

25/09/2025 10:00:22 - AGRO NEWS

## **Integrating international trade into the climate agenda: another challenge for COP30**

*Rodrigo C. A. Lima<sup>1\*</sup>*

The urgency to expand projects that reduce greenhouse gas emissions (GEE) and contain global warming is an uncomfortable reality, to say the least.

Under the multilateral rules of the Paris Agreement and the United Nations Framework Convention on Climate Change (UNFCCC), countries must adopt mitigation and adaptation targets, defined according to their national realities. Examples of global commitments that guide these targets include tripling renewable energy capacity by 2030, transitioning away from fossil fuels and eliminating deforestation.

The implementation of Nationally Determined Contributions (NDCs) should preferably occur through policies, actions and projects within countries, involving the sectors that emit the most, such as energy, agriculture, land use, industrial processes and waste treatment.

At the same time, the creation of measures that affect international trade, justified by the need to achieve climate goals, is becoming an increasingly evident reality. Although climate and trade may seem conflicting, given the emissions from international transport and the different carbon footprints of similar products from different countries, certain regulations seek to reconcile these agendas.

The Carbon Border Adjustment Mechanism (CBAM) and the European Union Deforestation Regulation (EUDR) are classic measures that affect trade, backed by the need to act to achieve European decarbonization targets.

In practice, these measures are a form of extraterritorial regulation, imposing obligations on producers and exporters of third countries who, in order to access the European market, are forced to adapt.

As the saying goes, "the customer is always right". In the current context, this logic seems to extend to environmental and climatic requirements, often imposed unilaterally. Such requirements are sometimes justified regardless of how they are demanded, creating additional costs and ignoring differences in development, technological levels and

---

<sup>1\*</sup> *Rodrigo C. A. Lima is managing partner at Agroicone. Lawyer, PhD in International Economic Relations Law from the Pontifícia Universidade Católica de São Paulo (PUC-SP), he has 21 years of experience in international trade, environment and sustainable development in the agricultural and renewable energy sectors. Email: [rodrigo@agroicone.com.br](mailto:rodrigo@agroicone.com.br).*

access to financing. It is important to remember, however, that each country has its own NDC, climate goals and priorities, which suggest that not everyone is starting from the same point.

The intensification of post-pandemic protectionism and the deepening crisis of multilateralism reflect a new cycle in which unilateral interests override multilateral rules, and the logic of “the strongest” tends to prevail. From this perspective, the climate agenda has also become an instrument of economic power, with trade wars often covered up by environmental purposes.

This does not imply underestimating the importance of reducing emissions but rather exploring ways in which trade can support climate action. However, the absence of common approaches to assessing the life cycle and defining the carbon footprint of products such as steel, biofuels and beef is just one example of the lack of minimum consensus on how to address the issue.

In recent years, the World Trade Organization (WTO) has been discussing how to integrate climate gains using international trade as a springboard. The last three WTO Trade Reports highlight this challenge and seek to propose ways to improve the interaction between climate and trade.

To promote this rapprochement, specific WTO committees, such as the Committee on Trade and Environment and the Committee on Technical Barriers to Trade, have established themselves as crucial forums for discussing ways to bring the WTO closer to the UNFCCC.

The recognition of the importance of this issue is also evident at the UN Climate Change Conferences (COPs). Since COP28, held in 2023, COPs have included a “trade day” in their program, reflecting growing concern about the fragmentation of trade and climate measures.

The action agenda proposed by the COP30 Presidency brings a relevant innovation by integrating the dimensions of trade and climate. Ambassador André Corrêa do Lago, President of COP30, highlighted this convergence during the WTO Public Forum, held in Geneva last September, when he defended the importance of finding synergies between the two agendas, valuing multilateralism over unilateral measures.

To realize this vision, the Ambassador proposed the creation of an Integrated Forum on Climate Change and Trade, a common space for thinking about and building solutions that promote climate gains and use trade as a tool to achieve this.

The target of tripling renewable energy, for example, could benefit from broad liberalization of trade in renewable energy or technologies and services aimed at expanding renewable energy production projects. Similarly, the goal of ending deforestation could be supported by mobilizing resources to support forest conservation and restoration, which could be made feasible by a small fee paid by importers of certain products.

Recognizing the equivalence between climate actions adopted by two countries, in line with WTO rules, could increase cooperation and synergies aimed at mitigation gains associated with trade in products that meet minimum decarbonization requirements.

The Integrated Forum could also advance a long-debated issue: carbon pricing in specific sectors, taking into account different levels of development and historical contributions to global emissions. Such an approach, if well structured, could establish fairer rules for reconciling trade and climate policies.

The effectiveness of current climate trade measures is uncertain. There is a risk that they will not result in effective emissions mitigation in exporting countries. Consequently, these measures may only restrict trade and impose costs on GHG emissions without generating concrete climate benefits. Far from being a “win-win” approach, this practice fuels protectionism and weakens multilateralism.

COP30 can put on the climate agenda the need for cooperation with international trade. There is an urgent need to create what, in WTO jargon, is called a level playing field, in other words, a set of minimally common rules and conditions that apply to all countries, with very clear exceptions. Ensuring this balance is yet another challenge for COP30.