



Will the WTO prevent the growth of ethical trade? Implications of the international policy environment for ethical trade schemes

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Abstract

Whilst its promoters believe that there are numerous benefits to be gained by many producers from ethical trade, some stakeholders in the South see ethical trade schemes as protectionist. Current wisdom is that if a scheme is voluntary and is open to all it does not contravene the rules of the World Trade Organisation. However this has not been tested in the WTO itself and there is considerable debate within its committees and other forums including the committee on Technical Barriers to Trade and the Committee on Trade and Environment. This paper, which is part of ongoing work to understand the external factors that might alter the impact of ethical trade, explores those factors pushing the development of ethical trade and also the potential constraints. Finally the implications for current ethical trading schemes will be considered. Reference will be made to initiatives in the forest sector including forest certification and ethical markets for non-timber forest products, which is particularly topical as forest sector liberalisation is amongst the proposed agenda items for the WTO negotiations in Seattle.

¹ This paper does not necessarily represent the views of NRI.

Introduction

This paper originates from a piece of desk research being undertaken as part of an NRET project on ethical trade and forest dependent people. It results from a concern to understand policy factors that may affect ethical trade initiatives and the focus here is the potential impact of international trade policy, particularly in the context of the World Trade Organisation and the new round of trade negotiations to be launched at the Ministerial Meeting in Seattle (30 November to 3 December 1999).² The interpretation of international trade rules, governed by the WTO and negotiations on liberalisation may in the near future significantly affect the context in which ethical trade schemes operate.

In the forest sector two types of ethical trade are in operation. One is forest certification and the second is the variety of fair trade schemes focusing on products derived from nuts, honey or other non-timber forest products (NTFPs). Certification of NTFPs is also being considered. Ways in which labour standards might be improved in the forest sector are also being debated. The ethical trade schemes that are the focus of this paper are forest certification schemes, in particular the Forest Stewardship Council (FSC) and ISO 14001.

Whilst they share many principles with regards to forest management they have two main differences in terms of how they are implemented and their methodologies. The ISO system relies on quasi-governmental bodies and has strong industry representation, whereas the FSC has greater non-governmental involvement and new bodies have emerged. ISO 14001 is a management system, whereas FSC sets out actual standards for achievement.

The ISO 14001 environmental management system originates from the International Organization for Standardization (ISO). It aims to develop uniform forest management systems and standards that companies or forest managers world wide can adopt voluntarily, and be certified against by certifiers recognised by existing national standards bodies. Forests and products evaluated under this system are awarded an ISO-endorsed label.

FSC has developed globally recognised principles for forest management that are designed to ensure that forests are managed in ways that are environmentally appropriate, socially beneficial and economically viable. Regional, national or other geographic entities, such as Smartwood and Woodmark, are accredited by FSC and use these principles as a basis for developing locally appropriate performance standards against which

² A *Watching Brief on the Policy Environment for Ethical Trade* will shortly appear on the Natural Resources and Ethical Trade Web site: <http://www.nri.org/NRET/nret.htm>. The first edition will focus on issues raised by the new WTO Round to be launched in Seattle with later editions looking at issues raised at the Intergovernmental Forum on Forests.

managed forests and wood products are assessed. Forests and products that meet the standards are awarded a label with the FSC logo. Assessment focuses on mechanisms required for high quality forest management rather than trying to measure the social or environmental impact of management in a particular forest area.

FSC certification and the ISO 14001 system are often presented as alternatives, with industry favouring the latter. However they are more properly regarded as complementary in that ISO14001 provides a framework for better environmental management systems, and the FSC offers the potential for independent third party certification that certain standards have been met.

National and local certification agencies are now emerging and are beginning to implement the standards set by the ISO and FSC within a national context; for example Lembaga Ekolabel Indonesia, LEI and in Imaflora in Brazil.

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The WTO debate

There has been considerable debate in the committees of the WTO over the past few years about the trade impacts of eco-labelling schemes, particularly in the Committee on Technical Barriers to Trade (CTBT) and Committee on Trade and Environment (CTE). Forest certification schemes such as FSC have been a key element of this debate. More recently, environmentalists and forest specialist have been concerned by moves by APEC (Asia Pacific Economic Co-operation)³ to introduce liberalisation measures in the forest sector to the agenda for discussion in the new trade round that will begin at the Seattle meeting. Alarms bells are being raised that this will lead to deforestation.

