



Harnessing the RTAs for the Post- 2012

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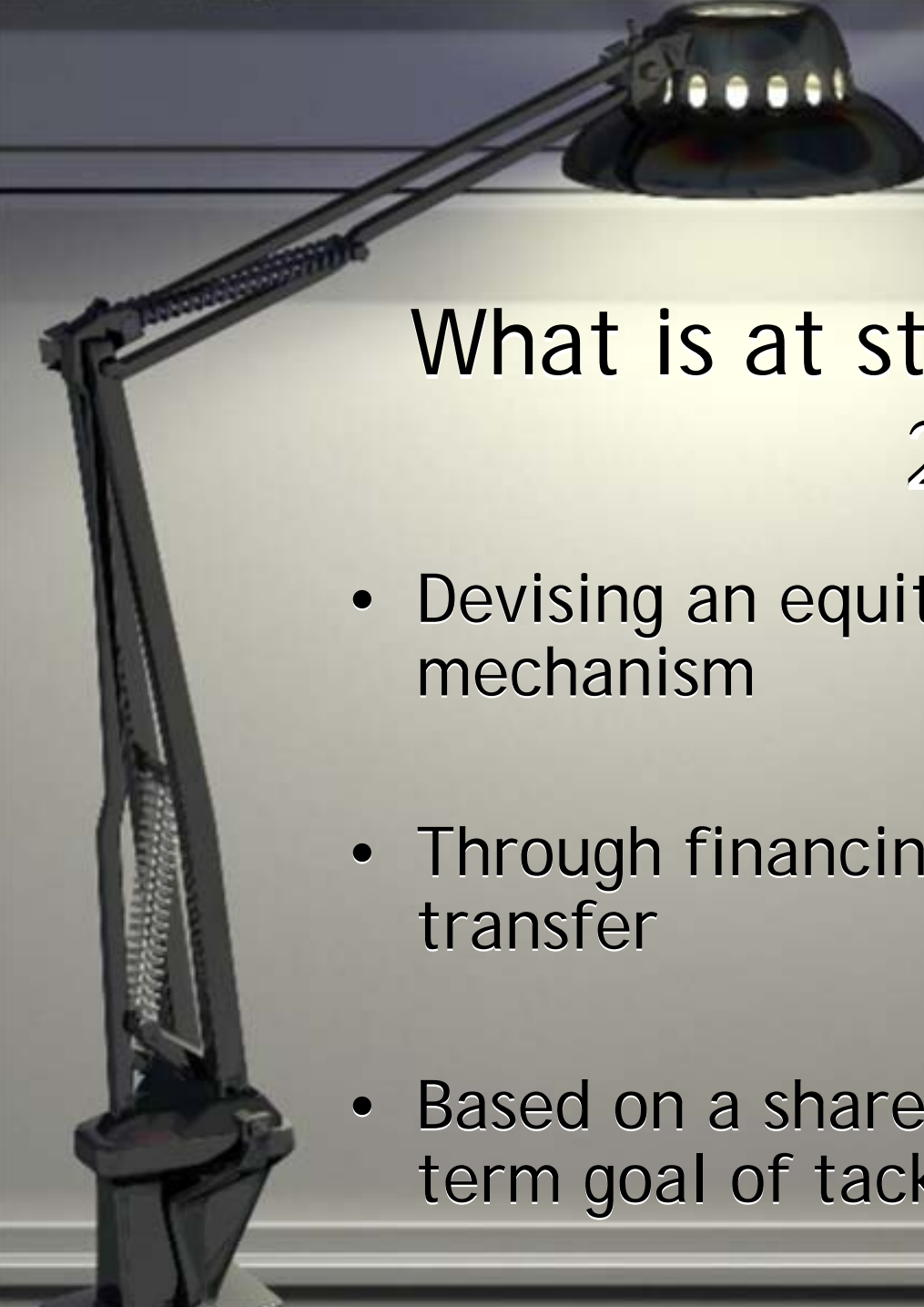
Why RTAs and Why include environment?

- Surge of RTAs
- Surpassing the obstacles at multilateral level




What determines the scope of environmental provisions in RTAs?

- Desire of the Parties to the agreement
- Nature and scope of the agreement



What is at stake for the post-2012?

- Devising an equitable burden sharing mechanism
- Through financing and technology transfer
- Based on a shared vision about the long-term goal of tackling climate change



OECD Environmental Outlook for 2030

“If efficient policy instruments are employed covering all the main emitters, sectors and gases, ambitious climate change targets of the 450 ppm stabilisation pathway can be achieved at a relatively affordable cost in light of the expected costs of inaction and economic growth by 2050”




Sectoral approach

- Engaging with major emitters
- Addressing competitiveness concern and carbon leakage
- Diffusion of sector-specific technologies
- Sector-based CDM



Implications of RTAs

- How to facilitate the diffusion of sector-specific technologies
- How to address trade barriers to low-carbon technologies



Environmental cooperation mechanism

- ASEAN-Korea Agreement

“Pursue...on a mutually agreed basis: cooperation in environmental technologies and policies, such as compressed natural gas technology and policy...”



Japan-Mexico Agreement

“Promotion of capacity and institutional buildings to foster activities related to the CDM under the Kyoto Protocol..and explanation of appropriate ways to encourage the implementation of CDM projects”



US Trade Act of 2002

“One of the principle trade negotiating objectives is to seek market access, through the elimination of tariffs and non-tariff barriers, for US environmental technologies, goods and services”



Environmental technologies, goods and services

- NZTCEP
- MERCOSUR Framework Agreement on Environment: Harmonisation of environmental standards



Conclusion

- Using environmental cooperation to address specific issue based on mutual desire among Parities concerned
- Capacity building required for the operationalisation of sectoral approach
- Link between RTAs, FDI and clean technology flows
- Successful implementation of RTAs needs to be assessed