



International Centre for Trade
and Sustainable Development

Lessons and Practices from dealing with EGS liberalisation through RTAs
-Mahesh Sugathan, Session 2, MOC-UNESCAP-ITD-ARTNeT EGS Negotiations Training Course,
Bangkok, 10 Aug 2016

Trade Initiatives and Agreements aiming to liberalise Environmental Goods

- *APEC voluntary tariff-liberalisation outcome*: (5% ceiling) on environmental goods under 54 HS sub-headings (Implemented). Many economies have pursued selective approach through specifying or even creating national tariff lines.
- *Environmental Goods Agreement (EGA)* : Plurilateral initiative (17 WTO members) under negotiation.
- *Trans-Pacific Partnership (TPP)*: Reference to elimination all customs duties upon entry into force of Agreement on a wide range of environmental goods and ..'as soon as possible on all other environmental goods' by each Party consistent with 'national circumstances.'
- *EU-Singapore FTA*: Concrete provisions to address NTMs in Renewable Energy Sector

Examples of RTAs with Broader coverage beyond environmental goods with soft Provisions (to promote or encourage trade and investment in EGS)

- Canada-Peru Side Agreement on EGS
- US-Morocco FTA
- EU-Cariforum Agreement
- EU-South Korea FTA
- EU-Peru-Colombia RTA

Source: Gehring, Segger and Correa, 2013. ICTSD

Comprehensive vs Specific RTAs

- Most FTAs and RTAs should cover “substantially all trade” and *by default* would liberalise tariffs on all (at least) manufactured goods. This would automatically capture all environmental goods including components.
- Comprehensive RTAs would have greater liberalisation effect than more ‘cautious’ or selective liberalisation of environmental goods under special initiatives such as APEC outcome to reduce tariffs to no more than 5%. They may also cover various segments of value-chains excluded from APEC list.
- EGA Scope of Coverage: Negotiations on 350 product list. Discussions on product coverage and ‘staging’ of tariffs. Discussions on draft for built-in programme to address institutional arrangements, services and NTMs.

APEC Economies+CML Participating in signed RTAs (excl. Russia)

APEC Economy+Cambodia, Myanmar and LAO PDR	No: of Bilateral FTAs (EU counted as bilateral)	No: of Plurilateral FTAs	Total No: of RTAs
Australia	9	2	11
Brunei	1	10	11
Cambodia (incl. ASEAN)	0	6	6
Canada	11	3	14
Chile	16	5	21
China	18	5	23
HongKong,China	3	2	5
Indonesia (incl. ASEAN)	11	6	17
Japan	20	4	24
Korea	19	5	24
Lao PDR	1	7	8
Malaysia (incl. ASEAN)	9	13	22

Source: Asia Regional Integration Centre and Organisation of American States Foreign trade info system

APEC Economies Participating in signed RTAs (..contd)

APEC Economy	No: of Bilateral FTAs	No: of Plurilateral FTAs	Total No: of RTAs
Mexico	10	4	13
Myanmar (incl. ASEAN)	1	6	7
New-Zealand	7	4	11
Papua New Guinea	1	5	6
Peru	12	4	16
Philippines (incl. ASEAN)	2	9	11
Singapore(incl. ASEAN)	19	13	32
Chinese Taipei	9	0	9
Thailand(incl. ASEAN)	12	10	22
US	12	3	15
Vietnam (incl.ASEAN)	3	8	11

Exports and Imports of Environmental Goods-2013 for select countries based on WTO '164' plus APEC '54' list

	Exports			Imports		
	\$ billion	% of country exports	% of world exports	\$ billion	% of country imports	% of world imports
World	905.03	6.1	100.0	905.03	6.1	100.0
EGA	792.02	8.4	87.5	605.97	6.0	67.0
EU	222.65	10.0	24.6	113.76	4.8	12.6
China	189.02	8.4	20.9	123.08	7.9	13.6
United States	124.06	8.7	13.7	131.86	6.2	14.6
Japan	88.56	12.0	9.8	35.59	4.6	3.9
Non-EGA	110.78	2.1	12.2	297.22	6.7	32.8
Mexico	27.92	7.5	3.1	36.13	10.2	4.0
Malaysia	12.78	4.9	1.4	12.62	6.6	1.4
Thailand	11.90	5.0	1.3	19.55	8.4	2.2
India	11.00	3.8	1.2	17.94	4.2	2.0
LDCs	0.94	0.4	0.1	13.30	5.2	1.5
Bangladesh	0.30	1.0	0.0	1.46	4.4	0.2
Tanzania	0.12	2.1	0.0	0.47	3.6	0.1
Cambodia	0.07	0.5	0.0	0.54	3.4	0.1
Myanmar	0.04	0.4	0.0	1.18	6.6	0.1

Source: Jensen, M.F and Baltzer, K. (2015). Authors' own calculations based on data from BACI database, HS 2002 version.

