

COMMENT

THE U.S.-SINGAPORE FREE TRADE AGREEMENT: FOSTERING CONFIDENCE AND COMMITMENT IN ASIA

INTRODUCTION

*We need markets—big markets—around the world in which to buy and sell.*¹

Regional trading blocs have attracted much attention in recent years.² While regional trade agreements (RTAs) among nation states have been decidedly popular,³ their virtue among economists and trade experts has been decidedly mixed.⁴ Regionalism,⁵ by its very nature, is discriminatory in practice to non-members.⁶ Reciprocal trade preferences are extended only be-

1. J. ORLIN GRABBE, *INTERNATIONAL FINANCIAL MARKETS* 6 (3d ed. 1996) (quoting William Clayton, assistant Secretary of State for Economic Affairs). The statement reflects the vision and hopes of the U.S. and Great Britain under the Bretton Woods Accord of 1944 of the post World War II era. *Id.*

2. See *Regionalism: Friends or Rivals?*, available at http://www.wto.org/english/thewto_e/whatis_e/tif_e/bey1_e.htm (last visited Apr. 7, 2004). The European Union (EU), the North American Free Trade Agreement (NAFTA), the Association of Southeast Asian Nations (ASEAN), the Common Market of the South (Mercosur), and the Australia-New Zealand Closer Economic Relations Agreement, to name a few, have all featured prominently in recent international trade relations. *Id.*

3. See *id.* According to the World Trade Organization (WTO), the vast majority of members today are party to one or more RTAs. *Id.* Some 265 RTAs had been reported to the WTO as of May 2003, of which 138 were notified after January 1995. *Id.* There are currently over 190 RTAs in force, and by the end of 2005, the total number of RTAs in force may well approach 300 if those reportedly planned or currently under negotiation are finally concluded. *Id.*

4. See generally BERNARD K. GORDON, *AMERICA'S TRADE FOLLIES: TURNING ECONOMIC LEADERSHIP INTO STRATEGIC WEAKNESS* (Routledge 2001). While economists normally stress that, as a general matter, regional trade groupings and preferences do not automatically reduce trade, they nevertheless highlight that regionalism is about extending preferences to only member nations. *Id.* at 13.

5. See *Regional Trade Agreements: Scope of RTAs*, at <http://www.wto.org/english/tratope/regione/scopertae.htm> (last visited Apr. 7, 2004). "Regionalism is described in the Dictionary of Trade Policy Terms, as 'actions by governments to liberalize or facilitate trade on a regional basis, sometimes through free-trade areas or customs unions.'" *Id.* However, RTAs may be agreements between countries not necessarily belonging to the same geographical region. *Id.* For purposes of this Comment, the term "RTAs" is used to refer only to FTAs.

6. See GORDON, *supra* note 4, at 14.

tween member nations while non-members are often left on the outside, relegated to leftovers after better tariff rates, better access to markets and better trade relationships have been parceled out. Thus, on a conceptual level, regionalism runs counter to the principles of free, open and non-discriminatory trade under the current global regime of the General Agreement on Tariffs and Trade (GATT) and now, the World Trade Organization (WTO).⁷ So why does it seem like the United States—the primary advocate of international trade liberalization predicated on a network of multilateral institutions⁸—is now advocating a departure from its official policy of multilateralism after almost half a century? The answer to that question may lie in the GATT itself.⁹ However, the implications of a U.S. policy favoring regional and bilateral agreements are far-reaching and foreshadow the unraveling of the accomplishments and developments under a multilateral system. This Comment examines the ramifications of a U.S. policy, both official and unofficial, of regional trade agreements and how the U.S.-Singapore Free Trade Agreement (USSFTA), itself an RTA, may just be the answer to the brewing problem. Part I provides a historical perspective, outlining the recent international scramble to sign RTAs and sets the stage for the USSFTA today. Part II discusses the terms of the USSFTA and the benefits that will flow to the U.S. investor under the agreement. Part III concludes with some reflections on the USSFTA and weighs in on the pros and cons of the agreement and the course of U.S. foreign policy in the Asia-Pacific region.

I. BACKGROUND: FROM MULTILATERALISM TO REGIONALISM AFTER WORLD WAR II

Despite the recent flurry of attention, regional blocs are not a modern evolutionary invention of international trade.¹⁰ Rather, the roots of RTAs extend back to before the Second World War and parallel the development of international markets during the colonial period.¹¹ Regional arrangements of that era centered on trade and currency blocs and were primarily used as a

7. *Id.* at 13. They run counter to each other on a conceptual level because GATT's Article 24 actually expressly permits the formation of RTAs to augment multilateral agreements, as long as they "aim to reduce trade barriers." *Id.* A main purpose for the insertion of this provision originally "was to legitimize the hoped-for European Economic Community[.]" so as to entice its original members to join the GATT; since the formation of the EU under this exception provision, almost all subsequent RTAs have cite Article 24 for international legitimacy. *Id.*

8. See generally Judith H. Bello, *Rising Tides: The Many-Faceted Benefits of Global Trade Liberalization*, A.S.I.L. PROC. 86 (1999).

9. See Anne O. Krueger, *Problems with Overlapping Free Trade Areas*, in REGIONALISM VERSUS MULTILATERAL TRADE ARRANGEMENTS 9, 13 (Takatoshi Ito & Anne O. Krueger eds., 1997). As long as the preferences under the RTAs "(1) are 100 percent, (2) cover substantially all trade [between the members], (3) do not raise protection against third countries, and (4) have a definite timetable for implementation[.]" they are permissible. *Id.*

10. GORDON, *supra* note 4, at 1.

11. *Id.* at 11-12.

means to “militate against outsiders” in order to foster domestic industry.¹² Indeed, it was deeply believed that the “fundamental causes of the two world wars lay in economic discrimination and trade warfare.”¹³ In classic economic terms, such trade arrangements were “trade diverting”¹⁴ and certainly not “trade creating.”¹⁵ Interestingly enough, despite the negative effects of regionalism, it was nevertheless suggested as the model plan for dealing with the global problems after the war,¹⁶ but it was soon rejected for want of favor.¹⁷ Even so, regionalism was not completely abolished, merely tabled.¹⁸ Instead, what was eventually adopted was an international trade policy focused on building a “network of multilateral institutions to promote peace and prosperity.”¹⁹ And over the fifty years that followed, it was multilateralism that shaped world affairs.²⁰

For much of the world, especially developing and newly industrialized economies (NIEs), multilateral trade agreements (MTAs) have been the fuel behind the rapid economic expansion and integration of markets post World War II.²¹ It figured centrally in the reconstruction efforts of Europe and Asia,²² and over the years, expanded trade liberalization, increased financial stabilization and economic development under a framework of MTAs have resulted in an increasingly interdependent world.²³ With the advent of the Cold War the search for a lasting peace to stave off war was stepped-up once again, and the bi-polar Soviet-American conflict only reinforced global in-

12. *Id.* at 12.

