

Asian FTAs in Progress - An introduction to EAFTA, CEPEA and TPP

Gary Hawke

Emeritus Professor, Victoria University of Wellington &
Senior Fellow, NZ Institute of Economic Research

Under Economic Crises, how Asia should and could promote further
economic integration

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Gatt Rounds

- 1947 Geneva tariffs
- 1949 Annecy tariffs
- 1951 Torquay tariffs
- 1956 Geneva tariffs
- 1960-61 Geneva (Dillon Round) tariffs
- 1964-67 Geneva (Kennedy Round) tariffs and anti-dumping measures
- 1973-79 Geneva (Tokyo Round) tariffs, non-tariff measures, framework agreements
- 1986-94 Geneva (Uruguay Round) tariffs, non-tariff measures, rules, services, intellectual property, dispute settlement, textiles, agriculture, creation of WTO, etc

Economist 3 October 1998

Trade Negotiators explaining preoccupation with tariffs

- What are you looking for?
- I dropped my car keys.
- Did you drop them near this lamp-post?
- No, I dropped them over there, but the light is better here.

- any region-wide agreement is likely to be a set of linked agreements covering a wide agenda and with variable membership and clear criteria for new accessions.

A world without Rounds?

- most favoured nation concept
- single undertaking

TPP

- high quality comprehensive agreement among Brunei, Chile, New Zealand and Singapore,
- Australia, Peru, United States and Vietnam indicated interest in talks about accession
- Vehicle for Free Trade Area of the Asia

CEPEA and EAFTA

- CEPEA Track 2 study:
 - (a) CEPEA's objectives and structure be reaffirmed at the Leaders' level so that a solid foundation for the development of CEPEA initiatives can be shared among member countries.
 - (b) Discussions be commenced immediately among the governments of the member countries on concrete steps to realize CEPEA, as a comprehensive framework which includes cooperation, facilitation, and liberalization. These steps should include an institutional development aspect, where inputs from the private sector and experts are weighed adequately.
 - (c) The scope of the discussions should include stocktaking of cooperation measures and implementing status of existing ASEAN+1 FTA/EPAs, practical issues on trade such as streamlining of procedures and harmonization of ROOs, and a concrete timeframe for future governmental negotiation and implementation of cooperation, facilitation and liberalization measures."
- At a recent Bangkok meeting of Trade Ministers, it was decided to recommend four working groups of officials to consider EAFTA and CEPEA together. i.e. that the two should be dealt with in parallel. There will no doubt be further debate before and at the forthcoming Leaders' meeting

Conclusion

A region-wide FTA, in the sense of a set of linked agreements with variable but open membership and dealing with the modern wide agenda of economic liberalization is a means of attracting understanding and use by firms, a vehicle for addressing the noodle bowl by diminishing the salience and size of preferences in market access, promotes coverage of agriculture, and facilitates progress on WTO+ elements. It can be achieved by management of multiple initiatives.