LDC Exports of Environmental Goods and Tariff Payments,2013

	Environmental Goods Exports				Tariff Payments	
	USD Millions		% age of Total Exports		USD Millions	% age of Total Tariff Payments
	<i>All Countries</i>	<i>EGA Countries</i>	<i>All Countries</i>	<i>EGA Countries</i>	<i>All Countries</i>	<i>All Countries</i>
LDCs	943.5	333.1	0.45	0.16	0.41	0.01
Cambodia	70.3	6.7	0.51	0.05	0.00	0.00
Lao PDR	5.1	1.6	0.17	0.05	0.00	0.00
Myanmar	36.4	26.2	0.39	0.28	0.01	0.00

Source: Jensen,M.F and Baltzer,K. (2015).Authors' own calculations based on data from BACI database, HS 2002 version and WITS, latest year.

Export impact due to EGA for LDCs may depend on final product list esp inclusion of EPPs.

	Export value \$ million	% of all LDCs
Jute and other textile bast fibres (HS 530310)		
Bangladesh	35.3	76.6
Tanzania	10.8	23.4
Mirrors, prisms and lenses (HS 900190)		
Myanmar	23.8	59.3
Bangladesh	16.3	40.6
Other gas turbines > 5000 KW (HS 841182)		
Tanzania	38.4	96.6
Angola	1.3	3,1
Surveying, hydrographic, oceanographic, etc. (HS 901580)		
Niger	20.8	59.7
Angola	6.3	18.1
Mozambique	1.6	4.6
Sacks and bags, made from jute (HS 630510)		
Bangladesh	21.6	90.1
Cambodia	1.8	7.5

Source: Jensen,M.F and Baltzer,K. (2015).Authors' own calculations based on data from BACI database, HS 2002 version.

Viet Nam's principal trading partners for the 54 subheadings of the APEC List, 2010-14. (For Vietnamese Exports)-in USD Thousands

Importers	FTA with Vietnam?	Exported value in 2010	Exported value in 2011	Exported value in 2012	Exported value in 2013	Exported value in 2014
World		476588	823521	1202782	909659	1082524
Japan	Yes. Vietnam-Japan FTA	248407	293130	337369	274141	303331
Saudi Arabia	No	7712	4333	117305	70828	146317
United States of America	TPP-once in force	63615	140403	171602	98144	108737
Korea, Republic of	Yes. ASEAN-Korea FTA	7483	51420	157872	160459	91023
India	Yes. ASEAN-India FTA	1104	107299	39053	58005	84778
China	Yes. ASEAN-China FTA	8638	21995	72184	50325	81745
Indonesia	Yes. ASEAN	1827	2547	4456	11230	43335
Singapore	Yes. ASEAN	14520	27734	28475	34796	33675
Hong Kong, China	No	18421	20823	17805	15532	27590
Thailand	Yes. ASEAN	17097	13933	57607	26795	23173
Netherlands	No.	47	89	1262	1552	20177
Turkey	No	1	22	13272	4182	15548
Taipei, Chinese	No	10301	10563	16479	14078	15208
Malaysia	Yes. ASEAN	2401	6899	8173	9858	14158
Germany	No	5196	10000	34206	16881	12238

*Source: ITC
Calculations based
on UN COMTRADE
database*

Viet Nam's principal trading partners for the 54 subheadings of the APEC List, 2010-14. (For Vietnamese Imports)-in USD Thousands

Exporters	FTA with Vietnam?	Imported value in 2010	Imported value in 2011	Imported value in 2012	Imported value in 2013	Imported value in 2014
World		2176249	2783080	2910489	3934837	4245980
China	Yes. ASEAN-China FTA	750485	1047263	850153	1563978	1394617
Korea, Republic of		138068	157146	333549	748254	765849
Japan	Yes. Vietnam-Japan FTA	329228	453588	596306	488402	728719
Taipei, Chinese	No	99615	126618	130131	173529	275720
Germany	No	245117	260383	195814	139922	236556
United States of America	TPP-once in force	121373	179159	189187	197756	230809
India	Yes. ASEAN-India FTA	13468	56294	23509	64025	71105
Thailand	Yes. AEAN	70720	95121	85061	101633	57156
Italy	No.	36114	77509	41194	62264	55311
Belgium	No.	22628	11326	4180	12272	50539
Singapore	Yes. ASEAN	47027	49848	66119	46995	47351
Malaysia	Yes. ASEAN	31215	39501	73521	61525	46405
United Kingdom	No	24104	29743	32491	45222	41461
Switzerland	No	19616	11787	85357	14265	36109
France	No	36451	28129	29292	26076	24232
Indonesia	Yes. ASEAN	17979	11326	23674	17087	18663

