

Funding nature positive trade for sustainable development

- role of trade in delivering the Global Biodiversity Framework -

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NATURE-POSITIVE TRADE FOR SUSTAINABLE DEVELOPMENT



OPPORTUNITIES TO PROMOTE SYNERGIES BETWEEN THE KUNMING-MONTREAL GLOBAL BIODIVERSITY FRAMEWORK AND WORK ON SUSTAINABLE TRADE AT THE WTO



TRADE, DEVELOPMENT & THE ENVIRONMENT HUB
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Nature-positive trade for sustainable development
How can trade-related policies and measures support the implementation of the Kunming-Montreal Global Biodiversity Framework?

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TRADE, DEVELOPMENT & THE ENVIRONMENT HUB UK Research and Innovation GCRF UN environment programme WORLD TRADE ORGANIZATION Convention on Biological Diversity UNITED NATIONS UNCTAD BiTrade initiative International Trade Centre

Global Biodiversity Framework: trade is relevant across all targets

Examples of GBF Targets where trade and trade-related policies and tools are integral to target delivery, inc. those already **commonly considered** and several **less commonly considered examples**.

Please see "[Nature-positive trade for sustainable development](#)" for full assessment.

Reducing (direct) threats

1	Land and sea use change
2	Restoration of degraded ecosystems
3	Protected areas and OECMs
4	Species loss
5	Sustainable use of wild species
6	Invasive alien species
7	Pollution
8	Climate change/ocean acidification

Sustainable use + underpinning drivers

9	Sustainable management and use of wild species
10	Agriculture, aquaculture, fisheries and forestry
11	Nature's contributions to people, ecosystem functions and services
12	Green and blue spaces in densely populated areas
13	Use of genetic resources, including digital sequence information

Tools for implementation + mainstreaming

14	Integration into policies and plans
15	Business and biodiversity
16	Sustainable consumption
17	Biosafety
18	Incentives harmful for biodiversity
19	Financial resources
20	Capacity-building and development
21	Data, information and knowledge
22	Full and effective participation by all
23	Gender equality

Trade-related policy “toolbox”

BORDER MEASURES	Import and export restrictions , e.g. of wildlife products to prevent their illegal trade, of known or suspected invasive alien species, or of known pollutants
	Removing tariff and non-tariff measures , e.g. on environmentally preferable products and services (e.g. sustainable agricultural or deforestation-free products, “nature-positive” circular products, biotrade products, certified ecotourism)
	Trade preferences or market access concessions , e.g. on goods complying with specific biodiversity-related sustainability requirements (e.g. through tariff rate quotas or duty-free quota-free preferential schemes), such as biotrade products and services
	Import licencing , e.g. as a prior condition for importation of wildlife goods, to ensure their sustainability and sanitary / phytosanitary health. Could be linked to due diligence checks on the legality of sourcing (see “regulatory measures” below).

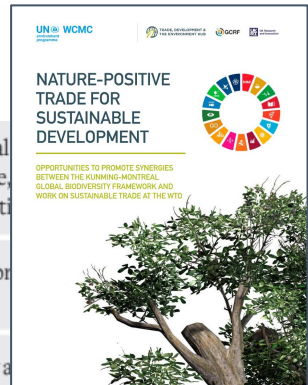
MANDATORY REQUIREMENTS / VOLUNTARY STANDARDS	Environmental requirements for product or production set by producer countries and/or importing countries or businesses (e.g. minimum pesticide residue limits, sustainably requirements for timber products, fair trade and/or organic certification, packaging requirements to limit plastics pollution with negative impacts on biodiversity), with requirements designed bearing in mind difference in national environmental conditions and circumstances
	Disclosure requirements , e.g. requirements for exporters to label shipments containing hazardous waste, or to include disclosure of the origin of genetic resources or associated traditional knowledge in patent applications, and/or for genetically modified organisms (as per Cartagena Protocol)
	Due diligence requirements , e.g. government requirements applied to companies to ensure compliance with environmental regulations or standards across supply chains (e.g. deforestation free supply chains)

