

# STATE AND ECONOMY

DOI: 10.31617/1.2023(152)01  
UDC 323(061.1ЄС):339.1(477)=111

**ZOLOTAROVA Oksana,**  
Candidate of technical sciences,  
Associate professor, Associate professor  
Department of commodity science and customs  
affairs, State University of Trade and Economics  
19 Kyoto St, Kyiv 02156, Ukraine

ORCID: 0000-0003-2534-3125  
o.zolotarova@knute.edu.ua

**MEREZHKO Nina,**  
Doctor of technical sciences, Professor,  
Head of the Department of commodity science  
and customs affairs,  
State University of Trade and Economics  
19 Kyoto St, Kyiv 02156, Ukraine

ORCID: 0000-0003-3077-9636  
n.merezhko@knute.edu.ua

## EU POLICY ON SUSTAINABLE TRADE: INSIGHTS FOR UKRAINE

*The evolution of global trade, driven by the urgent need to protect the environment, ensure social justice and economic growth in the face of globalization, emphasizes the relevance of sustainable trade practices. This paradigm shift emerged in the late 1980s to harmonize economic prosperity with ecological and social well-being. As a prominent player in international trade, the European Union (EU) has taken a leading role in promoting and implementing sustainable trade policies.*

*A broad review of global studies and publications reveals a growing consensus on the necessity of sustainable trade. Scholars have explored such topics as the trade-environment relationship, economic growth's compatibility with environmental protection, and the role of trade in achieving sustainable development goals. The integration of sustainable development criteria into trade policy has also been a central topic.*

*This article scrutinizes the evolution of the EU policy on sustainable trade, highlighting the*

**ЗОЛОТАРЬОВА Оксана,**  
к. т. н., доцент, доцент кафедри  
товарознавства та митної справи  
Державного торговельно-економічного  
університету  
вул. Кіото 19, Київ 02156, Україна

ORCID: 0000-0003-2534-3125  
o.zolotarova@knute.edu.ua

**МЕРЕЖКО Ніна,**  
д. т. н., професор, завідувач кафедри  
товарознавства та митної справи  
Державного торговельно-економічного  
університету  
вул. Кіото, 19, м. Київ, 02156, Україна

ORCID: 0000-0003-3077-9636  
n.merezhko@knute.edu.ua

## ПОЛІТИКА ЄС ЩОДО СТАЛОЇ ТОРГІВЛІ: ІНСАЙТИ ДЛЯ УКРАЇНИ

*Еволюція глобальної торгівлі, що обумовлена нагальною необхідністю захисту навколишнього середовища, забезпечення соціальної справедливості та економічного зростання в умовах глобалізації, підкреслює актуальність практик сталої торгівлі. Ця зміна парадигми виникла наприкінці 1980-х рр. для гармонізації економічного процвітання з екологічним і соціальним добробутом. Як видатний гравець у міжнародній торгівлі Європейський Союз (ЄС) взяв на себе провідну роль у пропаганді та впровадженні сталої торговельної політики.*

*Результати широкого огляду глобальних досліджень і публікацій свідчать про зростаючий консенсус щодо необхідності сталої торгівлі. Учені розглядали такі теми: відносини між торгівлею та навколишнім середовищем, сумісність економічного зростання з охороною навколишнього середовища та роль торгівлі в досягненні цілей сталого розвитку. Інтеграція критеріїв сталого розвитку в торговельну політику також була центральною темою дослідження.*



Copyright © The Author(s). This is an open access article distributed under the terms of the Creative Commons Attribution License 4.0 (<https://creativecommons.org/licenses/by/4.0/>)

significance of such research in the present global context.

The research hypothesis states that sustainable trade policies are vital to solving global economic problems, contributing to sustained economic growth. The methodology involves a thorough analysis of EU political documents and an assessment of their alignment with the global goals of sustainable development.

In the article's main sections, the authors consider various aspects of the EU's path to sustainable trade, including the integration of environmental considerations, alignment with Sustainable Development Goals (SDGs), and the historical development of sustainable trade policy. The results of this study significantly contribute to the global dialogue on sustainable trade, offering insights into the EU's path in promoting sustainable trade and providing comprehensive overview of its implications, challenges and opportunities.

**Keywords:** sustainable trade, EU policy evolution, environmental impact, social justice, SDGs.

У статті детально розглянуто еволюцію політики ЄС щодо сталої торгівлі, підкреслюючи важливість таких досліджень у сучасному глобальному контексті.

За гіпотезою дослідження стала торговельна політика є життєво важливою для вирішення глобальних економічних проблем, сприяючи постійному економічному зростанню. Методологія передбачає ретельний аналіз політичних документів ЄС і оцінку їх узгодження з глобальними цілями сталого розвитку.

Розглянуто різні аспекти шляху ЄС до сталої торгівлі, зокрема інтеграцію екологічних міркувань, узгодження з цілями сталого розвитку та історичний розвиток політики сталої торгівлі. Результати цього дослідження істотно сприяють глобальному діалогу щодо сталої торгівлі, пропонуючи розуміння шляху ЄС в просуванні сталої торгівлі та надаючи вичерпний огляд її наслідків, викликів та можливостей.

