

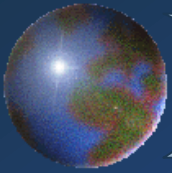
The Role of an FTAAP in the Future Asia-Pacific Partnership

By Liu Chenyang

Director of APEC Study Center of Nankai University

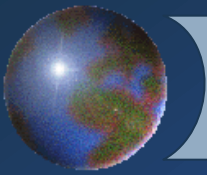
Vice Chair of CNCPEC

May 2017



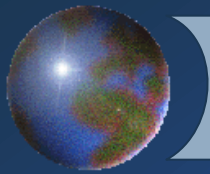
Inner Relation between an FTAAP and Asia-Pacific Partnership

- ❖ An FTAAP will play a key role in maintaining and enhancing the cohesion and solidarity of Asia-Pacific regional cooperation process in the future;
- ❖ The sense of community of shared destiny and interests should be the core of Asia-Pacific partnership.



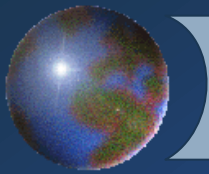
FTAAP as a Top-Level Design to Promote Asia-Pacific REI

- ❖ The current process of Asia-Pacific REI is mainly promoted by FTAs in different tracks. It has achieved a kind of balance with a unique mutual incentive and competitive relationship among different tracks. However, the balance is not stable but somewhat fragile;
- ❖ A top-level design is needed to promote Asia-Pacific REI in a region-wide scope under a single comprehensive framework;
- ❖ The establishment of an FTAAP is a necessary and rational choice. It will fundamentally solve the “Spaghetti Bowl” problem and create a new landscape of Asia-Pacific REI process in the “post Bogor Goal era”.



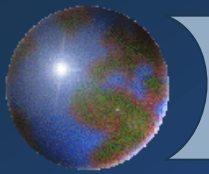
FTAAP's Economic Welfare

- ✦ Pouring new vigor to the Asia-Pacific economy, which will then give stronger impetus for a full recovery and sound growth of the world economy in the long run;
- ✦ Better complying with the trend of Global Value Chains cooperation;
- ✦ Making significant contribution to the WTO's multilateral trading system;
- ✦ Bringing a 4%-5% increase of GDP in the Asia-Pacific region and 2% of world total GDP.



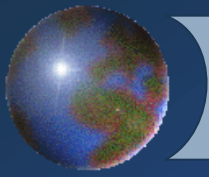
Contents and Features of the FTAAP

- ❖ An FTAAP may not be a traditional free trade agreement, but a more inclusive agreement covering more areas such as next generation trade and investment issues, facilitation and connectivity issues, and development issues;
- ❖ An FTAAP could become a comprehensive and effective platform not only to promote the Asia-Pacific economic integration process, but also contribute a lot to global economic governance.



Contents and Features of an FTAAP

- ❖ To embody the spirit of partnership, an FTAAP should be open in nature, attempting to achieve comparatively high-standard and comprehensiveness;
- ❖ An FTAAP should develop in parallel with APEC. They will form a kind of complementary relationship;
- ❖ In the long term, APEC plus FTAAP will form the basic framework of an Asia-Pacific Community.



Thank you

Liu Chenyang

APEC Study Center of Nankai University

Boling Building 408, Nankai University, Tianjin China, apecliu@sina.com