

Public Survey on the Green Goods Initiative

This public survey is about the negotiations of an agreement on trade in environmental goods and services.

On 24 January 2014 at the World Economic Forum in Davos, the EU, together with 13 other WTO members pledged to launch negotiations to liberalise global trade in environmental goods – the green goods initiative. The link to the Davos announcement by the initial members of this initiative is [here](#).

This initiative builds on the momentum created by the process in APEC (Asia Pacific Economic Cooperation), in particular the political commitment by APEC members in September 2012 to reduce applied tariffs to 5% or less on 54 environmental products by 2015 and a subsequent APEC leaders' agreement in October 2013 to "build on the APEC initiative in the WTO context".

This initiative has initially brought together: Australia, Canada, China, Costa Rica, Chinese Taipei, the EU, Hong Kong (China), Japan, Korea, New Zealand, Norway, Switzerland, Singapore and the US. Collectively, they account for around 86% of world trade in green goods. Any other WTO Member sharing a similar ambition to liberalise trade in green goods is welcome to join this initiative. Negotiations are scheduled to start in mid-2014.

The green goods initiative aims at advancing the negotiations carried out under the umbrella of the World Trade Organisation (WTO), and mandated by the Doha Ministerial Declaration of 2001 in paragraph 31 (iii) on "*the reduction or, as appropriate, elimination of tariff and non-tariff barriers to environmental goods and services*". At this stage, it will involve a subset of interested WTO members rather than the full WTO membership (hence the term 'plurilateral'). Once critical mass is reached for the conclusion of an agreement on environmental goods, the benefits of this plurilateral initiative will be applied to all WTO members on the basis of the Most Favoured Nation (MFN) principle. Ideally, the outcome of the negotiations would be brought to the WTO in view of its multilateralisation where other WTO members could also join the commitments agreed under this initiative.

The negotiations will focus on liberalisation of tariffs on environmental / green products, i.e. products that directly and positively contribute to green growth, environmental protection, climate action and sustainable development. These are products that e.g. reduce air or water pollution; help manage waste; are energy efficient; help generate renewable energy from sources such as solar, wind, or hydro, biomass, etc.

There is no doubt that trade liberalisation will help to develop green growth further. Reducing barriers to trade and investment in green goods and technologies would be an important step in contributing to their increased deployment, which could deliver considerable economic and environmental benefits. Therefore, the EU will be striving for an ambitious and comprehensive agreement that could create real positive impacts on trade and environment.

The negotiations on green goods will build upon the APEC commitment to reduce applied tariffs to 5% or less on 54 environmental goods. The list of environmental goods will be determined in the negotiations, in which each participant will be able to submit its own proposals. Currently, the EU is developing its list of environmental goods, and stakeholders' input to this process is welcome.

The ambition for this initiative is to create a 'living agreement' that would be able to respond to the changes in technologies in the years to come, to add new products, and to address environment related services, and non-tariff barriers in the sector, such as local content requirements or investment restrictions. Regarding environment-related services within the green goods initiative the EU is interested in exploring a closer link between green goods and services ancillary to green goods (e.g. assembly or maintenance services related to exports of wind turbines). These efforts would be complementary to the ongoing plurilateral negotiations for Trade in Services Agreement, where for instance classical environmental services (e.g. sewage services, solid waste management, ect) are being discussed.

The EU has developed a technologically advanced, world-class green industry. There has been considerable job creation in green sector, i.e. an increase from 3 to 4.2 million in full-time equivalents between 2002 and 2011 across the EU. Employment grew by 20% throughout the recession years (2007 to 2011). In terms of trade, the EU is a world leader both in terms of export and import of environmental goods, followed by China and other APEC Members. Although environmental goods are a relatively small percentage of EU trade, this sector is much more dynamic when compared to manufacturing as a whole. In 2012 EU exports of green goods covered by the APEC initiative (54 HS6 products) amounted to EUR 71.7 bn, and imports to EUR 41.4 bn.

