African Centre for Technology Studies

Harnessing Science, Technology and Innovation for Development

July 2015

RESPONSIBLE NATURAL RESOURCE ECONOMY PROGRAMME ISSUE PAPER 007/2015

Orchestrating Environmental Sustainability in Regional Trade Agreements

Kennedy Liti Mbeva and Reuben Makomere

Series Editors
Dr. Joël Houdet
Dr. Cosmas Ochieng

African Centre for Technology Studies (ACTS)
Responsible Natural Resource Economy Series no. 007/2015

Responsible Natural Resource Economy Issue Paper Series

1. State of Environment Rapid Assessment (SoERA): Development of a Tool for Framing and Managing Urban Environmental and Social Challenges
2. Foreign Investment in Land and Corporate Social Responsibility: An Investigation for Africa
3. Balancing Extractive Activities and Biodiversity Conservation in the Congo Basin: Opportunities for Green Growth
4. A Circular Economy Approach to Agro-biovidersity Conservation in the Souss Massa Region of Morocco: Project Case Study
5. Sustainability Challenges and Opportunities of Generating Biogas from Water Hyacinth in Ndunga Village, Kenya
6. The Promise of Entrepreneurship for the Future Development of Factor-Driven Economies in Africa
7. Orchestrating Environmental Sustainability in Regional Trade Agreements

Orchestrating Environmental Sustainability in Regional Trade Agreements

Kennedy Liti Mbeva

UNEP-Tongji Institute of Environment for Sustainable Development, Shanghai, China;
African Centre for Technology Studies (ACTS)
Nairobi, Kenya

Reuben Makomere

UNEP-Tongji Institute of Environment for Sustainable Development, Shanghai, China

ACTS PRESS

2015

Published in Kenya in 2015 by Acts Press,
P.O. Box 45917, 00100, Nairobi Kenya
United Nations Avenue, Gigiri Court 49
Tel: +254 20 712 68 94/95; +254 710 60 72 10
E-mail: info@acts-net.org
Website: www.acts-net.org

Cataloguing-in-Publication Data

Orchestrating Environmental Sustainability in Regional Trade Agreements.—Nairobi, Kenya : Acts Press, 2015

(African Centre for Technology Studies (ACTS)
Responsible Natural Resource Economy Programme Issue Paper 007/2015)

ISBN 9966-41-177-1

Table of Contents

List of Figures

List of Tables

Abstract

With environmental sustainability gaining traction, it is imperative to assess its integration in Regional Trade Agreements. In this context, this paper sought to assess the integration of environmental sustainability in Regional Trade Agreements in Africa. Two Regional Trade Agreements, the Africa Growth and Opportunity Act (AGOA) and the European – Africa, Caribbean Pacific (EU-ACP) partnership, were analysed. Actors engaged in environmental sustainability within these two agreements were mapped: orchestrators, intermediaries and targets. The results indicate: environmental sustainability has been increasingly integrated into the agreements; developed country partners of both agreements have taken lead in orchestrating environmental sustainability, with developing and least developed countries as the targets; the EU-ACP has integrated environmental sustainability to a larger extent than AGOA. This paper concludes that developing and least developed member countries in Regional Trade Agreements need to be further mainstreamed with a more prominent role towards the realisation of the environmental sustainability dimension.

Keywords: *environmental sustainability; regional trade agreements; regional trade agreements; orchestration*

1. Introduction

The trade-environment nexus has been a subject of intense debate and contestation, more so in the era of trade liberalisation, mainly through Regional and Free Trade Agreements (RTAs/FTAs), and growing complexity and severity of environmental degradation (Sampson, 2005). The significance of this nexus is perhaps best underscored by the premise that all economic activity relies upon an environmental resource base that is finite (Arrow et al., 1995). China is always identified as a clear example of the impact of liberalised trade on environmental degradation (Shen, 2008), as rapid economic growth in the last three decades has led to unprecedented environmental degradation. The proliferation of free trade is undoubtedly underpinned by the concept of comparative advantage, as espoused by Ricardo about two centuries ago (Ricardo, 1817).

Two causal links connecting trade liberalisation and environmental degradation have been identified: the effect that trade liberalisation has on environmental quality in a given country; and the impact of environmental protection on international trade (Jaspers and Falkner, 2013). These two causal links of the trade environment have been a great cause of friction between proponents of trade liberalisation and environmentalists. On the one hand, environmentalists have always argued that growth in trade liberation does not auger well with environmental protection (Daly, 1993; Grossman and Kreuger, 1991), since a reduction in trade barriers - the crux of free trade - will have an effect on the environment through the expansion of the scale of economic activity, change in the composition of economic activity and changing production techniques (Grossman and Kreuger, 1991, p.1).

Trade liberalisation enthusiasts have always asserted that trade liberalisation may initially lead to environmental degradation in the short term, but which will be corrected later due to improvements in production technologies and improved economic income and living standards (Bhaghwati and Srinivasan, 1996; Frankel and Rose, 2002). This was poignantly captured by Kuznet in Kuznet's inverted U-shaped curve, commonly known as the Environmental Kuznets Curve (EKC). The EKC implies that environmental degradation is always an acceptable side effect of economic development, but once a country attains a certain level of affluence, then it will promote a higher level of environmental quality, mainly through legal and institutional frameworks (Kuznet, 1955; Stern, 2003). However, the EKC has been shown to be effective to only a selected set of environmental pollutants (Shafik and Bandyopadhay, 1992; Grossman and Kreuger, 1993; Arrow et al., 1995).

