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Committee on Trade and Environment Special Session

CANADA'S REVISED LIST OF ENVIRONMENTAL GOODS

Submission by Canada

Paragraph 31 (iii)

Revision

The following communication, dated 3 July 2006, is being circulated at the request of the Delegation of <u>Canada</u>.

I. INTRODUCTION

1. The Committee on Trade and Environment in Special Session has devoted significant time and energy to a discussion of environmental goods under Paragraph 31(iii) of the Doha Ministerial Declaration. Canada notes that considerable progress has been achieved. To help maintain this momentum, and further the negotiations at this critical juncture, Canada is submitting this revision to our list of environmental goods. This revision is without prejudice to our position as these negotiations proceed.

2. Canada continues to believe that substantially improving market access for environmental goods through the reduction or, as appropriate, elimination of tariffs and non-tariff barriers will ensure a "triple win" outcome for all WTO Members and an important contribution to sustainable development. This will be achieved through reduced costs to importing countries for products and technologies utilized to improve domestic environmental conditions and to manage natural resources. We are particularly interested in ensuring that developing country Members' participation is meaningfully reflected in the outcome of these negotiations, and seek to have their interests reflected in a multilaterally agreed set of environmental goods. Canada's revised list takes this objective into account.

II. ENVIRONMENTAL GOODS NEGOTIATIONS POST-HONG-KONG

3. Since the Ministerial meeting in Hong Kong in December 2005, the CTESS has held one formal meeting and three informal sessions. Canada has greatly benefited from the information exchanges at these meetings.

4. At the meeting on 21-22 February, Members exchanged views on indicative parameters that could guide future discussions under Paragraph 31(iii), as well as the categories to which these parameters could be applied. The categories of Renewable Energy and Air Pollution Control were selected for the technical discussion of 4-5 April 2006. Canada submitted a non-paper (JOB(06)/73)

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outlining the environmental benefits of goods in these categories. We outlined cross-cutting issues such as technology transfer in relation to environmental goods. Other cross-cutting issues such as special and differential treatment, non-tariff barriers and transfer of technology have been highlighted as important questions to address in the context of these discussions. Canada has stated that it is prepared to respond to proposals from other Members on these issues.

5. A second technical discussion was held 10-12 May 2006 to examine products in the categories of Waste Water Management and Solid and Hazardous Waste Management. A third informal meeting was held 12-13 June 2006, to discuss goods in the remaining categories of (i) environmental monitoring, analysis and assessment equipment; (ii) remediation and clean up of soil and water; (iii) cleaner technology and products; (iv) environmentally preferable products based on end use or disposal characteristics; (v) high environmental performance or low environmental impacts; (vi) and others (Noise and Vibration Abatement; Resource Management; Heat and Energy Management; Natural Risk Management; Potable Water Treatment; Recycling Systems; and Soil Conservation).

III. ISSUES IDENTIFIED

6. Canada provided detailed explanations on the environmental and developmental aspects of products in the various categories identified. We found the discussions to be particularly helpful. We responded to many useful specific questions on the products on our list and learned from responses to questions on goods in lists of other Members. These deliberations have helped us in the review of our list and to evaluate the merits of products nominated by other Members.

The relationship between environmental goods and services

7. Regarding the linkages between environmental goods and services, as Canada has outlined previously, many environmental activities entail the delivery of services in conjunction with the use of goods. Canada is actively pursuing further liberalization of a wide range of environmental services in the context of on-going negotiations on services. Our list of goods continues to be informed by the types of products used in environmental services, and Canadian officials working in the two areas compare notes on an on-going basis in order to identify synergies and to ensure a mutually supportive approach. We would encourage Members expressing concerns that these negotiations are disconnected to participate more actively in the on-going negotiations on environmental services.

Single versus dual-use

8. Canada submitted a non-paper on products in the categories of Renewable Energy and Air Pollution Control. We examined the products that we had nominated to identify the context in which the good would be used, and we considered the issue of single versus multiple use and the parameters that the Chair had identified at the February meeting. We supplemented these to ask a number of basic questions for each product, including: Does the product have a clear environmental use/benefit and other considerations such as the 3Rs or life cycle impacts?

9. On the identification of single-use goods as an exercise to advance the negotiations, Canada argued that identifying single environmental use goods is not a helpful parameter when used in isolation. We argued that there are many environmental goods that may have non-environmental uses. The main question was the relative importance of the good in addressing an environmental issue, and whether the non-environmental use of the good was benign.

