

TERMS OF REFERENCE

REGIONAL STUDY ON TRADE AND ENVIRONMENT

I Background

The Economic Commission for Africa (ECA) in collaboration with other Regional Commissions of the United Nations (¹ESCAP, ²ESCWA and ³ECLAC) has commenced implementing a project on capacity building in trade and the environment. The aim of the project is to enhance the capacity of member States to formulate coherent trade and environment policies that address issues related to environment in an effective manner, thereby increasing market access for their products in developed country markets, while enhancing environmental sustainability and promoting sustainable development.

In this regard, the project will equip decision makers with the tools necessary to build the policy coherence needed to:

- a) Maximize positive economic benefits and minimize environmental pressures arising from trade expansion and liberalization;
- b) Manage the pressures on environmental sustainability arising from trade; and
- c) Promote sustainable development and in particular poverty reduction

The project will therefore focus on both trade flows out and trade flows into developing countries.

ECA is targeting all 53 member States. Among the activities to be conducted are one regional study on trade and environment and three workshops. The workshops are:

- a) One regional workshop to share country experiences and validate the findings of the regional study; and
- b) Two capacity building workshops (French speaking and English speaking countries) on trade and environment, targeting policy makers.

Participants will be drawn from trade and environment institutions in member States, the private sector and non-governmental organizations. Countries will be requested to prepare brief reports on trade and environment issues impacting on market access and environmental quality in their countries, which will contribute to informing the regional study. The development of a website portal to facilitate intra- and inter-regional networking, is also an integral part of the activities to be conducted.

II Objectives of the Regional Study

The objective of the regional study is to enable countries develop holistic and coherent trade and environment policies that promote sustainable development and poverty reduction. In this regard, the study will document and analyse trade and environment issues, their interactions with each other, and with relevant socio-economic issues at national and regional

¹ Economic and Social Commission for Asia Pacific

² Economic and Social Commission for West Asia

³ Economic Commission for Latin America and the Caribbean

levels, their impact on market access, environmental sustainability, sustainable development and in particular, poverty reduction in Africa. The study will consider these issues in the context of both exports and imports.

In particular, the study will:

- Identify priority sectors and products at the sub-regional and regional levels;
- Document experiences including success stories, good practices and lessons learned;
- Analyse ways of using the environment as an opportunity for greater market access (win – win scenarios);
- Analyse and recommend ways to facilitate increased demand in priority sectors;
- Analyse policy instruments in place to address market access and environmental sustainability, their implementation effectiveness, and recommend ways to improve implementation and effectiveness;
- Identify capacity gaps and needs of countries and recommend appropriate capacity building/ strengthening programmes; and
- Recommend guidelines for developing coherent trade and environment policies that improve market access enhance environmental sustainability, promote sustainable development and in particular, poverty reduction.

III Description of tasks to be carried out

In order to meet the above objectives, we are seeking the services of a consultant to conduct a regional study and prepare an analytical report on the basis of the study findings, which he/she will present at the regional workshop. The consultant will also serve as resource persons at the two capacity building workshops.

The consultant will conduct a desk study using relevant information sources. Information sources used should take into account the need to reflect the views and concerns of government and non-governmental stakeholders such as communities, NGOs, private sector, academia etc. Information provided in the country reports will enrich the regional report. The report will follow the indicative outline given below, but is not limited to the elements contained therein.

1 Executive Summary

An overview of the main findings and conclusions will be provided.

2 Introduction

The background, rationale, scope, objectives, methodology of the study and outline of the report will be provided.

3 The Conceptual Framework, Global and Regional Context

- A critical review of theories and concepts of trade and environment interactions. An examination of the empirical evidence linking these two variables, policy implications and what this means for Africa.
- A brief background on the global trade and environment agenda as it relates to market access and environmental sustainability. This section will discuss trade/ WTO

agreements with environmental ramifications, WTO negotiations on environmental goods and services and Multilateral Environmental Agreements (MEAs) with trade measures as instruments of compliance, including those regulating the import and export of hazardous substances and materials, second hand and inferior quality goods. Related regional (Africa) agreements will also be discussed. Issues to be discussed will include the main provisions of these agreements; the knowledge, understanding and extent of participation of ⁴African countries in these agreements, and how their implementation affects or could affect African countries in terms of market access, environmental sustainability, sustainable development and poverty reduction in particular. Annex relevant provisions of these agreements.

