



**RESPONSE MEASURES
IMPACT ON SOCIAL AND
ECONOMIC DEVELOPMENT
THROUGH INTERNATIONAL TRADE**

**UNFCCC June Meetings, Bonn
13 June 2011**

International Centre for Trade and Sustainable Development



GLOBAL PLATFORM ON CLIMATE CHANGE, TRADE & SUSTAINABLE ENERGY

www.ictsd.org

Trade in UNFCCC (or climate change in trade fora)



Why trade matters

Trade is an engine for growth, and with the right flanking measures it serves to support social and economic development.

Distortions or restrictions to trade can hamper its contributions to sustainable development.

Using trade policy to achieve climate-related goals

Mitigation requires major changes in production and consumption, as well as in global movement of goods and services.

Trade measures are, *in principal*, intended to reduce GHG emissions... however they may, *in practice*, constitute a disguised restriction to trade.

Unilateral and other measures to mitigate CC could adversely impact trade and economic development.

Response measures that may impact social and economic development:

- Border carbon adjustment measures
- Free allowances in ETS
- Standards and labeling
- Subsidies for Energy, Agriculture, etc
- Taxes on maritime/aviation transport

Cause and Effect - Enhancing positive outcomes / Preventing adverse impacts

Research & Information: widely sourced, carefully analysed

Discussion & Dialogue: Permanent & regular;
Parties; stakeholders; Solutions-based

Cooperation - Tailored Financial / Technological support

Careful design

Thank you.