Sustainable development and international trade under WTO regime

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Abstract: The World Trade Organization (WTO) is an organisation that intends to supervise and liberalise international trade. However, not many people realise that trade is a powerful ally of sustainable development. The WTO’s founding agreement recognises sustainable development as a central principle. The purpose of trade liberalisation and the WTO’s key principles of non-discrimination is a more efficient allocation of resources. WTO recognises that relation in the field of trade and economic endeavour should be conducted with a view to raising standards of living and human welfare. Article XX GATT has introduced general exceptions for GATT regulations that might support the ideas of sustainable development in international trade under WTO regime. However, the implementation of sustainable development was not clearly defined and mostly considered as a barrier of international trade. This paper tries to find out, how far the implementation of sustainable development can be exercised at international trade under WTO regime.

Keywords: World Trade Organization; WTO; sustainable development; environment; trade; General Agreement of Tariffs and Trade; GATT; mining; natural resources.

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1 Introduction

Since its birth on October 30, 1947, the General Agreement of Tariffs and Trade (GATT), later superseded by the World Trade Organization (WTO), has been the focal point for multilateral negotiations aimed at liberalising international trade and conferring the ensuing economic benefits on the GATT signatories. Countries that join the WTO
gain security and predictability in their trade relations, and gain the assurance of equal access to the dispute settlement system. A growing number of developing countries look to trade and investment as a central part of their strategies for development, and trade considerations are increasingly important in shaping economic policy in all countries, developed as well as developing.

The environment, as a part of sustainable development principles began to be systematically addressed in the WTO at the Uruguay Round, which was followed by the establishment of The Committee of Trade and Environment. In the Doha Ministerial Declaration in 2001, the environmental agency was one of the agendas of the conference. A WTO Secretariat Report on Trade and Environment (WTO, 1999) recognised the theoretical and empirical literature that trade is rarely the root cause of environmental degradation (except under the scale effect) and that most environmental problems result from polluting production processes, certain kinds of consumption, and the disposal of waste products.

However, there are still critics of the WTO policy because the lack of inadequate purposes for protecting the environment (sustainable development as well). The WTO gives great latitude to members to restrict trade to protect the environment. This is rarely conceded. There are several provisions in the WTO agreements dealing with environment. There is a reference to sustainable development as one of the general objectives to be served by the WTO in the Marrakech Agreement, which established the WTO. There are provisions in the Agreement on Agriculture and the General Agreement on Trade in Services (GATS). Moreover, by far and away the most important provisions as far as environmental issues are concerned are Article XX of the GATT and the Agreements on Sanitary and Phytosanitary Measures and the Agreement on Technical Barriers to Trade.

Tensions between international trade and the environment occur in the context where economic globalisation prevails. The process of globalisation intensifies the conflicts between market access and the environment by bringing them into a wider and deeper conflict. This, on one hand, may intensify the conflicts between market access and the environment and, on the other, may provide the solution to this problem, since it is in this context that policies for sustainable development are designed and implemented.

However, the concept of sustainable development itself, might not clear enough and was interpreted differently from one and another. Most of WTO members might agree on the collaboration of sustainable development principles with international trade but none of these members might have the same conceptual policy on how it should be implemented in international trade. This condition can be shown by some case regarding environment/sustainable development at WTO panel.

The recent case between US, The EU and Mexico against China relating to several export restrictions imposed by China on raw material was one example of how trade and environment (and/or sustainable development) still a big debate on WTO trade policy. Some country has tried to develop trade restriction under Article XX of the GATT, however when dispute arise, their argumentation was denied by WTO panel because the ‘unclear’ regulation relating to sustainable development principle. This condition raise question such as ‘it is impossible to collaborate trade and sustainable development?’
2 Relationship between trade and sustainable development

The trade and sustainable development interface has typically been analysed in many literatures. Some scholars prefer to discuss the relationship between trade and environmental. The consideration to choose sustainable development instead of environmental, the first because the original GATT 1947 did not consider environmental concern but the WTO preamble explicitly refers to the intersection of economic and environmental concerns by emphasising that trade and economic endeavours must allow for “optimal use of the world’s resources in accordance with the objective of sustainable development, seeking both to protect and preserve the environment” and the second because sustainable development covers more aspect which include environmental as one of its three pillars (economic – ecology/environment – social/people).

