

# How much further have RTAs gone in negotiating trade and environment disciplines?

TRAINING COURSE ON  
"ENVIRONMENTAL GOODS AND SERVICES NEGOTIATIONS"

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# Discussion points

- What is your experience/observation about RTA provisions on environment?
- How do you look at the existing environment provisions in RTAs:
  - Your bilateral agreements
  - ASEAN
  - ASEAN +1 agreements
  - SAARC
  - RCEP
  - TPP





# Comparison

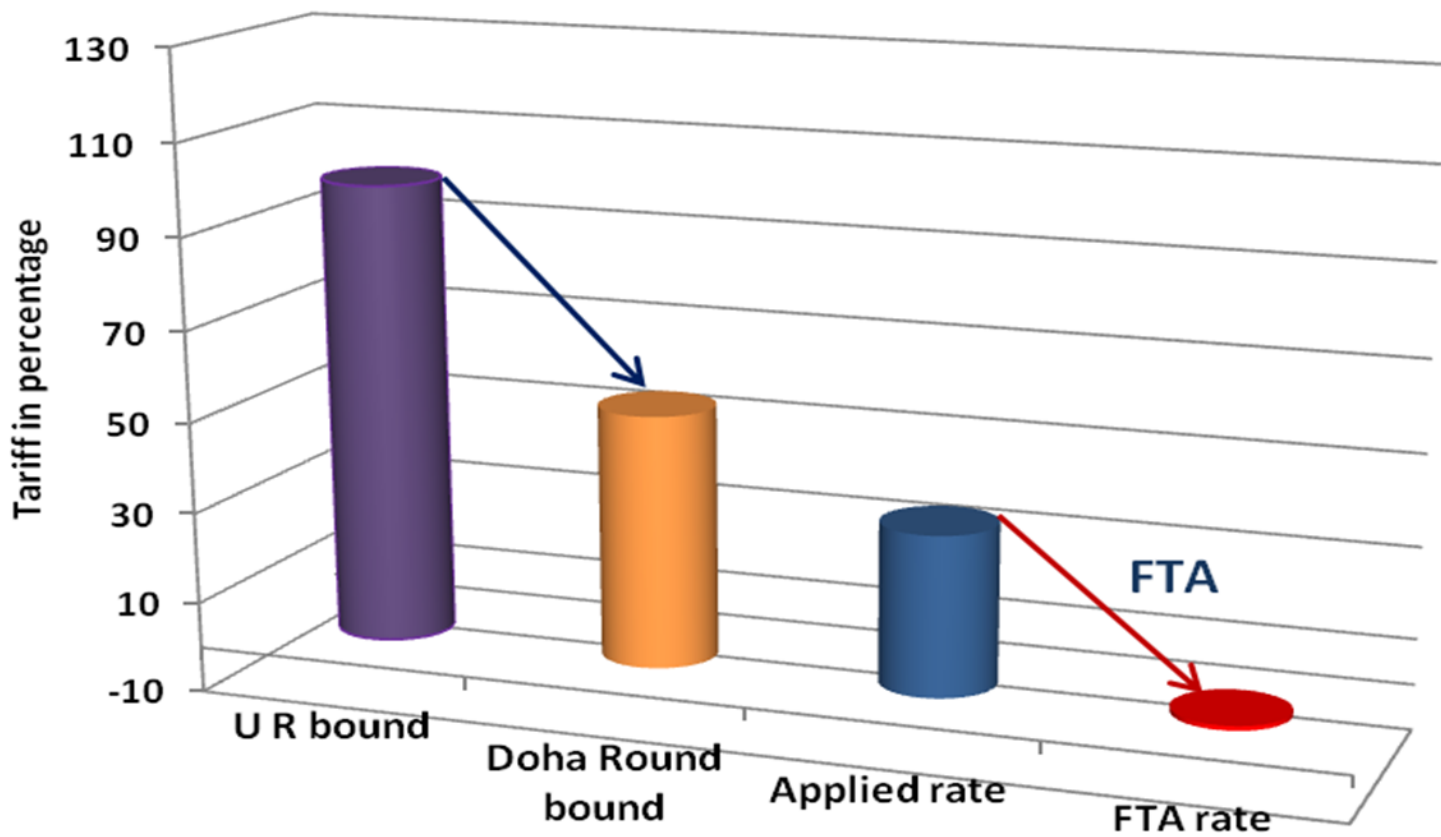
## WTO

- Tariff – bound
- Services
- Trade Defence Measures
- Subsidies
- Agriculture
- Disputes
- S&D
- Technical assistance
- AfT
- Trade Facilitation
- Government Procurement
- Investments
- Competition Policy

## RTA

- Tariff – applied
- Services
- Trade Defence Measures –
  - Only Preferential SG
- Subsidies - no
- Agriculture – DS and EC no
- Disputes
- Investments
- Trade Facilitation
- S&D
- Technical Assistance
- MRAs
- Environment
- Labour
- Singapore Issues

