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Preparation Paper/Study Guide:

World Trade Organization (WTO)

"Sustainable Energy as a Boost for Growth"

<u>Welcome</u>

Honorable Delegates of the World Trade Organization,

A very warm welcome to the beginning of your preparations for Vienna International Model United Nations 2017! It is truly admirable that you will be convening along with the rest of the World Trade Organization (WTO) for what promises to be...no, needs to be a constructive session this August.

The quality and insightfulness of this debate will lie in your hands this August. Prepare well, and remember that the WTO operates slightly differently from the regular UN committees. We will see you in a month!

Your WTO-Board





Paola MARKEK, BA Sonja TRGOVCIC Director-General Co-Chair

1) Introduction to the World Trade Organization Committee

The World Trade Organization (WTO) is an intergovernmental organization with tremendous powers over international trade, intellectual property, investment and production patterns. The WTO was officially established on 1 January 1995 under the Marrakesh Agreement, which was signed by 123 nations on 15 April 1994. With the commencement of the WTO, it effectively replaced the General Agreement of Tariffs and Trade (GATT), which came into power on 30 October 1947, after a failed attempt to create the International Trade Organization (ITO). A vast majority of the basis that forms the WTO, however, was negotiated in the 8th round of the GATT negotiations, the so-called Uruguay Round Negotiations, between the years 1986 and 1994. In contrast to the GATT, the WTO has a significantly broader scope and a more powerful mandate. This means the WTO provides a framework for negotiating trade agreements that are legally binding on its member states and it provides a platform for trade dispute settlements.

The highest official meeting of the WTO take place on a two-year basis and is called the Ministerial Conference. Before these meetings convey however, members meet on a regular basis to find common grounds. This is especially necessary, due to the complexity of such agreements. Details need to be discussed beforehand already in order to give member states a higher chance at actually reaching a consensus at official meetings.

Next to the Ministerial Conferences, the General Council of the WTO convenes more than once a year in Geneva. Representatives of every member state take part in the Council that is divided into five main bodies: Council for Trade in Goods, Council for Trade-Related Aspects of Intellectual Property Rights, Council for Trade in Services, Trade Negotiations Committee and the Dispute Settlement System. Aside from these 5 bodies, there are also specialised committees that deal with other issues of relevance, such as membership, regional trade agreements, development and the environment.

The WTO is not a United Nations committee, but nevertheless cooperates with UN Committees, the World Bank (WB) and the International Monetary Fund (IMF), because many of their topical focuses and goals overlap. Especially the WB and IMF cooperate a lot with the WTO in order to better promote global trade policies.

Since its establishment in 1995, the WTO has made an unprecedented progress in liberalising global trade. It has watered down and/or eliminated trade obstacles, settled disputes among its member states and imposed sanctions when countries failed to comply with the WTO's agreements. Furthermore, it has facilitated a higher degree of transparency amongst governments worldwide and upholds all of its members to a fair and consistent set of rules, thereby strengthening the multilateral trading system. Needless to say, the WTO is of incredible importance in our global economic, financial and monetary architecture.

2) Terminology

Sustainable energy - provision of energy that meets the needs of the future without compromising the ability of future generations to meet their own needs. Sustainable energy has two key components: renewable energy and energy efficiency

Renewable Energy - use of energy from a source that does not result in the depletion of the earth's resources whether this is from central or local source

Energy Efficiency - This can be defined in slightly different ways, and includes using less energy (kWh) to achieve the same benefits (e.g. internal temperature, industrial output etc), or using the same or a lesser amount of energy (kWh) but achieving more benefits (e.g. a warmer home, higher output). The focus tends to be on improving the welfare of the end- user.

Sustainable development – As defined by United Nations Brundtland Commission:"That which meets all the needs of the present without compromising the ability of future generations to meet their ownt needs"

Energy efficiency and renewable energy are considered to be twin pillars of sustainable energy. Organizing principle for sustainability is sustainable development. This concept connects four domains: ecology, economics, politics and society.

For energy source to be characterized as "sustainable" it must fill following demands: Energy source must have long-term availability that guarantees to meet any present or future consumption needs,

Energy source must be able to renew itself without human intervention,

The amount of energy consumed to exploit the available resources should not exceed the amount of energy these resources produce (ie. the energy efficiency of the source).