GATT was adopted as an ad hoc agreement in 1947 in an attempt to liberalise tariffs and trade in the post-war period. It was a temporary solution to trade related issues, which lasted until the Havana Charter and the International Trade Organisation came into being. GATT was originally intended to be a component of a larger agreement establishing an International Trade Organisation. Driven by the philosophy of a market economy, its main objective was economic growth, to be achieved by providing trade rules and a framework for trade liberalisation. GATT also provides for environmental exceptions in Article XX.

The WTO has formally established the Committee on Trade and Environment to identify the relationship between trade and environmental measures and to make recommendations for modifications of the rules of the multilateral trading system. WTO is an improvement over GATT in that the WTO acknowledges that trade liberalisation has implications for the environment and recognises the need to preserve the environment, something the old GATT did not. Therefore, since its early development in 1947 until recently, WTO has already acknowledged the principles of sustainable development as a foundation to develop international trade policy under WTO regime.

2.1 Sustainable development

In order to have further understanding regarding the sustainable development itself, the definition of sustainable development might be useful as a start. There are some definition regarding sustainable development, one of the most quote concept is that given by the World Commission on Environment and Development (the Brundtland Commission) which is:

“Development that meets the needs of the present generation without compromising the ability of the future generations to meet their own needs.”

The 1985 report of the World Commission on Environment and Development (WCED) (popularly known as the ‘Brundtland Commission’) popularised the phrase ‘sustainable development’, embodying both states’ right to economic development and their obligation to pay particular attention to any degradation of the environment resulting from development activities.

Definitions of sustainable development are not in themselves very interesting, although there is an interesting debate on how ‘development’ might be measured in terms other than per capita gross national product (GNP). Hence, although the debate regarding what is to be sustained has some merit, arguedly what matters is what has to be done to
secure it. Pearce suggests that the conditions for sustainable development are likely to be invariant with the definition since the conditions will be couched in terms of opportunities, capacities and capabilities: i.e., sustainable development becomes an enabling concept rather than solely a particular path of change.9

It is noteworthy that in different subjects sustainable development is defined differently:10

1. In economics it is development ensuring that the per capita income of future generations is not lower than that of the present generation
2. In sociology it is development that preserves the community, i.e., maintains close social relationships in communities
3. In ecology it is development that preserves the diversity of biological species, essential ecosystems, and ecological processes.

Difficulties related to the definition of sustainability show that sustainable development is a complex and multidimensional issue, which has to combine efficiency, equity, and intergenerational equity on economic, social, and environmental ground. Debates on sustainable development present in the literature can be classified into several thematic areas: a. conceptual, b. contextual, c. academic, and d. geopolitical.11

Some scholars consider the idea of sustainable development misguided. Three prominent examples of what may be viewed as grand sustainable development theory are discussed below:

1. Global codification of general principles of international environmental law into a proposed international environmental law covenant
2. Suggestions to centralise international institutions governing the environment and sustainable development
3. A call for strict adjudicatory interpretation of norms governing international trade and environmental conflicts.

While these ideas for fostering grand sustainable development theory are interesting, stimulating, and thought provoking, those scholars are wrong-headed in their attempts to make the jumbled world of international trade and the environment simple, elegant, and predictable.12

In the ringing, idealistic, and totalising language of grand sustainable development theory, the International Union for Conservation of Nature (IUCN) Draft Covenant espouses the following policy rationales for a binding international environmental and sustainable development covenant.13

1. To provide the legal framework to support the further integration of the various aspects of environment and development
2. To create an agreed single set of fundamental principles like a ‘code of conduct’, as used in many civil law, socialist, and theocratic traditions, which may guide States, intergovernmental organisations, and individuals
3. To consolidate into a single juridical framework the vast body of widely accepted, but disparate principles, of ‘soft law’ on environment and development (many of which are now declaratory of customary international law)
4 to facilitate institutional and other linkages to be made between existing treaties and their implementation

5 to reinforce the consensus on basic legal norms, both internationally, where not all states are party to all environmental treaties, even though the principles embodied in them are universally subscribed to, and nationally, where administrative jurisdiction is often fragmented among diverse agencies and the legislation still has gaps

6 to fill in gaps in international law, by placing in a global context principles which only appear in certain places and by adding matters which are of fundamental importance but which are not in any universal treaty

7 to help level the playing field for international trade by minimising the likelihood of non-tariff barriers based on vastly differing environmental and developmental policies

8 to save on scarce resources and diplomatic time by consolidating in one single instrument norms, which thereafter can be incorporated by reference into future agreements, thereby eliminating unnecessary reformulation and repetition, unless such reformulation is considered necessary

9 to lay out a common basis upon which future law-making efforts might be developed.

