# EURO-LATIN AMERICAN PARLIAMENTARY ASSEMBLY



## **RESOLUTION:**

## Trade and climate change

based on the report of the of the Committee on Economic, Financial and Commercial Affairs

EP Co-Rapporteurs: Alain Lipietz (Verts/ALE) and Gianluca Susta (ALDE)

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Wednesday, 8 April 2009 – Madrid (Spain)

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### **EUROLAT – Resolution of 8 April 2009 – Madrid (Spain)**

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#### Trade and climate change

The Euro- Latin American Parliamentary Assembly,

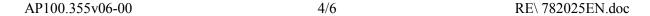
- having regard to its Declaration of 9 November 2006,
- having regard to its resolutions, of 19 December 2007, on the challenges and opportunities resulting from globalisation for economic and trade relations between the European Union and the countries of Latin America, and of 1 May 2008, on the challenges and opportunities of the Doha Round,
- having regard to the declarations made at the five summits of Heads of State and Government of Latin America, the Caribbean and the European Union, held respectively in Río de Janeiro (28-29 June 1999), Madrid (17-18 May 2002), Guadalajara (28-29 May 2004), Vienna (11-13 May 2006) and Lima (15-17 May 2008),
- having regard to the European Parliament resolution on climate change of 14 February 2007<sup>1</sup>,
- having regard to the United Nations Framework Convention on Climate Change (UNFCCC, 1992) and its Kyoto Protocol,
- having regard to the Thirteenth Conference of the Parties (COP 13) in the United Nations
  Framework Convention on Climate Change (UNFCCC) and the Third Conference of the
  Parties or Meeting of the Parties of the Kyoto Protocol (COP/MOP 3), held in Bali,
  Indonesia, from 3 to 15 December 2007,
- having regard to the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal,
- having regard to the Montreal Protocol on Substances that Deplete the Ozone Layer,
- having regard to la Convention on international trade in endangered species of wild fauna and flora,
- having regard to the Stern Review on the economics of climate change, presented on 30 October 2006,
- having regard to the conclusions of the Fourth Assessment Report (AR4) of the Intergovernmental Panel on Climate Change (IPCC), published in Valencia, Spain, on 17 November 2007, and other studies commissioned by national governments or conducted by other United Nations bodies,

<sup>&</sup>lt;sup>1</sup> OJ C 287 E, 29.11.200, p. 344.

- having regard to the Fourteenth Conference of the Parties (COP 14) in the United Nations
  Framework Convention on Climate Change (UNFCCC) and the Fourth Conference of the
  Parties or Meeting of the Parties of the Kyoto Protocol (COP/MOP 4) and sessions of the
  Subsidiary Bodies, held in Poznań, Poland, from 1 to 12 December 2008,
- having regard to the report of the Committee on Economic, Financial and Commercial Affairs,
- A. whereas the temperature of our planet has risen by 0.7 °C since 1800; whereas the IPCC scenario limiting future global warming to between +2 and +2.4 °C assumes that greenhouse gas emissions will have decreased by 25-40 % by 2020 in all the developed countries and by 80 % in 2050; whereas if the early deadlines are not met, global warming will inexorably exceed 3 °C, at a cost that the Stern Review estimates at EUR 5 billion,
- B. whereas climate change is one of the main challenges facing our planet,
- C. whereas Latin American and European members of parliament have a pertinent role to play in combating climate change and benefiting the environment,
- D. whereas the countries of Latin America and the Caribbean, whether or not they are producers of fossil fuels or fuels of agricultural origin, are among the victims of climate change,
- E. whereas the use of biofuels can be criticised on an environmental level when their production drains significantly more energy and releases more greenhouse gas than is actually saved,
- F. whereas for the last 20 years international trade has been growing more rapidly than global production; whereas this reflects the search for an international distribution of work to optimise payroll and tax costs, which do not, however, take environmental costs into account.
- G. whereas at the Bali conference all countries made a commitment to reaching a comprehensive post-2012 agreement,
- H. whereas the conclusions of the United Nations Climate Change Conference that took place in Poznań (Poland) from 1 to 12 December 2008, as an important halfway mark to the 2009 Copenhagen conference, are welcome,
- I. whereas the next United Nations Climate Change Conference on 7 to 18 December 2009 in Copenhagen (Denmark) will aim to reach an ambitious global post-2012 agreement,
- 1. Points to the need for multilateral solutions to cross-border environmental problems; also emphasises the need to strengthen multilateral agreements in the field of climate change, which ought to help strengthen the multilateral trading system;
- 2. Notes that, in the past, those principally responsible for climate change were in the developed countries, but that in the future, besides the developed countries, emerging

economies will also be increasingly responsible; points out that the principal victims are the developing countries, which is why the Earth Summit in Rio and the United Nations Framework Convention on Climate Change make reference to 'common but differentiated responsibilities';