3) Past Committee Action

World Trade Organization's commitment to sustainable development is vivid through its founding document - The Marrakesh Agreement.

When the declaration was signed in 1994, 124 nations and future members of WTO showed their dedication to sustainable development goals.

In the preamble of the document importance of sustainable development is eminent:"...allowing for the optimal use of the world's resources in accordance with the objective of sustainable development, seeking both to protect and preserve the environment and to enhance the means for doing so in a manner consistent with their respective needs and concerns at different levels of economic development..".

The WTO contributes to protection and preservation of the environment through its objective of trade openness, through its rules and enforcement mechanism, through work in different WTO bodies, and through ongoing efforts under the Doha Development Agenda.

Through its core institutions WTO continues to promote, protect and implement set goals in preamble of its founding document.

WTO Dispute Settlement Body, having resolved numerous disputes concerning environment-related trade measures, became valuable pool of future policy objectives that will avoid future conflict in trade agreements.

Specialized Committees of World Trade Organization are resourceful forums of dialogue, incubators of ideas, as well as assembly where Member States can provide information on experience when implementing environmental regulations, as well as its affect on trade.

Most notable contribution of World Trade Organization to sustainable development is Doha Development Agenda. Even though first negotiations on Agenda started in 2001, World Trade Organization is keen on pushing the agenda which is set to accomplish "win-win- win results for trade, development and environment".

The latter is reason behind delay in negotiations, as WTO has set out to satisfy all interest involved in the matter of sustainable development.

4) Current Situation

Christiana Figueres, former Executive Secretary of the UN Framework Convention on climate change said during Paris Climate Conference: "The economic case for renewables as the backbone of our global energy system is increasingly clear and proven. Offering ever greater bang-for-buck, renewables are quite simply the cheapest way to generate energy in an ever-growing number of countries."

In this day and age, when the benefits of sustainable energy and development have been scientifically proven, it is hard to believe that during 2015 financial investment in renewables fell for 24%.

The biggest advantage of renewable energy is its affordability. Developing countries rely more and more on cheap renewable energy sources. This is why in 2016, more then 24% of global electricity was produced by renewable sources. Hydropower has the greatest impact on this percentage, though wind contribution and

solar contribution are not far behind. Solar and wind power technologies provide the biggest boost in improving competitiveness of renewable power generation technologies.

Due to fluctuations in energy market, we cannot accurately predict the future of sustainable development. We can only hope that extensive data produced by various institutes and scientists are accurate.

The data shows renewable energy will increase the global GDP for 1.1% by the year 2030. Percentage may seem small, but its value is 1.3 trillion US dollars. Most of the impact on GDP will be from investment in renewable energy development, which would then, trigger effects throughout economy.

Benefits of sustainable development reaches well beyond economic performance. Doubling the share of renewables by 2030 would have a positive impact on global welfare, which would in turn increase GDP by another 0.6%. Combined indicator for welfare considers a number of factors including: economic impact based on consumption and investment, social impacts based on expenditure on health and education and environmental impacts, measured as greenhouse gas emissions and materials consumption.

Due to investment in sector of renewable energy, direct and indirect sector of employment would be influenced as well. Renewable energy jobs will grow across all technologies, with a high concentration in the same technologies that account for a majority of the employment today, namely bioenergy, hydropower and solar. Along the renewable energy value chain, most renewable energy jobs will come from fuel supply (bioenergy feedstocks) installations and equipment manufacturing.

Renewable energy deployment affects trade of energy-related equipment and services as well as of fossil fuels. Trade in renewable energy equipment and other investment goods and services will increase as a result of the scaled-up deployment in power and end-use sectors. At the same time, this will result in a decrease in trade of other energy sources, notably fossil fuels.

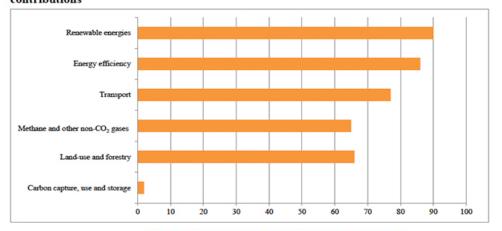
The increase in the share of renewable energy in the global energy system will impact both fuel importers and exporters. For fossil fuel importers, the switch to a greater share of renewables has potentially favorable trade implications stemming from the ripple effects on their economies, as well as improved energy security due to a greater reliance on indigenous sources. Fossil fuel exporters appear vulnerable to changes in trade patterns. Given the high contribution of fossil fuels to their GDP, the dependency on export revenues can have significant effects on their economies. Early renewable energy deployment in fossil fuel exporting countries could be seen as an opportunity for economic diversification, thereby positioning them in the new markets that will be created.

