

WORLD TRADE ORGANIZATION

WT/GC/W/138/Add.1
22 April 1999

(99-1643)

General Council

Original: English

PREPARATIONS FOR THE 1999 MINISTERIAL CONFERENCE

APEC's "Accelerated Tariff Liberalization" (ATL) Initiative

Communication from New Zealand

Addendum

Accelerated Tariff Liberalization Initiative: An Outline of the Proposals Developed in the Eight ATL Product Areas

The following communication, dated 14 April 1999, has been received from the Permanent Mission of New Zealand.

I. ACCELERATED TARIFF LIBERALIZATION: CHEMICALS

Background

1. The ATL initiative on chemicals had its origins in the Uruguay Round. In 1991, chemical associations from several countries proposed that chemical tariffs be harmonized at low rates - 0, 5.5 and 6.5 per cent. The harmonization initiative covered all of HS Chapters 28-39, except for a handful of items that were considered to be part of the Uruguay Round agricultural negotiations. The industry proposal became the basis for the Uruguay Round Chemical Tariff Harmonization Agreement (CTHA), to which about two dozen countries became signatories as part of the Uruguay Round tariff commitments. Since then, a number of other countries have adopted the CTHA as part of their WTO accession commitments, and others still in the process of acceding have signalled their willingness to undertake the CTHA commitments. All told, over 30 countries are now in the process of implementing the CTHA with more to come once their accession negotiations are completed.

2. When APEC Ministers called for the nomination of sectors for Early Voluntary Sectoral Liberalization in mid-1997, the United States and Singapore each nominated the full range of products covered by the CTHA and the tariff rates agreed to in the Uruguay Round for those products. Australia and Hong Kong, China joined with the United States and Singapore as co-sponsors for a broad chemical initiative. Several other proposals were also received for subsectors of the chemical sector, and fertilizer was selected by APEC Ministers as a separate sector for liberalization beyond that provided in the CTHA.

3. Major chemical associations in the APEC region, through the APEC Chemical Industry Coalition, have given support and encouragement to the APEC initiative. In addition, other world industry associations such as the International Coalition of Chemical Associations have also encouraged broader participation in the CTHA.

4. While the tariff elements of the chemical initiative have moved to the WTO, the four co-sponsors remain active in APEC on the non-tariff, facilitation, and ecotech elements of the initiative. These elements cover a variety of issues, including customs facilitation, investment liberalization, and alignment of standards and test guidelines.

Trade barriers faced by sector

5. When the Uruguay Round CTHA was concluded, it covered 70 per cent of world trade. That percentage has since decreased as production in this sector has become increasingly globalized. High tariffs in non-CTHA countries are a particular concern because most chemical products are used as inputs for other chemical products. In addition, most chemical production takes place in large, world-class facilities. The output of these facilities is too large for any one economy to absorb domestically; hence, much of the output is exported to downstream chemical companies in other countries. Maintaining high tariffs on chemicals therefore functions only as a tax on chemical companies and reduces the efficiency, productivity and competitiveness of these companies.

Impact

6. The global chemical market is approximately \$2 trillion. Global trade is about \$500 billion and has been growing at about 6 per cent annually. The chemical industry provides high-paying jobs for millions of highly-skilled production workers around the world.

7. Virtually every manufactured product - from agriculture and automobiles to semiconductors and medicines - depends upon thousands of kinds of chemicals. Our food, clothing, shelter, health care, transportation - and every other facet of modern life - are all dependent on a modern, high-tech chemical industry. For example, as the standard of living increases, there is greater demand for food and for a greater variety of food and a better quality of food. Chemicals are used at every stage of the food production process from pesticides and fertilizers during the planting process to products for processing and preserving food and plastic to wrap it in at the other end of the process.

8. Because chemicals are inputs to so many other products, liberalizing trade in chemicals will have broad ramifications throughout the world economy. It will help chemical companies and other downstream industries to become more productive, competitive, and efficient, and to produce higher quality goods. In addition, harmonizing tariffs at low levels will promote investment, because companies are interested in investing in competitive, efficient facilities - the kind that will flourish under low tariffs.

The tariff proposal targets

9. The proposal covers all chemicals from HS Chapters 28-39, except for items included in the agricultural schedules during the Uruguay Round (i.e., HS 2905.43 (mannitol), 2905.44 (D-glucitol—sorbitol), 3301 (essential oils), 3501-3505 (albuminoidal substances, modified starches, glues), 3809.10 (finishing agents), and 3824.60 (sorbitol other than that of subheading 2905.44)).

The CTHA rates are as follows:

Chapter 28	5.5%
Chapter 29	
2901-2902	0%
2903-2915	5.5%
2916-2942	6.5%
Chapter 30	0%
Chapter 31	6.5%
Chapter 32	6.5%

Chapter 33	6.5%
Chapter 34	6.5%
Chapter 35	6.5%
Chapter 36	6.5%
Chapter 37	6.5%
Chapter 38	6.5%
Chapter 39	6.5%

10. The proposal calls for existing applied tariffs up to and including 10 per cent to be brought to the CTHA rates by 2001, and applied tariffs above 10 per cent to be brought to the CTHA rates by 2004.

11. The above targets have twice been endorsed by APEC Ministers - at Kuching in June 1998 and at Kuala Lumpur in November 1998.

Conformity with targets

12. As APEC Ministers noted at their meeting in November, progress towards meeting these targets was made in 1998. As Annex D of WT/GC/W/138 shows, Australia, Brunei, Canada, Hong Kong China, Japan, Korea, New Zealand, Singapore, Chinese Taipei, and the United States were able to agree to these targets for virtually all products. Indonesia, Malaysia, and the Philippines were able to agree for over 2/3 of tariff lines; the remaining items will generally be brought to CTHA rates, but over a longer time period. Thailand also agreed to CTHA rates, but on a slower schedule than that suggested in this proposal. China participated actively in the development of this proposal, but its conformity with the agreed targets is lower than average.

13. APEC Ministers accepted at the time of their meeting in Kuala Lumpur that it was necessary to improve on and build on this progress during 1999. It was expected that APEC economies would further improve upon their positions at the same time as non-APEC economies would be invited to join the initiative.

Table I.1

Major Traders: Chemicals*SITC 5, rev 3 - Chemicals and Related Products, N.E.S*

1996

Reporter	Imports (1,000 US\$)	Exports (1,000 US\$)
GLOBAL	\$448,942,000	\$448,344,000
Australia	\$7,054,581	\$2,138,017
Canada	\$14,404,937	\$11,418,766
Chile	\$2,016,131	\$556,792
China	\$18,105,822	\$8,876,784
Hong Kong, China	\$13,635,186	\$1,123,750
Indonesia	\$6,033,407	\$1,735,822
Japan	\$22,831,939	\$28,771,549
Korea	\$13,256,595	\$9,148,776
Malaysia	\$10,621,816	\$4,994,760
Mexico	\$8,697,953	\$3,893,768
New Zealand	\$1,855,858	\$1,021,444
Philippines	\$2,916,823	\$362,762
Singapore	\$7,781,397	\$7,061,712
United States	46,608,267	\$61,787,106
APEC TOTAL	\$175,820,710	\$142,891,808
EU TOTAL	\$175,837,645	\$215,002,221
Switzerland	\$11,705,412	\$21,978,240
Turkey	\$5,729,581	\$884,626
Brazil	\$5,698,880	\$3,159,949
Argentina	\$4,391,398	\$1,348,536
Czech Republic	\$3,270,319	\$1,977,687
South Africa	\$3,252,010	\$2,134,575
Norway	\$3,112,264	\$1,398,501
India	\$2,585,607	\$1,519,592
Venezuela	\$1,351,765	\$705,936
OTHER TOTAL	\$41,097,236	\$35,107,642

II. ACCELERATED TARIFF LIBERALIZATION: ENERGY

Background

14. When APEC Ministers called for the nomination of sectors for Early Voluntary Sectoral Liberalization in mid-1997, three nominations were received in the energy sector area. The proposals were from Australia, Thailand and the United States. These three proposals were merged into one in September 1997 with Australia agreeing to act as coordinator for the proposal.

Scope of the sector

15. The sector has been defined through a long series of consultations in APEC during 1998. It includes coal, gas and electricity as primary energy commodities (12 six digit tariff lines from Chapter 27) and a range of products and equipment which are intrinsic to energy production, transmission and distribution (137 six digit tariff lines, or ex-outs thereof, from Chapters 73, 82, 84, 85 and 87).

16. Approximately 80 per cent of the ATL Energy Sector is also covered by the list of energy materials and energy related equipment associated with the Energy Charter Treaty.

Trade barriers faced by the sector

17. Tariffs in the sector range from 0 per cent to 55 per cent in APEC economies. The simple average tariff ranges from approximately 0.6 per cent to 12.5 per cent for APEC economies.

Impact

18. The proposal aims for complete elimination of tariffs on all tariff lines in the sector. The goal is to promote higher rates of economic growth, improve price competition, enhance infrastructure development, promote innovation and productivity and in doing this provide greater choices for the consumer.

19. The Asia-Pacific Energy Research Centre (APEREC) forecasts that total energy demand in the APEC region alone will increase by 41 per cent from 1995 to 2010. Early liberalization of the barriers which place constraints on energy flows must occur in order to meet this demand and ensure the world economy achieves its full economic growth potential.

20. The benefits of liberalizing the energy sector would be significant and would accrue to all economies. Energy generates major export earnings for a number of economies, energy trade and investment flows are significant and the sector provides crucial inputs to industrial and other production. Accelerated work towards liberalizing the sector would improve the functioning of world energy markets, enhance energy security, reduce fuel costs, increase investment and facilitate business activity, and underpin sustainable economic growth.