4 Environmental Requirements and Standards Imposed by Developed Countries and their Impacts on African Countries

- The emergence of environmental requirements and standards, the main countries or regional blocks imposing them, main issues of concern for these countries, market access barriers, the main elements or provisions contained in these requirements and standards and how their application/ enforcement has impacted or could impact market access, environmental sustainability, sustainable development of Africa and in particular, poverty reduction. Knowledge and understanding of these requirements and standards by African countries, Identification and analysis of key sectors affected categorized on the basis of Africa's sub-regional groupings (Southern, North, Central, Eastern and West). Identification of key sectors common to the 5 sub-regions and in-depth analysis of the sectors identified. The analysis will include identification of the main issues, government policies, regulations, strategies (including those of the private sector) in place to address issues pertaining to market access and environmental sustainability in priority sectors, the implementation of these instruments and their effectiveness, challenges, opportunities, success stories, good practices and lessons learned based on African country experiences, and on those of countries in other developing regions of the world. The analysis will also include the facilitation of increased demand in priority sectors. Criteria for success stories and good practices should be defined at the outset. Annex relevant provisions of environmental requirements and standards discussed.

5 Trade in Hazardous Substances and Materials, Second Hand and Inferior Quality Goods

- Identification of the main substances, materials and products imported into Africa categorized on the basis of sub-regional groupings, and those that are common to the 5 sub-regions. Selection of key substances, materials and products and in-depth analysis of the implications of their import into Africa, for environmental sustainability, sustainable development of Africa, and in particular, poverty reduction. The analysis will include identification of the main issues linked to relevant global and regional agreements (eg. MEAs), government policies, regulations and strategies in place to address issues pertaining to environmental sustainability with regard to the importation of these substances, the implementation of these instruments and their effectiveness, challenges, opportunities, success stories, good practices and lessons

⁴ Reference to “knowledge and understanding of African countries” includes government, private sector, NGOs and academia

learned from African country experiences and those of countries in other developing regions of the world. The analysis will also take into account intra-regional trade in these substances and their export outside Africa. Criteria for success stories and good practices should be defined at the outset.

6 Potential for the Environment to be used as a means to increase market access

- Discussion and analysis of Africa's potential to provide environmental goods and services, organic agriculture, bio-trade etc based of sub-regional groupings, and how this potential can be tapped to increase market access, thereby contributing to poverty reduction.

7 Capacity Issues, Networking, Coordination and Cooperation

- Capacity Issues – Identify the main capacity issues and requirements of African countries in regard to ensuring appropriate responses to the environmental requirements and standards of developed countries, and in regulating the import/movement of hazardous and inferior quality substances, materials and products into Africa, with a view to increasing market access, and ensuring environmental sustainability.
- Availability of platforms at the national, sub-regional and regional levels where trade and environment issues can be discussed to achieve coordination of policies and actions in the two areas, and which foster coordination and cooperation among countries. The effectiveness of these platforms in addressing / or ensuring market access and environmental sustainability, and improvements required. The role of ECA in meeting the capacity building needs of countries and in fostering sub-regional and regional cooperation to adequately address priority trade and environment issues.
- International Cooperation – Capacity building assistance that countries have so far benefited from, the impact this assistance has had on enhancing market access and environmental sustainability and how assistance can be made more effective? How can intra-regional, inter-regional and south-south cooperation and mechanisms be enhanced in addressing priority issues identified?

8 Guidelines for developing coherent trade and environment policies

Based on existing literature on the subject, notably, the work of organizations such as UNEP and UNCTAD, and the findings of the study, the consultant will prepare guidelines for developing coherent trade and environment policies that improve market access, environmental sustainability, promote sustainable development and in particular, poverty reduction.

9 Conclusions and Recommendations

The consultant will make concluding remarks and recommendations based on the findings of the study. Recommendations will include ways in which countries can respond appropriately to environmental requirements and standards of developed countries, regulate trade and in particular, imports of hazardous substances and materials and inferior quality products, develop coherent trade and environment policies, with a view to improving market access and environmental sustainability, promoting sustainable development and in particular, poverty reduction. Recommendations will also include those specified under II above "Objectives of the Regional Study".

10 Finalization of the Report

The consultant will present the draft study report to the regional workshop and incorporate recommendations of the workshop pertaining to finalization of the report.

IV Time Frame

The draft, and final reports will be submitted to SDD/ UNECA latest 30 September 2005, and 31 of March 2006, respectively. The consultant will attend the regional workshop to be held in November 2005 and the capacity building workshops to be held in June 2006. Work will commence immediately after signing of the contract.

V Deliverables and other provisions

The consultant will provide to SDD/UNECA, one electronic, and one hard copy of the draft and final reports (both written in English), which should include but not necessarily limited to elements identified in section III (Description of Tasks) above. The report will be prepared using single line spacing, times new roman size 12 font, contain page numbering, list of acronyms, a table of contents, foot notes, references, relevant annexes and appendices.

As indicated above, the consultant will serve as resource persons at the regional workshop, where they will present the draft report, and at the two capacity building workshops. Travel and per diem for this participation will be provided separately.

VI Qualifications

The consultant will have advanced university degrees and complementary skills in economics, environmental studies, international trade, international law or other related discipline, with specialization in trade and environment issues in Africa and a minimum of 10 years experience in this area, and will be able to produce evidence of work done in this area. He/she will be fluent in English and possess excellent written and oral communication skills. In addition, he/ she will possess a working knowledge of French.