**Ключові слова:** стала торгівля, еволюція політики ЄС, вплив на навколишнє середовище, соціальна справедливість, цілі сталого розвитку.

**JEL Classification:** F13, F15, F40, R58.

## Introduction

The escalating challenges posed by globalisation and free trade, notably in the environmental and social domains, have necessitated a paradigm shift towards sustainable trade practices. The genesis of the concept in the late 1980s arose from the imperative to reconcile economic growth with environmental protection and social justice. As a central player in international trade, the European Union (EU) has taken a leadership role in advocating and implementing sustainable trade policies.

In recent years, academic research has shifted from a general focus on shaping suitable trade practices to a more nuanced examination of the economic, production, environmental, and climate change impacts within different industries. The academicians widely addressed the issues of the trade role in achieving sustainable development goals (*Sudsawasda, Charoensedtasin, Pholphirul, 2020*) and the integration of sustainability criteria into trade policies (*Marx, 2018*). Several notable studies contributed valuable insights to impacts of international trade on global sustainability (*Xu & others, 2020*), mitigation pathways for sustainable development (*Danish & others, 2020*) and sustainable development pathway for climate action (*Soergel & others, 2021*). Further research delved into topics such as nexus between economic growth, energy use, international trade, and ecological

footprints (*Nathaniel & others, 2021*), optimal trade-offs for sustainability and resilience (*Rajesh, 2021*), sustainability standards in EU trade agreements (*Bronckers, Gruni, 2021*) and environmental innovation and trade openness (*Khan et al., 2022*). One of the latest studies (*Harrison, 2023*) examines sustainability provisions focused on Global Value Chains in trade agreements.

The purpose of this article is to critically examine the evolution of the EU's sustainable trade policies, aiming to uncover the underlying conditions and significance of these policies. The intent is to furnish valuable insights for Ukraine as it navigates its path toward sustainable trade. The research illuminates key aspects, offering a comprehensive overview and distilling valuable lessons for Ukraine in the formulation of its sustainable trade policies.

The hypothesis driving this research posits that insights derived from the EU's sustainable trade policies are pivotal for informing Ukraine's approach to addressing global challenges and fostering equitable economic growth. The step-by-step algorithm for testing the hypothesis involves a meticulous analysis of the EU's historical approach to sustainable trade, tracing policy evolution and assessing the alignment with global sustainability goals. The methodology involves an extensive review of EU policy documents comprising a diverse range of sources, including international agreements, policy documents, thinktank research and scholarly articles.

The main part of the article is structured into sections, each revealing a facet of the EU's sustainable trade journey. The sections encompass the integration of environmental considerations, the evolution of EU policy aligned with SDGs, the pre-2011 indirect promotion of sustainable trade, the impact of the Lisbon Treaty, and the recent alignment with the UN's SDGs in 2015. Each section succinctly presents key findings, emphasising the EU's commitment to sustainable trade. These insights serve as a guide for Ukraine, offering a nuanced understanding and actionable guidance to enhance its own sustainable trade policies in alignment with global best practices.

This research marks a starting point in the series of articles aimed to shed light on the landscape and perspectives of sustainable trade development. The intention is to provide a strong foundation for the global sustainable trade discourse and empower Ukrainian stakeholders with crucial knowledge for effective promotion and navigation of sustainable trade practices in Ukraine.

### **1. Genesis of the concept of sustainable trade**

The idea of sustainable trade first emerged in the late 1980s and early 1990s because of increasing concern about the adverse environmental and social impacts of globalization and free trade, and a growing recognition of the need to balance economic growth with environmental protection and social justice.

The European Union (EU) as a major player in international trade (*Eurostat*, 2023) and has a significant role in promoting sustainable trade practices. The EU's trade policy is based on World Trade Organization (WTO) principles (WTO, n.d.) and covers trade in goods and services, as well as intellectual property and foreign direct investment. The EU's approach to sustainable trade involves engaging in multilateral initiatives at the international level, such as the 2030 United Nations Sustainable Development Goals Agenda (UN SDG Agenda 2030) (*UN*, 2015).

The concept of sustainable trade was initially introduced in 1987 in the Brundtland report (Brundtland Commission, 1987): "*development that meets the needs of the present without compromising the ability of future generations to meet their own needs*". Later, during the United Nations Conference on Environment and Development, held in Rio de Janeiro in 1992, the EU played a leading role in the development of the Rio Declaration on Environment and Development (*UNCED*, 1992), that recognized the interdependent nature of environmental protection, economic development, and social equity, and highlighted the need for an integrated approach to sustainable development. Establishing principles for international cooperation and accountability, the declaration set the stage for subsequent international agreements and policies aimed at promoting sustainable trade.

## **2. Integration of Environmental Considerations into EU's Trade Policy**

Following the UNCED conference, the EU set out to strengthen its environmental policies and legislation and adopted in 1993 the Programme of policy and action "Towards Sustainability" (*European Community*, 1993), better known as the Fifth Environmental Action Programme (5<sup>th</sup> EAP). The Programme established a framework for the EU environmental policy and set out the EU objectives for the period up to 2000, recognising "*the importance of integrating environmental considerations into other policies*", including trade, and emphasising the need for sustainable development.

