

## **The Environmental Goods and Services Agreement (EGSA) Coalition**

Broad support exists for the WTO Doha Round negotiations to eliminate and reduce tariffs and non-tariff barriers (NTBs) that inhibit the growth and dissemination of environmental goods and services (EGSA). A World Bank study found that the removal of these barriers for four clean energy technologies (wind, solar, clean coal, and efficient lighting) in 18 large countries will result in trade growth of up to 13 percent. Unfortunately, progress in the Doha Round has been woefully inadequate.

At the same time, the international community is moving ahead with negotiating a climate agreement under the UNFCCC. However, the slow pace of those negotiations, coupled with growing concerns that climate change is happening faster than expected, has led to increased calls to take immediate mitigation action in other fora that is consistent with the UNFCCC. If translated into emissions reductions, the impact of an EGSA agreement could be substantial. As part of a technology transfer program, such an initiative represents the single biggest opportunity to accelerate the deployment of existing climate-friendly goods and services.

### Goals and Purpose

We are creating a coalition of companies and NGO's that will seek two focused goals: (1) to move the EGSA negotiations out of the Doha Round as quickly as possible, while still conducting the negotiations within the WTO, and (2) to push the EGSA negotiations to successful completion, taking into account the parallel climate discussions in the UNFCCC. The Coalition will achieve this through a variety of methods, including serving in an advisory role to help provide guidance to governments on moving EGSA forward, influencing Summits and high-level bilaterals between governments, and harnessing the political momentum propelling climate change mitigation efforts and deploying it to complete the WTO negotiations in Geneva.

The coalition will have many members with varying viewpoints. Membership in the coalition only implies support of the goals of the Coalition, and not agreement with another member's views. The Coalition does not intend to have the EGSA serve as an alternative to the UNFCCC negotiations, or to impair the Doha Round, as Doha will not rise or fall based on whether the EGSA is a part of it.

### Why Do We Need A Coalition?

We need a coalition to overcome the many hurdles to achieving a successful policy outcome of reducing the barriers to the dissemination and growth of climate-friendly technologies and services. Some of the obstacles are:

- EGSA's current association with the larger challenges of the Doha Round, such as its informal treatment as a subset of the industrial product negotiations, which is a source of controversy between developed and developing nations;
- Trade bureaucracies that misread the effect breaking out EGSA from the Doha Round will have on Doha (very little), and are at the same time not taking into account the climate change agenda;
- The general difficulty of breaking any part of Doha out of the single undertaking; and
- The sensitivities developing country climate negotiators will have as a general proposition (regardless of their views of what is good policy) to binding international commitments of their country related to combating climate change.

#### Winning the EGSA Battle

While these challenges are real, a team with experience, contacts, ingenuity - and a sustained effort - can overcome them and achieve success. Indeed, we are starting to see steps in this direction, as evidenced by the Obama Administration in the President's 2009 Trade Policy Agenda, which stated: "We should build on the environmental goods and services negotiations begun in the Doha Round, whether at the WTO or in other negotiating arenas."

The Coalition's team includes a completely unique combination of skills, experience, and contacts in both the trade and environment worlds. Tim Keeler of Mayer Brown LLP recently served as Chief of Staff of the Office of the United States Trade Representative. While there he worked on the Doha Round and the EGSA negotiations (including attendance at the meeting of Trade Ministers on Climate Change and Trade held in Bali). Dave Banks of Boyden Gray & Associates was Senior Advisor, International Affairs and Climate Change at the White House Council on Environmental Quality (CEQ) and a chief architect of the Major Economies process. In April, he received the EPA Climate Protection Award for advancing fast action mitigation strategies during his tenure at CEQ. Elizabeth Ladit of Boyden Gray & Associates was Associate Counsel for International Affairs and Climate Change at CEQ, where she was a U.S. delegate to the

UNFCCC negotiations. And the Coalition will be able to call as needed on the resources of Mayer Brown LLP (including former USTR Mickey Kantor) and Boyden Gray & Associates.

Using our experience and skills we have developed a political strategy to achieve the goals of the Coalition. While successful implementation will require careful deployment of political assets, public pronouncements, and behind the scenes pushing, success is achievable, and will have immediate, tangible results.

We invite you to join in this effort. For more information, please contact Tim Keeler at 202-263-3774 or [tkeeler@mayerbrown.com](mailto:tkeeler@mayerbrown.com); or Dave Banks or Elizabeth Ladt at 202-495-9844 or [davebanks@boydengrayassociates.com](mailto:davebanks@boydengrayassociates.com) or [elizabethladt@boydengrayassociates.com](mailto:elizabethladt@boydengrayassociates.com).