerning climate adaptation and mitigation.
- **Since its launch in 2019, the WTO Trade and Environment Week** has grown into a widely recognized forum for deepening the global conversation on the nexus between trade and the environment. Taking place around the time of the CTE meeting, the Week is designed to complement the Committee's work and spark dialogue on emerging environmental challenges with trade dimensions. It offers a unique platform for WTO members to engage directly with business representatives, international organizations, academic experts, civil society and environmental practitioners - fostering an exchange of insights, experiences and actionable ideas.
- **The most recent edition** was held from 30 June to 4 July 2025. It brought together government officials, international organizations, civil society and business representatives to discuss pressing global issues, share experiences and solutions and explore ways the WTO and its membership can both contribute to, and benefit from, sustainable trade solutions.

CTE at a glance

Established: 31 January 1995

Membership: Open to all WTO members; more than two dozen IGOs are observers

Core objective: Discussions on mutual supportiveness of trade and environment in support of sustainable development

TRADE AND ENVIRONMENTAL SUSTAINABILITY STRUCTURED DISCUSSIONS (TESSD)

Co-conveners: Canada and Costa Rica

Co-sponsors: 78 members, representing over 85% of world trade

Key documents: MC13 Co-conveners' Statement ([WT/MIN\(24\)/11](#) and Addenda) outlining past achievements and future workplan; MC13 outcome documents compiling practices, analyses and experiences to inform trade and sustainability policies, including "[Practices in the development of trade-related climate measures](#)"

What is this initiative? It is a member-led initiative seeking to intensify work on trade and environmental sustainability, complementing the work of other WTO committees and bodies, in particular the Committee on Trade and Environment. The 2021 TESSD Ministerial Statement recognized that trade and trade policy can support environmental and climate goals and committed participants to work on identifying concrete actions that they could take individually or collectively to expand opportunities for environmentally sustainable trade in an inclusive and transparent way.

Participation. Open to all members. Currently, 78 members participate in the initiative. Summaries of discussions, presentations and videos are publicly available on the TESSD area of the WTO website. Stakeholders from business, civil society, academia and international organizations contribute to discussions.

Why it matters. Sustainable development and the protection and preservation of the environment are fundamental goals of the WTO, enshrined in the preamble of the Marrakesh Agreement establishing the WTO. International trade and trade policy can play an important role in supporting environmental goals and climate action. Trade can promote more sustainable production and consumption, taking into account the importance of a transition to cleaner energy and making progress towards achieving the UN Sustainable Development Goals (SDGs).

Working structure. Four informal working groups focus on: (i) trade-related climate measures (TrCMs); (ii) environmental goods and services (EGS); (iii) circular economy - circularity; and (iv) subsidies.

MC13. At the 13th Ministerial Conference (MC13) in February 2024, TESSD presented outcome documents from each working group, a Co-convenors' Statement and an Updated Work Plan charting the path to MC14. The Work Plan focuses on enhancing transparency, integrating development perspectives and identifying best practices as well as opportunities for policymaking aimed at achieving concrete outcomes. High-level stock-taking meetings in December 2024 and July 2025 reviewed progress and priorities in the build-up to MC14.

Recent developments. Each working group is working towards technical outcomes covering: (i) a compilation and mapping of TrCMs; (ii) an analytical summary of EGS discussions; (iii) trade aspects and related practices on circular economy; and (iv) design elements in subsidies. An overarching document providing insights into how trade policies can best support members' environmental sustainability objectives is also being developed.

DIALOGUE ON PLASTICS POLLUTION AND ENVIRONMENTALLY SUSTAINABLE PLASTICS TRADE (DPP)

Coordinators: Australia, Barbados, China, Ecuador, Fiji, Morocco

Co-sponsors: 83 members, representing about 88% of global plastics trade

Key documents: MC13 Statement ([WT/MIN\(24\)/14](#)) highlighting progress and future work; Factual Report of the Trade-related Plastics Measures Survey of June 2022 ([INF/TE/IDP/W/11](#)); Factual Report of the needs assessment survey of June 2022 ([INF/TE/IDP/W/12](#))

What is this initiative? It is a member-led initiative, which provides a platform for participants to explore how cooperation in the WTO can contribute to global, regional and domestic efforts to reduce plastics pollution and promote sustainable trade in plastics, non-plastic substitutes, plastics alternatives and related technologies.

