



CIVIL SOCIETY DIALOGUE

MEETING ON THE TRADE SUSTAINABILITY IMPACT ASSESSMENT OF THE ENVIRONMENTAL GOODS AGREEMENT (EGA)

Date: 2015.03.25

Time: 14 :30 – 16 :30

Location: Centre Albert Borschette, Room AB-2A, Rue Froissart 36, 1040 Brussels

Lead speakers

Ms Monika Hencsey, Head of Unit, Trade and Sustainable Development, Generalised System of Preferences, Directorate-General for Trade

Ms Urszula Stepkowska, Policy Officer, Trade and Environment, Directorate-General for Trade

Mr João Pereira, Evaluation Coordinator, Directorate-General for Trade

Mr Joachim Monkelbaan, Team Leader and Senior Environmental Key Expert

Mr Peter Brun, Senior Industry Key Expert

Moderator

Ms Montserrat Gago, Coordinator, Information, Communication and Civil Society Unit, Directorate-General for Trade

Panel Presentation

The European Commission described the status of the on-going EGA negotiations, highlighting the potential for the EGA to contribute to a global climate agreement in Paris at the end of 2015, and 10th WTO Ministerial in Nairobi. They presented the role of the Trade SIA in expanding stakeholder consultation conducted by the European Commission (EC).

Joachim Monkelbaan, Team Leader and **Peter Brun, Senior Industry Key Expert** (hereafter referred to as **the Project Team**) gave a [presentation](#) which provided a background to the negotiations and outlined the project's [Draft Inception Report](#). This report provides an overview of the key methodologies the Project Team will be employing in carrying out the Trade Sustainability Impact Assessment (SIA) of the Environmental Goods Agreement (EGA). It also presents

the Project Team's preliminary research and analysis of the overall sustainability issues concerning trade liberalisation of environmental goods and services.

The Project Team emphasized the importance of the case studies, as they will constitute the main part of the analysis and result in outputs in the form of policy recommendations. The selection criteria, sectoral and regional/country focus, structure and presentation of the case studies were discussed.

The Project Team further highlighted the importance of stakeholder engagement, which will be conducted through meetings and interviews, a questionnaire, an online discussion forum, newsletters, civil society dialogues, regional workshops and social media.

The report and full presentation can be found on the project website at www.egatradesia.com.

Discussion Highlights / Questions and Replies

Greenpeace European Unit asked why India is not included in the list of potential case studies.

The Project Team replied that India is an important country to consider in the Trade SIA. The Project Team will keep it in consideration as it continues to map out case studies. In addition, the Project Team invited stakeholders to submit their suggestions for case studies.

The European Commission supported a balanced geographical scope of case studies.

Zentralverband Elektrotechnik- und Elektronikindustrie e.V. asked if the Trade SIA will only look at the end-use of products or whether it will also look at components and other definitions of environmental goods. She also asked whether the Trade SIA will have any significant influence since it will be completed in January 2015, at a time when the EGA may have already been signed.

The Project Team replied that both end-use and components will be included in the Trade SIA. With regard to the project timeline, it stated that the forward-looking aspect of the EGA means that it will change over time and, as such, the Trade SIA output will feed into the EGA even after an eventual agreement has been signed. In addition, the Project Team stated that the Trade SIA will feed into the negotiations while they are still ongoing.

The European Commission added that the EGA is a process and that ongoing analysis of the Trade SIA is indeed feeding directly into the negotiations.

The Project Team emphasized the need for stakeholders to contribute with comments and suggestions, including for case studies, so that the Trade SIA can be optimized and have the best and most relevant analysis feeding into the negotiations.

The European Commission gave examples of the kinds of projects that may be used as case studies, such as projects financed by the World Bank, European Investment Bank (EIB) and other organisations. She pointed to the possibility for industry stakeholders to gain from contributing with information that can feed into the case studies as by so doing they can contribute to sustainability work.

European Economic and Social Committee (EESC) asked what the level of involvement of civil society there would be in the EGA negotiations.

