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## **NFTC Paper Examines Impact of EU Environmental Agenda**

*Cautions that EU attempts at 'enlightened' environmentalism impede economic growth, social welfare and public health in developing countries*

**Washington, D.C.** – Obscured by its passionate appeals for safety and global stewardship, the EU's persistent attempts to apply the Precautionary Principle hurt developing countries' prospects for economic growth, poverty alleviation, social advancement and even environmental protection, according to the most recent of the National Foreign Trade Council's white papers on precaution and trade, which presents three compelling cases that illustrate this situation.

The paper, *'Enlightened' Environmentalism or Disguised Protectionism? Assessing the Impact of EU Precaution-Based Standards on Developing Countries*, offers powerful evidence of the danger and inequity of indiscriminately applying developed nation safety and environmental protection standards to the developing world.

"The three cases outlined in this paper show the conflict that arises between the EU's precaution-based agenda and the Doha Ministerial Declaration," said NFTC President Bill Reinsch. "Doha has a goal of securing for the least developed countries a share in world trade commensurate with their economic development needs. This goal, as well as the health and environmental protections goals all nations share cannot be achieved if developing countries are saddled with unattainable standards that block their products from EU markets. Nor can they be achieved if developing economies and industries are denied access to important technologies."

This most recent NFTC white paper contains three essays with regional implications:

- Africa -- A discussion of the Stockholm Convention on Persistent Organic Pollutants (POPs) and how it adversely impacts the health of millions of Sub-Saharan Africans by effectively banning the use of DDT as part of a comprehensive malaria control program.
- Asia -- An outline of the impact of the Basel Convention's broad definition of 'hazardous waste' and its proposed Ban Amendment on important recovery and recycling industries in Asia.
- Latin America and Asia – A presentation of the extra-territorial scope of the EU-REACH Regulation on chemicals and how it threatens the local and global competitiveness of key industries that produce or use chemicals within a number of Asian and Latin American countries.

Two earlier papers in the NFTC series present numerous examples of the EU's use of precaution to block trade in a wide variety of products ranging from beef to computers. They also clearly show how the EU has sought to inject the precautionary principle into the WTO system, international standards setting bodies, and bilateral and regional free trade and aid agreements.

Reinsch urged representatives of the developing nations to pay particular attention to this third report. “Many developing countries lack the resources necessary to monitor and comply with the waves of overly stringent health, safety, and environmental regulations and standards being developed. It’s tempting for them to agree to such rules when the perceived reward is trade and aid agreements or capacity building initiatives. But, **caution not precaution** is what is needed. The development of strong rules to protect health and environment is an important goal for both developed and developing nations, but both are best served – and those goals are best met -- by regulatory schemes that also promote economic development, not restrict trade and the growth and jobs it promotes.”

For a copy of the NFTC paper, please see the NFTC’s website at [www.nftc.org](http://www.nftc.org).

*The National Foreign Trade Council is a leading business organization advocating an open, rules-based global trading system. Founded in 1914 by a broad-based group of American companies, the NFTC now serves 300 member companies through its offices in Washington and New York.*

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