13. GRABBE, *supra* note 1, at 6 (quoting Secretary of State Cordell Hull, in support of the official U.S. State Department position on abandoning isolationism once and for all to assume center stage in world politics, most notably through greater international trade). The free trade concerns and the understanding reached at the Bretton Woods conference would eventually lead to the GATT. *Id.*

14. GORDON, *supra* note 4, at 14. In other words, the arrangements created less trade than they diverted. *Id.*

15. TAKATOSHI ITO & ANNE O. KRUEGER, REGIONALISM VERSUS MULTILATERAL TRADE ARRANGEMENTS 2 (1997). Unlike trade creation, which “can be expected to increase real incomes and benefit the members of the PTA without hurting the rest of the world, trade diversion is costly to the importing country . . . and to the rest of the world.” *Id.*

16. GORDON, *supra* note 4, at 1. This regional framework was outlined by British Prime Minister Winston Churchill as early as 1942-43, and proposed a world divided into three “regional councils”—Europe, the Pacific, and the Western hemisphere. *Id.*

17. *Id.* at 1. Supranational institutions were created instead, such as the United Nations and the GATT. *Id.* at 13.

18. See generally GORDON, *supra* note 4.

19. Bello, *supra* note 8, at 88.

20. GORDON, *supra* note 4, at 1.

21. ITO & KRUEGER, *supra* note 15, at 1.

22. STEPHEN D. COHEN ET AL., FUNDAMENTALS OF U.S. FOREIGN TRADE POLICY: ECONOMICS, POLITICS, LAWS, AND ISSUES 34 (1996). World War II left Europe and Asia in political disarray and had leveled the economies of the regions. *Id.*

23. See generally THOMAS L. FRIEDMAN, THE LEXUS AND THE OLIVE TREE (Anchor Books 2000) (recognizing technology and the inter-connectedness of trade relations has led to a highly interwoven and integrated globalized world).

terdependence, or “globalization”²⁴ as the answer to the world’s ills.²⁵ “Economic growth in democratic countries became the transcendent international goal”²⁶ as multilateralism became the hallmark of that goal, and U.S. international economic policy the instrument of foreign policy.²⁷ The U.S. emerged not only as the leading superpower after the Cold War, but became the foremost proponent of using MTAs and multilateral institutions as the medium by which to advance international trade as well as its own national security interests.²⁸

However, multilateralism had hardly taken root when regionalism began to reemerge once again in the international psyche. The successful formation of the European Union (EU) as an integrated economic and unified trade presence put Europe at the forefront of the trend toward regionalism.²⁹ The EU “inspired a reawakening of regionalist thinking everywhere.”³⁰ It altered the course of international trade and upset the balance of bargaining power under the existing GATT regime.³¹

A. Why Countries Seek Regional Trade Agreements

The international reaction to the formation of the EU is critical in two respects: first, for every tactical action, there is an equal and opposite tactical reaction;³² and second, the EU regional bloc relies on Article 24 of the GATT³³ for legitimacy, suggesting that regionalism was never tabled in the first place.

24. WORLD BANK, POVERTY IN AN AGE OF GLOBALIZATION, at <http://www.worldbank.org/economicpolicy/globalization/documents/povertyglobalization.pdf> (last visited Mar. 22, 2004). Summarized by the World Bank as “the global circulation of goods, services and capital, but also information, ideas and people.” *Id.*

25. GORDON, *supra* note 4, at 1.

26. COHEN, *supra* note 22, at 34.

27. *Id.*

28. *See id.*

29. JEFFREY A. FRANKEL, THE REGIONALIZATION OF THE WORLD ECONOMY 1 (1998). The formation of the EU regional trading bloc was first initiated under the Single Market Initiative in 1986-87. *Id.* The formation of the EU culminated in the implementation of the European Free Trade Association (EFTA) in 1992. *See* Frederick M. Abbott, *NAFTA and the Future of United States-European Community Trade Relations: The Consequences of Asymmetry in an Emerging Era of Regionalism*, 16 HASTINGS INT’L & COMP. L. REV. 489, 489 (1993).

30. GORDON, *supra* note 4, at 1.

31. *See generally id.* A coalition of countries sitting at the GATT bargaining table turns the entire purpose of the GATT on its head. *Id.* The old cliché “strength in numbers” has become the reason behind regional arrangements in an effort to level out the playing field at the GATT negotiation table. *Id.*

32. To borrow from Sir Isaac Newton’s Third Law of Motion, “for every action there is an equal and opposite reaction.” *See Newton’s Three Laws of Motion*, available at <http://csep10.phys.utk.edu/astr161/lect/history/newton3laws.html> (last visited Mar. 12, 2004).

33. GORDON, *supra* note 4, at 13; *see* KRUEGER *supra* note 9, at 13. World Trade Organization, The General Agreements on Tariffs and Trade, Article XXIV, available at http://www.wto.org/english/docs_e/legal_e/gatt47_02_e.htm#articleXXIV (last visited Mar. 26, 2003).

1. Tactical Action meets Tactical Reaction

Countries consider a diverse range of objectives in contemplating or negotiating RTAs.³⁴ Yet despite the range in issues and considerations, they all have one thread of commonality—strategy.