This covenant might be able to complete research related to sustainable development that can be applied to the international trade policy under WTO regime.

2.2 International trade and sustainable development under WTO regime

The International Trade under GATT-WTO was established to promote trade liberalisation that based on reciprocity and non-discrimination principles (equal treatment). However, GATT-WTO also provides exceptions for those principles as mention on Article XX. Traditionally, the determination of whether or not a particular trade measure qualifies for an Article XX exception has been determined on a case-by-case basis before a GATT/WTO dispute settlement panel. Occasionally, the GATT/WTO Secretariat proffers interpretations of the standards to employ when a member seeks to invoke an exception.\textsuperscript{14}

GATT exceptions (GATT Article XX) permit a party to restrict or prohibit imports (employ trade measures) that depart from its GATT obligations under certain conditions, such as:

1 necessary to protect human, animal or plant life or health (Art XX.b)

2 related to the conservation of exhaustible natural resources if such measures are made effective in conjunction with restrictions on domestic production or consumption (Art XX.g).

A party must also satisfy the following requirements in the application of the above measures:
1. The measure/s cannot be applied to discriminate arbitrarily or unjustifiably between countries where the same conditions prevail.

2. They must be necessary i.e., exhausting all less trade restrictive alternatives.

3. They must not be a disguised restriction on international trade.

Article XX (b) allows trade-related environmental measures where they are necessary to protect human, animal or plant life or health. However, the operation and interpretation of Article XX (b) has created debates among trade and environment interest groups. Concerns arising out of the operation of Article XX (b) are discussed next with special reference to GATT Panel Reports.

Article XX (b) permits a party to invoke the exceptions if they are ‘necessary to protect human, animal or plant life or health’ but two conditions must be met for that purpose:

1. They may not discriminate between parties arbitrarily or unjustifiably.

2. They may not be disguised trade restrictions.

3. The necessity requirement for the measure for which the exception is being invoked has created controversy. In order to pass the necessity test, a party has to show that they have exhausted the alternative, GATT-consistent or less inconsistent options and that the measure in question involves the least degree of inconsistency with GATT provisions. This means that as long as reasonable alternative measures or measures that are not inconsistent with GATT are available they are expected to be employed and so a party cannot adopt a measure and justify its adoption as ‘necessary’.

The Shrimps Turtle Case has become a landmark for sustainable development thinking at WTO regime. The 1998 shrimp-turtle case caused a considerable stir both within the WTO and among the environmentally aware public. It is seen as pointing the way for the future development of the GATT laws affecting environmental policy in situations in which they apply to cross-border externalities. The case arose out of an import ban by the USA on shrimps from countries whose fishing fleets do not use ‘turtle-excluder devices’ (TEDs). TEDs are designed to reduce the number of sea turtles killed in a shrimp catch. Sea turtles have been designated an endangered species in various multilateral agreements. The use of TEDs was made compulsory in the USA in 1990 by the Endangered Species Act (Public Law 109-162). Section 609 of the Act requires the US government to certify all shrimp imports and only to permit imports from countries which can prove that their shrimp fleets use TEDs.15

Although the USA lose the case but Appellate Body succeeded in promoting coherence in matters of interpretation and improving adherence. The US-Shrimp Turtle jurisprudence does not provide all answers. In the analysis of cases, the Appellate Body in Shrimp Turtle to consider environmental protection objectives as well as international environmental instruments as a ‘ground-breaking development’ while observing that the Appellate Body’s decision in the EC-Asbestos dispute was welcomed for providing assurances to regulators that non-protectionist domestic regulations would not be significantly constrained by WTO law.16

In addition, any given measure must also comply with the requirements of the chapeau of Art. XX. Shrimp Turtle provided considerable clarity on the meaning and
application of the chapeau and has operated as a reference point for its application since. In *Shrimp Turtle*, the AB noted that in order to comply with the chapeau, a given measure must not be *applied* in a manner which amounts to either *unjustifiable* or *arbitrary* discrimination between countries where the same conditions prevail. Accordingly, the AB outlined a three step process for assessing whether or not this, in fact, is the case:\(^{17}\)

1. determine whether the measure is applied in a manner which discriminates where the same conditions prevail and, if so, determine
2. whether the discrimination is arbitrary
3. whether the discrimination is unjustifiable.

