

FTAs: Opening Doors for SMEs

*Trade Tools and Resources to help SMEs
take better advantage of FTAs*

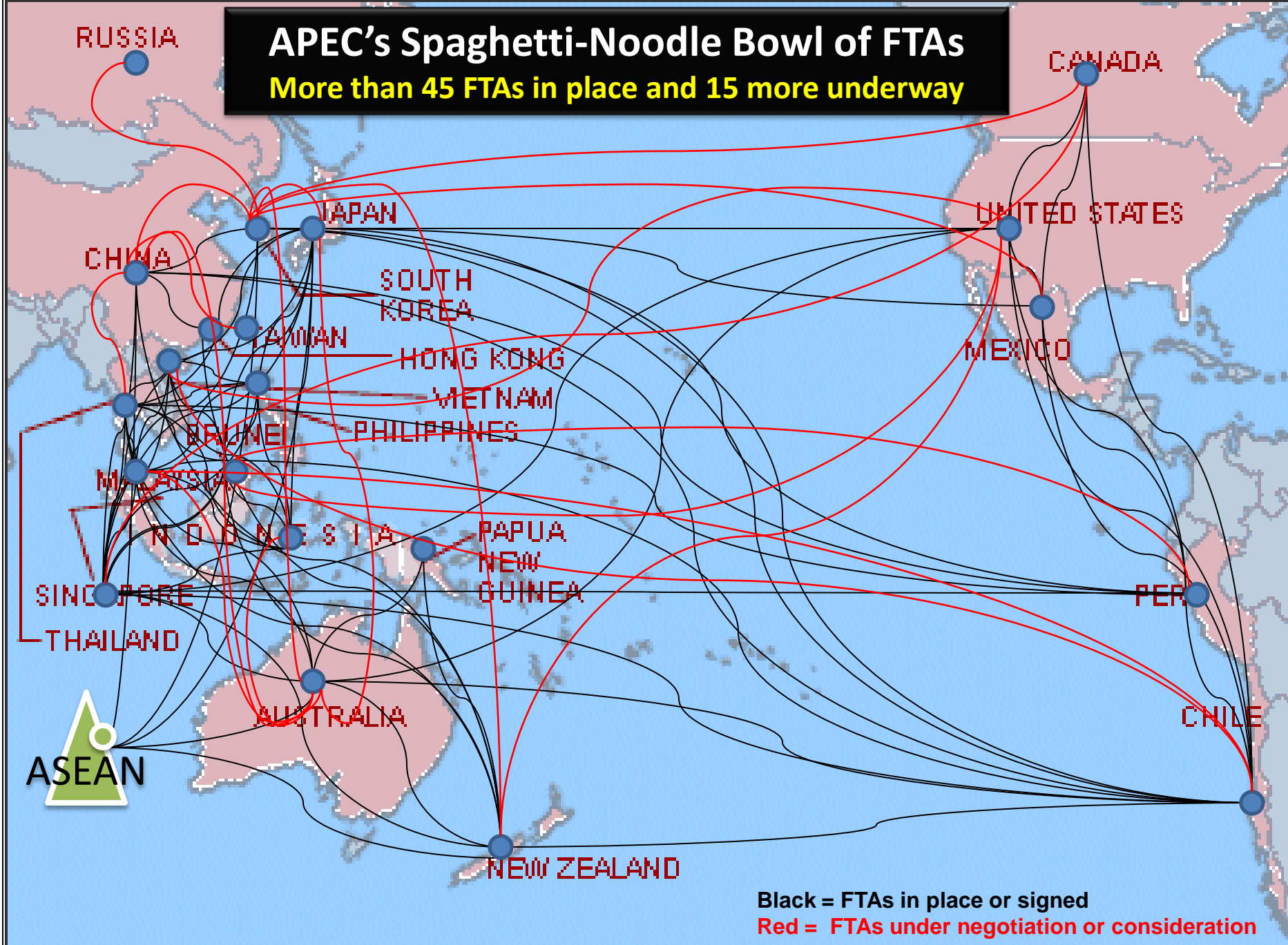
**2011 ABAC SME Symposium
10 November 2011
Honolulu, Hawaii**

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APEC's Spaghetti-Noodle Bowl of FTAs

More than 45 FTAs in place and 15 more underway



Black = FTAs in place or signed
Red = FTAs under negotiation or consideration

What is a Free Trade Agreement Audit?

An FTA Audit is a comprehensive internal review of:

1) exports of finished goods to overseas customers
and

2) imports of inputs from international suppliers

in order to determine if **tariff savings** as a result of FTAs
are being fully realized
or
can be realized in the future.



FTA Tariff Resources

Where to find FTA Tariffs and ROO

CURRENT TRADE TOOLS

United States

- Commerce's FTA Tariff Tool:

<http://export.gov/fta/ftatarifftool/TariffSearch.aspx>

Other APEC Member Economies

- APEC WebTR Portal:

<http://www.apec.org/Groups/Committee-on-Trade-and-Investment/Rules-of-Origin/WebTR.aspx>

FUTURE TRADE TOOLS ???

Searchable, Online Tariff Database for APEC SMEs

- Recommended by the ABAC to enhance transparency and support increased export opportunities for SMEs.
- Public-private partnership to allow no-cost access would provide SMEs with same tools & resources that MNCs enjoy.

FTA Audit Findings:

Example of Tariff Analysis and Opportunities

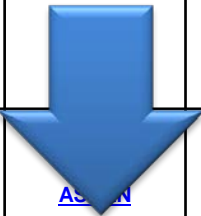
		Importing Markets Applying Tariff							
		Asia					Americas		
		Japan	Korea	Malaysia	Thailand	Vietnam	Chile	Mexico	Peru
Non-Preferential Rate		24%	8%	15%	30%	25%	6%	20% + US\$ 0.36/kg	6%
Exporting Countries	Australia	24%	8%	5% Free in 2012 AANZFTA	Free TAFTA ----- 7% Free in 2013 AANZFTA	25% 20% in 2013 15% in 2014 10% in 2015 7% in 2016 5% in 2017 3% in 2019 Free in 2020 AANZFTA	Free Australia-Chile	20% + US\$0.36/kg	6%
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	Philippines	24% (excluded from ASEAN-Japan)	Free ASEAN-Korea	Free ASEAN	Free ASEAN	5% thru 2013 ASEAN	6%	20% + US\$0.36/kg	6%
	United States	24%	8% / 6.4% 4.8% in yr 2 3.2% in yr 3 1.6% in yr 4 Free in yr 5 US-Korea	15%	30%	25%	Free US-Chile	Free NAFTA	Free US-Peru

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Focus on exporting from the United States to 8 APEC member economies.



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If exporting to one market in a region, consider exporting to more FTA partners in that region.

3 duty-free APEC markets

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	Multiple sourcing options				30%				
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Knowing FTAs in place offers importers alternatives to source goods.

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Tariff Phase-Outs

Knowing future tariff reductions informs strategic planning.