*Source: ITC
Calculations based
on UN COMTRADE
database*

Average Import Tariffs on Environmental Goods- for select countries based on WTO '164' plus APEC '54' list

	Tariffs		
	Simple average	Minimum	Maximum
World	6.5	0.0	90.0
EGA	3.4	0.0	35.0
European Union	2.0	0.0	12.0
China	7.2	0.0	35.0
United States	1.3	0.0	10.3
Japan	0.3	0.0	5.3
Non-EGA	7.1	0.0	90.0
Mexico	4.0	0.0	20.0
Malaysia	7.6	0.0	40.0
Thailand	5.0	0.0	30.0
India	8.1	0.0	10.0
LDCs	8.6	0.0	40.0
Bangladesh	8.7	2.0	25.0
Tanzania	5.9	0.0	35.0
Cambodia	15.0	7.0	35.0
Myanmar	2.2	0.0	15.0

Source: Jensen, M.F and Baltzer, K. (2015). Authors' own calculations based on data from BACI database, HS 2002 version.

Applied Tariffs on Selected Environmental Goods along Wind-Energy Value Chain in CMLVT countries (Bound rates in brackets)

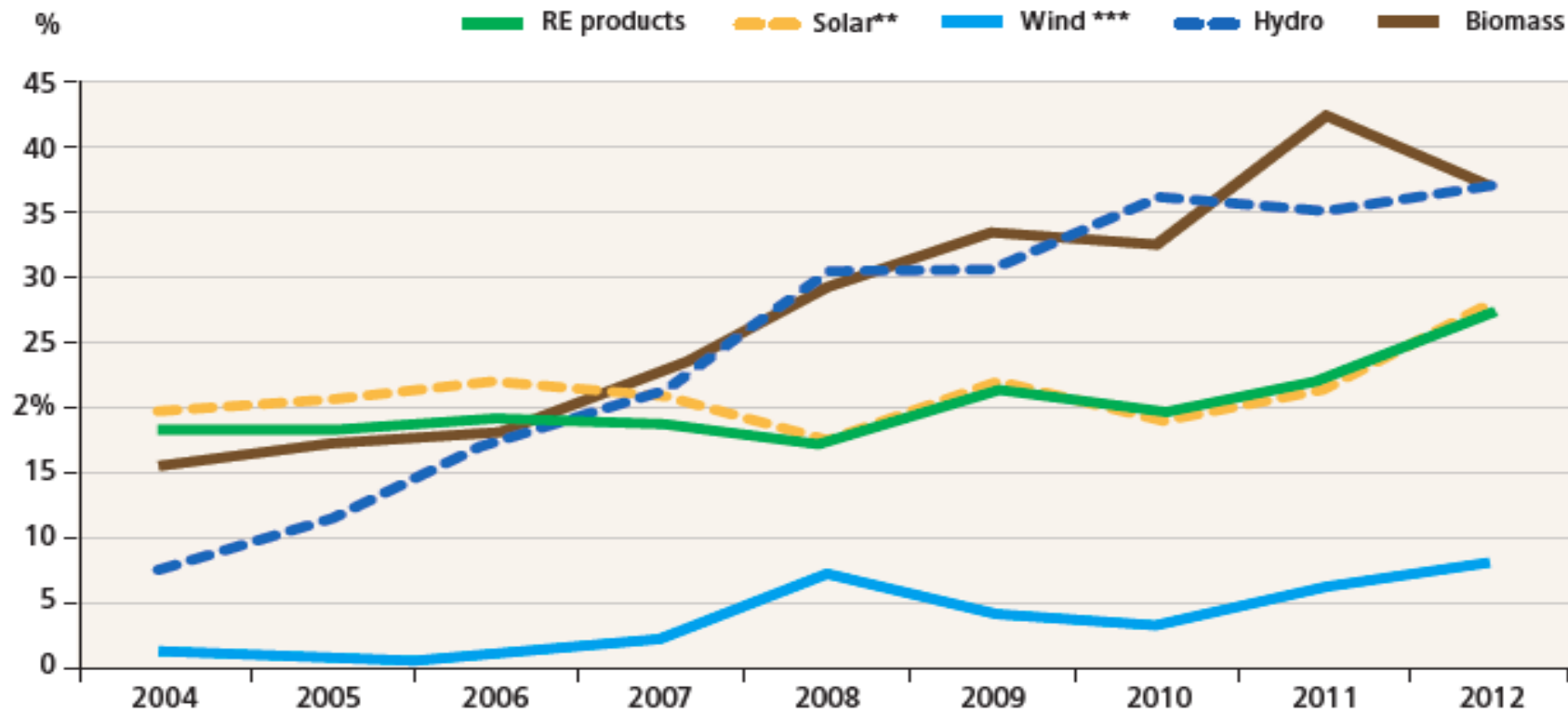
HS Sub-heading and Product	Product Description	Cambodia (2014)	Myanmar (2013)	Lao PDR (2014)	Thailand (2014)	Vietnam (2015)
HS 850231	Wind-powered generating sets	0 (30)	1	5 (5)	10	0 (5)
HS 841290	Parts of other engines and motors (blades and hubs)	15 (15)	0.8	5 (5)	0	0 (0)
HS 850164	AC generators (alternators) of an output exceeding 750 kVA	15 (30)	1	5 (20)	10	0 (5)
HS 850300	Parts suitable for use solely or principally with the machines of heading 85.01 or 85.02	15 (30)	1	5 (20)	5.5	5 (5)
HS 901580	Surveying, hydrographic, oceanographic, hydrological, meteorological or geophysical instruments and appliances	15 (15)	1.5	5 (15)	3 (30)	0 (0)
HS 848220	Tapered roller bearings	15 (15)	1	5 (15)	0 (30)	3 (5)
HS 848230	Spherical roller bearings	15 (15)	1	5 (5)	1 (30)	3 (5)