The liberalisation debate, and its relationship to the environment, has repercussions for ethical trade schemes in the forest sector as forest certification is based on the concept of sustainable forest management. However, the focus of this paper will be on the more technical issues of the GATT-legality of ethical trade schemes based on eco-labels or distinctions in the way in which goods are produced.

Key issues raised within WTO committees have been the trade effects of eco-labelling schemes. This debate has proved to be contentious because,

³ The APEC countries include Australia, Brunei Darussalam, Canada, Chile, China, Hong Kong, Indonesia, Japan, Korea, the Philippines, Russia, Singapore, Thailand, Taiwan, Malaysia, Mexico, New Zealand, Papua New Guinea, Peru, United States, Vietnam, with ASEAN (Association of South East Asian Nations) and PECC (Pacific Economic Co-operation) and SPF (South Pacific Forum) having observer status.

as with many trade and environment issues, it has divided nations largely on a north-south basis. Moreover, as many eco-labelling schemes are run by the private sector and are voluntary, it raises the issue of the scope of international trade rules. To a large extent, these rules operate at the level of nation states and the public sector, not private companies or non-governmental organisations. Two important topics of debate have been whether or not eco-labelling schemes break some of the WTO's rules and particularly whether they create trade impediments. Some WTO members are pushing for clarification on these issues, others want the WTO's scope to be formally extended to cover eco-labels whilst others do not believe this is a matter for the WTO to decide at all.

Other WTO-related issues that might affect ethical trade schemes are competition policy and the relationship between trade rules and labour standards. Certain ethical trade schemes include social as well as environmental criteria. Indeed the FSC has several social principals (Principle #2: Tenure And Use Rights And Responsibilities, Principle #3: Indigenous Peoples' Rights, Principle #4: Community Relations And Worker's Rights) and a motion was passed at the 1999 General Assembly to strengthen labour rights within FSC, through the inclusion of International Labour Organisation core labour rights.

Linking social criteria to trade rules has proved even more contentious in international trade negotiations. States have presented sovereignty arguments against the insertion of social clauses in trade agreements and orthodox economists have argued that social standards, such as cheap labour, form part of a country's comparative advantage. Labour issues, specifically core labour standards were discussed at the WTO Singapore Ministerial Meeting in December 1996 and the consensus from this and subsequent meetings has been to refer labour issues in particular to the ILO as the competent body in this field. There has been a commitment to greater formal communication between the WTO and the ILO

The European Union and some eastern European countries, Canada, Japan, South Korea, New Zealand and Switzerland are keen to include competition policy in the agenda for Seattle. In the EU new competition laws will restrict companies' ability to impose conditions on suppliers and each other. This has implications for forest certification schemes in particular as one of the main mechanisms for promoting the Forest Stewardship Council has been through the creation of buyers' groups in consuming countries, e.g. the UK, Netherlands, Germany and Belgium. However, despite the participation of some well-known companies particularly in the retail sector, only in Belgium does the buyers' group account to a significant proportion of the timber market (FAO 1999: 87).

Eco-labels and forest certification

Eco-labels have evolved as an important policy instrument for governments and a useful marketing tool for companies wishing to promote goods with positive environmental attributes to green consumers. Caldwell describes them as 'a policy instrument selected by an issuing entity that attempts to communicate and promote distinctions in similar products based on the relative impact of a production the environment' (1996). They are usually awarded following an assessment of the environmental effects of a product using life cycle analysis. LCA takes many forms, but the basic idea is to conduct an assessment of environmental impacts associated with the production and consumption.

Forest certification differs from the eco-labels in that it does not always result in the award of a label. It is the site that is assessed, not the product. If goods are to bear a label chain of custody assessment is also required. Second, forest certification is a single-issue assessment concerned with the management of the forest resource. The most comprehensive forms of eco-labelling take into account many issues from production, to processing to consumption and ultimate disposal of the product (Bourke and Leitch, 1998). However, the similarities between eco-labelling and forest certification in terms of potential trade effects and their status in trade law means that the literature on eco-labels covers many of the trade arguments related to forest certification.