Some see trade agreements as providing underpinnings to strategic alliances, and hence implicitly form part of security arrangements (as in Europe). Smaller countries see trade agreements with larger partners as a way of obtaining more security for their access to larger country markets (as in the Canada-U.S. Free Trade Agreement [CUSTA]). Some countries have tried to use regional (and multilateral) agreements to help lock in domestic policy reform and make it more difficult to subsequently reverse (Mexico in . . . NAFTA). Other countries' use of regional trade agreements reflects tactical considerations; conscious efforts to use prior regional agreements to influence subsequent multilateral negotiation.³⁵

Strategic considerations in trade agreements (regional and multilateral) are a constant reality in today's highly interdependent and globalized world.³⁶ With inputs from one region being so intimately tied to outputs in another, strategic alliances and related considerations control to a great extent.³⁷ After all, exports relate directly to jobs, and "in the advanced and industrializing economies especially, those exports contribute significantly to high-paying jobs."³⁸ This, in turn, translates into an employed and tranquil domestic economy. More than ever before, international trade is the nexus and linchpin to a country's sustained economic vitality and its domestic political stability.³⁹ In a very real way, regional trading blocs and RTAs threaten to upset this balance because regional preferences discriminate against non-member nations.⁴⁰ Accordingly, countries have not sat quietly by but have answered the EU with a slew of RTAs of their own.⁴¹

B. U.S. Answers Regionalism with NAFTA

America's own answer to the call of regionalism began with the formation of the Canada-U.S. Free Trade Agreement,⁴² later extended to include Mexico under the North American Free Trade Agreement (NAFTA) in

34. John Whalley, *Why Do Countries Seek Regional Trade Agreements?*, in *THE REGIONALIZATION OF THE WORLD ECONOMY* 63 (1998). Much of the recent literature on regionalism implicitly assumes that regional trade agreements are similar. *Id.*

35. *Id.*

36. *See id.*

37. *See id.*

38. GORDON, *supra* note 4, at 16.

39. *Id.* at 15.

40. *Id.* at 14.

41. FRANKEL, *supra* note 29, at 1.

42. *Id.* The U.S. abandoned its long-standing opposition to regionalism with the U.S.-Canada FTA. *Id.*

1993.⁴³ U.S. trade policy makers were fearful “that the national interest would not be well served by playing the role of passive observer” while the EU extended its preferential trading regime.⁴⁴ Consequently, NAFTA has been seen by many as “a defensive measure taken to compete with a feared ‘Fortress Europe’ . . . the North American response to the European Union.”⁴⁵ On the other hand, America was now prepared to negotiate its own economic sphere of preference and influence in the Western Hemisphere so as to maintain its command in world affairs.⁴⁶

The U.S. decision to negotiate NAFTA signaled the emergence of a new era of regionalism in international trading relations.⁴⁷ America’s embrace of RTAs as instrumental complements to its multilateral initiatives in international trade is today, a complete and undeniable one. RTAs with the U.S. serve to lock member nations into specific trading arrangements that are beneficial to the U.S., guaranteeing open and unfettered access to foreign markets while securing domestic policy reform in the foreign fora.⁴⁸ These RTAs often serve as leverage for the U.S. in influencing subsequent multilateral agreements.⁴⁹

The economic benefits of the arrangements under NAFTA have also been extremely fruitful. “Since 1994, trade between the United States, Canada and Mexico has grown . . . [f]rom less than U.S.\$297 billion in 1993” to over U.S.\$676 billion today, representing a trilateral trade growth of 128 percent “or more than U.S.\$1.8 billion per day.”⁵⁰ Investment among the “three economies has also increased significantly, with total investment in NAFTA countries reaching U.S.\$1.3 trillion in 1999.”⁵¹ According to the Office of the United States Trade Representative, “[a]s a result of this growth

43. Abbot, *supra* note 29, at 489-90. NAFTA negotiations were formally concluded in the same year that the EU’s own 1992 European Economic Area agreement, which extended its preferential trading through the European Free Trade Association (EFTA) countries and the Lome countries, was implemented. *See id.* at 489.

44. *Id.*

45. W. GARY VAUSE, INTRODUCTION TO INTERNATIONAL BUSINESS TRANSACTIONS: THE LEGAL ENVIRONMENT FOR INTERNATIONAL TRADE AND INVESTMENT IN THE POST-COLD WAR ERA 65 (1997).

46. *See id.*

47. *Id.* As Vause seems to suggest, that was a significant turning point because up until that time, countries had been compelled into multilateral arrangements, led largely by the U.S.. *Id.* Access to the enormous U.S. market and other industrialized economies meant that countries had to make certain concessions—GATT/WTO accession being foremost among them. *Id.* NAFTA was seen quite literally as the official ‘green light’ given by the U.S., sanctioning an alternative to multilateralism. *Id.*

48. Whalley, *supra* note 34, at 63.

49. *Id.*

50. Office of the United States Trade Representative, *Joint Statement of the NAFTA Free Trade Commission: Building on a North American Partnership* (July 31, 2001), at <http://www.ustr.gov/releases/2001/07/01-59.htm>.

51. *Id.*

in trade and investment, millions of jobs have been created in all three countries.”⁵²

We reaffirmed our strong support for further regional and multilateral trade liberalization, and noted the important role that regional cooperation, such as NAFTA, can play in stimulating further multilateral trade liberalization. In this context, we agreed to cooperate amongst ourselves in other regional and global fora, such as the Free Trade Area of the Americas (FTAA), Asia-Pacific Economic Cooperation (APEC) and the World Trade Organization (WTO).⁵³

The U.S. policies on behalf of regionalism to date have helped legitimize the environment for similar actions by other nations. Flush from the success of NAFTA, the U.S. is currently leading the way in the creation of the world’s largest free market—the Free Trade Area of the Americas (FTAA).⁵⁴ Under the FTAA, the U.S. will eliminate duties on consumer and industrial goods from the hemisphere.⁵⁵ The U.S. also intends to extend the duty-free status to U.S. imports of textiles and apparel from FTAA countries within five years, provided the FTAA countries reciprocate.⁵⁶ “Immediate elimination of tariffs . . . in key sectors such as chemicals, construction and mining equipment, electrical equipment, energy products, environmental products, information technology, medical equipment, non-woven fabric, paper, steel and wood products” will take place under the agreement, and market access to the U.S. investment and services sector will be broadly accessible.⁵⁷

The implications of a Western hemisphere-wide regional bloc are still unclear. However, with each successive step the U.S. takes towards consummating the FTAA, the U.S. continues to drive a divisive wedge between the economies of the different hemispheres, “the hardening of world politics into three regional blocs—in Europe, East Asia, and the Americas.”⁵⁸

52. *Id.*

53. *Id.*

54. Office of the United States Trade Representative, *Free Trade Area of the Americas: The Opportunity for a Hemispheric Marketplace* (Feb. 11, 2003), available at <http://www.ustr.gov/regions/whemisphere/ftaa2002/2003-02-11-trade-facts-english.PDF>. The FTAA will have a combined GDP of nearly \$13 trillion, encompassing 34 countries, and nearly 800 million consumers stretching all the way from Alaska to the tip of South America. *Id.*

55. *Id.* (This will apply to those consumer and industrial goods not already covered by NAFTA.).