Since environmental concerns have been present from the onset of free trade agreements (FTAs) - the harbingers of trade liberalisation - subsequent FTAs have been integrating these concerns, albeit in a token approach (George and Serret, 2010). The first multilateral trade agreement to include environmental provisions was the North American Free Trade Agreement (NAFTA), which began by mentioning the concept of sustainable development in its preamble (Schommer, 2007). However, there were other clauses in the NAFTA text, such as the "Right to Action" clause in Chapter 11, which stood to undo the gains posed by the environmental protection provisions (Schommer, 2007, p.36). Previous multilateral free trade agreements did not have explicit environmental provisions, such as the General Agreement on Tariffs and Trade (GATT) established in 1944, a precursor of the World Trade Organisation (WTO) (Jaspers and Falkner, 2013). Given that GATT has received much criticism for not addressing environmental pollution (Eckersly, 2004), the WTO sought to remedy this by including sustainable development and environmental protection as explicit objectives of the trading regime (Jaspers and Falkner, 2013, p.415). Subsequent multilateral trade agreements have been including environmental safeguards, although to varying degrees.

African has been termed as the next economic frontier (Moghalu, 2014) and this is mainly due to the high economic growth rates posted by African countries (WB, 2013, p.3). Integration of the economies of African countries into the global economy has been the backbone of this economic growth which is however based on the continent's rich natural resource base. There has been caution that lack of prudent management of this trade will undoubtedly lead to a resource curse (Sachs and Warner, 2001).

Therefore, since the level to which trade liberalisation and environmental protection support each other, or even clash, depends on how existing international norms and rules are interpreted (Jaspers and Falkner, 2013, p.414), it is imperative to explore how environmental sustainability has been integrated in regional and free trade agreements in Africa. Subsequently, given that the impact of free trade towards the realisation of sustainable development remains unclear (Ochieng, 2009, p.v), this paper aims to contribute to addressing this gap by assessing the integration of environmental sustainability in free trade in African countries. More specifically, this paper aims to map the actors working towards the realisation of sustainable development in RTAs in Africa.

This paper unfolds as follows in the proceeding 5 sections. Section 2 provides a brief overview of trade liberalisation - environmental protection nexus. Section 3 gives an overview of the two RTAs that are the case studies in this paper - the African Growth and Opportunities Act (AGOA) and the European Union - African, Caribbean and Pacific (EU-ACP) agreement. Section 4 introduces the analytical concept of orchestration. Section 5 maps the actors working towards environmental sustainability in these two trade agreements. Finally, section 6 outlines the key conclusions of this paper and makes recommendations for future research direction.

2. Trade Liberalisation – Environmental Protection Nexus

2.1 Impact of trade on the environment

The onset of trade liberalisation in the form of free trade did not have environmental protection in mind. A clear illustration of this assertion is the complete lack of environmental safeguards in the first major multilateral trade environmental, the General Agreement on Tariffs and Trade (GATT). However, there was sustained pressure from environmental groups on the subsequent trade regimes, which argued that trade liberalisation had adverse impacts on the environment and did not lead to the ideals espoused in the texts of the agreements (Goldsmith and Mander, 2001; Kekeritz and Schneider, 2013).

Trade affects the environment via five main mechanisms, as outlined by Jaspers and Falkner (2013). **Scale effect** – whereby liberalised trade stimulates economic growth which in turn leads to increased resource consumption and pollution. **Composition effect** – this effect leads to differential environmental degradation, as countries with lower environmental protection standards usually experience an expansion of environmentally harmful activities. **Technique effect** – improvements in efficiency of technologies for resource extraction and production can raise the level of environmental protection worldwide. **Cultural change** – trade liberalisation creates shifts in consumption patterns. **Distancing effect** – longer and more complex chains between geographically dispersed economic actors and site of resource extraction and manufacturing (p.413). Clearly, it is evident that negative effects of trade liberalisation on environmental protection are dominant in the above mechanisms.

2.2 Environmental Safeguards in Multilateral Trade Agrements

In response to calls for integrating and strengthening environmental sustainability in FTAs, the North American Free Trade Agreement (NAFTA) was the first Multilateral Trade Agreement (MTA) to take a step towards integrating environmental sustainability in FTAs (Schoomer, 2007). In essence, NAFTA mentioned 'Sustainable Development' in its preamble (Schoomer, 2007, p.1), although it did not strengthen it with subsequent operative clauses. This was a slight improvement from the restrictions in GATT, which only focused on the impact of trade on public health and nature.

However, other provisions in GATT negated the provisions on nature protection. For instance, the 'like products' concept has been identified as a major impediment to environmental protection in GATT, since it sought to circumvent provisions on environmental protection regarding how products were produced in one area (Sampson, 2005; Jaspers and Falkner, 2013). In other words, products manufactured in an environmentally damaging manner in a country with lax environmental laws may not be subject to greater stringency in a country with stronger environmental protection regulations.

Despite the aforementioned challenge, the tide of trade liberalisation with due regard to the environment has been turning, with the World Trade Organisation (WTO) incrementally embracing sustainable development and environmental protection as one of its key objectives. This was through the subsequent development and adoption of the Agreements to Technical Barriers to Trade (TBT), application of Sanitary and Phytosanitary Measures (SPS), as well as the formal recognition of the Precautionary Principle by the SPS agreement as a justification for taking trade measures (Jaspers and Falkner, 2013, p.415-416). Other subsequent trade agreements have adopted environmental provisions of varying types and degrees (George and Serret, 2011, p.9), such as in the creation of international structures, cooperation activities, dispute settlement and resolution, capacity building and funding, among others (OECD, 2009).

Year of entry into force	Number of RTAs reviewed	Noted in preamble	GATT or GATS exceptions	Uphold environmental law	Substantive environmental provisions	Co-operation	Public participation	Dispute settlement	Specific environmental issues	MEAs	Implementation mechanism	*Ex ante* impact assessment
to 2007	9	2	9	1	2	2	0	1	1	0	1	0
2008	14	6	9	4	5	8	2	2	6	0	3	2
2009	18	12	12	6	5	6	4	4	4	3	6	6
2010	15	4	10	4	6	8	0	3	6	0	2	1
2011	11	9	10	4	6	7	4	4	5	3	5	3
2012	10	7	10	7	7	7	4	5	6	6	5	4
total	77	40	60	26	31	38	14	19	28	12	22	16

Figure 1: Number of Regional Trade Agreements with environmental protection provisions.

