

**PLENARY SESSION AT THE SECRETARY-GENERAL'S
GLOBAL SUSTAINABLE TRANSPORT CONFERENCE
HOSTED BY THE GOVERNMENT OF TURKMENISTAN
ASHGABAT, TURKMENISTAN
26 – 27 NOVEMBER 2016
DDG DAVID SHARK**

Draft speaking points

1 RELATIONSHIP BETWEEN TRADE AND TRANSPORTATION

- Trade and transport are inherently linked, and both are essential drivers of economic growth and sustainable development. But there is no doubt that both activities can have harmful environmental effects too, which we must seek to manage and mitigate. A more equitable and sustainable global trading system relies on sustainable transport – so the WTO is very pleased to take part in this timely and important conference, and welcomes the opportunity to strengthen its cooperation with the transport policy community.
- We all have an interest in – and much to gain from – stepping up local, national, and global efforts to make the transport of merchandise trade more sustainable.
- While the greater part of international trade is currently transported by sea, the volume of goods shipped by more carbon intensive forms of transport has been growing rapidly in recent years. And regardless of how goods are shipped, there is a need to do more to ensure that trade-related transportation is greener and contribute to an inclusive and sustainable growth.

2 MAKING TRADE-RELATED TRANSPORTATION SUSTAINABLE

- This is why ongoing efforts to ensure that trade related transportation is more sustainable are welcome. One should mention in particular the major sector-specific multilateral cooperation achievements that have been made by ICAO with the recent agreement on a new carbon offsetting and reduction scheme, as well as significant work by IMO to tackle maritime transportation pollution. The work of these two organizations exemplifies how various stakeholders and interests can

reconcile their divergences so as to minimize the environmental impacts of transportation in a harmonized way.

- Trade and the WTO have an important role to play in supporting the shift towards a more sustainable transport sector. Trade can accelerate the worldwide diffusion of essential goods and technologies that are needed to make the transport sector more energy efficient, and to reduce its environment footprint. Efforts in the WTO to reduce tariffs on green goods and technologies would be an important complement to other global cooperation efforts that seek to promote a more sustainable transportation sector. Also, several WTO forums have a role to play in providing a forum for exchanging views and best practices on sustainable transportation, for instance in the context of the discussion of environment footprint schemes.
- Certain custom barriers that may impede trade flows may also increase the environment burden of certain aspects of transportation. For example, it is obvious that having long lines of truck facing needless barriers to cross borders is neither good for trade nor the environment. In this vein, the recently adopted WTO Trade Facilitation Agreement can play a major role in reducing customs border inefficiencies and delays and, by the same token, wasteful fuel consumption, unnecessary air pollution, spread of invasive species, oil spills and waste sewage.
- Removal of restrictions in transport and logistics services can also play a role in reducing the environmental impact of the sector by allowing operators to choose the most efficient routes, thus minimizing their energy consumption.
- Liberalization needs of course to be accompanied by the development of appropriate regulatory mechanisms. Regulation is necessary to remedy market failures, to protect consumer interest and the environment, and to ensure the safety of good and services supplied. Good regulation is often the key to successful liberalization, just as trade disciplines of transparency and non-discrimination are key to good regulatory practices.
- To conclude, there are many synergies between a cleaner, more sustainable global transport sector and a vibrant, development oriented trading system. I know that we will all be working to realize those synergies — and I think we are taking an important step here today.