In 1996 the Communication on Environmental Agreements (*European Community*, 1996) built upon the 5<sup>th</sup> EAP and recognized that trade and the environment were interconnected, and unsustainable trade practices could lead to negative environmental and social consequences. It called for the integration of environmental considerations into trade policy and the use of trade measures to promote sustainable development. Nonetheless, the EU had taken a number of measures to address sustainable development, there was a growing recognition that the more comprehensive and coherent approach was needed to tackle the complex challenges of sustainable development.

### **3. Evolution of EU Policy on Sustainable Trade and Alignment with SDGs**

#### *3.1. The Helsinki European Council and Initial Steps towards Sustainable Trade*

The Helsinki European Council (*European Council, 1999*) adopted at the end of 1999 the Millennium Declaration and introduced decisions to promote a sustainable economy, in line with enlargement process, strengthening common security and defence policy. The Helsinki European Council addressed sustainable trade by urging the immediate implementation of strategies for integrating the environmental dimension into the agriculture (*Council of the EU, 1999a*), energy (*Council of the EU, 1999b*) and transport (*Council of the EU, 1999c*) sectors. Additionally, the Commission was invited by the European Council (*European Council, 1999*) "to prepare a proposal for a long-term strategy dovetailing policies for economically, socially and ecologically sustainable development to be presented to the European Council in June 2001".

#### *3.2. Introduction of the EU Sustainable Development Strategy (EUSSD)*

In 2001 the Commission subsequently proposed a European Union strategy for sustainable development (EUSSD) (*European Commission, 2001*), which was presented to and endorsed by the Gothenburg European Council (*European Council, 2001*) in June 2001. The strategy was then incorporated into the European Union's preparatory work for the 2002 World Summit on Sustainable Development (*UN, 2002*). In 2002 the EUSSD was extended to include an external dimension by the Barcelona Council (*European Council, 2002*), highlighting the significance of sustainable development in the EU's relationships with developing countries. It called for "trade policies and investment flows to be directed towards sustainable development".

#### *3.3. Incorporating Sustainable Development in EU's External Dimension*

The Renewed EU Sustainable Development Strategy (*Council of the EU, 2006*), adopted by the European Council in 2006, highlighted the need for increased efforts by the Commission and Member States "to make globalisation work for sustainable development". The EU should enhance collaboration with trading partners to harness environmental and social standards, using all levels of trade agreements to achieve genuine global sustainable development.

### 3.4. Pre-2011: Indirect Promotion of Sustainable Trade

Although sustainable development has been a top priority for the European Union for about a decade, it did not explicitly incorporate sustainable trade provisions into its policies until 2011, when trade and sustainable development chapters became the part of EU's free trade agreements. Prior to this, the EU had implemented various policies aimed at promoting sustainable trade indirectly. In 2008, the Commission proposed the Sustainable Consumption and Production (SCP) Action Plan (*European Commission, 2008a*), aimed to improve the products environmental performance and sustainability, increase consumer awareness, and demand for sustainable goods, and promote innovation in EU industry. The SCP Action Plan led to various initiatives in the EU policy aimed to promote sustainability, including the extended Eco-design Directive (*EU Eco-design Directive, 2009*) and revised Ecolabel Regulation (*EU Ecolabel Regulation, 2010*), regulatory frameworks and legislative initiatives on Green Public Procurement (*European Commission, 2008b*), the Resource Efficiency Roadmap (*European Commission, 2011a*), and the Eco-Innovation Action Plan (*European Commission, 2011b*).

### 3.5. The Lisbon Treaty and Strengthening EU's Trade Policy

The Lisbon Treaty (*Treaty of Lisbon, 2007*) brought significant changes to the EU's trade policy, including increased powers for the European Parliament, clarified EU powers on trade, and the establishment of qualified majority voting as the general rule in the Council for all aspects of trade policy, with unanimity required only in specific circumstances. These changes have helped to strengthen the EU's ability to align its trade policy with its sustainable development objectives.

Nevertheless, the Lisbon Treaty (*Treaty of Lisbon, 2007*) did not specifically mention sustainable trade provisions, but it provided the legal basis for the EU to include such provisions in its trade agreements. With the introduction of Article 207 in the Treaty, the EU was granted exclusive competence over foreign direct investment, intellectual property rights, and trade in services, empowering the EU to negotiate and finalize comprehensive trade agreements, which can encompass provisions on sustainable development. In addition to the Lisbon Treaty itself, there were certain follow-up documents and agreements that provided more guidance on how sustainable development should be integrated into EU trade policy.

### 3.6. Trade Policy in Alignment with EU's 2020 Strategy

Published in 2010 Communication (*European Commission, 2010*) on the EU's 2020 Strategy highlighted that open economies grow faster than closed ones, and trade is a key driver of growth for the European Union (EU),

as it promotes efficiency and innovation, boosts foreign demand for goods and services, and offers consumers access to a wider range of products at lower prices. The EU trade and investment policy should support the achievement of the "*smart, inclusive and sustainable growth*". The Communication outlined Europe's openness to foreign direct investment (FDI), which boosts competitiveness and global expansion, leading to job creation. There was some level of apprehensiveness that open trade policies could fail unless other developed and emerging partners engage in reciprocity and mutual benefit. Europe should benefit from the triple gains of open trade and investment: increased growth, higher employment, and lower consumer prices.

