Environmental products, services and technologies make up a US$ 475 billion market. By 2010, it’s expected to reach US$ 640 billion, with a share of over 15% for developing and transition economies. Developing economies have a competitive edge, with rich natural resources and their own clean technology solutions that have emerged in response to local demand, and which are likely to be of interest to other developing countries.

Exporters also face many eco-challenges. From eco-friendly packaging to organically-grown food, there’s growing pressure on exporters to “go green”. Major international buyers are making “sustainability” a requirement in their supply chains.

Clearing up grey areas in countries’ “green” economies will heighten export opportunities.
Solutions

To compete, producers have to show technological innovation, quality and service performance, and flexibility in producing their goods and services. Weak environmental support systems mean they usually face these competitive challenges unaided.

From avocados to sports shoes, environmental protection standards often act as market access barriers. Exporters from least developed countries are particularly affected, yet most don’t participate in setting standards. “Green” trade measures do have an impact on a number of goods but it’s difficult to evaluate their effect because little information is available about which goods are affected.

Trade developers of biodiversity products in developing countries face challenges beyond the issue of market access. Lack of information about market opportunities makes it difficult to find investors and business partners. Adding value, establishing economies of scale and managing resources in a sustainable way are other challenges. Local communities, the traditional caretakers of biodiversity resources, may not have the right business training or skills.

There’s still too little awareness in the developing world about environmental trade opportunities and solutions to “green” export challenges. Institutional weaknesses and limited coordination among national standards institutes, environmental protection agencies and other advisory and certifying bodies leave gaps. The result is shortfalls in analysing export markets, providing export support services and conducting advocacy for the environmental sector.

How ITC Can Help

▶ **Technical assistance to the environmental institutions** that also play a part in trade promotion. By raising awareness and improving their coordination and research capabilities, ITC helps them to advocate more effectively for integrating environmental aspects into national strategy.

▶ **Export promotion of “green” products and services** through advisory services and market analysis of sectors including organic food, spices and herbs; rubber; jute and coconut fibres; medicinal plants; sustainably-produced wood products and artisanal products; and environmental services and technologies.

▶ **Eco-trade information** through specialized databases for eco-standards; new process and production requirements; green packaging; eco-labelling; prices of environmentally-preferable products; and supply sources for environmentally-supportive products, technologies and services. ITC’s online market analysis tools, Trade Maps, highlight environmental trade barriers on countries’ exports.