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Brasília, July 2025

EXECUTIVE SUMMARY

STRENGTHENING THE MULTILATERAL TRADE SYSTEM FOR GREEN GROWTH AND DEVELOPMENT: SOUTH AFRICA AND BRAZIL WITHIN THE WTO

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DOI: http://dx.doi.org/10.38116/td3137-eng

This paper analyzes the interactions between environmental policies and international trade, focusing on the positions adopted by Brazil and South Africa within the World Trade Organization (WTO) and other international forums. Faced with the increasing use of environmental regulations on trade dynamics, both countries seek to reconcile economic growth and sustainability, while expressing concerns about unilateral measures that may hinder access and maintenance of international markets.

Unilateral environmental policies implemented by developed countries, such as the Carbon Border Adjustment Mechanism (CBAM) and the European Regulation on Deforestation (EUDR), pose challenges especially for countries that export agricultural commodities and industrial products. Brazil, as a major agricultural exporter, disputes the EUDR, arguing that its application imposes additional costs on Brazilian producers, affecting the competitiveness of the sector. South Africa, on the other hand, focuses its attention on the impact of CBAM on its industrial exports, highlighting the need for financial and technological support to adapt to the new environmental requirements.

Both countries argue that environmental regulations should not become disguised trade barriers, penalizing emerging economies that have limited resources for adaptation. In this sense, Brazil and South Africa emphasize the need for a multilateral approach, in which environmental policies are negotiated within the WTO, ensuring that developing countries have fair conditions to participate in global trade.

The study discusses the importance of climate finance and technology transfer to facilitate developing countries' transition to more sustainable practices. Without adequate financing mechanisms, there is a risk that the new environmental requirements will result in losses of

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competitiveness and exclusion from global markets for countries that export commodities and industrial products.

The paper presents some recommendations, including reviewing environmental trade barriers to avoid protectionist effects, strengthening climate finance for developing countries, and promoting fairer negotiations at the WTO. In addition, it proposes the formulation of national strategies so that Brazil and South Africa can adjust to the new global environmental regulations without compromising their international competitiveness, such as training and technical assistance to local producers and industries, ensuring that small and medium-sized enterprises have access to adequate information and technologies to meet international environmental requirements.