



**Trade SIA on Environmental
Goods Agreement**
(Green Goods Initiative)



**A “Living Agreement”: Expanding the scope
of the Environmental Goods Agreement**

Wednesday 10 September, 2015

Overview of this presentation

- A 'living list'
- A 'living agreement'
- Opportunities for updating or expanding the EGA

What is a “living list”?

- A number of EGA participants have called for a sort of “living agreement” or a “living list”
- Revision clause because technologies change, new market development and regulatory context
- Revision or amendment mechanisms exist for agreements such as MEAs (e.g. CITES)
- How can “new” products be covered by the EGA?
- Review process? How to involve civil society?

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Possible ingredients for a living list

(a list to which new items can be added)

3 ingredients for a living list, with products to be added (or deleted), to function:

- Statement of purpose
- Definition, or criteria for evaluation
- A body to accept or reject changes to the list, which could be:
 - The participants to the Agreement
 - An arrangement whereby participants are advised by some expert group (incl. civil society?)

Living agreement



Opportunity 1: services

- Still many barriers to trade in SE services
- Slow progress on removing these barriers
- Classification (W/120) outdated and unsuitable
- GATS insufficient: rules, positive list
- Realization of development benefits
- Solar Trade War was domestic: between goods and services



Identifying Complementary Services

- Energy is crosscutting
 - Energy, transport, construction, industry, telecom, financial, other services
- To narrow the scope, look at key sustainable energy technologies
 - Improve energy efficiency in power projects
 - Monitoring/testing/analysis of emissions
 - Smart Grids

Ways Forward for SE Services in SE Asia in the 21st century

- Mapping: identify the appropriate sectors and modes of supply, better data needed
- Institutions: seem unable to provide a framework, so innovative policy approaches are necessary; voluntary commitments (APEC)
- Identify services for liberalization based on (APEC) list of EGs?
- Cross-referencing between CTS-SS and CTE-SS
- Section on envt services in TiSA and EGSA?

Opportunity 2: Non-tariff barriers (NTBs)

- Accreditation procedures for standards
- Government procurement rules that call for special requirements to provide goods or services to state-controlled entities
- Subsidies that benefit competitors
- Customs procedures that estimate the amount of EGS as well as issue licenses and other permits or certificates needed to conduct business
- Local content requirements that declare certain parts of EGS to be domestically produced or sold



EU-Singapore FTA: Chapter 7 on NTBs & RE

- Promoting, developing and increasing the generation of energy from renewable and sustainable non-fossil sources, particularly through facilitating trade and investment
- LCRs
- Standards: use international (ISO/IEC) and regional standards
- Specify technical regulations and adapt regulations to int. standards
- Mutual recognition of conformity declarations
- Information sharing and cooperation (e.g. on smart grids, EE and CCS)

Opportunity 3: adding parts and components

- Many subheadings on the APEC list include parts and components, facilitating a value-chain approach to tariff liberalisation.
- In HS classification, parts and components for RE generation or other environmental applications are mostly clubbed together with other products.
- Certain parts and components could be included in an EGA list as ex-outs, indicating the corresponding HS subheading and a description of their environmental use. Tariff cuts could be implemented by creating TLs for environmental end-use in national (or regional) tariff schedules. This may work for customs officials.



Opportunity 4: investment

- Use financial assistance initiatives
- Manufacturing capacity for global value chains
- (Smart) grid
- Downstream skills

Thank you!

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