



**United Nations  
Conference  
on Trade and  
Development**

Distr.  
GENERAL

TD/B/COM.1/EM.21/1  
30 April 2003

Original: ENGLISH

TRADE AND DEVELOPMENT BOARD  
Commission on Trade in Goods and Services, and Commodities  
Expert Meeting on Definitions and Dimensions of Environmental Goods  
and Services in Trade and Development  
Geneva, 9-11 July 2003  
Item 2 of the provisional agenda

**PROVISIONAL AGENDA AND ANNOTATIONS**

**I. Provisional agenda**

1. Election of officers
2. Adoption of the agenda and organization of work
3. Definitions and dimensions of environmental goods and services in trade and development
4. Adoption of the report of the Meeting

## II. Annotations to the provisional agenda

### Item 1: Election of officers

1. It is recommended that the Expert Meeting select a Chairperson and a Vice-Chairperson-cum-Rapporteur.

### Item 2: Adoption of the agenda and organization of work

2. The provisional agenda for the Expert Meeting is given in section I above. The provisional schedule of meetings for the three days is attached in annex I.

### Item 3: Definitions and dimensions of environmental goods and services in trade and development

3. As called for in the Doha Ministerial Declaration, Members of the World Trade Organization (WTO) have initiated negotiations on *“the reduction or, as appropriate, elimination of tariff and non-tariff barriers to environmental goods and services.”* The liberalization of trade in environmental goods and services (EGS) may bring economic, environmental and developmental benefits to developing countries through easier access to environmentally sound technology, as well as improved resource management and environmental conditions. It may also create export opportunities for developing countries in some EGS sectors. The extent to which these potential benefits will translate into real gains in trade and sustainable development will depend on how WTO Members define the scope for negotiations, as well as on factors that go far beyond the negotiating process - national policies, regulatory frameworks, the transfer of technology and know-how, and different forms of international cooperation.

4. It is expected that the Meeting will support developing countries in their participation in ongoing discussions and negotiations at the WTO, as well as in national policy-making. The Meeting will provide an opportunity for countries at differing levels of development to exchange experiences, to identify possible actions at the national and international level with a view to creating synergies between trade liberalization and the strengthening of EGS sectors in developing countries, and to address information gaps and capacity-building needs.

### Documentation

TD/B/COM.1/EM.21/2 Environmental goods and services in trade and sustainable development

TD/B/COM.1/EM.21/CRP.1 Trade in environmental goods

### Item 4: Adoption of the outcome of the Meeting

5. The report of the Expert Meeting will be submitted to the Commission on Trade in Goods and Services, and Commodities at its eighth session in February 2004. The Expert Meeting may wish to authorize the Rapporteur, under the authority of the Chairperson, to prepare the final report after the

conclusion of the Meeting.

## Annex I

## SCHEDULE OF THE MEETING

<b>Day 1 (9 July 2003)</b>	<b>Day 2 (10 July 2003)</b>	<b>Day 3 (11 July 2003)</b>
<b>(10 a.m. – 1 p.m.)</b>	<b>(10 a.m. – 1 p.m.)</b>	<b>(10 a.m. – 1 p.m.)</b>
<p><b><u>Plenary</u></b></p> <p><b>Opening statement</b></p> <p><b>Item 1:</b> <b>Election of officers</b></p> <p><b>Item 2:</b> <b>Adoption of the agenda and organization of work</b></p> <p><b><u>Informals</u></b></p> <p><b><u>Item 3: Environmental goods and services in Trade and Development</u></b></p>	<p><b><u>Informals (continued)</u></b></p> <p><b>Item 3:</b> <b>(continued)</b></p>	<p><b><u>Informals (continued)</u></b></p> <p><b>Item 3:</b> <b>(continued)</b></p>
<p><b>( 3 p.m. – 6 p.m.)</b></p> <p><b>Informals (continued)</b></p> <p><b>Item 3:</b> <b>(continued)</b></p>	<p><b>( 3 p.m. – 6 p.m.)</b></p> <p><b>Informals (continued)</b></p> <p><b>Item 3:</b> <b>(continued)</b></p>	<p><b>( 3 p.m. – 6 p.m.)</b></p> <p><b>Plenary (closing)</b></p> <p><b>Item 4: Adoption of the report of the Meeting</b></p>

## Annex II

**INPUTS FROM EXPERTS**

Experts nominated by member States are invited to submit brief papers in advance of the Meeting to the UNCTAD secretariat. Papers will be made available to other participants at the Meeting in the form and language in which they are received.

To facilitate a structured exchange of national experiences, experts are invited (but not required) to take into account the questions below when preparing their inputs. Experts may choose to give special attention to one or more topics that are of most relevance to their national experience and from which lessons could be drawn for the benefit of the other participants. Concrete illustrative examples are encouraged.

