



*To eliminate/reduce
trade restrictions/distortions of
labor-intensive products
to benefit
trade, environment and development*

Hu Tao and Shen Xiaoyue

Policy Research Center of State Environmental
Protection Administration of China



Progress of Para.32.1

- A little progress has been made so far after Doha
- The main reason is developed countries are not interested in promoting it and developing countries are not able to promote it



What is labor-intensive product

- The product in which the labor cost is higher than 50% of total costs
- Such as the products from the following sectors: toy, textile, shoes, electronic and electrical hardware and software etc
- Labor-intensive product is the most important comparative advantage of developing countries



*Why labor-intensive products
benefit 3 win*

- For trade:
 - ▣ Comparative advantage of developing countries
 - ▣ Niche of developing countries in world production division
- For environment:
 - ▣ Alternative of resources-intensive products which result in environmental problems
 - ▣ Alternative of land-intensive products which increase environmental pressure
- For development:
 - ▣ Driving engine of economy development in early stage of industrialization for developing countries



*Eliminate/reduce trade
restrictions/distortions*

- In a period to reach 0% tariff
- To significantly reduce TBT, especially green barrier
- To reduce improper domestic support, such as "red box" and "amber box" policy for labor-intensive products