2.3 Trade regulations in multilateral environmental agreements

Environmental protection in free trade has not been the preserve of free trade regimes. Multilateral Environmental Agreements (MEAs) have also made efforts to regulate free trade. Initially, the lack of environmental safeguards in free trade agreements was attributed to the lack of an international environmental agenda (Jaspers and Falkner, 2013).

However, the recent growth in prominence of the international environmental agenda has led to a greater focus on effecting trade barriers in MEAs, in pursuit of three main objectives: targeting environmental harm; promoting regime and regime effectiveness; and encouraging participation in environmental regimes (Brack and Gray, 2003, p.13; Japser and Falkner, 2013). There are MEAs that are directly targeted at regulating trade, such as the Convention on International Trade in Endangered Species of Wildlife Flora and Fauna (CITES). It has however been argued that since most MEA provisions may come into conflict with strong WTO rules, it would be preferable to focus on the WTO's strong compliance system to integrate environmental sustainability (Biermann and Brohm, 2005). However, MEAs have also increasingly embraced trade restrictions as regards environmental protection, although the definition of these trade measures in the MEAs have been wide and imprecise (Jaspers and Falkner, 2013, p.416).

3. Orchestration as an Analytical Concept

The principal insight and innovation of this paper was the mapping of environmental governance actors in RTAs in Africa. This was done through an analytical concept called orchestration. Simply put, orchestration occurs when an agency – mostly the State – enlists and supports intermediaries to address target actors in the pursuit of the governance goals of the agency (Abbott et al., 2012).

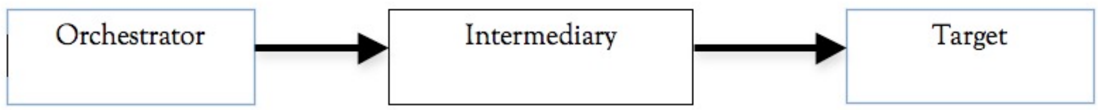

Fig. 2 The Orchestrator-Intermediary-Target (O-I-T) model (Abbot et al., 2012)

In the case of this paper, orchestration has been conceptualised to occur when States / government agencies enlist the help of intermediaries, such as civil society organisations or intergovernmental organisations including UN agencies, to integrate, implement and / or evaluate environmental safeguards within regional / free trade agreements. In this context, the target actors may be State / government agencies and / or corporate actors such as multinational companies. The main goal – public goods– to which these actors steer towards and aim to achieve, is environmental sustainability within the RTAs.

Orchestration has been used in a number of fields to map the evolution, nature and significance of governance actors. For instance, it has been used to assess the sustainability of biofuels in Europe (Schleifer, 2013) and transnational climate change governance (Hale & Roger, 2013). In these instances, orchestration has proven to be an invaluable analytical tool for mapping the actors, their roles and significance in the regimes under study.

Using this technique makes it possible to map which actors are responsible for which aspects of environmental safeguards and sustainability within the RTAs, as well as bringing to the fore key unresolved issues and inefficiencies. Applying this concept to RTAs is a novel way of analysing this challenge

4. Regional Trade Agreements in Africa

There has been a proliferation of free trade agreements in developing countries in the last four decades, leading to an increased share of global trade for developing countries from one fifth in 1960 to about one third in 2004 (World Bank, 2005). As of 2013, 216 Regional Trade Agreements (RTAs) have already come into force (George, 2014).

However, in this paper, only two free trade agreements will be assessed: the Africa Growth Opportunity Act (AGOA) and the European Union – Africa, Caribbean and Pacific (EU-ACP) agreements.

4.1 African Growth and Opportunity Act (AGOA)

4.1.1 A Brief History

The African Growth and Opportunity Act (AGOA) is a regional trade agreement that was first signed into law by the United States and a number of African countries on May 8, 2000. The main objective of AGOA is to offer 'tangible incentives for African countries to continue their efforts to open their economies and build free markets' (AGOA, 2000).; Forty eight countries in sub-Saharan Africa are eligible to join AGOA, but only having met the eligibility agreement set out in the agreement (Langton, 2008, p.4).

4.1.2 Environmental Protection Mechanisms

AGOA has a number of environmental protection safeguards built into the agreement. The Act aims to promote 'sustainable economic growth and development in sub-Saharan Africa (AGOA 2000, Section 102(1))', promote clean water and environmental protection from debt relief program (Section 121, b(3)); ensure sustainable economic growth through environmental protection (AGOA 2000, Section 127, b(H)).

Since the end of the year 2000, the US supported environmental protection initiatives in RTAs, mainly through strengthening effective implementation and enforcement of environmental laws and regulations, and also through supporting external monitoring and evaluation of environmental cooperation programs (George, 2014, p.13). Further, US trade agreements in general are required by the US Congress to incorporate provisions on the implementation of Multilateral Environmental agreements (MEAs), the enforcement of environmental legislation, as well as conducting Environmental Reviews – carried out by US government agencies - to assess environmental impacts in the home country as well as transboundary and global impacts (George and Serret, 2011, p.11-12). Ex-post reviews of the implementation of environmental provisions in US free trade agreements have been undertaken by the US Government Accountability Office (GAO, 2009).

4.2 European Union-Africa, Caribbean and Pacific Agreement (EU-ACP)

4.2.1 A Brief History

The EU-ACP is a major trade partnership agreement between the European Union (EU) and countries from Africa, the Caribbean and Pacific (ACP). The ACP comprises 39 of the 49 least developed countries (LDCs) in the world, 1.35 billion people, 20.1% of the world's total landmass,

€80 billion in trade (2007). The seven ACP regions are: West Africa, Central Africa, East and Southern Africa, East African Community, South African Development Community, Caribbean and Pacific.

The EU-ACP Cotonou Agreement ushered in a new area of EU-ACP agreements in the year 2000, as regards environmental protection, and currently serves as the basis for subsequent Economic Partnership Agreements (EPAs) between the EU and ACP countries (Spence, 2011). The main objective of the EPAs, under the Cotonou Agreement, is aimed at 'promoting sustainable development and growth, poverty reduction, better governance and the gradual integration of ACP countries into the world economy' (PwC, 2007). The EPAs in the EU-ACP agreement are usually reviewed after every five years, and it currently covers EPAs up to the year 2020 (PwC, 2007).

