

“Convergences and Divergences in APEC’s FTAs/RTAs”

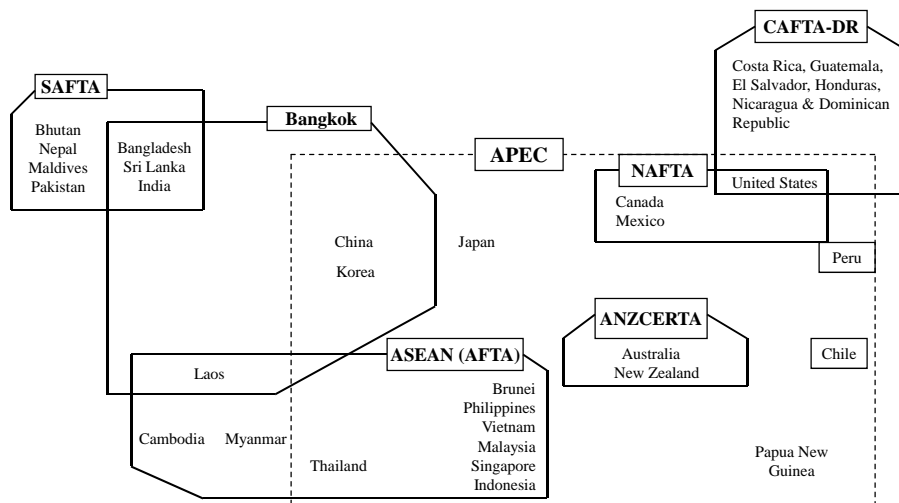
Diego Urbina Fletcher
Viceministry of Foreign Trade of Peru

2008 Annual Conference of ASCC
 June 19th, Piura, Peru

The contribution of the Integration and Trade Sector (INT) of the IDB is under the supervision of Antoni Esteveordal (Manager, INT) and the technical coordination of Kati Suominen with contributions from Jeremy Harris and Matthew Shearer (INT).

Integration in Asia-Pacific:

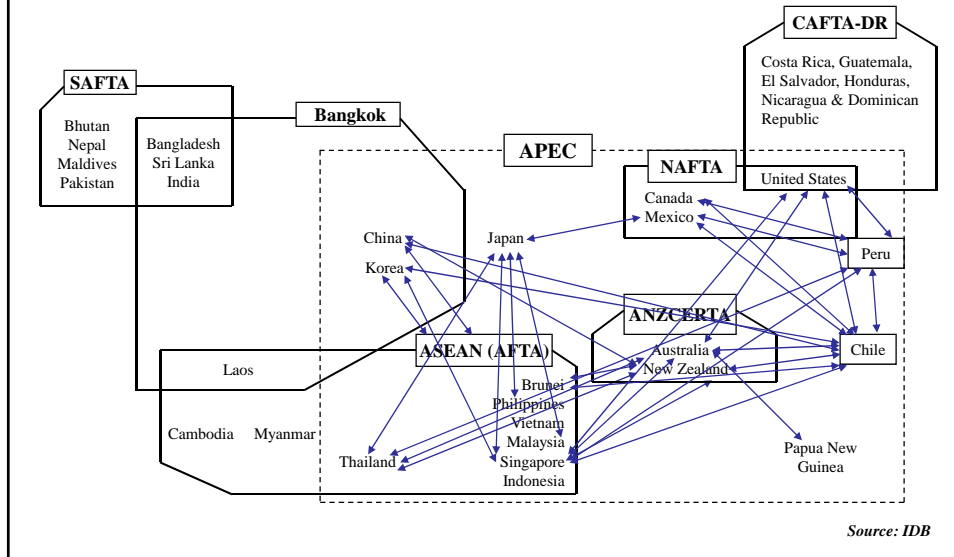
From APEC and Plurilateralism...