In answering the first question, the AB concluded that the US turtle friendly regulations at stake did, in fact, discriminate between products where the ‘same conditions prevailed’.\(^ {18}\) Given the application of the US ban on the basis of whether or not a given country had obtained certification, the AB concluded that shrimp trawlers in a non-certified country could apply the turtle friendly harvesting methods and still be denied access to US markets. The AB’s focus on the potential for discrimination against shrimp trawlers in non-certified countries by the US ban highlights the importance of matching the application of a given measure with actual practice on the ground.

Following this initial determination, the AB went on to conclude that the discrimination was also unjustifiable due to its failing to make good faith efforts to take into consideration the specific conditions facing different countries:

> “It may be quite acceptable for a government, in adopting and implementing a domestic policy, to adopt a single standard applicable to all its citizens throughout that country. However, it is not acceptable, in international trade relations, for one WTO Member to use an economic embargo to require other Members to adopt essentially the same comprehensive regulatory program, to achieve a certain policy goal, as that in force within that Member’s territory, without taking into consideration different conditions which may occur in the territory of those other Members.”\(^ {19}\)

The fact that the US had failed to consult and/or negotiate with many important trading partners on the matter led the AB to conclude that the discrimination was unjustifiable under the circumstances. Again, on the basis of the AB’s conclusion, countries are effectively obliged to embark upon good faith consultations to reach international agreement in order for a measure with extraterritorial effect to be considered ‘justifiable’.

Finally, the AB also found the measure to be arbitrary due to the absence of any formal monitoring, review or complaints process with respect to certification under the US measure thus leading to potentially arbitrary distinctions between suppliers. The AB’s finding of arbitrariness of the US measure suggests the importance of transparency and predictability in the system used to apply a given measure and the central role of monitoring and evaluation in ensuring the non-arbitrary nature of measures adopted under Art. XX. In addition to allowing extra-territorial measures eligibility under Art. XX, the AB’s interpretation of the chapeau provided a far clearer framework for determining when and how extraterritorial measures could be considered discriminatory, justifiable and non-arbitrary.\(^ {20}\)

Besides AB’s interpretation on sustainable development, the Institute for sustainable development had also proposed Winnipeg Principles as a means for reconciling international trade and development so as to achieve sustainable development.
There are seven Winnipeg Principles the shorthand identification of these is as follows:  

1 Efficiency and cost internalisation, especially internalisation of external environmental costs.

Efficient resource use requires that the prices paid by producers for inputs, and by consumers for final goods and services, accurately reflect their full costs. In fact, most goods are not priced to reflect full costs (the magnitude of the distortion will vary from case to case), due to such factors as unpaid environmental costs and price distorting trade barriers. Rectifying these problems is not easy; there are technical difficulties in evaluating unpaid environmental costs and designing instruments to deal with them. As well, some groups resist change because they benefit from these distortions, even though their net effect on the community at large may be seriously damaging, both economically and environmentally.

Despite the substantial practical difficulties, high priority should be attached to accurate pricing through cost internalisation, in accordance with the ‘polluter-pays principle’ and through the reduction of price distorting trade barriers. Discussion of the efficiency/cost internalisation principle: While this principle might command the support of most Pigovian economists and may provide a useful base line for considering efficiency and environmental issues, it would be short-sighted not to recognise some of its major limitations. These are:

a It appears basically to be anthropocentric and seems to rely on standard economic utilitarianism. It will therefore not appeal to persons with a different social philosophy or set of ethics, in particular those who have ecocentric values, sometimes described as deep ecologists.

b Although it is recommended that prices reflect full costs, including the costs of environmental spillovers or externalities, agreement about external costs is difficult to achieve. There are a number of different techniques for estimating such costs and they can give different estimates and these costs may vary with the social context in which the externalities arise. Differences have been observed for example between the application of rules for determining external costs depending on whether these are based on ‘willingness to pay’ or ‘willingness to accept compensation’. Furthermore variations occur within those categories depending on estimation techniques used. Nevertheless, at least the minimum external cost estimated by these various methods should be policy relevant.