21. The early liberalization of energy-related equipment and services would benefit the global economy collectively and individually. The dramatic growth in demand for energy in various forms projected for the foreseeable future throughout the world is well documented. Equally well documented is the inadequacy of energy delivery infrastructure in many economies to meet expected increases in demand. In addition, all economies are confronting the need to create a more efficient infrastructure (existing as well as new) for the delivery of energy on a more cost-effective basis.

22. Liberalization will help ameliorate the vulnerability/sensitivity of the sector to fluctuations in the business cycle, promote economies of scale, allow it to respond better to changing patterns in global demand and promote industry investment to improve productivity, respond to new market

opportunities and address environmental pressures. Clearly the level of positive impact will be directly correlated to the extent to which economies are able to liberalize trade.

The tariff proposal targets

23. The proposal aims to commence linear tariff cuts to achieve elimination of tariffs by 1 July 2004. This target has been endorsed by APEC Ministers.

Conformity with targets

24. As APEC Ministers noted at their meeting in November 1998, progress towards meeting these targets was made in 1998. As Annex D to WT/GC/W/138 shows, Australia, Canada, Hong Kong China, Japan, Korea, New Zealand, Singapore, and the United States were able to agree to these targets for virtually all tariff lines. Other APEC economies were able to conform to varying degrees.

25. APEC Ministers accepted at the time of their meeting in November that it was necessary to improve on and build on this progress in 1999. It was expected that APEC economies would further improve upon their positions at the same time as non-APEC economies would be invited to join the initiative.

Table II.1

Major Traders: Energy

Product Chapters: Ex 27, 73, 82, 84, 85, 87

	1996			
	Imports (1,000 US\$)	Share of Imports	Exports (1,000 US\$)	Share of Exports
GLOBAL	315,352,012	100.0%	301,706,213	100.0%
Australia	3,192,174	1.0%	8,616,835	2.9%
Brunei	unknown	unknown	unknown	unknown
Canada	9,070,244	2.9%	15,079,125	5.0%
Chile	1,495,456	0.5%	50,491	0.0%
China	12,268,749	3.9%	6,184,127	2.0%
Chinese Taipei	10,338,641	3.3%	5,183,260	1.7%
Hong Kong	9,477,989	3.0%	7,204,137	2.4%
Indonesia	4,103,534	1.3%	6,304,097	2.1%
Japan	28,938,008	9.2%	32,977,101	10.9%
Korea	16,435,043	5.2%	4,229,359	1.4%
Malaysia	6,187,051	2.0%	4,353,973	1.4%
Mexico	7,346,235	2.3%	6,866,591	2.3%
New Zealand	663,991	0.2%	313,287	0.1%
Philippines	2,725,232	0.9%	396,549	0.1%
PNG	unknown	unknown	unknown	unknown
Singapore	8,951,897	2.8%	5,260,094	1.7%
Thailand	4,387,473	1.4%	unknown	unknown
USA	40,916,166	13.0%	43,887,712	14.5%

	Imports (1,000 US\$)	Share of Imports	Exports (1,000 US\$)	Share of Exports
APEC TOTAL	166,497,883	52.8%	146,906,738	48.7%
EU TOTAL	107,831,665	34.2%	126,363,163	41.9%
Switzerland	4,514,294	1.4%	6,943,214	2.3%
Brazil	3,194,387	1.0%	1,009,733	0.3%
Czech Republic	2,969,167	0.9%	2,266,927	0.8%
Russian Federation	2,845,419	0.9%	2,272,636	0.8%
Norway	2,815,054	0.9%	4,900,076	1.6%
Poland	2,743,712	0.9%	2,499,129	0.8%
Turkey	2,084,534	0.7%	899,094	0.3%

III. ACCELERATED TARIFF LIBERALIZATION: ENVIRONMENT

Background

26. In July 1997, in response to instructions from APEC Trade Ministers to identify individual industry sectors that might be potential candidates for accelerated trade liberalization, four separate economies - Canada, Japan, Chinese Taipei and the United States - nominated the environmental goods and services sector. These four economies subsequently endorsed a single consolidated nomination.

27. At the APEC Economic Leaders meeting, in November 1997, the environmental goods and services sector was one of nine sectors selected to be advanced under the accelerated liberalization initiative. Over the course of 1998 a series of technical experts meetings took place to elaborate the details of this trade liberalization proposal. The resultant proposal that was presented and endorsed by APEC Leaders at their annual meeting in Kuala Lumpur, in November 1998, was a comprehensive initiative that included undertakings on the following four elements:

- (1) tariffs
- (2) services
- (3) non-tariff measures, and
- (4) economic and technical cooperation (Ecotech)

28. The nominating APEC economies recognized the challenges in defining and classifying these goods and services (including technologies) in a manner that would readily serve as the basis for reaching agreement on trade liberalization. For this exercise, APEC economies utilized the OECD definition that the environment industry is defined as consisting of "activities which produce goods and services to measure, prevent, limit or correct environmental damage to water, air, and soil, as well as problems related to waste, noise and eco-systems. Clean technologies, processes, products and services which reduce environmental risk and minimize pollution and material use are also considered part of the environment industry." Proceeding from this definition, APEC economies identified, by their Harmonized System (HS) codes, a list of goods to be covered under the agreement. This process was further guided by the list of categories of environmental goods presented in Annex III.1.

Trade barriers faced by the sector

29. Identifying barriers to trade in environmental goods (and services) will be facilitated by the development of an increasingly precise definition of scope. In general terms, barriers to trade may

arise from specific market access restrictions, e.g., tariffs, non-tariff barriers or restrictions on commercial presence.

30. Driven by the burgeoning world demand for energy efficiency and renewal, for the sustainable management of natural resources and biodiversity, and for more global responsiveness to issues such as climate change and ozone layer depletion, many economies within the APEC region have already felt the need to have access to the most advanced and efficient environmental goods, services and technologies. Trade liberalization in this vital sector will help all countries to better respond to the many environmental challenges which have arisen in recent years. The improved selection and availability of environmental goods and services at lower cost will help improve the overall quality of the basic environmental infrastructure, lower costs of environmental protection and promote further growth in a sustainable manner while minimizing economic, health and social costs.

Product coverage

31. The scope of product coverage developed by participating APEC economies is attached as Annex III.2.

Proposed actions

32. Tariffs would be eliminated in *four* equal cuts over *four* years, with cuts taking place in a linear fashion. The initial reduction would commence six months after the date on which the agreement is concluded, subject to the completion of domestic legislative procedures. Longer phaseouts could be considered in some cases.

33. All tariff concessions and commitments on services that are made in the final agreement would be bound in Members' WTO schedules. Participating economies which are not currently WTO Members would implement their commitments autonomously until such time as they accede to the WTO.

Major traders

34. Annex III.3 shows imports by APEC economies for a selection of products covered by this initiative. Note: the figures provided represent estimates of imports at the HS 6-digit level. The scope of coverage for this sector includes products at both the 6 and sub-6 digit level. Consequently, these figures should be considered as representative.

35. The OECD has estimated the global market for environmental goods and services to be approximately US\$320 billion, with rapid growth potential. Private sector industry surveys estimate the environment industry will increase from US\$469 billion in 1997 to US\$600 billion by 2010, which represents an average annual growth rate of 5 per cent¹.

¹ Source: Environmental Business International Inc., San Diego, California 1995. These estimates of the value of the environment industry are presented for illustrative purposes only. The methodology by which EBI defined environmental goods and services to arrive at these estimates in no way dictates the goods and services coverage of the initiative proposed in this nomination.

ANNEX III.1

Developing Coverage for an Agreement on Environmental Goods

36. Proceeding from the working definition that environmental goods and services are those “used to measure, prevent, limit or correct environmental damage to water, air, and soil, as well as problems related to waste, noise and eco-systems, and may also include clean technologies, processes, products and services which reduce environmental risk and minimize pollution and material use”, the following table, derived in part from the April 1995 work of the OECD/Eurostat informal working group on the environment industry, provides a useful summary categorization of those goods and services that are included under this initiative. An example (with corresponding HS/CPC code) is presented for each. It is expected that for each of the categories cited below, a variety of goods and their components with corresponding HS codes, as subsequently agreed, would be covered under the terms of the broader agreement.

Table III.1

Categories of environmental goods	Illustrative example(s)
Air pollution control	soot removers for boilers 8404.10 scrubbers/precipitators (wet/dry; electrostatic); catalytic converters 8421.39 waste gas incinerators 8417.80
Water pollution control	pumps (sewage) 8413.60 and .70 equipment for filtering/purifying water or other liquid industrial discharge 8421.21 and .29
Solid/hazardous waste management	waste incinerators: electric - resistance heated 8514.10, induction or dielectric 8514.20, and other 8514.30 trash compactors 8479.82
Remediation/clean-up of soil and water	absorbent material used in booms or socks used for containing oil spills 2302.10 inflatable spill recovery barges 8907.10 pollution protection booms 8907.90
Noise/vibration abatement	industrial mufflers 8409.91 8409.99
Monitoring/analysis and assessment	pH meters 9027.80 gas or smoke analysis apparatus 9027.10
Potable water treatment	water treatment systems 8421.21
Other recycling systems	metal recycling equipment 8462.91 machinery for cleaning or drying bottles or other containers 8422.20 asphalt recycling equipment 8474.32

Categories of environmental goods	Illustrative example(s)
Renewable energy plant	wind turbine pumps 8413.81 solar panels 8541.40
Heat/energy management	heat exchangers 8419.50 economizers for boilers 8404.10
Other: soil conservation	erosion control matter 4601.20 environmental protection cloth 5911.90

Source: OECD/EUROSTAT Informal Working Group on the Environment Industry, OECD/GD(96)1.

Note: (1) Categories of goods which the OECD considers to be "core" components of the environmental industry are shaded.