4.2.2 Environmental Protection Mechanisms

The initial EU-ACP agreements did not consider environmental protection provisions in the Economic Partnership Agreements (EPAs). It was only in the Lome III Agreement that environmental protection provisions were part of the EPAs. The Cotonou Agreement in the year 2000 provided an effective framework under which environmental protection issues were mainstreamed into EU-ACP EPAs (Spence 2011). Article 32 of the Cotonou Agreement clearly documents the nature and scope of environmental protection in the EU-ACP EPAs (PwC, 2007).

The EU currently supports external sustainability impact assessments, which are usually undertaken by independent consultants (PwC, 2003). The EU also undertakes ex-ante and ex-post reviews of the environmental provisions in its trade agreements, under the framework of the Sustainability Impact Assessment (SIA), which usually encompasses environmental, social and economic impacts in EPA member countries (George and Serret, 2010, p.12).

5. Orchestrating Environmental Sustainability in AGOA and EU-ACP

This paper unveils, for the first time, the orchestrators, intermediaries and targets of environmental sustainability in RTAs in Africa. More specifically, this study will map these main actors in the AGOA and EU-ACP RTAs. The mapping of these actors was undertaken using the O-I-T model, where an initiative is first identified, then the actors mapped: the orchestrator(s); the intermediaries; and the target.

5.1 Main Actors

5.1.1 AGOA

The main actors in the AGOA are the signatories to the agreement. More specifically, the AGOA RTA has the United States and some countries in sub-Saharan Africa as the main actors. Since inception, AGOA has, vide executive and legislative measures been amended severally to enhance its effect in the U.S.-Africa trade-scape including renewing of trade preferences, enhancing involvement in technical and capacity assistance to enable the beneficiary parties meet the criteria and raft of measures for eligibility and maximisation of benefits through multi-level and inter-scalar interactions incorporating both political and non-political organs. (Langton, 2008, p.2).

Orchestration in AGOA

Through the overriding mandate in AGOA, inter-scalar interactions involving intermediate actors have also been channelling technical succour, developmental, governance and economic policy in liberalisation of exports and imports, adjustment of law and policy to WTO membership requirements, financial and fiscal policy reform and expansion of agri-business (Brock, 2014). In addition, AGOA went ahead to also allow succour to private sector actors and non-governmental organisations in both the United States and Sub Saharan actors (Brock, 2014). In this regard intermediaries have been engaged in seeking to enhance the effect of the Act and RTA's in general in developing countries in an orchestration process.

Multi-Lateral Initiatives

Multi-lateral initiatives have played a critical role in enhancing the penetration of policies under AGOA especially within the beneficiary countries. These multi-scalar and multi-level engagements encompassing political and non-political actors across the trade-scape has seen enhanced opening up of trade and policy engagement between the same. Intermediary actors are ample conduits for enhancing capabilities of Sub-Saharan countries to develop and mainstream trade in national development agenda and strategies. Through the Aid for Trade frameworks, including the Enhanced Integrated Framework (EIF), World Bank's Trade Facilitation Facility (TFF) and WTO's Trade Assistance mechanisms, developing countries are beneficiaries of programs aimed at increasing their ability to engage in RTAs including AGOA (Prowse, 2010). The Aid for Trade programs are mechanised to cater to three categories wherein multi-scalar engagement is manifest including: succour drawn from knowledge premised assistance in terms of policy advise and engagement with governments, business communities and private sector, on the opportunities of RTAs including AGOA; assistance to targeted actors in mitigating constraints regarding supply and policy; and support in order to enhance graduation and eventual adjustment to preference erosion (Prowse, 2010).

Enhanced Integrated Framework

The Enhanced Integrated Framework stemmed from its predecessor, the Integrated Framework which was a technical advisor to especially LDCs, being involved in the evaluation and creation of trade related work programs and action plans. This was in addition to enhancing allocation and delivery efficiency in terms of resources so as to have a framework of a grand coordination plan (Kaushik, 2010). With differentiated appreciations of functionality of the framework, disagreements and misconceptions illuminated structural deficiencies that led enhancement of the framework in 2005 vide the IMF and World Bank Development Committee. Proposals premised around four main conclusions including: increasing funding to support the framework; strengthening the capacity of recipient countries to manage the framework process; housing the framework within the WTO in addition to establishment of a new executive secretariat; and enhancing the monitoring and evaluation mechanisms (Prowse, 2010).

Through the framework, developed countries, the **orchestrators**, have been able to upscale mainstreaming trade into beneficiaries' development agenda in relation to RTA's. While still dogged by criticisms regarding delivery and scope of involvement, the framework continues to be engaged in trade and economic policy formulation, governance and preference use with particular regard to LDCs, the **targets.**

The Act empowered actors within the United States, **the orchestrator**, to pursue policy directives aimed at enhancing developing country ability to meet the AGOA threshold and benefit from the same (AGOA, 2000). Through the multi-lateral framework economic, fiscal policy reforms and advisory recommendations were targeted towards developing countries party to AGOA

The Enhanced Integrated Framework, the **intermediary**, which involves a conglomeration of six major organisations including the World Bank, the International Monetary Fund, the United Nations Development Program, the World Trade Organisation, the United Nations Conference on Trade and Development and the International Trade Centre, is a conduit for channelling assistance in terms of resources, policy interventions and technical advice to developing countries with regard to inter alia preferential trade regimes (Kaushik, 2010). The EIF is therefore a catalyst programme seeking to invigorate the trade-scape between developing and developed countries vide a raft of resource and technical deployments targeted at particularly LDCs.

Beneficiary countries, party to the RTAs including AGOA, are the intended **targets** of the measures and interventions catalysed through the Enhanced Integrated Framework. Towards this end, the actors are involved in developing the capabilities of developing countries to engage in international trade. This is by focusing on supply side inhibitors, policy and economic governance interventions and policy restructuring programs (Prowse, 2010).

