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### Trade in Environmental Goods and Services

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- What are Environmental Goods and Services (EG&S)?
- Case for liberalisation of trade in EG & S
- Barriers to liberalisation
- EG&S in the Doha Agenda
- Identifying EG Dual Use and Other Issues



# What are environmental goods (EGs)?

- OECD/Eurostat and APEC defined Environmental Goods in the late 1990s as goods used "to measure, prevent, limit, minimize or correct environmental damage to water, air, and soil as well as problems related to waste, noise and ecosystems."
- Most countries have accepted that environmental goods include goods used to avoid or control pollution.
- Many would also like to extend the definition to include environmentally preferable products.



## What are environmental services (ESs)?

The WTO's working definition of environmental services classified them into four categories:

- Wastewater management services
- Solid and hazardous waste services
- Sanitation and similar services (e.g., street and beach cleaning)
- Other environmental services, which is usually defined to include:
  - Cleaning of exhaust gases (i.e., air-pollution control)
  - Noise and vibration abatement
  - Remediation and clean-up of soil and water
  - Nature and landscape protection
  - Environmental protection services not elsewhere classified



# Synergies between environmental goods and services

- Environmental goods are often used in the performance of environmental services Deployment of environmental goods often requires environmental services.
  - Wastewater and sanitation services need water quality monitoring and analysis equipment
  - Renewable energy deployment needs design and engineering of the energy-producing facility, construction of the facility, upgrading, operation or maintenance of the facility.



### **Demand for EG&S**

- The main determinant of demand for environmental goods and services is the public sector, while policies and regulations are introduced to encourage private participation.
- Environmental laws, voluntary schemes, co-operative mechanisms and improved enforcement methods all lead to greater demand for environmental goods and services.
- The state can be an important driver of demand for mitigation policies for example, energy performance contracting for buildings.



### Why liberalise trade in EG&S?

- Environmental goods and services are sorely needed to help reduce pollution, improve sanitation, and meet international commitments related to environment and development.
- Reducing barriers reduces prices, and incentivises production and export, of EG&S
- The synergies between environmental goods and services means that liberalising both goods and services markets simultaneously would yield greater benefits.

# https://www.yunbaogao.cn/report/index/report?reportId=5\_6695

### riers to liberalisation of EG

1 Environmental Goods [2010]

ed countries	developing countries		LDCs
	28	%	40 %
	6	%	10 %

riers

ent requirements

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'R protection