ANNEX III.2

Proposed Coverage of Environmental Goods for EVSL 4 November 1998

	Env. Act.	HTS No.		HS 6-Digit Description	Additional Product Specification	Nom
1	R/C	2302.10	ex	Bran, sharps and other residues, whether or not in the form of pellets, derived from the sifting, milling or other working of corn	Booms or socks consisting of ground corn cobs contained in a textile covering	CA
2	WWM	3926.90	ex	Other articles of plastics and articles of other materials of headings 3901 to 3914; other	Bio-film medium that consists of woven fabric sheets that facilitate the growth of bio-organisms.	CT
3	WWM	3926.90	ex	Other articles of plastics and articles of other materials of headings 3901 to 3914; other	Rotating biological contactor consisting of stacks of large (HDPE) plates that facilitate the growth of bio-organisms.	CT
4	WWM	4601.20	ex	Mats, matting, and screens of vegetable materials	Erosion control matting (biodegradable)	NZ
5	WWM	4601.20	ex	Mats, matting, and screens of vegetable materials	Ecologically safe ground covers (biodegradable)	NZ
6	WWM	5603.14	ex	Non-wovens, whether or not impregnated, coated, covered or laminated: of manmade filaments; weighing more than 150 g/m ²	Fabric of polyethylene/polypropylene/nylon for filtering wastewater.	CT
7	WWM	5911.90	ex	Textile products and articles, for technical uses, specified in note 7 to this chapter; other	Environmental protection cloth	NZ
8	M/A	6902.10	ex	Refractory bricks, blocks, tiles and similar refractory ceramic constructional goods, other than those of siliceous fossil meals or similar siliceous earths; containing by weight, singly or together, more than 50% of the elements Mg, Ca or Cr, expressed as MgO, CaO or Cr ₂ O ₃	Industrial incineration	CA
9	M/A	6902.20	ex	Refractory bricks, blocks, tiles and similar refractory ceramic constructional goods, other than those of siliceous fossil meals or similar siliceous earths; containing by weight more than 50% of alumina (Al ₂ O ₃), of silica (SiO ₂) or of a mixture or compound of these products	Industrial incineration	CA

	Env. Act.	HTS No.		HS 6-Digit Description	Additional Product Specification	Nom
10	M/A	6902.90	ex	Refractory bricks, blocks, tiles and similar refractory ceramic constructional goods, other than those of siliceous fossil meals or similar siliceous earths; other	Industrial incineration	CA
11	M/A	6903.10	ex	Other refractory ceramic goods (for example, retorts, crucibles, muffles, nozzles, plugs, supports, cupels, tubes, pipes, sheaths and rods), other than those of siliceous fossil meal or of similar siliceous earths; containing by weight more than 50% of graphite or other carbon or of a mixture of these products	Laboratory refractory equipment	CA
12	M/A	6903.20	ex	Other refractory ceramic goods (for example, retorts, crucibles, muffles, nozzles, plugs, supports, cupels, tubes, pipes, sheaths and rods), other than those of siliceous fossil meal or of similar siliceous earths; containing any weight more than 50% of alumina (Al ₂ O ₃) or of a mixture or compound of alumina and silica (SiO ₂)	Laboratory refractory equipment	CA
13	M/A	6903.90	ex	Other refractory ceramic goods (for example, retorts, crucibles, muffles, nozzles, plugs, supports, cupels, tubes, pipes, sheaths and rods), other than those of siliceous fossil meal or of similar siliceous earths; other	Laboratory refractory equipment	CA
14	M/A	6909.19	ex	Ceramic wares for laboratory, chemical or other technical uses; other	Laboratory equipment	CA
15	M/A	7017.10		Laboratory, hygienic or pharmaceutical glassware, whether or not graduated or calibrated; of fused quartz or other fused silica		CA
16	M/A	7017.20		Laboratory, hygienic or pharmaceutical glassware, whether or not graduated or calibrated; of other glass having a linear coefficient of expansion not exceeding 5×10^{-6} per Kelvin within a temperature range of 0 C - 300 C		CA
17	M/A	7017.90		Laboratory, hygienic or pharmaceutical glassware, whether or not graduated or calibrated; other		CA
18	APC	8404.10		Auxiliary plant for use with boilers of heading No. 8402 or 8403 (for example, economizers, super-heaters, soot removers, gas recoverers)		CA
19	APC	8404.20		Condensers for steam or other vapour power units		CA

	Env. Act.	HTS No.		HS 6-Digit Description	Additional Product Specification	Nom
20	APC	8405.10	ex	Producer gas or water gas generators, with or without their purifier; acetylene gas generators and similar water process gas generator, with or without their purifiers	Include only those with purifiers.	JA
21	N/V	8409.91	ex	Parts suitable for use solely or principally with the engines of heading No. 8407 or 8408; suitable for use solely or principally with spark-ignition internal combustion piston engines.	Industrial mufflers	CT SG
22	APC	8409.99	ex	Parts suitable for use solely or principally with the engines of heading No. 8407 or 8408; other	Industrial mufflers	SG
23	REP	8410.11		Hydraulic turbines and water wheels of a power not exceeding 1,000 kW		US
24	REP	8410.12		Hydraulic turbines and water wheels of a power exceeding 1,000 kW but not exceeding 10,000 kW		US
25	REP	8410.13		Hydraulic turbines and water wheels of a power exceeding 10,000 kW		US
26	REP	8410.90		Hydraulic turbines and water wheels; parts, including regulators		US
27	WWM	8413.60	ex	Pumps for liquids, whether or not fitted with a measuring device; other rotary positive displacement pumps	Submersible mixer pump to circulate water in wastewater treatment process; sewage pumps, screw type	CT, HK, SG
28	WWM	8413.70	ex	Pumps for liquids, whether or not fitted with a measuring device; other centrifugal pumps	Centrifugal pumps lined to prevent corrosion; centrifugal sewage pumps	CT, HK, SG
29	PWT	8413.81	ex	Pumps for liquids, whether or not fitted with a measuring device; other pumps	Wind turbine pump	NZ
30	M/A	8414.10		Vacuum pumps		CA
31	APC	8414.59		Fans (and blowers) other than table, floor, window, ceiling or roof fans with a self contained electric motor of an output not exceeding 125W		CA

	Env. Act.	HTS No.		HS 6-Digit Description	Additional Product Specification	Nom
32	M/A	8414.80		Air or vacuum pumps, air or other gas compressors and fans; ventilating or recycling hoods incorporating a fan, whether or not fitted with filters; other		CA, SG
33	S/H	8417.80	ex	Industrial or laboratory furnaces and ovens, including incinerators, non-electric; other than bakery ovens and furnaces for treatment of ores	Waste Incinerators	CA, CN, CT, KO, SG, US
34	S/H	8417.90	ex	Parts of Industrial or Laboratory Furnaces and Ovens, Including Incinerators, Non-electric	Parts of waste incinerators	US
35	REP	8419.19	ex	Other instantaneous or storage water heaters, non-electric	Solar Water Heaters	US
36	M/A	8419.40		Distilling or rectifying plant		CA
37	H/E	8419.50		Heat exchange units		SG, US
38	M/A	8419.60		Machinery for liquefying air or other gases		CA
39	M/A	8421.19		Centrifuges, including centrifugal dryers, other than cream separators and clothes-dryers		CA, US
40	WWM	8421.21		Filtering or purifying machinery and apparatus for liquids: for filtering or purifying water		CA, CN, HK, JA, KO, SG, US
41	WWM	8421.29		Filtering or Purifying Machinery and Apparatus For Liquids; other		HK, JA, US
42	APC	8421.39		Filtering or Purifying Machinery and Apparatus For Gases; other		HK JA SG US
43	M/A	8421.91	ex	Parts of Centrifuges, Including Centrifugal Dryers	Centrifuges, Accessories & Parts; except clothes dryers and clothes dryer furniture	CA, US

	Env. Act.	HTS No.		HS 6-Digit Description	Additional Product Specification	Nom
44	APC	8421.99		Parts of filtering or purifying machinery and apparatus for liquids or gases		CA, JA, US
45	ORS	8422.20		Machinery for cleaning or drying bottles or other containers		JA
46	WWM	8428.33	ex	Other continuous-action elevators and conveyors, for goods or materials; other, belt type	Belt-type above ground conveyor used to transfer solids or slurries between plants	SG
47	WWM	8436.80	ex	Other agricultural, horticultural, forestry, poultry-keeping or bee-keeping machinery	Hot water weed killing system	NZ
48	S/H	8462.91	ex	Machine tools for working metal, other than punching or notching and combined punching and shearing; hydraulic presses	Shredders/balers for metals; hydraulic	CA
49	S/H	8472.90	ex	Other office machines	Paper shredders	CA
50	S/H	8474.10	ex	Sorting, screening, separating or washing machines	Machines of a kind for use in screening and washing coal	CA
51	ORS	8474.10	ex	Sorting, screening, separating or washing machines	Waste foundry sand reclamation equipment	CT
52	ORS	8474.32	ex	Machines for mixing mineral substances with bitumen	Asphalt recycle equipment	CT
53	WWM	8479.82	ex	Mixing, kneading, crushing, grinding, screening, sifting, homogenizing emulsifying or stirring machines	Agitator for wastewater treatment	CT
54	ORS	8479.82	ex	Mixing, kneading, crushing, grinding, screening, sifting, homogenizing emulsifying or stirring machines	Other than kneading machinery	US
55	S/H	8479.89	ex	Machines and mechanical appliances having individual functions, not elsewhere specified or included in this chapter, other	Radioactive waste press	CN
56	WWM	8479.89	ex	Machines and mechanical appliances having individual functions, not elsewhere specified or included in this chapter, other	Trash compactors	US
57	PWT	8479.90	ex	Parts of Machines and mechanical appliances having individual functions, not elsewhere specified or included in this chapter, other	Parts of trash compactors	US
58	REP	8502.31		Generating sets, electric, wind-powered		US