Eco-labels and Protectionism

The promoters of ethical trade schemes believe that there are numerous benefits to be gained by producers from ethical trade, but some stakeholders in the South see eco-labelling schemes ethical trade schemes as protectionist. More frequently, allegations of 'green protectionism' are to do with the government actions to ban the import of certain goods deemed environmentally unfriendly, e.g. Mexico's complaint against the US ban on tuna caught in nets that trap dolphins (see Trade database article or Bridges). The Dispute Panel ruled that the import ban on tuna that was not considered 'dolphin-safe' was contrary to WTO regulations but that voluntary labelling was allowed. However, voluntary schemes that label goods according to environmental criteria may also create barriers to trade, or more precisely impediments to trade. (Bourke and Leitch [1998] distinguish between state-implemented non-tariff barriers which have the explicit aim of protecting the domestic market and the impediments to trade that may be a by-product of eco-labelling schemes).

The allegations of protectionism are related to:

a) Lack of southern participation. To some developing countries ethical

trade initiatives are the result of decisions and ideas in the North and thus reflect Northern values and priorities. The initiatives may not take account of issues affecting developing country producers and developing countries have rarely been involved. Hence there is suspicion that the schemes are more to do with protecting markets than protecting the environment. A case in point is the Dutch eco-label for cut flowers which included the environmental costs of transport, thus favouring local producers [has this been rectified?] (Verbruggen, 199?). This imbalance may have been rectified were southern producers included in the discussions over criteria. It has also been noted that some criteria on eco-labelling schemes do not recognise differences in environmental absorptive capacity and the importance of local factors for example: low limits for sulphur dioxide emissions are not an issue for countries with dispersed populations and no history of acid rain.

b) Knowledge and technical resources. Involvement in many schemes requires knowledge and technical resources to which many developing countries producers lack access, for example there are no local standards or recognised certification bodies.

c) Sovereignty. Many nation states argue that they alone have the responsibility for establishing environmental and social standards within their own territory according to their own environmental attributes and preferences.

d) Financial Resources. Certification can be expensive. Many producers cannot afford the cost of auditors to verify that they meet the required standards. There is an argument that additional resources for groups that might otherwise be excluded should accompany schemes.

e) Scientific basis. Some critics argue that the science underlying many eco-labels are questionable in scientific terms or are subjective. Indeed many aspects of eco-labels are based on weightings and the FSC's principles are based on values rather than scientific criteria. This is not to say FSC criteria lack objectivity or rigour, but to emphasise the importance of collecting a wide view of opinions in the establishment of standards.

f) Unilateralism. There may be many different standards operating in different countries. An exporter selling to different markets may be judged against many standards. This can be costly and act as a barrier to some markets.

To a certain extent these allegations of protectionism are based on potential, usually unintended effects of some ethical trade schemes. Indeed, little evidence has come to light to date to suggest that ethical trade schemes are actually protectionist particularly in the forest sector:

‘with the exception of pulp and paper products, eco-

labelling of forest products has not significantly distorted trade patterns' (Ruddell, et al 1999).

However the extent to which eco-labelling and forest certification create impediments to trade may well change as less well-resourced groups try to get involved in ethical trade schemes, as demanded by their markets. We may not yet have encountered the real barriers to participation.

Despite its high profile and the rapid growth in certification, only 0.3% of the world's forest has been certified to date, to say nothing of non-timber forest products (FAO, 1999: 91). Nevertheless, the trade and eco-labelling issue is alive in the WTO.

WTO rules and eco-labels

The legal position of eco-labels and forest certification schemes in terms of trade law is unclear, hence the debate in CTE and CTBT. This is for two reasons. WTO text dealing with environmental measures does not specify eco-labels and so we must rely on interpretations. Secondly, the WTO is an agreement between sovereign states whilst many eco-labels are private, voluntary initiatives. WTO trade disciplines are either not relevant for private sector initiatives or are less specific. Moreover, interpretations of the relevant parts of WTO rules are evolving over time 'in response to an ongoing process of debate' (Cosbey, 1997)

The relevant parts of the WTO for understanding the relationship between trade and the environment in relation to eco-labels and forest certification are Technical Barriers to Trade Agreement (TBT) and Exceptions to the Most Favoured Nation status and National Treatment Rules⁴ permitted under GATT Article XX, clauses (b) and (g).