AID FOR TRADE	Aid for trade, including trade-related technical assistance and capacity building , e.g. to promote sustainable production methods and technologies as well as economic diversification, meet environmental requirements in export markets, and support countries to assess trade related opportunities that can also help to deliver biodiversity objectives. This can include consideration of trade issues in biodiversity-related environmental financing and support.
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ECONOMIC INCENTIVES	Removal, repurposing or redirecting of subsidies , such as agricultural unsustainable production, coupled with support to technology, finance, instance, which promote the transition to sustainable production practices
	Intellectual property (IP) rights designed to incentivise innovation in products that promote the conservation and sustainable use of biodiversity
	Green government procurement rules targeting biodiversity friendly agricultural products
	Subsidies and payments with no or minimum trade-distorting impact , e.g. those that support biodiversity objectives (e.g. sustainable and biodiversity-friendly management practices, R&D and advisory services supporting sustainable agriculture etc.)
	Trade finance that facilitates trade in biodiversity-friendly products and services (e.g. biotrade and “biodiversity-positive” circular products)

SUPPORTING TOOLS AND PROCESSES: Information and data	Harmonized system codes , i.e. the standardized numerical method of classifying traded products used by customs authorities, can provide a tool for gathering data on biotrade and/or biodiversity-friendly trade that can be used to support trade- and/or biodiversity-related decision-making. In the future, the classification could be updated to enable the monitoring of trade flows of a greater range of biotrade products, and to enable data gathering and decision-making based on the characteristics of goods.
	Trade impact assessments (<i>ex ante</i> and <i>ex post</i>), i.e. WTO members carrying out sustainable impact assessments for trade at multilateral, regional or bilateral level, with a dedicated analysis of possible negative impacts on biodiversity and on opportunities for biotrade and/or wider biodiversity-friendly products. Such assessments could also be integrated into the WTO Trade Policy Review processes. ⁶⁵
	Trade-related databases that provide information on trade flows relevant to biodiversity, such as use of the UNCTAD TraBio database on trade in biodiversity-based products ⁶⁶ and Trase database on agricultural commodity supply chains. ⁶⁷

SUPPORTING TOOLS AND PROCESSES: Stakeholder involvement	Member-led initiatives on environment and sustainable development at the WTO , i.e. TESSD, DPP, and FFSR provide opportunities for stakeholders to present environmental science and data-driven evidence to inform policymaking and decisions.
	Stakeholder engagement in trade impact assessment processes carried out by WTO members to identify impacts and opportunities (as per above), e.g. stakeholder consultation as part of impact assessments to identify opportunities and negative impacts.



EXAMPLE: targets re sustainable use + underpinning drivers

TARGET	TRADE (POLICY) INTERLINKAGE	EXAMPLES OF TRADE-RELATED POLICY OPTIONS, WHICH CAN BE USED TO SUPPORT TARGET
<p>TARGET 10 SUSTAINABLE MANAGEMENT AND USE: sustainable management of areas under agriculture, aquaculture, fisheries and forestry, including through a substantial increase of the application of biodiversity-friendly practices</p> 	<p>Sustainable trade can contribute to reducing pressures on biodiversity, incentivizing sustainable land- and resource use, and facilitating circular economy actions that are also “nature-positive” and can contribute to reducing pressures on biodiversity (e.g. reduce extraction of primary raw materials)</p>	<ul style="list-style-type: none"> Import and export restrictions on harmful pesticides and hazardous chemicals Mandatory or voluntary environmental requirements for products and production practices to ensure compliance with national environmental regulations or standards (e.g. wildlife and habitat protection, acceptable level of nutrients and pollutants, etc.) Mandatory requirements or voluntary standards for due diligence for companies in importing countries to, for example, ensure compliance with local environmental regulations or standards in the supply chain (e.g. regulations or standards linked to organic agriculture, compliance with access and benefit sharing requirements, or deforestation-free supply chains) Mandatory or voluntary circular requirements for products and production, in line with efforts to increase resource efficiency and promote sustainability in the extraction of primary resources to reduce pressures on biodiversity Removal, repurposing, or redirecting of environmentally harmful subsidies, as per Target 18 Trade preferences or market access concessions on goods and services complying with specific biodiversity-related sustainability requirements, such as biotrade products and services, sustainably produced food products, and certified ecotourism Removing tariff and non-tariff measures on environmentally preferable products and services Voluntary standards and environmental labelling that support sustainable use, conservation, and restoration of biodiversity Green government procurement rules targeting biodiversity-friendly products and services (e.g. biotrade) Payments for practices, services, or production methods that support biodiversity objectives (e.g. sustainable and biodiversity-friendly management practices, research and development etc.) Trade-related technical assistance and capacity building, trade finance, environmental funding and private sector investment to support participation in biotrade and sustainable agricultural trade, as per Targets 19 and 20

Thank you!

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