56. *Id.*

57. *Id.*

58. GORDON, *supra* note 4, at 3. “[A] 1994 study of ‘NAFTA’s Impact on Japan,’ published by the Woodrow Wilson Center in Washington, . . . [reported] “that NAFTA’s short-term consequences for Japan were negligible, but ‘if the U.S. moves to enlarge NAFTA into [FTAA] . . . it could pose serious problems for Japan.’” *Id.* at 114. The danger is that Asian regionalism will be strengthened if large-scale trade and investment diversion occurs. *See id.* at 114. From what Gordon points out, it seems clear that should the U.S. continue in its efforts to form a regional bloc of the Americas, such an effort would only serve to further polarize

C. Asia-Pacific

Concern among the Asian leaders and others was first aroused in the early 1990s when the U.S. announced plans to form NAFTA.⁵⁹ Those concerns were significantly heightened when subsequent to the formation of NAFTA, the first President Bush, and then President Clinton, began to talk of a hemispheric bloc, extending NAFTA to the FTAA.⁶⁰ Their fears were threefold: first, South Americans would get preferential treatment in the extensive U.S. market as a result of the FTAA; second, those preferences would come at Asia's expense;⁶¹ and third, it would result in an Asian regional bloc.⁶² These fears finally found confirmation in the U.S. reaction to the Asian currency crisis of 1997.⁶³ Asian nations were now ready to pull away.

1. The Asian Currency Crisis of 1997-98

The devaluation of the Thai Baht⁶⁴ sent the Thai economy spiraling downward, and money began to pull out of the entire region.⁶⁵ Global mar-

relations between the U.S. and Asia collectively. *See id.* at 114-19. The end result would be factions comprised of the EU, the FTAA and an Asian regional bloc that will very likely be led by Japan. *Id.*

59. *Id.* at 14.

60. *Id.*

61. *Id.* The worry was that the trade diverting effects of the FTAA would result in more import of goods from FTAA member nations instead of the Asia-Pacific nations. *Id.* One only has to look at the list of goods, such as textiles, chemicals, and information technology equipment, within the sectors that the U.S. intends to eliminate duties under the FTAA, to see that there is significant crossover with Asia. *Id.*

62. GORDON, *supra* note 4, at 14. Japan's Finance Minister was quoted as follows in 1991 in response to the question whether Japan would join the Malaysian proposal for a "caucus" of Asian nations that would exclude the U.S.:

As a member of the cabinet I do not highly regard the Mahathir Plan. But if the United States strengthens its posture towards forming a protectionist bloc by extending NAFTA and closing off South America and North America, then Japan will have to emphasize its position as an Asia-Pacific country. This will inevitably alter the Japan-U.S. relationship . . . so please do not force us into such a corner.

Id.

63. *Id.*

64. Private institutions in Europe, Japan and America had made huge loans to primarily private Thai enterprises during the heyday of the Asian economic growth of the early to mid 1990s. *See* FRIEDMAN, *supra* note 23, at xi. Additionally, the Thai Baht was pegged to the U.S. dollar, and as the Thai economy weakened, investor confidence waned. *Id.* People began to wonder if there were enough U.S. dollars to cover the exchange with the baht and began pulling out U.S. dollars. *See id.* at xi-xii. As Thailand began to dip further and further into their foreign reserves to bolster their currency, the problem hit a crescendo. *Id.* With no foreign reserves, a looming foreign debt of enormous proportions, and a devalued currency, the Thai economy folded. *Id.* *See generally* *Commanding Heights: The Battle for the World Economy* (PBS television broadcast, 2002), available at http://www.pbs.org/wgbh/commandingheights/lo/story/tr_menu_03.html (last visited Apr. 10, 2004) [hereinafter *Commanding Heights*].

kets equated the problem in Thailand with the surrounding NIEs.⁶⁶ Suddenly, Thailand's neighboring countries' economies were facing a similar free fall, as their currencies and stock markets bottomed out with the massive flight of capital from the area.⁶⁷ The domino effect was spreading faster than most had predicted and something had to be done to stem the flow.

2. Japan Volunteers to Step In Where the U.S. Fails to Help

In the immediate wake of the Thai currency crisis, the Asian Finance Ministers held an emergency meeting where Japan proposed an "Asian Monetary Fund" (AMF) that would help with the bailout plan.⁶⁸ This proposal was flatly rejected by the U.S. at the annual meetings of the G-7 Finance Ministers, the IMF, and the World Bank later that year.⁶⁹ The defeat of the AMF proposal "significantly soured U.S. dealings with Thailand."⁷⁰ As a consequence, the U.S. was slow in moving to make relief funds available for use, resulting in speculation that the U.S. had intentionally chosen to ignore the growing problems in Asia.⁷¹ As if to exacerbate tensions, the U.S. then promptly turned up with \$55 billion in new loans and credits to help bailout Korea just three months later, when the financial crisis eventually spread there.⁷² To many in the region now plagued with financial woes, it seemed as if "the Americans had not taken the Asian crisis seriously until Korea, a very close U.S. military ally, also got into financial trouble."⁷³ Asia was "furious at the U.S. failure to help" during the critical stages of the crisis, and incensed that the U.S. would jump in only when its immediate interests were at stake.⁷⁴ Japan's "quick and generous AMF offer" stood in stark contrast to the fatally slow U.S. response to Asia's troubles,⁷⁵ and at the end of the day,

65. *Commanding Heights*, *supra* note 64.