Source: IDB

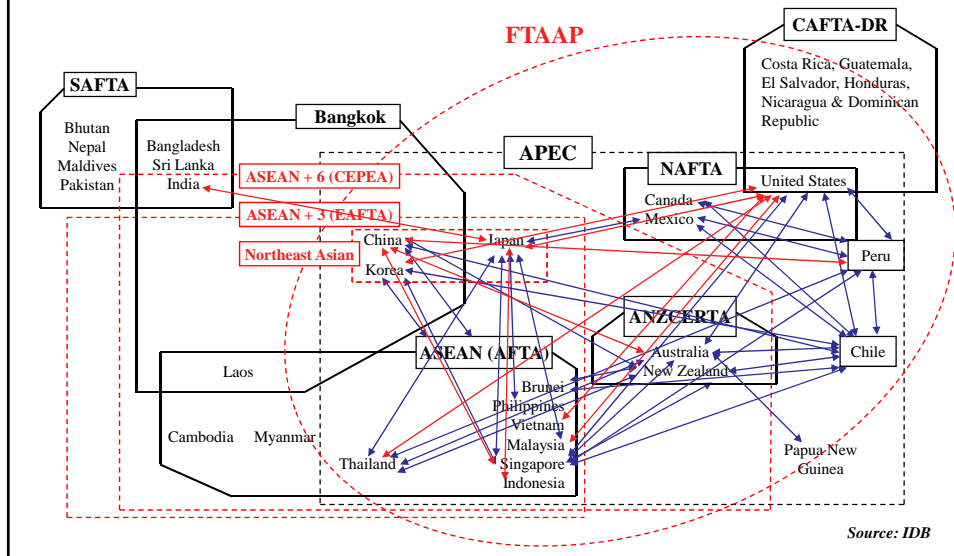
Integration in Asia-Pacific:

...to Proliferating Bilateralism...



Integration in Asia-Pacific:

...and onto Future Prospects



Motivation

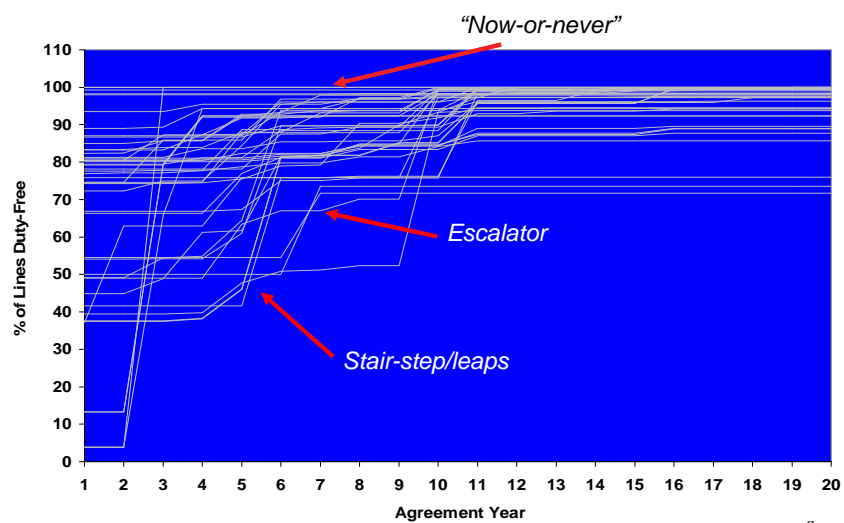
- APEC economies have **nearly three dozen FTAs with each other** and are negotiating several more, both intra- and extra-APEC.
- Asia-Pacific's increasingly dense "**FTA Spaghetti Bowl**" will likely affect Member economies' trade policy options, shape regional trade patterns, and play a role in the very APEC's future.
- But **how convergent are APEC FTAs**?
 - How liberalizing are APEC FTAs?
 - What do APEC FTAs' market access commitments contain?
 - How are APEC FTAs' rules of origin structured?
 - How similar are the FTA chapter related to trade in goods?
- And how to advance toward (1) **greater convergence** and (2) **Regional Economic Integration** among APEC FTAs?