The data also shows policy makers can maximize the benefits of transition to sustainable energy for their national economies. Above mentioned investments create economic growth, better prospects for social welfare, expand employment opportunities etc. Still, the benefits of investments depend on set of enabling factors, which include diversified economy and market that can absorb opportunities for job creation, including training and education in order to build skilled workforce.

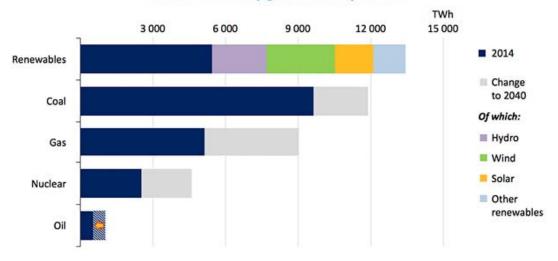
In order to achieve predicted success by investing in renewable sources, countries need to place stable and predictable policy frameworks. Since 2004, the number of countries promoting renewables through direct policy support has nearly tripled, and an ever-increasing number of developing and emerging countries is setting renewable energy targets and enacting supporting policies.

World Trade Organization believes all of this is achievable if international community equally participates in creating and implementing set out agenda. International community showed its willingness through cooperation on Paris Climate Conference Agreement where U.N. member states reached consensus on INDCs - intended nationally determined contributions. Taken together, renewable energy appears to be the most common strategy for meeting emissions targets, compared to boosting energy efficiency, cleaning up the transportation sector, stopping deforestation, and other methods.

Figure 7 Priority areas for implementation highlighted in the intended nationally determined contributions



Global electricity generation by source



Though there are fears the entire globe could fall short of these promises due to announcement from US government on withdrawal from Paris Climate Conference Agreement, scientists and economists state otherwise. "Renewables train has already left the station, and those who ignore its central role in climate mitigation, risk being left behind", said Christine Lins, executive secretary of REN21.

5) Points Resolution should Address

Summarizing presented information allows delegations to focus their final document on specific points that would make an impact on sustainable development.

Resolution should:

- Address tax tariffs on goods and services promoting sustainable development;
- Present stability and predictability policy agenda, which would allow member states to create similar policy framework. The industry needs predictability of policy frameworks in order to build up production capacities, to develop new technologies and to expand skilled employees in many countries;
- Pursue member states to enable universal energy access through the choice of modern renewable energy technologies for cooking, water heating and electrification;
- Propose framework on higher rates of energy efficiency. Together with efficiency solutions that slow down demand growth, the renewable-energy technologies identified in this analysis can boost the global share for renewables to 30% by 2030.

6) Bibliography

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7) Further Reading

https://www.wto.org/english/tratop_e/envir_e/envir_e.html

8) How to Get Prepared

You probably cannot wait until it is the end of July and VIMUN is about to start – at least we cannot! However, before the conference starts, there is still some work to be done.

You are the ones that fill the conference with life, that lead interesting discussions and fruitful debates and make innovative resolutions reality. This requires some preparation on your side. While conducting research, try to keep in mind that your primary goal is to represent your country as realistically as possible.

In advance to the conference we expect all delegates to research your state's position and become experts for the given agenda topic, to familiarize yourself with the rules of procedure (which you can find on our VIMUN homepage) and to practice your debating and writing skills.