# Tariff effect



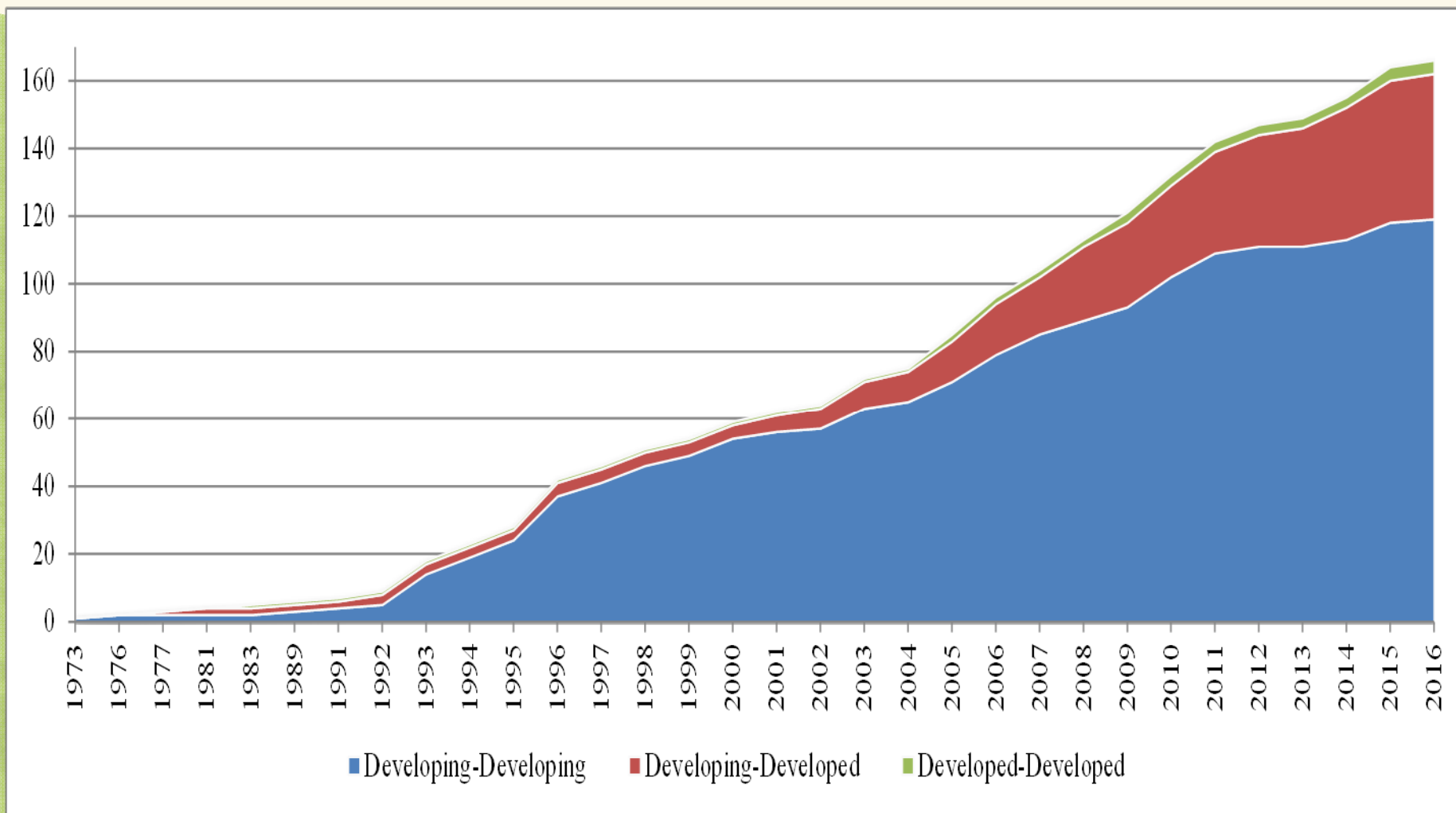


# Asia-Pacific RTAs

- As of July 2016, there were 260 RTAs in Asia-Pacific region which are either in force, signed or being negotiated.
- Globally 267 “physical” RTAs in force, and 169 (63%) are from AP
- 12 - signed but not implemented
- 78 - under different stages of negotiations.



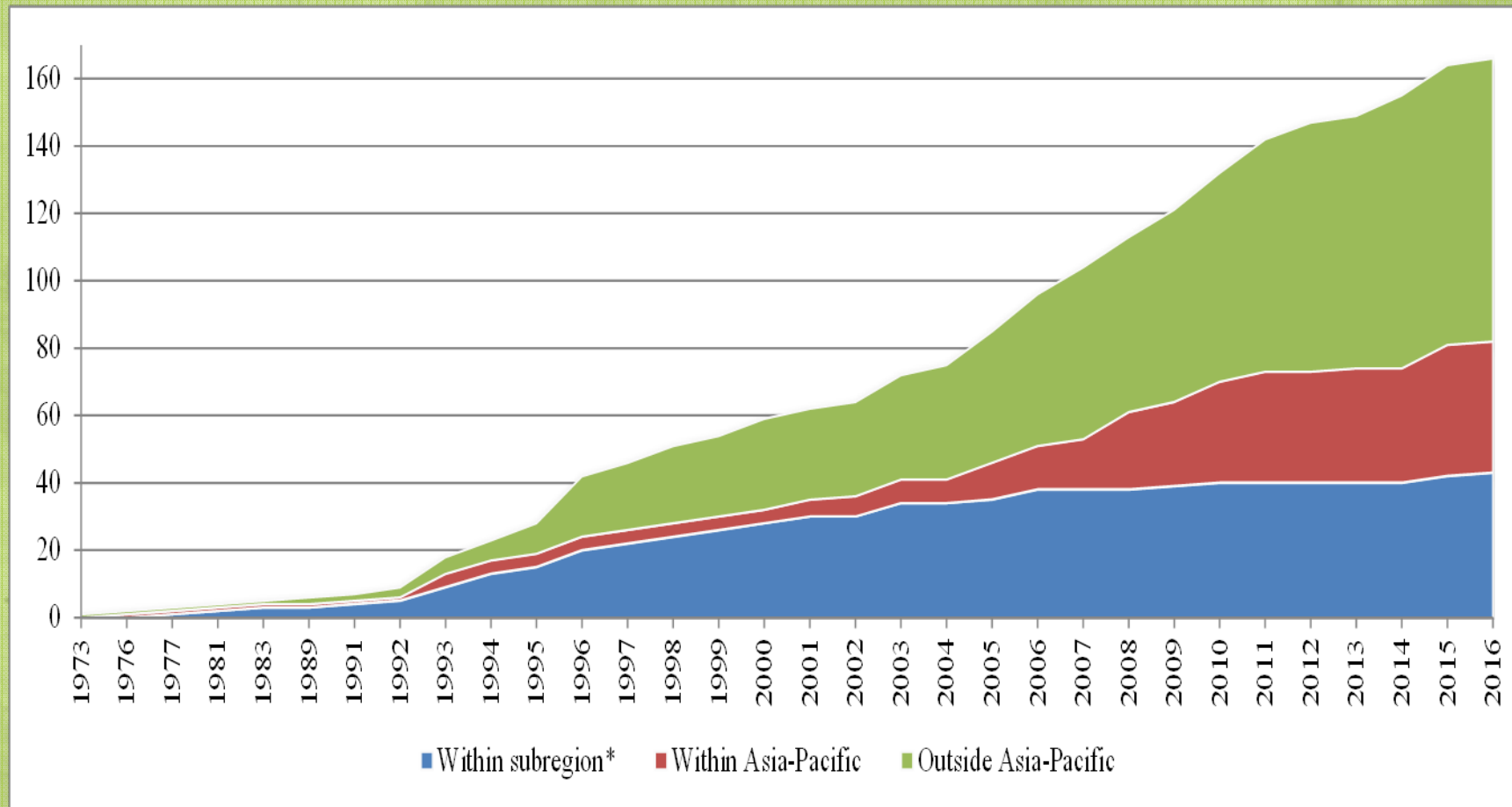
## Cumulative number of PTAs (notified and non-notified to WTO) put into force by Asia-Pacific economies, 1971-July 2016