Participation. Open to all members. Currently, 83 members participate in the initiative. Summaries of meetings and presentations are publicly available on the DPP area of the WTO website. Stakeholders from business, civil society, academia and international organizations contribute with technical inputs to discussions.

Why it matters. Trade in plastics is valued at over US\$ 1.2 trillion annually (5% of global trade) while trade in non-plastic substitutes reached US\$ 485 billion in 2023. Plastics cross borders multiple times across their lifecycle. Members have already notified over 200 trade-related measures addressing plastics pollution, 71% of which were submitted by developing members, including least-developed countries.

Workstreams. Established after the 2021 DPP Ministerial Statement, work is organized under three themes: (i) cross-cutting issues (e.g. transparency and technical assistance); (ii) reduction and circular economy for plastics; and (iii) promoting trade to tackle plastics pollution (e.g. waste management technologies and plastics substitutes).

MC13. At MC13, a Ministerial Statement ([WT/MIN\(24\)/14](#)) was circulated at the request of the DPP coordinators. It presented shared principles for the DPP's work and six action points to ensure trade contributes to addressing plastics pollution, supported by factual compilations of policies, needs, plastic products most often addressed by policy measures and potential alternatives. Actions include enhancing, among other things, transparency, reducing harmful and unnecessary plastics, promoting plastic substitutes and improving developing country capacity to tackle plastics pollution.

Recent developments. Following MC13, DPP work has centred around eight “[points of focus](#)”, seeking to identify “concrete, pragmatic and effective” outcomes by MC14. Topics include efforts to better “match” existing funds with trade-related needs to address plastics pollution, statistical approaches to calculate the volume of plastics embedded in traded goods, opportunities for greater alignment of measures targeting single-use plastics, enhanced trade cooperation to facilitate access to technologies and services, including environmentally sound waste management technology and non-plastic substitutes and alternatives.

Did you know?

→ **International cooperation.** DPP complements efforts in other fora, including UN work on developing a legally binding instrument on plastics pollution, and discussions at the World Customs Organization on identifying plastics embedded in traded goods, single-use plastics and other plastic goods in the context of the review of the Harmonized System used to classify traded goods.

FOSSIL FUEL SUBSIDY REFORM (FFSR) INITIATIVE

Coordinator: New Zealand

Co-sponsors: 48 WTO members

Key documents: MC13 Ministerial Statement and annexes ([WT/MIN\(24\)/19](#)) outlining work programme and questions for Trade Policy Reviews

What is this initiative? A member-led initiative, coordinated by New Zealand, seeking to achieve rationalization, phase out or elimination of harmful fossil fuel subsidies (FFS) through use of existing mechanisms or the development of new pathways to reform. It supports SDG 12(c), which seeks to rationalize inefficient fossil-fuel subsidies, and complements members' commitments under the 2015 Paris Agreement on Climate Change, the 2015 Addis Ababa Action Agenda on Financing for Development, and the call at COP28 in 2023 to transition away from fossil fuels in energy systems.

Participation. Open to all members. Currently, 48 members participate in the initiative. Under an inclusive approach, inputs from business, civil society, academia and international organizations are encouraged. Summaries of meetings and presentations are publicly available on the FFSR area of the WTO website. Stakeholders from business, civil society, academia and international organizations contribute with technical inputs to the discussions.

Why it matters. Subsidies that artificially lower the price of fossil fuels, such as oil, gas and coal, exacerbate climate change and cause toxic air pollution. They are often not well targeted and represent a sizeable fiscal burden for governments. The rising global investment in clean energy has been overshadowed by a dramatic increase in government support for fossil fuels during the recent global energy crisis, with support almost doubling in 2022 and slightly decreasing to USD 1.1 trillion in 2023. Fossil fuel subsidy reform can deliver widespread trade, economic, social and environmental benefits, including promoting more energy-efficient consumption, reducing pollution and freeing up government funds to support a green and climate-resilient economy.

Work pillars. The initiative has three work pillars. A. Transparency: Enhancing transparency of fossil fuel subsidies and fossil fuel subsidy reform, including through use of existing WTO mechanisms. B. Crisis support measures: Ensuring that support measures adopted in response to the global energy crisis remain targeted, transparent and temporary. C. Most harmful fossil fuel subsidies: Identifying the types of fossil fuel subsidies that are most problematic from a trade and environment perspective and considering pathways to address them.