The way forward

The European Commission is authorised to negotiate the green goods initiative on the basis of general authorisation of 2001 given by the EU Member States in the Council to conduct the negotiations under the Doha Development Agenda. On 8 May 2014 the Council adopted **Council Conclusions** providing additional guidance on the negotiation of the green goods initiative.

The Commission will carry out a Trade Sustainability Impact Assessment for these negotiations.

Information on the questionnaire

The questionnaire is divided into two parts: the first part includes questions for all stakeholders while the second part has specific question aimed more at businesses and their associations.

Should there be any additional point you wish to draw to the Commission's attention, please describe this under question 12 in the first part. Please note that you do not have to reply to a question if you think that it is not relevant or not applicable to your situation.

Where possible, we would appreciate receiving information which is as specific as possible (substantiated where possible by economic indicators and/or data) of your interests, prioritisation within sectors, and any proposals for solutions, where problems have been identified.

The questionnaire has been prepared in order to provide the Commission with information to help it in establishing priorities in the negotiating process. Your reply to this questionnaire is important and we thank you in advance for your contribution.

The Commission, subject to the application of the EU's rules on access to documents (Regulation (EC) No 1049/2001), will treat the information that you provide as confidential. EU rules on access to documents allow the Commission to withhold access to a document where disclosure would undermine the commercial interests of a natural or legal person or harm the EU's relations with third countries, unless there is an overriding public interest in disclosure.

Please send your replies by 31 July 2014.

Questions marked with an asterisk * require an answer to be given.

Information on the respondents

1. Entity name (maximum 50 characters) * (maximum 50 characters)

2. Contact details (address, telephone number, email) (maximum 270 characters) * (maximum 270 characters)

3. Contact person (maximum 100 characters) * (maximum 100 characters)

4. What is your profile? *

- Business Trade union/organisation representing trade unions Non-governmental organisation
- Trade association representing businesses Government institution/regulatory authority Other

 If you replied "other" please specify. *

5. If you are a business, do you qualify as an SME¹?

¹According to the Commission Recommendation of 6 May 2003 concerning the definition of micro, small and medium-sized enterprises (OJ L 124, 20.5.2003, p.36), a company qualifies as an SME if 1) it employs less than 250 persons (including managers, etc.) and 2) it has an annual turnover not exceeding 50 million EURO and/or its annual balance sheet does not exceed 43 million EURO. Please note that the previously mentioned figures (employees, turnover and balance sheet) refer to the consolidated data of the company in question and its partners and/or linked companies proportionally aggregated to the percentage interest in the capital or voting rights. For further explanations please consult the **new SME user guide**:

Yes

No

6. If you are a business, are you a goods supplier and/or a services supplier?

Goods supplier

Services supplier

Both

7. What are your main areas/sectors of activities/interests? (multiple replies are possible) *

air pollution control

renewable energy

water treatment

waste management

cleaner or more resource
efficient technologies and products

environmental monitoring,
analysis and assessment equipment

other

 If you replied "other" please specify. *

8. TRANSPARENCY AND CONFIDENTIALITY

To ensure that our public consultation is open and transparent, the report of the consultation will be published on the European Commission's website and, will include a list of the names and contributions of all the organisations that have agreed to this publication from which we have received contributions to this process.

Please, indicate your preference: *

I agree to the publication of my
contribution to this public
consultation

I do not agree to the publication
of my contribution to this public
consultation

Section 1: Questions for all stakeholders

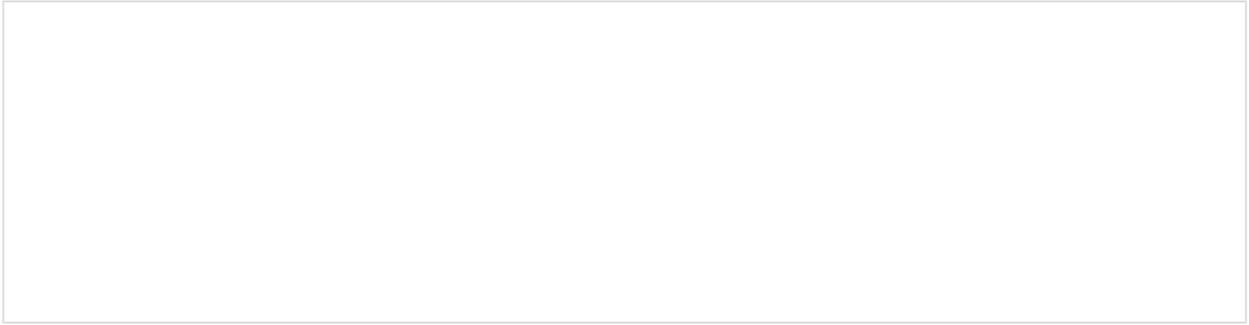
1. What are your general views on the negotiations to liberalise trade in green goods and services?

