

Dynamics of Economic Integration in Asia Pacific: from Multilateralism to Regionalism to Bilateralism

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Abstract

With its dynamic economy and rich cultural variety, the Asia Pacific area is fast expanding in importance and is poised to play a key and essential role in the globe as the twenty-first century unfolds. The region's ability and desire to cooperate with one another across a wide variety of activities will be a significant component in its success. In terms of regional economic integration, the Asia-Pacific area has been a late starter. In comparison to North America and Western Europe, Asia's regional economic integration is still in its infancy. Accordingly, this paper explores how economic integration has shaped the Asia – Pacific region during the last 50-60 years by studying the effects of various regional trade agreements on the export volumes of the significant countries of this region. Further, the comparative analysis is undertaken in terms of various clauses or provisions among major regional and bilateral groups in Asia – Pacific. Additionally, the paper will analyze the emerging dynamics of this region focusing on the role played by small Pacific Islands and India in its development. Finally, it is concluded that increasing regional and bilateral trade agreements among Asia Pacific countries are shaping the current scenario of economic integration in this region and also leading to increasing the share of exports volumes among themselves, resulting in economic growth worldwide.

Key words

Economic integration, Free Trade Agreements (FTAs), Regional Trade Agreements (RTAs), Asia – Pacific region (APAC), Export volume

JEL Codes: F15, N75

Introduction

In the 21st century, the Asia Pacific area is poised to play a crucial and significant role in the world, due to its vibrant economy and rich cultural variety. The Asia-Pacific region is enormous, extending to Mongolia in the north, New Zealand in the south, the island nations of Oceania in the east, and Pakistan in the west. It also includes a wide range of topography and climate, from coral reefs to the Himalayas and from tropical to polar regions. Along with its vast geographical area, the region also exhibits a significant amount of historical, cultural, and ethnic diversity, as well as a range of political and economic development stages. The Asia-Pacific area has consistently outperformed other regions in terms of economic growth during the past 20 years, earning the title of “growth center” for the world economy. It is anticipated that it will continue to experience the highest growth rates in the globe and act as the engine of the global economy throughout the upcoming years.

The majority of people on earth live in the Asia-Pacific region. With a combined population of 2.4 billion, China and India are undoubtedly two demographic heavyweights. More than 500 million people live in the ASEAN nations as a whole. The Asia-Pacific area is home to some of the biggest cities on earth. Nine of the twenty major metropolitan regions at the moment are situated in this area. Some of these cities have expanded significantly in size in recent years as a result of significant economic changes and significant rural-to-urban migration.

The Asia-Pacific area represents roughly 37% of the global GDP. Emerging Asia alone, arguably the most dynamic economic region in the world, contributed around 40% to global growth in 2017. In terms of living standards, the Asia-Pacific area as a whole does continue to be diverse. At market rates, mature nations like Australia or Japan, with GDP per capita of USD 42,000 and USD 34,000 respectively, continue to be well ahead. What is remarkable, however, is how the recent surge in growth has helped millions of people living in the Asia Pacific region to escape poverty.

Additionally, this region is economically significant and is home to several economic powers, including the US, China, Australia, India, Singapore, and Taiwan. There are also some well-known ports in this area that are economic hubs. For instance, the port of Shanghai, which exports almost 600 million tons of commodities annually. Along with these economic implications, the Asia Pacific area also serves as the focal point of China and the US's economic competition. Asia Pacific contributes over 43 billion dollars to the shipbuilding sector and accounts for nearly 66 percent of the global market in terms of industrial output.

Moreover, from a purely political standpoint, this region is extremely significant because it is home to the US, China, and Russia, three of the five members of the UN Security Council. The political economy of the international system is significantly impacted by the existence of such economic and political entities. A key factor in its success will lie in

the capacity and willingness of the region's countries to co-operate with one another across a wide range of activities.

Since the 1990s, there has been a significant increase in interest in regional political economics since regions constitute a crucial analytical unit in international relations. A coalition of multiple nations working toward a single objective is referred to as multilateralism. It is a concept that became well-known following World War II, when the objectives of international relations were to promote economic openness, social progress, and collective security. The Asia-Pacific region's post-Cold War international relations stand out for their multilateralism. The founding of the ASEAN Regional Conference (ARF) in July 1994 and the Asia-Pacific Economic Cooperation (APEC) forum in 1989 represent significant turning points in the development of institutions at the governmental level. Along with the development of these formal institutions, the number of multilateral "dialogues" at both official and non-governmental levels has increased dramatically.

The expansion of bilateralism in trade and investment is a key feature of the current situation of economic governance in the Asia Pacific. Major economies in the region are not covered by any regional trade agreements. Instead, a center of international FTA networks has developed as a result of the management of free trade by Asia Pacific countries through bilateral free trade agreements (FTAs). FTAs are by definition binding agreements between two or more nations in which they grant each other preferential treatment in trade, eliminating trade protection among members while retaining each nation's individual tariff system for trade with third parties. In the past ten years, FTAs have gained in popularity.

Over the past four decades, East Asian economies have experienced remarkable growth, spurred by the development of international commerce and foreign direct investment (FDI). Through bilateral and multilateral free trade agreements, they have now advanced toward formal economic integration.

Compared to the Americas, Europe, and Africa, East Asia is a late adopter of FTAs, but since the 1990s, the region has witnessed an exceptional rise in overall FTA activity. For many years, the region's approach to international commerce was based on multilateralism through the WTO framework and open regionalism centered on APEC. Many East Asian states have recently joined into bilateral and multilateral trade agreements. Some ASEAN nations are actively pursuing bilateral FTAs, including Singapore and Thailand. Australia, New Zealand, and India have joined this economic bandwagon among East Asian nations.

Literature Review

Since the 1990s, there has been a significant increase in interest in regional political economics since regions constitute a crucial analytical unit in international relations. As a method of regional governance, multilateralism has been referred to as a "shared secular religion" (Alvarez, 2000; page 394). This is not an exception in Asia (Katzenstein, 2005).

Although it is argued that the region is still in the early phases of multilateral institutionalization, few academics have connected the Asian style of regionalism with multilateralism. Economic governance in Asia is driven by numerous bilateral agreements and suffers from a lack of multilateral institutions in contrast to Europe, where economic interdependence has generally been connected with formal multilateral organizations. Due to this, there is scant proof that considerable intergovernmental cooperation is developing across Asia (Ravenhill, 2010), and bilateralism seems to fill the gap left by multilateralism.

The advent of bilateralism, through which Asia Pacific countries have regulated FTAs, and the emergence of a center of international FTA networks, best describes the region's contemporary economic governance. More than 71 bilateral FTAs were signed in Asia in 2012, a considerable rise from the three that were signed in 2000. Of the completed FTAs in Asia, 76% are bilateral. As a result, one distinguishing feature of Asian trade governance is the growth of bilateral trade agreements (Kim, 2015).

To assess the relative merits of multilateral and bilateral models of governance, many researchers of international relations have studied the politics of economic integration in Asia. The underlying presumption when comparing Asia to other areas is that effective regional integration should resemble the European Union (EU) (Breslin, 2010). A Eurocentric evaluation of the immaturity of Asian regionalism has typically arisen from direct comparisons (Katzenstein & Shiraishi, 1997).

Another important aspect of the regionalism literature is its excessive bias in favor of multilateralism as an ideal institutional structure for regional government. Scholars and decision-makers have been interested in the welfare consequences of bilateral and other preferential trade agreements since Jacob Viner (Piquet, 1950) first coined the words "trade diversion" and "trade creation." Paul Krugman supports that although bilateral and regional trading agreements concurrently decreased tariffs, their overall consequences would be to lower world welfare (Krugman, 1989). Later, the detrimental implications of bilateral economic governance have been emphasized, influenced by the insights of Bhagwati (1995) and Kanungo (2009).

Additionally, the expansion of bilateralism in Asia during the past ten years has piqued the curiosity of all policymakers. For instance, they point out the recent tendency toward the adoption of bilateral trade agreements rather frequently (Heydon & Woolcock, 2009). Kawai & Wignaraja (2011) examined the economic effects of the noodle bowl of six East Asian nations through interlocking FTAs.

Another set of extensive literature is on provisions in RTA's. Mitchell and Mishra (2018) discussed the limitations of the General Agreement on Trade in Services (GATS) in liberalizing the digital industry, eliminating the most recent trade barriers, such as data localization, and addressing "new" regulatory issues like cross-border data flow, data

protection, online consumer protection, and cyber security. The authors claims that as Preferential Trade Agreements (PTA's) proliferate, there may eventually be a clash with GATS regulations, which might ultimately splinter and weaken the global framework for digital commerce. The authors contend that in order to combat the current wave of digital protectionism, WTO rules should play a significant role in creating a stable and secure set of norms for cross-border digital trade.

Rahman and Rahman (2022) explored the digital trade provisions in RTA's during the COVID-19 pandemic. Their paper examined the RTAs' provisions for digital trade and how the pandemic will further encourage their incorporation. According to the analysis, there was an increase in telecommunication and ICT services between 2008 and 2020 in China, India, and Kazakhstan. With the digital revolution, it is crucial for Asia-Pacific economies to negotiate RTAs with consideration for digitally enabled services. The fast-evolving framework of digital trade regulation is varied, scarce, and difficult, according to Burri & Polanco (2020) Trade Agreements Provisions on Electronic-Commerce and Data (TAPED) dataset, which they produced in 2020 and included in all PTAs. According to the author, as the data-driven economy gains in prominence, a suitable legal framework will become increasingly important as we continue along the road of the digital economy.

Nguyen and Nguyen (2019) assessed the impact of ASEAN's centrality and its implications for Vietnam. Vietnam's national interests in regional peace, security, and stability may be at conflict with a diminished ASEAN role in coordinating regional cooperation mechanisms. Vietnam should prioritize its initiatives to work with like-minded ASEAN nations and other significant regional nations in order to solidify ASEAN's dominant position in the area. A similar study by Low (2003) evaluated the ASEAN consequences on Singapore in the context of growing regionalism, difficulties in multilateralism, and the World Trade Organization (WTO).

A larger set of literature also extends to economic integration particularly in East Asia. Rana (2006) examined the tendencies in East Asian regionalism in trade and investment; money and finance; and infrastructure. The paper's key result is that growing trade and financial integration in the area is beginning to synchronize business cycles in a certain subset of countries, which strengthens the argument for monetary unification among these nations. Another study by Kawai and Wignaraja (2008) examined the economic effects of alternative FTAs in East Asia using a computable general equilibrium (CGE) model. The CGE model concluded that among feasible regional trade agreements, consolidation at the ASEAN+6 level would benefit East Asia the most. Ravenhill (2008) also noted how bilateral agreements in East Asia might work against more extensive regional collaboration. Each trade agreement, for instance, has its own set of origin criteria, therefore the proliferation of preferential trade agreements prevents cooperation on a more global scale.

The ability of the region to build efficient multilateral institutions for integration, collaboration, and cooperative problem-solving—what is now being referred to as the new Asian institutional “architecture”—will play a significant role in determining whether Asia’s future is marked by cooperation or confrontation (Green & Gill, 2009).

Research Objective and Framework

In the period of increasing regional trade agreements, this paper has the following research objectives:

1. To prepare comprehensive details of existing Regional Trade Agreements (RTAs) in the Asia Pacific region.
2. To analyze the contribution of RTAs, of which Small Island Nations of Asia Pacific region are members, in increasing their economic integration with other countries.
3. To make comparison of various clauses/areas covered under the RTAs in the above points.
4. To study the trend of share of total exports to a group of countries covered in the most significant RTAs of Asia Pacific region.
5. To assess India's position in Asia Pacific region through its Bilateral and Regional Trade Agreements with these countries and trend of share of total exports to select countries.

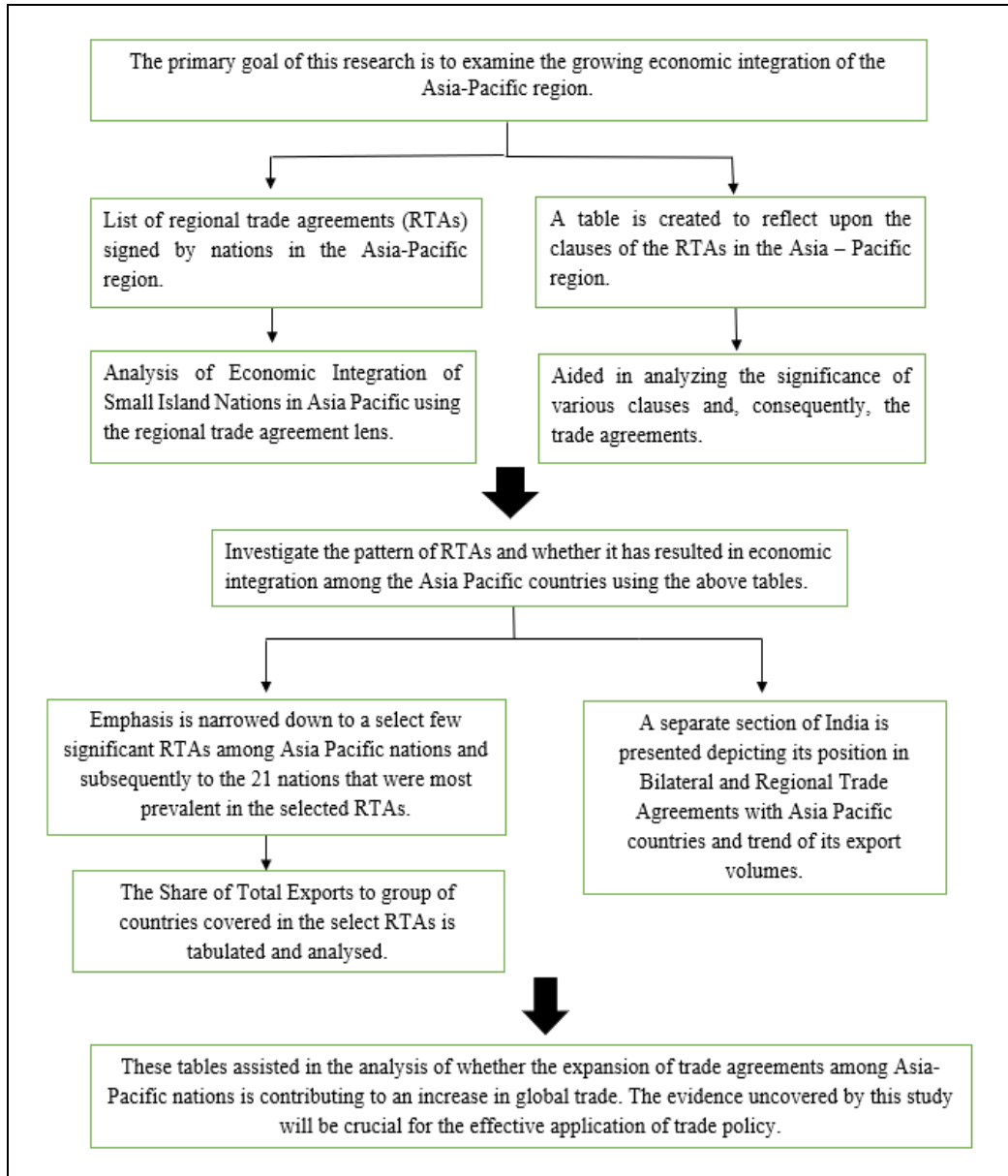


Figure 1 Research Framework

Source: Authors

Trade Agreements in Asia Pacific

In terms of regional economic integration, the Asia-Pacific area has been a late starter. In comparison to North America and Western Europe, Asia's regional economic integration is still in its infancy. It has a shaky recent track record, with increased integration restricted mostly to east Asia. Regional economic institutions, on the other hand, are thin on

the ground, weak, or embryonic. However, shifting circumstances in Asia and elsewhere are igniting efforts to promote regional economic unity. Table 1 below provides the list of all Regional Trade Agreements taken into consideration along with their abbreviations and date when they came into force.

