Ideas for APEC Action Moving Forward

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Environmental Goods Non-tariff Measures (NTMs)
Trade Policy Dialogue

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Presentation
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Overview of Australia’s EGS Sector

- EGS Sector turnover >AUD 10bn
- Exports of EGS worth >$2B (4.5B?)
- Global reputation for excellence in the environmental sciences
- Australian companies internationally recognised
- Australian workforce highly skilled

Source: Australian Trade Commission, SBA, Department of Sustainability, Environment, Water, Population and Communities

- 80 member companies (ASX, SME)
- 100,000 + employees
- Engineering, legal, environment, economics, finance & investment, infrastructure, land management, food production, city planning and transport
Where are Australia’s key EGS exports?

Key exports

- Mine site and soil rehabilitation
- Water and wastewater management
- Solid waste management
- Environmental testing
- Clean energy
- Carbon and energy management
- Emerging products and services
- Green building

Where is Australian business’ EGS export focus?

Market Drivers

Cross-sectoral challenges

Potential solutions
What are the drivers of change, challenge & solution?

**Market Drivers**
- Energy efficiency products growth to US$1.2trn by 2020
- Asia Pacific fastest growing market for climate change and related investment
- Growth in the service sector does not see as many non-tariff barriers
- Investment opportunity from policy frameworks such as Australia’s Carbon pricing mechanism and energy efficiency policies
- Investment opportunity in large scale renewable energy generation (e.g. key sectors: wind, solar, geothermal, hydro-generation)

**Cross-sectoral challenges**
- Climate Change agenda
- Differing international standards, certifications, testing procedures
- Non-recognition of inputs, certifications and processes
- Unpredictable and sometimes opaque legislative and regulatory approvals frameworks and their enforcement
- Lengthy and bureaucratic importing/customs
- Local content requirements
- Tied aid/soft aid
- Lack of IP protection
- Domestic subsidies

**Potential solutions**
- Capacity building
- IP sharing
- International alignment and harmonisation of programs and standards across products and services.
- Individual company action in adoption of international standards where voluntary adoption is promoted
- Company collaboration with international bodies & relevant industry representatives
- Mutual recognition of qualifications is needed
- International standards in customs and duty regulation
- Expand affiliations with developing countries to help implement environmentally sound programs and processes while simultaneously encouraging the use of our products and services.

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