10. Some Members have argued that these negotiations need to be more balanced and that a more 'holistic' view of environmental goods is required. We agree. With this in mind, we would suggest that excluding dual use items from the negotiation by applying the criterion of 'single end-use' would

not seem to be in keeping with a balanced approach to these negotiations. On the contrary, the 'single-use' criterion reflects only the trade interest. Canada has argued, therefore, that it is more appropriate to consider other factors as well, such as the environmental benefits of the product.

Product coverage

11. Canada has noted that we could likely accept many, but not all, products that have been proposed by Members to date as environmental goods. While some Members have argued that it will be impossible to achieve consensus on parameters to identify environmental goods, in Canada's view, we see the exercise as "peer review process" that can lead to consensus. We are of the view that there is considerable commonality among the types of environmental goods proposed to date.

12. Of course, Members will attach varying degrees of priority to selected goods proposed. Canada has indicated its willingness to be flexible in identifying environmental goods. We also wish to reiterate our support for the 'living list' approach proposed by New Zealand for emerging goods and to 'park' goods that may need further analysis or discussion.

Development Aspects of Environmental Goods

13. Canada has outlined previously that we see environmental goods as the tools to achieve multiple environmental objectives such as pollution remediation, energy and resource conservation, and to achieve domestic and internationally agreed environmental goals. Environmental goods can be used to improve local environmental conditions which in turn can lead to improved living conditions and conservation of scarce natural resources. Contrary to what some Members have argued, many of the environmental goods are 'low tech' affordable products, or may be 'high tech', but are readily accessible and affordable solutions to environmental problems.

Transfer of Technology

14. Canada cited examples of Canadian aid and technical assistance, combined with commercial interests, particularly among small and medium-sized enterprises, that contribute to technology transfer of environmental goods. In particular, we highlighted numerous examples of renewable energy and other projects in which Canadian small and medium-sized enterprises were partnering with similar companies and research organizations in developing counties. We also outlined that there are numerous examples of private investment and voluntary national and international programs to assist in this sort of technology transfer. We underscored that there are numerous examples of how technology transfer can take place through aid and other means. An issue for Canada is that the rules for liberalizing trade in environmental goods must be non-discriminatory, predictable and transparent. Impacts on small and medium-sized enterprises in both developed and developing countries are a concern for us.

IV. CANADA'S REVISED LIST OF ENVIRONMENTAL GOODS

15. Canada had included a number of chemicals and recyclable materials in its initial list. We presented these items because, in our view, they have the potential to contribute to a better environment. For example, recyclable material can be used to produce new goods, diverting waste from landfills, requiring less energy and releasing less greenhouse gas emissions than primary inputs. Some chemicals were proposed because they are key components in waste water treatment facilities. At the same time, we outlined that these environmental benefits could be achieved only when such items are managed in an environmentally sound manner throughout the life cycle.

16. During the course of the Committee's informal meetings in the last few months, we took careful note of the comments and concerns raised. With a view to demonstrate that a common identification is being developed in this committee, Canada has removed all recyclable material and chemicals from our list of environmental goods. It is clear that these goods do not have the requisite consensus in the negotiations to be included in any agreed list of environmental goods. We are looking forward to further progress and intensification of the negotiations under paragraph 31(iii).

HS CODE	PRODUCT DESCRIPTION	ADDITIONAL PRODUCT SPECIFICATION
	AIR POLLUTION CONTRO	L
840410	Auxiliary plant for use with boilers of heading 84.02 or 84.03 (for example, economizers, super-heaters, soot removers, gas recoverers); condensers for steam or other vapour power units	
840420	Condensers for steam or other vapour power units	
840510	Producer gas or water gas generators, with or without their purifier; acetylene gas generators and similar water process gas generator, with or without their purifiers	Include only those with purifiers
841410	Vacuum pumps	
841459	Fans (and blowers) other than table, floor, window, ceiling or roof fans with a self contained electric motor of an output not exceeding 125W	
841480	Air or vacuum pumps, air or other gas compressors and fans; ventilating or recycling hoods incorporating a fan, whether or not fitted with filters; other	
841490	Parts of vacuum pumps, compressors, fans, blowers, hoods	
841780	Other industrial or laboratory furnaces and ovens, including incinerators, non-electric	Waste incinerators
841960	Machinery for liquefying air or other gases	
841989	Machinery, plant and equipment whether or not electrically heated, for the treatment of materials by a process involving a change of temperature such as heating, vapourizing, condensing or cooling (excl. machinery or plant used for domestic purposes and machinery and appliances specified elsewhere)	
851410	Industrial or laboratory furnaces and ovens; electric, resistance heated	Waste incinerators or other waste treatment apparatus
851420	Industrial or laboratory furnaces and ovens; electric, induction or dielectric	Waste incinerators or other waste treatment apparatus
851430	Industrial or laboratory furnaces and ovens, electric, other	Waste incinerators or other waste treatment apparatus