Table 1 List of Regional Trade Agreements among Asia Pacific Nations

Regional Trade Agreements (RTAs)	ABBREVIATIONS	CAME INTO FORCE
Asia-Pacific Trade Agreement	APTA	June 17, 1976
Global System of Trade Preferences	GSTP	April 19, 1989
Economic Cooperation Organization Trade Agreement	ECOTA	February 17, 1992
ASEAN Free Trade Area	AFTA	January 01, 1993
Commonwealth of Independent States Free Trade Area	CIS FTA	December 30, 1994
Customs Union of Russia, Belarus, and Kazakhstan-European Free Trade Association Free Trade Agreement	Russian Fed. - Belarus - Kazakhstan	December 03, 1997
GUAM	GUAM	December 10, 2003
Common Economic Zone	CEZ	May 20, 2004
The Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation	BIMSTEC	June 30, 2004
ASEAN - China	ASEAN - China	January 01, 2005
The South Asian Free Trade Area	SAFTA	January 01, 2006
SAARC Agreement on Trade in Services	SATIS	November 29, 2012
The Trans-Pacific Strategic Economic Partnership	P4	May 28, 2006
ASEAN - Japan	ASEAN – Japan	December 01, 2008
ASEAN - Australia - New Zealand	ASEAN - Australia - New Zealand	December 01, 2008

Table 1 List of Regional Trade Agreements among Asia Pacific Nations (continued)

Regional Trade Agreements (RTAs)	ABBREVIATIONS	CAME INTO FORCE
ASEAN - Rep. of Korea	ASEAN - Rep. of Korea	January 1, 2010
Preferential Tariff Arrangement - Group of 8 Developing Countries	D-8 PTA	January 1, 2010
Eurasian Economic Union	EAEU	August 25, 2011
ASEAN Economic Community	AEC	August 12, 2015
Eurasian Economic Union- Viet Nam	EAEU - Viet Nam	January 1, 2016
Comprehensive and Progressive Agreement for Trans-Pacific Partnership	CPTPP	October 5, 2016
Eurasian Economic Union-Iran	EAEU – Iran	December 30, 2018
Digital Economy Partnership Agreement	DEPA	October 27, 2019
Regional Comprehensive Economic Partnership	RCEP	January 7, 2021
Trade agreements with membership of Small Island Nations		
South Pacific Regional Trade and Economic Cooperation Agreement	SPARTECA	January 1, 1981
Melanesian Spearhead Group	MSG	January 1, 1994
The Pacific Island Countries Trade Agreement	PICTA	April 13, 2003
The Pacific Agreement on Closer Economic Relations Plus	PACER Plus	December 13, 2020
EU - Pacific States - Accession of Solomon Islands	EU - Pacific States	May 17, 2020

Source: Authors' compilation using WTO and UNCTAD database

Table 2 Regional Trade Agreements in Asia Pacific with their member countries

Asia Pacific Countries	APTA	GSTP	ECOTA	AFTA	CIS FTA	Russian Fed. - Belarus - Kazakhstan	GUAM	CEZ	BIMSTEC	ASEAN - China	SAFTA	P4
Afghanistan			✓								✓	
Armenia					✓							
Australia												
Azerbaijan			✓		✓		✓					
Bangladesh	✓	✓							✓		✓	
Bhutan									✓		✓	
Brunei Darussalam				✓						✓		✓
Cambodia				✓						✓		
China	✓									✓		
Dem. People's Rep. of Korea		✓										
Georgia					✓		✓					
India	✓	✓							✓		✓	
Indonesia		✓		✓						✓		
Iran		✓	✓									
Japan												
Kazakhstan			✓		✓	✓		✓				
Kyrgyzstan			✓		✓							

Table 2 Regional Trade Agreements in Asia Pacific with their member countries (continued)

Asia Pacific Countries	APTA	GSTP	ECOTA	AFTA	CIS FTA	Russian Fed. - Belarus - Kazakhstan	GUAM	CEZ	BIMSTEC	ASEAN - China	SAFTA	P4
Lao People's Dem. Rep.	✓			✓						✓		
Malaysia		✓		✓						✓		
Maldives											✓	
Myanmar		✓		✓					✓	✓		
Nepal									✓		✓	
New Zealand												✓
Pakistan		✓	✓								✓	
Philippines		✓		✓						✓		
Rep. of Korea	✓	✓										
Russian Fed.		✓			✓	✓		✓				
Singapore		✓		✓						✓		✓
Sri Lanka	✓	✓							✓		✓	
Tajikistan			✓		✓							
Thailand		✓		✓					✓	✓		
Türkiye			✓					✓				
Turkmenistan			✓		✓							
Uzbekistan			✓		✓			✓				
Vietnam		✓		✓						✓		

Source: Authors' compilation using WTO and UNCTAD database

Table 2 Regional Trade Agreements in Asia Pacific with their member countries (continued)

Asia Pacific Countries	ASEAN – Japan	ASEAN - Australia - New Zealand	ASEAN - Rep. of Korea	D-8 PTA	EAEU	AEC	EAEU - Viet Nam	CPTPP	EAEU - Iran	DEPA	RCEP
Afghanistan											
Armenia							✓		✓		
Australia		✓						✓			✓
Azerbaijan											
Bangladesh				✓							
Bhutan											
Brunei Darussalam	✓	✓	✓			✓		✓			✓
Cambodia	✓	✓	✓			✓					✓
China											✓
Dem. People's Rep. of Korea											
Georgia											
India											
Indonesia	✓	✓	✓	✓		✓					✓
Iran				✓					✓		
Japan	✓							✓			✓
Kazakhstan					✓		✓		✓		
Kyrgyzstan					✓		✓		✓		

Table 2 Regional Trade Agreements in Asia Pacific with their member countries (continued)

Asia Pacific Countries	ASEAN – Japan	ASEAN - Australia - New Zealand	ASEAN - Rep. of Korea	D-8 PTA	EAEU	AEC	EAEU - Viet Nam	CPTPP	EAEU - Iran	DEPA	RCEP
Lao People's Dem. Rep.	✓	✓	✓			✓					✓
Malaysia	✓	✓	✓	✓		✓		✓			✓
Maldives											
Myanmar	✓	✓	✓			✓					✓
Nepal											
New Zealand		✓						✓		✓	✓
Pakistan				✓							
Philippines	✓	✓	✓			✓					✓
Rep. of Korea			✓								✓
Russian Fed.					✓		✓		✓		
Singapore	✓	✓	✓			✓	✓	✓	✓	✓	✓
Sri Lanka											
Tajikistan											
Thailand	✓	✓	✓			✓					✓
Türkiye				✓							
Turkmenistan											
Uzbekistan											
Vietnam	✓	✓	✓			✓	✓	✓			✓

Source: Authors' compilation using WTO and UNCTAD database

The Bangkok Trade Agreement, which went into effect on January 11, 1975, is one of the historic preferential trade agreements. In November 2005, the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP), was changed to the Asia Pacific Trade Agreement (APTA). The APTA's measures for trade liberalization have increased through ongoing negotiation to include trade facilitation, trade in services, investment, and non-tariff measures (NTMs) in addition to the customary tariff reductions.

It would be possible to widen and deepen APTA by including provisions in additional fields, such as energy, technology, and innovation, customs cooperation, enhanced transparency, and capacity building, among others, bringing the agreement closer to its goal of becoming a Comprehensive Economic Partnership Agreement of Asia and the Pacific (CEPAAP). As a result, it has been one of the trade agreements that has been in operation the longest in the Asia – Pacific region. Through connecting China and India with a combined customer base of 2.7 billion people and other significant markets like the Republic of Korea, it has the potential to significantly increase trade within the area.

To stimulate trade between countries in Africa, Asia, and Latin America, the agreement on the Global System of Commerce Preferences (GSTP) was established among developing nations in 1988 under UNCTAD, which offers tariff concessions. According to UNCTAD, this agreement includes 42 economies that together form a \$14 trillion market and generated 20% of all global imports. 15 of these 42 economies are located in the Asia Pacific region. Therefore, trade cooperation under the GSTP could result in substantial economic gains.

The Third Round of Negotiations, often known as “the São Paulo Round”, was started in 2004 by GSTP participants, and it ended with a historic agreement. According to UNCTAD projections, the São Paulo Round's implementation would lead to shared welfare gains of \$14 billion. For three decades, the GSTP has offered a framework for preferential tariff reductions between its participants. The first sub regional group of developing nations to join GSTP was MERCOSUR, another regional trade agreement.

One of the world's least integrated regions is South Asia. The South Asian Association for Regional Cooperation (SAARC), another regional organization, aims to integrate the economies of its eight member nations. The South Asian Preferential Trading Agreement (SAPTA) was signed in 1995 to give substance to the common goals of a more affluent South Asia. The development of trade between the nations in the region was not greatly aided by SAPTA's creation. Despite the fact that non-tariff barriers, infrastructure limitations, and other issues still prevent regional cooperation and integration in South Asia, this agreement shows that SAARC members are willing to contemplate taking risky action.

The South Asian Free Trade Area Agreement (SAFTA), which was signed in 2006, also represents a significant step toward regional collaboration and integration (RCI).

All nations were required by SAFTA to lower tariffs on all goods besides those on their respective Sensitive Lists to a level between 0 and 5 percent. However, due to intricate safeguard measures and non-tariff barriers (NTBs) among SAARC member nations, SAFTA results have fallen short of expectations.

Up until the early 20th century, the Bay of Bengal region was one of the most integrated regions in the globe. The region's feeling of community, however, has almost totally dissolved" since the 1940s, when individuals of the region became independent and pursued their own interests and alliance systems. Thus, another multilateral regional organization, known as BIMSTEC, or the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation, was established in 1997 to serve as a bridge between two important regional groups, namely the ASEAN and the SAARC.

Further, the ASEAN (Association of Southeast Asian Nations) nations committed to stepping up economic cooperation across the entire area when they signed the Singapore Declaration in January 1992. The establishment of the ASEAN Free Trade Area (AFTA) was at the declaration's core. Quantitative restrictions (QRs) and other NTBs that restrict imports are eliminated as part of this agreement. However, each member is still free to decide for itself what percentage of imports from non-members will be subject to tariffs. In addition to being one of the biggest and most significant free trade areas (FTAs) in the world, it also served as the driving force for some of the biggest international organizations and blocs. ASEAN has ratified a number of free trade agreements with other nations such as ASEAN – China; ASEAN – Japan; ASEAN – Republic of Korea; ASEAN – Australia – New Zealand.

After the creation of the AFTA, ASEAN strengthened its economic cooperation through the ASEAN Economic Community (AEC). Freer movement of capital is one of the objectives of the AEC, an economic integration that aims to promote the free movement of skilled labor, investment, and goods. The AEC's greatest accomplishment is the creation of a free trade zone with a high degree of trade liberalization through the use of tariff removal. A stronger investment climate in ASEAN results from achieving the AEC's goals. The goal of AEC 2025 is to take part in the global value chain, and one way to do this is to draw foreign direct investment.

In contrast to ASEAN and SAARC, BIMSTEC is a sector-driven organization, meaning that each member country is in charge of a distinct sector. Together, the member nations of the BIMSTEC organization make up around 22% of the world's population, and they also have a combined GDP of over US 3.697 trillion annually. The member nations' potential for land and maritime trade makes BIMSTEC significant.

In 1985, the Economic Cooperation Organization (ECO), an intergovernmental political and economic body for Asia, was established. Over an area of 8 million square kilometers, the ECO member countries collectively have a population of 400 million.

Achieving regional collaboration in various fields and sustainable socioeconomic growth in the area are the main objectives of ECO. The ECO grew to include more nations after the collapse of the Soviet Union. The ECO Trade Agreement (ECOTA) is the organization's flagship agreement and aims to increase regional trade and investment cooperation. ECOTA seeks to reduce tariffs significantly. In fact, this was a step toward the creation of the ECO Free Trade Area.

The D-8 PTA (Preferential Tariff Arrangement-Group of Eight Developing Countries) was signed by the Group of Developing Eight (D-8) nations, including those from the Islamic world. This agreement aims to encourage intra-trade among the D-8 members by gradually lowering tariffs and other trade restrictions on particular items. The D-8 PTA's implementation will give Malaysian exporters preferred tariff treatment for a chosen group of goods on the markets of the participating members and give them a competitive edge over equivalent goods coming from non-participating nations.

Following the collapse of the Soviet Union in 1991, the Commonwealth of Independent States (CIS), a regional intergovernmental organization was established among ten post-Soviet countries in Eastern Europe and Asia. Only 3.1% of the world's population lives in the CIS. The CIS FTA guarantees free trade between the member nations, the elimination of quantitative trade barriers, non-application of import customs duties, non-discrimination, and a gradual reduction of export customs duties. Additionally, it states that all trade between its signatories will be governed by WTO rules.

Given the expansion of its power in the region and the establishment of the CIS, which is governed by Russia, a group of four post-Soviet nations titled GUAM Organization for Democracy and Economic Development was established in 1997 to consolidate and integrate commercial, diplomatic, and democratic connections among its member states. The GUAM member states collectively have a population of about 57 million people today. GUAM now plays a significant role in the diplomatic and economic affairs of the region as a result of these progressively expanded integration and linkages. GUAM formally finalized agreements on a free-trade zone and harmonized customs practices within its member states in March 2017.

An agreement between Belarus, Kazakhstan, and the Russian Federation entered into force in 1997 with the aim of initiating economic integration between the nations to enable the development of single markets for goods, services, capital, labour, and information. Since the three integrating partners are significantly varied in size and have relatively little reciprocal commerce, it is evident that the integration of these three countries could be challenging. For instance, Belarus is only ranked 86th in the globe, whereas Kazakhstan is ranked 9th and Russia is the largest country not just in the former USSR, but also in the entire world.

Then, in 2004, a new agreement between these three countries and Ukraine known as the Common Economic Zone (CEZ) came into effect. Based on their shared stance on tariff and non-tariff regulation, the member countries decided to remove all import and export restrictions. The Contracting Parties agreed not to use antidumping, countervailing, and special safeguard measures in their bilateral commerce. The agreement calls for the creation of uniform regulations in the areas of competition, natural monopolies, and other types of state support.

The first free trade agreement integrating Asia, the Pacific, and the Americas is the Trans-Pacific Strategic Economic Partnership (P4 or TPSEP) between Brunei Darussalam, Chile, Singapore, and New Zealand. P4 countries had a combined population of about 28.5 million people and a collective GDP of US 736 billion in 2016. In 2006, this agreement sought to do away with tariffs on the majority of New Zealand's exports to Brunei and Chile. The deal also guaranteed "most preferred nation" status, which means that if any non-member country receives a more advantageous trade arrangement, New Zealand will automatically obtain it as well.

The P4 paved the way for a Pacific Rim agreement that was much more comprehensive. In order to negotiate the free trade deal known as the Trans-Pacific Partnership (TPP), eight more nations have joined the P4 economies. The proposed Free Trade Area of the Asia Pacific (FTAAP), an APEC initiative, is seen as taking inspiration from the TPP.

Twelve Pacific Rim nations, including the United States, signed the TPP trade agreement, which combined accounted for 40% of the world economy. The foundation of the United States' strategic shift to the Asia-Pacific area was the Trans-Pacific Partnership (TPP). Numerous economic analyses predicted that the TPP will strengthen the American economy. Trade unions in certain nations, however, were against the TPP because they believed it gave multinational businesses too much influence over domestic legislation, reduced salaries, and increased the incentives for moving manufacturing operations to lower-cost nations.

