

01 June 2023

Dr Ngozi Okonjo-Iweala Director-General World Trade Organization Rue de Lausanne 154, CH-1211 Geneva 21 Switzerland

## Dear Dr Okonjo-Iweala:

On behalf of the International Council of Chemical Associations (ICCA), I applaud your leadership in driving forward the agenda of the World Trade Organization (WTO) on a host of critical multilateral issues, but especially on your efforts to ensure that trade facilitates environmentally sustainable development. We would like to partner with you in your efforts and accordingly, I have the honour to convey to you our latest ICCA work on Trade & Sustainable Development.

As the ICCA, we represent a geographically diverse group of associations and companies, from the Americas, Europe, Africa, and Asia including large and small companies from developed as well as developing economies. Our diverse membership enables ICCA to work well with the WTO on a range of priorities from ensuring supply chain resiliency is reflected in the WTO's agenda and operations, restoring commitments to open markets by removing trade barriers, and especially advancing the WTO's role in the development of multilateral rules to restore local economic growth. We are proud of our industry's role in enabling innovation across the manufacturing value chain, especially innovation that helps to address the environmental challenges faced by our planet and our societies.

This paper represents further progress from our <u>2021 ICCA paper on WTO Modernization</u> and suggests specific areas of opportunity to position trade as an enabler of both economically and environmentally sustainable development.

Building on the existing discussion structure of the WTO, particularly the Trade and Environment Sustainability Structured Discussions (TESS-D), ICCA has focused on developing pragmatic and practical recommendations in several areas. These recommendations focus on the unique role that the WTO can play, particularly in complimenting other multilateral efforts such as UN negotiations on a Global Plastics Treaty including:

• Promoting coherent and common definitions based on existing technology and sustainability standards and definitions – for example, harmonization of definitions of "waste" that could lead to facilitating trade in materials that can be repurposed and recycled as feedstock for further economic value creation;



- Sharing best practices and principles to help harmonize pollution-prevention measures and help ensure that any national efforts are consistent with the WTO Agreements and other trade facilitation discussions;
- Strengthening regulatory cooperation as aligned with our 2021 paper, to ensure interoperability of key policy programs such as Extended Producer Responsibility (EPR) schemes that promote investment in recycling; and
- Technical assistance and capacity building including through efficient implementation of Trade Facilitation Agreement (TFA) that will ensure streamlined, efficient customs procedures for countries to access to materials necessary to drive circular economy innovation.

Our paper also focuses on areas to rethink existing models and advance creative options to better deploy existing technology for near-term positive environmental impact. For example, the Environmental Goods Agreement model could be repurposed as a targeted short list of existing critical technologies to advance economic and environmental sustainability, such as recycling. By better analysing the range of barriers preventing deployment of these existing technologies, the WTO can lead in ensuring that environmental solutions can be actually deployed, especially where they will add environmental as well as economic value by adapting technology, generating new jobs, and providing long-term sustainable solutions.

We value the atmosphere of collaboration that you have encouraged across a range of WTO committees and issues. We hope that these ideas will be an opportunity to deepen our engagement and to work with the various workstreams at the WTO to make significant and short-term progress. The ICCA Trade Policy Network Group led by Lisa Schroeter of Dow, will be in touch with your team to arrange a meeting and discuss opportunities for further engagement, including at the upcoming WTO Public Forum. We look forward to exchanging views on these ideas and exploring how ICCA can support your leadership and the WTO's modernization agenda.

We value our partnership on our shared goals of a substantial and sustainable future for all of our communities.

Yours Sincerely,

Chris Jahn

Council Secretary

International Council of Chemical Associations

Enc: ICCA Recommendations on World Trade Organization (WTO) Agenda to Support Sustainable Development