Organization

1. **Market Access**
2. **Rules of Origin**
3. **Customs Procedures**
3. **Technical Barriers to Trade**
4. **Sanitary and Phytosanitary Measures**

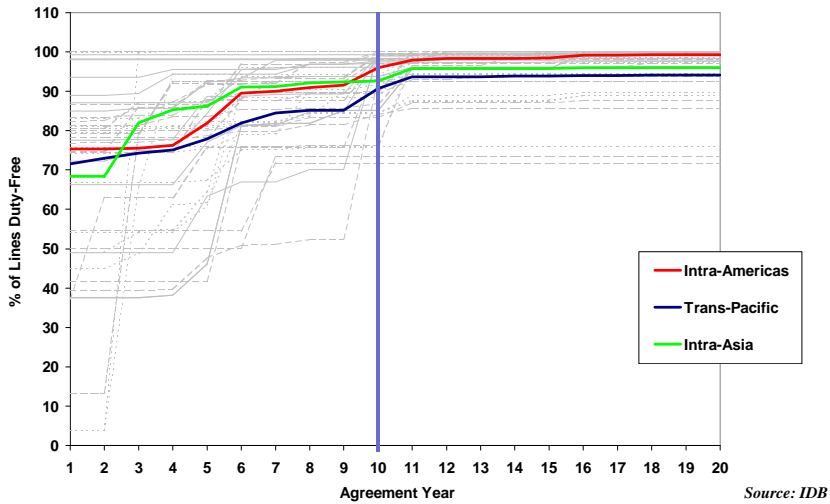
Tariff Liberalization in APEC's FTAs/RTAs

Distinct Approaches to liberalization in 30 APEC RTAs



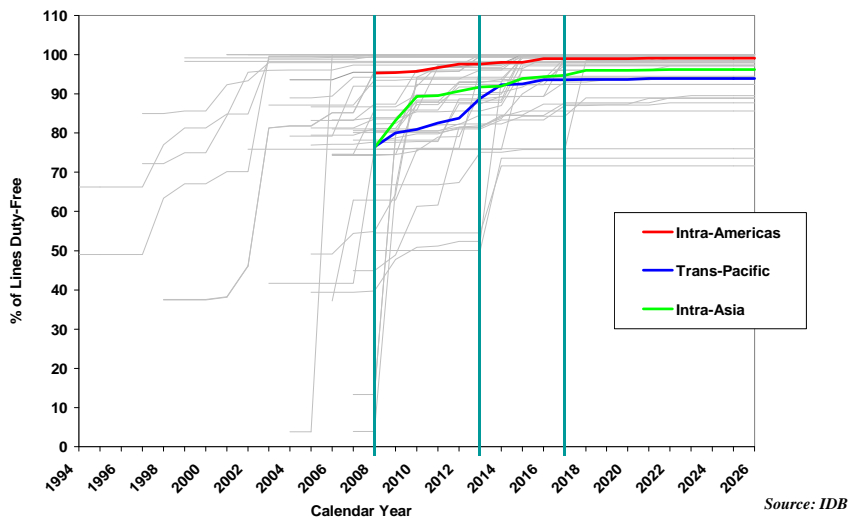
But Getting to Same Results: > 90% lines freed by yr 10