While the United States stayed out of it, the remaining TPP nations moved forward with a revised version of the agreement, known as the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), leaving the majority of the original provisions in place. Thus, this free trade agreement, which was signed by 11 Asia-Pacific nations comprising 13% of the global GDP, intends to eliminate practically all tariffs and import fees for products and services among its signatory nations. Members agreed to share commitments for, among other things, food safety, environmental protection, the digital economy, investment, labor, and financial services.

The Regional Comprehensive Economic Partnership (RCEP), which includes 15 nations (including 10 ASEAN Member countries) and accounts for 31% of global GDP, is now the largest free trade agreement (FTA) in the world. Although the obligations are not as stringent as those under the CPTPP, RCEP countries are nevertheless obligated to gradually eliminate tariffs on the products of signatories. Tariffs on sensitive imports are not altered while trade liberalization progresses incrementally. Small and medium-sized businesses (SMEs) are recognized as being important under the RCEP, and provisions are made to support their expansion.

Lately, the Eurasian Economic Union (EAEU) was established in 2015 with the goal of promoting greater economic cooperation among its members for the benefit of the local populace. There are 184 million people living in the EAEU's integrated single market, and its gross domestic product exceeds US 5 trillion. The EAEU promotes the unrestricted flow of goods and services and establishes common policies in the macroeconomic area, transportation, business and industry, and many more. Future plans include provisions for a unified currency and deeper integration. Because of Russia's poor economic situation, the ruble crisis, Russia's ongoing conflict with Ukraine, and mistrust among the member nations, many economists come to the conclusion that this most recent attempt at integration in the former USSR region is in danger and may fail.

The Digital Economy Partnership Agreement (DEPA), is a brand-new form of trade agreement designed to encourage digital trade and build a framework for the digital economy. It deals with a number of topics related to the developing digital economy, such as artificial intelligence, digital identities, and digital inclusion. It enhances the commitments made to facilitating digital trade and multiparty cooperation on a variety of cutting-edge technologies in existing free trade agreements, such as the CPTPP, which builds on the digital trade or e-commerce chapters. The DEPA is an independent, open plurilateral agreement that other members of the World Trade Organization (WTO) may join.

Thus, it can be clearly seen that countries are moving ahead in integrating with other countries even without major powers like United States in the case of CPTPP. Also, many countries like Singapore, Indonesia, Kazakhstan among others have started being part of more trade agreements as compared to past years. This has definitely helped in increasing integration among not only Asia – Pacific countries but also between world and Asia Pacific region as a whole.

Economic Integration of Small Island Nations in Asia Pacific

The 15 nations that make up the Pacific Island Countries (PICs) include New Zealand, a developed nation. As least-developed nations, Kiribati, Samoa, the Solomon Islands, Tuvalu, and Vanuatu fall into this category. The remaining nations and regions are categorized as developing nations. These countries are characterized by their small

populations, distant regions, high telecommunications and transportation costs, and poor infrastructure. The total population of the area is about 6.6 million. Over the past ten years, more people have relocated to urban areas in search of employment, and many more have done so internationally. Australia, a developed country partner has consistently supported the PIC Nations.

But it is important to understand how significant this region is. The region is described as “distinct and diverse” by the World Bank (APTIAD, 2012). The islands' varied trading is said to be a result of their geographic isolation, state resource constraints, demography, topography, weather patterns, and physical landmass. With an estimated landmass of 525 thousand square kilometers and a total area of 30 million square kilometers, the PIF (Pacific Island Forum) is regarded as the largest regional trading environment in the world.

As of 2012, Australia, New Zealand, and five Pacific Islands, are all already members of the World Trade Organization (WTO). Members of the Pacific subregion participate in fewer preferential trade agreements (PTAs) than those of other Asia-Pacific subregions. We contend that PTAs will provide the Pacific's least developed island states with higher economic benefits than the multilateral trading system (i.e., the WTO). Except for those with abundant natural resources, PICs rely on international trade to be economically prosperous, but over the past ten years, their trade performance has been below average. Due to small size of these Island Nations and far-flung location from significant economic centers, the nation has performed rather poorly.

The rise of Asia as the center of the world economy presents PICs with an opportunity to increase trade with Asia that was previously unheard of, particularly in tourism. Additionally, if a robust two-way link between tourism and agriculture is created, PICs stand a stronger possibility of increasing overall prosperity. The Pacific Island Countries Trade Agreement (PICTA), the South-Pacific Regional Trade and Economic Cooperation Agreement (SPARTECA), and the Pacific Agreement on Closer Economic Relations Plus (PACER-Plus) are among the significant PTAs among the Pacific States.

The SPARTECA, a preferential trade agreement, involves Australia, New Zealand, and the South Pacific Forum nations. The agreement was designed to promote freer trade by allowing duty-free access to the markets of Australia and New Zealand, boosting trade volume and diversification, encouraging export investment, fostering marketing cooperation, and encouraging other types of business collaboration. Due to their tiny populations and similar natural resources to the South Pacific, New Zealand and Australia in particular are only able to take a small portion of the traditional commodities exported by Pacific nations. The importance of SPARTECA has, however, been significantly reduced as a result of the

loss of tariff preferences, the unilateral reduction of MFN rates by Australia and New Zealand, and onerous origin regulations.

Melanesian Superhead Group Trade Agreement (MSGTA), which went into force in 1994, was signed by a group of major Pacific Island nations (sponsored by the Solomon Islands, PNG, and Vanuatu). Its final member, Fiji, joined the group in 1988. MSGTA was first implemented to allow duty-free trading in goods for all products other than those explicitly listed as being excluded by members. It started out with the intention of broadening the agreement's scope to include economic integration before moving on to take into account services, investment, and labor mobility. However, the MSG agreement's impact on intra-MSG trade is modest because it is mostly driven by political considerations.

PICTA, which aims to eventually create a free-trade area among only Pacific Island States, is a reciprocal free trade agreement between 12 Pacific Island states. By 2010, especially for small island nations and LDCs, it was anticipated that developing member tariffs would be gradually lowered to zero. However, the deadlines for reducing tariffs were put off until 2017. The abolition of tariffs for the goods classified as "excepted imports" was delayed until 2021. PICTA also handles government contracting, dispute resolution, and trade facilitation.

Since Australia and New Zealand were left out of this pact, an umbrella agreement known as the Pacific Agreement on Closer Economic Relations, or PACER, was signed between island nations, Australia, and New Zealand in 2001 and entered into force in 2002. By 2011, a free trade agreement was established as a result of the pact, known as PACER Plus. It included a provision stating that "if any PIC commences formal negotiations for free-trade arrangements with a developed non-Pacific Island Country, the PIC shall offer to engage in consultations with Australia and New Zealand with a view to the commencement of negotiation of free-trade arrangements" (Carmichael, 2019; page no.2). By including this provision, it is clear that Australia and New Zealand wish to continue to be recognized as significant PICs even after they sign agreements with other industrialized nations.

The EU-Pacific Economic Partnership Agreement (EPA) was established by the EU and any Pacific country that desires to join it. The EPA's main objectives are to encourage sustainable development and combat poverty in Pacific Island countries. Under this agreement, Pacific countries are allowed to protect their agriculture and emerging and infant industries by not cutting tariffs on certain goods, adopting safeguard measures to stop an unexpected increase in imports if necessary, and taking further steps to preserve food security. The EU was Fiji's second-largest trading partner in 2019 (6% of exports and 16% of imports), after only Singapore. The EU has enjoyed a positive trade balance with the Pacific countries since 2013 despite a significant decline in exports to the region in 2019 (mostly because of a steep decline in exports of vessels and tankers).

The agreements (especially SPARTECA) have received heavy criticism from the South Pacific nations. The Island states think SPARTECA has very little to offer them. The economies of Australia, New Zealand, and the South Pacific are also not competitive in products that require a lot of labor; therefore, the agreements haven't had much of an effect on output, exports, or employment. Significant efforts have been made to improve regional trade integration in PICs, but the outcomes have been mixed. The benefits of trade diversion may be negligible or nonexistent due to the lack of trade complementarity among PICs and the slowly implemented tariff reductions.

The trade relations in the Pacific are not just managed by SPARTECA, but the majority of other industrialized nations favor the nations of the Pacific. Under the Generalized System of Preferences, the European Union, Japan, and the United States treat most products from developing nations preferentially in terms of quantitative limits by reducing or eliminating import tariffs on such products. Additionally, the Lomé Convention of the EC grants preferential market access to the products of the Pacific countries. Quotas are also more liberalized for these nations.

PICs will need to make significant advancement in two areas in order to become more competitive. Agriculture's productivity needs to be raised first, which would necessitate various supporting infrastructure and services, such as effective marketing plans and extension services. To level the playing field in Asian countries, PICs may negotiate more open market access and increase current preferential access in particular regions, like the Chinese market. Some PICs, including Fiji and Samoa, have tried to use manufacturing as a platform for trade integration.

It is critical that PICs continue to hunt for a trading strategy that is more effective when the external environment evolves, despite the fact that their small size and remote location will continue to restrict their capacity to increase their trade. Emphasis should be put at the outset that the conventional markets of PICs should be further explored for deeper integration beyond trade in goods and nonfactor services. These markets will be important for a very long time to come.

Table 3 Trade agreements with membership of Small Island Nations

Asia Pacific Countries	SPARTECA	MSG	PICTA	PACER Plus	EU - Pacific
Australia	✓			✓	
Cook Islands	✓		✓	✓	
Fiji	✓	✓	✓		✓
Kiribati	✓		✓	✓	
Malaysia				✓	
Marshall Islands	✓				
Fed. States of Micronesia	✓		✓		
Nauru	✓		✓	✓	
New Zealand	✓			✓	
Niue	✓		✓	✓	
Papua New Guinea	✓	✓	✓		✓
Samoa	✓		✓	✓	
Solomon Islands	✓	✓	✓	✓	✓
Tonga	✓		✓	✓	
Tuvalu	✓		✓	✓	
Vanuatu	✓	✓	✓	✓	

Source: Authors' compilation using WTO and UNCTAD database

Areas covered under Regional Trade Agreements in Asia Pacific

Market access for goods trade is the most traditional way of trade liberalization. It still holds true for the majority of the current trade agreements. As a result, every trade agreement contains a provision pertaining to the exchange of goods. But as trade has increased, trade agreements' purview has also evolved over time, moving from just trade-in-goods clauses to ones that also cover investment, trade in services, rule of origin clauses, non-tariff measures, safeguard measures, etc.

Services are essential inputs for all areas of processing and production. Since the General Agreement on Trade in Services (GATS) entered into force around 20 years ago, trade in services—which makes up between 50 and 60 percent of all global trade—has contributed to the rise of international trade even more than merchandise trade. Thus, liberalization of international trade in services has significantly contributed to the development of the world economy. The development of a country's service sector is strongly connected with product specialization, income growth, and economic modernity. The infrastructure needed for investment and economic growth includes a sizeable share of services, therefore ensuring that they are delivered effectively, which essentially increase an economy's overall productivity.

US trade agreements introduced the clause of Trade in Services to the global economy, and after that other countries began to adopt this. The majority of trade agreements have broadened the market's scope and incorporated regulations for trade in services. On the other hand, ancient agreements like GSTP still focus only on trade in goods and it is moving towards broadening and deepening tariff concessions. Similarly, trade agreements with small island nations like MSG, the UK-Pacific States EPA, and the EU-Pacific States Interim EPA only cover the trade in goods clause.

The SAARC Agreement on Trade in Services (SATIS) incorporates trade liberalization in the services sector as well as expansion of trade in investments. The focus on Trade in Investment commenced after the end of World War II with the advent of Bilateral Investment Treaties or BITs, which set the terms and conditions for Foreign Direct Investment (FDI) around the world. The liberalization of investment began with the talks of the investment chapter under NAFTA (North American Free Trade Agreement), which served as a model for subsequent RTAs. The adoption of trade in investment provisions is increasing as a result of the expansion of trade agreements among Asia Pacific Countries.

The Custom Administration and Trade Facilitation Clause aims to speed up the exchange of goods across borders, facilitate the sharing of trade-related information across borders, and ensure fair supervision of customs, rules, and regulations so that unfair advantages are not taken by customs authorities. Despite not being fully implemented yet, trade facilitation commitments are powerful enough to influence trade liberalization more than just tariff reduction. Chapter 4 of the RCEP trade agreement details the areas covered by Custom Administration and Trade Facilitation Clause, including, but not limited to, a single window, procedures for authorized operators, a risk management approach for customs control and post-clearance audits.

Although lowering tariffs is the primary reason for signing trade agreements, non-tariff barriers (NTB) also have a significant impact on international trade. Sanitary and phytosanitary measures (SPS) and Technical Barriers to Trade (TBTs) clause under trade

agreements is an example of NTBs. Given that the negotiation for the SPS agreement started in 1986, a tendency began towards the inclusion of SPSs and TBTs provisions in all trade agreements that entered into force after 1989. The significance of this measure can be found in the definition of what it means: SPSs cover measures for the protection of human, animal, and plant life and health, whereas TBT measures cover all technical regulations, voluntary standards, and procedures to ensure that these are met, with the exception of those covered by SPSs measures. Therefore, due to global diversity, every economy has unique needs, cultural norms, environmental conditions, flora and fauna, and military, political, and economic conditions, among other things. These measures reflect these differences, and exporting nations should make the necessary adjustments in accordance with the needs of the recipients.

There are clauses to protect domestic industry known as the Anti-dumping and Safeguard Clause. Dumped imports injure a domestic industry in the territory of the importing contracting party, hence anti-dumping measures are implemented by levying anti-dumping duties on those imports. On June 14, 2018, the Russian Fed., Belarus., and Kazakhstan RTA terminated its definitive anti-dumping duty on certain imports of light commercial vehicles from Germany, Italy, Poland, and Turkey. The application of safeguard measures is not limited to any clause, area of agreement, or sector of trade. For instance, CPTPP approves the application of safeguard measures for the protection of agricultural goods as permitted under the WTO agreement while Japan may implement a distinct safeguard measure for the import of agricultural commodities coupled with specific time and transparency requirements.

By adding a labor clause, trade agreements also help ensure that labor laws are upheld and prevent violations of regulations issued by the International Labor Organization (ILO). The migration of people who provide services in member countries is addressed in this clause. Since there are many low-income countries in the Asia Pacific region, these nations are hesitant to accept labor clauses in trade agreements because they can result in hidden protectionism and a reduction in market access for traders from low-income nations. As a result, only a small number of Asia Pacific RTAs, like PACER Plus and CPTPP, feature a labor clause.

Trade expansion must be accompanied with environmental protection, sustainable development, and pollution control. The CPTPP has an environment clause. Under this clause, the CPTPP has important provisions like the right to regulate and levels of protection, which gives member countries the freedom to establish their own environmental priorities. The Dispute Settlement Clause, which is included in the majority of the agreements (27 out of 31), is another significant clause. By resolving disagreements and offering solutions in a way that is accepted for smooth trade in accordance with the rules and regulations of the

agreement and WTO, this clause seeks to secure the implementation of rules and regulations.

The extent of provisions like those relating to financial services and telecommunications is very constrained, and only RTAs encompassing developed economies have accepted them. The e-commerce clause is also not commonly used in RTAs for Asia Pacific Counties. Online consumer protection, personal data protection, and other e-commerce-related protection provisions are also not adopted.