Applied Tariffs on Selected Environmental Goods along Wind-Energy Value Chain in CMLVT countries (Bound rates in brackets)

HS Sub-heading and Product	Product Description	Cambodia (2014)	Myanmar (2013)	Lao PDR (2014)	Thailand (2014)	Vietnam (2015)
HS 848240	Needle roller bearings	15 (15)	1	5 (15)	1 (30)	3 (5)
HS 848250	Other cylindrical roller bearings	15 (15)	1	5 (5)	1 (30)	3 (5)
HS 848280	Other balls or roller bearings	15 (15)	1	5 (15)	1 (30)	3 (5)
HS 848340	Gears and gearing (other than tooth)	15 (15)	1	5 (5)	5	11.3 (20)
HS 730820	Towers and Lattice Masts	7.0 (15)	1.5	5 (5)	20	4 (5)

Source: WTO Tariffs Online Database

South-South Trade as a Share of Global Trade (%age of Global Trade)



Source: UN Comtrade data.

* Excludes intra-EU trade. Derived from Tables 2-3, based on HS subheading selections detailed in Annex 1. See also Section 1.5, Methodology.

** Including other photosensitive semiconductor devices and LEDs.

*** Excluding some wind-related components.

Source: UNEP (2014) *South-South Trade in Renewable Energy*

What is left on tariffs?

- Tariffs increasingly liberalised or eliminated as FTAs grow
- Still many countries thresholds for *de-minimis* – the maximum value of an import that is exempt from customs duties and complicated rules of origin is very low. Suominen (2016) proposes raising this value to at least USD 1000 to help small businesses using e-commerce to import single shipments and parcels.
- In a study of 12 Asia-Pacific Economic Cooperation (APEC) economies (Canada, Chile, the People's Republic of China, Indonesia, Japan, Malaysia, Mexico, Papua New Guinea, Peru, the Philippines, Thailand and Vietnam), raising the *de-minimis* to just USD 200 would generate gains of \$5.4 billion a year, equivalent to some \$12 billion for all 21 APEC members. The gains would be multiple if the *de-minimis* was raised higher, say, to USD 1,000.

Non-Tariff Measures Still Need to be Effectively Addressed

- Non-Tariff Measures increasingly more important trade barriers than tariffs
- In goods EGA's and many RTAs focus-on tariff elimination for final list of products. Many reiterate WTO TBT and SPS provisions. (E.g. TPP). Some RTAs emphasise cooperation in the areas of standards, technical regulations, conformity assessment and metrology (E.g. Canada-Peru FTA).
- Rules of origin of an RTA can affect sourcing outside RTA and value-addition needed before re-export
- However NTMs including those affecting EGs will also need to be addressed-perhaps in Phase 2 of EGA and future RTAs?

Trans-Pacific Partnership (TPP) and 'Beyond the border' restrictions.