TBT

The TBT is a set of guidelines that specify the conditions under which Members may place restrictions on imports or exports based on product standards and technical regulations, and states the conditions under which the standards and regulations may be applied. It aims to ensure that members extend the WTO principles of Most Favoured Nation and National Treatment to technical regulations and standards from their preparation to adoption. Thus regulations and standards must not create

⁴ GATT Article I, 'Most Favoured Nation' states that all countries are equally 'most favoured'; any privilege or advantage granted to one member must be granted to all. GATT Article III, 'national treatment' prohibits measures that discriminate between domestic and foreign products that are 'like' products. All imports must have no less favourable treatment than 'like' domestic goods (e.g. through taxes, regulations, product standards). Products are 'like' if they have similar product characteristic and at the border they have no physical differences, regardless of the production or processing method used to produce them.

trade restrictions and the TBT aims to limit the use of technical regulations and product standards to 'legitimate health, safety, product quality and environmental protection purposes' (Ruddell et al, 1999).

There is no explicit reference to eco-labels in the text of the TBT, but in the last few years debates about the trade restrictiveness of eco-labels and their relationship to GATT/WTO trade rules have surfaced in the WTO's committee on TBT and also in the WTO Committee on Trade and the Environment. Debates in these two committees have been going on in parallel, though some documents and Member submissions have been presented to both committees, as there some dispute as to whether eco-labels are under the jurisdiction of the TBT or not.

A useful distinction between regulations and standards in the Tbt is that regulations are at the level of government whereas standards are voluntary and emanate from the private sector. Those who argue that eco-labels come under the TBT consider mandatory/ government eco-labels to be 'regulations' and whereas voluntary schemes are considered 'standards'. Thus FSC would be regarded as a standard if it were covered by the TBT.

'Regulations' must pass the MFN and NT tests regarding trade restrictiveness, and must also not be 'more trade-restrictive than necessary to fulfil a legitimate objective' such as health, safety or the environment. The term 'no more trade restrictive than necessary' can be interpreted as 'least trade restrictive' and therefore members may object to a measure if they could identify other ways of achieving the objective (Cosbey, 1997). The TBT also calls for regulations to be based on internationally agreed standards except where standards available are ineffective or inappropriate for the achievement of the objectives. Hence the TBT is supportive of internationally negotiated and agreed standards, and hence the TBT recognises the legitimacy of the ISO Standards. ISO standards such as ISO 14000 are seen as consistent with WTO national treatment principle because they are voluntary and they exclude performance standards.

The rules are not quite so strict for 'standards'. The code of good practice does not require the standard to be 'no more trade restrictive than necessary', but does require it to be non-discriminatory and not designed to be an unnecessary obstacle to trade. If voluntary eco-labels are regarded as standards in the TBT sense, governments must ensure that any standardising body/ or a government body administering the scheme abides by the TBT 'code of good practice' and the government must urge private or NGO bodies to comply with the Code (Caldwell, 1996). Thus an objection may be made in the WTO against forest certification if it were considered trade restrictive and other methods of promoting sustainable forest were put forward.

Permitted exceptions to trade rules

Another problem with problem with eco-labels under WTO rules is that they distinguish between products on the basis of how they are produced as well as their consumption effects, i.e. their use of LCA. This is where the permitted exceptions to MFN and NT under GATT Article XX(g) which specifies conditions under which trade measures to protect human, animal or plant life or health comes in.

The WTO does not allow Members to distinguish between goods on the basis of how they are produced. The interpretation of 'like' goods in the National Treatment principle is based on the physical characteristics of the goods. Discrimination is not allowed on the basis of production and processing methods (PPMs) where the PPM does not have an impact on the performance of the product in consumption. Recent analyses have attempted to distinguish between product-related and non-product-related PPMs (for example Caldwell, 1996).

- *Product-related PPMs*

Distinctions based on how a product is produced are allowed if different methods have different impacts on consumption in terms of health or food safety. That is if thus environmental damage is associated with consumption of the product (e.g. requirement for milk to be pasteurised in a certain way for human consumption).

- *Non-product related PPMs*

Distinctions based on how a product is produced where the process makes no difference to the consumption of the product. In this case environmental damage is associated with the production process of the product (e.g. emissions produced in the manufacture of steel).

It is argued that product-related PPMs are consistent with WTO trade rules whereas there may be problems with non-product related PPMs. Many environmentalists argue that the WTO should permit the differentiation between products on the non-product related PPMs. However, this position is opposed by most developing countries on the grounds that this would open the door for 'green protectionism' and would severely damage their trade. Traditional trade economics supports this view on the basis of the argument that PPMs should be decided on the basis of an economy's comparative advantage, including environmental endowments, and environmental preferences. To force a country to adopt PPM standards developed elsewhere and not on the basis of international agreement would lead to an inefficient, and potentially environmentally damaging, allocation of resources.