Table 4 Areas covered under Regional Trade Agreements in Asia Pacific

CLAUSES	APTA	SPARTECA	GSTP	ECOTA	MSG	AFTA	CIS FTA	Russian Fed. - Belarus - Kazakhstan	PICTA	GUAM	CEZ	BIMSTEC	ASEAN - China	SAFTA	P4	ASEAN - Japan
Trade in Goods	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Trade in Services	✓	✓							✓	✓		✓	✓	✓	✓	
Trade in Investment	✓											✓	✓			✓
SPS/TBT	✓						✓			✓	✓		✓	✓	✓	✓
Anti-Dumping Duty	✓	✓	✓	✓	✓		✓		✓	✓	✓		✓	✓	✓	
Safeguard	✓	✓	✓	✓	✓				✓		✓		✓	✓	✓	✓
Trade Facilitation & Customs Cooperation	✓							✓	✓	✓				✓	✓	
Government Procurement							✓		✓	✓	✓				✓	
Competition Policy							✓			✓	✓				✓	
Intellectual Property	✓			✓						✓			✓		✓	
Dispute Settlement	✓		✓	✓			✓	✓	✓	✓	✓		✓	✓	✓	✓

Table 4 Areas covered under Regional Trade Agreements in Asia Pacific (continued)

CLAUSES	APTA	SPARTECA	GSTP	ECOTA	MSG	AFTA	CIS FTA	Russian Fed. - Belarus - Kazakhstan	PICTA	GUAM	CEZ	BIMSTEC	ASEAN - China	SAFTA	P4	ASEAN - Japan
Temporary Movement of Natural Persons											✓		✓	✓	✓	✓
Labour protection																
Environment																✓
Technical Cooperation	✓	✓			✓		✓			✓			✓		✓	✓
Transparency				✓					✓				✓	✓	✓	✓
Financial Services													✓			
Telecommunications													✓			
E-commerce													✓		✓	
Online Consumer Protection																
Personal Data Protection																

Source: Authors' compilations from various sources

Table 4 Areas covered under Regional Trade Agreements in Asia Pacific (continued)

CLAUSES	ASEAN - Australia - New Zealand	ASEAN - Rep. of Korea	D-8 PTA	EAEU	AEC	EAEU - Vietnam	CPTPP	EAEU - Iran	PACER Plus	EU - Pacific States	Pacific States Interim	DEPA	RCEP
Trade in Goods	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Trade in Services	✓	✓		✓	✓	✓	✓		✓				✓
Trade in Investment	✓	✓		✓	✓	✓	✓		✓				✓
SPS/TBT	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓
Anti-Dumping Duty	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓
Safeguard	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓
Trade Facilitation & Customs Cooperation	✓		✓		✓	✓	✓	✓	✓	✓	✓	✓	✓
Government Procurement	✓					✓	✓			✓		✓	✓
Competition Policy	✓			✓		✓	✓					✓	✓
Intellectual Property	✓			✓	✓	✓	✓					✓	✓
Dispute Settlement	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

Table 4 Areas covered under Regional Trade Agreements in Asia Pacific (continued)

CLAUSES	ASEAN - Australia - New Zealand	ASEAN - Rep. of Korea	D-8 PTA	EAEU	AEC	EAEU - Vietnam	CPTPP	EAEU - Iran	PACER Plus	EU - Pacific States	Pacific States Interim	DEPA	RCEP
Temporary Movement of Natural Persons	✓			✓	✓	✓	✓		✓				✓
Labour protection	✓					✓	✓		✓				
Environment						✓	✓			✓	✓		
Technical Cooperation	✓	✓	✓		✓	✓	✓		✓		✓	✓	✓
Transparency	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓
Financial Services	✓	✓		✓	✓		✓		✓			✓	✓
Telecommunications	✓			✓			✓		✓				✓
E-commerce	✓			✓	✓	✓	✓					✓	✓
Online Consumer Protection	✓				✓	✓	✓					✓	✓
Personal Data Protection				✓	✓	✓	✓					✓	✓

Source: Authors' compilations from various sources

Export Volumes of Member Countries of Selected RTAs

Every agreement serves the trade sector in a different way, and the significance of each agreement varies from nation to nation and region to region. Among the Asia-Pacific RTAs discussed above, a few important agreements have been selected to examine the export volumes of their member countries since the formation of WTO. This covers the period for a country during its membership and/or before it signed the trade agreement. The criteria used to select these RTAs include the number of member nations (like GSTP has 15 Asia-Pacific countries as signatories), the age of the agreement like APTA (which was formerly known as the Bangkok Agreement) and the size of the global market covered by each RTA. As global trade has developed, regional groups have begun to enter into trade agreements like the RCEP. Additionally, these agreements are chosen because the global market they cover is quite broad. Furthermore, because SAARC plays a significant role in the global economy, agreements like SAFTA are adopted. Last but not least, clauses are what make RTAs successful, which is why agreements like the CPTPP are chosen for their extensive set of measures to facilitate commerce among member nations. The following RTAs were selected: AFTA, APTA, SAFTA, SATIS, RCEP, CPTPP, BIMSTEC, GSTP, and P4.

According to these selected agreements, important nations are taken into account based on their participation in the chosen trade agreements and contributions to the Asia-Pacific region. Figure 2 contains information on the export volumes of the 21 key countries that are selected.

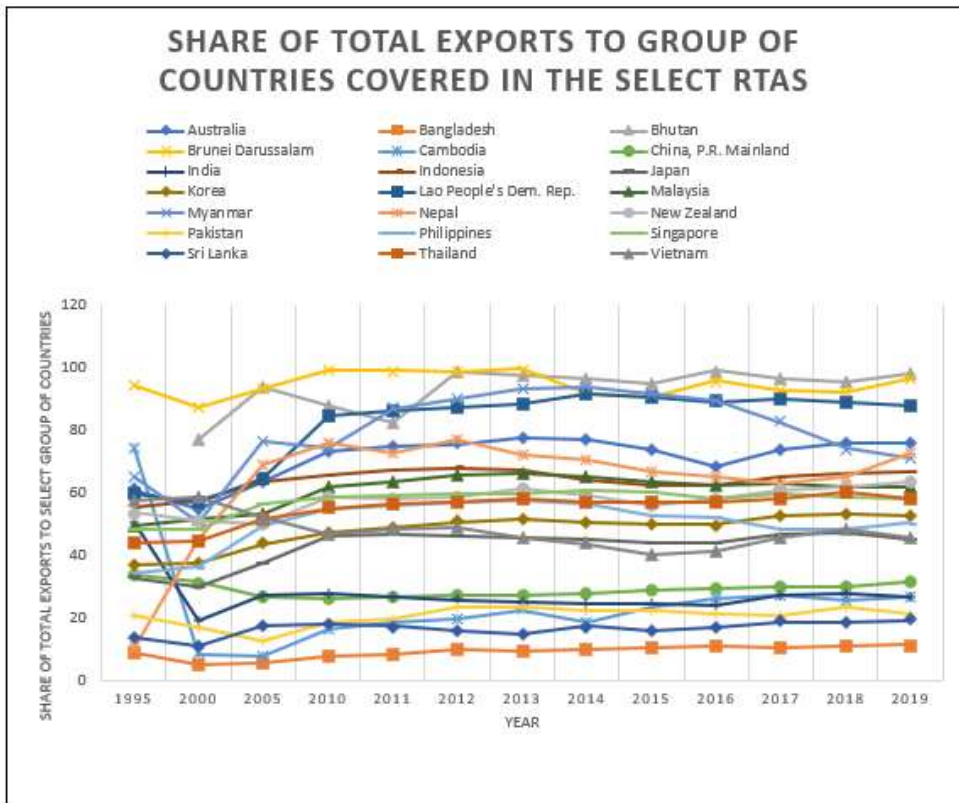


Figure 2 Share of Total Exports to group of countries covered in the select RTAs

Source: Author's compilation using IMF database

There is a visible decline in trade dependence of these Asia Pacific countries' exports among each other from 1995 to 2000 which is followed by an increase in export volume among these countries in later years. Various crises were witnessed between 1995-2000, like Mexico's monetary crisis, the Asian financial crisis of 1997, and the dotcom bubble bursting in 2001, which caused a negative effect on merchandise trade. Another possible reason for these declining figures can be the WTO formation in 1995, which brought various world economies together under one umbrella organization and changed the direction of trade for these Asia Pacific Countries toward other non-Asia- pacific nations. Further, free trade agreements have proliferated in the Asia pacific region since 2000, which is contributing to trade growth among member countries as an effect of the steady decline in tariffs applied between these trading partners.

Asia Pacific Economic Cooperation (APEC) was established by 12 Asia-Pacific economies in 1989 with the objective of growth promotion of the regional economy through trade liberalization and facilitation. Brunei Darussalam's exports are 96.55 percent directed towards the mentioned Asia Pacific countries in 2019. The reason behind this trade growth is

evidently the signing of numerous significant RTAs in the past few decades like ASEAN agreements, Trans-Pacific agreements, RCEP, etc. As shown in data, Brunei's export percentage was 94.39 percent in 1995 towards these Asia-Pacific countries and this 94.32 percent consisted of \$1882.75 million exports to Japan followed by around \$300 million exports to Thailand because of being part of a regional group together which covers an area of trade liberalization.

Bhutan is among the top countries whose exports are dependent on these Asia-Pacific countries. Bhutan is only part of two regional trade agreements in the Asia-Pacific region, BIMSTEC (which came into force in 2004) and SAFTA (which came into force in 2006). Thus, Bhutan's export trend shows its major direction of exports towards two common nations in these RTAs, namely, Bangladesh and India. Bhutan's trade accelerated with the signing of these agreements as Bhutan's exports to Bangladesh rose from \$0.33 million in 2000 to \$12.75 million in 2005 and similarly, its exports to India rose from \$5.77 million in 2000 to \$226.23 million in 2005 to \$340.82 million in 2010. Exports have continued to rise, such that Bhutan's trade to India makes up 85 percent of its total trade.

Myanmar, listed as one of the Least Developed Countries (LDCs) by the WTO, was majorly dependent (71.01 percent) on the mentioned Asia Pacific countries for its overall exports in 2019. This dependence was just 50.75 percent in 2000 but with an increase in exports with countries like India, Sri Lanka, and Thailand (common signatories under RTAs: GSTP and BIMSTEC), Myanmar's export increased to 93.77 percent in 2014.

Bangladesh is among the least dependent nations on these Asia Pacific Countries for its exports as its direction of export is observed towards non-Asia Pacific countries, namely, USA, UK, and Germany which account for around 50 percent of its exports. On the other hand, the advantage of trade agreements is enjoyed by Bangladesh through imports from these countries as its top importers are India, China, Singapore, and Indonesia. Common trade agreements between Bangladesh and Indonesia came into force in 2011 (D-8 PTA) and imports from Indonesia to Bangladesh rose from \$353 million dollars in 2005 to \$1361.92 million dollars in 2011 to \$1919.96 million dollars in 2019.

Cambodia began the process of economic reforms in 1986 and after the general elections of 1993 and the beginning of the Kingdom of Cambodia, the Cambodian government began opening their economy to the rest of the world as a first step toward a liberalized economy. Cambodia became a member of the ASEAN free trade agreement in 1999 followed by joining the WTO in 2003. Cambodian export share in the world economy began to rise from 1995 thus contribution of Asia Pacific countries was only around 70 percent in Cambodian exports which eventually decreased. It now fluctuates around 25 percent. But this does not mean that trade agreements with Asia-Pacific aren't benefiting

Cambodian trade as like Bangladesh, it is also taking advantage by increasing its imports from Asia-Pacific countries.

Indonesia has around 12 trade agreements with Asia Pacific countries thus, its export growth towards Asia Pacific countries is stable between 60 to 70 percent. As Indonesia is also a Founding member country of APEC (formed in 1989) and GSTP signed in 1989, Indonesia had major trade relations with member countries. As a result of GSTP, Indonesia's imports from Pakistan increased from \$20.59 million in 1990 to \$50.32 million in 1995. The export volume has accelerated in the past three decades between Indonesia and Asia Pacific countries, as Indonesia is part of all ASEAN trade Agreements, D-8 PTA and RCEP.

Although the CPTPP and RCEP are two of the most important trade agreements among Asia-Pacific nations, they only came into effect in 2018 and 2022. Benefits from RCEP and CPTPP cannot be extensively discussed because the current study only provides analysis through 2019. However, similar positive trade growth is anticipated among RCEP and CPTPP member nations, just as increasing tendencies are seen in trade agreement member countries.

Trade Analysis of Selected RTAs

The five most significant RTAs are the subject of a detailed trade analysis in this article. BIMSTEC, APTA, SAFTA, CPTPP, and RCEP are the chosen RTAs. Using the IMF database, the total export volume of each country to other RTA members respectively is calculated in millions of dollars. In order to determine how much of the total world exports are sent to the member countries, the percentage share is also calculated. For imports, the same data is calculated.

The founding nations of BIMSTEC are the members that contribute the most to trade. India is the country with the largest percentage of imports and exports to these countries. Bangladesh and Thailand, on the other hand, have low exports to BIMSTEC member states despite the fact that their import share has been high since 1995. When Myanmar joined in 1997, the value of its trade with BIMSTEC nations increased from 1995 to 2000. And as the third-largest exporter to these nations, Myanmar makes a significant contribution to overall trade with them. BIMSTEC's intra-regional trade increased by about \$46 billion between 2009 and 2019, but despite being one of the least integrated regions in the world, its intra-regional share is still only 6 percent, which is low when compared to other regional groups.

Even though trade in this subregion has not yet reached its ideal level, the overall trade trend under BIMSTEC is not successful, but it does have potential to expand in the near future. First and foremost, this sub regional group's member nations have the status of developing countries with high levels of poverty, making it impossible for them to make

significant contributions to the global economy. The BIMSTEC countries' trade is import-oriented rather than export-oriented, which is another obstacle to participation. The long-awaited BIMSTEC FTA's conclusion will make it easier to realize the potential of these agreements.

The Bangkok Agreement's scope was expanded by the 2005 signing of APTA, and data on international trade shows that after 2005, export and import values between signatory nations continued to rise. China joined APTA in 2001, which had a big impact on member countries' trade volumes. India and Korea are the next-highest trading nations in the APTA after China. Sri Lanka's percentage of exports to APTA nations increased from 1.96 percent in 2000 to 10.46 percent in 2005. India's exports to China increased by 88.3 percent between 2000 and 2005. Korea's percentage of exports to these nations increased from 12.08 percent in 2000 to 23.69 percent in 2005.

According to APTA, Bangladesh and Laos are considered LDCs. So, from 2005 to 2010, Lao's export rate increased sevenfold, and as of 2019, its export rate to APTA nations was 35.46 percent. Despite growing from \$34.42 million in 2000 to \$105.34 million in 2005, Laos' imports from APTA countries are still relatively small compared to its exports to APTA countries. In comparison to its exports of \$1,816.55 million in 2019, Bangladesh has relatively high import volume under this agreement of \$26,915.95 million. These big data values of Lao exports clearly demonstrate the success of LDC member provision and tariff concession, but APTA is not yet in a position to operate at its full potential given that the majority of its members are located in Asia.

The SAARC preferential trade agreement gave way to the South Asian Free Trade Agreement (SAFTA), which went into effect in the middle of 2006. Due to the fact that it was a successor agreement, the world had high hopes for the integration of trade in South Asia, but the actual trade trend fell short of the potential trade values. Pakistan and India's poor relations are blamed for this inability.

Another significant obstacle is the "sensitive list" criteria, which exempts a large number of products from the tariff liberalization program, which are part of the tariff concession procedure agreed under SAFTA. The Maldives trade share with SAFTA countries is the lowest, while it has a total share percentage of 48.1 percent with ASEAN countries. ASEAN countries typically have zero import duties on 96 percent of their product line, in contrast to SAFTA. Bangladesh greatly benefited from trade benefits under SAFTA by gaining access to the Indian garment market through the "preferential market access" clause. The LDC countries were intended to receive preferential treatment under the agreement, and the sensitive list was introduced for the same purpose (Kathuria, 2018).