Here are some useful hints on how to get prepared for the VIMUN conference:

Do Some Research

The first step after you have been assigned your state and committee will be to do some research in order to prepare for the conference. These are areas you should look into:

- The structure and history of the UN
- Your assigned member state
- Research your committee
- Your member state's role in the committee
- Your agenda topics

Central Questions that Should Guide your Research

- What sort of government does your country have?
- What types of ideologies (political, religious or other) influence your country's government?
- Which domestic issues might influence your country's foreign policy?
- What are some major events in your country's history? Why are they important?
- Which ethnicities, religions and languages can be found in your country?
- Where is your country located and how does its geography affect its political relationships?
- Which countries share a border with your country?
- Which countries are considered allies of your country?
- Which countries are considered enemies of your country?
- What are the characteristics of your country's economy?
- What is your country's gross domestic product (GDP)? How does this compare to other countries in the world?
- When did your country become a member of the UN?
- Does your country belong to any intergovernmental organizations outside the UN system such as the North Atlantic Treaty Organization (NATO) or the Organization of the Petroleum Exporting Countries (OPEC)?
- Does your country belong to any regional organizations such as the European Union (EU), the African Union (AU) or the Organization of American States (OAS)?
- Does your country belong to any trade organizations or agreements such as the North American Free Trade Agreement (NAFTA) or the Organization for Economic Cooperation and Development (OECD)?
- What are the key issues of your agenda topics?
- Why are these issues important?
- What are possible solutions?
- What is hindering those solutions?
- What has the UN (or other international agencies) done so far, in order to solve these problems?
- What should be done from the perspective of your state to resolve the issues?
- Which other states share your view, which are opposed to your position?

For further research apart from reading the study guide we greatly recommend:

- The UN homepage
- NGO (particularly those accredited by the UN)
- Country reports and data published by international or regional organizations such as the World Bank, WHO, OECD, APEC, etc.
- General socio-economic data: e.g. CIA World Factbook has seved delegates in previous years in gaining a first overview of a particular member state
- Your countries government website
- Search for speeches made by your country on the topic
- Search for important resolutions regarding your topic

How to Write a Position Paper

Writing a position paper might appear to be a daunting task, especially for new delegates. But with enough research, you will find that writing a position paper will be easy and useful.

Position papers are usually one to one-and-a-half pages in length. Your position paper should include a brief introduction followed by a comprehensive breakdown of your country's position on the topics that are being discussed by the committee. A good position paper will not only provide facts but also make proposals for resolutions.

Many conferences will ask for specific details in a position paper, so be sure to include all the required information. Most conferences will provide delegates a background guide to the issue. Usually, the background guide will contain questions to consider. Make sure that your position paper answers these questions.

A good position paper will include:

- A brief introduction to your country and its history concerning the topic and committee;
- How the issue affects your country;
- Your country's policies with respect to the issue and your country's justification for these policies;
- Quotes from your country's leaders about the issue;
- Statistics to back up your country's position on the issue;
- Actions taken by your government with regard to the issue;
- Conventions and resolutions that your country has signed or ratified;
- UN actions that your country supported or opposed;
- What your country believes should be done to address the issue;
- What your country would like to accomplish in the committee's resolution; and
- How the positions of other countries affect your country's position.

Position Paper Tips

- **Keep it simple.** To communicate strongly and effectively, avoid flowery wording and stick to uncomplicated language and sentence structure.
- **Make it official.** Try to use the seal of your country or create an "official" letterhead for your position paper. The more realistic it looks, the more others will want to read it.
- **Getorganized.** Give each separate idea or proposal its own paragraph. Make sure each paragraph starts with a topic sentence.
- **Cite your sources.** Use footnotes or endnotes to show where you found your facts and statistics. If you are unfamiliar with bibliographic form, look up the Modern Language Association (MLA) guidelines at your school's library.
- **Read and reread.** Leave time to edit your position paper. Ask yourself if the organization of the paper makes sense and double-check your spelling and grammar.
- **Speech! Speech!** Do you plan to make an opening statement at your conference? A good position paper makes a great introductory speech. During debate, a good position paper will also help you to stick to your country's policies.

• Let the bullets fly. Try not to let your proposals become lost in a sea of information. For speechmaking, create a bulleted list of your proposals along with your most important facts and statistics so that you will not lose time looking for them during debate.

Sample Position Paper

Delegation of the **Republic of India** Represented by **XXX** Topic: Primary Education

The Republic of India acknowledges and has responded to the call of the United Nations for a universalization of primary education with fierce engagement and enthusiasm over the past 10 years. India firmly believes that the challenge of guaranteeing every child the opportunity to primary education can and shall be overcome by raising greater awareness among the public and by public involvement through respectful regional cooperation, e.g. the cooperation with Village Education Committees and Local Government substatal Bodies. Furthermore it is crucial not only to focus on the quantity of students, but on the quality of the education they receive.