	Env. Act.	HTS No.		HS 6-Digit Description	Additional Product Specification	Nom
59	S/H	8505.90	ex	Electro-magnets; other, including parts	Electromagnet	CT
60	S/H	8514.10	ex	Industrial or Laboratory Furnaces and Ovens; electric, resistance heated	Waste incinerators or other waste treatment apparatus	CA, SG, US
61	S/H	8514.20	ex	Industrial or Laboratory Furnaces and Ovens; electric, induction or dielectric	Waste incinerators or other waste treatment apparatus	CA, SG, US
62	S/H	8514.30	ex	Industrial or Laboratory Furnaces and Ovens, electric, other	Waste incinerators or other waste treatment apparatus	CA, SG, US
63	S/H	8514.90	ex	Parts of industrial or laboratory electric furnaces and ovens or other laboratory induction or dielectric heating equipment	Parts of Waste incinerators	US
64	REP	8541.40	ex	Photosensitive semiconductor devices, including photovoltaic cells whether or not assembled in modules or made up into panels; light emitting diodes	Solar cells	CA, US
65	WWM	8543.89	ex	Electrical machines and apparatus, having individual functions, not specified or included elsewhere in this chapter; other	Ozone production system	CT
66	R/C	8907.10	ex	Inflatable rafts	Inflatable oil spill recovery barges	NZ
67	R/C	8907.90	ex	Other floating structures	Pollution protection booms	NZ
68	M/A	9015.40		Photogrammetrical surveying instruments and appliances		CA
69	M/A	9015.80		Other surveying, hydrographic, oceanographic, hydrological, meteorological or geophysical instruments and appliances, excluding compasses		JA
70	M/A	9015.90	ex	Parts and accessories of surveying, hydrological, meteorological, or geophysical instruments and appliances, excluding compasses	Photogrammetric instruments; parts and accessories for articles of subheading 9015.40	CA
71	M/A	9022.29		Apparatus based on the use of X-rays or of alpha, beta or gamma radiations for other than medical, surgical, dental or veterinary uses		CA

	Env. Act.	HTS No.		HS 6-Digit Description	Additional Product Specification	Nom
72	M/A	9022.90	ex	Apparatus based on the use of X-rays or of alpha, beta or gamma radiations for other than medical, surgical, dental or veterinary uses	Parts and accessories for goods of subheading 9022.29	CA
73	M/A	9025.11		Thermometers and pyrometers, not combined with other instruments: liquid-filled, for direct reading		CA, JA, US
74	M/A	9025.19		Thermometers and pyrometers, not combined with other instruments: other than liquid-filled, for direct reading		CA, JA, US
75	M/A	9025.80		Hydrometers and similar floating instruments, thermometers pyrometers, barometers, hygrometers, and psychrometers, recording or not, and any combination of these instruments		CA, JA, US
76	M/A	9025.90		Parts and Accessories for Hydrometers and similar floating instruments, thermometers pyrometers, barometers, hygrometers, and psychrometers, recording or not, and any combination of these instruments		CA, JA, US
77	M/A	9026.10		Instruments and apparatus for measuring or checking the flow or level of liquid		CA, SG, US
78	M/A	9026.20		Instruments and apparatus for measuring or checking pressure		CA, US
79	M/A	9026.80		Other instruments and apparatus		US
80	M/A	9026.90		Parts and accessories for articles of subheading 9026		US
81	M/A	9027.10		Gas or smoke analysis apparatus		CA, CN, CT, KO, SG, US
82	M/A	9027.20		Chromatographs and electrophoresis instruments		CA,C T, US
83	M/A	9027.30		Spectrometers, Spectrophotometers and Spectrographs Using Optical Radiations (Ultraviolet, Visible, Infrared)		CT, US

	Env. Act.	HTS No.		HS 6-Digit Description	Additional Product Specification	Nom
84	M/A	9027.40		Exposure Meters		US
85	M/A	9027.50		Other instruments and apparatus using optical radiations (UV, visible, IR)		CA, US
86	M/A	9027.80		Other instruments and apparatus for physical or chemical analysis		CA, CT, HK, SG, US
87	M/A	9027.90		Microtomes; parts and accessories		CA, US
88	M/A	9028.10		Gas Meters		JA, US
89	M/A	9028.20		Liquid Meters		JA, US
90	M/A	9028.30		Electricity Meters		JA, US
91	M/A	9028.90		Parts and accessories for articles of subheading 9028		JA, US
92	M/A	9030.10		Instruments and apparatus for measuring or detecting ionising radiations		JA, US
93	M/A	9030.20		Cathode-ray Oscilloscopes and Cathode-ray Oscillographs		US
94	M/A	9030.31		Multimeters		US
95	M/A	9030.39		Other instruments and apparatus, for measuring or checking voltage, current, resistance or power, without a recording device		US
96	M/A	9030.83		Other instruments and apparatus for measuring or checking electrical quantities, with a recording device		US
97	M/A	9030.89		Other Instruments and Apparatus for Measuring or Checking Electrical Quantities		US

	Env. Act.	HTS No.		HS 6-Digit Description	Additional Product Specification	Nom
98	M/A	9030.90	ex	Parts and accessories (for nominated articles of subheading 9030)		US
99	M/A	9031.10		Machines for Balancing Mechanical Parts		US
100	M/A	9031.20		Test Benches		US
101	M/A	9031.30		Profile Projectors		US
102	M/A	9031.80		Other Measuring or Checking Instruments, Appliances and Machines, not elsewhere specified in this chapter		US
103	M/A	9031.90	ex	Parts and accessories (for nominated articles of subheading 9031)		US
104	M/A	9032.10		Thermostats		US
105	M/A	9032.20		Manostats		US
106	M/A	9032.81		Hydraulic and Pneumatic Instruments and Apparatus		US
107	M/A	9032.89		Automatic Regulating or Controlling Instruments, other		US
108	M/A	9032.90		Parts and accessories		US
109	M/A	9033.00		Parts and Accessories (Not Specified or Included Elsewhere in this Chapter) for Machines, Appliances, Instruments or Apparatus of Ch. 90		US

Nominating Economies: Canada = CA China = CN Chinese Taipei = CT Hong Kong, China = HK Japan = JA
 Korea = KO New Zealand = NZ Singapore = SG United States = US

APC = Air Pollution Control H/E = Heat/Energy Management M/A= Monitoring/Analysis N/V = Noise/vibration abatement
 ORS = Other Recycling Systems PWT = Potable Water Treatment R/C = Remediation/cleanup REP = Renewable Energy Plant
 S/H = Solid/Hazardous Waste WWM = Waste Water Management

ANNEX III.3

Imports of Environmental Goods

Value (US\$000)

HS Code	690310	690320	690390	690919	701710	701720	701790
Australia	992	15,327	6,063	1,7839	703	1,669	4,497
Brunei	571	0	0	0	0	0	0
Canada	2,566	15,769	10,560	21,907	1,969	7,958	7,592
Chile	568	1,937	1,160	1,501	433	800	1,630
China	959	2,407	9,873	354	300	74	1,740
Chinese Taipei	4,070	2,205	18,328	12,176	2,906	1,527	927
Hong Kong, China	702	699	5,454	1,724	389	0	3,444
Indonesia	406	8,572	5,967	5,801	260	747	1,024
Japan	824	4,441	10,936	37,997	23,251	6,043	10,006
Korea	25,780	12,895	13,767	28,097	445	109	5,709
Malaysia	237	1,975	20,206	3,127	63	224	2,143
Mexico	3,204	21,014	9,692	1,766	3,404	524	1,647
New Zealand	342	1,932	1,083	808	72	323	1,709
Philippines	139	1,205	1,866	2,353	34	798	1,437
Singapore	48	196	10,188	975	830	756	3,290
Thailand	1,156	2,429	12,820	2,586	27	71	5,547
United States	7,868	39,691	44,915	24,699	7,623	2,894	18,529
Total	60,432	132,694	182,878	169,110	42,709	24,517	70,871

Value (US\$000)

HS Code	840410	840420	840510	840991	840999	841011
Australia	11,735	724	223	188,386	126,264	63
Brunei	230	0	963	3,350	0	0
Canada	4,402	2,004	3,251	1,340,707	329,335	0
Chile	1,544	31	8,149	15,120	38,445	128
China	63,666	7,763	7,046	177,005	249,550	366
Chinese Taipei	23,930	975	8,212	192,869	22,761	86
Hong Kong, China	2,525	23	11,257	332,162	232,986	0
Indonesia	24,799	29,996	12,817	45,234	89,522	1,312
Japan	11,623	3,518	10,789	224,028	143,973	213
Korea	31,382	5,481	45,535	161,177	436,119	618
Malaysia	11,599	4,164	15,798	37,896	56,860	1,397
Mexico	4,125	203	9,026	492,785	178,185	88
New Zealand	3,590	622	5,116	12,445	19,618	24
Philippines	2,002	1,047	3,308	8,129	48,109	264
Singapore	17,989	1,496	5,624	77,747	308,477	89
Thailand	2,707	3,282	31,517	237,364	193,770	69
United States	2,524	3,765	3,300	2,573,652	905,562	1,241
Total	241,754	70,575	181,931	6,120,056	3,379,536	6,020

Value (US\$000)

