

Australia's approach to promoting trade in environmental goods and services

20 September 2023

Challenges of promoting trade in environmentally sustainable goods and services

- Two initial challenges:
 - Definitional
 - What is (and is not) properly considered an ‘environmental’ good or service)?
 - Operational
 - How should we promote trade in the categorised good or service?

Environmental goods and services trade policy developments

- Asia-Pacific Economic Cooperation Environmental Services reference list (published 2021)
 - Voluntary, non-binding and non-exhaustive
 - 2 subcategories of environmental services
- *Singapore – Australia Green Economy Agreement (signed 2022)*
 - Based on APEC-list: Expanded non-exhaustive non-binding list
 - SAGEA List expands upon the APEC list.
 - 3 subcategories of environmental services
- *New Zealand – EU FTA (signed 2023)*
 - Included 4 subcategories of environmental services

Singapore – Australia Green Economy Agreement

Environmental Goods List

HS 2022	HS DESCRIPTION (WCO)	DESCRIPTION OF ENVIRONMENTAL GOOD	REMARKS	ENVIRONMENTAL CATEGORY
2716.00	Electrical energy	Electricity produced from renewable sources.		Renewable Energy Production and Storage
3919.90	Self-adhesive plates, sheets, film, foil, tape, strip and other flat shapes, of plastics, whether or not in rolls; other	Solar window film.	To improve efficiency of heating and cooling.	Energy Efficient Technologies and Products
4418.73	Assembled flooring panels; of bamboo or with at least the top layer (wear layer) of bamboo	Sustainably sourced bamboo flooring panels.	Provide an environmentally preferable alternative due to the natural, renewable and biodegradable nature of bamboo.	Environmentally Preferable Materials and Products

Environmental Services List

CPC 2.1	CPC 2.1 Description	CPC Prov.	CPC Prov. Description
54650	Insulation services	51650	Insulation work (electrical wiring, water, heat, sound)
54234 ex	General construction services of irrigation and flood control waterworks	51330 ex	Construction work for civil engineering for waterways, harbours, dams and other waterworks
82221 ex	Accounting services	86219 ex	Other accounting services

Lessons learned

- Expanding a common understanding of what constitutes environmental good or service is important to focus future cooperative initiatives
- Indicative non-binding lists can de-link discussions from a focus on market access
 - helpful to guide discussions on other potential areas for cooperation to promote trade in environmental goods and services
 - these can include areas like technical standards, improvements to the domestic regulatory regimes, and signalling to markets