Annex D: Draft decision on ecolabelling (WT/CTE/W/38, G/TBT/W/30 24 July 1996)

The following draft decision is for discussion purposes to indicate the elements of any decision on ecolabelling that Canada believes important to include. This draft decision could either be a stand-alone decision or integrated into an omnibus Ministerial decision or resolution.

Ministers,

Recalling their Decision on Trade and Environment taken at Marrakesh on 15 April 1994 that recognized the need for rules to enhance positive interaction between trade and environmental measures for the promotion of sustainable development;

Recognizing that voluntary ecolabelling programs can be effective market-based policy instruments to encourage environmentally preferable products and services;

Acknowledging that ecolabelling programs are predominantly based upon life-cycle approaches;

Emphasizing that there should not be, nor need be, any policy contradiction between upholding and safeguarding an open, non-discriminatory and equitable multilateral trading system on the one hand, and acting for the protection of the environment, including by implementing and maintaining effective ecolabelling programs, on the other;

Desiring that ecolabelling programs be designed in such a manner as to ensure nondiscrimination, and not create unnecessary obstacles to nor disguised restrictions on international trade;

Mindful of the need for all types of ecolabelling programs to have a transparent development process and to be based upon criteria that are verifiable, justifiable and scientifically-based;

Decide as follows:

- 1. Mandatory ecolabelling measures, voluntary ecolabelling measures, and ecolabelling compliance procedures are within the scope of the WTO Agreement on Technical Barriers to Trade (the "TBT Agreement") and its Code of Good Practice for the Preparation, Adoption and Application of Standards (the "Code of Good Practice").
- 2. The coverage applies to all ecolabelling programs, whether voluntary or mandatory, whether these be governmental (central or sub-central) or non-governmental.