HS Code	841012	841013	841090	841360	841370	841381	841410	841459
Australia	0	158	710	29,481	34,404	36,133	10,860	50,951
Brunei	0	0	485	51	739	0	402	748
Canada	187	1,253	15,853	147,913	100,832	83,428	34,756	175,164
Chile	0	9,957	1,127	8,016	31,104	6,203	4,160	13,707
China	1,146	23,634	13,421	7,971	61,569	144,825	30,048	60,885
Chinese Taipei	0	0	2,271	28,469	65,840	30,916	70,078	67,056
Hong Kong, China	0	0	322	8,035	48,383	55,742	8,817	83,905
Indonesia	0	7,191	11,213	12,296	114,551	45,003	12,671	36,660
Japan	0	8	5,698	94,836	57,618	17,349	103,161	132,939
Korea	6,211	9,283	1,298	86,402	131,403	108,226	97,234	75,683
Malaysia	267	12	2,532	12,212	58,592	38,101	15,116	19,221
Mexico	28	2,110	16,208	54,196	37,639	20,526	14,048	28,357
New Zealand	903	7	1,015	1,762	19,574	14,635	2,674	12,388
Philippines	728	0	712	3,293	25,400	19,203	2,503	9,697
Singapore	19	0	1,936	9,801	96,375	117,758	26,681	48,487
Thailand	0	2,575	72	19,259	81,943	95,493	10,099	45,851
United States	299	3,432	37,025	241,580	212,748	151,938	359,916	449,553
Total	9,788	59,620	111,898	765,573	1,178,714	985,479	803,224	1,311,252

Value (US\$000)

HS Code	841480	841780	841790	841919	841940	841950	841960	842119
Australia	112,141	2,025	14,587	94	1,944	49,332	114	11,044
Brunei	0	0	28	0	3	66	0	0
Canada	167,636	13,105	34,361	11,801	2,809	98,392	2,473	18,945
Chile	21,602	4,845	6,201	516	9,276	14,852	1,944	8,125
China	252,910	69,391	23,998	1,290	63,632	98,529	23,825	65,181
Chinese Taipei	123,358	151,549	18,520	4,323	43,408	26,020	27,295	12,429
Hong Kong, China	54,272	2,316	12,309	1,196	345	10,453	0	7,097
Indonesia	154,561	72,425	31,702	1,548	18,760	101,595	8,965	23,185
Japan	158,401	7,897	14,845	1,205	7,013	65,018	10,108	31,750
Korea	335,702	62,425	41,405	10,327	22,123	119,148	18,222	66,517
Malaysia	191,329	52,031	10,290	3,478	18,008	57,860	3,624	12,519
Mexico	81,599	9,654	11,098	2,446	9,466	55,174	11,500	19,249
New Zealand	15,137	791	326	575	399	7,285	18	3,062
Philippines	26,138	9,395	8,278	392	4,644	2,021	3,942	2,916
Singapore	240,445	42,130	8,430	1,597	7,382	68,320	4,212	18,263
Thailand	84,410	51,823	50,115	4,523	163,438	51,679	19,192	22,334
United States	464,027	19,637	72,178	81,398	36,737	145,273	36,725	76,796
Total	2,483,668	571,439	358,671	126,709	409,387	971,017	172,160	399,412

Value (US\$000)

HS Code	842121	842129	842139	842191	842199	842220	842833	843680
Australia	26,421	55,986	44,583	4,456	40,783	4,983	5,278	18,515
Brunei	882	0	0	176	0	0	0	0
Canada	53,957	66,353	399,224	16,553	143,546	3,233	21,953	65,672
Chile	15,703	10,669	35,025	1,641	15,631	2,369	63,510	7,261
China	108,121	83,253	55,570	4,401	40,135	29,220	128,808	11,584
Chinese Taipei	36,704	26,730	91,263	6,472	87,782	6,470	12,295	3,359
Hong Kong, China	34,082	9,597	26,345	1,640	61,579	1,184	16,272	0
Indonesia	53,793	46,438	49,170	4,587	34,037	2,100	33,637	5,158
Japan	149,425	59,900	109,332	23,052	147,313	14,137	15,706	16,558
Korea	70,400	123,080	132,437	8,022	118,991	17,849	39,129	14,597
Malaysia	47,720	30,421	44,013	4,942	34,643	2,208	48,052	4,681
Mexico	50,813	41,390	93,173	12,683	95,708	11,098	38,592	8,020
New Zealand	6,824	8,521	10,417	1,640	7,359	790	6,467	8,123
Philippines	19,775	4,885	15,125	1,854	26,955	5,572	9,410	1,357
Singapore	29,187	34,380	55,547	4,131	83,835	795	7,882	386
Thailand	32,032	29,770	76,502	5,828	73,043	5,410	25,600	1,593
United States	154,486	168,079	529,549	40,292	486,502	29,783	65,680	112,372
Total	890,325	799,452	1,767,275	142,370	1,497,842	137,201	538,271	279,236

Value (US\$000)

HS Code	847290	847410	847432	847982	847990	850231	850590	851410
Australia	39,292	8,911	1,146	17,555	83,823	114,400	5,265	3,358
Brunei	0	126	210	0	0	N/A	0	73
Canada	72,565	19,606	8,125	32,828	287,455	1,497	8,002	7,365
Chile	10,348	24,314	3,095	8,392	9,816	N/A	762	2,294
China	26,686	24,870	30,112	137,342	400,548	16,379	77,380	41,361
Chinese Taipei	29,546	52,533	4,036	19,680	217,709	N/A	93,081	712
Hong Kong, China	133,845	2,696	602	10,127	81,520	N/A	9,115	18,647
Indonesia	28,883	21,134	2,014	0	40,771	8,864	2,135	10,931
Japan	116,483	9,740	128	60,867	464,050	2,928	127,815	10,805
Korea	54,021	12,839	3,939	151,295	670,446	1,793	14,537	150,197
Malaysia	23,109	13,608	6,781	42,763	303,584	N/A	23,778	8,886
Mexico	26,500	13,599	6,178	26,045	88,751	N/A	24,080	6,731
New Zealand	10,261	3,436	0	4,612	16,469	4,594	1,175	416
Philippines	15,208	4,821	1,521	8,774	391,141	N/A	6,453	277
Singapore	40,123	15,196	988	16,498	596,822	396	19,342	6,648
Thailand	42,671	5,549	16,999	63,844	68,628	N/A	13,768	4,562
United States	944,538	68,765	1,090	113,473	647,004	290	246,828	47,393
Total	1,614,079	301,743	86,964	714,095	4,568,537	151,141	673,536	321,156

Value (US\$000)								
HS Code	846291	851420	851430	851490	854140	854389	890710	890790
Australia	3,608	2,405	3,725	7,670	14,743	139,784	3,305	1,113
Brunei	88	0	0	224	0	N/A	1,070	0
Canada	9,055	4,759	14,565	24,197	76,461	222,810	1,765	6,931
Chile	1,093	353	5,250	668	1,838	N/A	446	422
China	64,860	24,857	88,577	23,778	83,601	233,054	1,074	1,837
Chinese Taipei	3,423	336	26,467	2,510	114,926	N/A	914	335
Hong Kong, China	11,225	2,896	1,358	5,300	215,784	N/A	1,235	1,793
Indonesia	24,085	7,917	10,576	4,100	3,756	5,395	617	17,071
Japan	10,040	7,767	10,177	13,565	238,070	1,354,472	1,891	4,076
Korea	25,102	35,076	116,520	63,235	148,731	253,563	620	7,649
Malaysia	59,645	2,807	51,811	25,160	91,275	N/A	1,220	4,538
Mexico	9,103	7,389	20,433	4,071	64,052	N/A	574	788
New Zealand	561	744	1,104	932	4,333	35,481	627	1,069
Philippines	3,407	272	7,465	3,327	8,581	N/A	562	1,169
Singapore	11,352	1,712	38,547	19,869	278,894	252,337	8,494	2,947
Thailand	41,520	6,234	42,007	3,773	33,372	N/A	93	13,944
United States	102,000	16,430	114,894	107,631	749,420	1,056,311	9,474	11,835
Total	380,177	121,954	553,476	310,030	2127837	3,553,207	33,981	77,517

IV. ACCELERATED TARIFF LIBERALIZATION: TOYS

Background

37. When nominations of sectors for liberalization were called for under the APEC Early Voluntary Sectoral Liberalization initiative in mid 1997, China and Hong Kong, China proposed the toys sector, though with slightly different product coverage. Singapore and the United States subsequently expressed strong interest in the sector. After further discussion, the four member economies agreed to jointly co-sponsor the proposal, with an expanded coverage covering all products falling under HS 9501 to 9505. The consolidated proposal gained wide support among other APEC member economies and was selected as one of the nine fast-track sectors by APEC Ministers in Vancouver in November 1997. It was subsequently agreed that Hong Kong, China should serve as the coordinator for this sector.

38. The coverage of this ATL initiative on toys is the same as that of the “zero for zero” arrangement negotiated amongst the United States, European Union, Canada, Japan and Korea during the Uruguay Round (UR). However, participants of the UR “zero for zero” arrangement did not adopt the same product scope and implementation periods. This ATL initiative builds on the UR “zero for zero” arrangement with a view to expanding participation and eliminating tariffs on all products covered.

Coverage

39. The proposal covers all toys and games falling under HS 9501 to 9505. It includes wheeled toys designed to be ridden by children (HS 9501); dolls representing only human beings (HS9502); other toys, reduced-size models and similar recreational models, puzzles of all kinds (HS 9503); articles for funfair, table or parlour games (HS 9504); and festive, carnival or other entertainment articles (HS 9505).

Trade barriers faced

40. High tariffs and tariff peaks are the major barriers in the toys sector. As for non-tariff barriers, toy safety standard is an area of concern.

Impact

41. Liberalization of this sector will increase trade and business opportunities for producers, traders and investors, thus contributing to economic growth. Besides, from a wider perspective, this would encourage more competitive prices, stimulate product innovation and bring about wider choices for consumers, thus contributing to the improved welfare of the global community at large.