World Bank Trade Facilitation Facility

The World Bank Trade Facilitation Facility is another **intermediary** framework between developed donor market countries and developing country actors. This is done through technical support and trade assistance, strengthening developing country capabilities and enhancement of developing countries' ability to implement trade facilitation provisions. Thus, developing countries are the **targets** in this arrangement.

The facility catalyses mobilisation and deployment of resources through involvement of multi-level and inter-scalar actors such as multilateral and regional development banks, traditional and non-traditional donors. It involves multiple levels of engagement in among others technical advisory programs relating to implementation of regulatory and policy reforms in addition to provision of succour in developing infrastructure to reinvigorate the trade scape (Prowse, 2010).

Countries are eligible to apply for the facility, subject to a review of their trade, economic development and governance policies with a focus on projects with a regional impact. The mechanism targets barriers to trade and economic, governance and trade policy reform designed to tackle trade-scape inhibitors particularly in Sub-Saharan Africa (Prowse, 2010).

The United States involvement in the World Bank, via mandate enshrined in the Act, therefore engages developing countries in policy and governance interventions necessary to enhance realisation of AGOA's objectives (Kaushik, 2010). This makes it the **orchestrator**. In that regard directing succour to beneficiaries, achieves the Act's goals vide the involvement and engagement of such multi-lateral actors (Prowse, 2010).

WTO's Global Trust Fund for Trade Related Assistance

The WTO's Global Trust Fund for Trade Related Assistance is a multi-lateral channel, an **intermediary**, wherein trade capacity development initiatives are targeted towards developing countries, the **target (**WTO, 2012**)**. As a conduit to facilitating even greater participation in international trade including RTAs, the United States has continued to support developing countries deal with constraints to trade (WTO, 2012). Through WTO channels including the Doha Development Agenda (DDA) Global Trust Fund, resources are availed to trade related assistance activities focused on developing countries (WTO, 2012). Cognisant of the WTO's role as a significant bilateral capacity provider, both the United States – the **orchestrator** - and African countries have been able to engage in capacity development initiatives, in relation to AGOA.

African Competitiveness and Trade Expansion (ACTE) Initiative

In a bid to being more directly involved in enhancing the capabilities of African countries to trade with the United States and make the most of AGOA, the African Competitiveness and Trade Expansion Initiative – the **intermediary** - was launched by the U.S in June 2011. This was to enhance the capabilities of Sub-Saharan countries to produce and export competitive, value-added products, up to and including those enshrined under AGOA. This is in addition to tackling supply side challenges to enhanced trade in the developing countries – the **target** (USAID, 2011).

Through engagement with trade hubs including the East African Trade Hub, technical policy and governance assistance is directed to enable beneficiary countries better enhance trade activities with respect to AGOA. In doing so, the initiative keeps with the broader mandate of AGOA which includes inter alia poverty reduction and enhancement of regional stability (USAID, 2011).

The United States Agency for International Development (USAID), the **orchestrator**, hosts the initiative with regional trade hubs being the dispersal points for the trade assistance targeted at government and non-government actors in the various regions within which the hubs operate (Brock, 2014). In this regard, both USAID and the respective regional hubs are critical intermediaries in channelling assistance from the United States to sub-Saharan developing countries participating in AGOA.

Project / Initiative	Orchestrator	Intermediary	Role of intermediary	Target
• AGOA Civil Society Network	• A consortium of non-governmental organizations (NGOs), small-to-medium sized business representatives, chambers of commerce and other groups in the United States and Africa)	• AGOA Civil Society Network Secretariat	• to empower African people through their civil society organizations to work with governments and businesses to take maximum advantage of AGOA benefits on behalf of the citizens of their countries, through: monitoring compliance with AGOA eligibility requirements; Providing technical assistance where feasible for public and private sectors on AGOA compliance and trade capacity; and Tracking the impact of AGOA specifically and trade generally on African societies	• Civil societies in African countries that are member countries of AGOA
• Enhanced Integrated Framework	• The United States and line agencies and administrative offices in the executive engaging the framework as the main multi-lateral initiative for enhancing technical capacity with regard to AGOA	• The major organs of the framework including; World Bank, International Monetary Fund, WTO, UNWTO, UNCTAD, UNDP, ITC and support organizations UNIDO	• Upscale mainstreaming trade into beneficiaries' development agenda in relation to FTA's. Developing the capability of developing countries to engage in international trade, expanding their trade by focusing on supply side inhibitors, policy and economic governance interventions and policy restructuring programs	• Developing country actors to FTAs including AGOA especially in Sub-Saharan countries
• Africa Competitiveness and Trade Expansion Initiative (ACTE)	• The United States and line agencies most particularly United States Agency for International Development	• The United States Agency for International Development plays a double role also as an intermediary in	• Scaling up the capacity Sub-Saharan countries to produce and export competitive, value-added products, including those provided for under AGOA including dealing	• Developing countries party to AGOA including state and non-state line actors in the AGOA

		conjunction with regional African Economic Trade Hubs located in inter alia Nairobi, Gaborone, Accra and Dakar	with supply side challenges in developing countries	beneficiary countries
• World Bank Trade Facilitation Facility (TFF)	• The United States via AGOA mandate to enhance capacity development initiatives in beneficiary	• The World Bank	• Catalysing mobilization and deployment of resources, technical advisory programs on implementation of regulatory and policy reforms, succour in enabling and developing trade infrastructure	• Developing countries participating in AGOA and other FTA regimes particularly in Sub-Saharan Africa
• WTO Global Trust Fund for Trade Related Assistance	• The United States vide a myriad of line agencies	• The World Trade Organization	• Channelling of trade capacity enhancement initiatives, being a conduit for more international trade participation . Such initiatives include the Doha Development Agenda Global Trust Fund channelling trade related resources to developing countries	• Corpus of developing nations within the WTO and AGOA participating developing countries

Table 5.1 Environmental Sustainability Actors in AGOA

5.2. EU-ACP

The EU-ACP comprises the European Union (EU) and countries in Africa, Caribbean and Pacific regions. There is a number of environmental sustainability initiatives focused on the EU-ACP Economic Partnership Agreements, with different actors.