The CPTPP, which went into effect in 2018, is the next RTA under discussion. With the aim of extending trade and commerce beyond trade in goods, services, and investment,

this agreement links Canada and ten other Asia-Pacific nations. It is still too soon to draw conclusions about the CPTPP's success because it is not meaningful to evaluate its performance during times of a global pandemic. However, given its first year's figures, its potentials can be discussed.

Despite the fact that trade between CPTPP members grew by a negligible amount—that is, in a manner similar to that of trade growth with the rest of the world—Vietnam saw a significant increase of \$656.05 million in imports from member countries and \$883.29 million in exports to member countries. On the other hand, Japan's exports to member countries significantly increased from \$18,843.68 million to \$20,333.61 million during 2018-19. Similar to this, from roughly 57 percent in 2016 to 60.1 percent in 2018 to 67.77 percent in 2019, Brunei Darussalam's export percentage to CPTPP members increased. Overall, the nations covered by this agreement increased their imports both domestically and internationally. As a result, although this agreement's impact on the world is real, it is not readily apparent from trade volume values.

RCEP is the largest trading bloc in the world with global share in GDP up to 30.5 percent. When examining the agreement's elements, it becomes clear that the global economy is looking forward to a significant increase in trade. The agreement to reduce goods' tariffs by 90 percent is expected to initially generate an increase in import volume among these members. This will result in a considerable increase in imports from China into all economies, except Laos and Vietnam, and Chinese imports will rise from Japan and Korea. It is predicted that the expansion of trade will profit from currently-existing bilateral trade agreements among members, which have boosted relations between these nations and helped the smooth development of RCEP negotiations. Currently, RCEP states receive around 26 percent of China and Cambodia's exports, compared to 89 percent of Lao and Brunei Darussalam's total exports.

The inevitable conclusion from this trade analysis is that Asia-Pacific countries have important and integrated regional groups and trade agreements that are both old and new, coming in a versatile composition of the Asia-Pacific region. Most importantly, although each trade bloc has the potential to grow trade and benefit individual countries, none of them have yet shown any sign of success.

Analysis of Tariff Barriers

The main means through which nations either liberalize trade or defend their economies is through tariffs. When individuals discuss trade liberalization, they typically imply lowering import tariffs so that items may enter the market at a lower price. Since reducing the cost of commerce increases its profitability, it will become more open. What economists and others understand by "free trade" is the total abolition of tariffs and other trade restrictions. Any rise in tariffs, on the other hand, is referred to as protection or protectionism.

Tariffs protect domestic businesses that compete with imported goods because they increase the cost of importing goods from abroad but not from home producers. Import rivals refer to these domestic companies.

The main goal of regional trade agreements is to prevent trade-restrictive policies like quotas, tariffs, and other charges. Non-discrimination among trading partners is the main WTO principle that all member nations are required to abide by, however RTAs are an exemption to the rule subject to specific WTO rules. In general, regional trade agreements can encompass all aspects of trade, including trade in products, trade in services, and international agreements for developing nations while adhering to the WTO's principle of trade facilitation and without putting any trade obstacles in the way of other member countries.

The average tariff rate is one way to gauge how protectionist a country's economy is. Since tariffs often cut down on imports of foreign goods, the more protection given to the nation's import-competing sectors, the higher the tariff. The majority of nations have average tariff rates of less than 20 percent, while they are sometimes much higher for agricultural commodities. Average tariffs in the most industrialized nations are frequently less than 5% and less than 10%. Less developed nations typically maintain greater tariff barriers, however some nations that have lately joined the WTO have significantly lowered their tariffs to win access.

Table 6 Tariff Barriers (in percent) of Member Countries of selected RTAs from 1995-2019

	1995	2000	2005	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Afghanistan						5.42	5.42					5.34	
Australia		4.93	3.26	2.05	2	2	1.97	2	1.95	0.7	0.13	0.13	0.11
Bangladesh		18.21	29.79	11.23	11.45	12.62	12.1		11.78	11.78			10.18
Bhutan			22.44						2.28				2.69
Brunei Darussalam		5.02	3.66	2.05	0.22			0.12		0.12	0.02	0.02	0.02
Cambodia			10.7	10.02	9.11	9.2		4.41		9.77			
China		14.52	5.06	3.53	3.34			2.75	2.76	2.91	2.79	2.6	1.98
India		26.14	15.76	7.78	10.26	10.33	10.39		9.61	5.19	4.57	4.21	5.88
Indonesia	13.17	5.71	4.17	1.91	1.9	1.97	1.72			2.02	7.43	1.1	0.98
Japan	3.08	2.08	2.24	1.67	1.66	1.63	1.56	1.53	1.59	1.54	1.42	1.36	1.52
Korea	7.17	9.99	7.9	5.06	4.72	5.13	5.22	4	4.82	5.75	3.94	4.18	
Lao		14.39	10.04					3.11	2.09	1.51	1.35	0.58	0.41
Malaysia		5.13	5.05	2.72	4.47	4.58	4.16	0.57		4.46			
Maldives		18.62	19.84	18.79	20.5	7.87	8.09	8.39	10.56	10.93	10.34	10.89	10.91
Myanmar		4.04	2.84	2.37	1.9	4.96	4.15		1.67				1.32
Nepal		18.29	13.62	12.54	11.87	11.71	12.29	11.89	12.4	11.96		11.96	11.63
New Zealand		2.59	2.85	1.49	2.55	2.6	1.03	0.97	0.89	0.73	0.73		0.12
Pakistan	51.17	30.73	17.7	13.72	11.98	11.89	13.35	10.86	11.66	11.74		12.45	11.55
Philippines	15.63	4.45	3.67	3.95	1.25	1.06	1.05		0.89	4.43	0.75	0.94	1
Singapore	0	0	0	0	0	0	0	0	0	0	0	0	0
Sri Lanka		7.46	8.64	8.17	8.13	7.37		6.11	4.69		5.06	6.7	6.72
Thailand	17.22	11.03	5.33	6.22	6.18		7.16	1.77	1.72				
Vietnam			11.45	4.94		3.51	3.24	3.02	2.48	2.09	1.95	2.57	0.89

Source: Authors' compilation from WITS Tariff Database

This study also analyzes how tariff barriers have changed over time because of regional trade agreements. For this analysis, effectively applied tariff rates are taken into consideration. Also, their weighted average is considered for analysis as against average tariff rate. This is because the average tariff in some situations can exaggerate the level of economic protection.

Since BIMSTEC came into force, the member countries have reduced their tariff barriers. The effectively applied tariff rate for Bangladesh has reduced significantly from 29.79 in 2005 to 10.18 in 2019. However, in 2015 Bhutan experienced a reduction in tariff rates later than other countries. Apart from all other member countries, Nepal is the only country which has not been able to take advantage of effectively applied tariffs. All BIMSTEC countries, with the exception of India and Bhutan, have signed the BRI, with Beijing's influence being most notable in Nepal, Myanmar, Sri Lanka, and Bangladesh (albeit to various degrees). This might have been a factor in Nepal's effectively applied tariff rates being higher than those of other membership countries.

APTA is a goods-only agreement at the moment. Therefore, providing the criteria of origin are met, the items covered by APTA may be exported under tariff preferences. The APTA is based on margin of preference (MOP), which results in a certain percentage reduction in the customs charge. Therefore, a 30% MOP would indicate that the charge is lowered to 7% (i.e., a 30% decrease) if a product, let's say, had a 10% customs duty. Each APTA member state has its own list of items for which it offers preferential tariff treatment on its schedule of concessions. The member countries of APTA have experienced substantial decline in tariffs in 2010. In 2013 and 2015 Lao and India experienced a substantial decline in tariffs.

Through a variety of trade liberalization tools, SAFTA aims to increase intra-SAARC economic cooperation and maximize the region's economic and social potential. By December 31, 2015, all contracting governments must lower their tariffs to 0–5%. A defined mechanism of tariff reduction was offered by the Tariff Liberalization Program (TLP), which was enacted in accordance with this agreement. After implementation, non-Least Developed Countries (LDCs) had to drop their existing rates to 0-5% within five years, while LDCs had to do so to 30% within two years and to 0-5% within eight. India and Bhutan have experienced a significant drop in effectively applied tariff rates after 2015. All other member nations have also experienced a decline in tariffs. A significant tariff reduction can also be seen in Bangladesh from 2005 until 2010, after which the rates have been constant.

The CPTPP is viewed as a “next-generation” trade pact that addresses contemporary trade issues and includes bold and forward-thinking commitments to the environment, state-owned businesses, services, and the digital economy. The agreement forbids data localization, asks for the implementation of international labor rules, and forbids

the imposition of customs taxes on electronic communications, among other things. In almost all areas of trade in goods and services, it offers full market access and a reduction in tariff and non-tariff barriers by 98%. CPTPP came into force in 2016 and since then the weighted average of effectively applied tariff rate has been reducing. Almost all tariff lines between CPTPP participants are duty-free.

The RCEP framework calls for incremental tariff reductions that provide large exclusions in sensitive and key areas in order to achieve trade liberalization. Only a tiny portion of tariff lines (on average around 6%) are subject to RCEP tariff discounts because the majority of intra-RCEP commerce is already duty-free. The tariff decrease is typically approximately 9%, although trade liberalization along these lines is still considerable. Over 90% of items that are traded inside the union should eventually be free of tariffs.

Many tariffs will be eliminated immediately, while others will be gradually decreased over the course of 20 years. The remaining tariffs will mostly apply to crucial sectors where several RCEP members have chosen not to make any commitments to liberalization. Overall, because the import tariffs for the other RCEP members are already low, the RCEP will steadily lower trade barriers among its members, particularly for imports from China, Japan, and the Republic of Korea.

India's Position in Bilateral and Regional Trade Agreements with Asia Pacific Countries

Expansion of foreign trade in a dormant economy like India contributes significantly to its growth. After liberalization in 1991, India's export contribution to GDP rose from 7.05 percent in 1990 to 20.81 percent in 2021 thus making the Indian economy one of the fastest growing economies in the world. Also, India's portion of global merchandise exports is estimated to be 1.57 percent in 2020, and its share of commercial services exports for the same period is 4.1 percent (RBI). Figure 3 below presents how India has progressed in the Asia-Pacific region through signing the regional trade agreements presented by oval and bilateral trade agreements presented by line arrows.

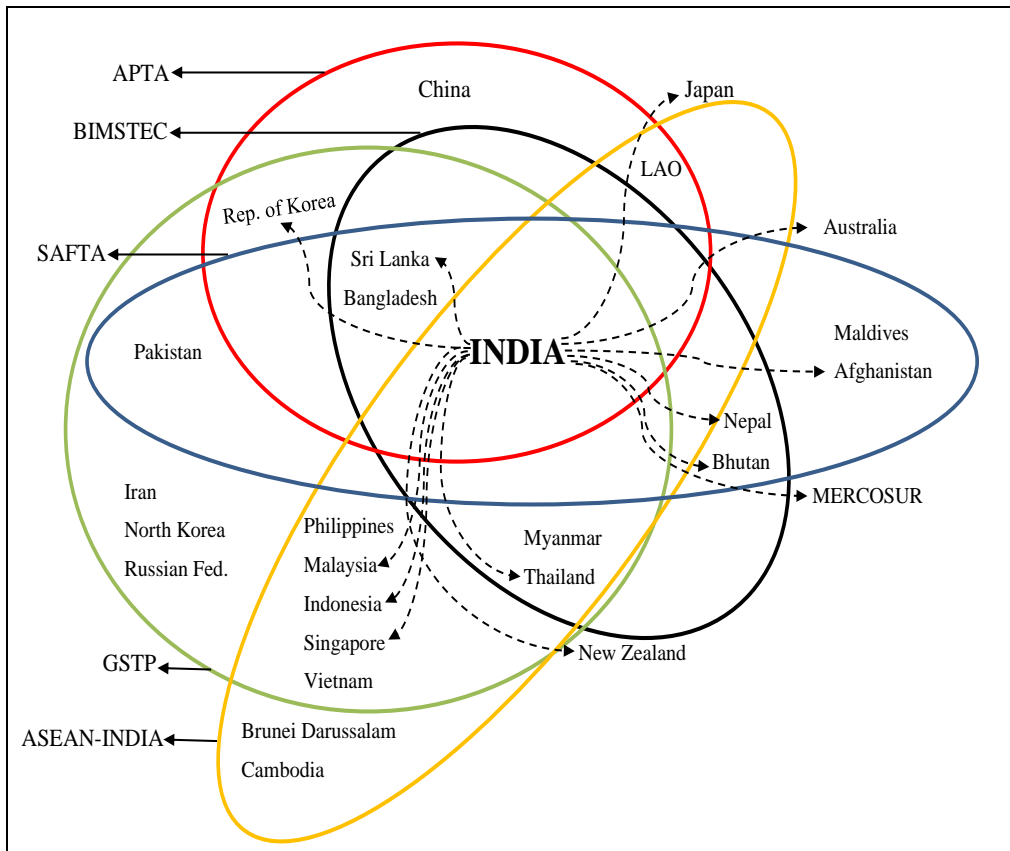


Figure 3 India's trade agreements with Asia – Pacific economies

Source: Authors

Note: SAPTA is not shown in figure as the implementation of SAFTA has replaced SAPTA

India has signed five regional trade agreements with Asia-Pacific countries, Bangkok Agreement or APTA (July 1975), GSTP (April 1989), BIMSTEC (June 1997), MERCOSUR-India (June 2009), and ASEAN-India (January 2010), in addition to numerous separate bilateral trade agreements with members like the Republic of Korea, Singapore, Nepal, and Sri Lanka. India has negotiated bilateral trade agreements with several important countries in the Asia-Pacific region, including Australia, Japan, and New Zealand, regardless of the existence of regional trade agreements.

The Indo-Sri Lanka FTA (ISFTA) was signed in 1998, and came into effect in 2000. It focused on trade in goods. After signing the agreement, Sri Lanka received full duty-free access to the vast Indian market by march 2003. Thus, Sri Lankan exporters could export more than 4000 product lines to the Indian market on a duty-free basis. The first consultative meeting for further expansion of trade agreements between both countries was held in July 2010.

Under the BIMSTEC agreement, which has 14 priority areas, India is the leading country for transport & communication, tourism, environment & disaster management, and counter terrorism & transnational crime.

Comprehensive Economic Partnership for East Asia (CEPEA/ASEAN+6) was signed in October 2003 between ASEAN (Association of Southeast Asian Nations) and India. This agreement was updated to ASEAN-India Free Trade Agreement (AIFTA) in 2010, where ASEAN country members agreed to open their markets by progressively reducing and eliminating duties on 76.4% coverage of good. Further, the ASEAN-India Trade in Investment Agreement and ASEAN-India Trade in Services Agreement was signed in November 2014. And now India is involved in economic cooperation activities under the AIFTA, such as fisheries, agriculture, and forestry.

Since the 1990s, Singapore has been among India's top 10 trading partners overall. With the signing of the India-Singapore Comprehensive Economic Cooperation Agreement in June 2005, and coming into effect in August 2005, the two nations' relations have only improved. Trade share percentage shows the rise in trade from Singapore to total trades in India having a trade share of 2.5% in 2002-03 to 3.5% in 2008-09 of total trade in India. Further, the agreement's success is marked by Singapore's having the highest FDI in India – 27% followed by the USA-17.94% in FY 2021-22. Also, India's range of tariff concessions is more than Singapore's because Singapore's tariff was already really low.

