



**Asia-Pacific
Economic Cooperation**


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Introduction

Summary of CTI Trade Policy Dialogue on WTO-Plus Aspects of RTAs / FTAs

Submitted by: CTI Chair



**Dialogue on Regional Trade Agreements and Free
Trade Agreements
Lima, Peru
25 August 2016**




Summary of CTI Trade Policy Dialogue on WTO-plus aspects of RTAs/FTAs

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SOM Dialogue on RTAs/FTAs,
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Advancing Free Trade for Asia-Pacific Prosperity

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Background to CTI Dialogue

- Beijing Roadmap for APEC's contribution to issues related to the realization of the FTAAP
 - RTAs/FTAs Information Sharing Mechanism (ISM)
 - Capacity building for officials on FTA topics
 - Collective Strategic Study
- ISM provides for annual CTI TPD to discuss WTO-plus outcomes in recently concluded FTAs/RTAs
 - 14 May 2015 held in Boracay, Philippines
 - 7 May 2016 held in Arequipa, Peru

Objectives of CTI TPD




- Raise awareness on WTO-plus outcomes and approaches in recently concluded FTAs/RTAs of APEC economies
- Encourage consideration by economies of including such approaches into their FTA/RTA negotiating objectives
- Encourage trade and investment liberalization and facilitation in FTAs/RTAs through information exchange
- Contribute to the momentum built to develop high quality, comprehensive FTAs and the eventual realization of the FTAAP.
- Reinforce support for the multilateral trading system.

Canada – Korea FTA (2015)



Services	<ul style="list-style-type: none"> • Adopted the Negative List Approach • Terms of temporary entry goes beyond GATS obligations and has broad occupational coverage
Technical Barriers to Trade	<ul style="list-style-type: none"> • Builds on WTO Agreement on TBT
Investments	<ul style="list-style-type: none"> • Broader scope and has higher protection for investments compared to TRIMs
Government Procurement	<ul style="list-style-type: none"> • Builds on WTO's revised Agreement on Government Procurement
Intellectual Property	<ul style="list-style-type: none"> • Builds upon TRIPs ensuring higher level of protection

* Also includes Competition Policy, E-Commerce, Labor and Environment provisions

ASEAN-Australia-New Zealand FTA (2009)		 Asia-Pacific Economic Cooperation
Sanitary and Phytosanitary Measures	<ul style="list-style-type: none"> • Provides a range of tools to implement the WTO SPS Agreement • Mechanism to progress bilateral SPS Agreements 	
Technical Barriers to Trade	<ul style="list-style-type: none"> • Recognizes different options for different circumstances • Encourages exchange of information • “Positive consideration” to accepting other Parties’ technical regulations • STRACAP Chapter - framework of disciplines, processes and procedures for addressing TBT 	
<p>* “STRACAP” – standards, technical regulations, and conformity assessment procedures</p>		

Australia – Chile FTA (2009)		 Asia-Pacific Economic Cooperation
Market Access	<ul style="list-style-type: none"> • Elimination of all tariffs by 2015 • Prohibition of export subsidies 	
Services	<ul style="list-style-type: none"> • Adopted the Negative List Approach 	
Intellectual Property	<ul style="list-style-type: none"> • Includes innovative approach to trademarks (eg. allowing notorious and famous trademarks) 	
Technical Barriers to Trade	<ul style="list-style-type: none"> • Deeper transparency obligations 	
<p>* Creates an institutional framework that enables the exchange of experiences and consultations</p>		

WTO-plus Approaches in Specific Chapters of RTAs/FTAs



Conformity Assessment (ANZTEC)

- National treatment in accreditation, designation, approval, and licensing for foreign conformity assessment bodies (CAB)
- Restriction on localization requirement
- Permit participation of CABs from trading partners, provided that the CAB is technically competent and holds appropriate accreditation
- Benefit: Time and cost effective as it requires less compatibility matching

WTO-plus Approaches in Specific Chapters of RTAs/FTAs



Government Procurement (Korea-Peru FTA)

- Provisions contain obligations from the revised GPA
- Market access commitments were made comparable or higher than their previous commitments
- Main elements of text include (1) national treatment and non-discrimination; (2) use of electronic means; and (3) prohibition of offsets
- Conditions for participation is limited to suppliers with legal, financial, commercial and technical abilities
- Procedural rules covers information on intended procurement, time-periods, and tendering procedures, among others
- Specific exceptions were included in the agreement to protect the Parties' individual interests

WTO-plus Approaches in Specific Chapters of RTAs/FTAs



Intellectual Property Rights (TPP)

- Objective of establishing common standards among TPP members to ensure protection of IP and promote innovation
- Includes TRIPS Plus elements – includes provisions on procedural, substantive and enforcement aspects of IP
- Includes flexibilities that allows parties to apply exceptions and limitations to the conferred protection in certain circumstances
- Includes specific provisions on cooperation on issues of mutual interest

WTO-plus Approaches in Specific Chapters of RTAs/FTAs



Regulatory Coherence (TPP)

- Each Party to determine and make publicly available the scope of its covered regulatory measures no later than one year after TPP comes into force – Parties should aim to achieve “significant coverage”
- Provisions not subject to dispute settlement
- The chapter is considered a living document due to the establishment of a Committee on Regulatory Coherence to work on implementation, future priorities involving issues covered by this Chapter or other Chapters of TPP.
- Provides for cooperation activities in the areas it cover

Lessons learned



The TPDS highlighted:

- The comprehensive nature of recent FTA between and among economies,
- Substantial WTO-plus approaches and outcomes on a range of topics
 - E.g. Negative list approach in services
- Innovative approaches driven by specific trade and investment interests
 - E.g. Allowing notorious and famous trademarks; supplier declaration approaches;

New areas for CTI/SOM/APEC



- Explore further economic and technical cooperation initiatives (ie. technological transfer, industrial /sectoral competitiveness)
- Intensify capacity building activities directed to RTAs/FTAs (best practices, negotiations in RTAs/FTAs)
- Identify sectors where impediments continue to persist
- Explore other regional and cross regional architecture (impact assessment)
- Consider the private sector's perspective in enhancing and developing policy areas

New areas for CTI/SOM/APEC



To date, TPD discussions has focused on the following RTA/FTA Chapters:

- Services
- Electrical and Electronic Equipment and their Components
- Investment
- Competition Policy
- E-Commerce
- Conformity Assessment
- Government Procurement
- Intellectual Property Rights
- Regulatory Coherence

New areas for CTI/SOM/APEC



Recommendation to focus on the following topics/issues for future discussions:

- Rules of Origin
- Customs Administration and Facilitation
- Trade Remedies
- Sanitary and Phytosanitary Measures
- Technical Barriers to Trade
- Labor
- Environment
- Cooperation and Capacity Building
- Competitiveness and Business Facilitation
- Small and Medium Sized Enterprises
- Transparency and Anti-Corruption
- Dispute Settlement