- 12 TPP economies account for at least 40% of the global economy. Includes major producers and traders of environmental goods.
- Promotes environmental compliance and effective enforcement of environmental laws.
- 'WTO Plus' regulatory effect-e.g. Binding disciplines on fisheries subsidies, investment (including expropriation), investor to state dispute resolution, competition, e-commerce, state-owned enterprises, cross-border movement of business persons, 'regulatory coherence', uniform standards for IP.

TPP: Important Features

- 12 members accounting for at least 40 percent of the world economy
- Includes major producers and traders of environmental goods
- Eliminates 98% of tariffs on trade in goods in the TPP region (Chapter 2)
- Relevant for supply-chains due to coverage of 'behind the border measures' especially investment and geographical reach
- Has specific chapter on SMEs
- Still awaiting ratification

TPP: Important Features

Retention of WTO Model or Provisions	WTO-Plus features	WTO-Plus features best endeavour or not subject to dispute-settlement
<ul style="list-style-type: none"> ➤ Positive list approach for services liberalisation ➤ The Sanitary and Phytosanitary (SPS) Measures chapter (Ch.7) and the Technical Barriers to Trade (TBT) chapter (Ch.8) largely incorporates or refers to the relevant obligations set out in the WTO Agreement. ➤ Co-operation and Capacity building (ch.21) 	<ul style="list-style-type: none"> ➤ Free movement of goods after repair and alteration and re-manufactured goods ➤ Expeditious release of imported goods, within 48 hours of arrival for normal shipments and within six hours in the case of express shipments ➤ Investment protection and investor to state dispute resolution ➤ Disciplines on fisheries subsidies ➤ Procedural and transparency aspects in The Sanitary and Phytosanitary (SPS) Measures chapter (Ch.7) and the Technical Barriers to Trade (TBT) chapter (Ch.8) 	<ul style="list-style-type: none"> ➤ Regulatory coherence chapter (Chapter 25) cooperation” and “efforts” to introduce best regulatory practices in terms of their coherence and impact assessments. Not subject to dispute settlement. ➤ Competitiveness and Business facilitation (Chapter 22) ➤ SME Enterprises Chapter (Chapter 24) ➤ Some binding obligations on competition policy (but not subject to dispute settlement)

Where to start on some NTMs? Some Considerations

- Considered among priority obstacle to freer trade in final list of EGs identified at the end of 'tariff-cutting' phase
- Relatively easier to address in a continuum of various types/categories of NTMs
- Barriers the addressing of which would greatly reduce costs/time for businesses involved in export of EGs and/or related components
- Barriers not adequately addressed in other trade agreements including RTAs/FTAs/bilateral agreements or have been addressed but does not include all EGA members

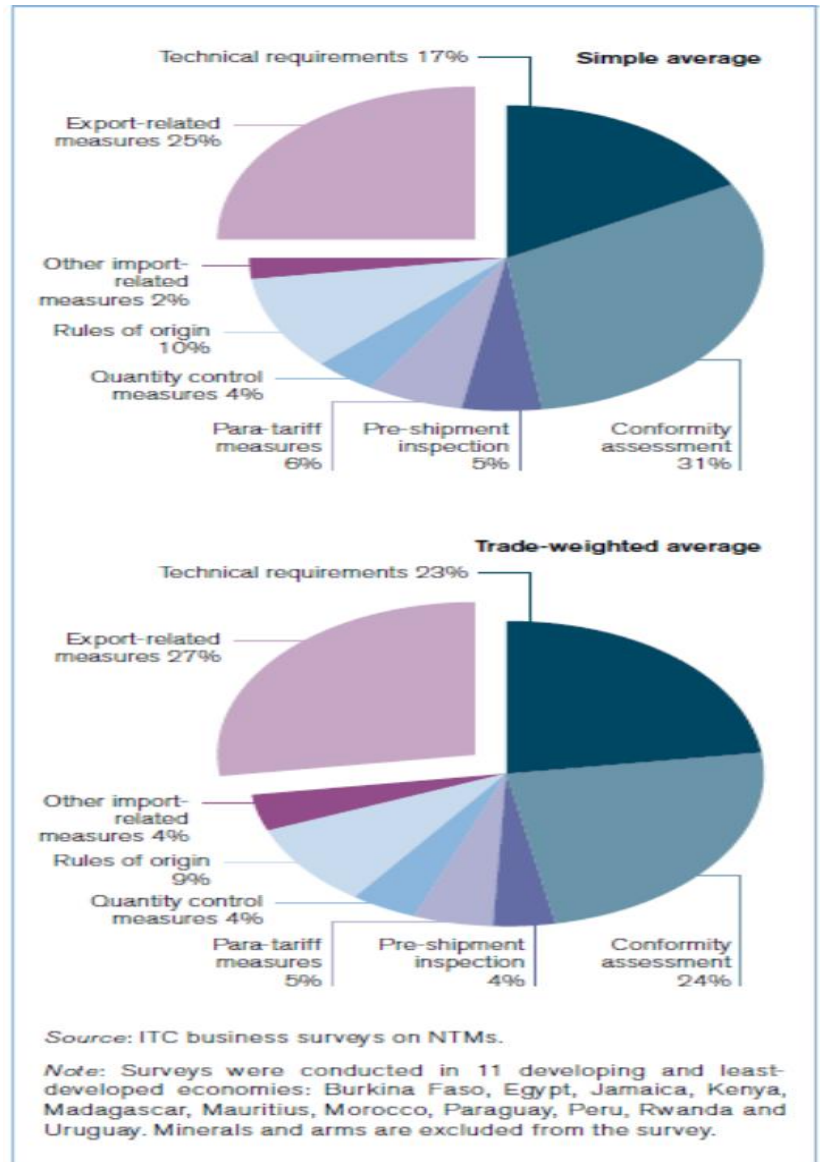
Conformity Assessment Measures: A Potential Candidate and Deliverable to benefit SMEs?