A framework trade deal between India and the South American trading bloc MERCOSUR was negotiated in 2003. A preferential trade agreement was then signed with India in 2004 and went into effect in 2009. The first step toward a free trade agreement between India and MERCOSUR is this accord. The pact has improved trade even though India had been importing more than MERCOSUR. The commodity structure for major global exports prefers prepared foods and vegetables but being an Agrarian Economy, India's exports are directed towards fats, oils, and base metals. On the other hand, MERCOSUR gains from India's very successful industries in the fields of IT, textiles, and pharmaceuticals as well as other goods like minerals, chemicals, and machinery. The agreement also has provisions for SPS/TBT, anti-dumping duty, safeguard measures, trade facilitation & customs cooperation, and dispute settlement.

Table 7 Areas covered under Regional Trade Agreements in Asia Pacific with India as Member Nation

CLAUSES	Afghanistan-India	Australia-India	Bhutan-India	India-Indonesia	India-Japan	India-Malaysia	India-Nepal	India-New Zealand	India-Republic of Korea	India-Singapore	India-Sri Lanka	India-Thailand	India-MERCOSUR	ASEAN - India
Came into force	May 2003	December 2022	July 2006	October 2011	August 2011	July 2011	October 2009	December 2013	January 2010	August 2005	March 2009	September 2004	June 2003	July 2015
Trade in Goods	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Trade in Services		✓		✓	✓	✓		✓	✓	✓				✓
Trade in Investment		✓			✓	✓		✓	✓	✓				✓
SPS/TBT		✓			✓	✓	✓	✓	✓	✓			✓	✓
Anti-Dumping Duty	✓				✓	✓			✓	✓	✓		✓	
Safeguard	✓				✓	✓	✓		✓	✓	✓		✓	✓
Trade Facilitation & Customs Cooperation		✓			✓	✓	✓		✓	✓			✓	
Government Procurement					✓									
Competition Policy					✓	✓			✓	✓				
Intellectual Property					✓	✓			✓	✓				

Table 7 Areas covered under Regional Trade Agreements in Asia Pacific with India as Member Nation (continued)

CLAUSES	Afghanistan-India	Australia-India	Bhutan-India	India-Indonesia	India-Japan	India-Malaysia	India-Nepal	India-New Zealand	India-Republic of Korea	India-Singapore	India-Sri Lanka	India-Thailand	India-MERCOSUR	ASEAN - India
Dispute Settlement		✓			✓	✓			✓	✓	✓		✓	✓
Temporary Movement of Natural Persons					✓	✓			✓	✓				✓
Labour protection										✓				
Environment					✓	✓			✓	✓				
Technical Cooperation					✓	✓			✓	✓				
Transparency					✓	✓			✓	✓				✓
Financial Services					✓	✓			✓	✓				
Telecommunications					✓	✓			✓	✓				
E-commerce														✓
Online Consumer Protection														
Personal Data Protection														

Source: Authors' compilations from various source

One of the most comprehensive free trade agreements India has ever signed is the India-Japan Comprehensive Economic Partnership Agreement (CEPA). India aimed to increase foreign trade investment in its economy through this agreement along with the promotion of trade in goods and services. The agreement promoted trade in services with the removal of trade barriers in all services sectors and all modes of supply under GATS. As an example of free trade in goods, Japan benefited greatly from agricultural products imported from India. India has cut 17.4% of its tariff lines to 0%, whereas 87% of tariff lines have been immediately reduced to 0 by Japan. Under CEPA, India adopted several noteworthy provisions to entice investors, including offering Japanese investors "national treatment" in a few particular product categories. After the agreement was signed, India experienced an increase in FDI from Japanese investors, therefore fluctuations in trade volume between both countries are negligible.

The India-Australia Economic Cooperation and Trade Agreement (INDAUS ECTA) was finally put into effect in January 2022 after multiple rounds of negotiations that lasted more than ten years. Benefits of this deal include cheaper imports of coal, which account for 70% of all Indian imports from Australia, as well as other essential Australian raw materials and inputs. Australians will have access to the dairy industry in India as well as agricultural products such as cereal grains, chickpeas, and walnuts. The agreement encourages free trade in services and gives Indians access to the majority of the Australian business sector.

Due to the growing importance of the digital economy, India is needed to sign agreements that include provisions for online consumer protection and personal data protection. It is clear that India is moving away from regionalism and toward bilateralism because it is in discussions to negotiate several bilateral trade deals with industrialized nations rather than taking part in various major regional trade agreements like the RCEP. The Comprehensive Economic Partnership Agreement (CEPA) with Sri Lanka, the Preferential Trade Agreement (PTA) with Iran, and the Free Trade Agreement (FTA) with Europe are among the trade deals that India is currently negotiating. India has also proposed FTAs with Canada, Australia, the GCC, Israel, New Zealand, Taiwan, Peru, China, and Turkey in addition to PTAs with Uruguay, Venezuela, and Georgia.

Recent Trend of Bilateral Trade Agreements (RTAs)

European countries started adopting bilateral trade agreements followed by the US in 1985, however the world economy has seen a rise in bilateral trade agreements in recent times. It is easier to negotiate a bilateral trade agreement than regional trade agreements as involved members are numerous in RTAs. Bilateral trade agreements are negotiated by countries when they seek more benefit from each other. Recently India has signed a trade agreement with Australia and is negotiating with many more countries. Similarly, there are more member countries that are negotiating bilateral trade agreements with other members.

Thus, focus is on bilateral trade agreements with the countries of maximum gains from trade, that will help them to position themselves with other countries.

The recent rise in bilateral trade agreements is due to US-China trade tension and Brexit. As president of the US in 2018, Donald Trump began a trade war with China by raising tariff rates on steel imports. This change in US trade policy caused the focus to move to bilateral trade agreements rather than regional trade agreements. Donald Trump emphasized the need for bilateral trade agreements to preserve commercial links with foreign nations as regional trade accords grow.

Brexit stands for the exit of the UK from the European Union (EU). EU negotiated RTAs with the rest of the world, and the terms of those agreements applied to all of the EU's members. However, after the UK left, it was no longer able to benefit from the EU's trade agreements, so it had to begin negotiating bilateral trade agreements. This is the second significant recent example of how countries have begun to place more emphasis on bilateral trade agreements.

Countries negotiate bilateral trade agreements that accelerate their terms of trade. For example, India and the EU have been negotiating trade agreements since 2008. The trade agreement has still not been finalized due to disagreement over their terms of trade. India wants duty-free entry for its textile and clothing products in EU countries because it must compete with Bangladesh, a Least Developed Country (LDC), which enjoys the competitive advantage of zero-tariff entry on these goods. Similarly, the EU wants zero-duty entry for wine and liquor, which are two of Europe's main exports. However, India is refusing to accept this clause as India wants to regulate the consumption of alcohol as in some states, alcohol is prohibited. Thus, both countries wish to increase their respective trade volume through this trade agreement.

Similarly, India and China also do not have a bilateral trade agreement because India has a significant trade deficit with China; therefore, a trade agreement with China would cause this trade deficit to increase significantly and India's markets would be overrun with Chinese goods. Therefore, in situations like these, where the trade balance is this high, a country with a trade surplus would want to negotiate a trade agreement, and the other country with a trade deficit cannot afford this situation. One theory regarding why India is hesitant to join RCEP is that China is a part of it. This is because signing RCEP will mean allowing Chinese companies to enter into the Indian market with less restrictions.

Conclusion

Even while the "two titans" of global trade emphasized their dedication to multilateralism and the WTO rules, there was a global movement toward bilateral trade deals. After the Asian financial crisis of 1997, particularly East Asian countries who had upheld a policy position emphasizing a multilateral trade system based on the WTO norms reversed

this approach. East Asia was responsible for over 30% of the free trade agreements (FTAs) notified to the WTO between 2001 and 2005, making the region the most dynamic region in terms of the number of FTAs concluded.

Significant FTAs were signed in the region over the past ten years. Japan was the first country in East Asia to do so, concluding an FTA with Singapore in 2002 before concluding deals with Mexico and Malaysia; China signed FTAs with ASEAN and New Zealand in 2004; and South Korea's first FTA was with Chile in 2004, followed by agreements with Singapore and the EFTA. Chile was the forerunner of the FTA craze in South America, on the other side of the globe.

Three significant characteristics define the new regionalism. First, FTAs are not limited to nations or blocs with close physical proximity, in contrast to the previous trend of regionalism, which is mostly limited to areas (e.g., APTA, AFTA, SAFTA, MERCOSUR). This demonstrates that "economic distance" is no longer thought to be a factor affecting the competitiveness of goods coming from far-off trading partners and impeding commerce. As a result, the term "regionalism" lost its meaning and became an oxymoron.

In addition to liberalizing trade in goods, new generation FTAs also include "deep integration" measures that address standards, sanitary precautions, trade facilitation, the liberalization of trade in services, investment and competition disciplines, intellectual property rights (IPRs), government procurement, as well as the movement of natural persons with a set of related disciplines. In addition, they include formerly domestically focused policy sectors like infrastructural integration, policy and regulatory harmonization, and macroeconomic coordination while pursuing a variety of political, social, and economic goals.

Third, as opposed to the old RTAs, where membership of developed countries was preferred, the new RTAs tend to explore for different opportunities of integration beyond trade in good and nonfactor services for small and developing countries. These markets will be important for a very long time to come. This new regionalism has been successful as the analysis done in the current study has shown the continuous increase in share of total exports to significant Asia Pacific countries under selected regional trade agreements.

The economies of both the US and the EU are deteriorating, and in the twenty-first century, it may be Asia's shifting position and economic integration that propels global economic growth. Growing protectionism, as shown in the USA-China trade conflict and the Brexit vote, provides opportunities for emerging economies to engage in economic integration and trade liberalization. Additionally, the worry that US protectionism may expand provides a doorway for developing nations to create their own web of trade integration. Due to the fact that the Asia Pacific area accounts for more than 50% of world trade, these significant developments present several opportunities for the emerging Asia Pacific economies, especially India.

Overall, this study reveals how nations intertwine and are a part of numerous RTAs. Which country has benefited the most from which RTA, is a crucial research question that is not being investigated in the current research. Additionally, the current body of research is limited in that it does not explain why some nations benefit from regional trade agreements more than others. In other words, this study will act as a foundation for future research into the elements of regional trade agreements that are most beneficial, such as the number of members in an RTA, the size of the member countries, their homogeneity, specific provisions, product lines, geographical proximity to other members, etc. A study like this will act as a roadmap for countries negotiating future trade agreements. As a result, it becomes possible to conduct further research to identify the nations that have benefited from these trade agreements and to identify which RTA is best for each nation's trade and commerce.

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Appendix

Table A1 Export and Import data within member countries of BIMSTEC

Countries → Year		Bangladesh		Bhutan		India		Myanmar		Nepal		Sri Lanka		Thailand	
		Export	Import	Export	Import	Export	Import	Export	Import	Export	Import	Export	Import	Export	Import
1995	Value (in \$ millions)	63.89	1,171.39	0.00	11.99	1,944.29	529.06	187.56	23.10	29.44	246.24	63.00	613.16	828.04	521.27
	% of world exports/imports	2.04	15.04	0.00	-	6.37	0.99	15.66	1.09	9.10	14.84	1.66	9.67	1.41	0.59
2000	Value (in \$ millions)	92.69	1,140.34	24.23	3.62	2,169.38	2,541.96	1,883.85	553.43	309.20	174.53	148.88	781.99	1,493.71	926.06
	% of world exports/imports	1.66	11.38	76.98	-	5.11	3.16	39.07	21.07	42.77	9.56	2.81	9.14	2.17	1.20
2005	Value (in \$ millions)	150.48	2,136.67	240.74	98.83	5,597.28	5,794.11	4,957.62	821.92	545.31	860.79	612.42	2,073.77	2,837.29	3,155.05
	% of world exports/imports	1.77	13.68	740.19	-	5.72	2.98	64.41	23.97	66.74	30.71	10.09	19.86	2.58	2.20
2010	Value (in \$ millions)	365.99	4,104.54	361.64	181.30	10,821.85	7,058.94	4,220.16	2,350.17	649.57	1,988.54	582.24	3,728.96	7,825.28	5,414.29
	% of world exports/imports	2.22	13.23	87.35	17.71	4.85	1.52	53.46	36.07	72.93	33.17	6.11	23.08	4.05	2.38
2011	Value (in \$ millions)	604.78	5,210.93	371.16	227.62	15,169.77	8,059.25	4,290.98	3,285.85	646.04	2,769.98	644.73	5,308.38	9,690.66	6,556.10
	% of world exports/imports	2.62	13.17	81.84	15.97	4.94	1.39	52.67	30.96	69.69	42.05	5.84	22.72	4.40	2.42

Table A1 Export and Import data within member countries of BIMSTEC (continued)

Countries → Year		Bangladesh		Bhutan		India		Myanmar		Nepal		Sri Lanka		Thailand	
		Export	Import	Export	Import	Export	Import	Export	Import	Export	Import	Export	Import	Export	Import
2012	Value (in \$ millions)	635.15	5,915.26	521.74	241.02	16,488.05	10,386.46	5,180.39	3,650.46	652.57	3,143.17	686.53	4,666.68	9,822.25	5,983.63
	% of world exports/imports	2.85	14.88	98.08	18.00	5.55	1.70	57.09	31.59	73.42	45.11	6.91	20.19	4.32	2.00
2013	Value (in \$ millions)	585.45	6,722.34	447.59	299.95	18,252.71	7,914.77	5,445.92	4,416.87	600.27	3,521.17	701.03	4,661.91	10,134.52	8,630.49
	% of world exports/imports	2.26	15.21	97.35	23.36	5.79	1.33	47.59	31.72	68.16	46.27	6.36	19.93	4.52	2.80
2014	Value (in \$ millions)	524.20	7,658.07	483.73	307.98	22,075.14	8,092.81	4,366.90	5,085.14	606.63	4,493.17	778.24	6,905.49	11,106.94	7,399.10
	% of world exports/imports	1.84	15.96	96.99	24.33	6.95	1.37	38.29	28.81	65.90	50.81	7.14	27.51	4.94	2.61
2015	Value (in \$ millions)	643.97	6,870.81	695.05	420.24	18,998.71	8,275.41	4,321.91	4,990.05	429.51	3,406.55	776.16	5,983.75	10,646.64	6,565.15
	% of world exports/imports	2.15	14.23	95.52	30.49	7.14	1.56	37.81	25.80	63.34	43.68	7.97	23.80	5.05	2.57
2016	Value (in \$ millions)	758.51	6,815.39	494.84	433.07	18,784.80	8,216.19	3,308.33	5,334.01	409.81	4,721.25	700.71	4,366.59	10,699.51	5,270.01
	% of world exports/imports	2.51	13.38	98.72	30.21	7.17	1.60	27.95	29.63	55.09	46.34	6.98	16.94	5.01	2.13

Table A1 Export and Import data within member countries of BIMSTEC (continued)

Countries → Year		Bangladesh		Bhutan		India		Myanmar		Nepal		Sri Lanka		Thailand	
		Export	Import	Export	Import	Export	Import	Export	Import	Export	Import	Export	Import	Export	Import
2017	Value (in \$ millions)	669.97	8,798.53	452.75	421.71	22,340.66	9,286.31	3,592.41	5,383.36	431.03	5,678.81	868.41	4,943.76	12,528.89	6,371.64
	% of world exports/imports	2.13	14.85	96.36	28.80	7.54	1.53	25.89	24.86	56.93	46.91	7.78	17.72	5.31	2.30
2018	Value (in \$ millions)	996.04	10,263.44	519.66	659.88	27,092.35	10,740.70	3,751.72	5,854.56	475.62	7,491.62	945.16	5,139.85	13,872.10	7,502.59
	% of world exports/imports	2.95	15.16	94.61	43.99	8.38	1.55	22.46	26.88	59.54	49.54	8.38	17.44	5.54	2.37
2019	Value (in \$ millions)	1,115.83	9,363.89	506.08	701.25	25,451.55	10,869.61	4,000.65	5,347.61	674.97	7,271.70	1,052.89	4,663.37	13,135.04	7,719.57
	% of world exports/imports	3.11	13.98	97.57	47.12	7.84	1.62	22.09	25.16	68.79	51.87	8.74	17.10	5.35	2.54