The European Economic and Social Committee's Opinion (*EESC*, 2010) on the EU's 2020 Strategy Communication highlighted the need for the EU's trade policy to prioritize sustainable growth, low-carbon transition, and social market economy. It suggested opening trade, ensuring security of raw materials and energy, reducing trade barriers, promoting reciprocity, employing trade protection, and upholding EU's values. Sustainable development, food security, and global solidarity should receive greater attention, and a fair transition and future WTO reform should be encouraged.

In 2011 the European Parliament passed a Resolution (*European Parliament*, 2011) urging the European Commission to develop a future trade strategy that would focus on emerging economies and the EU's long-term development strategies and challenges. The Resolution (*European Parliament*, 2011) prioritised trade policy in achieving the EU's triple objectives of smart, inclusive, and sustainable growth, emphasized environmental and social standards in future trade agreements, and encouraged comprehensive, balanced, and WTO-compatible bilateral trade agreements.

### *3.7. Trade for All Communication: Emphasising Sustainable Development Goals (SDGs)*

In 2015, the European Union aligned with the United Nations' Sustainable Development Goals (SDGs) (*UN*, 2015) by adopting the Trade for All Communication (*European Commission*, 2015), which emphasized the significant role of trade and investment in driving economic growth and generating employment opportunities. The communication acknowledged the changing global economic system, which has resulted in international value chains, and advocated for a more transparent, open, and responsible trade and investment policy based on European values, aiming to improve conditions for all, including citizens, consumers, workers, small and large businesses, and those in developing countries. The communication concluded with the importance of promoting sustainable development, human rights, and good governance.

### 3.8. *Advancing Sustainable Development through EU Trade Policy*

The enforced external dimension of the EU trade policy at the post-Lisbon time resulted in the number of the EU policy documents aimed to promote adapting of trade and investment policies for countries in need (*European Commission, 2012*), achieving inclusive and sustainable growth in developing countries (*European Commission, 2014*) and advancing development through trade (*European Parliament, 2013*).

To support the EU's external trade policy the European Commission has adopted financing decisions aimed to support the external trade projects and initiatives, setting a maximum Union contribution between €18.100.000 to €19.022.638 for the annual work program to be financed from the general budget of the Union. The decision for 2021 (*European Commission, 2021a*) aimed to support the Union's external trade policy and activities relating to the Community market access strategy, whereas the decisions for 2022 (*European Commission, 2022a*) and 2023 (*European Commission, 2023*) focused more broadly on financing projects in external trade relations, including access to third country markets and trade-related initiatives.

In 2019, the European Commission released a Reflection Paper (*European Commission, 2019*) entitled "Towards a Sustainable Europe by 2030" highlighting the EU's dedication to realising the United Nations' 2030 Agenda for Sustainable Development, outlining both the challenges and opportunities that Europe faces in its pursuit of sustainability, and providing a roadmap of policy options and scenarios for achieving its objectives. The European Committee of the Regions urged (*European Committee of the Regions, 2019*) the EU to prioritize the 2030 Agenda for Sustainable Development by developing a time-bound strategy that involves all stakeholders and coordinates implementation across all levels of government, emphasising the crucial role of regions and cities and the need to build their capacity to localize the SDGs effectively.

To build a consensus around a fresh medium-term direction for EU trade policy the European Commission's launched (*European Commission, 2020*) in June 2020 a major review of the European Union's trade policy based on public consultations seeking input from the European Parliament, Member States, stakeholders, and civil society. The Trade Policy Review (*European Commission, 2021b*) published in February 2021 highlighted the necessity to adopt a new trade policy strategy that would prioritise sustainability and social equity and align with its environmental and social objectives such as the Paris Climate Agreement and the Sustainable Development Goals. This new strategy should also ensure transparent and inclusive trade negotiations, protect labour rights, and promote environmental standards in collaboration with civil society organizations.



### 3.9. Reviewing EU Trade Policy and Prioritising Sustainability

Following the Trade policy review (*European Commission, 2014*), the European Commission launched in June 2021 a review of the 15-Point Action Plan on Trade and Sustainable Development to improve the ability of trade agreements to promote sustainable trade. The review aimed to enhance the ability of trade agreements to promote sustainable trade, and involved an independent study, public consultation (*Open public consultation, 2021*), and feedback from EU Member States and institutions, resulting in the identification of key priorities and actions to strengthen the current approach and enforce TSD chapters in the trade agreements, including a compliance stage and targeted use of trade sanctions.

In June 2022, the European Commission released a Communication "The power of trade partnerships: together for green and just economic growth" (*European Commission, 2022b*) which seeks to enhance the Trade and Sustainable Development provisions of EU trade agreements. It was underlined that the EU's trade agreements play a significant role in driving sustainable growth in the EU and its partner countries, providing a platform for policy dialogue and cooperation on sustainability with partner countries. The Communication identified six policy priorities of the EU's TSD model that proved to need an improvement according to the TSD review: *"the need to be more proactive in the cooperation with partners; stepping up the country-specific approach; mainstreaming sustainability beyond the TSD chapter of trade agreements; increasing the monitoring of the implementation of TSD commitments; reinforcing the role of civil society; and enhancing enforcement by means of trade sanctions as a measure of last resort"*.