- Conformity assessment (CA) comprise activities such as certification, testing and inspection and is frequently required by government regulators to ensure that firms' products and production processes meet minimum health and safety standards.
- However potentially a trade barrier if they are designed or applied in a way that is unduly burdensome on exporters (esp SMEs) both in terms of time as well as costs due to:
 - (a) Multiple test requirements (b) Requirement to test abroad (c) Diverse conformity assessment requirements (d) Lengthy approval times

Conformity Assessment Types

Item	First party (also known as supplier's declaration of conformity, or SDoC)	Second party	Third party
Conformity assessment party	Manufacturer, importer, or other supplier.	Customer	Regulatory body or independent testing body.
Description	Procedure by which the manufacturer, importer, or distributor provides written assurance of the conformity of its products to specified requirements.	Buyer requires and certifies that the products it wishes to purchase from suppliers meet one or more standards. Purchaser's own inspectors usually perform the assessment of the supplier's products.	Conformity assessment by technically competent body not under control of either buyer or seller. Assessment undertaken in government laboratories or by accredited third-party bodies.
Industry examples	Testing and certification by automobile manufacturers and importers demonstrating their vehicles' compliance with mandatory government safety or environmental standards. Certification by petroleum producers that motor oil conforms to selected voluntary Society of Automotive Engineering Standards (SAE), (i.e., SAE 10W-40W).	Certification and testing by aircraft manufacturers of parts and components produced by their suppliers to assure conformance to their specifications.	Regulatory authorities, or accredited third-party testing organizations, assess compliance of new pharmaceuticals with mandatory health and safety standards.

ITC Survey: Burdensome Non-tariff Measures (NTMs) by Type of Measure, 2010 (percentage)



- Conformity assessment procedures accounted for about 31 percent of measures regarded as burdensome by businesses based on simple average (arithmetic mean) and 24 percent when the trade-weighted average is used.
- Broken down by sub-category of measures reveals that for both TBT and SPS measures (combined technical requirements plus conformity assessment) –
 - (i) Product certification was cited as the most burdensome (by 37 percent of reporting firms).
 - (ii) product testing at 9 percent and inspection requirements at 8 percent. These three sub-types reportedly account for more than half of all firm complaints about TBT/SPS measures.

Mutual Recognition Arrangements as a Solution (Levels of Engagement)

- Part of a regulatory co-operative arrangements that could start with information exchange and trust building