% of Lines Liberalized in APEC RTAs, by Region

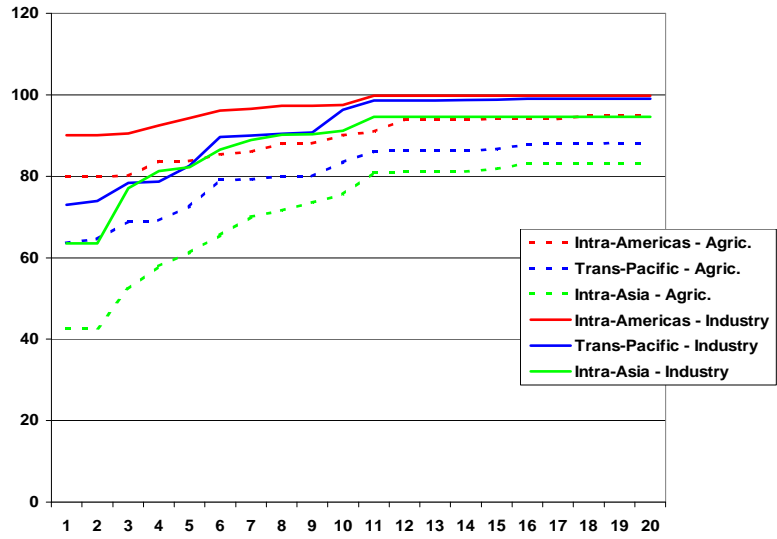


“Real Time” Liberalization: > 90% lines freed by 2013; > 95% by 2017

% of Lines Liberalized in APEC RTAs, by Region



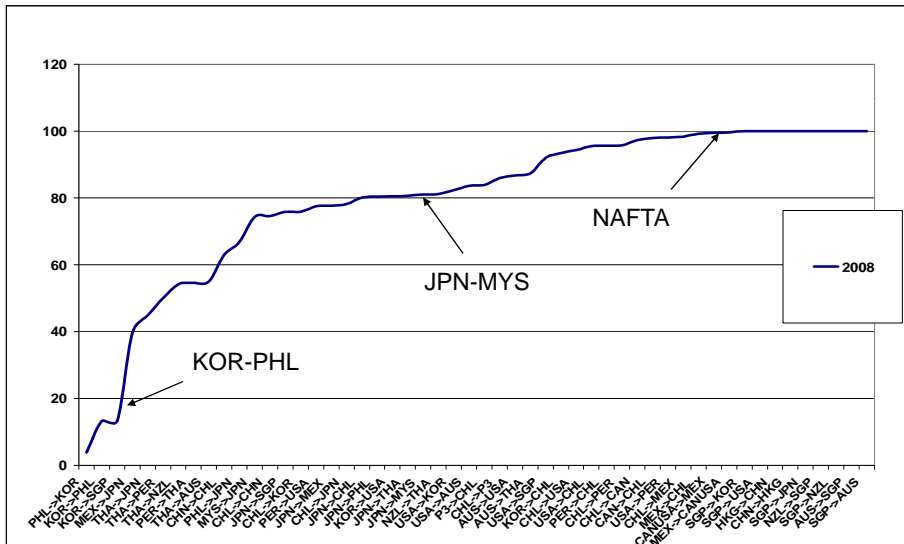
Laggards in Liberalization: Agriculture trails industry



Source: IDB

APEC FTAs liberalization state of play, 2008

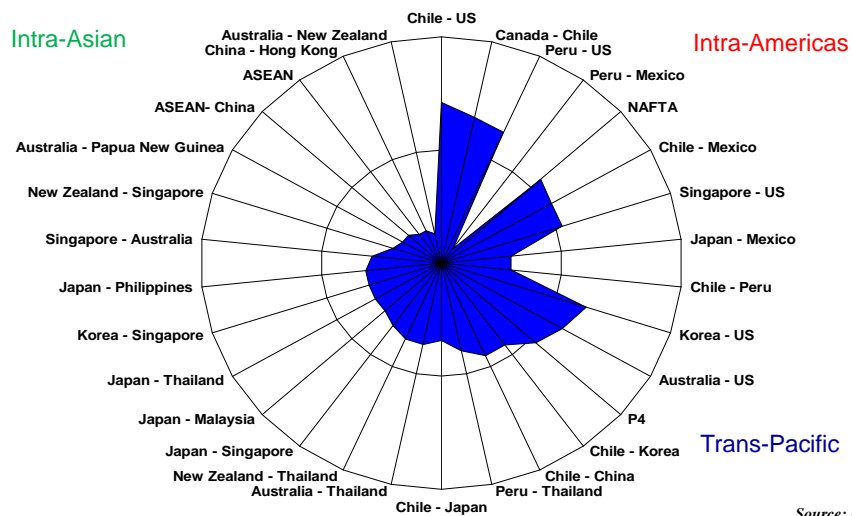
% of product items free by 2008, by bilateral RTA relation



