

The last few weeks have produced good news and bad news for global clean technology markets, economic growth, and sustainable development.

On the negative side, there is a sense of a looming trade war that threatens to undermine industry progress to lower costs and expand the use of solar technologies. Last week, China threatened retaliation after the US and the EU launched antidumping cases against Chinese solar energy products. Without pronouncing ourselves on the merit of these cases, we urge all sides to avoid escalating trade retaliation measures. . . .

The good news is that leaders at the Asia-Pacific Economic Cooperation (APEC) meeting in Vladivostok, Russia agreed to cap tariffs affecting trade for green goods and services at 5%. When fully implemented, tariffs will be reduced from as much as 35% to the maximum 5%. They also produced a specific list of covered goods and services – a crucial step toward definitively lowering tariff rates.¹ These tariff reductions should have a significant positive impact in terms of increasing trade in green goods and services—and protecting the environment—in the Asia-Pacific region, which currently represents more than 50% of world trade.

However, while the APEC decision is a welcome move in the right direction, the rising tide of green import tariffs, local content requirements, and other non-tariff barriers demonstrates that more action is needed. We believe in the need to build on the APEC leadership to develop a truly global initiative to lower the barriers to green free trade. The information and communications technology (ICT) industry faced similar challenges in the 1990s and successfully developed a groundbreaking Information Technology Agreement that led to the elimination of tariffs. The result was the substantial growth of the ICT industry: from 1996 to 2008, total trade in products increased more than 10 percent annually, from \$1.2 trillion to \$4.0 trillion. This is a promising model to follow.

We do not believe this is a “North versus South” agenda. Leading clean technology companies come from large emerging economies as well as industrialized countries. We all lose, and the environment loses, when we face trade barriers that prevent free movement of sustainable technologies. The global clean tech industry wants to compete on a level playing field where green tariffs and non-tariff barriers are eliminated.

Negotiation is better than litigation, and it is extremely important that collective action happens quickly.

Therefore, we, the undersigned companies, agree to work pro-actively with governments and civil society organizations to develop a green free trade approach that delivers economic growth and preserves environmental prosperity. We are working through the Green Growth Action Alliance,² a coalition of companies, public finance agencies and leading non-governmental organizations to advance an economically and environmentally sustainable green growth action agenda.

We would ask all national leaders to engage with multilateral trade organizations to liberalize trade in clean technologies, and we also ask other organizations to join this drive towards a pragmatic solution to the challenges we collectively face and the other opportunities we can collectively pursue.

¹ The 2012 APEC Leaders’ Statement and the APEC List of Environmental goods can be found at http://www.apec.org/Meeting-Papers/Leaders-Declarations/2012/2012_aelm.aspx.

² See <http://www.weforum.org/issues/green-growth>.

Signatories

Applied Materials



Bank of America Merrill Lynch



Barclays



Canadian Solar



General Electric



Novozymes



SEMI PV Group



Solar Energy Industries Association



Suntech



Suzlon Group



Trina Solar



Vestas Wind Systems



Wal-Mart Stores, Inc.



Welspun Energy Ltd.



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