

Economic Cooperation

Date

Structure of the discussion

Introducing economic cooperation

The importance of economic cooperation

FTAs as tools for economic cooperation

Forms of economic cooperation

Overlaps with other FTA chapters

Where else economic cooperation takes place

Further materials





What is economic cooperation?

Convention on the Organisation for European Economic Co-operation (OECD) 1960

Article 1

- (a) to achieve the highest sustainable economic growth and employment and a rising standard of living in Member countries, while maintaining financial stability, and thus to contribute to the development of the world economy;
- (b) to contribute to sound economic expansion in Member as well as non-member countries in the process of economic development; and
- (c) to contribute to the expansion of world trade on a multilateral, non-discriminatory basis in accordance with international obligations.





What is economic cooperation?

OECD Convention 1960

Article 2

- (a) promote the efficient use of their economic resources;
- (b) in the scientific and technological field, promote the development of their resources, encourage research and promote vocational training;
- (c) pursue policies designed to achieve economic growth and internal and external financial stability and to avoid developments which might endanger their economies or those of other countries;
- (d) pursue their efforts to reduce or abolish obstacles to the exchange of goods and services and current payments and maintain and extend the liberalisation of capital movements; and
- (e) contribute to the economic development of both Member and non-member countries in the process of economic development by appropriate means and, in particular, by the flow of capital to those countries, having regard to the importance to their economies of receiving technical assistance and of securing expanding export markets.





What is economic cooperation?

1994 Asia-Pacific Economic Cooperation (APEC) Leader's Declaration, Bogor Indonesia

(4) As we approach the twenty-first century, APEC needs to reinforce economic cooperation in the Asia-Pacific region on the basis on equal partnership, shared responsibility, mutual respect, common interest, and common benefit, with the objective of APEC leading the way in:

- *strengthening the open multilateral trading system;*
- *enhancing trade and investment liberalization in the Asia-Pacific; and*
- *intensifying Asia-Pacific development cooperation.*





The benefits of economic cooperation

Integration and involvement in GVCs

Reducing information costs (finding out about requirements)

Reducing specification costs (meeting requirements)

Reducing conformity assessment costs (showing that you meet the requirements)





Free Trade Agreements as tools for economic cooperation

Basic principles

Sectors

Forms of cooperation

Implementation

Resources

Dispute settlement

Institutional arrangements

Relationship to other chapters





Forms of economic cooperation

information exchange

technical assistance

joint projects

technology transfer

strategies and master plans

coordinating reg approaches





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Overlaps with other chapters

Cooperation to support businesses and preference utilisation

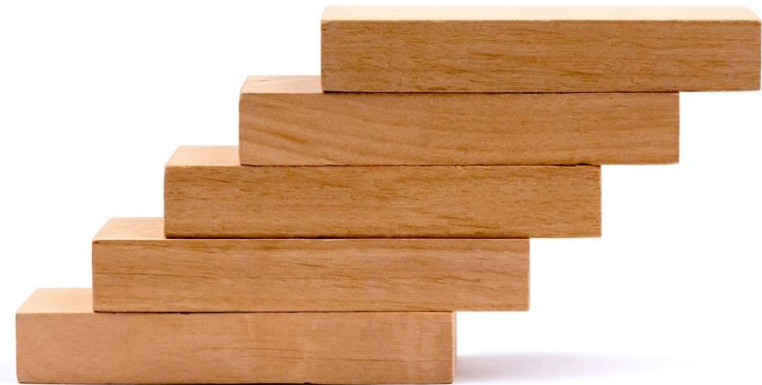
Cooperation to support businesses meeting requirements

Cooperation to support businesses demonstrating compliance

Cooperation to support monitoring of commitments by governments

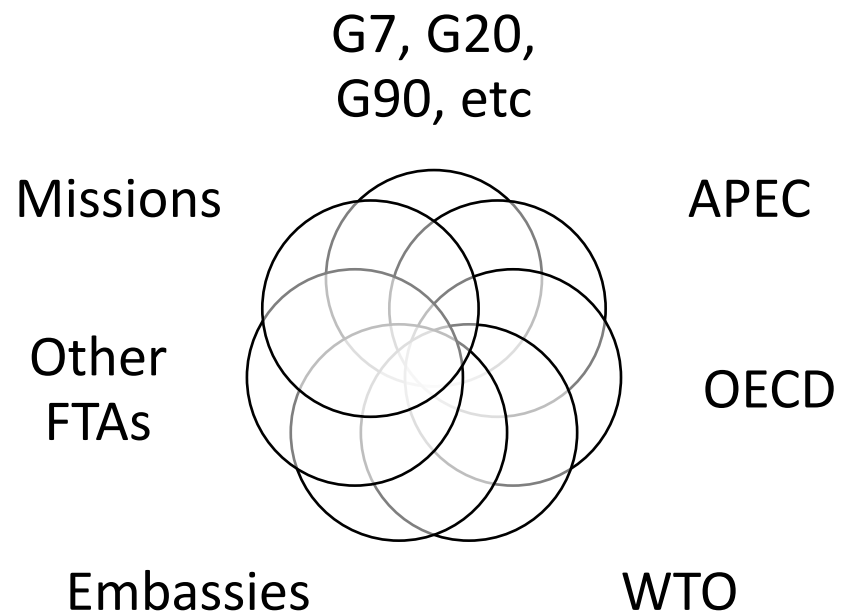
Cooperation to support engagements with stakeholders

And more...





Other sites of economic cooperation



Conclusions

Economic cooperation as multistakeholder

Collaborative approach to economic development

Depending on effective implementation, momentum, and shared interest

Nature of wording can play an important role in generating pressure for engagement with commitments

