Report from the 14th round of negotiations for an Environmental Goods Agreement (EGA)

The 14th round of the Environmental Goods Agreement negotiations took place from 20th to 24th June 2016 in Geneva.

Outcome of the 14th round

The round allowed achieving a good progress and there is a sense of momentum shared by all participants of the negotiations.

Product coverage

EGA negotiators continued working on the basis of so-called “staging offers”. They include (i) products to be liberalised immediately at the entry into force of the EGA, (ii) products to be liberalised after some transitional periods (“staging”), and (iii) other products, including products on which reservations have been expressed (“sensitive” products).

Some EGA members, including China, tabled revised staging offers. The negotiators worked bilaterally and in various group configurations; they identified products on which they have converging views and further discussed sensitive products.

Draft legal text

EGA negotiators also discussed revised proposals on some elements of the draft legal text of the Agreement, including WTO Members’ participation in the EGA and a possible work programme on services and non-tariff issues.

Next steps

Participants of the EGA negotiations have intensified efforts to conclude the negotiations as soon as possible. Ministers of seven partners involved (EU, US, AUS, CAN, NZ, JP, KOR) have expressed their commitment to conclude the negotiations by the G20 Leaders’ Summit in September 2016.

A Ministerial level meeting on EGA will be held on 10th July in the margins of G20 Trade Ministers meeting in Shanghai to help make progress in this regard.

The next round is scheduled for the week of 25th July 2016 in Geneva.
Background

The Environmental Goods Agreement is a trade agreement currently being negotiated by 17 members\(^1\) of the World Trade Organisation (WTO), including the EU. Together, they account for a large proportion of world trade in environmental goods. Australia currently chairs the negotiations. The negotiations were launched in July 2014.

The objective of the negotiations is to eliminate tariffs on a broad range of environmental goods, building on a list of 54 environmental goods agreed by APEC. The intention is to create a “living agreement”, which should allow the addition of new products in the future and to address non-tariff barriers and services linked to environmental goods. The agreement will be extended on a Most Favoured Nation basis to all WTO Member, subject to the condition that WTO Members in the EGA represent a critical mass of global trade in environmental goods. This means that the eliminated tariffs agreed by the participants in the negotiations would be applied to all WTO members and not just to those in the EGA group. This initiative is an important way to increase the uptake of environmental technologies, including for climate change mitigation, by eliminating custom duties on environmental goods. It is thus expected to bring economic and environmental benefits worldwide. To learn more about EU interests and the environmental goods negotiations, click here

The European Commission has conducted a Sustainability Impact Assessment on the Environmental Goods Agreement to assess its economic, environmental and social impact, for more information click here

\(^1\) Australia, Canada, China, Chinese Taipei, Costa Rica, the EU, Hong Kong China, Iceland, Israel, Japan, Korea, New Zealand, Norway, Singapore, Switzerland, Turkey, and the United States.