42. APEC economies have strong commercial interests in the sector. Some statistical information on major traders in the toys sector is at Annex IV.1.

Targets of the proposal

43. The proposal aims for complete elimination of tariffs on all products falling under HS 9501 to 9505 preferably by 2000 and no later than 2005. All participating economies should strive to meet the targets but in special circumstances and on a case by case basis, tariffs could be eliminated over an extended phase out period. These targets were endorsed by APEC Ministers at Kuching in June 1998 and at Kuala Lumpur in November 1998.

Conformity with targets

44. The toys proposal has wide support amongst APEC economies. As Annex D to WT/GC/W/138 shows, Australia; Canada; Hong Kong, China; New Zealand; Papua New Guinea; Singapore; Chinese Taipei and the United States were able to agree to these targets for all products covered. Japan and Korea were able to agree to these targets for 90 percent of the tariff lines or over. Other economies have committed to phase down tariffs to a lower rate and/or at a slower time.

45. APEC Ministers agreed at their meeting in Kuala Lumpur in November 1998 that it was necessary to improve and build on this progress during 1999. It was expected that APEC economies would further improve their offers at the same time as non-APEC economies would be invited to join the initiative.

ANNEX IV.1

Major Traders in the Toys Sector Product Coverage : HS 9501 - 9505

	Imports (US\$'000)	Share of World Imports	Exports (US\$'000)	Share of World Exports	Average Tariff Bound	MFN Average (%) (in)	
World	29,895,830	100.00%	27,220,619	100.00%	-	-	-
Australia	391,279	1.31%	58,776	0.22%	13.27%	4.23%	1998
Brunei	N/A	N/A	N/A	N/A	23.33%	2.41%	1998
Canada	964,346	3.23%	300,465	1.10%	0.36%	1.02%	1998
Chile	107,433	0.36%	7,706	0.03%	25.00%	11.00%	1998
China	335,838	1.12%	4,587,980	16.85%	N/A	16.30%	1999
HKC	5,129,336	17.16%	9,768,122	35.89%	Unbound	0.00%	1998
Indonesia	30,143	0.10%	315,778	1.16%	40.00%	18.18%	1998
Japan	1,368,375	4.58%	1,695,348	6.23%	1.43%	3.10%	1998
Korea	343,847	1.15%	275,548	1.01%	3.85%	8.87%	1998
Malaysia	87,670	0.29%	333,006	1.22%	16.49%	11.63%	1998
Mexico	231,378	0.77%	618,053	2.27%	Unbound	17.30%	1997
New Zealand	92,164	0.31%	12,043	0.04%	25.84%	6.81%	1999
PNG	N/A	N/A	N/A	N/A	42.73%	46.36%	1998
Philippines	42,293	0.14%	170,026	0.62%	Unbound	16.36%	1998
Singapore	247,136	0.83%	305,948	1.12%	Unbound	0.00%	1998
Chinese Taipei	304,550	1.02%	901,281	3.31%	N/A	6.64%	1998
Thailand	50,724	0.17%	476,704	1.75%	30.00%	20.00%	1998
USA	10,266,166	34.34%	1,848,580	6.79%	0.00%	0.00%	1998
APEC 18 Total	19,992,678	66.87%	21,675,364	79.63%	-	-	-
	EU+APEC 18:	95.04%	EU+APEC 18:	97.79%			
Peru	57,894	0.19%	694	0.00%	30.00%	12.00%	1997
Russia	N/A	N/A	N/A	N/A	N/A	N/A	-
Vietnam	N/A	N/A	N/A	N/A	N/A	N/A	-
<i>Top 10 non-APEC economies :</i>							
1. EU	8,421,780	28.17%	4,942,613	18.16%	1.26%	4.60%	1998
2. Switzerland	383,755	1.28%	264,045	0.97%	1.93% + SFr 41.48/100kg	SFr 46.35/100kg	1996
3. Norway	150,227	0.50%	5,865	0.02%	Unbound	5.98%	1996
4. Argentina	113,046	0.38%	16,270	0.06%	Unbound	21.30%	1997
5. Poland	106,802	0.36%	61,956	0.23%	12.21%	15.50%	1996
6. Brazil	100,325	0.34%	18,795	0.07%	35.00%	20.00%	1995
7. Israel	80,353	0.27%	17,687	0.06%	16.00%	16.30%	1993
8. South Africa	58,165	0.19%	3,340	0.01%	30.00%	3.80%	1997
9. Colombia	45,118	0.15%	7,780	0.03%	Unbound	19.00%	1997
10. Venezuela	44,252	0.15%	3,094	0.01%	40.00%	19.80%	1997

V. ACCELERATED TARIFF LIBERALIZATION: FISH AND FISH PRODUCTS

Background

46. In the summer of 1997, in response to instructions from APEC Trade Ministers to identify individual industry sectors that might be potential candidates for accelerated trade liberalization within APEC, five separate economies -- Brunei Darussalam, Canada, Indonesia, New Zealand and Thailand -- nominated the fish and fish products sector. These five economies subsequently endorsed a single consolidated trade liberalization approach for this sector aimed at full liberalization by the end of 2005.

47. At the APEC Leaders Summit, in November 1997, the 'fish and fish products' sector was one of nine sectors approved for accelerated trade liberalization. Over the course of 1998, and under the overall leadership of Malaysia (the APEC host economy that year) and of the Chair of APEC's Committee on Trade and Investment, a series of technical experts meetings took place to elaborate the details of this trade liberalization proposal (among others). The resultant proposal that was presented to APEC Leaders at their annual meeting in Kuala Lumpur, in November 1998, was a comprehensive proposal that included undertakings on the following six elements:

- (1) tariffs;
- (2) non-tariff measures (NTMs);
- (3) subsidies;
- (4) sanitary and phytosanitary (SPS) measures;
- (5) economic and technical cooperation; and
- (6) international cooperation in fisheries management in the APEC region.

48. Work is continuing within APEC on the last five elements. However, APEC Ministers agreed to refer the tariff element of the proposal to the WTO, with a view to broadening participation in the initiative by other WTO Members.

Trade barriers faced by the sector

49. World trade in fish and fish products is affected by a range of trade measures, including: tariffs; NTMs, such as import licensing, quantitative restrictions (including tariff rate quotas), and health (both human and animal) and sanitary regulations; and trade-distorting export subsidies. Within APEC, there is a wide discrepancy in tariff levels among individual economies, with applied rates ranging from Free to as high as 80 per cent. One study by the Pacific Economic Cooperation Council (PECC) has found that, within the APEC region, tariffs on fisheries products are (on average) 15 per cent higher than tariffs on agricultural products.

50. Most observers would agree that liberalization of fish tariffs in previous multilateral negotiations have not kept pace with the degree of liberalization achieved in many other sectors.

The accelerated tariff liberalization (ATL) proposal for fish and fish products

51. The ATL proposal developed by APEC economies amounts to a zero-for-zero approach.

Participation

52. To date, 15 of the APEC member economies have participated actively in the fish trade liberalization discussions, including all of the ASEAN countries, as well as China, Korea, and Chinese Taipei.

Product Coverage

53. The proposal encompasses virtually all fish and fish products, classified under 108 individual tariff lines at the 6-digit level of the Harmonized System (HS). This includes:

Chapter 3:

all items under headings 0301 through 0307 (i.e., live, fresh, chilled, frozen, salted, dried and smoked fish, crustaceans and molluscs);

ex Chapter 5:

some of 0511 (fish, crustaceans and molluscs, unfit for human consumption);

ex Chapter 16:

some of 1603 (fats and oils of fish);
all of 1604 (prepared or preserved fish); and
all of 1605 (prepared crustaceans, molluscs and other aquatic invertebrates).

ex Chapter 23:

some of 2301 (flours, meals and pellets); and
some of 2309 (animal feeds).

Proposed actions

54. The proposal calls for the elimination of most tariffs over a six-year period, with tariffs of 20 per cent or less eliminated over four years, and longer phase-out permitted for a specified percentage of tariff items. Tariffs would be phased-out on a linear basis.

Major traders

55. A table is attached, showing the exports, imports and relative shares of fisheries trade by APEC economies.

Table V.1

Accelerated Tariff Liberalization - Fish and Fish Products Sector
1996 Trade Figures

	Imports (US\$1,000)	% of Global Imports	Exports (US\$1,000)	% of Global Exports
Global	54,871,452		54,871,452	
Australia	464,442	0.85%	899,156	1.64%
Brunei	20,141	0.04%	37	0.00%
Canada	1,137,283	2.07%	2,464,937	4.49%
Chile	45,549	0.08%	1,835,899	3.35%
China	1,080,409	1.97%	2,939,070	5.36%
Chinese Taipei	1,019,801	1.86%	1,446,768	2.64%
Hong Kong, China	1,725,174	3.14%	601,759	1.10%
Indonesia	201,097	0.37%	1,716,015	3.13%
Japan	16,006,132	29.17%	722,036	1.32%
Korea	983,359	1.79%	1,536,763	2.80%
Malaysia	396,287	0.72%	327,399	0.60%
Mexico	103,928	0.19%	705,585	1.29%
New Zealand	48,362	0.09%	837,877	1.53%
Peru	6,371	0.01%	1,204,879	2.20%
Philippines	127,788	0.23%	447,184	0.81%
PNG	9,959	0.02%	25,687	0.05%
Russia	711,301	1.30%	2,562,543	4.67%
Singapore	589,068	1.07%	547,700	1.00%
Thailand	478,915	0.87%	3,853,014	7.02%
USA	6,918,165	12.61%	3,515,036	6.41%
Vietnam	12,716	0.02%	611,923	1.12%
APEC total	32,073,431	58.45%	28,189,344	51.37%

Source: Statistics Canada - World Trade Analyser.