66. *Id.*

67. *Id.*

68. GORDON, *supra* note 4, at 114-15. Japan was of the opinion that "in a case like Thailand, where \$20-\$30 billion . . . might be needed, IMF resources might be insufficient . . . [and] too cumbersome." *Id.* at 115. A regional facility to which resources would already have been committed would allow those resources to be disbursed more quickly and with fewer restrictions. *Id.*

69. *Id.* The U.S. argued that an AMF would needlessly complicate, or rather, compete with the IMF's global role and could "create problems of 'moral hazard': the prospect that borrowers would delay putting their fiscal houses in order . . . [if] they believed additional funds could come from non-IMF sources." *Id.*

70. *Id.* at 116.

71. *Id.* In part, this was due to Congress' feet-dragging after the problems they had experienced with the Mexican bailout only two years earlier. *Id.*

72. *See id.*

73. *Id.*

74. *Id.*

75. *Id.* at 118.

the Asian crisis resulted in much acrimony, a revival of anti-American sentiments in the region, and a renewed interest in Asian regionalism.⁷⁶

3. *The Costs of U.S. Non-Participation in Asia*

The U.S. has since repeatedly declined to take any position whatsoever on the issue, and has treated the matter with great aplomb, even in the face of scathing criticism and remarks from Asia. Many saw Washington's slow response as deliberate, a "calculated policy" to undermine the region's remarkable growth.⁷⁷ Critics posited that America was racist, anti-Asian even, and had sought the crisis as a means to recover from its huge trade deficits with many countries in the region.⁷⁸

During this period, the U.S., instead of mending relations with Asia, focused on its progress under NAFTA and diverted exports previously bound for Asia to Canada and Mexico. In 1998, the importance of NAFTA markets to the U.S. grew dramatically, as U.S. agricultural exports to Asia decreased as a result of the economic crisis. America's economy grew dramatically.⁷⁹ "While Japan purchased U.S.\$1.4 billion less in 1998, and exports to South-east Asia fell U.S.\$900 million, exports to Canada and Mexico rose 10 percent, or about U.S.\$1.2 billion."⁸⁰ U.S. exports to Canada and Mexico increased 17 percent in 1997,⁸¹ which almost doubled the total rate of export growth, and increased 5 percent in 1998,⁸² while U.S. exports to the Pacific Rim countries fell 14 percent (or U.S.\$26 billion) during that same year.⁸³ This may have helped the U.S. protect "tens of thousands of American jobs[,]""⁸⁴ but it may have come at too steep a price.

The U.S. cannot afford to continue ignoring its estranged relationship with Asia. With the U.S. exporting around U.S.\$200 billion a year to the region,⁸⁵ America has much to gain by smoothing over relations and working on greater economic cooperation with Asian countries. Add to that the reality that the U.S. is actually "geographically[,] a very large and major Asia-Pacific nation,"⁸⁶ with its 1500-mile-long west coast—stretching from Cali-

76. *Id.*

77. *Id.* at 117.

78. *Id.*

79. Office of the United States Trade Representative, *NAFTA Overview*, at <http://www.ustr.gov/regions/whemisphere/overview.shtml> (last visited Apr. 11, 2004).

Between 1993 and 1998, agricultural exports to Mexico grew from \$3.6 billion to \$6.2 billion while in 1998 the sales to Canada increased from \$5.3 billion to over \$7 billion. *Id.*

80. *Id.*

81. *Id.*

82. *Id.* (a growth of U.S.\$12 billion).

83. *Id.*

84. *Id.*

85. GORDON, *supra* note 4, at 136. This accounts for twenty-five to thirty percent of its total exports. *Id.*

86. *Id.* at 135.

fornia to Washington—home to an increasingly Asian ethnic population,⁸⁷ it becomes all the more imperative that the U.S. foster relations in the region. Conversely, this is true for the Asia-Pacific countries as well. “When we turn the coin over, and consider Asia’s likely perspectives towards the U.S., we find that the American role as an importer of Asia’s goods is no less important.”⁸⁸ In 1998, the U.S. imported about U.S.\$230 billion from the Asian nations.⁸⁹ That accounted for almost twenty-five percent of the U.S.’s worldwide imports.⁹⁰

D. Singapore

Singapore sits in the heart of the Asia-Pacific and is the gateway to East and West Asia.⁹¹ Singapore is an export-oriented economy and is highly dependent on international trade, sale of services and export of manufactures.⁹² A “free trader,” Singapore places almost no barriers to the free flow of goods in and out of its borders, and is a “vocal champion of global free trade.”⁹³ Not surprisingly, Singapore leads the Asia-Pacific region in FTAs and has already signed four FTAs,⁹⁴ not including the ASEAN Free Trade Area (AFTA).⁹⁵

Over the last decade, Singapore and the U.S. have become significant trading partners. Singapore is the second largest Asian investor in the U.S. after Japan,⁹⁶ and is “America’s 11th largest trading partner, with two-way

87. *Id.*

88. *Id.* at 138.

89. *Id.*

90. *Id.*

91. See generally Encarta, Republic of Singapore, available at http://encarta.msn.com/encyclopedia_761559956/Singapore_Republic_of.html (last visited Apr. 15, 2004)

92. GORDON, *supra* note 4, at 138.

93. Ministry of Trade and Industry, Free Trade Agreement, at http://www.mti.gov.sg/public/FTA/firm_FTA_Default.asp?sid=12&cid=888 (last visited Apr. 20, 2004).