Sustainability Impact Assessments (SIA)

The EU-ACP framework mandates all economic partnership agreements under the framework to undergo sustainability impact assessments in order to ascertain the economic, social and environmental impacts of the agreements (George and Serret, 2011). The EU usually contracts third parties to conduct sustainability impact assessments, thus it is the **orchestrator** in this case.

For instance, the EU contracted PriceWaterhouseCoopers (PwC), an international audit firm, to develop an SIA impact framework and conduct a subsequent analysis of the EU-ACP agreement.

This encompassed the years 2003 to 2007, and culminated in a published methodology and a subsequent report (PwC, 2003; PwC, 2007). PwC in this case was the **intermediary**, since it acted on behalf of the EU, the financiers of the Sustainability Impacts Assessments.

The **targets** of the EU-ACP SIAs are the member partners in the agreements. This is clearly articulated in the objectives of the SIAs as envisioned by the EU: to contribute to analytical awareness; encourage negotiations to take sustainable development into account; encourage negotiators to adopt positions to promote sustainability; define policy packages to support sustainability; and to increase transparency and consultation (PwC, 2007, p.4).

Intra-ACP Programme

The Intra-ACP Programme is an initiative aimed at integrating sustainability aspects into the EU-ACP Economic Partnership Agreements. The Intra-ACP Programme is a component of a broader programme, the Global Climate Change Alliance, with the former's overarching objective being to 'support ACP member countries, in particular Least Development Countries (LDCs) and Small Island Developing Countries (SIDSs), in their adaptation and mitigation responses'(GCCA, 2012).

The EU with a budget of 40 million Euros, under the 10th European Development Fund (EDF) Financial framework, funds the Intra-ACP Programme. Therefore, the EU in this case is the **orchestrator** since it finances and lays the mandate of the Intra-ACP Programme.

The Inter-ACP Programme subsequently ensures programme coordination, assists the ACP secretariat in issues related to climate, and also provides technical support and assistance to the ACP member states (GCCA, 2012). Thus, the Inter-ACP Programme is the **intermediary** in this arrangement.

The **target** of the Inter-ACP Programme is the ACP member countries, which includes all the 79 member states: 48 countries from sub-Saharan Africa; 15 from the Caribbean; and 15 from the Pacific. Therefore, the ACP member states are the **targets** of the Inter-ACP Programme.

ACP Civil Society Forum

The ACP Civil Society Forum (ACP CSF) 'reflects and embodies the spirit of the Cotonou Agreement, the Paris Declaration, the Accra Agenda and the Busan Declaration explicitly refer to Civil Society Organisations as independent development actors in their own right' (CSF, 2013, p.1). The ACP CSF further refers to itself as the legitimate platform for civil society engagement in the EU-ACP activities. The ACP SCF is a large network of civil society organisations in the ACP countries, and it has strong engagements with the EU as well as national stakeholders in those countries. Its main focus is on good governance, transparency and environmental protection.

From the onset, the ACP Secretariat has funded the three ACP Civil Society Forums that have been held thus far. This was a follow up after the ACP established the ACP CSF, with a view to engage the views of civil society in EU-ACP activities. In addition to funding, the ACP Secretariat authorised and co-organised the three Forum meetings that took place in 2001, 2006 and 2009 (CSF, 2013). Thus, the ACP Secretariat is the **orchestrator** in this initiative, since it authorises and supports the ACP Civil Society Forums.

The ACP CSF draws its mandate from the ACP Secretariat, and it brings together many civil society organisations in ACP regions, a key distinguishing feature. This has been mainly through the use of national focal points – civil society organisations – that bring together other civil society sectors in the ACP member states (ACP CSF, 2013, p.9). For instance, in 2012, the EU issued policy directives to the ACP CSF seeking to enhance democracy and sustainable development (EC, 2012). Therefore, the ACP CSF is the **intermediary** in this intricate arrangement.

The **targets** of the ACP Civil Society Forum are ACP member states and civil society organisations that make up the ACP CSF. The activities of the ACP CSF are guided by its overarching objectives: to provide a platform for CSOs to formulate common positions on EU-ACP cooperation; to articulate the concerns of margininalised social groups; to facilitate dialogue between ACP Civil Society Organisations (CSOs) and EU-ACP institutions; to strengthen participation of ACP CSOs in the EU-ACP development cooperation framework; and to share relevant information on ACP-EU cooperation (CSF, 2013, p.12).

ACP-Fish II Initiative

The ACP-Fish II Initiative 'is a 4.5-year programme financed by the European Development Fund on behalf of ACP (African, Caribbean and Pacific Group of States) countries' with the aim 'to improve fisheries management in ACP countries so as to ensure that fisheries resources under the jurisdiction of these countries are exploited in a sustainable manner' (Kirema-Mukasa, 2011, p.1) .

The EU is the main financier of the ACP-Fish II initiative. An example is a project titled 'Training in Institutional and Organisational Development for the Lake Victoria Regional Beach Management Unit Network (RBN)', which focused on Kenya, Uganda and Tanzania (Kirema-Mukasa, 2011, p.1). The EU further provided policy guidelines by setting the overarching objectives of the project. Therefore, in this project, the EU was the **orchestrator** through funding of the project and providing policy directives.

The ACP Fish II programme, which is under the Regional Fisheries Unit of the East African Programme, was tasked with conducting training to build the capacity of beach management units in the ACP member States of Kenya, Uganda and Tanzania (Kirema-Mukasa, 2011). Thus the ACP Fish II technical team was the **intermediary** in this initiative.

The Regional Beach Management Units Network (RBN) comprising Beach Management Units (BMUs) was the main **target** of the ACP Fish II initiative in East Africa. The main aim of the RBN, which was formed in 2010, was to coordinate the activities of the BMUs in enhancing co-management of Lake Victoria fisheries, and linking them up with government structures so as to foster sustainable fisheries management as well as improve livelihoods. The RBN comprises 1069 BMUs on Lake Victoria with 281 in Kenya, 433 in Tanzania and 355 BMUs in Uganda (Kirema-Mukasa, 2011, p.10).

