FTAs as a Growth Strategy for Asia

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Status of FTAs in the Asia-Pacific Region

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## Stock take of FTAs

<table>
<thead>
<tr>
<th>Country</th>
<th>On-Going Negotiations</th>
<th>Concluded</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia</td>
<td>China, GCC, India, Japan, Korea, Indonesia, RCEP and TPP</td>
<td>AANZFTA, Chile, New Zealand, US, Malaysia, Singapore and Thailand</td>
</tr>
<tr>
<td>Brunei</td>
<td>RCEP, TPP</td>
<td>AFTA, AJCEP, AKFTA, ACFTA, AIFTA, AANZFTA, Japan</td>
</tr>
<tr>
<td>China</td>
<td>GCC, Australia, Iceland, Norway, SACU</td>
<td>ASEAN, Pakistan, Chile, New Zealand, Singapore, Peru, Costa Rica, Hong Kong (ECER), Macau (ECER),</td>
</tr>
<tr>
<td>Indonesia</td>
<td>RCEP, EFTA</td>
<td>AFTA, AJCEP, AKFTA, ACFTA, AIFTA, AANZFTA, Japan, Pakistan</td>
</tr>
<tr>
<td>Japan</td>
<td>Australia, GCC, Korea, Mongolia, Canada, RCEP</td>
<td>ASEAN, Singapore, Mexico, Malaysia, Chile, Thailand, Indonesia, Brunei, Philippines, Switzerland, Viet Nam, India, Peru</td>
</tr>
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<td>Country</td>
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<tr>
<td>South Korea</td>
<td>Canada, Mexico, GCC, Australia, New Zealand, China, Viet Nam, Indonesia, CJK, RCEP</td>
<td>Chile, Singapore, ASEAN, EFTA, India, EU, Peru, US, Turkey, Colombia</td>
</tr>
<tr>
<td>Malaysia</td>
<td>RCEP, TPP, <strong>EFTA, Turkey, EU</strong></td>
<td>**AFTA, AJCEP, AKFTA, ACFTA, AIFTA, AANZFTA, Japan, Pakistan, New Zealand, Chile, Australia, India</td>
</tr>
<tr>
<td>New Zealand</td>
<td>GCC, Russia-Belarus-Kazakhstan, India, Korea, RCEP, TPP</td>
<td>Hong Kong, Malaysia, AANZFTA, China, P4, Thailand, Singapore, Australia</td>
</tr>
<tr>
<td>Singapore</td>
<td>Canada, Mexico, Pakistan, Ukraine, RCEP, TPP</td>
<td>**AFTA, AJCEP, AKFTA, ACFTA, AIFTA, AANZFTA, Japan, Australia, China, Jordan, India, Korea, New Zealand, Panama, Peru, EFTA, US, P4, Costa Rica, GCC, EU</td>
</tr>
<tr>
<td>Viet Nam</td>
<td>RCEP, TPP, EU,</td>
<td>**AFTA, AJCEP, AKFTA, ACFTA, AIFTA, AANZFTA, Japan,</td>
</tr>
</tbody>
</table>
TRANS-PACIFIC PARTNERSHIP

- A free trade agreement that aims to further liberalise the economies of the Asia-Pacific region.
- Negotiations commenced in March 2010.
- Current Membership: Australia, Brunei, Canada, Chile, Malaysia, Mexico, New Zealand, Peru, Singapore, United States and Viet Nam.
SCOPE AND STRUCTURE OF THE NEGOTIATIONS

TRADITIONAL AREAS
• GOODS
• RULES OF ORIGIN
• SPS
• TBT
• CUSTOMS
• TRADE REMEDIES
• SERVICES
• TELECOMMUNICATIONS
• E-COMMERCE
• INVESTMENT
• NCMs
• COOPERATION AND CAPACITY BUILDING
• LEGAL AND INSTITUTIONAL

NEW AREAS
• GP
• COMPETITION
• IPR
• LABOUR
• ENVIRONMENT
• FINANCIAL SERVICES
• SOEs

TPP 21ST CENTURY
• REGULATORY COHERENCE
• COMPETITIVENESS AND BUSINESS FACILITATION
• SME
• DEVELOPMENT

20 Working Groups
Covering 29 Chapters
STATUS OF NEGOTIATIONS

• 15 Rounds of Negotiations concluded.

• Negotiations have been concluded on:
  • Section A: Pure Competition;
  • Cooperation and Capacity Building; and
  • Small and Medium Enterprises (SMEs)

• TPP Leaders have instructed for the negotiations to be concluded in 2013.

• More progress in text negotiations than market access

• Difficult areas – SOEs, IPR, Labour, Environment
Key Features of TPP

• HIGHER COMMITMENTS

• COMPREHENSIVE LIBERALISATION
  – Wider Coverage
  – Deeper Commitments

  NO EXCLUSIONS

• SERVICES AND INVESTMENT – Negative List
  – Greater Transparency
  – Pro-liberalisation Dynamic
  – New Services – Automatically Liberalised

• WTO PLUS
TPP – INTELLECTUAL PROPERTY RIGHTS

Rights of IP Holders

INNOVATION

Transfer of Technology

Rights of Consumers

INVENTION

Longer Copyright Protection

Late Entry of Generics

Higher Cost of Medicines
Freedom of Association
No Discrimination
No Forced Labour
Regulatory Coherence – Behind the Border

- **Not Regulatory Harmonisation**
- **Introducing Good Regulatory Practices**
  - Extensive Consultations
  - RIAs
  - Internationally Accepted Best Practices
  - Central Coordination
COMPETITIVENESS AND BUSINESS FACILITATION

- Looking into Supply-Chains
  - Consultations with “interested persons”
  - Continuous Review
- Benefit – Ensuring TPP members are part of the Regional and Global Supply Chain
SMEs

• Integrating SMEs into the Global Supply Chain
  – Address access to information
  – Committee to be established to:
    • Identify ways to assist SMEs to take advantage of
      the opportunities
    • Explore opportunities for Capacity Building
    • Facilitate development of programmes to assist
      SME integration into the Global Supply Chain
Regional Comprehensive Economic Partnership (RCEP)

- Launched – November 2012 at ASEAN Summit
- An ‘alternative’ to ASEAN+3 and ASEAN+6
- Deeper integration of ASEAN and FTA partners
- 40% of global trade; 47% of global population
- Initial coverage – Goods, Services and Investment. IPR, competition and eco-tech to be included
- S&D for CLMV
- Discussion on scope - end February 2013
- Target completion – 2015
Thank you