94. The Agreement between New Zealand and Singapore on a Closer Economic Partnership (ANZSCEP) in 2000, ANZSCEP, International Enterprise Singapore, at <http://www.iesingapore.gov.sg/markets/index.jsp?vert=VA&secfield=6&catfield=109> (last visited Apr. 1, 2004). Japan-Singapore Economic Partnership Agreement (JSEPA) in 2002, JSEPA, International Enterprise Singapore, at <http://www.iesingapore.gov.sg/markets/index.jsp?vert=VA&secfield=6&catfield=110> (last visited Apr. 1, 2004). EFTA-Singapore Free Trade Area in 2002, EFTA, International Enterprise Singapore, at <http://www.iesingapore.gov.sg/markets/index.jsp?vert=VA&secfield=6&catfield=111> (last visited Apr. 1, 2004). Singapore-Australia Free Trade Agreement (SAFTA) in 2003, SAFTA, International Enterprise Singapore, at <http://www.iesingapore.gov.sg/markets/index.jsp?vert=VA&secfield=6&catfield=112> (last visited Apr. 1, 2004). Singapore is also currently negotiating FTAs with Canada, Mexico and Korea. Singapore FTAs, International Enterprise Singapore, at <http://www.iesingapore.gov.sg/markets/index.jsp?vert=VA&secfield=6&catfield=114> (last visited Apr. 1, 2004).

95. *What is an FTA?*, International Enterprise Singapore, at <http://www.iesingapore.gov.sg/markets/index.jsp?vert=VA&secfield=6&catfield=106> (last visited Apr. 20, 2004).

96. *Information Paper on the U.S.-Singapore Free Trade Agreement (USSFTA)*, at [http://www.usembassysingapore.org.sg/U.S._Singapore/2002/Information%20Paper%20on%](http://www.usembassysingapore.org.sg/U.S._Singapore/2002/Information%20Paper%20on%20)

goods and services trade of \$38.8 billion in 2001.⁹⁷ U.S. exports of private commercial services to Singapore totaled \$4.1 billion in 2001,⁹⁸ up 54% from 1994, while U.S. imports were \$2.0 billion.⁹⁹ U.S. foreign direct investment in Singapore was \$27.3 billion in 2001, up 6.5% from \$25.6 billion in 2000.¹⁰⁰ U.S. investment in Singapore accounts for 60% of total U.S. manufacturing investment in all of Southeast Asia.¹⁰¹ Not surprisingly, the U.S. is one of the most important trading and investment partners for Singapore.¹⁰² With 1,300 U.S. companies and 15,000 U.S. citizens in Singapore, Singapore is a natural base in the Asia-Pacific from which U.S. multinational corporations (MNCs) can export throughout the world.¹⁰³

In 2002, President Clinton and Singapore Prime Minister Goh Chok Tong first announced plans to begin negotiations for a comprehensive bilateral FTA between the nations that would significantly lower existing tariffs and provide for a greater trade of services. The failure of the Seattle WTO meeting in 1999 had prompted many countries—including Singapore—to reassess their positions and strategically augment the existing multilateral approach with bilateral FTAs, at least with key trading partners.¹⁰⁴

On January 15, 2003, “the U.S. Treasury and the Monetary Authority of Singapore reached agreement on issues affecting transfers in the investment chapter of the U.S.-Singapore Free Trade Agreement.”¹⁰⁵ Both countries recognized “that a strong reserve position, a flexible exchange rate regime, sound fiscal and monetary policies, and effective prudential measures for the financial sector are the preferred policy tools for both avoiding a balance of payments crisis and for dealing with one.”¹⁰⁶

(last accessed Dec. 16, 2002) [hereinafter *Paper*].

97. United States Trade Representative, *Free Trade With Singapore: America's First Free Trade Agreement in Asia*, available at http://www.ustr.gov/regions/asia-pacific/2002-12-13-singapore_facts.pdf (last visited Mar. 9, 2003) [hereinafter USTR].

98. United States Trade Representative, *2003 National Trade Estimate Report on Foreign Trade Barriers: Singapore*, available at <http://www.ustr.gov/reports/ntr/2003/singapore.pdf> (last visited Apr. 12, 2003) [hereinafter *Report*] (this is the most recent data available).

99. *Id.*

100. *Id.* U.S. investment in Singapore is concentrated largely in manufacturing, finance, and petroleum. *Id.*

101. Excerpts from the Trade Advisory Committee Reports, *U.S.-Singapore Free Trade Agreement*, at <http://www.ustr.gov/new/fta/Singapore/ac-excerpts.pdf> (last visited Apr. 11, 2003).

102. *Paper*, *supra* note 96. The U.S. is Singapore's second largest trading partner and is her largest foreign direct investor. *Id.*

103. *Id.*

104. *Id.*

105. Department of the Treasury, *U.S. Treasury and Singapore Reach Agreement on Investment Protections in Free Trade Talks* (Jan. 15, 2003), available at <http://www.treasury.gov/press/releases/kd3766.htm>.

106. Department of the Treasury, *Fact Sheet: Agreement on U.S.-Singapore Free Transfers* (Jan. 15, 2003), available at <http://www.treasury.gov/press/releases/reports/kd37661.doc>.

II. THE USSFTA

A. Trade in Goods

“With the exception of four tariff lines covering beer and certain alcoholic beverages, Singapore imposes no tariffs on imported goods.”¹⁰⁷ Thus the provisions under Article 2 governing the trade in goods are not much by way of major concessions from Singapore.¹⁰⁸ However, it is nevertheless relevant to note that under the USSFTA, both parties are to “accord national treatment to the goods of the other party,”¹⁰⁹ and Singapore is to eliminate all customs duties upon entry into force of the USSFTA.¹¹⁰ Singapore shall not adopt or maintain any export tax on originating goods to the U.S.¹¹¹ nor implement any import restrictions for goods originating from the U.S.¹¹² To qualify as an originating good, the good must be “wholly obtained or produced entirely in the territory of one or both of the Parties,”¹¹³ meet the product-specific rules of origin under Annex I¹¹⁴ or otherwise be provided as an originating good under Article 3.¹¹⁵ For goods that do not undergo a “change in tariff classification” under Annex I, as long as “the value of all non-originating materials used in the production of the good . . . does not exceed 10 percent of the adjusted value of the good,” and it otherwise meets all qualifying criteria as an originating good, it will be considered an originating

107. *Report, supra* note 98, 342. “These four remaining tariffs have been eliminated for trade within the ASEAN Free Trade Area, and for trade with New Zealand, Japan, and the European Free Trade Association.” *Id.* Singapore will likewise eliminate these tariffs under the USSFTA. *Id.* “However, for social and/or environmental reasons Singapore levies high excise taxes on distilled spirits and wine, tobacco products, motor vehicles (all of which are imported), and gasoline.” *Id.* Under Article 2.9 of the USSFTA “Singapore shall harmonize its excise taxes on imported and domestic distilled spirits” in stages, which is to be completed by 2005. United States Trade Representative, United States-Singapore Free Trade Agreement, Article 2.9, available at <http://www.ustr.gov/new/fta/Singapore/final/2004-01-15-final.pdf> (last visited Apr. 1, 2004) [hereinafter USSFTA].