2. Please rank in order of importance which of the options below should be the EU's focus for the green goods initiative?

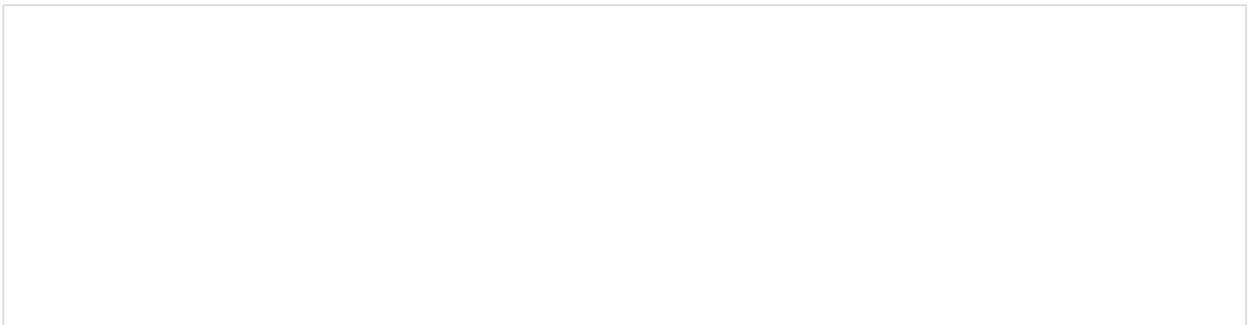
- a: 1
- b: 2
- c: 3
- d: 4
- e: 5

	a	b	c	d	e
<ul style="list-style-type: none">• reduction of tariffs on environmental goods	<input type="radio"/>				
<ul style="list-style-type: none">• elimination of tariffs on environmental goods	<input type="radio"/>				
<ul style="list-style-type: none">• reduction of non-tariff barriers to trade in environmental goods	<input type="radio"/>				
<ul style="list-style-type: none">• reduction of barriers to trade in environmental-related services	<input type="radio"/>				
<ul style="list-style-type: none">• other	<input type="radio"/>				

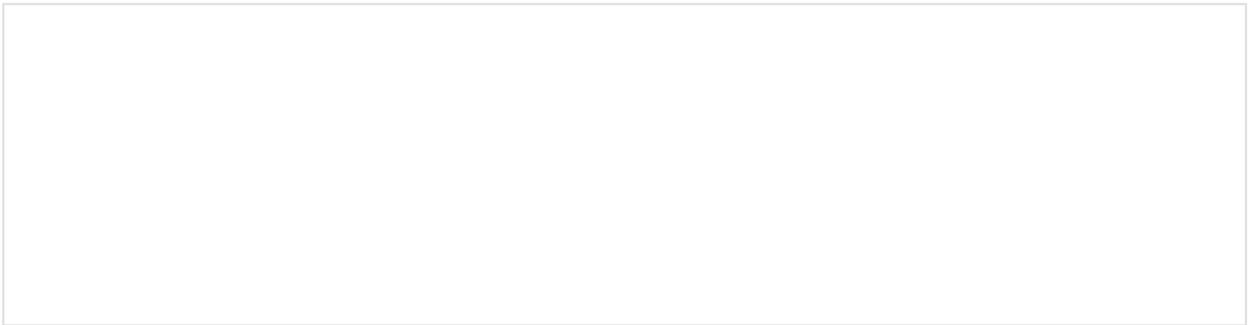
3. What types of goods and services do you think should be covered by the green goods initiative? (e.g. any specific sector)