Inclusive and Sustainable Industrial Development (ISID) Initiative

The United Nations Industrial Development Organisation (UNIDO), in 2011, signed a memorandum of understanding with the ACP. The key objective was the 'establishment and reinforcement of the capacity of public and private sectors in ACP countries and regions for the development of inclusive, competitive, transparent and environmentally-friendly industries in line with national and regional development strategies' (Gasbarri, 2014). This was done under the auspices of UNIDO's Inclusive and Sustainable Industrial Development (ISID) initiative. The initiative was initiated by UNIDO to 'promote industrial development for poverty reduction, inclusive globalisation and environmental sustainability' (Gasbarri, 2014). Therefore, UNIDO was the **orchestrator** in this arrangement. The ISID initiative was the **intermediary** actor, while ACP member States were the **target** countries.

Project/ Initiative	Orchestrator	Intermediary	Role of Intermediary	Target
• Sustainability Impact Assessment (SIA) of the EU-ACP Agreement	• European Commission	• PriceWate houseCoopers-led Consortium	• Conducting the SIA assessment • Contribute staff for the SIA • Funding the EUACP SIA project	• Member countries of the EU-ACP agreement
• Intra-ACP Programme	• European Development Fund (EDF) Financial Framework	• Global Climate Change Alliance	• Assist 79 Member countries in climate change adaptation and mitigation responses	• 79 member countries of the ACP (Africa, Caribbean and Pacific)
• ACP Civil Society Forum	• European Commission (through the EDF)	• ACP Civil Society Forum	• Involved in implementing development cooperation policy	• EU and ACP countries
• ACP Fish II	• EU via funding and capacity building	• ACP Fish II	• To strengthen the institution in order to play its rightful role in fisheries management	• Regional BMUs (Beach Management Units) Network; Fisheries sector in Burundi, Djibouti, Eritrea, Ethiopia, Sudan (North and South), Kenya, Rwanda, Somalia, Tanzania, and Uganda

Table 5.2 Environmental Sustainability Actors in EU-ACP

6. Conclusions and Recommendations

This paper sought to map actors engaged in environmental protection and sustainability in Regional Trade Agreements (RTAs) in Africa. Two RTAs, the African Growth and Opportunity Act (AGOA) and the EU-Africa, Caribbean and Pacific (EU-ACP), were analysed, and major environmental sustainability initiatives identified. The actors engaged in these initiatives were then identified using the concept of orchestration, which mapped actors according to the Orchestrator – Intermediary – Target (O-I-T) model.

6.1 Main conclusions from study

This paper unveiled a number of key conclusions:

i. Environmental sustainability has been gaining traction in RTAs in Africa, in tandem with the global trend
ii. Of the two RTAs analysed, the EU-ACP had clearer and better-detailed environmental sustainability initiatives, largely funded by the EU. AGOA, on the other hand, AGOA's initiatives were greatly fragmented with documentation on the same also rived
iii. The main orchestrators of environmental sustainability in RTAs are developed countries, and they undertake this mainly via funding and institutional arrangements
iv. Developing and least developed countries are mainly targets in the orchestration framework, while also playing limited roles as intermediaries in the same
v. Different RTAs have different environmental sustainability arrangements
vi. Many countries in Africa are engaged in RTAs

6.2 Constraints, Gaps and Recommendations

Despite the limited scope of studying only two RTAs, invaluable insights have emerged on orchestration of environmental sustainability in RTAs. However, there still remain many other RTAs which require similar mapping. For instance, examining how China, a climacteric global actor in free regional trade, integrates and implements environmental sustainability in its RTAs with African countries would be prudent, given that China's economic engagement with African countries is growing significantly. Finally, further research should also explore in greater detail the relationships and impacts of actors in RTAs regarding environmental sustainability.

The roles of actors in orchestration overlap, with some playing multiple roles including being orchestrators and intermediaries in enhancing interventions from the developed country actors. Multi-lateral organs are necessary conduits to enhance the technical assistance availed to developing countries in RTA regimes. However some of the RTAs including AGOA raise concerns regarding roles and benefits accruing to developing and least developed countries, more so in light of such orchestration. Enhanced examination of the opportunities and options for developing and least developed countries to not only enhance terms of RTAs but also their engagement in the trade-scape - vide orchestration frameworks in inter-scalar and multi-level engagement - would be critical to the evolving needs and development agenda of these countries.

The design, implementation and governance of RTAs, has also been tempered by the inability of developing and least developed countries to fully meet the requirements for engagement in the agreements. In addition, the enhanced trade-scape has not translated to poverty alleviation as was desired. The prescriptive approach, on the other hand, raises questions of legitimacy and inclusivity in terms of the balance of negotiations where developing and least developed country needs are tempered in the pursuit of access to some of these RTA regimes.

Further examination ought to look into opportunities that orchestration presents for developing and least developed countries to renegotiate and reinvigorate their engagement in the trade scape.

This engagement should focus on core agenda including environmental sustainability, equity and legitimacy in RTAs.

Finally, future research could explore the impacts and performance of the examined initiatives in integrating environmental sustainability in RTAs, and a subsequent discussion of critical stakeholder perspectives.

References

Abbott, K. W., Genschel, P., Snidal, D. & Zangl, B. (2012) *Orchestration: Global Governance Through Intermediaries.*

AGOA (2000) *Africa Growth Opportunity Act* (Title I.P.L106-200).

Arrow, K., Bolin, B., Costanza, R., Dasgupta, P., Folke, C., Holling, C. S., Jansson, B.o., Levin, S., Maler, K.-G., Perrings, C. & Pimentel, D. (1995) Economic Growth, Carrying Capacity, and the Environment. *Science,* 268.

Bank, W. (2005) *Regional Trade and Preferential Trade Agreements: A Global Perspective*. Washington D.C: World Bank.

Bhaghwati, J. & Srinivasan, T. N. (1996) *Trade and Environment: Does Environmental Diversity Detract from the Case of Free Trade?,* Cambridge, MA, MIT Press.