**Definitions and classifications***Environmental services*

- Is there a national classification of environmental services, and how does it compare with the current classification of environmental services as contained in the Services Sectoral Classification List (MTN/GNS/W/120)?
- From the national perspective, should the GATS classification of environmental services be adjusted? Which sectors should be included?

*Environmental goods*

- What should be the criteria for including products in the WTO negotiations on market access for “environmental goods”? Has there been a national assessment of product lists circulated in the Negotiating Group on Market Access (NGMA)?
- Do you see merit in including certain categories of environmentally preferable products (EPPs) within the scope of the negotiations on environmental goods? What criteria could be used for including certain categories of EPPs?
- How can various criteria be operational for trade policy and customs purposes?

**Potential benefits of trade liberalization in environmental goods and services (EGS)**

- What are the potential benefits of trade liberalization in EGS from the national perspective? What are the expected benefits in terms of: (a) sustainable development; (b) possible direct and indirect trade gains; and (c) other gains?
- Has foreign direct investment (FDI) in environmental services resulted in transfer of technology and know-how? Have there been other benefits that have contributed to strengthening domestic capacities? What are the main factors that differentiate positive from negative experiences?

- Are horizontal limitations attached to services liberalization commitments at the national level, such as the establishment of joint ventures or the use of appropriate and advanced technology or management systems? Which sector-specific measures, if any, should be used in the case of environmental services?
- Have there been national consultations on how to approach trade liberalization in EGS? Who are the major stakeholders? In broad terms, what has been the outcome of national consultations?
- Would EGS liberalization strengthen the capacities of domestic industries to comply with environmental regulations in international markets? Can examples be provided? Which sectors of the national economy would benefit most?
- From a national perspective, what are the key policy issues related to possible liberalization of: (a) environmental infrastructure services, and (b) commercial environmental services?

### **Trading opportunities for developing countries**

- In what segments of the environmental industry could your country successfully compete in international or regional markets?
- What are the main production and export constraints in key EGS sectors? Do exports of EGS face non-tariff obstacles in external markets?
- Would an integrated approach to negotiations on goods and negotiations on services be necessary to ensure improvements in access to external markets? Can examples be provided of sectors where the country exports related goods *and* services?
- Which products of export interest to your country are included in lists of environmental goods circulated in the NGMA? What are the main markets for such products? Do these products face tariff and non-tariff barriers in external markets? What other products could be identified for inclusion within the scope of the negotiations?
- Do you see opportunities for increasing the participation of developing countries in international trade in certain environmental services? If so, in which sectors and how? Are there obstacles to trade in foreign markets?
- Are efforts being made to promote exports of certain categories of environmental or environmentally preferable goods or environmental services? If so, which products and/or services are being promoted and how?

### **National experiences and strategies**

#### *Environmental services*

- Which are the principal environmental services sectors in your country? Is information available on their size and development?
- Who are the principal suppliers of basic infrastructure services, such as sewage, solid and hazardous waste management, et cetera? Is there private sector participation? What are the shares of services supplied by the public and private sectors? Is there commercial presence of foreign services suppliers? Is there a national policy regarding privatization of certain basic services?
- What have been success stories and other national experiences in liberalization of EGS?
- Which commercial environmental services (e.g. environmental assessments, environmental risk management) are most developed? What have been the reasons for their development or lack thereof?

Has your country achieved competitiveness in international or regional markets?

- What progress has been made in:
  - Implementing environmental legislation that creates demand for EGS?
  - Establishing regulatory frameworks for environmental services sectors?

#### *Environmental goods*

- What levels of tariffs are applied to environmental goods (e.g. based on the OECD or APEC list)? Are fiscal and/or financial incentives available for imports of environmental goods, e.g. under environmental programmes?
- To what extent can environmental goods be identified in national tariff classification systems?
- Has there been an analysis of the use of “multiple-use” products on the APEC, OECD or other lists and proposals with respect to "environmental goods" circulated in the NGMA?

#### **International cooperation**

- Have there been successful partnerships with foreign services suppliers in strengthening particular sub sectors of environmental services? What have been the major benefits?
- What has been the national experience with mutual recognition of qualifications required for the delivery of services, and how important are these for the delivery of environmental services?
- What has been the impact of lending and development assistance projects funded by multilateral and bilateral aid agencies in various environmental services sectors?

#### **Technical assistance and capacity building**

- What are the capacity-building needs in your country?
- Are technical assistance or capacity-building programmes available to assist trade negotiators in their participation in negotiations on EGS in the WTO and, where relevant, in regional trading arrangements?

Experts are kindly requested to submit their papers (hardcopy and electronic format, please) by 27 June 2003 to: Alexey Vikhlyayev, Division on International Trade in Goods and Services, and Commodities, UNCTAD, E.8009, Palais des Nations, CH-1211 Geneva 10, Switzerland, Tel. ++41 22 917 5618. Fax: ++41 22 907 0247. E-mail: [alexey.vikhlyayev@unctad.org](mailto:alexey.vikhlyayev@unctad.org)