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

Submitted by: CTI Chair
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Lyn Aquia, CTI Chair
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Lima, Peru

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)

<table>
<thead>
<tr>
<th>Services</th>
<th>• Adopted the Negative List Approach</th>
<th>• Terms of temporary entry goes beyond GATS obligations and has broad occupational coverage</th>
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<tbody>
<tr>
<td>Technical Barriers to Trade</td>
<td>• Builds on WTO Agreement on TBT</td>
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<tr>
<td>Investments</td>
<td>• Broader scope and has higher protection for investments compared to TRIMs</td>
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<td>Government Procurement</td>
<td>• Builds on WTO’s revised Agreement on Government Procurement</td>
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<tr>
<td>Intellectual Property</td>
<td>• Builds upon TRIPs ensuring higher level of protection</td>
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* Also includes Competition Policy, E-Commerce, Labor and Environment provisions
### ASEAN-Australia-New Zealand FTA (2009)

| Sanitary and Phytosanitary Measures | • Provides a range of tools to implement the WTO SPS Agreement  
| | • Mechanism to progress bilateral SPS Agreements  
| Technical Barriers to Trade | • 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  

*“STRACAP” – standards, technical regulations, and conformity assessment procedures*

### Australia – Chile FTA (2009)

| Market Access | • Elimination of all tariffs by 2015  
| | • Prohibition of export subsidies  
| Services | • Adopted the Negative List Approach  
| Intellectual Property | • Includes innovative approach to trademarks (eg. allowing notorious and famous trademarks)  
| Technical Barriers to Trade | • Deeper transparency obligations  

* Creates an institutional framework that enables the exchange of experiences and consultations*
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

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
**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

**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 (i.e. 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
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

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
Thank you