- Mutual recognition of accreditation systems and testing procedures



- Mutual recognition of CA test results

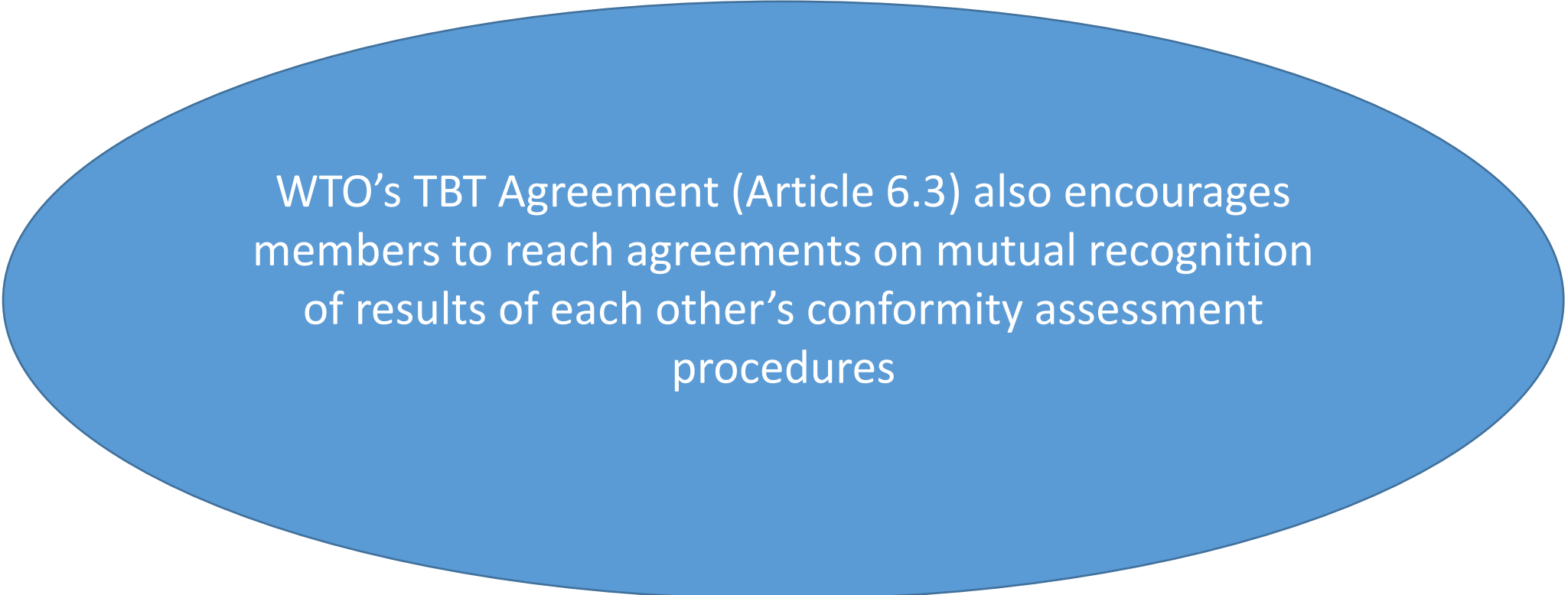


- Mutual recognition of technical regulations, including through recognition of equivalence



- Full harmonization of both technical regulations and associated conformity assessment procedures

Mutual Recognition Arrangements as a Solution



WTO's TBT Agreement (Article 6.3) also encourages members to reach agreements on mutual recognition of results of each other's conformity assessment procedures

MRAs and MRA initiatives in CA: Specific Examples

Government to Government-Bilateral MRAs / Sectors

EU-US

- 1.Telecommunication equipment
- 2.Electro-magnetic compatibility (EMC)
- 3.Electrical Safety
- 4.Recreational Craft
- 5.Pharmaceutical Good Manufacturing Practices (GMP)
- 6.Medical Devices

Canada-EU

- 1.Good Manufacturing Practices for Pharmaceuticals
- 2.Medical Devices
- 3.Telecommunications Terminal Equipment, Information Technology Equipment and Radio Transmitters
- 4.Electrical Safety
- 5.Electromagnetic Compatibility
- 6.Recreational Craft

EU-Switzerland

- 1.Machinery
- 2.Personal Protective Equipment

- 3.Toys
- 4.Medical Devices
- 5.Gas appliances and boilers (Hot water boilers)
- 6.Pressure vessels
7. Radio Equipment and Telecommunication Terminal Equipment
- 8.Equipment and protective systems intended for use in potentially explosive atmospheres
9. Electrical equipment
- 10.Construction plant and equipment
- 11.Measuring instruments and pre-packages
- 12.Motor Vehicles
- 13.Agricultural and forestry tractors
14. Good Laboratory Practice - GLP
- 15.Medicinal products, Good Manufacturing Practice (GMP), inspection batch and certification
- 16.Construction products
17. Lifts
- 18.Biocidal products
- 19.Cableways
20. Explosives for civil use

MRAs and MRA initiatives in CA: Specific Examples

Regional Initiatives/ Sectors

1. **APEC Mutual Recognition Arrangement for Conformity Assessment of Telecommunications Equipment - May 8, 1998**

All equipment subject to telecommunication regulations, including wireline and wireless, terrestrial and satellite equipment. For such equipment, the MRA covers electromagnetic compatibility (EMC) and electrical safety aspects as well as purely telecommunications aspects of the conformity assessment requirements.