- 3. Recognises that, although the Northern countries are responsible for most of the carbon dioxide gas in the atmosphere, they have (with the exception of the United States of America) begun a process of reducing emissions; calls on the United States of America to take domestic measures leading to emission reductions and to play an active role in future international negotiations with a view to participating in the future climate change regime;
- 4. Points out that, on the other hand, the developing countries remain for the most part below the threshold of what the earth's ecosystem can absorb per inhabitant; notes, however, that the 'emerging' countries are on the way to exceeding this threshold; observes that although the countries that extract fossil fuels have already gone beyond this limit, it would be legitimate to share local emissions caused by the extraction process or primary transformation of fossil fuels between the countries that produce and consume them;
- 5. Stresses that because agriculture plays a more important role in the Southern countries, they are negatively affected by climate change, while their limited resources make it more difficult for them to adapt;
- 6. Considers that everyone must act in accordance with their potential and with the principle of shared responsibility, and that the industrialised countries should be transferring finance and clean and sustainable technologies to the developing countries; stresses that this fact should not prevent developing countries themselves from building up and developing production capacity for the manufacture of climate-friendly products, services and technologies;
- 7. Draws attention to the need to secure a sustainable and multilateral agreement involving every country on the planet, to prevent a relocation of production generating increased greenhouse gas emissions; notes, therefore, that the United Nations Climate Change Conference held in Poznań (Poland) from 1 to 12 December 2008 focused on helping emerging and developing countries adapt themselves to new international regulations;
- 8. Emphasises that investment in industry must be optimised to reduce environmental costs as far as possible; points out that attempts must be made to reduce the costs generated by transport in terms of greenhouse gas emissions, the 'environmental cost' integrated into the price, and intermodal platforms built for forms of transport that produce low greenhouse gas emissions (sea, river and rail transport);
- 9. Points out that, to promote an effective fight against climate change, it is necessary to mainstream an environment perspective into all our policies, including trade policy;
- 10. Urges all the Annex B countries to ratify the Kyoto Protocol; similarly, calls on the international community to reach the necessary agreements in Copenhagen to enable the signing and ratification of the post-2012 Protocol (2012-2020);





- 11. Emphasises the need to bring the other multilateral agreements (WTO, International Civil Aviation Organization, World Intellectual Property Organization) into conformity with the post-2012 agreement;
- 12. Considers that it is important to promote, both at the WTO and at WIPO, the use of environmentally friendly technologies;
- 13. Asks for reflection on temporary measures, with respect of WTO rules, that favour the production and export of climate-friendly products and innovative technology;
- 14. Supports the European Investment Bank (EIB) and the Inter-American Development Bank (IDB) in their commitment to strengthening cooperation and co-financing of strategic development projects in Latin America and the Caribbean, with their special emphasis on renewable energy programmes with positive socio-environmental impact;
- 15. Observes that bi-regional association agreements must include the climate dimension, taking into account its impact on economic growth and poverty reduction of the developing countries;
- 16. Underlines the need to discuss establishing a zero customs duty on 'clean' products (very low-energy bulbs etc.), following the rules laid down by the WTO, and to make available clean and sustainable technologies;
- 17. Observes that there must be a ban on the import of exotic timbers where this contributes to climate change through their transportation or the reduction of greenhouse-gas absorbing ecosystems; emphasises that the FLEGT agreement governing this problem should be made compulsory;
- 18. Emphasises that emissions should be evaluated for the entire chain and that targets should be calculated not on the emissions caused by manufacturing in one country, but by the mass of products consumed in that country (the 'ecological footprint'); acknowledges that the most effective way of controlling emissions would be by acting at the time of production and by using emission trading schemes;
- 19. Welcomes the EU's decision to include aviation in the European quota scheme, including for aircraft coming from third countries unless these countries have an equivalent scheme, and considers this to be a suitable step towards including the total carbon emissions cost in the price of goods and services at destination;
- 20. Considers that, in the event that a post-2012 agreement is rejected by the largest emitting countries, when trade defence instruments are reformed they should take account of the feasibility of introducing environmental factors in order to avoid environmental dumping of products originating from countries that have not ratified the post-2012 protocol;
- 21. Considers that a Euro-Latin American agreement adopting strict standards for the efficient use of energy to the benefit of our peoples, and conforming to the national laws and international treaties governing each State and to the WTO's rules, would create a vast market that would automatically be the leader in defining these standards

internationally;

22. Welcomes the decision by the Bali Conference on Climate Change to launch a strategic programme to scale up the level of investment for the development, transfer and deployment of both the mitigation and adaptation technologies to developing countries, and the allocation to the Expert Group on Technology Transfer of the task of assessing the gaps in and barriers to the use of, and access to, financial resources;

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23. Instructs its Co-Presidents to forward this resolution to the Council of the European Union and the European Commission, and to the parliaments of the Member States of the European Union and all the countries of Latin America and the Caribbean, the Latin American Parliament, the Central American Parliament, the Andean Parliament and the Mercosur Parliament, the Secretariat of the Central American Integration System, Caricom, the Secretariat of the Andean Community, the Committee of Permanent Representatives of Mercosur and the Permanent Secretariat of the Latin American Economic System.

