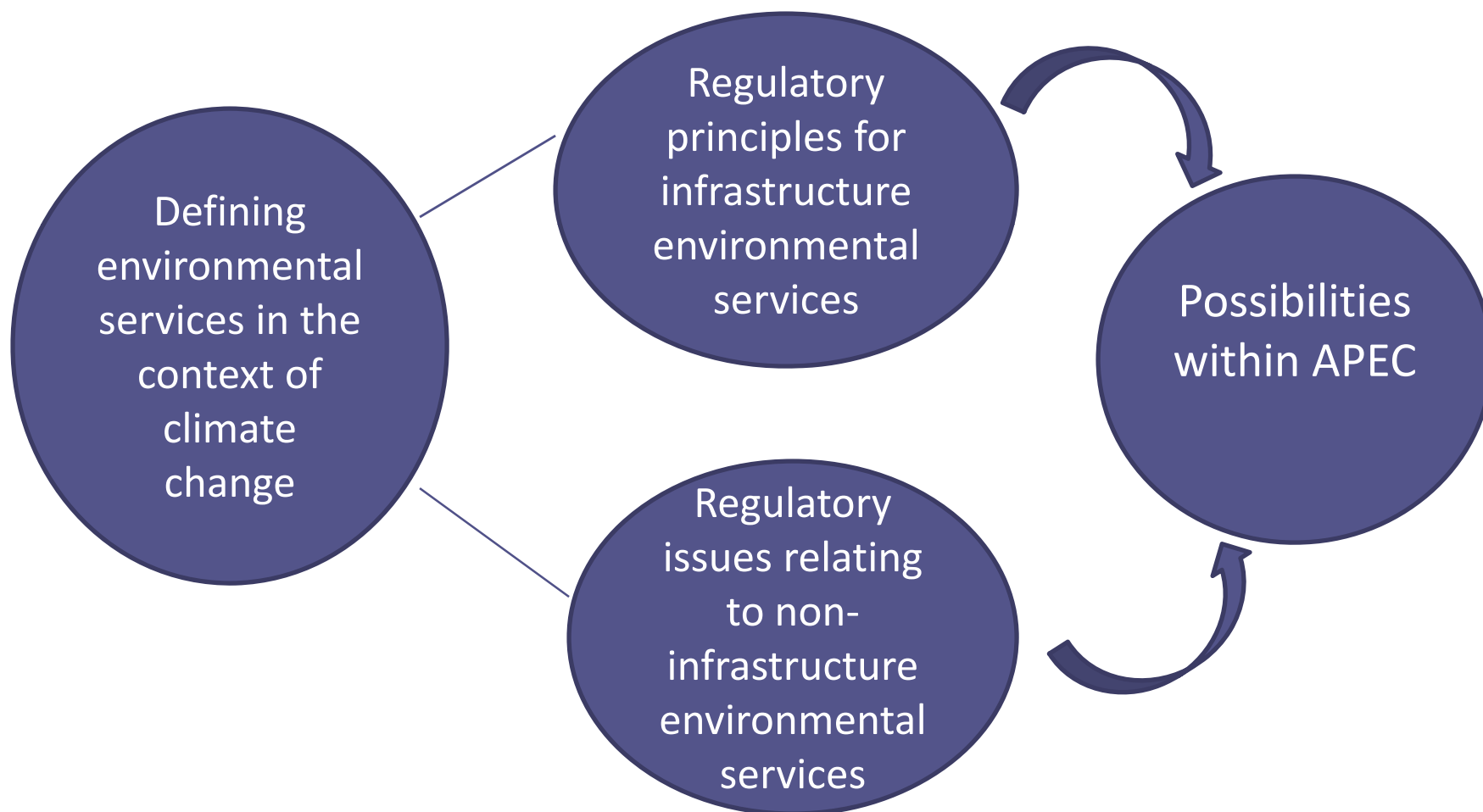


# Regulatory Principles for Environmental Services and the GATS

*Johannes Bernabe*

*ICTSD*

# *Issues for Consideration*



# ***Defining environmental services in the context of climate change***

- Using WTO Services Sectoral Classification List (W/120)
  - Liquid waste services
  - Refuse disposal services
  - Sanitation and other similar services
  - Other environmental services
- Requests and offers
  - Cluster or checklist approach
    - Environmental and climate protection
    - Environmental consulting and engineering services

# ***Defining environmental services in the context of climate change***

- Infrastructure environmental services
  - W/120 classification relevant
- Non-infrastructure environmental services
  - Other environmental services under W/120
  - Requests and offers more pertinent
    - Related services
    - Environmental consulting

# ***Infrastructure environmental services***

Traditionally provided by public sector



changes in technology and manner of delivery



allowed (increased) private sector participation, e.g. public-private partnerships

Competition *for* the market (e.g. monopoly licenses, concessions)

Competition *in* the market

**Contestability of Market**



**Tradability**



**Liberalisation**



**Accent on Regulation**

# ***Regulatory principles for infrastructure environmental services***

- Independent regulatory and competition bodies
  - Price regulation
  - Ensure universal access
    - Direct subsidies
    - Cross-subsidies
    - Contractual stipulation
  - Maintain standards

## ***Regulatory principles for infrastructure environmental services (con't)***

- Coherence
- Accountability
- Transparency
- Predictability
- Capacity
- Community effort / consumer involvement

# ***Regulatory issues for non- infrastructure environmental services***

- Primarily company-to-company or company-to-government
  - ◡ consumer interest more nuanced;  
risk of market failure less pronounced
- Qualification and licensing requirements
  - Recognition
    - Mutual recognition of professional qualifications
- Technical standards

# ***Possibilities in APEC***

- Voluntary GATS-plus
- Agreed general principles on regulation based on good practice
- Disciplines on domestic regulation
  - Transparency
  - Objectivity
- Technical/financial assistance and cooperation in developing regulatory frameworks