Regional Workshop on Trade and the Environment for Asia-Pacific Economies

TRADE IN ENVIRONMENTAL GOODS

Bogor, Indonesia 17-19 September 2013

Trade and Environment Division



World Trade Organization Organisation Mondiale du Commerce Organización Mundial del Comercio

Overview

- Why open trade in environmental goods?
- DDA paragraph 31(iii)
- Main challenges
- Other considerations: NTBs, technology



Why open trade in EGs?

- Remember conclusions during first day
 - Technological progress is key to sustainable growth
 - Overall effect of trade on the environment hinges on speed with and extent to which clean technologies are adopted



Why open trade in EGs?

- Trade openness is correlated with adoption rates for technology
- Importance of trade given highly skewed distribution of R&D spending
 - G-7 countries account for 84% of global R&D spending, but 64% of global GDP (Keller 2004)



Why open trade in EGs?

- Tariffs and NTMs limit green tech transfer (World Bank 2008)
- CDM projects are more likely to have a tech transfer component when host-countries' tariffs are low (Schmid 2012)
- Acquisition of manufacturing equipment in world markets was key for development of China's PV industry (de la Tour et al. 2011)
- Open trade in EGs helps developing countries adopt environmental policies at lower levels of per capita income than their predecessors (Lovely and Popp 2011)

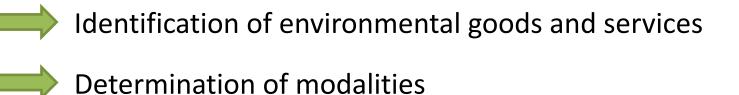


Doha Development Agenda: Paragraph 31(iii)

Doha Ministerial Declaration (2000)

With a view to enhancing the mutual supportiveness of trade and environment, we agree to negotiations, without prejudging their outcome, on [...]

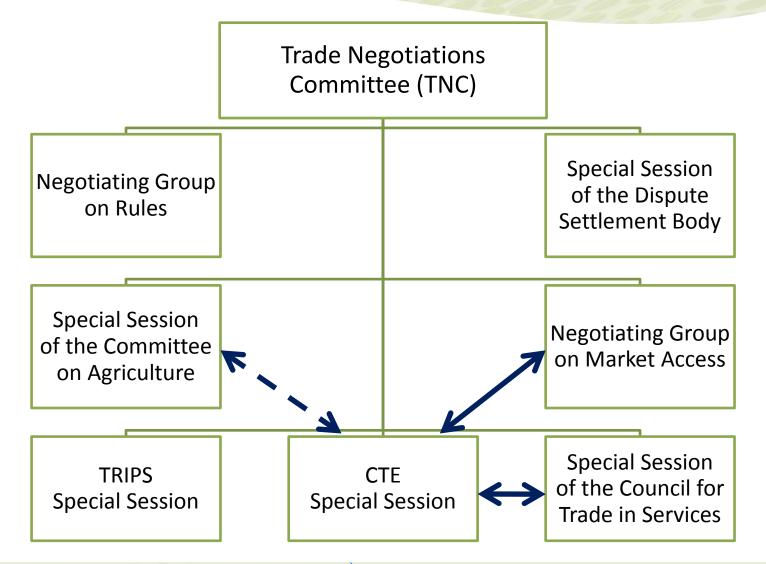
 iii) the reduction or, as appropriate, elimination of tariff and non-tariff barriers to environmental goods and services.



Paragraph 31(iii)



EGS Discussions in the CTESS





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