

Updated TPSAP: Policy Action Matrix Tabulating Implementation Progress

**CAREC's 20th TPCC Meeting
Manila, Philippines
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Measuring Progress: Simple Tabulation

- The policy action matrix in the updated TPSAP builds on key objectives of the previous TPSAP (e.g., WTO accession, trade liberalization measures).
- Two new key goals in the new policy action matrix:
 - Expanding trade in services
 - Reducing the trade impeding impact of SPS measures and TBT measures
- Unlike the TLI, progress will be measured nominally in line with the refined DEfR methodology.
- Imperative that each CAREC member provides regular and complete information on its own progress.

Example: Uniformity in the application of VAT and Excise taxes on domestically produced and imported goods

- Afghanistan
 - Azerbaijan
 - China
 - Kazakhstan
 - Kyrgyz Republic
 - Mongolia
 - Pakistan
 - Tajikistan
 - Turkmenistan
 - Uzbekistan
- Yes/No (effective date); comment
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Policy Actions and Performance Indicators for 2014

- 1. VAT and excise taxes should be applied at the same rate on domestic production and imports of goods in the same category.**
 - 2. Miscellaneous taxes and fees applied to imports should be consolidated into one single rate and either eliminated or converted into part of the tariff applied to the good**
 - 3. Tariff reductions to achieve the objective**
- 1. Any remaining discrepancies between domestic taxes and imports that are not WTO compliant to be eliminated by end-2014 or after WTO accession**
 - 2. By end-2014 or after WTO accession, all miscellaneous taxes and fees that are not WTO compliant that are applied to imports to be eliminated or incorporated into tariffs.**
 - 3. After miscellaneous taxes and fees included in the tariff and QR equivalents included, average tariff brought down to 10 percent or less by end-2014 or after WTO accession.**

Policy Actions and Performance Indicators for 2014

4. Reductions in maximum tariffs to achieve the objective
5. Abolish export QRs that are not WTO compliant.
6. Eliminate or tariffy import QRs and licenses that are not WTO compliant.

4. Tariff cuts implemented by end-2014 or after WTO accession to achieve the 20 percent cap, with only a few exceptions if essential for sensitive products.
5. Export QRs that are not WTO compliant to be eliminated by end of 2014 or after WTO accession.
6. Eliminate or tariffy import QRs and licenses that are not WTO compliant by end of 2014 or after WTO accession.

Policy Actions and Performance Indicators for 2014

- 7. Acknowledge the importance of the WTO SPS and TBT agreements**
- 8. The NJCs to obtain broad participation from line ministries and the private sector to assure ownership, dedicated to public-private dialogue serving as an entry point for the private sector to flag problems and contribute to the solution. The role of the NJCs may be expanded as appropriate, with sub-committees formed.**
- 7. Acknowledgement regardless of WTO membership no later than end-2014, and adoption of legislation compliant with the SPS and TBT agreements no later than July 2015.**
- 8. NJC permanent secretariats formed in 2014, with broad participation from the public and private sectors including line ministries.**

Additional Policy Actions and Performance Indicators for 2014: WTO

- For Afghanistan, Kazakhstan, Azerbaijan and Uzbekistan, conduct negotiations at the WTO, implement WTO consistent legislation and institutional changes to achieve WTO membership.
- Turkmenistan to continue to study the issues associated with WTO accession.
- For WTO members, implement their commitments as scheduled.
- **Afghanistan to become a WTO member by December 2014.**
- **Kazakhstan to become a WTO member by December 2014.**
- **Azerbaijan and Uzbekistan to conduct negotiations at the WTO, implement WTO consistent legislation and institutional changes to achieve WTO membership in a timely manner.**

Additional Policy Actions and Performance Indicators for 2014

- Organize a Knowledge Sharing Workshop among CAREC member countries where CAREC WTO member countries can discuss implementation and membership issues so new members and countries not yet WTO members can learn from the experiences.
- Assist the PRC and Mongolia with the control of animal diseases.
- Assist CAREC countries to further align their customs procedures with the Revised Kyoto Convention
- Knowledge sharing workshop on WTO implementation and accession issues to be held by the end of 2014.
- By 2014, the PRC and Mongolia to participate in the technical assistance project of the ADB.
- Participate in ADB's proposed training and technical assistance designed to assist CAREC countries to accede to, comply with and align customs procedures with the Revised Kyoto Convention. Countries that are prepared should begin as early as 2013.

THANK YOU!