2. **APEC Sub-Committee on Standards and Conformance (SCSC)** works to promote regional cooperation in green sectors through information exchange, enhanced transparency, and providing a baseline for the use of standards, technical regulations and conformity assessment procedures

- Solar Technologies Standards and Conformance Initiative
- Green Buildings and Green Growth

3. **ASEAN Consultative Committee on Standards and Quality**

- ASEAN Sectoral MRA on Electrical and Electronic Equipment
- ASEAN Sectoral MRA for Good Manufacturing Practice Inspection of Manufacturers of Medicinal Products

Singapore-EU FTA: A Useful Template to address conformity assessment?

Chapter 4 on Technical Barriers to Trade:

- **Article 4.7 provides for greater information exchange on CA procedures and reiterates Article 5.1.2 of TBT agreement** requiring that “..conformity assessment procedures that are not more strict or be applied more strictly than necessary to give the importing Party adequate confidence that products conform with the applicable technical regulations or standards, taking account of the risks non-conformity would create. [**NOT UNNECESSARILY BURDENSOME**].
- Article 4.7 (2) (d) provides that the Parties shall ensure: “that, insofar as two or more conformity assessment bodies are authorised by a Party to carry out conformity assessment procedures required for placing the product on the market, economic operators may choose among them. [**FREEDOM OF CHOICE AMONG CA BODIES**].
- **Article 4.7 (3) makes parties reaffirm that “their obligation under Article 5.2.5 of the TBT Agreement** that fees imposed for mandatory conformity assessment of imported products shall be equitable in relation to any fees chargeable for assessing the conformity of like products of national origin or originating in any other country, taking into account communication, transportation and other costs arising from differences between location of facilities of the applicant and the conformity assessment body. “ [**EQUITABLE CHARGING OF FEES**]
- Article 4.7 (4) states that “Upon request by either Party, the Parties may decide to engage in consultations with a view to defining sectoral initiatives regarding the use of conformity assessment procedures or the facilitation of acceptance of conformity assessment results that are appropriate for the respective sectors. The Party making the request should substantiate it with relevant information on how this sectoral initiative would facilitate trade between the Parties. [**POSSIBILITY FOR SECTORAL INITIATIVES**]

Singapore-EU FTA: A Useful Template to address conformity assessment barriers ?

- Chapter 7 of the FTA: **Non-Tariff Barriers to Trade and Investment in Renewable Energy Generation**

➤ Article 7.5 dealing with ‘**Standards, Technical Regulations and Conformity Assessment**’ states in para 3:

“With respect to products listed in Chapter 84 of the Harmonized System (except 8401) as well as in HS 850231 and 854140:

(a) the Union will accept declarations of conformity from Singapore suppliers under the same terms as from Union suppliers for the purpose of placing such products on the market, without any further requirements; and

(b) Singapore will accept EU declarations of conformity or test reports, for the purpose of placing such products on the market without any further

requirements. Singapore may require mandatory third party testing or certification under the conditions set out in Article 5 (Safeguard Measures)

of Annex 4-A.

For greater certainty, this paragraph is without prejudice to either Party applying requirements not related to the products referred to in this paragraph, such as zoning laws or building codes.

Matrix Table on EGS Coverage in RTAs

- To be shown separately as PDF file on presentation screen

Conclusion: Some take-aways relevant for EGS Liberalisation through RTAs

- Assess domestic priorities on EGS value chains and evaluate whether existing trade arrangements (autonomous, bilateral, RTAs, plurilateral, WTO) addresses needs (for exports and imports). Where are the growth markets of the future?
- Evaluation of costs and benefits of joining or not an RTA (economic, social, administrative).
- Joint trading of env goods and env services means regulatory coherence is important-for clean energy goods linked with other domestic policies such as clean-energy policies and incentives. How much policy-space may be constrained? What options to climb up value-chains and promote domestic industries?
- RTA membership could be an important signal for FDI. However wide variation seen in levels of ambition. More restrictions in Mode 3 and 4 both developed and developing countries. Nature of barriers: Regulatory, Licensing and immigration related.
- Take maximum advantage of co-operation provisions on NTMs, Capacity-building in trade agreements and effective implementation
- Learning from economy best practices that have helped in EGS sector or lessons from EGS sectors in countries already joining RTAs
- NTBs important to address. Mutual recognition initiatives on conformity assessment concluded separately or as part of trade agreements can help EGS firms esp SMEs. Wider the membership greater the impact. EGA and other RTAs a good candidate for future initiative?

THANK YOU!

For comments and questions, you can also
email me at: smahesh@ictsd.ch