

ignore their GEO obligations to the detriment of the collective environmental interest.

Third, funding and technical assistance could be conditional on compliance. A revised GEF or a new funding mechanism linked to the GEO could act as a financial incentive for some countries to comply with certain agreements.

A GEO would, nonetheless, also require a formal government-to-government dispute settlement mechanism. Having one dispute settlement mechanism that would apply to all environmental agreements under GEO auspices would be desirable. A single mechanism is particularly appealing from an equity standpoint. It would restrain politically powerful actors, who may wish to tailor dispute settlement to their specific needs in various environmental agreements. Hypothetically, powerful actors could push for strong dispute settlement for areas they consider environmental priorities, and weak mechanisms in other areas. The WTO dispute settlement system could form a model for a GEO mechanism.⁹ The panel system provides independent assessment and recommendations, as well as administrative and procedural guidelines. A panel system of experts, with technical skills to understand fully the scientific aspects of environmental issues, would prevent the gridlock that could occur if all signatories to an agreement were to partake in all aspects of the dispute settlement process.

Friction between national and international environmental regimes and international trade rules should not be overstated. Contrary to public perception, environment-related trade disputes have not in practice been a problem. There has never been a challenge in the GATT or WTO relating to an International Environmental Agreement. With a GEO, a joint committee with the WTO could be formed to review environmental policies to determine if such policies have a protectionist element. WTO-GEO collaboration on environment-related trade disputes would be essential. One possibility would be to make an exception for GEO agreements from WTO rules. This would allow for the use of otherwise WTO inconsistent trade measures when obligations of an environmental agreement under GEO auspices were not fulfilled. The GEO with its technical competency on environmental issues would decide if the environmental obligations of the agreement were not being met. The key feature of any GEO dispute settlement mechanism is that environmental concerns would be addressed in an environmental organization. The multilateral trading system would

⁹WTO procedures are set out in the Understanding on Rules and Procedures Governing the Settlement of Disputes.