HS CODE	PRODUCT DESCRIPTION	ADDITIONAL PRODUCT SPECIFICATION
851490	Parts of industrial or laboratory electric furnaces and ovens or other laboratory induction or dielectric heating equipment	Parts of waste incinerators
841790	Parts of industrial or laboratory furnaces and ovens, including incinerators, non-electric	Parts of waste incinerators
	WASTE WATER MANAGEME	ENT
730900	Reservoirs, tanks, vats & sim ctnr, cap >300L,i o s (ex liq/compr gas type)	
731010	Tanks, casks, drums, cans, boxes and similar containers, of iron or steel, for any material, of a capacity of >= 50 l but =< 300 l, not elsewhere specified (excl. containers for compressed or liquefied gas, or containers fitted with mechanical or thermal equipment, products)	
731021	Cans of iron or steel, of a capacity of < 50 l, which are to be closed by soldering or crimping (excl. containers for compressed or liquefied gas)	
731029	Tanks, casks, drums, cans, boxes and similar containers, of iron or steel, for any material, of a capacity of < 50 l, not elsewhere specified (excl. containers for compressed or liquefied gas, or containers fitted with mechanical or thermal equipment, and cans)	
841320	Hand pumps not elsewhere specified, o/t those of subheading No 8413.11 or 8413.19	
841350	Reciprocating positive displacement pumps not elsewhere specified	
841360	Pumps for liquids, whether or not fitted with a measuring device; other rotary positive displacement pumps	Hydraulic fluid power pumps, vane type Roller Pumps
841370	Pumps for liquids, whether or not fitted with a measuring device; other centrifugal pumps	Centrifugal pumps lined to prevent corrosion; centrifugal sewage pumps
842199	Parts of filtering or purifying machinery and apparatus for liquids or gases	

HS CODE	PRODUCT DESCRIPTION	ADDITIONAL PRODUCT SPECIFICATION
848110	Valves, pressure reducing	Filter-regulators and filter regulator-lubricators / Other, pneumatically controlled / Hydraulically controlled
848130	Valves, check	Of iron / Of steel
848140	Valves, safety or relief	
848180	Other appliances for pipes, boiler shells, tanks, vats or the like	Hand operated or hand activated of iron - Gate type and globe type
848190	Parts of valves and similar articles for pipes, boiler shells, tanks, vats or the like, not elsewhere specified	
	SOLID/HAZARDOUS WASTE MANA	GEMENT
854330	Machines elsewhere specified & apparatus for electroplating, electrolysis or electrophoresis	Chloralkali electrolyser cells
841790	Parts of furnaces, non-electric	Parts of waste incinerators
842220	Machinery for cleaning or drying bottles or other containers	
842381	Other weighing machinery having a maximum weighing capacity not exceeding 30 kg	
842382	Other weighing machinery having a maximum weighing capacity exceeding 30kg but not exceeding 5,000 kg	
842389	Other weighing machinery not elsewhere specified	
847989	Machines elsewhere specified & mechanical appliances not elsewhere specified having individual functions	In-vessel composting systems / Radioactive waste press / Trash compactors / Other
847990	Parts of machines elsewhere specified and mechanical appliances having individual functions, not elsewhere specified or included in this chapter	Parts of trash compactors
850590	Electromagnets; other, including parts	Electromagnet
901320	Lasers, other than laser diodes	

HS CODE	PRODUCT DESCRIPTION	ADDITIONAL PRODUCT SPECIFICATION	
	REMEDIATION/CLEAN-UP OF SOIL AND WATER		
890710	Inflatable rafts	Inflatable oil spill recovery barges	
890790	Other floating structures	Pollution protection booms, oil absorbent booms	
ENV	IRONMENTAL MONITORING, ANALYSIS AND A	ASSESSMENT EQUIPMENT	
350790	Enzymes not elsewhere specified; prepared enzymes not elsewhere specified		
381500	Reaction initiators, reaction accelerators and catalytic preparations, not elsewhere specified or included. (3815)		
382200	Composite diagnostic or laboratory reagents, not elsewhere specified		
690310	Other refractory ceramic goods (e.g., retorts, crucibles, muffles, nozzles, plugs, supports, cupels, tubes, pipes, sheaths, rods) - containing more than 50 % graphite, other forms of carbon or a mixture of these products	Laboratory refractory equipment	
690320	Other refractory ceramic goods (e.g., retorts, crucibles, muffles, nozzles, plugs, supports, cupels, tubes, pipes, sheaths, rods) - containing by weight more than 50 % of alumina or of a mixture or compound of alumina and of silica	Laboratory refractory equipment	
690390	Other refractory ceramic goods (e.g., retorts, crucibles, muffles, nozzles, plugs, supports, cupels, tubes, pipes, sheaths, rods) - other	Laboratory refractory equipment	
690919	Other ceramic wares for chemical or other technical uses	Laboratory refractory equipment	
700800	Multiple-walled insulating units of glass		
701710	Laboratory, hygienic or pharmaceutical glassware, whether or not graduated or calibrated; of fused quartz or other fused silica		

