



# Private Voluntary Water Footprint Labelling and the TBT Agreement

Fitzgerald Temmerman
World Trade Institute, University of Bern

IEW Annual Doctoral Workshop March 24, 2012 World Trade Institute, Bern







## Saving fresh water by "virtual water trade"

- Virtual water trade (Allan, 1997)
- Water footprint (Hoekstra, 2002)
- Global water saving (Oki & Kanae, 2004)

- Irrigation (and related) subsidies
- Water Process and Production Methods
- Private voluntary water footprint labelling

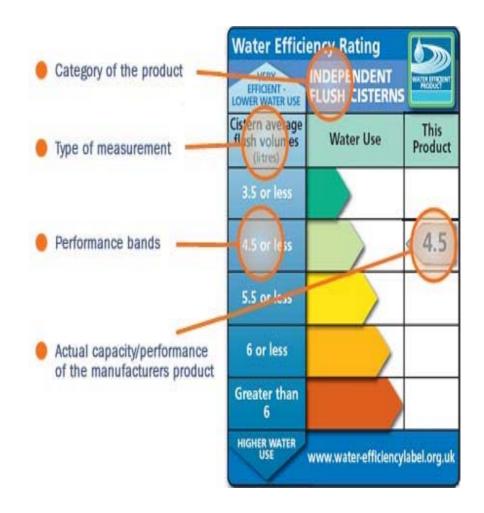




- Water footprint of a product
- Water footprint of a business
- Blue water footprint
- Green water footprint
- Grey water footprint



© Raisio Group



© Water Label







# Agreement on Technical Barriers to Trade (TBT) → lex specialis

- 2 types of labelling schemes → technical regulations and standards
- 3 types of issuing bodies → central government bodies, local government bodies and non-governmental bodies
- 3 types of mandatory labelling issued by a central government body (art. 2.1, 2.2 and 2.4 TBT) or a local government body (art. 3 TBT)





## Is the private labelling sector regulated under TBT?

- Definition of a "non-governmental body"?
  - Not clear. However:
    - Non-governmental standardizing organizations such as ISEAL and IFOAM could fall under the definition
    - Can even apply to private businesses
- Standards issued by "non-governmental bodies" are covered by article 4 TBT and Annex 3 TBT (Code of Good Practice)
  - A "non-governmental body" is free to accept the Code of Good Practice
  - Irrespective of acceptance, A WTO member state can be held responsible for the non-compliance of a "non-governmental body" with the provisions of the Code





### **Open questions**

- Private voluntary labelling is based on consumers choice
  - Any advantage on the market place will be a consequence of consumers choice
  - Should WTO interfere with consumers choice?
- A "non-governmental body" can be a global organization
  - Which member state will be held responsible?
- Conflict WTO law environmental issues?
  - Principle of mutual supportiveness
- Conflict WTO law freedom of information?







#### Recommendations

- WTO should not interfere with private voluntary labelling schemes
  - Unless these could be considered as "de facto mandatory"
- Carve out private voluntary labelling schemes issued by global NGO's and the private sector from the ambit of the TBT agreement
  - Definition of "non-governmental body" (case law)





### Thank you for your attention!



UNIVERSITÄT BERN