

# FTTAP, AN OUTLOOK

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FTAAP: ASIA PACIFIC ECONOMIC INTEGRATION BY  
2020 AND BEYOND

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# THERE SHOULD BE AN FTTAP ?

- A CONSISTENT GROWTH IN TRADE IN THE ASIA PACIFIC REGION IS THE ONLY WAY TO MAINTAIN ECONOMIC DEVELOPMENT AND BETTER SOCIAL EQUALITY IN THE AREA.
- ACCORDING TO CONSERVATIVE ESTIMATES, WITH AN FTAAP, THE INCREASE IN TRADE IN THE ASIA PACIFIC REGION BY 2025 WILL BE OF 1.3 TRILLION US DOLLARS.
- HOWEVER, THIS BOOST IN THE GROWTH IN THE REGION SHOULD BE COMPLEMENTED WITH INTERNAL AND REGIONAL MEASURES IN ORDER TO IMPROVE INCOME DISTRIBUTION AND A BETTER SOCIAL BALANCE.
- SOME EXPERTS ARGUED THAT A BETTER OPTION NOW IS TO DIVERSIFY TRADE, INSTEAD OF CREATE NEW TRADE. THIS POSITION DOES NOT CONSIDER THAT THE DYNAMICS OF INTERNATIONAL ECONOMICS, THAT WITH OR WITHOUT AN FTAAP, IS CREATING NEW TRADE, ESPECIALLY IN SERVICES AND IPRS. AS SUCH, THE RIGHT ALTERNATIVE IS TO CREATE AN ORDERLY PATH FOR THIS NEW TRADE TO GROW.

# SHOULD THE FTAAP BE THE IMAGE OF THE ORIGINAL BOGOR GOALS?

- BY 2015 AN FTAAP SHOULD HAVE A VERY HIGH LEVEL OF AMBITION. THE PLURILATERAL TRADE NEGOTIATIONS THAT HAVE BEEN TAKING PLACE IN THE ASIA PACIFIC IMPOSE THAT RAISING OF THE EXPECTATIONS.
- THE ORIGINAL BOGOR GOALS MAY BE SURPASSED BY SOME APEC COUNTRIES IF WE CONSIDER THE MOST RECENT TRADE INITIATIVES IN THE REGION. I.E. TPP OR THE PACIFIC ALLIANCE. THAT MAY CREATE DIFFERENT TRACKS TO ADDRESS TRADE IN THE REGION.
- NOWADAYS THERE SHOULD BE SERIOUS CONSIDERATION IN ORDER TO COMPLEMENT THE BOGOR GOALS WITH A NEW GENERATION NEGOTIATION. THAT MAY INCLUDE NEW ISSUES, OTHERWISE THE OBJECTIVE MAY BECOME OBSOLETE OR EVEN IRRELEVANT BEFORE BEEN ACHIEVED.
- THE TIMEFRAME OF THE BOGOR GOALS, 2020, SHOULD NOT BE CONSIDERED AN UNTOUCHABLE ICON. IT IS BETTER TO CONCENTRATE IN THE AMBITION OF THE NEGOTIATION.

# WHAT SHOULD BE THE CONTENT OF AN FTAAP?

- ✎ • THERE SHOULD BE CONSIDERATION NOT ONLY OF THE TRADITIONAL ELEMENTS INCLUDED IN FREE TRADE AGREEMENTS, BUT ALSO THE ITEMS OF THE NEW TRADE AGENDA.
- ✎ • THAT MAY MEAN THE INCLUSION OF SUBJECTS SUCH AS:
  - ✎ 1. STATE ENTERPRISES
  - ✎ 2. E-COMMERCE
  - ✎ 3. LABOUR
  - ✎ 4. TEMPORARY ENTRY OF WORKERS AND BUSINESS PEOPLE
  - ✎ 5. TELECOMM
  - ✎ 6. FINANCIAL SERVICES
- ✎ • AN AGREEMENT WITH JUST THE TRADITIONAL COVERAGE MAY NOT BE OF INTEREST FOR SOME 12 APEC MEMBERS WHICH ALREADY ADOPTED HIGHER STANDARDS RELATED TO NEXT GENERATION SUBJECTS.



# TPP - FTAAP –CHINA

- ✧ FOR CHINA THE TPP INCENTIVATES THE NEED FOR A FTAAP: THE NEED THAT RULES FOR GLOBAL ECONOMY WILL BE EVENLY ESTABLISHED.
- ✧ SOME COUNTRIES OF ITS AREA OF INFLUENCE ARE IN THE TPP, THAT SHOULD MOTIVATE CHINA TO COME WITH CONSTRUCTIVE ALTERNATIVES (FTAAP).
- ✧ TPP IS THE NEW BENCHMARK FOR BEST PRACTICES AND ECONOMIC REFORM.
- ✧ THE BILATERAL INVESTMENT TREATY CHINA – USA MAY BE THE PATH FOR CONVERGENCE IN TRADE, AFTER TPP USA APPROVAL.

# WHAT ARE THE BASIC CONDITIONS FOR A SUCCESSFUL FTAAP?

- WE SHOULD ASSUME THAT THERE IS AN EVOLUTION FROM THE TRADITIONAL IDEA OF PUTTING SOME ORDER IN THE "SPAGHETTI BOWL".
- AS OF 2015 WE HAVE A NEW RECIPE: TO AIM FOR THE COOKING OF A BIG "LASAGNA DISH", WITH VERY-SOPHISTICATED AND NEW PRODUCTS, BUT WITH A SINGLE FORM AND CONTENT.
- THERE MAY BE REASONABLE TIME OF COOKING OR TRANSITIONAL PERIODS FOR THE ECONOMIES WITH A LESSER LEVEL OF DEVELOPMENT, BUT AT THE END THE FINAL OBJECTIVE SHOULD BE THE SAME FOR ALL, LASAGNA FOR EVERYBODY.
- AND TO CONCLUDE...AS IN EVERY GOOD "LASAGNA" COOKING THERE MAY BE DIFFERENT INGREDIENTS FOR THE RECIPE, BUT TWO ELEMENTS ARE ESSENTIAL, PASTA AND CHEESE. LIKEWISE, IN THE FTAAP THERE ARE TWO INGREDIENTS THAT WE CAN NOT MISS: USA AND CHINA, WITHOUT THEM WE CAN NOT COOK THE "LASAGNA".