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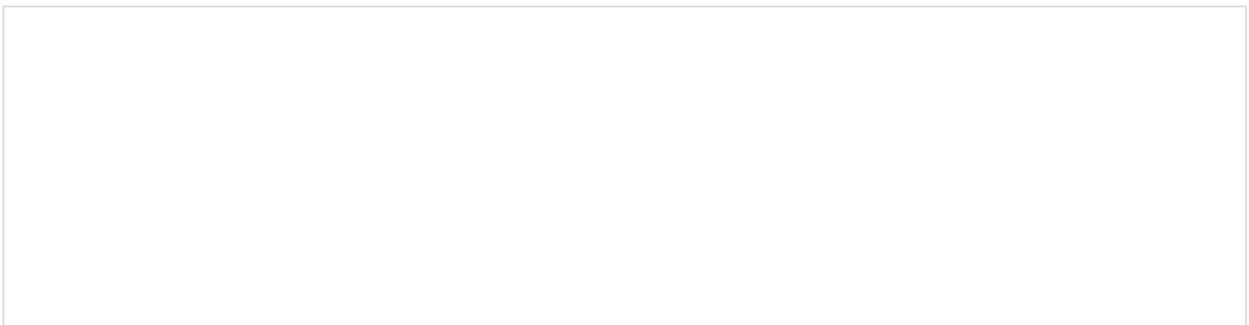
4. What factors should the EU take into account in the development of its proposal for a list of environmental goods (e.g. trade volume, environmental use of products, customs control, customs classification, etc.)? Please explain your answer.

A large, empty rectangular text box with a thin grey border, intended for the respondent to provide their answer to question 4.

5. Environmental goods can be described as goods that can positively and directly contribute to environmental protection, climate action, green growth and sustainable development. Do you agree with this statement? Please explain your answer.

A large, empty rectangular text box with a thin grey border, intended for the respondent to provide their answer to question 5.

6. Environmental goods should not be classed as 'environmental' depending on *how* they were produced, in part because of the difficulty for Customs to distinguish such goods and the lack of globally agreed criteria. What is your view on this?

A large, empty rectangular text box with a thin grey border, intended for the respondent to provide their answer to question 6.

7. Where do you see the greatest potential for positive environmental impact arising from this initiative (sector or country/region)?

8. Do you think the green goods initiative should include a review mechanism to allow updating of the list of environmental goods and to better reflect changes in technology? Please explain your answer. If you think it should, do you have views on the how the mechanism could work?

9. Do you have views concerning a future possible dispute resolution of the green goods initiative? If so please elaborate.

10. Are there any other issues related to trade in environmental goods and services that are not mentioned above and on which you would like to provide your views?

Yes

No



If you replied "yes", please specify.

Section 2. Questions for businesses or their associations

1. What kinds of environmental goods do you export? (multiple replies are possible)

- | | | |
|--|---|--|
| <input type="checkbox"/> air pollution control | <input type="checkbox"/> related to generation of renewable energy | <input type="checkbox"/> water treatment |
| <input type="checkbox"/> waste management | <input type="checkbox"/> cleaner or more resource efficient technologies and products | <input type="checkbox"/> environmental monitoring, analysis and assessment equipment |
| <input type="checkbox"/> other | | |



Please specify:

- | | | |
|-------------------------------------|----------------------------------|--------------------------------|
| <input type="checkbox"/> solar | <input type="checkbox"/> wind | <input type="checkbox"/> hydro |
| <input type="checkbox"/> geothermal | <input type="checkbox"/> biomass | <input type="checkbox"/> other |



If you replied "other", please specify.

2. What are your five top non-EU export markets for environmental goods and/or related services? (please specify and rank)

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3. To which of the following WTO members participating in the green goods initiative do you export environmental goods and /or related services? Please rank them.

- a: 1
- b: 2
- c: 3
- d: 4
- e: 5
- f: 6
- g: 7
- h: 8
- i: 9
- j: 10
- k: 11
- l: 12
- m: 13

4. To which other countries do you export environmental goods and /or services? (please specify, and rank them)

5. Who are your biggest competitors in the sector of environmental goods and/or services in non-EU export markets?

- other European companies companies from local market non-EU countries

 If you replied "non-EU countries" (please specify).

