



Policies on Trade, Finance and Technology to promote SCP and build a Green Economy

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Integrating Policies

Long-standing work on policies to support SCP – GE

- Domestic and international
- Developing country focus
- Trade, finance, technology & innovation, economic instruments, regulations

- Generally examined in isolated setting
- Focus on integration and package that enables investment (MP – GE)



Trade Policies

- Trade is a powerful tool for economic growth and diffusion of technology
- Liberalization on fair terms for developing countries, including trade facilitation and trade financing
- Agreement on reducing environmentally harmful subsidies
 - Fisheries (\$15-35 billion)
- Removal of trade barriers to green goods and services (not setting up new ones)
 - Border measures



Trade Policies

- Trade policies now includes/overlaps with trade-related policies, particularly IPRs, standards
- Standards can be intentional barriers to trade or also unintentionally become barriers to trade especially for developing country producers
 - WTO treatment of production and process methods – but not for protectionist means
- IPRs (TRIPS): either flexibility and exceptions, or support for access on favourable terms
- Investment agreements (bilateral and multilateral): tool for green investment



Technology & Innovation Policies

- Access to new technologies for SCP
 - IPRs (Tools to understand barriers – OECD-EPO-UNEP)
 - Financing
 - Capacity building and soft technology transfer
- Development of appropriate technologies for developing countries
 - Collaborative arrangements (eg. South-South)
 - R&D support



Finance Policies

- Sustainable finance: Public and Private (UNEP Finance Initiative)
- Emphasis on improving the functioning of the sector to scale up sustainable finance and responsible investment (eg. PRI)
 - Financial inclusion of 2 billion at bottom of pyramid
- Analysis of systemic risk – externalities in finance and externalities in regular markets
- New sources of green finance (e.g. green bonds) -> what is necessary to increase amount of financing available to developing countries



Challenges

- In areas of trade, technology and finance - there is a need for coordinated frameworks among developing countries
- Policy guidance tailored to specific & regions
 - GE Advisory Services
 - Further studies & collaboration
 - Capacity building (Example of Trade & Biodiversity Initiative)