Biermann, F. & Brohm, R. (2005) Implementing the Kyoto Protocol Without the USA: The Strategic Role of Energy Tax Adjustments at the Border. *Climate Policy,* 4**,** 289-302.

Brack, D. & Gray, K. (2003) *Multilateral Environmental Agreements and the WTO*. London: Royal Institute of International Affairs.

Brock, R. W. (2014) *African Growth and Opportunity Act (AGOA): Background and Reauthorisation Report*. Congress Research Service.

Daly, H. E. (1993) The Perils of Free Trade. *Scientific American,* 269**,** 50-57.

Danielle, L. (2008) U.S Trade and Investment Partnership with Sub-Saharan Africa: The African Growth and Opportunity Act and Beyond. *CRS Report for Congress.* Unites States Congress.

EC (2012) *The Roots of Democracy and Sustainable Development: Europe's Engagement with Civil Society in External Relations*. Brussels, Belgium: European Commission.

Eckersly, R. (2004) The Big Chill: The WTO and Multilateral Environmental Agreements. *Global Environmental Politics,* 4**,** 24-50.

Frankel, J. A. & Rose, A. K. (2002) *Is Trade Good or Bad for the Environment? Sorting Out the Causality*. Cambridge, MA: National Bureau of Economic Research.

Gallagher, P. & Serret, Y. (2010) Environment and Regional Trade Agreements: Developments in 2009 *Joint Working Party on Trade and Environment.* Paris, France: Organisation for Economic Co-operation and Development (OECD).

GAO (2009) *International Trade: Report to the Chairman, Committee on Finance*. US Senate, United States Government Accountability Office.

Gasbarri, V. (2014) UNIDO Development Initiative Gains Momentum in ACP Nations. *Global Issues*.

GCCA. (2012) *Intra-ACP* [Online]. *Global Climate Change Alliance. Available*: http://www.gcca.eu/intra-acp [Accessed 10 March 2015].

George, C. & Serret, Y. (2011) Regional Trade Agreements and the Environment: Developments in 2010. *OECD Trade and Environment Working Papers.*

George, C. (2014) Developments in Regional Trade Agreements and the Environment: 2013 Update. *OECD Trade and Environment Working Papers.*

Goldsmith, E. & Mander, J. (2001) *The Case Against the Global Economy: And for a Turn Towards Localisation,* London, Earthscan.

Grossman, G. M. & Krueger, A. (1993) *Environmental Impacts of a North American Free Trade Agreement* Cambridge, MA, MIT Press.

Grossman, G. M. & Krueger, B. A. (1991) Environmental Impacts Of a North American Free Trade Agreement Cambridge, MA: National Bureau Of Economic Research.

Jaspers, N. & Falkner, R. (2013) *International Trade, the Environment, and Climate Change* London, UK, John Wiley & Sons, Ltd.

Junyi, S. (2008) Trade liberalization and environmental degradation in China. *Applied Economics,* 40**,** 997-1004.

Kaushik, A. (2010) *Reassessing Scope and Mandate of the Enhanced Integrated Framework. A Legal/Technical Study*. Eschbonn, Germany: Deutsches Gesselschaft fur Technische Zusammenarbeit (GIZ) GmbH.

Kekeritz, U. & Schneider, C. (2015) The Free Trade Fairytale. *Green European Journal.*

Kirema-Mukasa, C. T. (2011) Final Technical Report. Training in Institutional and Organisational Development for the Lake Victoria Regional Beach Management Unit Network (RBN). European Union.

Kuznet, S. (1955) Economic Growth and Income Inequality. *The American Economic Review,* 45**,** 1-28.

Ochieng, C. M. O. (2009) *Legal and Systematic Issues in the Interim Partnership Agreements: Which Way Now?* Geneva, Switzerland International Centre for Trade and Sustainable Development.

OECD (2009) Implementation of Environmental Provisions in Regional Trade Agreements: A Framework for Evaluation. Paris, France.

Prowse, S. (2010) Aid for Trade: Supporting Trade Preference Reform. *CGD Working Paper.* Washington, D. C: Center for Global Development.

PWC (2003) *Sustainability Impact Assessment (SIA) of Trade Negotiations of the EU-ACP Economic Partnership Agreements*. PriceWaterhouse Coopers.

PWC (2007) *Sustainability Impact Assessment of the EU-ACP Economic Partnership Agreements**. Summary of key findings, policy recommendations and lessons learned PriceWaterHoouseCoopers.

Ricardo, D. (1817) *On the Principles of Political Economy and Taxation,* London, John Murray.

Sampson, G. P. (2005) *The WTO and Sustainable Development,* Tokyo, Japan, United Nations University Press.

Schleifer, P. (2013) Orchestrating Sustainability: The case of European Union Biofuel Governance. *Regulation & Governance,* 7**,** 533-546.

Schommer, H. (2007) Environmental Standards in U.S. Free Trade Agreements: Lessons from Chapter 11. *Sustainable Development Law & Policy,* 36.

Shafik, N. & Bandyopadhay, S. (1992) "Economic Growth and Environmental Quality, Time Series and Cross Country Evidence. *Background paper for the World Development Report.* Washington, D. C: World Bank.

Spence, M. (2011) EU-ACP Trade Relations, Environmental Protection and Sustainable Development. *E-International Relations Students*.

Stern, D. I. (2003) The Environmental Kuznets Curve. *Internet Encyclopedia for Ecological Economics*.

USAID (2011) *U.S announces new African trade capacity building initiative at AGOA forum* [Online]. United States Agency for International Development Available: http://usaid.gov/news-information/press-releases/us-announces-new-african-capacity-building-initiative-agoa.

WTO (2012) *United States Trade Policy Review Report World Trade Organisation*.

African Centre for Technology Studies (ACTS)
P.O. Box 45917, Nairobi, Kenya
Tel: (254-2)710 60 72 10
E-mail: info@acts-net.org
Website: www.acts-net.org
ISBN 9966-41-177-1