



**Asia-Pacific
Economic Cooperation**

2018/SOM2/CTI/WKSP/004

How Are Free Trade Agreements and Regional Trade Agreements Addressing Non-Tariff Measures in the APEC Region?

Submitted by: Policy Support Unit, APEC Secretariat



**Capacity Building Workshop on
Addressing Non-Tariff Measures in
Free Trade Agreements and Regional
Trade Agreements
Port Moresby, Papua New Guinea
17 May 2018**



Asia-Pacific
Economic Cooperation

How Are RTA/FTAs Addressing Non-Tariff Measures in the APEC Region?

Carlos Kuriyama (Senior Analyst, Policy Support Unit)

17 May 2018 • APEC Secretariat



Advancing Free Trade
for Asia-Pacific Prosperity

Broad range of NTMs

UNCTAD's Multi-Agency Support Team classification

Imports	Technical measures	A. Sanitary and phytosanitary measures	SPS Chapter
		B. Technical barriers to trade	TBT Chapter
		C. Pre-shipment inspection and other formalities	Customs Chapter
	Non-technical measures	D. Contingent trade-protective measures	Trade Remedies Chapter
		E. Non-automatic licensing, quotas, prohibitions and quantity-control measures other than for SPS or TBT reasons	
		F. Price-control measures, including additional taxes and charges	
		G. Financial measures	
		H. Measures affecting competition	Competition Policy/Services Chapter
		I. Trade-related investment measures	Investment Chapter
		J. Distribution restrictions	Services Chapter
		K. Restrictions on post-sales services	
		L. Subsidies (excluding export subsidies)	
		M. Government procurement restrictions	Govt. Procurement Chapter
		N. Intellectual property	IPR Chapter
O. Rules of origin	ROO Chapter		
Exports	P. Export-related measures	Traditional NTMs - Trade in Goods Chapter Non-Traditional NTMs – Competition Chapter	

Traditional NTMs - Trade in Goods Chapters



FTA/RTA provisions related to Traditional NTMs

Topics

- Import/export restrictions and prohibitions
- Import licensing
- Administrative fees and formalities
- Internal taxes
- Export taxes
- Subsidies
- Quantitative measures

Sources: WTO i-TIP; APEC Secretariat, Policy Support Unit Calculations

Addressing NTMs in Trade in Goods Chapters

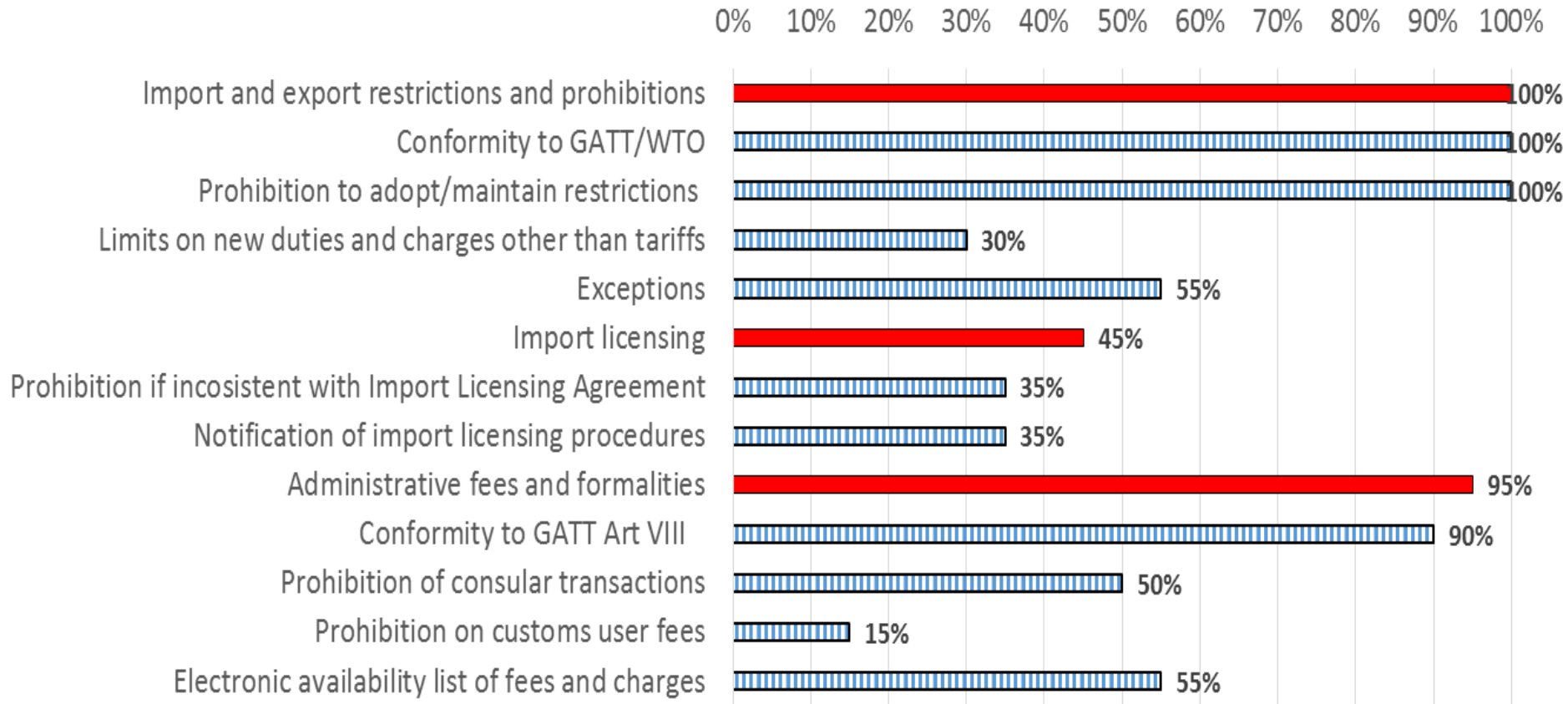
Main Types of NTMs – Recent RTA/FTAs in Force by APEC Economies