MC13. At MC13, a Ministerial Statement on fossil fuel subsidies was issued ([WT/MIN\(24\)/19](#)), accompanied by two annexes, setting out: (i) a detailed programme of work outlining concrete options under the three work pillars to guide the work of the initiative in the lead-up to the 14th WTO Ministerial Conference in March 2026, and (ii) a non-exhaustive list of sample questions on fossil fuel subsidies and fossil fuel subsidy reform for regular use by co-sponsors and other WTO members in Trade Policy Reviews.

Recent developments. Since MC13, the work of the FFSR initiative has advanced along the three workstreams. It has promoted more systematic inclusion of questions on fossil fuel subsidy and their reform in WTO Trade Policy Reviews, thus contributing to enhancing transparency. The initiative has also fostered experience sharing and worked on the development of guidelines to ensure that emergency fossil-fuel subsidy interventions are temporary, targeted and transparent. Furthermore, FFSR co-sponsors are working on mapping subsidy types (e.g. production subsidies, subsidies to energy-intensive sectors, etc.), to increase awareness and build support for the development of pathways to reform, with the aim of reducing and eliminating these types of fossil fuel subsidies.

WTO Agreement on Fisheries Subsidies

→ **Entry into force.** On 15 September 2025, the WTO Agreement on Fisheries Subsidies, the WTO's first multilateral agreement with environmental sustainability at its core, entered into force.

→ **Why it matters.** Harmful subsidies contribute to overcapacity and overfishing and can enable illegal, unreported and unregulated (IUU) fishing. The Agreement establishes binding multilateral rules to curb billions of dollars on annual spending on such support, protecting fish stocks and the livelihoods that depend on them.

→ **Core prohibitions.** The Agreement prohibits: (i) subsidies to vessels/operators found to have engaged in IUU fishing; (ii) subsidies regarding overfished stocks (with targeted exceptions for rebuilding to biologically sustainable levels); and (iii) subsidies for fishing and related activities in unregulated high seas areas (outside coastal jurisdiction and the competence of regional fisheries management organizations).

→ **Transparency and implementation.** Members are obliged to notify fisheries subsidies and related fisheries information. A Committee on Fisheries Subsidies is being set up to oversee these notifications, review implementation of the Agreement and liaise with relevant fisheries bodies. Special and differential treatment provisions support developing and LDC members. Also, the WTO Fish Fund provides grants for technical assistance and capacity building to help developing members that have accepted the Agreement implement the new obligations.

→ **Development dimension.** Better-targeted support and transparency regarding subsidies help to improve food security and to protect the livelihoods of small-scale fishers; resources previously used for harmful subsidies can be redirected to sustainable fisheries management.

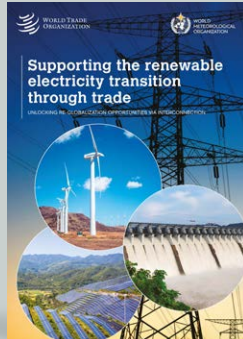
→ **Work continues.** At the 12th WTO Ministerial Conference in 2022, members also agreed to continue negotiations on additional provisions that would further enhance the disciplines of the Agreement. These negotiations are ongoing.

Committee on Fisheries Subsidies at a glance

Established: 15 September 2025

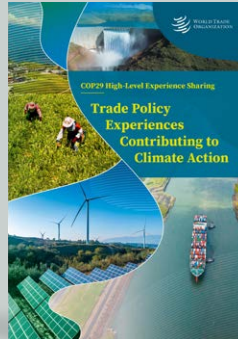
Core objective: The Committee oversees the implementation of the Agreement on Fisheries Subsidies and provides a forum for WTO members to raise and address related questions and concerns

WTO trade and environment publications



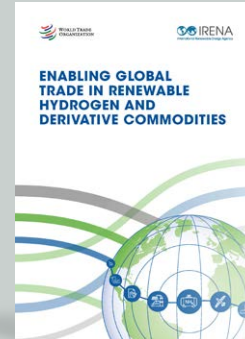
Supporting the renewable electricity transition through trade: Unlocking re-globalization opportunities via interconnection

