

## Outcome of the 4<sup>th</sup> Round Negotiations and the Importance of Capturing Preferential Trade Data

**APTA BUSINESS FORUM**  
KCCI, Seoul, Republic of Korea  
19-20 March 2015

**Rajan Sudesh Ratna**

Economic Affairs Officer

APTA Unit

Trade and Investment Division

[ratna@un.org](mailto:ratna@un.org)



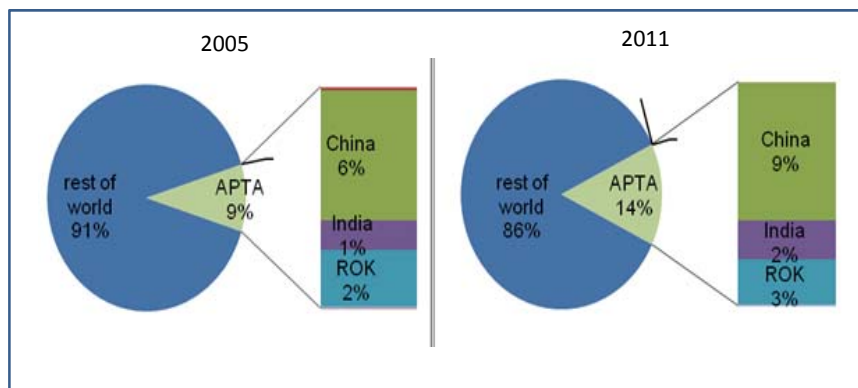
## APTA – stages of preferences

- Oldest PTA of the Asia and the Pacific for the developing countries.
- The first round of negotiations was concluded in 1975. at the early development of the agreement, coverage of tariff concession lists were very narrow.
- The second round of negotiations , held between 1984 and 1990, resulted in tariff concessions being exchanged on 438 items, plus special concessions to Bangladesh on 63 items.
- The third round of negotiations was held from 2001 to 2005. The outcome from 1,721 to 4,270 and a deepening of average margin of preference from 22% to 27%. The special concession to LDCs was increased from 112 to 587, and the margin of preference on these increased from 39% to 59%.
- The fourth round of negotiations was initiated after the Second Ministerial in 2007. Now concluding amongst the PSs and accession of Mongolia is also taking place.



## Trade among APTA members( After 3<sup>rd</sup> Round )

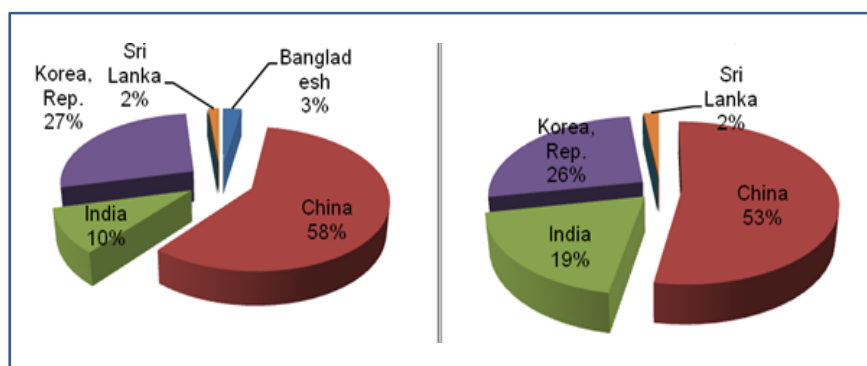
Comparison of APTA members shares of imports from APTA members and from the rest of the world



Source: Authors compilation on the basis of WITS database; the data for Lao PDR and Bangladesh were not available for 2011.

## Intra trade among APTA members( After 3<sup>rd</sup> Round )

Breakdown on intra-APTA imports in 2005 and 2011



Source: Authors compilation on the basis of WITS database; the data for Lao PDR and Bangladesh were not available for 2011

### Glimpse of 4<sup>th</sup> Round concessions under APTA

Concession Offering Country	After Third Round				Fourth Round HS2012			
	No. of Products	MOP (%)	No. of Products for LDCs	MOP for LDCs(%)	No. of Products	MOP (%)	No. of Products for LDCs	MOP for LDCs(%)
Bangladesh	209	14.1	-	-	598	21.763	4	27.5
China	1,697	26.7	161	77.9	2191	33.09	181	79.58
India	570	23.9	48	39.7	3334	34.55	48	65.48
Rep of Korea	1,367	35.4	306	64.6	2796	33.36	951-BLD 941-LAOS	94.46-BLD 94.22-LAOS
Sri Lanka	427	14.0	72	12	584	22.21	75	18.17
Lao PDR	-	-	-	-	999	30.17	-	-
Mongolia	-	-	-	-	366	24.18	-	-
Total	4,270	27.20	587	59.8	10,868	31.83	1259 1249	83.96 83.70

NOTES: (1) Margin of Preference(MoP) is the percentage of applied MFN tariff to be exempted, estimated as a sample average of all the items under concession.

(2) The 4<sup>th</sup> round concession result is based on HS2012.



### Expanded coverage of concession (including special concessions)

(% of 2003 total imports)

APTA Member	Before the 3 <sup>rd</sup> Round	After the 3 <sup>rd</sup> Round
Bangladesh	0.9	4.4
China	12.0	62.6
India	1.2	15.9
Lao PDR	-	-
Rep. of Korea	2.5	33.6
Sri Lanka	3.2	10.8

Source: ESCAP Secretariat



## Why preferential data?

- Success of PTA is determined by the preference utilisation.
- How much trade is happening under APTA??
- Evaluation??
- Facilitation among the exporters – only if credible data is available.
- NTBs – how to address without data?
- Preferential safeguard measures?



## The need

- The 4<sup>th</sup> round of negotiations is under conclusion with more than 10000 items covering almost 32% of intra APTA imports.
  - No appropriate data about the preference utilization for APTA.
  - No exchange of data taking place.
- Reliable trade statistics for APTAs is essential to measure the impact of preferential trade on economic growth for both importing and exporting Participating States.
- Within APTA the Participating States' Customs are at different levels of development and thus follow different procedures.
- A pilot Program on assessing the preference utilization in APTA was done for Korea and China and it was suggested to expand this to other APTA Participating States.



## Other obligations

- **WTO – RTA transparency – General Council Decision of 14 December 2006 (WTO Document WT/L/671 dated 18 December 2006:**
  - Participating States would need to notify to WTO after conclusion of 4<sup>th</sup> Round – last three years data too (which includes 3<sup>rd</sup> round concessions).
  - Mongolia's accession – to be notified.



## Road ahead

- **Assess the need for having the preferential trade data – also in the context of multiple PTAs within the PSs of APTA in different agreements.**

预览已结束，完整报告链接和二维码如下：

[https://www.yunbaogao.cn/report/index/report?reportId=5\\_4295](https://www.yunbaogao.cn/report/index/report?reportId=5_4295)