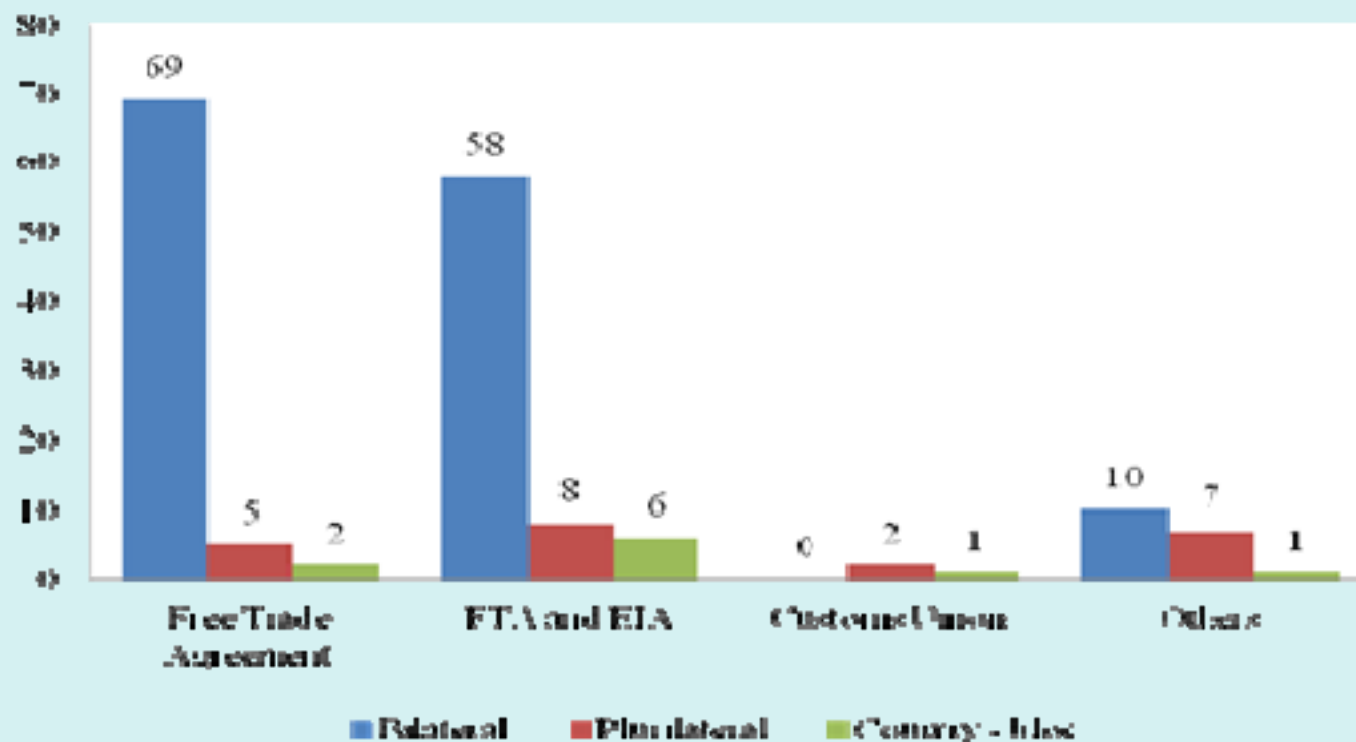
Rajan Sudesh Ratna

Source: ESCAP (APTIR 2016) - calculation based on data from APTIAD

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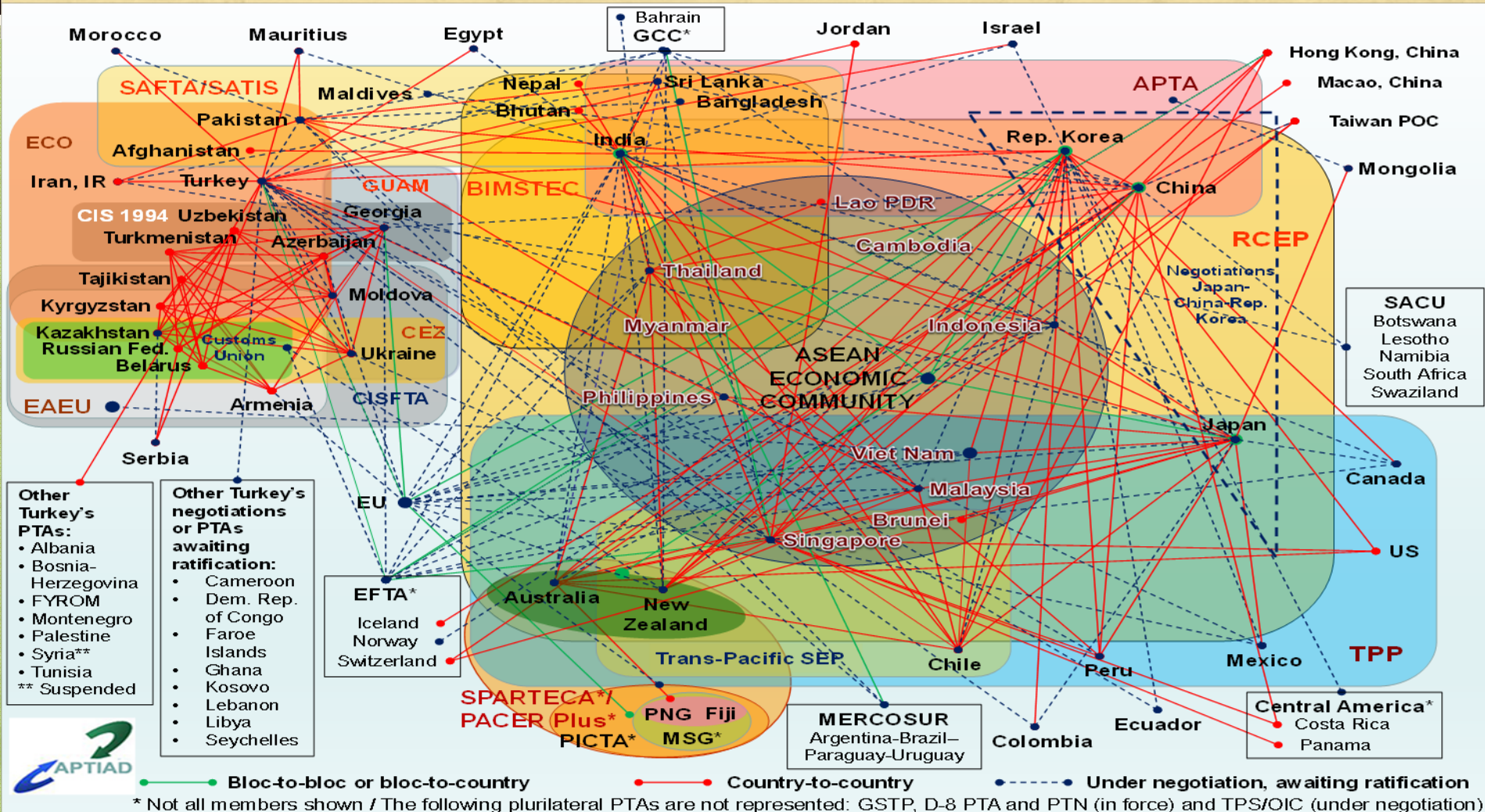