The Republic of India recognizes the need and urgency to address universal primary education. Primary Education is of crucial importance to India. Although India is still facing difficulties in its efforts to guarantee every child the education it deserves, the Indian country will not succumb, but face the challenge with effective policies which have shown immersive and lasting effects in the past.

In 2010 The Right of Free and Compulsory Education Act was ratified, making the fundamental Right To Education Act the first of its kind in the world, which puts the responsibility of ensuring enrollment, attendance and completion of primary education to the government. To enforce implementation of this act, India strongly supports its governmental organizations, which have brought positive long-term effects, e.g. "The Education for All"- Movement, which has as a main objective the universalization of elementary education, making education free and compulsory for children between 6-14 years. In addition to this program, India launched the Mid-Day Meal Scheme in 1995, revised and improved it over the last ten years. Mid-Day Meal Scheme, as the world's largest school feeding program, reaches 1.2 million children across the country.

Furthermore a stronger emphasis is put on unprivileged and disadvantaged sections of the Indian society. As a result to the 10th five year plan of India the joined forces to tackle illiteracy, the number of elementary schools has increased by 216.054, the number of enrolment in the lower and upper primary school classes has increased about 30 million students, only in the period between 2000 and 2006.

In the 11th five year plan of the Republic of India, the focus is set on achieving an 80%- literacy rate, on reducing the gender gap in literacy rate to 10%, to reduce dropout rates of children at the elementary level from52, 2% in 2003-04 to 20% by 2011-12, and to support low literacy States, disadvantaged groups, minorities and to reduce regional, social and gender disparities and on granting the quality of the given education.

However, universal education cannot be established in isolation, therefore the Indian government has successfully joined hands with the UN on this matter, as extensive cooperation within the United Nations Development Program prove. Together we can bring the MDGs in achievable and reachable range. Therefore the issue of primary education should be discussed realistically and on a basis, where not only providing quantity, but quality plays an immense and even more important role. Due to India's ideals which are Socialism, Democracy, Justice, Equality, Fraternity the Indian Republic believes that the question on how to provide and ensure qualitative education with well-equipped and modern schools and on the basic training of teachers should be raised.

In conclusion, India is striving to guarantee its pupils the universal access to education, regardless of their gender. Moreover it is of the main concerns to support tribal States, rural areas, disadvantaged groups, religious/ethnic minorities and to extinguish any kind of disparities which influence the access to education. These main concerns remain to be: access, equity, quality, relevance, resources, planning and management of educational programmes.

Therefore the Republic of India highly approves of all expenditures which were made to tackle the problem of primary education and warmly welcomes every effort made on capacity building, modern education programmes, teacher training programmes and progressive use of instructional materials.

Sources

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Goal 2: Achieve Universal Primary Education. Available from: http://www.undp.org.in/mdgs/achieve_universal_primary_education [Accessed 1.8.2015].

How to Make an Opening Speech

- First, you should thank the presiding official by saying "Thank you Mr./ Madame/ Honorable Chair/ President..."
- Then begin by providing a brief history on the issue as it relates to your country.
- Speak about how the issue is currently affecting your country.
- your country's position on the issue. Include an explanation for your country's stance, such as economic or security concerns or political or religious ideology.
- You may choose to give an explanation of how your country's position relates to the positions of other member states such as the major powers or countries in your regional bloc.
- You should discuss some of the past actions taken by the UN, member states and NGOs to address the issue.
- Present ideas for a resolution, stressing your country's objectives for the resolution.
- Talk about the role that NGOs or regional organizations have to play in addressing the issue.
- Indicate to the committee members whether your country is willing to negotiate.

Vocabulary: Sample Preambulatory Phrases

Accept	Notes Proclaims	Designates
Affirms	Reaffirms	Draws the attention
Approves	Recommends	Emphasizes
Authorizes	Regrets	Encourages
Calls	Reminds	Endorses
Calls upon	Requests Solemnly affirms	Expresses its appreciation
Condemns	Strongly condemns Supports	Expresses its hope
Confirms	Takes note of Transmits Trusts	Further invites
Congratulates	Encourages	Further proclaims
Considers	Endorses	Further reminds
Declares accordingly	Expresses its appreciation	Further resolves
Deplores	Expresses its hope	Has resolved
Designates	Further invites	Further recommends
Draws the attention	Deplores	Further requests
Emphasizes		