c Presumably a policy implication of this principle is that trade discrimination against a country exporting commodities the price of which is lower than full costs could be allowable. Thus, where a country fails to incorporate full environmental costs in its prices, trade discrimination might be allowable. The problem is that in some countries, often LDCs, less social cost is perceived from the same environmental damage than in other countries, mostly high income countries. So to apply the same standard to both would at least create international political conflict. However, some minimum standard might still be mutually agreed.
This Winnipeg principle recommends cost internalisation in accordance with the ‘polluter-pays principle’. However, as Coase points out, if economic efficiency is the aim, the same efficiency result can often be achieved by the ‘polluter compensated principle’. The Coase theorem suggests that it is a matter of justice as to whether the ‘polluter’ should be paid or compensated. The matter is much more complex than appears to be the case at first sight. For example, when a farmer purchases land, what rights does he/she thereby acquire? Cultivating the land may, for example, reduce biodiversity. Would it be reasonable to expect the farmer to pay for any reduction of biodiversity after acquisition of the land or should the farmer be paid (subsidised) not to reduce biodiversity? The matter is far from clear cut and many developed nations are providing subsidies to farmers to adopt ‘environmentally friendly’ farming patterns. So this Winnipeg principle, fails to take full account of measures to address environmental externalities. Nevertheless, the principle is important in that it emphasises the need to address such issues.

This principle only relates to marketable commodities. But some economically valuable environmental commodities are not marketable or are hardly marketable. Consequently, they may only continue to be supplied if their supply is financed by government. These cases are not covered by this principle (but are important). However, it appears to be the intention to cover these by Winnipeg principle 3.

Equity in distribution between and within generation.

“Equity relates to the distribution both within and between generations of physical and natural capital, as well as knowledge and technology. Inequity and poverty contribute significantly to environmental degradation and political instability, particularly in developing countries.”

This principle recognises equity as an important issue. In elaborating on this principle, the main concern of the IISD appears to be with inequality between developing and higher income countries. It suggests that higher income countries should do more to assist developing countries to ‘strengthen their capacities’, including their ability to protect environmental resources. It also recognises that in some circumstances, trade liberalisation can assist developing countries economically and support their environmental conservation efforts.

Environmental integrity which involves, amongst other things, maintenance of ecological systems that is ecological sustainability.

Trade and development should respect and help maintain environmental integrity. This involves recognition of the impact of human activities on ecological systems. It requires respect for limits to the regenerative capacity of ecosystems such as fisheries and forests that are vulnerable to irreversible depletion; actions to avoid irreversible harm to plant and animal populations and species; and protection for valued areas such as designated parklands or sites of internationally recognised ecological, cultural or historical significance.

Many of these aspects of the environment have values that cannot be adequately captured by methods of cost internalisation, thereby highlighting the need for other
policy instruments. Such special conservation measures may represent an important exception to normal trade rules, whether in the context of trade agreements or environmental agreements. They may take the form of trade bans or quantitative restrictions. While such measures could include unilateral trade restrictions, they should nonetheless be enacted within the context of internationally agreed criteria.

This principle recognises that the cost internalisation approach is not always workable. It also provides an opening for other than anthropocentric utilitarian values in relation to global policies. Furthermore, it suggests that trade restrictions can be legitimate, within the context of internationally agreed criteria, as a means for enforcing environmental standards globally. The unresolved task is to determine the criteria to be used to justify trade restrictions for environmental purposes.

4 Subsidiarity relates to the matter of jurisdiction.

On the whole, this principle favours as much decentralisation of decision-making as is compatible with effectiveness. “Subsidiarity recognizes that action will occur at different levels of jurisdiction, depending on the nature of the issues. It assigns priority to the lowest jurisdictional level of action consistent with effectiveness. International policies should be adopted only when this is more effective than policy action by individual countries or jurisdictions within countries.” Possibly this principle is proposed on the basis of political acceptability and efficiency in decision-making. However, one is left wondering what ‘effective’ really means in this context.

In elaboration of the principle, IISD suggested that environmental standards could differ between and within countries, and yet respect a common framework. But agreement on a common framework is not always possible. In these cases, IISD recommends that “where the environmental consequences remain within domestic jurisdictions, other countries should not use economic sanctions or other coercive measures to try to eliminate differences in standards.” However, this may not be fully compatible with Winnipeg principle 1 because of a lack of full cost pricing in a country having lax environmental standards.

Also it is often difficult to decide the extent to which environmental effects remain within the domestic jurisdiction. For example, is loss of biodiversity within a nation a domestic or an international matter?