General Market Access Disciplines in APEC's FTAs/RTAs

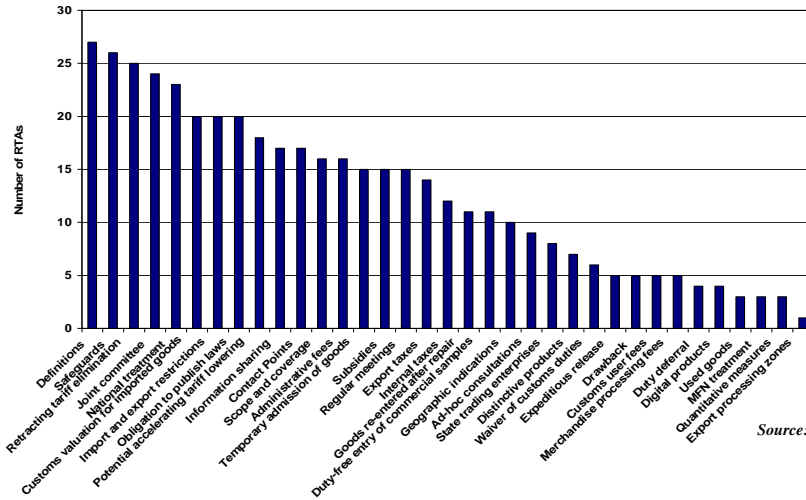
Coverage of Market Access Provisions varies across FTAs...

Coverage of 40 general market access provisions, by FTA



...and widely across provisions

FTAs' Coverage of Selected Market Access Disciplines



Source: IDB

Important! Little Variation in Substance

Convergences in Rules of Origin

Two Broad RoO Families in APEC RTAs

1. NAFTA, NAFTA members' RTAs, trans-Pacific RTAs

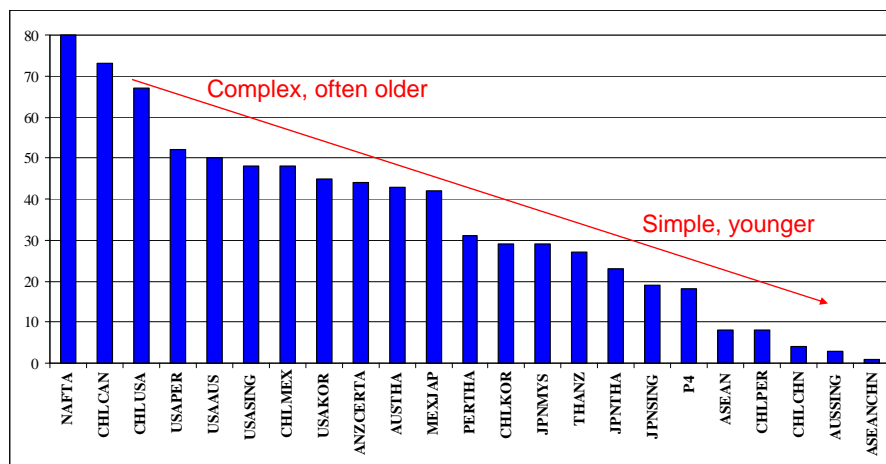
- Rules often different for different products
- Complex: various rule types and combinations, such as change in classification + value content

2. ASEAN, ASEAN-China, Chile-China, Chile-Peru

- Rules often same for all products
- Simple: change in tariff classification or value content

Complexity of RoO in APEC RTAs

Number of RoO Criteria Combinations, by RTA



Source: EHS (2007) based on IDB "Regimenes de Origen de las Americas" Database