### 4. EU's sustainable trade policies: insights for Ukraine

The empirical examination of the EU's sustainable trade policies not only offers discerning insights for Ukraine's strategic shaping of its own trade landscape, but also provides a paradigmatic framework for navigating and mitigating environmental challenges inherent in trade practices. The EU's systematic integration of environmental considerations into trade policies demonstrates an acute awareness of the interplay between trade dynamics and environmental imperatives, offering methodological insights that Ukraine stands to gain in contemplating a strategic realignment.

Moreover, the EU's meticulous alignment with the Sustainable Development Goals (SDGs) serves as a substantive reference point for Ukraine as it embarks on a nuanced recalibration of its trade policies. This alignment, encompassing economic, social, and environmental dimensions, provides a blueprint for comprehensive societal well-being and economic growth through trade and investment (*European Commission, 2001*).

The post-Lisbon external trade policy of the EU is indicative of its strategic approach to international collaboration and inclusivity (*Treaty of Lisbon, 2007*), providing methodological insights that Ukraine can glean for its own challenges. Facing distinctive obstacles, Ukraine can learn from the EU's commitment to supporting nations in need, fostering inclusive growth, and advancing development through trade. This narrative offers valuable perspectives for shaping Ukraine's external trade relations, particularly in the pursuit of sustainable growth and substantive collaborations with the EU.

Additionally, the EU's Trade for All Communication (*European Commission, 2015*) emphasised the importance of transparent, open, and responsible trade and investment policies grounded in European values. This methodological approach resonates with global expectations, setting a benchmark for Ukraine. The prioritization of sustainability, human rights, and good governance becomes a methodological imperative for Ukraine to enhance its global trade positioning.

The ongoing of the EU's trade policies analysis, notably with a dedicated focus on sustainability, presents a compelling case study in adaptability and responsiveness. Ukraine, in crafting its sustainable trade policy, can draw lessons from the EU's commitment to periodic evaluations, public consultations, and the dynamic adaptation of strategies, fortifying its own trade policies (*European Commission, 2020*).

Finally, the EU's recognition of the instrumental role played by civil society in enforcing sustainable trade provisions contributes to Ukraine adopting a more inclusive and participatory methodological approach. This involves exploring ways to involve civil society organizations and other stakeholders in the formulation and oversight of its sustainable trade policies.

### **Conclusions**

The evolution of EU policy on sustainable trade reflects a transition from acknowledging the link between trade and environmental considerations in the 1990s to a recent explicit and strategic integration of sustainability provisions. This progression includes initial steps urging strategies to integrate environmental dimensions into key sectors and an expanded focus on sustainable development in relationships with developing countries. The EU's trade policy now prioritizes sustainability, aligning with global goals, fostering inclusive growth, and adapting strategies for robust sustainable development provisions. The emphasis on the role of trade and investment in driving economic growth and generating employment opportunities remains consistent. A crucial aspect of the EU's commitment lies in externalizing sustainable trade ideas, actively promoting sustainable development beyond its borders in alignment with the United Nations' Sustainable Development Goals (SDGs). This dedication affirms the EU's role in fostering global sustainable growth.

The research affirms the hypothesis, which suggests that insights from the EU's sustainable trade policies play a pivotal role in shaping Ukraine's strategy to tackle global challenges and foster fair economic development. This confirmation stems from a thorough analysis of the EU's historical commitment to sustainable trade. The EU's consistent dedication to incorporating social and environmental factors into its trade policies, evident in its policy evolution and alignment with global sustainability goals, provides validation for the hypothesis. The EU stands out as a pioneer in sustainable development, actively addressing climate change, biodiversity loss, resource depletion, and human rights, thereby contributing to global sustainable growth.

As a vital partner in the EU's Eastern Partnership program, Ukraine holds strategic significance in regional trade and economic integration. Despite ongoing conflicts, Ukraine serves as a compelling case study for the examination of the external dimension of the EU's sustainable trade policy. The repercussions of the conflict in Ukraine had significant implications for international trade system (*IISD*, 2022; *WTO*, 2023), highlighting the urgent need for sustainable development and environmental protection in the region.

The exploration of the EU's sustainable trade policies provides Ukraine valuable insights for responsible and sustainable trade. By closely examining the EU's journey, Ukraine can draw inspiration, adapt regulatory frameworks to align with international standards, and strategically position itself in the global market. Understanding the significance of social and environmental factors in the EU's policies allows Ukraine to prioritize similar considerations, fostering economic growth and building a positive global reputation. The article's insights offer a roadmap for Ukraine to capitalize on economic opportunities, mitigate risks, and engage stakeholders effectively, contributing to Ukraine's sustainable and competitive trade future.

In synthesizing these insights, this research marks the start of a broader series illuminating the landscape of sustainable trade development and its implications for Ukraine. Subsequent studies will delve deeper into specific aspects, providing a comprehensive understanding of implications, challenges, and opportunities for Ukraine in sustainable trade policy development. The ongoing EU commitment to prioritizing sustainability offers a valuable framework for Ukraine's journey toward sustainable economic growth and resilience.