Source: Authors' compilation using IMF database

Table A2 Export and Import data within member countries of APTA

Countries → Year		Bangladesh		China		India		Korea		Lao		Sri Lanka	
		Export	Import	Export	Import	Export	Import	Export	Import	Export	Import	Export	Import
1995	Value (in \$ millions)	73.35	2,172.15	8,372.98	9,457.03	2,020.55	1,958.58	11,168.40	7,126.70	8.80	48.41	84.00	965.21
	% of world exports/imports	2.34	27.88	5.62	6.21	6.62	3.66	8.50	4.51	2.83	7.10	2.21	15.22
2000	Value (in \$ millions)	73.79	2,396.61	14,235.65	19,233.49	2,685.70	3,003.79	20,791.79	11,786.65	6.80	43.98	104.08	1,433.28
	% of world exports/imports	1.32	23.92	5.71	10.21	6.32	3.73	12.08	5.93	2.02	6.89	1.96	16.76
2005	Value (in \$ millions)	196.88	4,686.47	47,503.71	68,488.11	11,636.74	14,220.13	67,342.76	36,795.73	26.17	124.03	634.85	3,026.64
	% of world exports/imports	2.32	30.01	6.23	9.73	11.89	7.32	23.69	11.09	4.71	12.36	10.46	28.99
2010	Value (in \$ millions)	623.37	11,397.97	1,18,948.35	1,35,147.60	27,505.83	53,128.35	1,30,184.88	72,602.82	567.97	596.97	610.12	5,566.82
	% of world exports/im	3.78	36.73	7.54	8.44	12.34	11.43	27.91	13.56	29.92	24.30	6.40	34.45
2011	Value (in \$ millions)	963.94	13,247.64	1,44,684.01	154,478.38	32,524.23	64,282.43	1,49,016.31	87,921.82	823.90	641.29	718.23	8,159.06
	% of world exports/imports	4.17	33.49	7.62	7.57	10.59	11.10	26.83	12.87	29.30	22.26	6.50	34.92

Table A2 Export and Import data within member countries of APTA (continued)

Countries → Year		Bangladesh		China		India		Korea		Lao		Sri Lanka	
		Export	Import	Export	Import	Export	Import	Export	Import	Export	Import	Export	Import
2012	Value (in \$ millions)	956.63	14,507.27	1,47,309.18	150386.58	28,285.37	60,884.38	1,48,188.84	91,945.11	885.63	1,126.82	769.40	7,544.90
	% of world exports/imports	4.30	36.51	7.19	7.06	9.52	9.97	27.05	13.49	29.17	28.18	7.75	32.64
2013	Value (in \$ millions)	1,040.86	16,929.39	1,54,489.44	161870.79	28,599.43	60,953.11	1,59,158.86	95,509.50	1,080.14	1,953.22	830.70	7,983.41
	% of world exports/imports	4.02	38.29	6.99	6.79	9.08	10.27	28.44	14.27	30.31	44.69	7.54	34.13
2014	Value (in \$ millions)	1,334.64	19,700.46	1,72,073.75	161066.23	31,037.53	68,132.65	1,59,776.29	1,05,389.34	1,736.22	2,067.17	961.11	10,563.69
	% of world exports/imports	4.69	41.06	7.34	6.53	9.77	11.53	27.90	15.84	39.63	32.31	8.82	42.08
2015	Value (in \$ millions)	1,418.53	20,934.73	1,79,176.58	148713.57	24,678.91	71,615.33	1,50,810.53	1,05,371.90	1,387.74	1,497.51	801.55	10,140.80
	% of world exports/imports	4.74	43.35	7.86	6.53	9.27	13.52	28.63	18.97	36.39	21.05	8.23	40.33
2016	Value (in \$ millions)	1,539.08	21,677.26	1,75,340.31	135568.35	22,145.67	72,164.87	1,37,376.57	99,619.78	1,460.01	1,166.00	930.02	8,595.39
	% of world exports/imports	5.10	42.55	8.21	6.10	8.46	14.02	27.71	18.81	34.89	17.02	9.26	33.35

Table A2 Export and Import data within member countries of APTA (continued)

Countries → Year		Bangladesh		China		India		Korea		Lao		Sri Lanka	
		Export	Import	Export	Import	Export	Import	Export	Import	Export	Import	Export	Import
2017	Value (in \$ millions)	1,426.96	23,899.74	1,91,965.53	156048.35	28,644.44	84,448.60	1,57,634.14	1,07,673.90	1,682.09	1,544.51	1,107.21	8,845.25
	% of world exports/imports	4.55	40.32	8.42	6.20	9.67	13.92	28.05	17.44	35.01	21.00	9.92	31.71
2018	Value (in \$ millions)	1,636.95	27,985.99	2,10,085.26	181244.48	34,724.98	94,281.58	1,79,383.41	1,14,610.53	1,962.83	1,586.08	1,168.16	9,252.94
	% of world exports/imports	4.85	41.33	8.40	6.27	10.74	13.58	29.62	16.88	34.46	18.83	10.36	31.39
2019	Value (in \$ millions)	1,816.55	26,915.95	2,09,120.26	156433.91	34,313.65	91,776.98	1,52,962.43	1,15,969.30	2,077.38	1,892.62	1,277.03	8,578.52
	% of world exports/imports	5.06	40.19	8.37	5.56	10.56	13.65	28.19	18.23	35.46	21.76	10.60	31.45

Source: Authors' compilation using IMF database

Table A3 Export and Import data within member countries of SAFTA

Countries → Year		Afghanistan		Bangladesh		Bhutan		India		Maldives		Nepal		Pakistan		Sri Lanka	
		Export	Import	Export	Import	Export	Import	Export	Import	Export	Import	Export	Import	Export	Import	Export	Import
1995	Value (in \$ millions)	21.68	36.02	84.53	1,129.32	0.00	13.03	1,559.42	138.60	11.27	27.90	29.88	120.07	272.57	154.33	102.00	462.09
	% of world exports/ imports	13.06	-	2.70	14.49	0.00	-	5.11	0.26	22.62	8.28	9.24	7.24	3.41	0.95	2.68	7.29
2000	Value (in \$ millions)	304.45	154.07	93.59	1,013.05	23.48	3.93	1,822.68	702.36	13.81	112.69	309.28	148.25	404.57	325.40	189.88	701.99
	% of world exports/ imports	76.35	-	1.67	10.11	82.32	-	4.29	0.87	18.13	22.91	42.78	8.12	4.56	2.27	3.58	8.21
2005	Value (in \$ millions)	510.12	1,216.34	187.32	1,922.93	239.99	99.07	5,312.27	2,123.82	17.16	92.85	547.50	839.27	1,797.32	922.25	655.44	2,050.60
	% of world exports/ imports	80.39	-	2.21	12.31	92.77	-	5.43	1.09	17.59	10.20	67.01	29.94	11.20	2.84	10.80	19.64
2010	Value (in \$ millions)	216.70	2,086.57	422.06	3,774.03	361.52	181.30	11,148.44	2,049.01	17.04	148.12	650.85	1,919.32	2,885.00	2,535.41	616.60	3,624.47
	% of world exports/ imports	55.78	35.22	2.56	12.16	87.33	17.71	5.00	0.44	23.20	7.37	73.08	32.02	13.43	5.78	6.47	22.43
2011	Value (in \$ millions)	251.09	3,171.85	647.92	4,810.88	371.06	227.62	13,775.66	2,347.83	15.66	179.65	646.61	2,707.49	4,234.86	2,012.83	702.27	5,186.98
	% of world exports/ imports	66.81	43.09	2.80	12.16	81.82	15.97	4.49	0.41	13.29	6.92	69.75	41.10	16.65	3.94	6.36	22.20

Table A3 Export and Import data within member countries of SAFTA (continued)

Countries → Year		Afghanistan		Bangladesh		Bhutan		India		Maldives		Nepal		Pakistan		Sri Lanka	
		Export	Import	Export	Import	Export	Import	Export	Import	Export	Import	Export	Import	Export	Import	Export	Import
2012	Value (in \$ millions)	271.11	2,589.24	633.45	5,829.83	521.64	241.02	14,849.31	2,603.29	14.50	179.30	652.98	3,081.48	3,451.19	2,096.57	754.33	4,527.77
	% of world exports/ imports	88.66	26.18	2.85	14.67	98.06	18.00	5.00	0.43	8.97	7.40	73.47	44.23	13.93	3.97	7.60	19.59
2013	Value (in \$ millions)	301.31	2,489.17	572.14	6,571.65	447.49	299.95	16,506.00	2,510.26	12.01	177.00	609.78	3,466.85	3,444.69	2,586.78	780.90	4,572.64
	% of world exports/ imports	80.57	24.44	2.21	14.87	97.33	23.36	5.24	0.42	7.18	6.40	69.24	45.55	13.69	4.82	7.08	19.55
2014	Value (in \$ millions)	348.40	2,344.01	532.70	7,445.40	483.62	307.98	20,486.19	2,604.04	11.64	236.27	620.52	4,436.55	3,234.34	2,493.91	880.96	6,730.22
	% of world exports/ imports	84.00	27.77	1.87	15.52	96.97	24.33	6.45	0.44	8.03	7.59	67.41	50.17	13.08	4.46	8.08	26.81
2015	Value (in \$ millions)	416.06	2,271.72	665.07	6,711.95	694.95	420.24	17,690.07	2,609.23	20.42	253.63	437.08	3,354.70	3,004.95	2,366.80	891.80	5,832.14
	% of world exports/ imports	72.81	26.51	2.22	13.90	95.51	30.49	6.65	0.49	14.17	8.15	64.46	43.02	13.57	4.36	9.15	23.19
2016	Value (in \$ millions)	513.53	1,853.12	759.54	6,517.23	494.73	433.07	16,967.73	2,636.76	16.07	283.31	409.71	4,654.87	2,618.42	2,042.54	823.77	4,182.59
	% of world exports/ imports	86.10	25.08	2.52	12.79	98.69	30.21	6.48	0.51	11.52	7.95	55.08	45.69	12.74	3.55	8.20	16.23

Table A3 Export and Import data within member countries of SAFTA (continued)

Countries → Year		Afghanistan		Bangladesh		Bhutan		India		Maldives		Nepal		Pakistan		Sri Lanka	
		Export	Import	Export	Import	Export	Import	Export	Import	Export	Import	Export	Import	Export	Import	Export	Import
2017	Value (in \$ millions)	713.35	2,036.70	690.07	8,060.60	452.70	421.72	20,338.27	2,807.65	11.07	326.82	431.53	5,610.01	2,645.66	2,288.74	996.15	4,726.54
	% of world exports/ imports	85.75	25.43	2.20	13.60	96.35	28.80	6.87	0.46	5.55	8.40	57.00	46.35	12.30	3.25	8.92	16.95
2018	Value (in \$ millions)	737.68	1,946.09	1,023.52	9,721.49	519.68	659.88	24,798.30	3,336.80	11.15	335.46	475.51	7,402.57	2,708.96	2,891.41	1,078.95	5,060.06
	% of world exports/ imports	84.29	24.07	3.03	14.36	94.61	43.99	7.67	0.48	6.14	7.27	59.52	48.95	11.69	3.88	9.56	17.17
2019	Value (in \$ millions)	708.49	2,087.19	1,101.72	9,066.78	506.23	701.25	22,466.12	3,394.89	11.17	365.55	674.27	7,177.27	2,356.54	1,612.28	1,162.02	4,581.36
	% of world exports/ imports	82.02	28.14	3.07	13.54	97.60	47.12	6.92	0.51	7.07	7.82	68.72	51.20	10.10	2.50	9.64	16.80

Source: Authors' compilation using IMF database

Table A4 Export and Import data within member countries of CPTPP

Countries → Year		Australia		Brunei Darussalam		Japan		Malaysia		New Zealand		Singapore		Vietnam	
		Export	Import	Export	Import	Export	Import	Export	Import	Export	Import	Export	Import	Export	Import
1995	Value (in \$ millions)	20,681.40	14,681.32	2,260.81	1,944.54	50,590.38	36,170.69	26,021.00	41,531.05	5,538.75	6,034.89	38,115.64	41,991.73	2,318.15	3,171.92
	% of world exports/ imports	39.01	15.44	66.72	-	11.41	-	35.30	44.36	40.49	-	32.25	27.12	41.25	-
2000	Value (in \$ millions)	21,321.57	18,290.98	1,731.15	823.62	46,592.12	41,191.02	34,341.61	40,961.92	4,854.88	5,770.09	41,614.01	43,715.98	5,167.70	4,869.43
	% of world exports/ imports	33.57	16.71	56.23	-	9.74	8.35	34.99	39.44	38.10	25.66	30.15	23.63	35.68	26.89
2005	Value (in \$ millions)	33,617.08	33,806.39	3,272.28	978.73	49,801.18	55,903.88	42,007.47	46,341.86	7,704.05	11,156.28	57,449.96	45,932.79	10,055.90	9,787.98
	% of world exports/ imports	32.00	16.89	46.15	36.09	8.37	8.71	29.80	32.57	35.40	25.21	25.03	15.99	30.91	23.92
2010	Value (in \$ millions)	56,666.06	46,788.76	5,546.80	1,593.75	68,957.06	91,295.78	59,726.39	65,680.25	11,137.48	12,409.23	80,960.49	59,182.11	14,782.97	20,827.37
	% of world exports/ imports	26.77	13.62	62.42	32.70	8.96	10.89	30.05	32.58	35.53	24.36	22.98	12.39	21.04	22.56
2011	Value (in \$ millions)	73,409.27	54,433.51	7,862.55	2,336.91	75,538.63	1,15,961.15	69,189.65	77,322.84	12,653.16	13,559.72	98,491.11	65,800.60	18,585.05	26,314.68
	% of world exports/ imports	27.11	13.14	63.08	33.23	9.18	11.36	30.31	33.36	33.74	22.28	24.02	11.62	19.90	22.96

Table A4 Export and Import data within member countries of CPTPP (continued)

