



## Observer Status

**The WTO has a clear area of competence. Other international bodies, with competence and expertise on environmental issues, can provide accurate and objective input into the process of discussions and negotiations on trade and environment, but are currently excluded from participating in WTO Committees. Observer status should be extended to the UN Environment Programme and the Secretariats of Multilateral Environmental Agreements.**

In pursuing the development of international trade policy within its specific area of competence, it is critical that the WTO recognises that this represents just one important set of multilateral instruments which should be used to promote sustainable development. This implies the need to establish an effective means for information exchange between the WTO and other multilateral institutions – the UN Environment Programme (UNEP) and the Secretariats of Multilateral Environmental Agreements (MEAs). Indeed, information exchange has been taking place for a long time, with WTO Secretariat participation in the negotiation of MEAs. It is important that reciprocal scope is provided for MEA Secretariats to participate in relevant WTO discussions.

At the last WTO meeting, Members agreed to negotiations on “procedures for regular information exchange between MEA Secretariats and the relevant WTO committees, and the criteria for the granting of observer status”. Progress on this has been slow, in part because this procedural negotiation is held hostage to a geopolitical conflict regarding the Arab League of Nations application to qualify as observer in the WTO. As an interim solution, UNEP and six MEAs have been granted an *ad hoc special invitee status* in two Committee on Trade and Environment (CTE) special sessions on the WTO-MEA relationship. This represents a positive initial step towards the fulfilment of the mandate. However, this *ad hoc*, informal and limited basis of participation clearly cannot be considered satisfactory if the WTO is to fully benefit from the expertise and experience of the MEAs.

The final outcome to this procedural negotiation should include:

- Provision of observer status for UNEP and all MEAs Secretariats, in both the regular and special sessions of the CTE, and its extension to other WTO Committees where an MEA Secretariat makes such a request.
- Provisions should be made for the full engagement of MEA Secretariats in the discussion process, and should not merely provide for reactive input.
- The formalisation of the procedure for information exchange, including provisions enabling governing bodies of MEAs and the WTO to exchange views during negotiations.
- Commitment to provide more resources for the development of mutually supportive multilateral trade and environment policies.

### What should happen at Cancún?

WTO members should instruct the CTE and other Committees where an MEA Secretariat makes such a request, to extend formal observer status to UNEP and to those MEAs who request such involvement. This decision should be made without imposing any specific constraints on the part of those MEAs or UNEP in the course of their engagement.