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### **Environmental Provisions in Regional Trade Agreements**

Shardul Agrawala
Head, Environment and Economy Integration Division
OECD Environment Directorate



#### **Outline**

- RTAs and global trade
- Relevance of RTAs for the environment
- Incorporating environmental considerations in RTAs: form and substance
- Co-operation and capacity building
- Assessing the impact of environmental provisions in RTAs

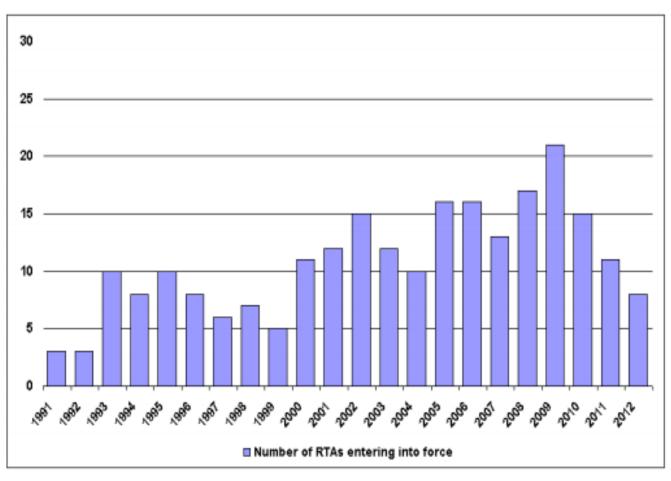


### RTAs and global trade

- 40-50% of global trade in goods is covered by RTAs
- As of October 2012 around 230 RTAs in force
- Smaller number of partners makes consensus easier than in WTO
- "New" issues such as environment, labour, e-commerce can be introduced more readily
- Regulatory co-ordination is often easier
- Geographical proximity is an important factor



# Regional Trade Agreements Coming into Force by Date of Entry into Force



Source: WTO RTA Database (http://rtais.wto.org).



## Relevance of RTAs for the environment

- Multilateral solutions are the best where feasible, particularly for some environmental issues like fisheries subsidies
- However RTAs offer several advantages to address environmental issues:
  - Political economy challenges more tractable
  - Level of interest by public and environmental NGOs often higher
  - RTAs as testing grounds for innovative elements, including environment (at the same time diversion of human resources into numerous RTAs can pose a challenge)
  - Environmental co-operation and Capacity building may be easier to implement



### **Environmental Provisions in RTAs**

- Environmental provisions vary both in form and substance
  - Some RTAs (particularly early ones) cover environment only in the preamble
  - In some cases environmental provisions take the form of a separate side agreement, with or without an overall framework agreement
  - In other cases an environment chapter is included within the trade agreement
  - In some recent EU agreements environmental and social issues combined in a separate sustainable development chapter
  - Some other RTAs have environmental provisions within the main text (but without a separate chapter)



### **Environmental Provisions in RTAs**

- Environmental provisions vary both in form and substance (cont'd)
  - Variation in terms of whether dispute settlement is included or not
  - Level of emphasis on environmental co-operation and capacity building activities
  - Degree to which explicit linkages are made between trade and environment
- No one size fits all. Variations in form and substance partly determined by political mandates of negotiating parties



### **RTAs Notified to the WTO in 2011-2012 Dverview of Environmental Provisions**

Reference to Environmental Considerations	Environmental co- operation and capacity building	Public Participation	Dispute settlement mechanisms	Ex ante/ ex post assessments	Reference to specific environmental issues	Other implementation issues
Preamble, objectives, TBT, intellectual property, cooperation, general exceptions	Included in chapter on cooperation	N/A	General DS provisions apply to all chapters	N/A	Biological diversity, climate change, sustainable land management, fisheries	Joint Committee on Cooperation
Preamble, objectives, exceptions	N/A	Panel meetings and rulings may be open to the public.	General DS provisions applicable	ex ante SIA carried out	N/A	Further negotiations towards a comprehensive agreement
Exceptions for protection of human, animal and plant life	N/A	N/A	N/A	N/A	N/A	N/A
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Exceptions for protection of human, animal and plant life	N/A	N/A	N/A	N/A	N/A	N/A
Exceptions for protection of human, animal and plant life						
Preamble, environment chapter, general exceptions, TBT, procurement, investment	Included in environment chapter, parallel environmental cooperation agreement	In environment chapter	In environment chapter and dispute settlement chapter	ex ante environmental review carried out	MEAs, levels of protection	Environmental Affairs Council