108. *See Report, supra* note 98, at 342.

109. USSFTA, *supra* note 107, art. 2.1.

110. *Id.* art. 2.2, ¶ 1.

111. *Id.* art. 2.4.

112. *Id.* art. 2.7. As a side note, “Singapore restricts the importation and use of satellite receiving dishes” and has prohibited the installation and operation of satellite receiving dishes and similar apparatus under Part VI of the Broadcasting Act. *Report, supra* note 98, at 344. Article 2.10 effectively eliminates this import prohibition and states that the parties may not maintain an import ban on any broadcasting apparatus, including satellite dishes. USSFTA, *supra* note 107, art. 2.10. On a humorous note, Singapore’s outright ban on chewing gum in the country has finally seen its last slack-jawed days. *Report, supra* note 98, at 342. Supply lines may soon be opened with the implementation of Article 2.11, under which Singapore is to allow the importation of “chewing gum with therapeutic value” for sale and supply in the country. USSFTA, *supra* note 107, art. 2.11.

113. *Id.* art. 3.1(a).

114. *Id.* art. 3.1(b). The parties are to meet within six months after the Agreement has been entered into force to discuss the expansion of the product coverage of Annex I.

115. *Id.* art. 3.1(c).

good.¹¹⁶ “The Singapore Government does not directly subsidize exports.”¹¹⁷ However, it does offer significant export-oriented incentives to attract foreign investment and also offers grants to new service suppliers.¹¹⁸

With respect to government procurement in Singapore, it is generally considered free and open.¹¹⁹ Under the USSFTA, Singapore will reaffirm its commitment to free, open and transparent government procurement and will continue to observe its obligations under the GPA relating to products¹²⁰ and services.¹²¹ U.S. firms will gain greater nondiscriminatory access under the agreement.

B. Trade in Services

“Singapore will accord substantial market access across its entire services regime, subject to very few exceptions.”¹²² The USSFTA will liberalize cross-border trade in services by extending national and Most-Favored-Nation (MFN) treatment to the service providers of each party.¹²³ Cross-border trade in services is defined under the agreement as the supply of a service moving from one party’s territory into the territory of the other party or the supply of a service within a party’s territory provided by a person of that territory to the other party.¹²⁴ Neither party is permitted to control or limit market access by imposing restrictions that limit the number of service providers, the total value of services, the total output, or the number of employees to be hired in a given service sector.¹²⁵ Service providers of the parties are not required to establish a presence within the other party’s territory to enjoy the right to provide services.¹²⁶ The parties are entitled to set forth those measures that have been specifically exempt from some or all of the obligations imposed under the agreement, and may continue discriminatory

116. *Id.* art. 3.3, ¶ 1.

117. *Report, supra* note 98, at 343.

118. *Id.*

119. *Id.* “However, some U.S. firms have expressed concerns that government-owned and government-linked companies (GLCs) may receive preferential treatment in the government procurement process[,]” which the Singapore Government strongly denies. *Id.* “Singapore has been a party to the WTO Government Procurement Agreement (GPA) since 1997” and has reaffirmed all obligations under the GPA in signing the USSFTA. *Id.*

120. *Id.* For the full list of covered products, see GPA Appendix 1, Annex 1, available at http://www.wto.org/english/tratop_e/gproc_e/sing1.doc (last visited Apr. 13, 2004).

121. *Report, supra* note 98, at 343. For the full list of covered services, see GPA Appendix 1, Annex 4, available at http://www.wto.org/english/tratop_e/gproc_e/sing4.doc (last visited Apr. 13, 2004).

122. USTR, *supra* note 97.

123. USSFTA, *supra* note 107, art. 8.4.

124. *Id.* art. 8.1. This does not cover the supply of a service by an investor or an investment, which is dealt with under Chapter 15, *id.* art. 8.2, nor the supply of financial services covered under Chapter 10. *Id.* art. 8.3(a).

125. *Id.* art. 8.5.

126. *Id.* art. 8.6.

measures within those particular sectors identified in an annex to the agreement.¹²⁷ Under the agreement, air transportation services are excluded from liberalization commitments.¹²⁸ Among the more prominent of Singapore's reservations from liberalization commitments are certain investment services,¹²⁹ the postal and telecommunications sectors, the power sector, transport and cargo handling services sector, and the devolution of certain public sectors.¹³⁰ All transfers and payments resulting from cross-border trade in services are protected from restrictions on transferability and are "to be made freely and without delay into and out of its territory."¹³¹

1. Financial and Banking Services

Prior to 1999, new licenses for local retail banking had not been issued in Singapore for over two decades to either foreign or domestic institutions because the Monetary Authority of Singapore had considered its banking sector to be saturated.¹³² Furthermore, "existing foreign banks in Singapore were not allowed to open new branches, freely relocate existing branches, or operate off-premise Automated Teller Machines (ATMs)."¹³³ The Singapore Government began easing restrictions under a banking liberalization program in 1999,¹³⁴ and has since "removed the 40 percent ceiling on foreign ownership of local banks and granted 'qualifying full bank' (QFB) licenses to six foreign banks."¹³⁵ Despite the "liberalization, foreign banks in the domestic retail banking sector still face significant restrictions and are not accorded national treatment."¹³⁶ The number of foreign QFBs is strictly limited and foreign banks are still not allowed access to the local ATM networks.¹³⁷ Some foreign charge card issuers face similar problems and even their local cardholders cannot access their accounts through the local ATM networks.¹³⁸

127. *Id.* art. 8.7; *see also id.* annexes 8A, 8B.

128. *Id.* art. 8.2(3). However, the USSFTA does include aircraft maintenance and repair while an aircraft is withdrawn from service, and it includes specialty air services, defined as any non-transportation air services such as aerial firefighting, sightseeing, spraying, surveying, mapping, etc. *See id.* arts. 8.1, 8.2(3).

