Likely Outcome of the 4th Round and the Importance of Preferential Trade Data

APTA BUSINESS FORUM New Delhi, India 13-14 November 2014

Rajan Sudesh Ratna Economic Affairs Officer APTA Unit

Trade and Investment Division

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.

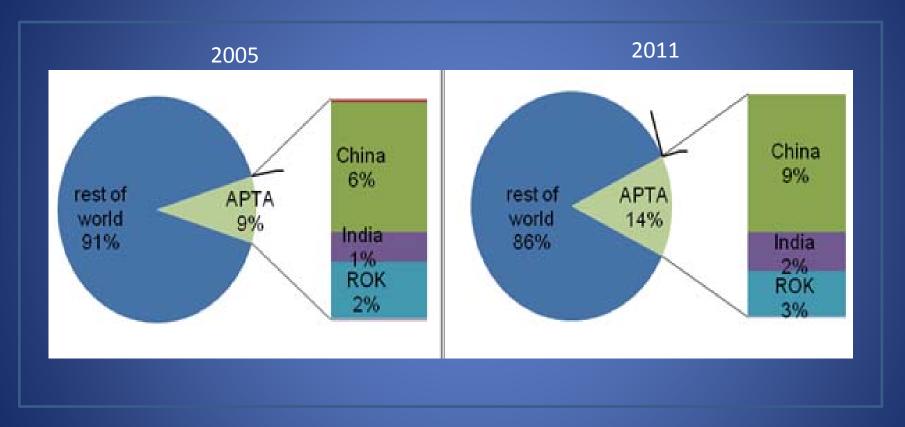






Trade among APTA members (After 3rd Round)

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.

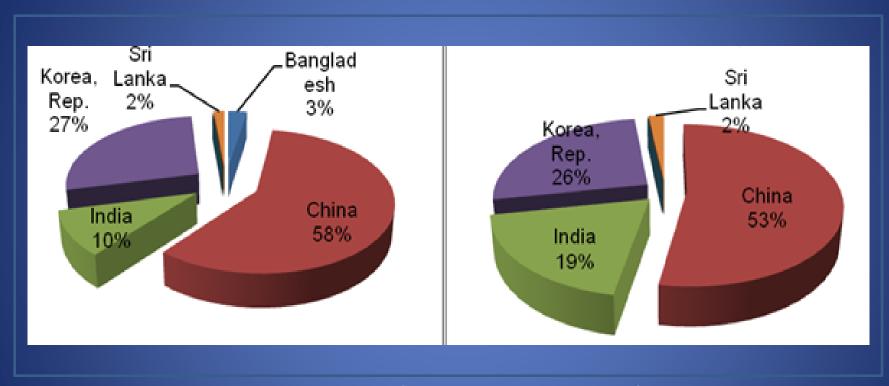






Intra trade among APTA members (After 3rd Round)

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 4th 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 4th round concession result is based on HS2012.







Expanded coverage of concession (including special concessions)

(% of 2003 total imports)

APTA Member	Before the 3 rd Round	After the 3 rd 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

of negotiations is under conclusion with more ems covering almost 32% of intra APTA imports. data about the preference utilization for APTA. data taking place.

e statistics for APTAs is essential to measure the eferential trade on economic growth for both d exporting Participating States.

the Participating States' Customs are at els of development and thus follow different

ram on assessing the preference utilization in ne for Korea and China and it was suggested to o other APTA Participating States.