# Breakdown of trade agreements, by type and number of partners



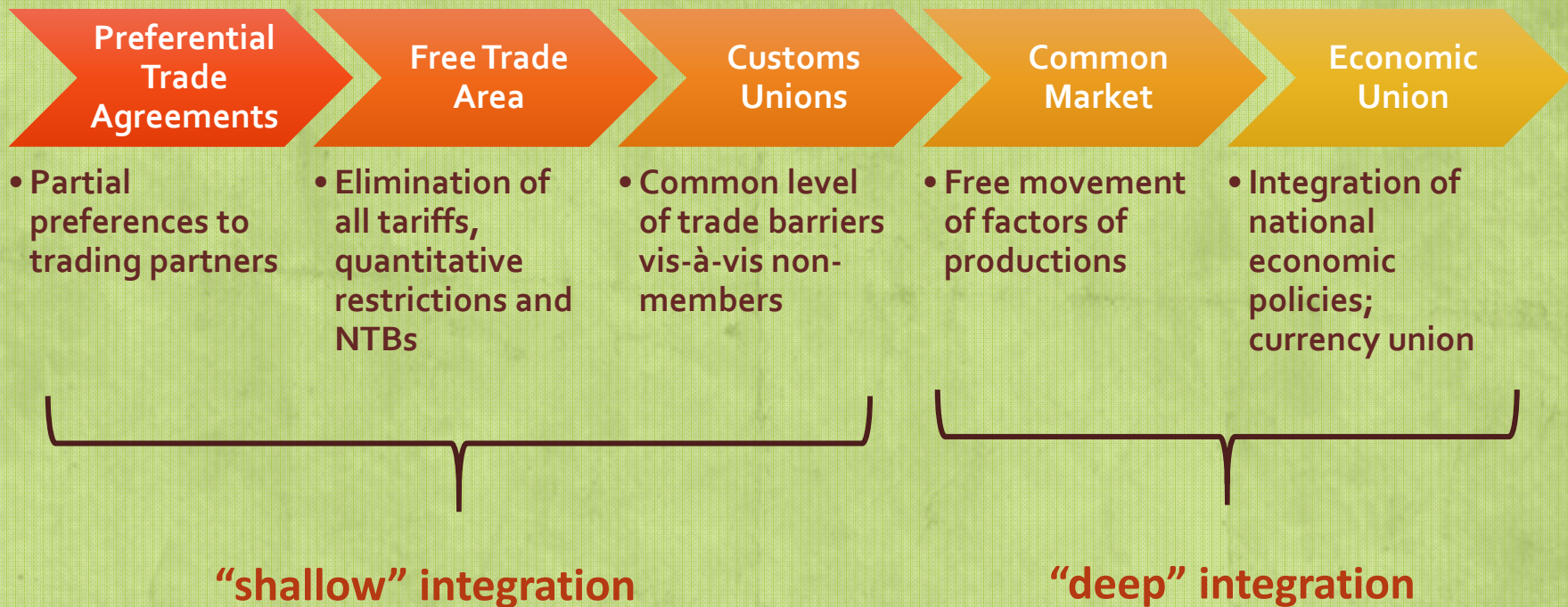


# Asia-Pacific Noodle Bowl





# Types of trade agreements

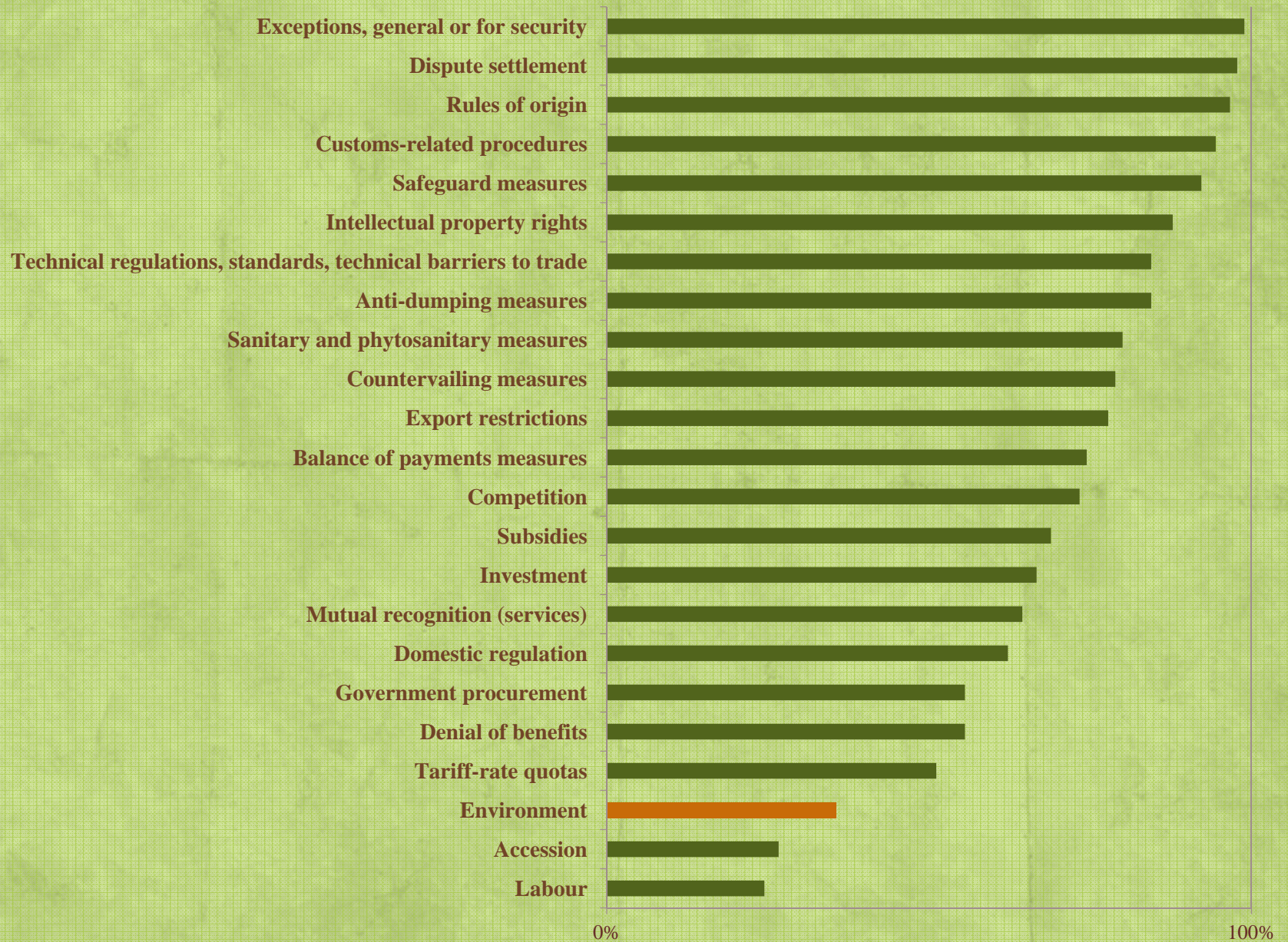




# Issues covered

Goods	Services	Non-Tariff Barriers	Investment
Competition	Labour Mobility	Environment	Labour standards
Government Procurement	E-commerce	Intellectual Property Rights	Dispute Settlement
Customs cooperation/ Trade Facilitation	MRAs	Technical Assistance	Areas of cooperation









# **Environment provisions in Asia - Pacific RTAs**



# Environment: what is in the Asia-Pacific RTAs

- **Preamble**
- **Binding commitments:**
  - **Market access in goods and services**
- **Dispute resolution**
- **Cooperation**
- **Technical assistance**
- **Transfer of technology**



# ASEAN

- Do you find EGS in CEPT or ATIGA text?
- Has the goods tariff liberalisation programme has not dealt the environmental goods with a separate modality?
- How does ASEAN beings the EGS on agenda?



# ATIGA

- ATIGA text does not have a word 'sustainable'.
- The word 'environment' only appears once at Article 45: Work Programme on Trade Facilitation and its Objectives

*"Member States shall develop and implement a comprehensive ASEAN Trade Facilitation Work Programme, which sets out all concrete actions and measures with clear targets and timelines of implementation necessary for creating a consistent, transparent, and predictable **environment** for international trade transactions that increases trading opportunities and help businesses, including small and medium sized enterprises (SMEs), to save time and reduce costs."*



# AEC & SAFTA

- ASEAN Economic Community 2025 Consolidated Strategic Action Plan endorsed by the AEM and AEC Council on 6 February 2017 has many provisions relating to 'environment' but nothing on EGS.
- However, has many provisions which can be indirectly correlated to EGS.
- SAFTA: the word 'environment' is not there in text.



# Commitments - beyond cooperation

- Singapore – US (2003)
- Australia – US (2004)
- New Zealand – Thailand (2005)
- Republic of Korea – US (2007)
- Malaysia – New Zealand (2009) – separate agreement on environment
- Republic of Korea – EU (2010)



# Cooperation

- Japan – Malaysia (2005)
- China – New Zealand (2008)
- ASEAN – Japan (2008)
- ASEAN – ANZ (2009)
- Many agreements either do not mention anything or just reiterate the WTO Article XX on environment.



# Asia-Pacific RTAs and environment provisions





# **SOME EVIDENCES**







# Goods - Lists

- **Environmental Goods and Services:**
  - OECD (132)
  - WTO (480, 153, request list)
  - APEC (54)
- **Climate Friendly List**
  - World Bank (43)
- **Climate Smart Goods and Technologies**
  - UNESCAP (64)