Countries → Year		Australia		Brunei Darussalam		Japan		Malaysia		New Zealand		Singapore		Vietnam	
		Export	Import	Export	Import	Export	Import	Export	Import	Export	Import	Export	Import	Export	Import
2012	Value (in \$ millions)	72,015.28	57,059.67	8,270.05	2,483.79	72,283.18	1,17,052.09	73,125.84	78,688.55	12,238.94	13,756.29	1,00,434.70	64,945.35	23,366.02	27,748.26
	% of world exports/ imports	27.97	13.53	63.69	30.37	9.05	10.95	32.11	32.68	32.85	21.93	24.52	11.06	21.00	22.49
2013	Value (in \$ millions)	65,149.57	53,875.25	7,404.19	3,254.11	66,016.14	1,09,066.36	72,908.31	76,520.93	11,858.80	13,250.42	98,565.62	62,299.77	25,045.62	28,681.42
	% of world exports/ imports	25.69	13.27	64.74	36.28	9.24	10.74	31.92	31.53	29.96	20.56	23.92	10.16	19.45	19.81
2014	Value (in \$ millions)	66,195.59	51,941.71	6,230.51	2,956.89	63,631.45	1,06,623.51	75,498.84	73,700.46	11,883.42	14,086.83	98,416.73	66,024.03	25,923.71	32,446.84
	% of world exports/ imports	27.51	13.34	58.69	42.94	9.22	10.02	32.23	30.03	28.41	20.58	24.01	10.78	17.77	20.06
2015	Value (in \$ millions)	47,459.50	40,590.83	3,432.25	2,431.39	59,477.13	82,734.16	60,184.95	57,802.62	9,682.90	11,770.25	80,662.43	57,078.59	24,190.12	32,681.44
	% of world exports/ imports	25.18	11.99	54.02	45.73	9.52	9.39	30.10	27.84	28.19	19.74	22.95	10.23	15.09	17.84
2016	Value (in \$ millions)	41,482.89	39,023.48	2,796.82	1,432.27	61,399.15	72,622.27	56,252.87	54,907.34	9,518.04	11,236.45	72,740.04	55,203.36	23,678.19	33,442.83
	% of world exports/ imports	21.69	11.80	56.96	31.51	9.52	8.44	29.70	27.33	28.26	18.91	22.06	10.23	13.46	16.97

Table A4 Export and Import data within member countries of CPTPP (continued)

Countries → Year		Australia		Brunei Darussalam		Japan		Malaysia		New Zealand		Singapore		Vietnam	
		Export	Import	Export	Import	Export	Import	Export	Import	Export	Import	Export	Import	Export	Import
2017	Value (in \$ millions)	53,554.78	43,252.72	2,890.56	1,436.47	69,031.81	88,823.72	64,314.92	62,323.60	10,626.64	12,681.57	81,676.96	63,366.34	27,725.41	37,936.66
	% of world exports/ imports	23.36	11.55	51.75	30.83	9.89	9.53	29.52	27.92	27.83	18.82	22.31	10.18	12.98	15.87
2018	Value (in \$ millions)	64,968.02	48,956.68	3,942.94	1,588.11	73,606.51	1,01,927.45	70,072.38	69,627.44	11,019.84	13,721.62	92,797.98	70,003.64	30,580.64	41,163.36
	% of world exports/ imports	25.51	12.07	60.02	24.08	9.97	9.82	28.33	28.08	27.42	19.00	22.47	9.83	12.78	15.65
2019	Value (in \$ millions)	64,863.05	42,705.95	4,914.31	1,903.42	66,898.92	98,449.26	65,723.34	65,792.45	10,139.58	13,376.84	86,535.30	66,491.10	31,463.93	41,819.41
	% of world exports/ imports	23.80	11.12	67.76	25.47	9.48	9.57	27.60	27.86	25.32	19.24	22.15	9.42	12.13	14.98

Source: Authors' compilation using IMF database

Table A5 Export and Import data within member countries of RCEP

Countries → Year		Australia		Brunei Darussalam		Cambodia		China		Indonesia		Japan		Korea	
		Export	Import	Export	Import	Export	Import	Export	Import	Export	Import	Export	Import	Export	Import
1995	Value (in \$ millions)	31,230.41	19,711.88	3,198.28	2,068.49	237.79	1,232.06	46,869.68	42,333.92	24,407.25	18,278.86	1,40,709.63	1,06,202.12	45,855.60	53,345.77
	% of world exports/imports	58.91	20.73	94.39	-	66.58	85.46	31.47	27.81	53.70	29.65	31.74	-	34.91	33.77
2000	Value (in \$ millions)	33,318.30	27,820.29	2,685.89	922.30	113.48	1,359.75	73,628.92	69,112.18	33,945.96	19,562.18	1,39,219.35	1,33,478.19	61,658.82	62,890.70
	% of world exports/imports	52.45	25.42	87.24	-	8.29	55.42	29.53	36.69	54.67	29.24	29.10	27.05	35.81	31.65
2005	Value (in \$ millions)	60,533.67	54,529.41	6,223.32	1,210.09	227.56	2,779.60	1,86,177.30	2,07,428.14	50,046.93	57,625.81	2,17,630.94	2,04,330.48	1,17,736.95	1,16,182.93
	% of world exports/imports	57.61	27.24	87.77	44.62	7.53	56.48	24.43	29.46	58.48	56.76	36.58	31.84	41.42	35.02
2010	Value (in \$ millions)	1,39,306.18	94,647.02	8,330.06	2,222.07	902.77	8,397.90	3,53,819.91	4,35,842.96	91,753.05	1,00,148.11	3,42,266.80	2,93,785.41	2,05,290.70	1,95,921.33
	% of world exports/imports	65.82	27.56	93.74	45.59	16.17	58.90	22.42	27.21	58.15	59.59	44.46	35.04	44.02	36.59
2011	Value (in \$ millions)	1,85,857.23	1,10,425.45	11,337.40	3,893.01	1,223.84	9,517.92	4,32,892.96	5,15,167.80	1,20,738.18	1,30,289.83	3,70,133.42	3,69,403.07	2,54,433.06	2,28,267.39
	% of world exports/imports	68.63	26.65	90.96	55.35	18.25	92.85	22.79	25.23	59.34	59.74	45.00	36.19	45.81	33.42

Table A5 Export and Import data within member countries of RCEP (continued)

Countries → Year		Australia		Brunei Darussalam		Cambodia		China		Indonesia		Japan		Korea	
		Export	Import	Export	Import	Export	Import	Export	Import	Export	Import	Export	Import	Export	Import
2012	Value (in \$ millions)	1,80,626.07	1,19,157.24	11,654.15	4,126.16	1,504.33	11,708.34	4,79,043.42	5,01,147.98	1,13,620.40	1,41,240.13	3,54,195.79	3,70,988.70	2,61,648.45	2,26,276.64
	% of world exports/imports	70.15	28.25	89.75	50.45	19.18	99.93	23.37	23.53	59.79	58.32	44.35	34.70	47.76	33.19
2013	Value (in \$ millions)	1,85,839.20	1,16,462.01	10,527.61	5,354.29	2,068.38	13,049.02	5,19,263.60	5,24,471.78	1,06,023.82	1,36,420.69	3,14,600.41	3,54,460.72	2,72,877.10	2,20,391.66
	% of world exports/imports	73.29	28.69	92.06	59.69	22.36	96.23	23.49	22.01	58.08	56.62	44.03	34.91	48.76	32.93
2014	Value (in \$ millions)	1,75,850.78	1,16,482.92	8,769.33	5,248.27	1,266.37	13,224.74	5,56,040.15	5,08,210.08	96,168.37	1,32,570.71	2,97,896.89	3,47,276.99	2,73,261.52	2,22,586.61
	% of world exports/imports	73.08	29.92	82.61	76.22	18.40	86.05	23.73	20.59	54.55	56.73	43.16	32.63	47.72	33.45
2015	Value (in \$ millions)	1,29,826.14	1,05,677.04	5,191.10	4,323.70	1,972.67	13,696.10	5,52,139.40	4,50,469.99	77,893.71	1,05,759.58	2,62,146.29	2,95,009.41	2,48,958.29	2,05,182.82
	% of world exports/imports	68.89	31.21	81.71	81.32	23.00	81.14	24.21	19.77	51.79	53.63	41.96	33.50	47.26	36.93
2016	Value (in \$ millions)	1,22,288.12	98,635.39	4,247.67	2,297.96	2,580.44	13,314.61	5,24,409.54	4,40,992.48	71,213.51	99,363.01	2,71,047.48	2,75,664.05	2,31,954.16	2,00,194.90
	% of world exports/imports	63.93	29.81	86.51	50.55	25.55	74.06	24.54	19.83	52.04	51.42	42.03	32.04	46.78	37.81

Table A5 Export and Import data within member countries of RCEP (continued)

Countries → Year		Australia		Brunei Darussalam		Cambodia		China		Indonesia		Japan		Korea	
		Export	Import	Export	Import	Export	Import	Export	Import	Export	Import	Export	Import	Export	Import
2017	Value (in \$ millions)	1,55,661.44	1,14,904.04	4,645.75	2,310.38	3,008.52	17,563.47	5,61,122.92	5,39,817.21	90,365.85	1,04,222.20	3,09,596.27	3,03,907.02	2,78,771.68	2,27,119.99
	% of world exports/imports	67.89	30.69	83.18	49.58	26.59	88.57	24.61	21.43	53.58	47.27	44.35	32.60	49.60	36.79
2018	Value (in \$ millions)	1,80,759.41	1,20,262.23	5,561.68	3,429.40	3,202.69	24,126.36	6,21,728.97	5,98,017.94	95,934.96	1,28,957.01	3,29,995.76	3,34,997.80	3,03,761.33	2,39,353.03
	% of world exports/imports	70.97	29.65	84.65	52.01	25.14	90.00	24.86	20.67	55.12	49.84	44.72	32.28	50.15	35.24
2019	Value (in \$ millions)	1,95,534.97	1,11,781.43	6,390.88	2,865.09	3,842.42	24,367.28	6,55,968.53	5,83,418.97	94,760.21	1,20,345.97	3,03,358.34	3,22,475.02	2,68,528.11	2,34,478.52
	% of world exports/imports	71.74	29.11	88.13	38.34	25.85	87.62	26.25	20.75	56.58	49.05	42.99	31.34	49.49	36.86

Source: Authors' compilation using IMF database

Table A5 Export and Import data within member countries of RCEP (continued)

Countries → Year		Lao		Malaysia		New Zealand		Philippines		Singapore		Thailand		Vietnam	
		Export	Import	Export	Import	Export	Import	Export	Import	Export	Import	Export	Import	Export	Import
1995	Value (in \$ millions)	185.20	518.62	34,493.19	48,630.51	7,114.37	6,713.27	5,914.94	14,145.61	53,410.31	64,896.53	24,706.23	37,248.98	3,227.15	6,233.40
	% of world exports/imports	59.51	76.08	46.79	51.95	52.01	-	34.03	39.60	45.19	41.91	42.11	42.25	57.42	-
2000	Value (in \$ millions)	191.79	553.22	47,662.12	53,213.72	6,321.65	6,780.93	13,745.01	23,617.50	61,621.76	70,821.34	28,868.58	31,733.22	8,368.62	9,484.73
	% of world exports/imports	57.09	86.71	48.56	51.24	49.61	30.16	35.97	61.08	44.64	38.28	41.86	41.07	57.79	52.38
2005	Value (in \$ millions)	358.36	1,044.55	69,044.62	73,257.67	10,499.95	14,012.88	20,301.69	28,504.32	1,21,324.02	88,310.05	53,512.25	58,800.18	16,733.20	22,334.63
	% of world exports/imports	64.55	87.63	48.98	51.49	48.24	31.67	49.25	59.19	52.85	30.75	48.58	40.95	51.43	54.57
2010	Value (in \$ millions)	1,584.33	3,051.49	1,11,715.12	1,16,961.64	17,347.93	17,320.50	27,685.06	50,188.97	1,87,058.85	1,37,249.39	97,832.34	98,078.59	31,256.76	62,334.49
	% of world exports/imports	83.47	88.98	56.21	58.02	55.34	34.00	53.83	70.04	53.10	28.72	50.60	43.10	44.49	67.52
2011	Value (in \$ millions)	2,363.89	3,802.40	1,30,108.64	1,35,906.28	20,553.11	19,664.33	26,215.47	55,208.58	2,21,385.88	1,56,417.92	1,13,523.09	1,16,001.36	42,792.92	79,593.75
	% of world exports/imports	84.07	89.00	56.99	58.64	54.81	32.31	54.57	71.04	53.99	27.62	51.55	42.79	45.82	69.44

Table A5 Export and Import data within member countries of RCEP (continued)

Countries → Year		Lao		Malaysia		New Zealand		Philippines		Singapore		Thailand		Vietnam	
		Export	Import	Export	Import	Export	Import	Export	Import	Export	Import	Export	Import	Export	Import
2012	Value (in \$ millions)	2,519.74	5,331.84	1,34,951.12	1,47,677.53	20,836.40	20,610.63	29,120.61	59,476.54	2,27,393.81	1,61,602.41	1,18,530.82	1,30,184.46	51,648.11	87,764.63
	% of world exports/imports	83.01	91.10	59.25	61.33	55.93	32.85	56.01	67.87	55.51	27.53	52.13	43.45	46.41	71.13
2013	Value (in \$ millions)	3,055.20	6,281.43	1,38,310.16	1,55,938.92	23,349.04	20,537.74	30,577.94	60,513.56	2,27,750.84	1,62,754.15	1,19,143.69	1,23,228.78	55,572.74	1,09,095.00
	% of world exports/imports	85.74	143.73	60.56	64.25	58.99	31.87	56.65	70.45	55.27	26.54	53.09	39.98	43.17	75.36
2014	Value (in \$ millions)	3,959.41	6,792.50	1,38,249.48	1,51,243.17	23,780.65	22,406.48	34,618.01	68,101.27	2,28,291.03	1,70,165.09	1,15,794.07	1,19,540.00	59,804.61	1,29,901.84
	% of world exports/imports	90.38	91.34	59.02	61.63	56.86	32.74	56.03	70.84	55.70	27.77	51.53	42.24	40.98	80.31
2015	Value (in \$ millions)	3,319.36	6,553.12	1,15,140.99	1,28,744.95	18,385.09	19,741.62	30,285.83	67,783.18	1,93,763.85	1,50,221.66	1,08,220.02	1,14,916.92	60,633.40	1,39,796.02
	% of world exports/imports	87.03	92.13	57.58	62.02	53.52	33.11	51.65	69.33	55.13	26.92	51.37	45.02	37.83	76.30
2016	Value (in \$ millions)	3,564.27	5,790.98	1,06,334.46	1,14,494.88	18,708.01	19,294.12	28,881.19	73,409.40	1,75,520.10	1,39,283.73	1,09,962.59	1,14,323.06	68,240.30	1,41,893.30
	% of world exports/imports	85.18	84.55	56.14	56.98	55.55	32.47	51.46	67.09	53.24	25.81	51.44	46.26	38.79	71.99

Table A5 Export and Import data within member countries of RCEP (continued)

Countries → Year		Lao		Malaysia		New Zealand		Philippines		Singapore		Thailand		Vietnam	
		Export	Import	Export	Import	Export	Import	Export	Import	Export	Import	Export	Import	Export	Import
2017	Value (in \$ millions)	4,095.41	6,175.53	1,24,420.53	1,33,833.14	22,054.37	21,299.26	29,952.91	83,499.63	1,98,697.31	1,46,649.28	1,23,472.42	1,23,272.86	91,700.68	1,72,992.06
	% of world exports/imports	85.24	83.97	57.12	59.96	57.76	31.61	47.46	66.52	54.28	23.56	52.34	44.54	42.94	72.35
2018	Value (in \$ millions)	5,052.10	6,461.63	1,39,328.94	1,44,725.69	23,675.01	23,509.98	31,948.84	91,043.69	2,20,467.13	1,58,419.13	1,35,449.54	1,37,457.94	1,07,077.56	1,93,182.06
	% of world exports/imports	88.68	76.73	56.33	58.37	58.91	32.56	47.38	65.94	53.39	22.26	54.05	43.38	44.76	73.44
2019	Value (in \$ millions)	5,161.49	6,590.70	1,33,471.15	1,48,354.01	24,407.88	22,529.53	34,943.54	92,786.50	2,07,019.53	1,60,362.05	1,28,362.40	1,34,203.08	1,10,146.28	2,07,337.57
	% of world exports/imports	88.11	75.78	56.06	62.82	60.95	32.41	49.30	66.69	52.99	22.72	52.31	44.13	42.46	74.26

Source: Authors' compilation using IMF database