## REFERENCE

- Bronckers, M., & Gruni, G. (2021). Retooling the Sustainability Standards in EU Free Trade Agreements. *Journal of International Economic Law*. 24(1), 25-51. <https://doi.org/10.1093/jiel/jgab007>
- Brundtland Commission (1987). Report of the World Commission on Environment and Development: Our Common Future. <https://sustainabledevelopment.un.org/content/documents/5987our-common-future.pdf>

Council of the EU (1999a, dateless). *Report on the strategy on the environment integration and sustainable development in common agriculture policy established by the Agriculture Council*. Council document 13078/99. [https://www.consilium.europa.eu/ueDocs/cms\\_Data/docs/pressdata/en/misc/13078.en9.htm](https://www.consilium.europa.eu/ueDocs/cms_Data/docs/pressdata/en/misc/13078.en9.htm)

Council of the EU (1999b, 3 Dec.). *Report to the European Council on the strategy for integrating environmental aspects and sustainable development into energy policy*. Council document 13773/99.

Council of the EU (1999c, 11 Dec.). *Strategy on the integration of environment and sustainable development in transport policy*. Council document 11717/99. [https://www.europarl.europa.eu/enlargement\\_new/europeanCouncil/pdf/hel\\_en.pdf](https://www.europarl.europa.eu/enlargement_new/europeanCouncil/pdf/hel_en.pdf)

Council of the EU (2006, 26 June). *Renewed EU Sustainable Development Strategy*. <https://data.consilium.europa.eu/doc/document/ST-10917-2006-INIT/en/pdf>

Danish, Ulucak, R., Khan, S. U. D., Baloch, M. A., & Li, N. (2020). Mitigation pathways toward sustainable development: Is there any trade-off between environmental regulation and carbon emissions reduction? *Sustainable Development*. 28(4). 813-822. <https://doi.org/10.1002/sd.2032>

EESC (2010). *Opinion of the European Economic and Social Committee on the 'Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions — Trade, Growth and World Affairs: Trade Policy as a Core Component of the EU's 2020 Strategy' COM(2010) 612 final (2012/C 43/17)*. <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52011AE1866&from=EN>

EU Eco-design Directive (2009, 31 Oct.). *Directive 2009/125/EC of the European Parliament and of the Council of 21 October 2009 establishing a framework for the setting of ecodesign requirements for energy-related products (recast)* (Text with EEA relevance). *OJ L* 285. 10–35. <http://data.europa.eu/eli/dir/2009/125/oj>

EU Ecolabel Regulation (2010, 30 Jan.). *Regulation (EC) No 66/2010 of the European Parliament and of the Council of 25 November 2009 on the EU Ecolabel* (Text with EEA relevance). *OJ L* 27. 1–19. <http://data.europa.eu/eli/reg/2010/66/oj>

European Commission (2001, 25 May). Communication from the Commission. *A Sustainable Europe for a Better World: A European Union Strategy for Sustainable Development* (Commission's proposal to the Gothenburg European Council). <https://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2001:0264:FIN:EN:PDF>

European Commission (2008a, 16 Jul). Communication From The Commission To The European Parliament, The Council, The European Economic And Social Committee And The Committee Of The Regions. *On the Sustainable Consumption and Production and Sustainable Industrial Policy Action Plan*. COM (2008) 397 final. [https://www.europarl.europa.eu/RegData/docs\\_autres\\_institutions/commission\\_europeenne/com/2008/0397/COM\\_COM\(2008\)0397\\_EN.pdf](https://www.europarl.europa.eu/RegData/docs_autres_institutions/commission_europeenne/com/2008/0397/COM_COM(2008)0397_EN.pdf)

European Commission (2008b). Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions. *Public procurement for a better environment* (2008). /\* COM/2008/0400 final \*/. <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52008DC0400>

European Commission (2010). Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions. *Trade, Growth and World Affairs Trade Policy as a core component of the EU's 2020 strategy*. COM/2010/0612 final. /\* COM/2010/0612 final \*/. <https://eur-lex.europa.eu/legal-content/en/ALL/?uri=CELEX:52010DC0612>

European Commission (2011a). Communication from the Commission to the European Parliament, The Council, The European Economic and Social Committee and the Committee of the Regions. *Roadmap to a Resource Efficient Europe*. /\* COM/2011/0571 final \*/. <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52011DC0571>

European Commission (2011b). Communication from the Commission to the European Parliament, The Council, The European Economic and Social Committee and the Committee of The Regions. *Innovation for a sustainable Future – The Eco-innovation Action Plan*. /\* COM/2011/0899 final \*/. <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=celex%3A52011DC0899>

European Commission (2012). Communication from the Commission to the European Parliament, the Council and the European Economic and Social Committee. *Trade, growth and development – Tailoring trade and investment policy for those countries most in need*. /\* COM/2012/022 final \*/. <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52012DC0022>

European Commission (2014). Communication from the Commission to the European Parliament, the Council and the European Economic and Social Committee and the Committee of the Regions. *A Stronger Role of the Private Sector in Achieving Inclusive and Sustainable Growth in Developing Countries*. /\* COM/2014/0263 final \*/ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A52014DC0263>