6. From which non-EU markets do you import environmental goods and/or services? (please specify top five and rank)

7. From which of the following WTO members participating in the green goods initiative do you import environmental goods and /or services? Please rank them.

a: 1

b: 2

c: 3

d: 4

e: 5

f: 6

g: 7

h: 8

i: 9

j: 10

k: 11

l: 12

m: 13

8. From which other countries do you import environmental goods and /or services? (please specify, and rank them)

9. Please specify products that, in your view, should be covered by the green goods initiative (please specify HS codes, description, environmental rationale).

10. Are there any products that, in your view, should **not** be covered by the green goods initiative? (please specify)

11. If you export environmental goods to third countries with which the EU has concluded Free Trade Agreements (FTA), do you utilise preferential tariffs under those FTAs?

- yes, always yes, sometimes I am not aware of preferential tariffs
- no



If you replied "yes, always" please specify which country



If you replied "yes, sometimes", please specify which country.



If you replied "no", please explain why.

12. What are the main barriers to trade you encounter for your environmental goods in non-EU export markets?

- tariffs or customs duties trade barriers other than tariffs or customs duties other



Please specify countries



Please specify countries



Please specify.

13. What kind of barriers, related to the categories below, do you encounter in non-EU countries in which you operate?

- | | | |
|---|---|--|
| <input type="checkbox"/> Customs procedures | <input type="checkbox"/> Accreditation procedures for standards | <input type="checkbox"/> Business practices in foreign markets |
| <input type="checkbox"/> Government procurement rules | <input type="checkbox"/> Subsidies | <input type="checkbox"/> Local content requirements |
| <input type="checkbox"/> Anti-dumping duties | <input type="checkbox"/> Countervailing duties | <input type="checkbox"/> Other barriers |



please specify

14. Which types of non-tariff barriers do you think should be reduced through the green goods initiative as a matter of priority (max 3)?

15. What kind of environment-related services do you or would you like to provide in non-EU countries? (multiple replies are possible)

- | | | |
|---|--|---|
| <input type="checkbox"/> Engineering services | <input type="checkbox"/> Assembly or construction services | <input type="checkbox"/> Specialised repairs and maintenance services |
| <input type="checkbox"/> Sewage services | <input type="checkbox"/> Refuse disposal services | <input type="checkbox"/> Sanitation and similar services |
| <input type="checkbox"/> Cleaning of exhaust gases (emission monitoring and control services) | <input type="checkbox"/> Noise abatement services (noise pollution monitoring, control and abatement services) | <input type="checkbox"/> Nature and landscape protection services (services consisting in studies on the relationship between environment and climate, including natural disaster assessment) |
| <input type="checkbox"/> Environmental consultancy services | <input type="checkbox"/> Other environmental protection services | <input type="checkbox"/> None |

 please specify

 please specify

16. Who provides above mentioned services?

- Only the company I represent Other European subcontractor Subcontractor in the country to which I export

17. What proportion of your turnover related to exports is represented by environment-related services compared to environmental goods? (approximate answer is sufficient)

18. Are there areas/sectors in which you are at a disadvantage in countries or territories in which you operate compared to competitors from non-EU countries? (multiple replies are possible)

- | | | |
|---|--|---|
| <input type="checkbox"/> Engineering services | <input type="checkbox"/> Assembly or construction services | <input type="checkbox"/> Specialised repairs and maintenance services |
| <input type="checkbox"/> Sewage services | <input type="checkbox"/> Refuse disposal services | <input type="checkbox"/> Sanitation and similar services |
| <input type="checkbox"/> Cleaning of exhaust gases | <input type="checkbox"/> Noise abatement services | <input type="checkbox"/> Environmental consultancy services |
| <input type="checkbox"/> Nature and landscape protection services | <input type="checkbox"/> Other | |

19. What are the main barriers that you encounter in providing cross-border environment-related services in a WTO member participating in the green goods initiative? (multiple replies are possible)