The arguments around product-related and non-product-related PPMs should not affect forest certification schemes so long as they remain

voluntary and are considered standards rather than regulations and therefore are not subject to the NT test which forbids discrimination on the basis of non-product related PPMs.

Some WTO members that support such ethical trade schemes are pushing for clarification on the PPMs debate and the relationship between trade and environment more generally and so there is likely to be debate on this issue in the Seattle Round. Whilst it is not definite that revision of the TBT is on the agenda for Seattle, some issues relevant to the TBT may come in via the back door of the eco-labelling debate.

The main areas of dispute are:

1. Whether forest certification should be regarded as a 'standard' in TBT terms and therefore be subject to WTO disciplines..
2. Whether the scope of the TBT Agreement actually includes non-product related PPMs

A number of observers have noted that there is no legal reason why WTO block on processing discrimination cannot be rescinded. For example, Page notes that if the WTO has been able to expand the coverage from goods to services and intellectual property, the definition of goods according to process as opposed to physical description should not be disallowed in legal terms (1998: 36).

However, the issue is extremely contentious and it will be necessary to convince the many members who are opposed to movement on PPMs that trade impediments will not increase as a result. India for example made a complaint against the Appellate Body's ruling on the shrimp-turtle dispute regarding PPMs on the ground that it would 'open the floodgates to unilateral measures aimed at discrimination based on processes and production methods' (Ruddell et al, 1999). Other members opposed to the inclusion of non-product related PPMs include Korea, Philippines/ ASEAN and Egypt (CTE minutes, 26-6-96). In contrast the EU and Norway and Switzerland are keen for clarification on the issues of eco-labelling and PPMs (Bridges, June 1999 3 (5), p. 6).

Implications of WTO rule changes

It is still unclear whether forest certification and indeed eco-labels will be directly affected by changes in the world trade rules. However recent debates and interpretations of trade law can give some clues to the likely effects if:

- a) the TBT is clarified to specify forest certification as a 'standard';
- b) special rules are adopted for the design and implementation of certification schemes;
- c) there is no change.

These scenarios are explored below.

(a) Forest certification is specified as a 'standard'

If the scope of the Agreement on TBT is extended to forest certification such that forest certification were treated as a standard, it would have to pass the MFN test. There would have to be measures to ensure that private voluntary forest certification schemes were not discriminatory and did not restrict trade. However, as a standard forest certification would not have to pass the NT test which has the added criteria of 'no more trade restrictive than necessary' and prohibits distinctions based on non-product-related PPMs. If governments decided to use forest certification as a tool such that it became mandatory, in trade law it would be a regulation and would have to meet the NT criteria. So, if TBT were extended to cover forest certification proposed bills to require government contractors to use certified wood when working on publicly funded projects would almost certainly be outlawed.

Looking more closely at the MFN and TBT requirements, voluntary, private certification schemes would have to:

- be non-discriminatory
 - be designed to meet environmental objectives
 - encourage harmonisation, or recognition of equivalence
 - use international standards where they exist
 - be verifiable
 - be transparent
 - have special treatment for developing countries
- (adapted from Bass 1997a).

The WTO system recognises the ISO as a competent body for developing international standards and its process approach, compared to the performance standards of FSC, mean that it does not break WTO rules regarding PPMs. Therefore there would be greater pressure on FSC schemes to conform.

The democratic international structure of FSC means that there would be few problems regarding intentional discrimination or trade restrictiveness. Similarly the requirements for transparency and verification should not be a problems. However FSC standards may be interpreted as being higher than necessary to meet domestic environmental standards. TBT calls for the use of international standards where they exist and are locally feasible, which favours the ISO approach, but more significantly it may mean pressures for FSC criteria and indicators to be made less rigorous. The free trade discipline of the WTO leads to pressures for harmonised standards with regard to the environment. The WTO tends to prefer environmental issues to be dealt with in a simple way that easily translates to the trade policy context, i.e. quick, simple, common denominator solutions to environmental questions

but such solutions do not always exist.

Another problem with regard to TBT is FSC's social standards which may not be permitted as the TBT deals with standards and regulations for health, safety, product quality and environmental protection purposes. The linking of labour and social standards to trade is not permitted under the WTO on the basis of the argument that countries should be able to benefit from their comparative advantage in cheap labour etc.