VI. ACCELERATED TARIFF LIBERALIZATION: MEDICAL EQUIPMENT AND INSTRUMENTS SECTOR

Introduction

56. Health care is an important issue for both developed and developing economies - it is part of the basic social infrastructure. Promoting trade in medical equipment and instruments through lowering/removal of barriers would have social and economic benefits for all economies. Tariff liberalization in the health care sector would provide opportunities for businesses to provide high-value, cost-efficient technologies to support domestic cost containment measures. It would also facilitate the development of an economy's health care system.

57. APEC economies account for approximately 45 per cent of world exports of medical equipment and instruments, and 47 per cent of world imports. Thus, there are significant markets for medical equipment and instruments within APEC as well as outside of APEC. A number of non-APEC economies have significant exporting interests in these products. The EU, for example, accounts for 48 per cent of world exports of these items, and absorbs 40 per cent of world imports. In addition, there are other large and fast growing markets outside of APEC for medical equipment and instruments, including Switzerland, Brazil and Israel.

58. The broader global interest in liberalization in this sector is reflected by the fact that a number of major economies participated in a tariff “zero-for zero” initiative for medical equipment in the Uruguay Round. The nine signatories to this agreement were Canada, EU, Hong Kong, Iceland, Japan, Norway, Singapore Switzerland and the US. There has also been keen interest during the Uruguay Round in establishing a zero-for-zero initiative in the scientific instruments sector.

Background on medical equipment and instruments sector

59. The events leading to the formulation of the Accelerated Tariff Liberalization (ATL) initiative for the Medical Equipment and Instruments sector are outlined in the ensuing paragraphs.

60. In response to the call by APEC Trade Ministers in mid-1997 for nomination of sectors for Early Voluntary Sectoral Liberalization, four nominations were received from Japan, Singapore, Thailand and the US involving products in this sector. These nominations were further consolidated and refined and presented to Ministers in Vancouver in November 1997 as the Singapore-US joint proposal on “medical equipment and instruments”, Japan’s “scientific equipment” and Thailand’s “medical equipment & apparatus” proposals.

61. Of the 41 sectors presented to Ministers in Vancouver, 15 sectors were identified by Ministers as enjoying the most support among APEC member economies. “Medical Equipment and Instruments” was one of these 15 sectors.

Product coverage and impact

62. The ATL proposal on Medical Equipment and Instruments covers products ranging from simple thermometers produced by developing economies to high-technology products such as X-ray/cat-scan equipment manufactured by developed economies.

The specific products are:

- *in vitro* and *in vivo* diagnostics substances: HS 2844.40
- composite reagents: HS 3822
- medical and surgical sterilizers and parts: HS 8419.20, ex HS 8419.90
- invalid carriages and parts: HS 8713, HS 8714.20
- surgical and medical instruments: HS 9018
- electromedical and electrotherapeutic apparatus: HS 9019
- orthopaedic, prosthetic and surgical appliances and supplies: HS 9021
- X-ray apparatus, tubes, and related irradiation apparatus: HS 9022
- instruments, apparatus & models, designed for demonstration: HS 9023
- machines and appliances for testing: HS 9024
- hydrometers, thermometers, barometers: HS 9025
- instruments and apparatus for measuring or checking: HS 9026
- instruments and apparatus for physical or chemical analysis: HS 9027
- gas, liquid or electricity supply or production meters: HS 9028
- oscilloscopes, spectrum analysers and other instruments: HS 9030
- measuring or checking instruments, n.e.s.: HS 9031
- automatic regulating or controlling instruments: HS 9032
- medical and surgical furniture and parts: HS 9402.10, HS 9402.90

63. Under the tariff component of the proposal, the objective is complete elimination of tariffs on all the above products. The elimination of tariffs on global trade in these products is estimated to yield annual tariff savings of up to US\$3.3 billion. It would promote flow of trade of medical equipment and instruments across borders which would meet increasing demand for quality health care and access to state-of-the-art medical devices and diagnostics. The opening of markets would

also generate more and better paying jobs in the medical equipment and instruments industry in both developed and developing economies.

Tariff proposal targets

64. The tariff proposal target for the Medical Equipment and Instruments Sector is to eliminate tariffs on all products listed above by 1 January 2001. This target has been endorsed by APEC Ministers in Kuching in June 1998 and again in Kuala Lumpur in November 1998.

Conformity with targets

65. Of the 16 participating economies, Australia, Canada, Hong Kong China, Japan, New Zealand, Singapore, and the US were able to achieve the target of tariff elimination by January 2001 for all products. Korea, Malaysia and Papua New Guinea were able to achieve the target for over 65 per cent of the tariff lines. Other participating economies requested for flexibilities in end year and/or end rate.

66. APEC Minister agreed at their meeting in Kuala Lumpur in November 1998 that member economies may implement immediately the tariff commitments on a voluntary basis. Ministers also accepted the need to improve and build upon this progress in 1999 by broadening the participation beyond APEC to maximise the benefit of liberalization. APEC economies were encouraged to further improve their participation in the tariff proposal, whilst inviting non-APEC economies to join the initiative.

Major traders

67. The major traders of the products under the Medical Equipment and Instruments sector is attached as Annex VI.1.

Other trade barriers faced

68. Apart from the tariff component, the participating APEC economies in the initiative also agreed on a work plan to deal with non-tariff measures (NTMs) affecting trade flow in the Medical Equipment and Instruments sector. The agreement is to complete a transparency study to identify NTMs by 31 July 1999, and a work plan by 31 December 1999 to address these NTMs.

ANNEX VI.1

Medical Equipment And Instruments

Product Coverage: HS 2844.40, 3822, 8419.20, ex 8419.90, 8713, 8714.20, 9018, 9019, 9021, 9022, 9023, 9024, 9025, 9026, 9027, 9028, 9030, 9031, 9032, 9402.10, 9402.90

	Imports	Exports	Share of
	(US\$'000)	(US\$'000)	Imports
World	99,187,402	94,526,697	100.00%
Australia	1,747,288	414,161	1.76%
Brunei	N/A	N/A	N/A
Canada	3,754,179	1,643,896	3.78%
Chile	240,962	7,791	0.24%
China	2,280,260	606,705	2.30%
HKC	1,755,825	126,458	1.77%
Indonesia	557,884	30,451	0.56%
Japan	7,719,233	10,178,720	7.78%
Korea	4,671,452	462,825	4.71%
Malaysia	1,133,387	407,566	1.14%
Mexico	1,734,310	1,371,028	1.75%
New Zealand	303,713	74,320	0.31%
PNG	N/A	N/A	N/A
Philippines	350,613	40,248	0.35%
Singapore	1,809,525	1,428,520	1.82%
Chinese Taipei	2,638,037	494,660	2.66%
Thailand	1,440,615	N/A	1.45%
USA	13,143,894	24,805,577	13.25%
APEC	45,281,177	42,092,925	45.65%
Peru	123,529	1,366	0.12%
Russia	1,497,312	192,984	1.51%
Vietnam	N/A	N/A	N/A
1. EU	39,608,785	45,671,583	39.93%
2. Switzerland	1,871,335	4,011,668	1.89%
3. Brazil	1,564,080	150,743	1.58%
4. Turkey	792,480	33,531	0.80%
5. Poland	760,140	135,355	0.77%
6. South Africa	739,765	96,505	0.75%
7. Czech Republic	722,474	190,897	0.73%
8. Norway	686,537	399,927	0.69%
9. Israel	632,855	749,880	0.64%
10. Argentina	543,948	49,719	0.55%

Source:

- UN COMTRADE, 1996.
- For Chinese Taipei - Monthly Statistics of Imports/Exports 1996.

Notes:

- UN COMTRADE does not cover data of Brunei, PNG and Chinese Taipei.
- World total trade values based on 95 economies (imports) and 89 (exports), adjusted to include Chinese Taipei.

*Trade statistics of individual economies have not been adjusted to include trade with Chinese Taipei.

N/A - not applicable/data not available.

VII. ACCELERATED TARIFF LIBERALIZATION: GEMS AND JEWELLERY SECTOR

Background

69. The Gems and Jewellery sector, comprising all items under Chapter 71, was initially proposed by Thailand and co-sponsored by Chinese Taipei in response to APEC Ministers call for nominations of sectors for Early Voluntary Sectoral Liberalization (EVSL) in 1997. Most APEC member economies have provided positive support and active involvement in developing the proposal, which is a significant indication that almost all APEC economies are in favour of tariff liberalization in this sector.

Trade barriers faced

70. Tariffs remain the main trade barrier for the Gems and Jewellery sector in most APEC economies. However by breaking down this sector into three segments, namely Gems (7101-7105), Metals (7106-7112) and Jewellery (7113-7118), it is clearly visible that the average tariff rates for the Gems segment is significantly lower than that for Metals and Jewellery.

Impact

71. The proposal, which covers all of Chapter 71, is aimed at expanding trade and investment through the reduction/elimination of tariffs in the sector. The proposal is also designed to promote employment of skilled labour as well as tourism by generating a higher demand for luxury goods worldwide.

Tariff proposal targets

72. The Gems and Jewellery proposal covers all of Chapter 71 and seeks to reduce tariffs to between 0-5 per cent by the year 2005. This target has twice been endorsed by APEC Ministers - at Kuching in June and in Kuala Lumpur in November 1998.

Conformity with targets

73. Of the nine priority sectors endorsed by Ministers in November 1998, it was apparent that the Gems and Jewellery sector had received the most promising response. Most economies responded positively in terms of conformity with the proposed targets. Australia, Brunei, Canada, Hong Kong China, Korea, New Zealand, Singapore, Chinese Taipei, Thailand and the United States were able to agree to these targets. Other participating economies have reserved their positions with respect to some of the tariff lines.