- | | | |
|--|---|---|
| <input type="checkbox"/> Requirement to establish a company for the supply of a service | <input type="checkbox"/> Limits on the number of service suppliers whether in the form of numerical quotas, monopolies, exclusive service suppliers or the requirements of an economic needs test | <input type="checkbox"/> Limits on the total value of service transactions or assets in the form of numerical quotas or the requirement of an economic needs test |
| <input type="checkbox"/> Limits on the total number of service operations or on the total quantity of service output expressed in terms of designated numerical units in the form of quotas or the requirement of an economic needs test | <input type="checkbox"/> Discriminatory measures benefiting domestic services or service suppliers. | <input type="checkbox"/> Other |



please specify

20. What are the main barriers that your sector encounters in establishing a commercial presence with regard to environment-related services in a WTO member participating in the green goods initiative? (multiple replies are possible)

- | | | |
|---|---|--|
| <input type="checkbox"/> Limits on the participation of foreign capital in terms of maximum percentage limit on foreign shareholding or the total value of individual or aggregate foreign investment | <input type="checkbox"/> Limits to management control | <input type="checkbox"/> Residency requirement for senior management or board of directors |
| <input type="checkbox"/> Nationality condition for senior management or board of directors | <input type="checkbox"/> Difficulty in obtaining a licence or authorisation | <input type="checkbox"/> Treatment by state-owned enterprises |
| <input type="checkbox"/> Complex and lengthy procedures between federal and provincial level, etc.? | <input type="checkbox"/> Joint-venture requirements | <input type="checkbox"/> Economic needs test prior to establishment |
| <input type="checkbox"/> Other | | |



please specify

21. What are the main barriers that your sector encounters in the temporary movement of natural persons for business purposes with regard to environment-related services in these countries? (multiple replies are possible)

- | | | |
|---|---|---|
| <input type="checkbox"/> Difficulty in obtaining work permits and visas | <input type="checkbox"/> Difficulty in obtaining licences, where appropriate | <input type="checkbox"/> Recognition of professional qualifications |
| <input type="checkbox"/> Lack of transparency in regulations at various administrative levels | <input type="checkbox"/> Limitations on the total number of natural persons that may be employed in a particular service sector or that a service supplier may employ and who are necessary for, and directly related to, the supply of a specific service in the form of numerical quotas or the requirement of an economic needs test | <input type="checkbox"/> Requirement to hire or train local workers |
| <input type="checkbox"/> Other | | |

 please specify

22. For environment-related services, where do you see the most important opportunities for your business (areas/sectors and trade barriers)? Which factors should the EU take into account when identifying the relevant measures?

23. In your sector, do you have a particular interest in entering the markets of the WTO members involved in green goods initiative? If so, which are they? (multiple replies are possible)

- | | | |
|---|--------------------------------------|--|
| <input type="checkbox"/> Australia | <input type="checkbox"/> Canada | <input type="checkbox"/> China |
| <input type="checkbox"/> Chinese Taipei | <input type="checkbox"/> Costa Rica | <input type="checkbox"/> Hong Kong China |
| <input type="checkbox"/> Japan | <input type="checkbox"/> New Zealand | <input type="checkbox"/> Norway |
| <input type="checkbox"/> Singapore | <input type="checkbox"/> Switzerland | <input type="checkbox"/> The Republic of Korea |
| <input type="checkbox"/> USA | | |

24. In your sector, do you have a particular interest in entering other non-EU markets? Please specify.

25. In the course of doing business in non-EU countries have you ever encountered any requirements or incentives to:

25.a. export a given level or percentage of services

Yes

No



If yes, please explain.

25. b. achieve a given level or percentage of domestic content.

Yes

No



If yes, please explain

25.c. requirement to purchase, use or accord a preference to goods produced in the country or territory, or to purchase goods from domestic producers

Yes

No



If yes, please explain.

25.d. transfer a particular technology, a production process or other proprietary knowledge?

Yes

No



If yes, please explain.

26. Any other views on constraints or opportunities for trade in environmental goods and services?

[Empty response box]