APPENDIX 5 | 5-1

Addressing Barriers to Trade and Investment in the Context of Global Value Chains: Increasing Transparency of Measures Affecting Exports

Scope and Reporting Method

CTI

Submitted by the United States Co-Sponsored by Japan

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The Committee on Trade and Investment (CTI) endorsed the proposal *Addressing Barriers to Trade and Investment in the Context of Global Value Chains: Increasing Transparency of Measures Affecting Exports* in 2015. According to the proposal timeline, in 2016 Economies are to explore the scope of which types of measures affecting exports to report, as well as the reporting method. The CTI asked the MAG to explore these issues, and initial discussions were held at 2016 MAG 1.

The Osaka Action Agenda notes that NTMs include quantitative export restrictions, export levies, discretionary export licensing, voluntary export restraints, and export subsidies. However, export subsidies are the only export measure explicitly included in the NTM categories to be reported in Individual Action Plans¹. Furthermore, while the WTO has since 2012 implemented a more robust notification procedure for quantitative export restrictions (including the possibility of reverse notifications), the WTO Committee on Market Access has noted that there continues to be inadequate submissions from Members.

Proposal:

Scope:

In order to provide maximum transparency to producers, investors, and traders within APEC, we believe that Economies should report a broad scope of measures. We therefore propose that the following types of measures be included in Economies' reporting:

- Export subsidies (already subject to reporting in IAPs);
- Export duties and taxes, indicating rates and to which products the duties or taxes apply, if possible according to HS codes;
- Quantitative export restrictions applied on an MFN basis (not those implemented bilaterally or as a result of a bilateral agreement);

¹ Perceptions on the Use of Non-Tariff Measures Within the APEC Region, APEC Policy Support Unit, June 2014, pp. 11-12. <u>http://publications.apec.org/publication-detail.php?pub_id=1531</u>.

• Products (if possible identified by HS code) subject to export licenses and export licensing procedures.

We note that quantitative restrictions and export licenses are already subject to reporting to the WTO. Nevertheless, making such information readily available in one place will enhance transparency and reduce burdens for economic operators. To minimize burdens on Economies, we propose that if an Economy has provided such information to the WTO, then it need only provide a link to the respective document on the WTO's webpage. In the same way, if Economies already make this information available on a domestic website, a link to that website would be sufficient. Economies would agree to check the continued accuracy of their links annually and update them if necessary.

Reporting Method

• Given the endorsement and establishment of the APEC Trade Repository (APECTR) as a "one stop shop" for accessing Economies significant trade-related measures, we propose that these categories of measures be added to the APECTR. Economies would provide relevant links to information on their respective export measures as part of their APECTR submissions.

Timeline:

- MAG 1 2016 Initial discussions of scope and reporting method
- MAG 2 2016 Discuss proposal for scope and reporting method, approve for transmittal to CTI for endorsement
- CSOM 2016 Endorse the proposal
- 2017 Begin reporting of measures affecting exports