	Australia-China	Australia-Japan	Australia-Korea	Canada-EU	Canada-Honduras	Canada-Korea	Canada-Ukraine	Chile-Hong Kong, China	China-Iceland	China-Switzerland	Japan-Mongolia	Korea-Colombia	Korea-New Zealand	Malaysia-Turkey	Mexico-Panama	Pacific Alliance	Peru-Honduras	Singapore-Chinese Taipei	Singapore-Turkey	Viet Nam-EAEU
Import and export restrictions and prohibitions	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Import licensing	X	X										X	X		X	X	X		X	X
Administrative fees and formalities	X	X	X	X	X	X	X	X	X	X		X	X	X	X	X	X	X	X	X
Internal taxes	X								X											
Export taxes		X	X	X	X	X						X	X		X	X	X	X		
Subsidies	X	X		X	X		X	X	X		X	X			X	X	X	X		X
Quantitative measures	X	X							X	X										X

Source: Legal Texts. APEC Secretariat, Policy Support Unit Calculations

Addressing NTMs in Trade in Goods Chapters

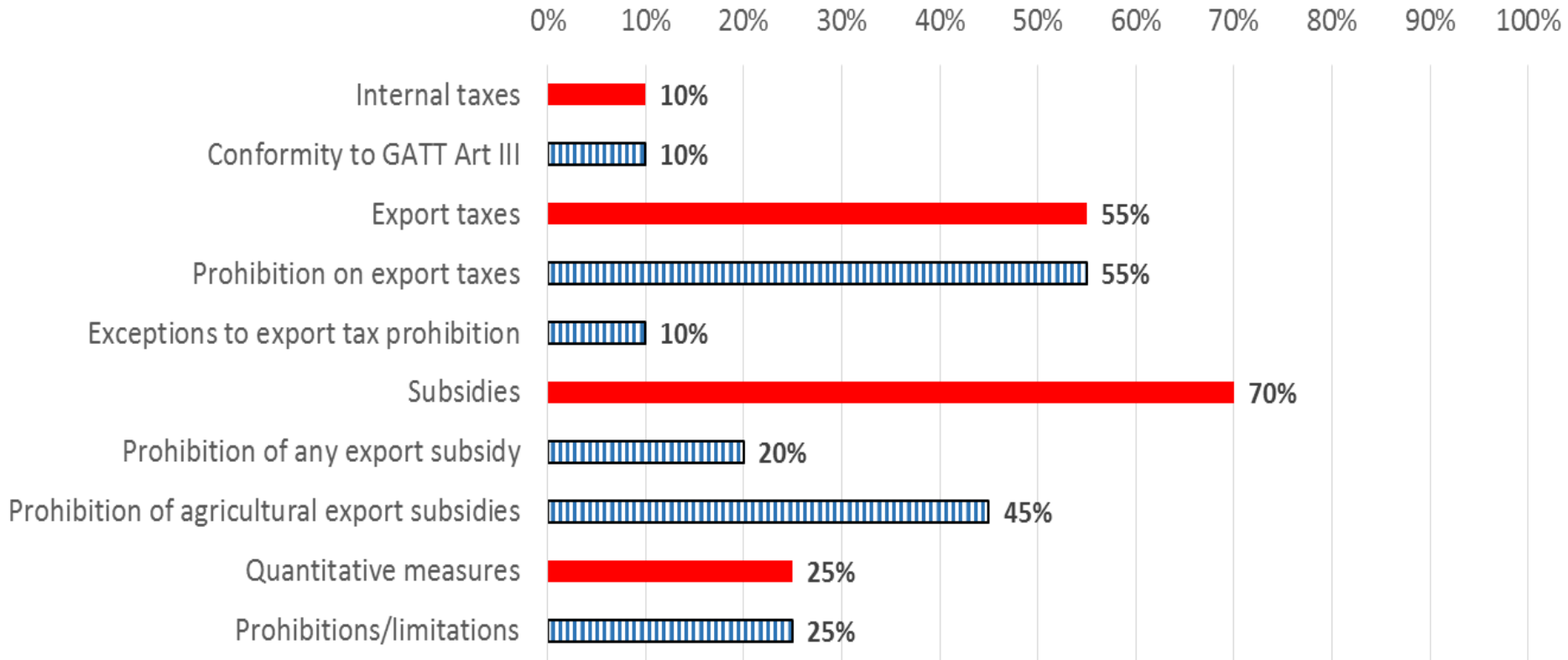
Frequency of NTM-related Provisions



Source: Legal Texts. APEC Secretariat, Policy Support Unit Calculations

Addressing NTMs in Trade in Goods Chapters

Frequency of NTM-related Provisions



Source: Legal Texts. APEC Secretariat, Policy Support Unit Calculations

Addressing NTMs in Rules of Origin Chapters

De Minimis clause: Maximum value for waiver of origin certificate

RTA/FTA	Maximum Value for Waiver
Australia-China	AUD 1,000 (Australia); RMB 6,000 (China)
Australia-Japan	AUD 1,000 (Australia); JPY 100,000 (Japan)
Canada-Korea	USD 1,000
Chile-Thailand	USD 200
China-Korea	USD 700
Korea-New Zealand	USD 1,000
