

**PECC Trade Forum Report to APEC CTI
CHIANG RAI, THAILAND
16-17 FEBRUARY 2003**

1. Regional Trading Arrangements

PECC has a two-year work program on RTAs/FTAs which will conclude in September this year at the PECC General Meeting in Brunei on 1-3 September.

2. PECC has brought together some of the region foremost experts on RTAs/FTAs in this project and is also working closely with a range of other organizations, including the Inter-American Development Bank. PECC believes that it is important for the region to learn from the North American and Latin American experience which is far more extensive than that in the Western Pacific.

3. The aim of the PECC contribution is to:

- analyze the developments of RTAs in the APEC region and enhance understanding of these developments and their implications
- develop a set of “principles” or a set of conditions under which RTAs would be consistent with the APEC vision of bridging both sides of the Pacific region.

4. Three meetings have already been conducted: Bangkok, June 2001 (in cooperation with the Thai Ministry of Commerce); Lima, May 2002; Vancouver, November 2002.

5. Three more sets of meetings are planned :

Washington DC, April 22 and 23 – full-day meeting organized by PECC and the Institute of International Economics and half-day meeting organized jointly by PECC and the Inter-American Development Bank,

Phuket, May 25 – Full day meeting organized by PECC back-to-back with the APEC Studies Centers Consortium meeting

Brunei, Sept – Final meeting and release of PECC work on RTAs/FTAs.

6. The preliminary programs of these meetings and a summary of issues are available at in the links at <http://www.pecc.net/trade/rtas.htm>

Contribution to the SOM Trade Policy Dialogue on RTAs/FTAs

7. PECC will be in a good position to contribute substantively to the SOM TPD at SOM II.

Agenda Item 6: Agency Reports

8. PECC can contribute two resource papers: one on the state of play of RTAs/FTAs in the region and one issues or priorities paper. These two papers would bring together the work of PECC's five meetings and substantive analysis. They would reflect the perspectives of experts from throughout the APEC region.

2. Update on Impediments to Trade and Investment

9. PECC has been updating its work on impediments to trade and investment, Work has been completed on services and non-tariff measures and some members would have seen this work, which has been shared with ABAC.

10. PECC is now finalizing its work on investment and on tariffs. The investment section uses information from the APEC Investment Guidebook, and considers the advancements APEC economies have made in removing impediments.

11. We are aiming to have these reports and an overview available for APEC before SOM II in May and the MRT.

3. Trade and Investment in APEC and the WTO

12. PECC has project groups on five areas in which APEC has a major stake in the WTO: investment, competition, trade facilitation, agriculture and services.

13. These groups will aim to produce quality analysis that will assist in identifying ways forward in both the WTO and APEC that take maximum advantage of the respective strengths of the two processes to promote the multilateral and regional trade and investment objectives of APEC members.

14. The trade facilitation project group will focus, among other issues, on measurement issues associated with the target set by Leaders on the reduction of transactions costs. It has begun working with APEC Auto Dialogue and has proposed a project which would build upon the work already undertaken by the Dialogue on trade facilitation.

15. The work programs on services, competition and trade facilitation are available at <http://www.pecc.net/trade/tiwa.htm>