European Commission (2015). Communication from the Commission to the European Parliament, The Council, The European Economic And Social Committee And The Committee Of The Regions. *Trade for All Towards a more responsible trade and investment policy*. (COM/2015/0497 final). <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52015DC0497>

European Commission (2019). *Towards a sustainable Europe by 2030: reflection paper*. <https://data.europa.eu/doi/10.2775/676251>

European Commission (2020). *European Commission kicks off major EU trade policy review*. Press release. 16 June 2020. Brussels. [https://ec.europa.eu/commission/presscorner/detail/en/ip\\_20\\_1058](https://ec.europa.eu/commission/presscorner/detail/en/ip_20_1058)

European Commission (2021a, 16 Feb.). *Commission Decision on the financing of projects in the area of external trade relations, including access to the markets of third countries and initiatives in the field of trade related assistance and the adoption of the work programme for 2021*. C. (2021) 916 final. <https://circabc.europa.eu/rest/download/f5342e1e-947d-495a-8393-ccee7e06e9ae>

European Commission (2021b). Communication from The Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions. *Trade Policy Review – An Open, Sustainable and Assertive Trade Policy*. Council Conclusions COM/2021/66 final <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=COM:2021:66:FIN>

European Commission (2022a, 11 Feb.). *Commission Decision on the financing of projects in the area of external trade relations, including access to the markets of third countries and initiatives in the field of trade related assistance and the adoption of the work programme for 2022*. C (2022) 705 final. <https://circabc.europa.eu/rest/download/5f83169e-57ca-4ad1-a49e-ba24f4f9b1c3>

European Commission (2022b). Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions. *The power of trade partnerships: together for green and just economic growth*. (COM(2022)409final). <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52022DC0409&qid=1656421271029>

European Commission (2023, 31 Jan.). Commission Decision on the financing of projects in the area of external trade relations, including access to the markets of third countries and initiatives in the field of trade related assistance and the adoption of the work programme for 2023. C(2023) 653 final. <https://circabc.europa.eu/rest/download/b58f6721-7c18-4eb4-a746-8d223cb8f77d>

European Commission (n.d). EU trade relations with Ukraine. [https://policy.trade.ec.europa.eu/eu-trade-relationships-country-and-region/countries-and-regions/ukraine\\_en](https://policy.trade.ec.europa.eu/eu-trade-relationships-country-and-region/countries-and-regions/ukraine_en)

European Committee of the Regions (2019). Opinion of the European Committee of the Regions. *Sustainable Development Goals (SDGs): a basis for a long-term EU strategy for a sustainable Europe by 2030* (2019/C 404/04). <https://cor.europa.eu/en/our-work/Pages/OpinionTimeline.aspx?opId=CDR-239-2019>

European Community (1993). *"Towards Sustainability". The European Community Programme of policy and action in relation to the environment and sustainable development*. <https://ec.europa.eu/environment/archives/action-programme/env-act5/pdf/5eap.pdf>

European Community (1996). *Communication from the Commission to the Council and the European Parliament on Environmental Agreements*. <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:51996DC0561&from=EN>

European Council (1999). Presidency Conclusions. *Helsinki European Council. 10 and 11 December 1999*. [https://www.consilium.europa.eu/uedocs/cms\\_data/docs/pressdata/en/ec/ACFA4C.htm](https://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/ec/ACFA4C.htm)

European Council (2001). Presidency Conclusions. *Göteborg European Council 15 And 16 June 2001*. [https://www.consilium.europa.eu/ueDocs/cms\\_Data/docs/pressData/en/ec/00200-r1.en1.pdf](https://www.consilium.europa.eu/ueDocs/cms_Data/docs/pressData/en/ec/00200-r1.en1.pdf)

European Council (2002). Presidency Conclusions. *Barcelona European Council. 15 and 16 March 2002*. [https://ec.europa.eu/invest-in-research/pdf/download\\_en/barcelona\\_european\\_council.pdf](https://ec.europa.eu/invest-in-research/pdf/download_en/barcelona_european_council.pdf)

European Parliament (2011, 26 Feb.). *New trade policy for Europe under the Europe 2020 Strategy*. *European Parliament resolution of 27 September 2011 on a New Trade Policy for Europe under the Europe 2020 Strategy* (2010/2152(INI)). OJ C 56E. 87–98. <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A52011IP0412>

European Parliament (2013, 5 Feb.). *Resolution of 16 April 2013 on Advancing Development through Trade* (2012/2224(INI)). OJ C 45. 5–14. <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A52013IP0119>

Eurostat (2023). *Share of European Union EU27 (from 2020) in the World Trade*. [https://ec.europa.eu/eurostat/databrowser/view/ext\\_It\\_introeu27\\_2020/default/table?lang=en](https://ec.europa.eu/eurostat/databrowser/view/ext_It_introeu27_2020/default/table?lang=en)

Harrison, J. (2023). Trade Agreements and Sustainability: Exploring the Potential of Global Value Chain (GVC) Obligations. *Journal of International Economic Law*. 26(2), 199-215. <https://doi.org/10.1093/jiel/jgac057>