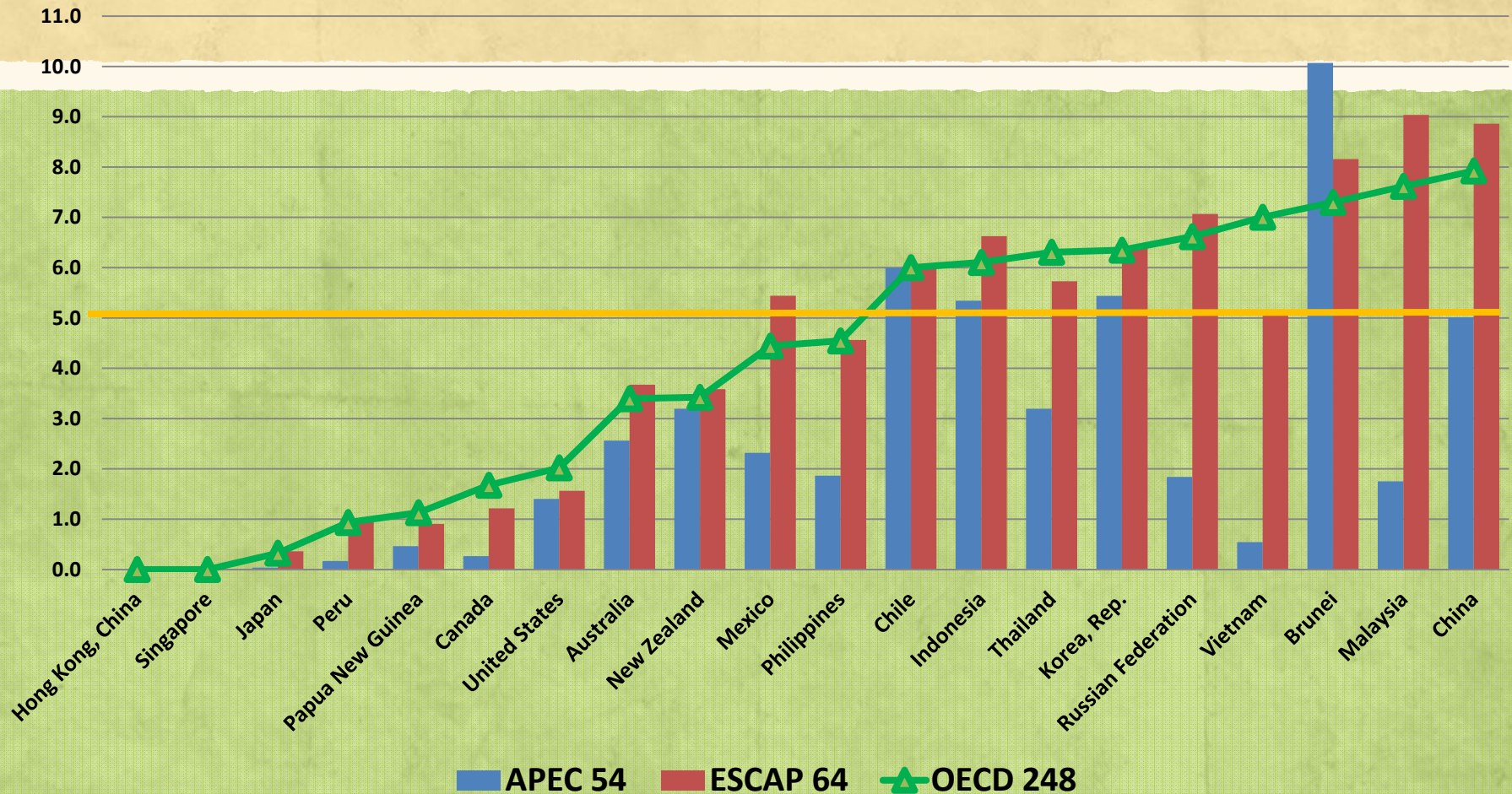


# Tariffs

- Doha Round: Reduction and elimination of EGS being discussed.
- APEC list of 54 items: Autonomously decided to bring duties to 5% level.
- In various PTAs/FTAs countries are undertaking commitments to eliminate duties on substantially covered items including environmental goods.
- NTBs and transfer of technology is an issue....