HS CODE	PRODUCT DESCRIPTION	ADDITIONAL PRODUCT SPECIFICATION
701720	Laboratory, hygienic or pharmaceutical glassware, whether or not graduated or calibrated; of other glass having a linear coefficient of expansion not exceeding 5×10^{-6} per Kelvin within a temperature range of 0 C - 300 C	
701790	Laboratory, hygienic or pharmaceutical glassware, whether or not graduated or calibrated; other	
841990	Parts of machinery, plant and equipment of heading No 84.19	Medical, surgical or laboratory stabilizers
842119	Centrifuges, including centrifugal dryers other than cream separators and clothes-dryers	
842121	Filtering or purifying machinery and apparatus for liquids: for filtering or purifying water	
842129	Filtering or purifying machinery and apparatus for liquids; other	Hydraulic fluid power filters rated at 1,000 kPa or greater
842139	Filtering or purifying machinery and apparatus for gases; other	Catalytic converters / Gas separation equipment / Pneumatic fluid power filters rated at 550 kPa or greater / Industrial gas cleaning equipment / Electrostatic filters (precipitators)
842191	Parts of centrifuges, including centrifugal dryers	Centrifuges, accessories & parts; except clothes dryers and clothes dryer furniture
901540	Photogrammeterical surveying instruments and appliances	
901580	Other instruments and appliances used in geodesy, topography, hydrography, oceanography, hydrology, meteorology or geophysics (excl. compasses, rangefinders, theodolites, tacheometers)	
901590	Parts and accessories for instruments and appliances used in geodesy, topography, photogrammetrical surveying, hydrography, oceanography, hydrology, meteorology or geophysics, and for rangefinders not elsewhere specified	Photogrammetric instruments; parts and accessories for articles of subheading 901540
902229	Apparatus based on the use of alpha, beta, or gamma radiations, for other uses	

HS CODE	PRODUCT DESCRIPTION	ADDITIONAL PRODUCT SPECIFICATION
902290	Apparatus based on the use of X-rays or of alpha, beta, or gamma radiations for other than medical, surgical, dental or veterinary uses	Parts and accessories for goods of subheading 902229
902511	Thermometers and pyrometers, not combined with other instruments: liquid-filled, for direct reading	Clinical thermometers
902519	Thermometers and pyrometers, not combined with other instruments: other than liquid-filled, for direct reading	Clinical thermometers / Pyrometers
902580	Hydrometers and similar floating instruments, thermometers pyrometers, barometers, hygrometers, and psychrometers, recording or not, and any combination of these instruments	Barometers, not combined with other instruments
902590	Parts and Accessories for Hydrometers and similar floating instruments, thermometers pyrometers, barometers, hygrometers, and psychrometers, recording or not, and any combination of these instruments	Other thermometers and pyrometers, not combined with other instruments, excluding liquid filled for direct reading
902610	Instruments and apparatus for measuring or checking the flow or level of liquid	Electrical flow meters
902620	Instruments and apparatus for measuring or checking pressure	Electrical instruments and apparatus
902680	Other instruments and apparatus	Electrical heat meters
902690	Parts and accessories for articles of subheading 9026	
902710	Gas or smoke analysis apparatus	
902720	Chromatographs and electrophoresis instruments	Gas chromatographs / Liquid chromatographs / Electrophoresis instruments
902730	Spectrometers, Spectrophotometers and Spectrographs Using Optical Radiations (Ultraviolet, Visible, Infrared)	
902740	Exposure Meters	Exposure meters