Published in 2024



Trade Policy Experiences Contributing to Climate Action

Published in 2024



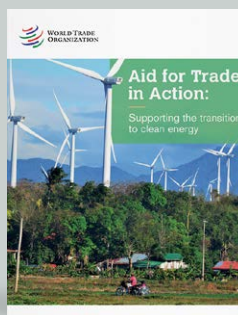
Enabling global trade in renewable hydrogen and derivative commodities

Published in 2024



Working together for better climate action: Carbon pricing, policy spillovers, and global climate goals

Published in 2024



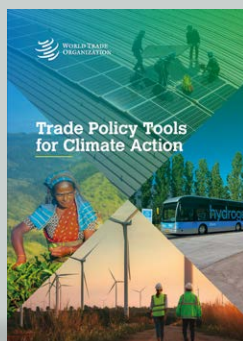
Aid for Trade in Action: Supporting the transition to clean energy

Published in 2024



International trade and green hydrogen: Supporting the global transition to a low-carbon economy

Published in 2023



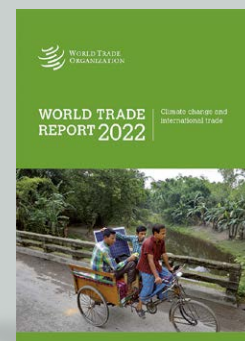
Trade Policy Tools for Climate Action

Published in 2023



World Trade Report 2023: Re-globalization for a secure, inclusive and sustainable future

Published in 2023



World Trade Report 2022: Climate change and international trade

Published in 2022

WTO Environmental Database (EDB)

The WTO Environmental Database (EDB) is a unique online tool to access key WTO information on trade, environment and sustainable development.

→ The EDB compiles **>25 years** of information on trade and environment from WTO notifications and Trade Policy Reviews.

→ The EDB allows users to search through information according to specific criteria, including by WTO Member, Agreement, keywords, type of measure, sector or environmental objective.

Did you know?

About **1 in 6** notifications to the WTO are environment related



Every year the WTO receives on average



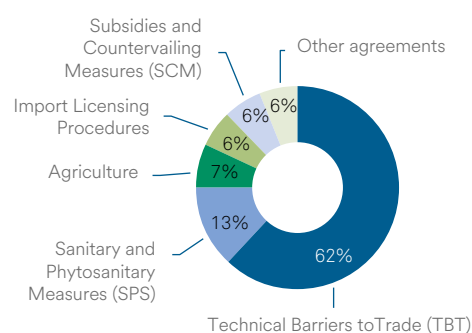
≥ 600
new environmental notifications

1200
notified environmental measures

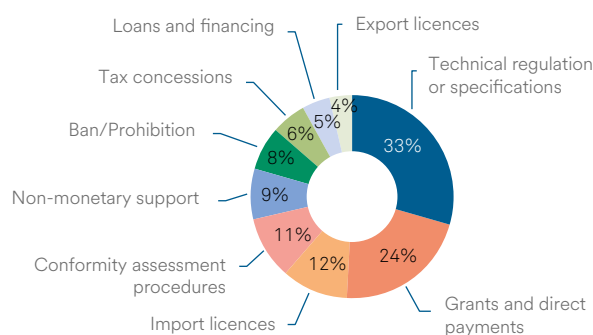


1000
environmental entries from Trade Policy Reviews

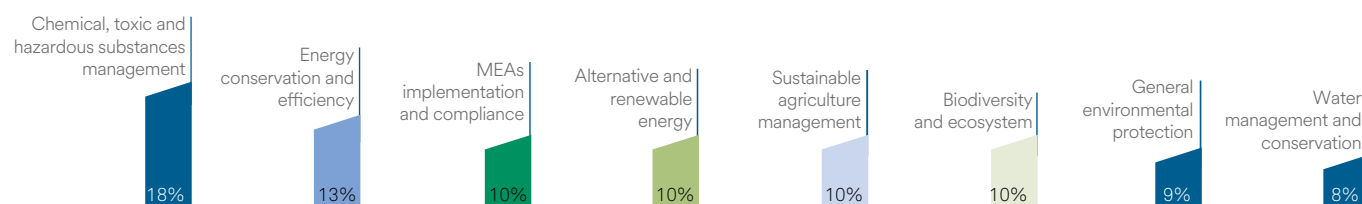
Environment-related notifications by WTO Agreement



Type of measure most often identified



Most often cited environmental objectives



Data can be easily accessed from the web-based platform at www.wto.org/edb

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