ANNEX VII.1

Gems and Jewellery

Product Coverage: HS 71

	Imports (US\$'000)	Exports (US\$'000)	Average Tariff Bound	MFN (%)	(in)	Share of World Imports
World*	91,346,216	75,295,564	-	-	-	100.00%
Australia*	866,523	4,429,053	5.23%	1.13%	1998	0.95%
Brunei	601,938	132,575	23.77%	3.00%	1998	0.66%
Canada*	1,321,398	2,944,238	2.53%	2.92%	1998	1.45%
Chile*	10,706	592,715	35.00%	11.00%	1998	0.01%
China*	403,890	1,267,002	N/A	16.60%	1999	0.44%
Hong Kong, China*	7,189,537	3,052,381	0.00%	0.00%	1998	7.87%
Indonesia*	94,184	418,219	38.46%	13.00%	1998	0.10%
Japan*	7,682,876	1,274,883	1.10%	1.11%	1998	8.41%
Korea*	6,037,361	5,805,797	7.25%	4.49%	1998	6.61%
Malaysia*	1,020,328	638,995	10.19%	2.80%	1998	1.12%
Mexico*	201,963	784,158	35.00%	8.67%	1997	0.22%
New Zealand*	59,349	206,185	5.08%	2.60%	1999	0.06%
PNG	897	314,673	N/A	52.00%	1998	0.00%
Philippines*	53,973	295,530	25.96%	5.93%	1998	0.06%
Singapore*	4,489,617	1,341,635	1.51%	0.00%	1998	4.91%
Chinese Taipei	1,478,661	249,916	N/A	1.20%	1998	1.62%
Thailand*	1,891,018	2,214,831	1.75%	20.00%	1998	2.07%
USA*	17,134,700	883,915	2.13%	0.00%	1998	18.76%
APEC 18 Total	50,538,919	34,802,611	-	-	-	55.33%
				EU + APEC 18		95.04%
Peru	5,861	896,221	21.72%	N/A	1993	0.01%
Russia	N/A	N/A	N/A	N/A	-	N/A
Vietnam	N/A	N/A	N/A	N/A	-	N/A
1. EU	38,063,243	32,476,523	0.60%	N/A	1995	41.67%
2. Switzerland	4,456,411	4,427,799	0.08%	N/A	1995	4.88%
3. Norway	133,273	103,817	0.72%	N/A	1995	0.15%
4. Hungary	17,524	18,968	8.05%	N/A	1995	0.02%
5. Poland	22,793	184,844	18.05%	N/A	1995	0.02%
6. Iceland	4,451	9,258	7.36%	N/A	1995	0.00%
7. Czech Republic	64,075	96,056	2.37%	N/A	1995	0.07%
8. Israel	5,424,250	7,240,449	6.18%	N/A	1995	5.94%
9. Turkey	42,271	120,158	3.33%	N/A	1995	0.05%

VIII. ACCELERATED TARIFF LIBERALIZATION: FOREST PRODUCTS

Background

74. The ATL initiative in the forest products sector has its origins in the Uruguay Round when Canada and the United States proposed the complete elimination of wood product tariffs. This proposal was supported strongly by New Zealand. This target was not achieved but a "zero for zero" arrangement was negotiated between the United States, Canada, Japan, EU, Korea and New Zealand for paper products (chapters 47, 48 and 49 of the tariff).

75. When APEC Ministers called for the nomination of sectors for Early Voluntary Sectoral Liberalization in mid-1997, four nominations were received in the forest products area. The proposals were from the United States, Canada, Indonesia and New Zealand. These four proposals were merged into one in September 1997 with New Zealand agreeing to act as coordinator for the proposal. Indonesia, the United States and Canada have remained active proponents of the proposal in a co-sponsor role and continue to coordinate individual elements of the proposal in the non-tariff, building standards and economic and technical cooperation areas which continue to be progressed within APEC.

Trade barriers faced by sector

76. The sector faces a range of barriers. Tariffs and tariff escalation remain particularly significant barriers. We recommend a 1998 FAO publication Trade Restrictions and their impact on International Trade in Forest Products which we understand is available in hard copy and on the FAO website www.fao.org/ur for a full explanation of the barriers faced in this sector.

77. This study highlights the fact that while, in general, developed economy tariffs for these products are relatively low, tariffs for specific products remain high and create significant trade problems. This is especially true for panel- products, builders' woodwork items and furniture. While tariffs are generally less than 5 per cent in most developed countries, rates for particular products are much higher, commonly 10-15 per cent. Developing country tariffs are much higher than this with rates commonly falling between 10 and 60 per cent.

Impact

78. The proposal covers all forest products - from Rosin (ex 3804), to logs and wood products (ch 44), ratan products (ex 46), pulp, paper and paper products (ch 47, 48 and 49), wooden furniture (ex 9401, ex 9403) and prefabricated buildings made of wood (ex 9406). It aims for the complete elimination of tariffs on all these products thus eliminating the tariff escalation still very present in the sector. The goal is designed to promote higher rates of economic growth, improve price competition, enhance infrastructure development, promote innovation and productivity, and in doing this, provide greater choices for the consumer. Liberalization will help ameliorate the vulnerability/sensitivity of the sector to fluctuations in the business cycle, promote economies of scale, allow it to respond better to changing patterns in global demand and promote industry investment to improve productivity, respond to new market opportunities and address environmental pressures. Liberalization will also promote sustainable management of forestry resources to the benefit of both developed and developing economies. Clearly the level of positive impact will be directly correlated to the extent to which economies are able to liberalize trade.

The tariff proposal targets

79. Because of the existence of the Uruguay Round zero for zero agreement on paper products separate disciplines were proposed for paper products than for wood and wood products. The proposal is:

ex Ch 38, Ch 44, ex Ch 46, ex Ch 9401, ex Ch 9403 and ex Ch 9406.

80. The conversion of specific tariffs to ad valorem equivalents.

81. The commencement of linear tariff cuts with developed economies eliminating tariffs by 1 January 2002. The proposal suggests that developing economies should strive to meet the same targets but accepts that in special circumstances and on a case by case basis elimination could be delayed to 1 January 2004.

Ch 47, 48 and 49

82. Existing parties to the Uruguay Round zero for zero agreement to accelerate tariff removal to 1 January 2000. Others to attempt to remove tariff by same date but developing countries could delay tariff removal until 1 January 2002 on a case by case basis for a limited number of specific products.

83. The above targets have twice been endorsed by APEC Ministers - at Kuching in June and at Kuala Lumpur in November.

Conformity with targets

84. As APEC Ministers noted at their meeting in November, progress towards meeting these targets was made in 1998. As Annex D to the New Zealand Information Paper shows Australia, Canada, Hong Kong, New Zealand, Singapore and the United States were able to agree to these targets for virtually all products. Brunei, Indonesia and Malaysia were able to agree to these targets for over 70 per cent of tariff lines. Other economies had a lower proportion of conformance but on most tariff lines were able to agree to the tariff elimination target - but at a slower timing than that suggested in the proposal. Of the 16 participating economies only Japan has yet to indicate a detailed line by line position stating instead that it was not prepared to move beyond its Uruguay Round position outside the context of a further comprehensive WTO negotiation.

85. APEC Ministers accepted at the time of their meeting in Kuala Lumpur that it was necessary to improve on and build on this progress during 1999. It was expected that APEC economies would further improve upon their positions at the same time as non-APEC economies would be invited to join the initiative.

TABLE VIII.1

Total Trade

Forestry products trade, 1996

Product Chapters: 44, 47, 48, 49, 94 (part)

1996	Imports (1,000 US\$)	Tariff % MFN Average	Exports (1,000 US\$)	Total (1,000 US\$)
World	152,037,547		World	134,376,600
Australia	2,959,246	2.88	Australia	774,192
Brunei	42	0	Brunei	109
Canada	7,295,175	3.88	Canada	25,488,610
Chile	1,174,273	11	Chile	1,464,128
China	6,218,631	20.86	China	1,482,785
Chinese Taipei	3,911,022	3.22	<i>See note 1</i>	
Hong Kong	5,389,995	0	China, Hong Kong SAR	1,871,125
Indonesia	1,522,545	9.7	Indonesia	5,214,149
Japan	26,511,960	1.14	Japan	1,469,535
Korea	7,812,201	4.98	Korea, Republic of	1,258,793
Malaysia	1,536,532	12.26	Malaysia	4,378,792
Mexico	3,616,275	11.32	Mexico	396,706
New Zealand	755,927	6.06	New Zealand	1,550,671
Philippines	1,052,072		Philippines	67,701
Papua New Guinea	0		Papua New Guinea	526,298
Singapore	2,430,508	0	Singapore	601,912
Thailand	2,599,515	20.04	Thailand	477,539
USA	36,557,806	1.4	United States of America	16,641,850
			Russian Federation	2,942,016
			Vietnam	59,332
			Peru	24,889
APEC Total	111,343,725		APEC Total	66,691,132
1. EU	26,275,332	5.26	EU	52,329,519
2. Switzerland	5,551,559		Switzerland	1,798,792
3. Norway	2,608,712		Norway	2,059,960
4. Poland	1,959,223		Poland	605,452
5. Brazil	1,366,076		Brazil	4,777,217
6. Czech Rep	1,253,778		Czech Republic	795,851
7. Turkey	1,163,388		Turkey	61,251
8. Argentina	1,116,665		Argentina	252,756

Source: FAOSTAT Website, 23 February 1999

Notes: 1. This is included in "China" data.

2. Import data is from the TRAINS database, HS codes as by APEC definition.
Export data from FAO Website, and does not include books and furniture.