

# GREEN TRADE AND A JUST TRANSITION

**CUTS 40<sup>th</sup> Anniversary Event**

**Thursday, 31 October, 2024**

**London**

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# Setting the Stage

- Trade and environment is at a **crossroads**
- Trade – dual-track relationship with environment:
  - It can **cause** environmental degradation
  - If done right, it can **support** transition to a greener, cleaner global economy
- Focus needs to be on minimising the first aspect and maximising the second

What is needed?

- Coherence between trade and environment, both in **policy** and in **practice**

Policy aspects are well-known, e.g.:

- Encourage **mutually supportive provisions** in trade agreements and international frameworks - which **recognise and leverage trade-environment interlinkages**
- More **trade and investment in environmental goods and services**, particularly clean technologies

Practice aspects are lesser discussed:

- Ensuring balanced approaches between the **economic, social and environmental dimensions** of sustainable development
  - *Currently skewed towards the environmental dimension*
- Ensuring adequate balance between interventions with a thrust on **sustainable production** and those nudging towards more **sustainable consumption**
  - *Currently skewed towards the production side*

- **Unilateral production-side measures proliferating and drawing maximum attention\*** –

EU/UK/Australia and their CBAM-type existing/planned measures, EU Deforestation Regulation, Corporate Sustainability Due Diligence Directive etc.

*(\*although Trade and Sustainable Development Chapters in EU/UK FTAs include some provisions on reducing wasteful/unsustainable consumption)*

- **Mandates of foundational international sustainable development instruments being neglected** –

Agenda 21, UN Guidelines for Consumer Protection, SDG 12 etc.

## Inclusive Approach

- A **balanced and inclusive** approach is required in terms of how issues are framed and articulated
  - *With appropriate policy support, CBAM etc. can also be seen as an opportunity to enhance domestic production competitiveness in the major emerging economies in the developing world, rather than only as a threat*
  - *For its part, the developed world can discourage wasteful consumption and promote more sustainable consumption domestically. A concern for planetary well-being must begin at home*

# India's Lifestyle for the Environment (LiFE) Campaign

- Promotes **sustainable living** by encouraging mindful resource use
- Influences **sustainable production** by encouraging industries to produce goods that are energy-efficient, durable, and less resource-intensive



**LiFE**  
Lifestyle for  
Environment

An India-led global mass movement to nudge individual and community action to protect and preserve the environment

## Way Forward

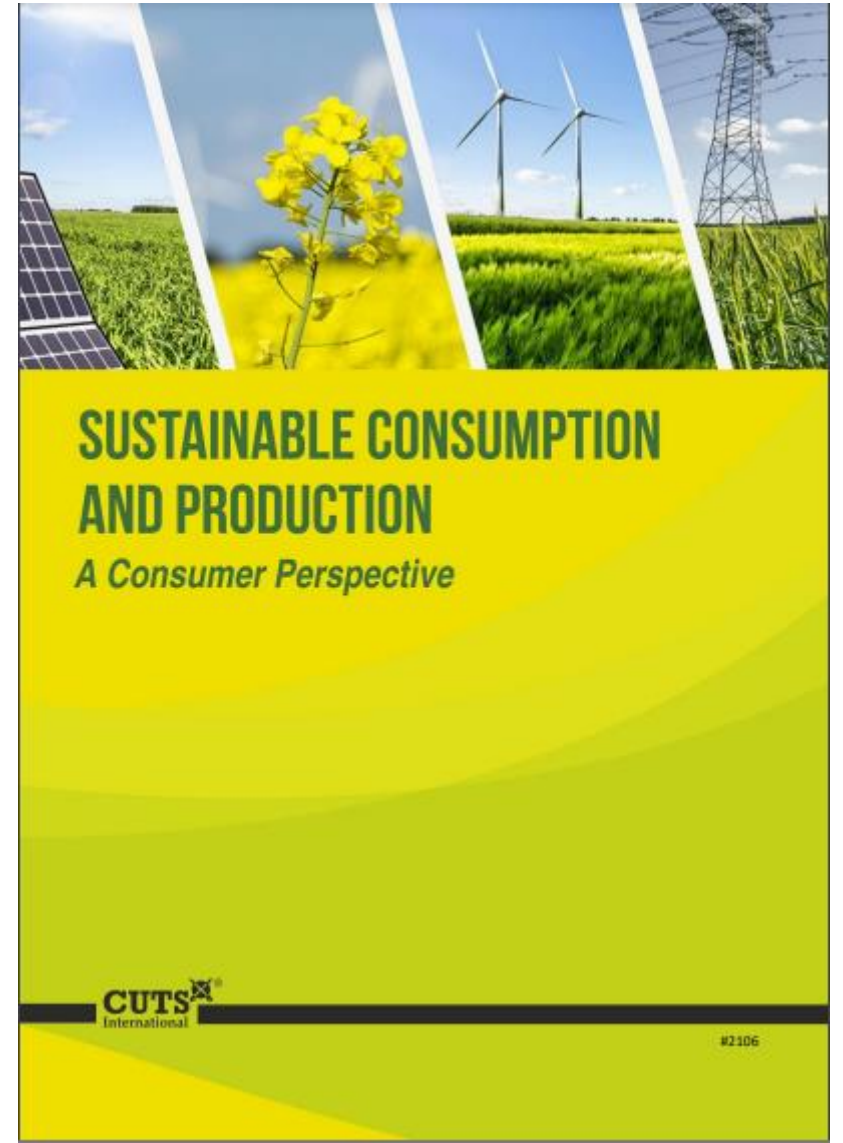
- A **fundamental rethink of production processes** and a **cultural shift towards consuming less and consuming more sustainable** must go hand in hand
- The more that issues are framed in adversarial terms, the harder they will be to solve. **We need to gradually evolve from pitting “developing v. developed countries” to “planet v. catastrophe”**



- From a policy lens, **'greening' requires a whole-of-economy approach**. In the popular imagination, trade is still seen as part of the environment problem. **Trade needs to not only be part of the solution, but must also be "seen" to be so**
- For the green transition to be successful, **government, international organisations, businesses, and civil society must work together in a whole-of-society approach**. A sustainable future can be built only on the back of collective efforts, knowledge sharing, and enduring partnerships

# CUTS – Walking the Talk since 1983

- Promoting sustainable consumption and production
- Studies on trade impacts of CBAM, CSDDD planned
- Documenting sustainable practices in India
- Expansion of organic farming
- Energy-efficiency of consumer products
- Sustainable food consumption, reducing wastage
- Energy trade and cooperation in South Asia
- Enabling a just transition in India's power sector
- Expanding electric mobility and EV adoption
- Decarbonisation of the freight sector in India





**THANK YOU**

**psm@cuts.org**