(b) Adoption of special rules for eco-labels and forest certification

Informal proposals have been made in the Committee on Trade and Environment for the development of a set of guidelines for voluntary eco-labelling schemes. Most recently this has been proposed by Norway under the heading 'Rules of the Road' [CTE 31-3-99]. [xxx More detail to go in here when the WTO search engine is working!]

This proposal is by no means generally accepted, but it is possible that should eco-labels be debated it will emerge as a compromise solution to the uncertainty that exists. However the extension of such a set of rules by the WTO to voluntary initiatives sector is problematic. First it would involve nation states imposing a legally-binding code on non-governmental bodies and this to many observers would undermine the legitimacy of the schemes and be an unpopular and controversial move on the part of governments. Second, as with the first scenario, the inclusion of forest certification schemes under the auspices of WTO regulations could threaten the survival of schemes. NGOs and other private bodies implementing eco-labels would expose themselves potentially to legal challenge if WTO Members countries considered that the code were breached and trade barriers created.

The drafting of the guidelines would have to be incredibly careful in order to avoid stretching or compressing of their meaning as so often happens in a legalistic conflict setting. As with other forms of law, the true meaning of trade law only becomes apparent when interpreted in the context of specific cases.

(c) No changes

One of the more likely scenarios is that nothing happens in terms of clarifying the legal position of forest certification schemes, or at least for a few years. The current conflict over eco-labels fits into the third element of Sampson's framework for moving forward in the trade and environment debate (1999).. The fact that most environmental labelling is process-related and the opposition of many developing countries to permitting PPMs-related criteria means that it is likely that in-depth discussion during a formal Round may be required to institute change and generate

clarification. Change is only feasible in the context of a formal changes in rules, usually only possible in comprehensive trade Rounds rather than on the basis of consultation or collective approval

In the business as usual scenario it would prove difficult to get international agreement and as such the present stalemate would continue and trade law with respect to the environment would continue to be decided on a case by case basis. This is not satisfactory approach because of its reliance on the identification of violations, complaints being made and then the heavy cost of dispute settlement. This conflictual process may potentially weaken the dispute-settlement process and the trade regime itself. These points are elaborated by IISD, which is calling for a WTO Agreement on the Environment as a long-term goal (1999).

[a little more here XXX]

Analysis from a trade policy perspective offers no immediate answers to the implications of the international trade policy environment for ethical trade schemes in the forest sector. Even if action is taken to eliminate the uncertainty at Seattle, it is likely that things will remain as they are for some time, with continued suspicions on the part of many Southern countries with regard to the apparent protectionist motives of certification schemes.

Equity approach⁵

However, one can look at this from another perspective, the equity perspective. There may be a case for a non-binding code of conduct or procedural guidelines for non-governmental initiatives. Such guidelines would use equity concerns as a starting point and would ensure that any eco-labelling initiative:

- Takes into account the needs of the smallest producers;
- Ensure that there is Southern participation in the development of principles;
- Contributes towards the establishment of local certifiers and other measures to ensure that resource-poor producers are able to participate in schemes.

These guidelines would be voluntary and non-binding. In the best scenario, private sector voluntary schemes would be instrumental in drawing up such a code. The application of voluntary guidelines might reduce the chance conflict with WTO rules arising from the complaints and disputes procedure, as they would demonstrate that the potential for trade impediments had been kept to a minimum.

⁵ Thanks to Halina Ward of RIIA for sharing her ideas with me here.

Conclusions

At this point in time, answering the question posed in the title of this paper, whether the WTO will prevent the growth of ethical trade, is not an easy task. Whether the eco-label question is addressed during the Seattle Round depends on the jockeying for position in setting the agenda for these negotiations. If change is on the cards, it will not be implemented for some time to come. In the meantime, however, there are clear arguments for ensuring that eco-labelling schemes, and forest certification schemes are restrict trade as little as possible both from a trade policy and equity perspective.

[xxx ideas to incorporate

- mutual recognition of international national standards (Mutual recognition may be the best approach where environmental problems are local)
- Developing Institutional Capacity: ensuring that local standards where they exist and certification bodies which are recognised and respected by corporations in the North.

I have to read this through to make the conclusions relate properly to the beginning]

References [to be completed xxx]

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