IISD recommends that “where there are significant transborder environmental impacts, solutions should be sought multilaterally. These might include international environmental agreements, the formulation of international standards, capacity-building, incentives for the voluntary upgrading of standards and the possible use of trade measures.” There is still the difficulty in this case of determining what constitutes a ‘significant transboundary environmental impact’.

5 International cooperation.

Sustainable development requires strengthening of international systems of cooperation at all levels, encompassing environment, development and trade policies” and points out that procedures for settling international disputes should
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simultaneously address the interests of the environment, development and the economy. This holistic approach is recommended. While this is desirable, mechanisms for addressing the issue which take account of bounded rationality of individuals need to be found.

The following point is also made by IISD: “Dispute-settlement procedures need to be open, effective and impartial, protecting the interests of weaker countries against the use of coercive political and economic power by more powerful countries. Unilateral action on transboundary environmental issues – an option generally available only to a few large countries – should be considered only when all possible avenues of cooperative action have been pursued.” In the absence of changed global governance, it is nevertheless likely that the world’s more powerful nations will exert greatest influence both in multilateral agreements and outside of any such agreements.

6 Science and precaution recommends a precautionary and adaptive approach to decision-making involving the environment.

While emphasising the value of science for environmental decision-making, this Winnipeg principles also brings attention to some of the limitations of science, and the need for caution in particular circumstances. This is necessary when decisions have to be made in the face of scientific uncertainty and scientific disagreement. In particular, caution is called for when mistakes may have very serious consequences or could result in irreversibility. In these circumstances, it is said to be essential “to adopt a precautionary and adaptive approach that seeks the prevention and easing of environmental stress well before conclusive evidence concerning damage exists, and which adapts policy as new scientific information becomes available. Such an approach should include transparent efforts to identify and clarify the changing risks and to relate the risks to benefits and costs of correction measures.”

However, science alone is not able to determine the risks which society ought to take. Value judgements are involved. These decisions are made more difficult when a whole group of individuals is subjected to environmental risks but have different attitudes to the bearing of risk or uncertainly. To what extent, for instance, should those who value security highly be required to yield in social decision-making to those who are prepared to take considerable risk?

Furthermore, in many cases risk cannot be estimated in an objective probabilistic manner because radical uncertainty exists. In these cases, particular care is needed in decision-making.

7 Openness refers to the nature of decision-making processes.

According to the Winnipeg principles, “openness comprises two basic elements: first, timely, easy and full access to information for all those affected; and second, public participation in the decision-making process.” A criticism of many developing countries of the WTO is that its decision-making processes have lacked openness. While openness has its virtues, it can result in obstructionism. Therefore, in order to ensure results, attention may have to be given to the design of principled procedures in an open setting.
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These propose Winnipeg principles might offer how to determine the concept of sustainable development in international trade. Although, it still required a lot of science approach and cooperation among WTO members, at the end ‘the decision-making process’ at WTO will play important role to develop guidelines for implementing sustainable development in terms of international trade.

3 Conclusions

Environmental concern and sustainable development has become more popular this day. GATT-WTO has also accommodated environmental issues and sustainable development into their policy. GATT-WTO not only promotes Trade liberalisation but also sustainability of its own trade by accommodating sustainable development. Actually both sustainable development and international trade under the WTO regime offer a policy to reduce poverty, however more than one billion people still continue to live in extreme poverty. Inequality and social exclusion are widening within many countries.

The interpretation of Article XX may be still a problematic in this regard, because the theory of sustainable development is still sometimes too abstract. The Winnipeg Principles and AB jurisprudence at Shrimp Turtle Case might prove that sustainable development and international trade under WTO regime can be elaborate. Moreover, no country can tackle sustainable development challenges alone. Integrated solutions must be developed at local, national, regional and global levels.

Sustainable development goal has been endorsed by The Rio+20 Conference to replace Millennium Development Goal. This indicates that the sustainable development concepts have become one of the most powerful and influence concept. However, there are still no legally binding mechanisms on how sustainable development should be exercised under GATT-WTO trade system.

Sustainable development in international trade under the GATT-WTO regime might be a strong tool to reduce poverty However, it requires WTO members to reach a consensus in defining the applicable policy to determine sustainable development as a general exception for international trade policy and as a further regulation to support article XX GATT-WTO.

Notes

7 Ibid, p.3.
9 David Pearce and Giles Atkinson, The concept of sustainable development: an evaluation of its usefulness ten years after rudtland, Center for Social and Economic Research on the Global Environment, University College London and University of East Anglia.
11 Ibid.
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