- IISD (2022). *Russia's Aggression Against Ukraine: Global trade implications after 7 months of war*. <https://www.iisd.org/articles/policy-analysis/russia-ukraine-trade-implications>
- Khan, H., Weili, L. & Khan, I. (2022). Environmental innovation, trade openness and quality institutions: an integrated investigation about environmental sustainability. *Environ Dev Sustain.* 24. 3832–3862. <https://doi.org/10.1007/s10668-021-01590-y>
- Marx, A. (2018). Integrating Voluntary Sustainability Standards in Trade Policy: The Case of the European Union's GSP Scheme. *Sustainability.* 10(12)/ 4364. <http://dx.doi.org/10.3390/su10124364>
- Nathaniel, S.P., Murshed, M., & Bassim, M. (2021). The nexus between economic growth, energy use, international trade and ecological footprints: the role of environmental regulations in N11 countries. *Energ. Ecol. Environ.* 6. 496–512. <https://doi.org/10.1007/s40974-020-00205-y>
- OECD (1994). A survey of the trade and environment nexus: global dimensions. *OECD Economic Studies.* 23. <https://citeseerx.ist.psu.edu/document?repid=rep1&type=pdf&doi=5c8761245ab0c482cbad0c0ca57191c7c8fa23a4>
- Open public consultation on the Trade and Sustainable Development (TSD) Review. June 2021. [https://policy.trade.ec.europa.eu/consultations/open-public-consultation-trade-and-sustainable-development-td-review\\_en](https://policy.trade.ec.europa.eu/consultations/open-public-consultation-trade-and-sustainable-development-td-review_en)
- Rajesh, R. (2021). Optimal trade-offs in decision-making for sustainability and resilience in manufacturing supply chains. *Journal of Cleaner Production.* 313. 127596. <https://doi.org/10.1016/j.jclepro.2021.127596>
- Soergel, B., Krieglger, E., Weindl, I. et al. (2021). A sustainable development pathway for climate action within the UN 2030 Agenda. *Nat. Clim. Chang.* 11. 656–664. <https://doi.org/10.1038/s41558-021-01098-3>
- Sudsawasd S., Charoensedtasin T. & P. Pholphirul (2020). Does international trade enable a country to achieve Sustainable Development Goals? Empirical findings from two research methodologies. *International Journal of Sustainable Development & World Ecology.* 27(5). 405–418. <https://www.tandfonline.com/doi/abs/10.1080/13504509.2019.1709913>
- Treaty of Lisbon (2007, 17 Dec.). Treaty of Lisbon amending the Treaty on European Union and the Treaty establishing the European Community. *OJ C 306.* 1–271. <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A12007L%2FTXT>
- UN (2002). World Summit on Sustainable Development, 26 August-4 September 2002, Johannesburg. <https://www.un.org/en/conferences/environment/johannesburg2002>
- UN (2015). TRANSFORMING OUR WORLD: THE 2030 AGENDA FOR SUSTAINABLE DEVELOPMENT. <https://sdgs.un.org/sites/default/files/publications/21252030%20Agenda%20for%20Sustainable%20Development%20web.pdf>
- UNCED (1992). Rio Declaration on Environment and Development [https://www.un.org/en/development/desa/population/migration/generalassembly/docs/globalcompact/A\\_CONF.151\\_26\\_Vol.I\\_Declaration.pdf](https://www.un.org/en/development/desa/population/migration/generalassembly/docs/globalcompact/A_CONF.151_26_Vol.I_Declaration.pdf)
- WTO (2023). One year of war in Ukraine: Assessing the impact on global trade and development. [https://www.wto.org/english/res\\_e/publications\\_e/oneyukr\\_e.htm](https://www.wto.org/english/res_e/publications_e/oneyukr_e.htm)
- WTO (n.d.). Understanding the WTO: BASICS. Principles of the trading system. [https://www.wto.org/english/thewto\\_e/whatis\\_e/tif\\_e/fact2\\_e.htm](https://www.wto.org/english/thewto_e/whatis_e/tif_e/fact2_e.htm)
- Xu, Z., Li, Y., Chau, S.N., et al. (2020). Impacts of international trade on global sustainable development. *Nat Sustain.* 3. 964–971. <https://doi.org/10.1038/s41893-020-0572-z>

**Conflict of interest.** The authors certify that don't they have no financial or non-financial interest in the subject matter or materials discussed in this manuscript; the authors have no association with state bodies, any organizations or commercial entities having a financial interest in or financial conflict with the subject matter or research presented in the manuscript. Given that one of the authors is affiliated with the institution that publishes this journal, which may cause potential conflict or suspicion of bias and therefore the final decision to publish this article (including the reviewers and editors) is made by the members of the Editorial Board who are not the employees of this institution.

The authors received no direct funding for this study.

The contribution of the authors is equal.

Zolotarova O., Merezhko N. EU policy on sustainable trade: insights for Ukraine. *Scientia Fructuosa.* 2023. № 6. S. 4-17. [https://doi.org/10.31617/1.2023\(152\)01](https://doi.org/10.31617/1.2023(152)01)

*Received the editorial office 02.11.2023.*

*Received after revision 16.11.2023.*

*Accepted for printing 20.11.2023.*

*Publication online 22.12.2023.*