The European Commission said that the EGA Trade SIA will include civil society dialogues, including this one, as well as other previously mentioned stakeholder outreach activities to ensure that, similar to the case with other trade agreements, all stakeholders get the chance to provide input on the process. They stated that, when it comes to the institutional structure that is to be set up once the EGA is adopted, the agreement is seen not only as a list of goods but as a proper agreement, meaning that it may include principles such as mutual support in trade of environmental goods, as well as an institutional framework such as a committee or a working group.

In addition, the EC stated that, apart from the stakeholder engagement and civil society dialogues mentioned, there is also an element of civil society consultation in the actual negotiations, where a considerable amount of time has been devoted to external speakers who have shared their views and concerns relating to the EGA.

The EC further emphasized that the EGA will be a living agreement and that civil society will be consulted on a continuous basis.

The Project Team added that it is important for stakeholders to reach out to their networks and contribute to the consultation process, which will be a broad outreach that aims to capture the maximum amount of input and feedback.

Zentralverband Elektrotechnik- und Elektronikindustrie e.V. asked what approach, if any, would be used in the EGA to cover all aspects, including trade in services and NTBs. She also asked what principles are being employed to identify ex-outs and how easy it will be to implement the agreement once it is adopted.

The European Commission said that in addition to the work on the goods, the negotiators will also discuss the text of the agreement, which should cover other aspects (e.g. a revision clause, future work program). The EC also stated that the current momentum that exists on environmental goods could be translated to discussions on trade in services and other aspects as well. With regard to NTBs, they said that this discussion will follow in the negotiations after environmental goods have been identified, so that the selection of NTBs can be more targeted. They further invited stakeholders, particularly from industry, to submit suggestions on ex-outs that can be considered in the negotiations.

The European Commission added that the views of industry on specific ex-outs to be considered in the negotiations would indeed be welcomed as a means of further strengthening the economic analysis.

The European Commission further stated that a balance needs to be struck between facilitating the implementation of the agreement at the border by the customs and the industry (and the issue of ex-outs) and achieving the objectives of creating an agreement that contributes to environmental sustainability. In this context, close cooperation with industry stakeholders that can help achieve these goals is appreciated.

Greenpeace European Unit asked for an elaboration on what it means to describe the EGA as a living agreement and also asked what links will be made to other trade agreements such as the Transatlantic Trade and Investment Partnership (TTIP).

The European Commission said that the concept of a living agreement is that it will include a review mechanism to add new technologies over time and address other issues in the sectors, such as non-tariff barriers.. It added that this points to the importance of staying in contact with stakeholders that can aid in the development of the EGA in the future.

In bilateral free trade agreements, including the TTIP, the EU also promotes liberalization of trade in environmental goods and services (e.g. frontloading of liberalization of such goods). The EU-Singapore FTA also tackles non-tariff barriers in the renewable energy sector).

The European Commission also stated that the consultants carrying out the EGA Trade SIA are different from the consultants carrying out the TTIP Trade SIA, but the EGA Trade SIA Project Team will be aware of the findings in the TTIP Trade SIA while carrying out their project and the Commission will ensure the coherence between the two SIAs. They further asked for any suggestions from stakeholders on how the Trade SIAs can be articulated even more effectively.

The Moderator asked for stakeholders to submit any additional questions or comments on the Trade SIA by **April 10**, after which the Project Team will incorporate feedback into the final draft of the Inception Report.

The European Commission encouraged the participants to provide feedback and said that bilateral meetings and other meetings can be arranged to further discuss the EGA negotiations and the Trade SIA. In addition, they pointed to the broad reach of the EGA and that stakeholders from many sectors and backgrounds are invited to participate and provide input, including suggestions for potential case studies.

The Project Team further emphasized the importance of stakeholders reaching out to their networks and setting in motion the stakeholder engagement process that will form such an integral part of the project analysis. It stated that the Project Team is keen to follow up in any way, including through one-one discussions.