

# **Challenges of liberalizing trade in environmental goods**

# ECOLAND

- Mid-sized **developing country** facing **significant environmental challenges**
- Government has decided to join **trade negotiations on environmental goods (EGs)** after series of consultations with stakeholders. **Main messages** emerging from these consultations:
  - Domestic manufacturers of EGs face many **trade barriers in foreign markets**
  - Negotiations must support ECOLAND's **industrial development strategy** (flagship product: renewable energy tuk-tuks)
  - ECOLAND's tariffs on many EGs are high, raising **the cost of meeting environmental standards**
  - Tariff liberalization poses a **threat to domestic industry**; at the same time, many domestic industries depend on **imports of intermediate goods**
  - Concerns about **“greenwashing”**

## YOUR TASK

- You are part of an **intergovernmental task force** in charge of determining **ECOLAND's position** in the negotiations. The task force must decide whether ECOLAND will:
  - support the goods that are currently being discussed in the negotiations, and
  - under what conditions, if any
- In reaching a position, you must take into account:
  - the messages from the stakeholder consultations
  - additional information for each good (provided in the worksheets)
  - ECOLAND's NDC (provided)

# WHAT ALL THIS MEANS IN CONCRETE TERMS

**OVERALL GOAL**  
**Reach consensus within your group on columns (4)-(7) in Annex I**

(1) Proposed good	(2) HS 6 (2012) and description	(3) Domestic context	(4) Environmental credibility		(5) Commercial and other considerations	(6) Support (Y/N)? If yes, conditions?	(7) Environmental category
			PROS	CONS			
Wind turbine towers	7308.20 Structures (excluding prefabricated buildings of heading 9406.00) and parts of structures (for example, bridges and bridge-sections, lock-gates, towers, lattice masts, roofs, roofing frameworks, doors and windows and their frames and thresholds for doors, shutters, balustrades, pillars and columns), of iron or steel; plates, rods, angles, shapes, sections, tubes and the like, prepared for use in structures, of iron or steel: - Towers and lattice masts	Since 2015, at least 70% of the steel plates and all the cement used in wind turbine towers must come from within Ecoland.  Ecoland has enormous untapped onshore and offshore wind energy potential.					

# WHAT ALL THIS MEANS IN CONCRETE TERMS

## OVERALL GOAL

Reach consensus within your group on 2-3 additional items that ECOLAND wants to see included in a future agreement

Your group should be ready to present its position with respect to each good, and to explain how it arrived at its consensus position.

# Main challenges

**What should be covered?**

**Describing green goods**

**Modalities for tariff reduction**

**Keeping the agreement up to date**

**Achieving the appropriate political balance**

# The political challenge: Finding the appropriate balance

