

# MODULE V

# Negotiation of Agreements



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# Themes

- **Effective Participation in Negotiations**
  - **Conceptual Framework**
    - **Domains**
  - **Tensions**
  - **Defining Results**
  - **Fundamental Elements**
  - **Negotiation Strategies**
  - **Difficulties and Asymmetries**
  - **Preparation**
    - **Data & trade policy analysis**
    - **Analysis of impact in environmental performance**
- **Coherence between regional and domestic perspectives**
- **Main tensions between trade and environment**



## What a negotiation is not:

- A game of concessions
- A competition



## ¿What is a Negotiation?

A two way communication with the purpose of achieving an agreement amongst two or more parties with some shared, differing or conflicting interest.

# Effective Participation in Negotiations: Conceptual Framework



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## Domains:

- Substance
- Process
- Relationship



## Substance:

- Knowledge of discipline to negotiate is fundamental.
- Systematic preparation
- Substance and process
- RTAs and FTAs compatibility with WTO rules and disciplines
- WTO requirements for each discipline
- APEC best practices
- Environmental Aspects of FTAs (OECD)

# Effective Participation in Negotiations: Conceptual Framework



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Process:

¿Did you negotiate HOW you  
will negotiate?

# Effective Participation in Negotiations: Conceptual Framework



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Relationship:

¿What is it?

**In many cases is the central aspect of the  
negotiation**

**Separate substance from relationship**



# Effective Participation in Negotiations: Tensions



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Every negotiation requires  
management of tensions amongst:

- Creating and distributing wealth
- Feeling empathy and being proactive
- Being a Party and a Representative



## Creating and distributing wealth

- Greatest amount of wealth not always the result of a negotiated agreement;
- Lack of flexibility in expectations gets in the way of better results;
- ¿ Work with what's on plain sight or dig deeper?
- Use process and substance to your advantage.



## Feeling empathy and being proactive

- LISTEN
- TYPICAL: OK, I GET IT, THINKING OF WHAT TO SAY
- Quote, ask and identify what your counterpart has said

# Effective Participation in Negotiations: Tensions



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Being a Party and a Representative  
Behind Every Negotiator there's an  
interest.

¿Who or What represents?

# Effective Participation in Negotiations: Results



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The greater the expectations the greater the result

- What is your negotiating power
- Appearances are not always true
- ¿When has a negotiation been successful?

# Effective Participation in Negotiations: Results



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¿What's a good result?

- Better than other alternatives (BATNA)
- Satisfies my interest well, those of others in acceptable and durable manner
- Best of multiple options
- Legitimate further to standards and accepted criteria
- Improves –or at least doesn't damage- the relationship  
Based on good communication
- Identifies specific, applicable and firm commitments



## 7 Basic Elements

- Better Alternative to a Negotiated Agreement (BATNA)
- Interest
- Options
- Legitimacy
- Relationship
- Communication
- Commitment

# Effective Participation in Negotiations: Strategies



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## Some Common Strategies

- Competition of Concessions
- Exchange of Commitments
- Game of best or worst alternative
- Problem Solving Solution finding

## Interest

What interest are at stake?

- Not positions



# Effective Participation in Negotiations: Difficulties and Asymmetries



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## Difficult Tactics

- Can't give any more
- Sorry I don't have the authority
- Take it or leave it

¿What to do?

Conventional and non conventional options



- <http://www.youtube.com/watch?v=LU4Qf6jo5kM&NR=1>
- <http://www.youtube.com/watch?v=FavCK1bhHOY&feature=related>

# Effective Participation in Negotiations: Preparation



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## Use the Fundamental Elements

- Communication
- Relationship
- Data & trade policy analysis/Analysis of impact in environmental performance
- ¿What trade and why?
  - What's possible and sustainable? (Durability)
  - Compliance (legitimacy)
  - What are my options?
  - Current environmental conditions and necessary measures
  - In light of greater trade what should be mitigated?

# Coherence between regional and domestic perspectives



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- In what forums is trade policy discussed
- WTO/RTAs/Integration Systems
- Domestic policy not always coherent even among allies
- ie. MERCOSUR
- Coordination is key
- Different levels and different stakeholders
- Collective thinking useful tool

# Main tensions between trade and environment



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## How to address key differences:

- Build from consensus

## Use criteria



**GRACIAS!**

**Obrigada**

**Merci**

**Thank you**

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