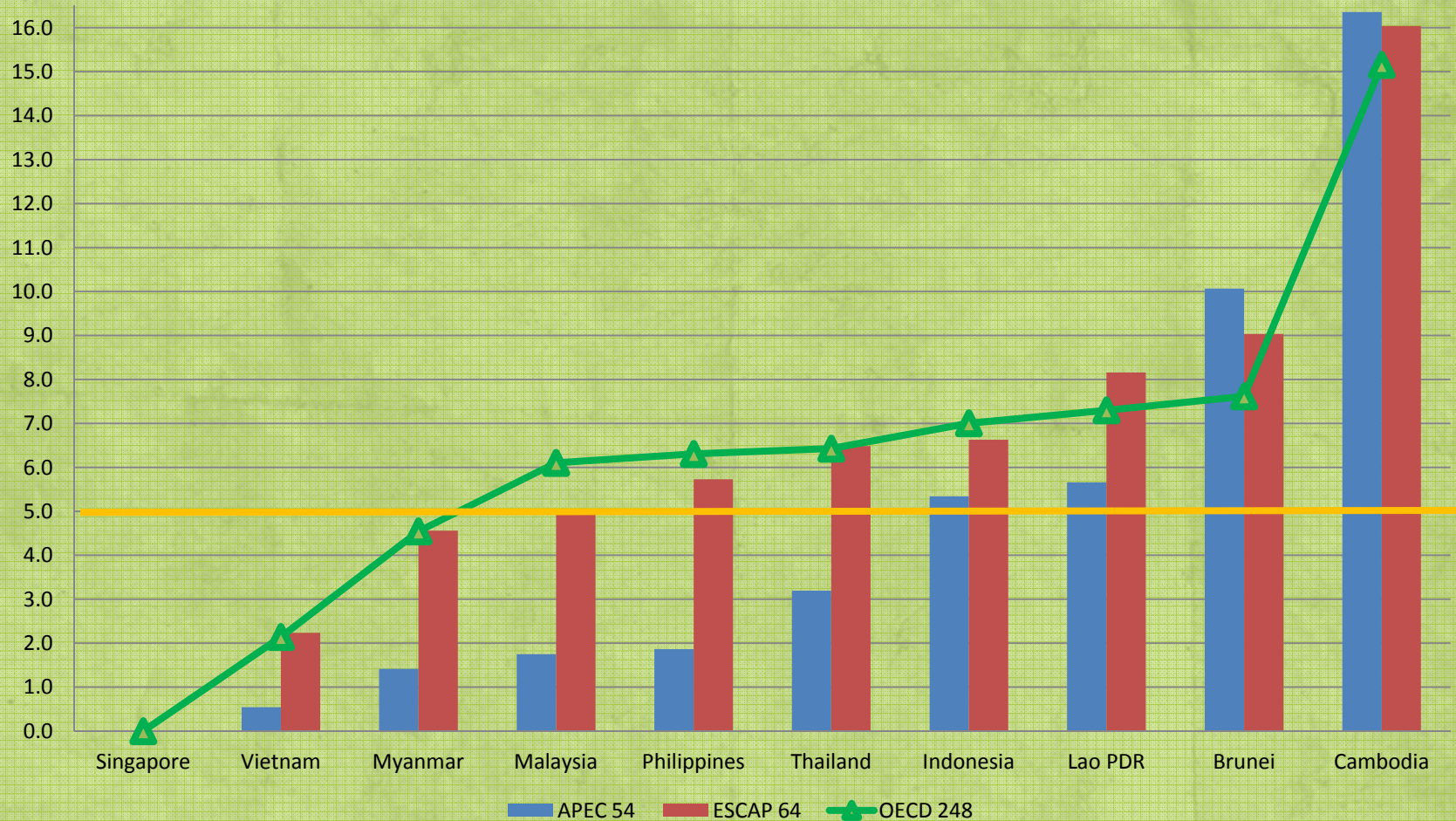


# APEC Average MFN Tariff



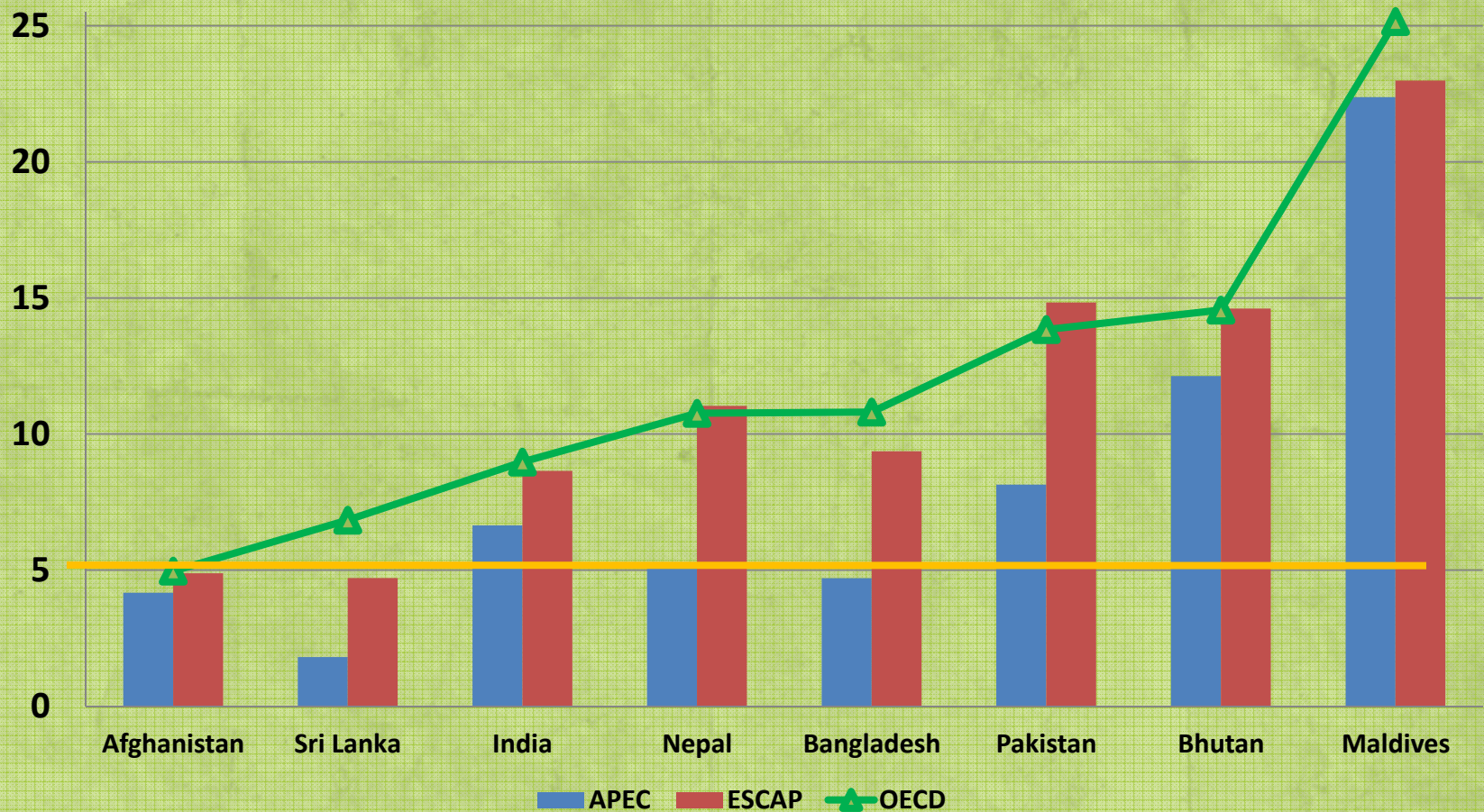


# ASEAN Average MFN Tariff



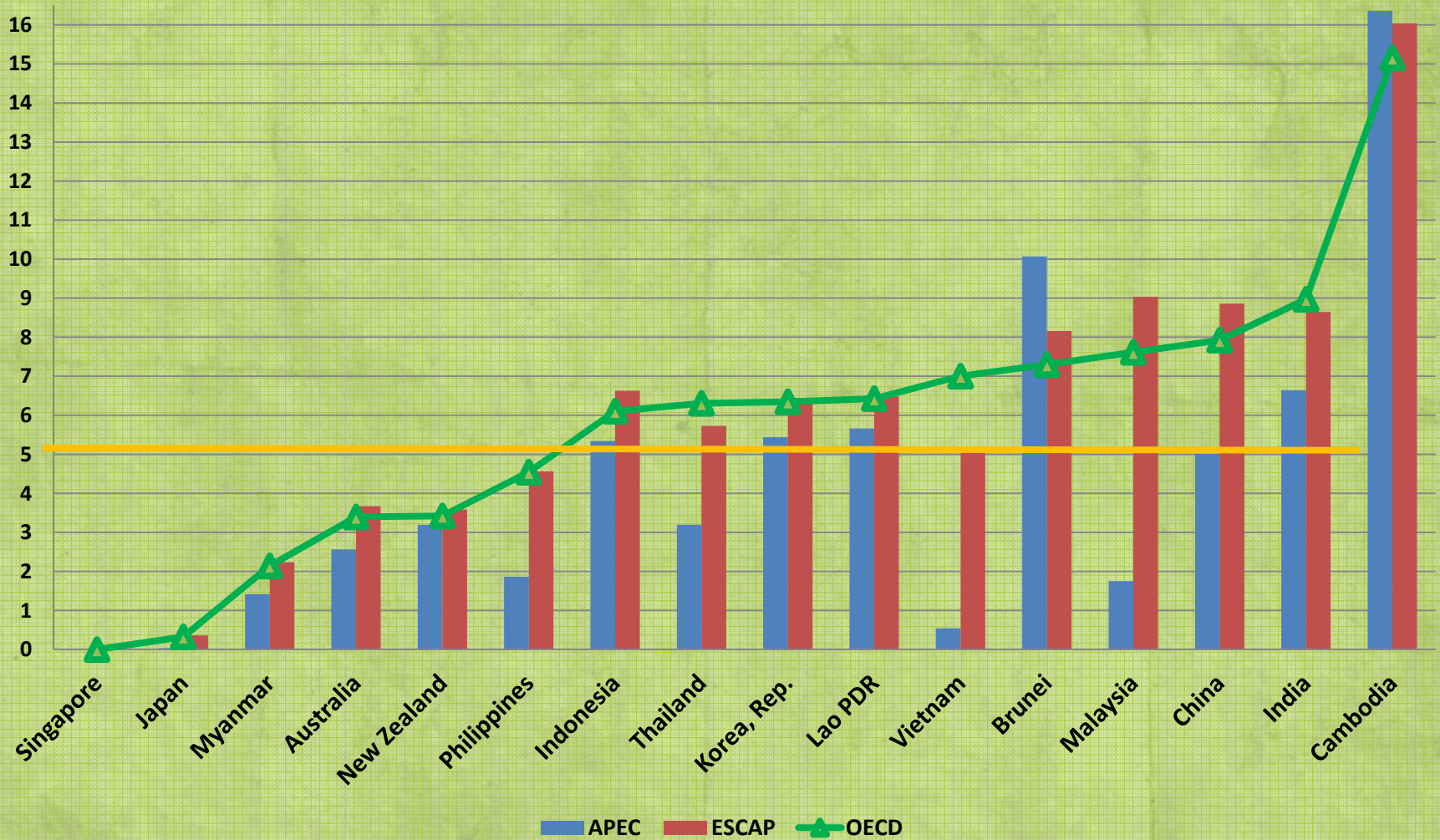


## SAARC Average MFN Tariff



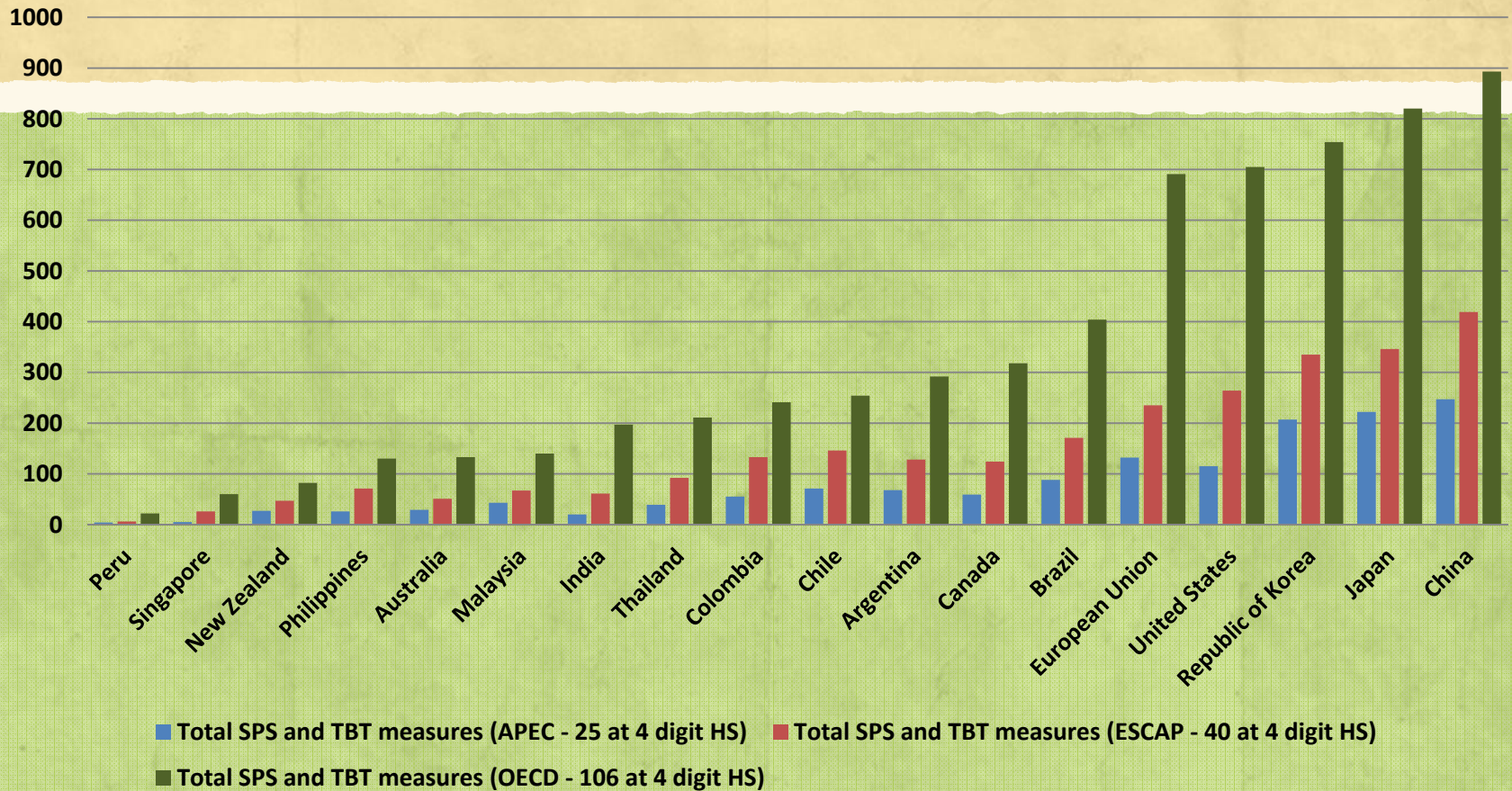


# RCEP Average MFN Tariff





# WTO: Notified SPS and TBT measures



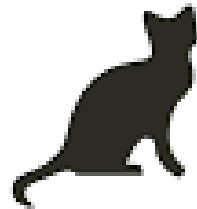
*Source: Compiled on the basis of Centre for WTO Studies, India database on SPS and TBT*



# Services and Investment

- Environmental services (Sewage, Refuse disposal, Sanitation and similar services, Other)
- Professional Services (Architectural services, Urban planning and landscape architectural services, Other)
- Research and development services
- Other business services (Building-cleaning services)
- **Issues:**
  - If no domestic players, is liberalisation bad?
  - How to promote investment?
  - How to attract technology and innovation?





**THANKS FOR  
LISTENING!**

**IT'S**

**TIME FOR  
QUESTIONS!**