HS CODE	PRODUCT DESCRIPTION	ADDITIONAL PRODUCT SPECIFICATION	
902750	Other instruments and apparatus using optical radiations (UV, visible, IR)	Thermal analysis instruments and apparatus / Other chemical analysis Photometers instruments and apparatus / Other chemical analysis instruments and apparatus	
902780	Other instruments and apparatus for physical or chemical analysis	Nuclear magnetic resonance instruments / Mass spectrometers / Electrochemical analysis instruments and apparatus / Chemical analysis instruments and apparatus / Physical analysis instruments and apparatus	
	POTABLE WATER TREATMENT		
391400	Ion-exchangers based on polymers of Nos 39.01 to 39.13 in primary forms		
841381	Pumps for liquids, whether or not fitted with a measuring device; other pumps	Wind turbine pump	
	RECYCLING SYSTEMS		
841940	Distilling or rectifying plant		
847410	Sorting, screening, separating or washing machines elsewhere specified		
	RENEWABLE ENERGY PLA	NT	
841011	Hydraulic turbines elsewhere specified and water wheels of a power not exceeding 1,000 kW		
841012	Hydraulic turbines elsewhere specified and water wheels of a power exceeding 1,000 kW but not exceeding 10,000 kW		
841013	Hydraulic turbines elsewhere specified and water wheels of a power exceeding 10,000 kW	Hydraulic turbines elsewhere specified - Francis type / Other	
841090	Hydraulic turbines elsewhere specified and water wheels; parts, including regulators		
850231	Other electric generating sets	Wind-powered	
854140	Photovoltaic diodes	Photosensitive diodes / Solar cells	

HS CODE	PRODUCT DESCRIPTION	ADDITIONAL PRODUCT SPECIFICATION
902790	Microtomes; parts and accessories	Microtomes
902890	Parts and accessories for articles of subheading 9028	Of gas meters / Of liquid meters
903010	Instruments and apparatus for measuring or detecting ionising radiations	
903020	Cathode-ray oscilloscopes and cathode-ray oscillographs	
903031	Multimeters	
903039	Other instruments and apparatus, for measuring or checking voltage, current, resistance or power, without a recording device	For measuring or checking voltage, current or resistance
903083	Other instruments and apparatus for measuring or checking electrical quantities, with a recording device	
903089	Other instruments and apparatus for measuring or checking electrical quantities	
903090	Parts and accessories (for nominated articles of subheading 9030)	
903110	Machines elsewhere specified for balancing mechanical parts	
903120	Test benches	
903130	Profile projectors	
903149	Other optical instruments, appliances and machines elsewhere specified for measuring or checking	
903180	Other measuring or checking instruments, appliances and machines elsewhere specified, not elsewhere specified in this chapter	For testing electrical characteristics of internal combustion engines elsewhere specified
903190	Parts and accessories (for nominated articles of subheading 9031)	
903210	Thermostats	
903220	Manostats	
903281	Hydraulic and pneumatic instruments and apparatus	Industrial process control instruments and apparatus

HS CODE	PRODUCT DESCRIPTION	ADDITIONAL PRODUCT SPECIFICATION	
903289	Automatic regulating or controlling instruments, other	Temperature control instruments / Pressure and draft control instruments / Flow and liquid level control instruments / Humidity control instruments / Automatic voltage and voltage- current regulators / Control instruments for air-conditioning, refrigeration or heating systems	
903290	Parts and accessories - automatic regulating or controlling instruments		
903300	Parts and accessories (not specified or included elsewhere in this Chapter) for machines elsewhere specified, appliances, instruments or apparatus of Ch. 90		
	HEAT AND ENERGY MANAGEMENT		
841919	Other instantaneous or storage water heaters, non- electric	Solar water heaters	
841950	Heat exchange units		
853080	Other electrical signalling, safety or traffic control equipment		
853931	Discharge lamps, fluorescent, hot cathode		
902810	Gas meters		
902820	Liquid meters		
902830	Electricity meters		
	SOIL CONSERVATION		
460120	Mats, matting, and screens of vegetable materials	Erosion control matting (biodegradable)	

HS CODE	PRODUCT DESCRIPTION	ADDITIONAL PRODUCT SPECIFICATION	
	CLEAN TECHNOLOGIES, PROCESSES AND PRODUCTS		
382490	Products, preparations and residual products of the chemical or allied industries, incl. those consisting of mixtures of natural products, n.e.s . (excl. binders for foundry moulds and cores; naphthenic acids, their water-insoluble salts and their esters; non- agglomerated metal carbides mixed together or with metallic binders; prepared additives for cements, mortars and concretes; non-refractory mortars and concretes; sorbitol)	Fatty substances of animal or vegetable origin and mixtures (biodiesel)	
850680	Primary cells & batteries	Fuel cells	

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