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Transparency in FTAs

Submitted by: WTO Expertise Centre



**Capacity Building Workshop on Regional
Trade Agreement and Free Trade Agreement
Negotiation Skills on Transparency
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TRANSPARENCY IN FTAs

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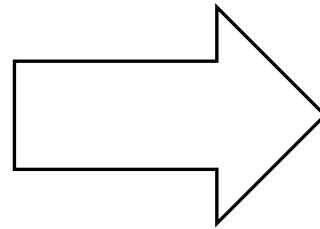
TRADE POLICY EXPERT, WTO EXPERTISE CENTER, MOSCOW

TRANSPARENCY IN FTAs

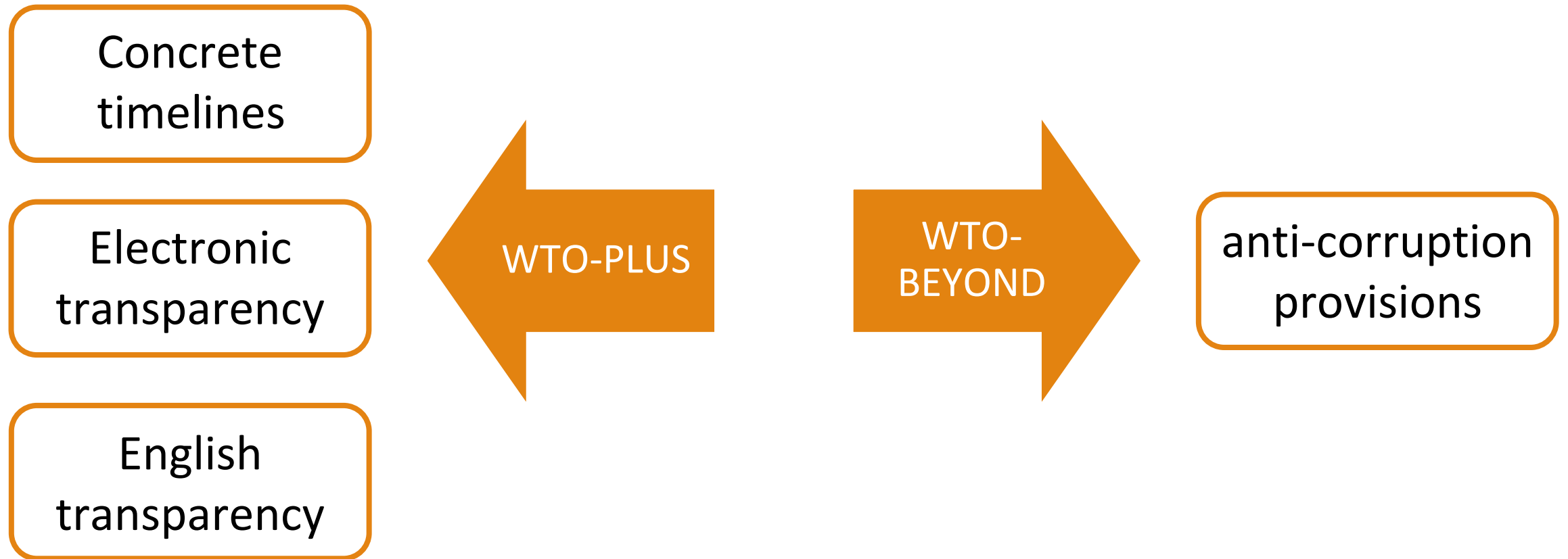
1. Why do we need transparency?
2. Russia's experience.



Why do we need transparency in FTAs?



Transparency provisions in FTAs (examples)





COVID-19

CORONAVIRUS

POSITIVE FOR TRANSPARENCY?

WTO notifications

- ❑ **INDISPENSABLE** for ensuring effective transparency regime
- ❑ Non-compliance **DETRIMENTAL** for international trade order
- ❑ **VITAL** during global crisis, like Covid-19 pandemic

Anti-corruption measures

- Informational openness
- Transparency of governmental activities
- Transparency of legislative development



Russia's Domestic Anti-Corruption Plan 2021-2024

RUSSIA'S EXPERIENCE (negotiating FTAs also as part of CU and EAEU)

RUSSIA

CUSTOMS UNION

Russia, Belarus, Kazakhstan



EURASIAN ECONOMIC UNION

Armenia, Belarus, Kazakhstan, Kyrgyzstan, Russia

GOALS pursued in FTA negotiations

1. Fix the level of Russia's transparency commitments in the WTO
2. Overcome "limits" set by the WTO and deepen transparency norms

Russia's WTO-plus transparency commitments

- Constantly update the sources of publication, **including relevant Internet sites.**
- Contact point - providing interested parties **upon their request texts of regulatory legal acts, including those whose validity has ceased.**
- Publish draft normative legal acts of **general application... provide opportunity to send comments.**
- Deadline for preliminary publication - **30 days.**
- Received comments **should be taken into account.**
- Transparency obligations also in respect of the **Customs Union authorities.**

Example: EAEU – Vietnam (Art 1.13)

- Laws and regulations of general application as well as its respective international agreements... are promptly published or otherwise made publicly available, including wherever possible in **electronic form**;
- publish **in advance** such laws and regulations ... that it proposes to adopt;
- provide interested persons and the other Party with a **reasonable opportunity to comment**;
- Upon request ... **shall promptly respond to specific questions and provide information** on the laws and regulations.

Example: EAEU – Singapore (Ch. 13)

- **Publication:** measures of general application – promptly published or otherwise made available. Publish in advance, provide opportunity to comment.
- **Notification and Provision of Information:** notify any measure which may materially affect the operation of the Agreement or substantially affect the other Party's interests. Upon request promptly provide information and respond to questions
- **Administrative Proceedings:** provide reasonable notice when proceeding is initiated. Afford a reasonable opportunity to present facts and arguments.
- **Review of Administrative Actions:** establishment of a judicial, quasi-judicial or administrative tribunals or procedures for prompt review and correction of administrative actions.

Example.

Commonwealth of Independent States (CIS) FTA

- Transparency of **state aid to enterprises**
- **Balance of payments** – urgent notification of any restrictions
- Permissible **quantitative restrictions** – notify in advance
- **Customs duties on export goods to third economies** – notification of any changes (in writing) no later than 30 days before their entry into force
- **Antidumping and countervailing measures** – provide information about main facts/findings reasoning the application of a measure (in advance, no later than 30 days before the completion of investigation)



Hard to convince your trade partner to accept advanced transparency commitments?



THANK YOU!

DO YOU HAVE ANY QUESTION?

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