Korea-Viet Nam	USD 600
Malaysia-Turkey	EUR 500 (small packages for Turkey); EUR 1,200 (travelers' personal luggage for Turkey); USD 200 (Malaysia)
Mexico-Panama	USD 1,000

Addressing NTMs in SPS Chapters

WTO-Plus elements on SPS issues in RTA/FTAs

- **Consultations** about a measure that may affect access to market
 - WTO-plus element: **Time period** to start consultations after receiving a request.
 - Examples:
 - Chile-Hong Kong, China FTA: **within 30 days** of receiving request
 - China-Switzerland FTA: **within 60 days** of receiving request. **Within 20 days** in cases of **urgency**
- **Border Measures** when goods are detained at the border due to issues with SPS requirements
 - WTO-plus element: Party detaining goods to notify importers why the measure was implemented. Example: China-Switzerland FTA

Final Remarks

- RTA/FTAs address many types of NTMs that could potentially affect trade.
- NTMs addressed include traditional border NTMs and behind-the-border NTMs.
- The structure and content of RTA/FTAs has evolved in order to address more NTMs that could negatively impact trade.
- RTA/FTAs differ on how NTMs are addressed.
- Some RTA/FTAs are explicit in prohibiting specific NTMs.
- However, other RTA/FTAs agree on exceptions to the prohibitions in order to implement certain NTMs.

Find out more

APEC Online and Social Media



apec.org



@APECnews



@APEC

@Bollard_APEC



@apec



APEC – Asia-Pacific Economic Cooperation



**Asia-Pacific
Economic Cooperation**