129. *See generally* USSFTA, *supra* note 107, chap. 15.

130. *See generally id.* annex 8C.

131. *Id.* art. 8.10.

132. *Report, supra* note 98, at 345.

133. *Id.*

134. *Id.* at 345-46.

135. *Id.* at 346. QFB licenses allow "banks to operate up to 15 customer services locations (branches or off-premise ATMs), up to ten of which can be branches; to relocate freely existing branches; and to share ATMs among themselves[;] . . . provide electronic funds transfer, point-of-sale debit services, accept Central Provident Fund (CPF) fixed deposits; and provide" retirement investment accounts. *Id.*

136. *Id.* at 346.

137. *Id.*

138. *Id.*

Under the USSFTA, parties will accord substantial market access and extend the rights of national and MFN treatment to the financial service providers of each party, subject to a few reservations.¹³⁹ The limit on QFB privileges to six foreign banks will be lifted for U.S. banks within eighteen months of entry into force of the agreement.¹⁴⁰ QFBs will be able to offer their services at up to thirty customer service locations in the first year, and at an unlimited number of locations within two years.¹⁴¹ The limit on wholesale banks that serve only large transactions will likewise be lifted for U.S. banks within three years of entry-into-force.¹⁴² However, under the Singapore reservations, wholesale banks are still not permitted to: (a) accept less than \$250,000 of fixed deposits; (b) offer savings accounts; (c) operate interest-bearing current accounts in Singapore dollars for natural persons who are Singapore residents; and (d) issue Singapore dollar bonds and negotiable certificates of deposit unless the requirements contained in the Guidelines for Operation for Whole Sale Banks issued by the Monetary Authority of Singapore are complied with.¹⁴³ The current restriction on access to the local ATM network will be lifted under the USSFTA and locally incorporated U.S. QFBs can apply for access to the network within two years and six months of implementation of the agreement.¹⁴⁴ Non-locally incorporated U.S. QFBs can gain access within four years of implementation.¹⁴⁵

C. Investments

"Singapore has a generally open investment regime, and no overarching screening process for foreign investment."¹⁴⁶ There are "no restrictions on re-investment or repatriation of earnings and capital."¹⁴⁷ In this respect, the USSFTA will not only reinforce Singapore's commitment to an open investments environment but also will also "provide a secure, predictable legal framework for U.S. investors operating in Singapore."¹⁴⁸ Under the agreement, each party is to accord the investors of the other nation and their cov-

139. USSFTA, *supra* note 107, arts. 10.2, 10.3. *See id.* art. 10.4 (parties cannot impose restrictions on market access such as limits on the number of financial institutions, the total value of services transactions or assets, the number of employees, etc). *See also id.* art. 10.8 (parties may not require the hire of local professionals for senior management or director positions nor determine the composition of local professionals on the boards).

140. USTR, *supra* note 97, at 2.

141. *Id.*

142. *Id.*

143. *Report, supra* note 98, at 346.

144. *Id.*

145. *Id.*

146. *Id.* at 347. "Singapore's legal framework and public policies are intended to be foreign investor-friendly." *Id.* However, "Singapore maintains limits on foreign investment in broadcasting, the news media, domestic retail banking, property ownership, and in some government-linked companies." *Id.*

147. *Id.*

148. USTR, *supra* note 97, at 4.

ered investments the better of national treatment or MFN treatment.¹⁴⁹ This treatment must, at a minimum, meet the standard of customary international law,¹⁵⁰ including principles of fair and equitable treatment, and full protection and security of covered investments.¹⁵¹ “Fair and equitable treatment” under the agreement affords U.S. investors their due process rights,¹⁵² while the obligation between the parties to provide “full protection and security” guarantees that police protection will be provided in compliance with the standard required by customary international law for all covered investments.¹⁵³ Covered investments include all assets directly or indirectly owned or controlled by an investor that have the characteristics of an investment, including the commitment of capital, the expectation of gain or profit, or the assumption of risk.¹⁵⁴ All covered investments are protected from expropriation or nationalization,¹⁵⁵ and investors are guaranteed the right to compensation in an amount equal to the fair market value of the investment asset prior to the date of expropriation,¹⁵⁶ plus a commercially reasonable rate of interest.¹⁵⁷

The investor rights guaranteed under this chapter are backed by impartial investor-state dispute settlement mechanisms and capital control provisions.¹⁵⁸ Under the USSFTA, the parties will initially submit to consultation and negotiation in an attempt to resolve all disputes,¹⁵⁹ and may elect binding arbitration procedures in the event that consultation and negotiation prove unfruitful.¹⁶⁰ All dispute settlement procedures are fully transparent under the

149. USSFTA, *supra* note 107, art. 15.4(4).

150. *Id.* art. 15.5(2). “[T]he customary international law minimum standard of treatment of aliens [is prescribed] as the minimum standard of treatment to be afforded to covered investments.” *Id.*

151. *Id.* “The concepts of ‘fair and equitable treatment’ and ‘full protection and security’ do not require treatment in addition to or beyond that which is required [under the minimum standard of customary international law] and do not create additional substantive rights.” *Id.* art. 15.5(2).

152. *Id.* art. 15.5(2)(a). It “includes the obligation not to deny justice in criminal, civil or administrative adjudicatory proceedings.” *Id.*

153. *Id.* art. 15.5(2)(b).

154. *Id.* art. 15.1. Where an asset lacks the characteristics of an investment, that asset is not an investment regardless of the form it may take. *Id.* at n.15-1. Recognized forms of investment include: an enterprise; shares, stock and other forms of equity participation in an enterprise; bonds, debentures and debt instruments and loans; futures, options and other derivatives; turnkey, construction, management, production, concession, revenue-sharing and other similar contracts; intellectual property rights; licenses, authorizations, permits, and similar rights conferred pursuant to applicable domestic law; and other tangible or intangible, movable or immovable property, and related property rights, such as leases, mortgages, liens, and pledges. *Id.* art. 15.1(13), n. 15-1 to 15-3.

155. *Id.* art. 15.6(1).

156. *Id.* art. 15.6(2)(b).

157. *Id.* art. 15.6(3).

158. USTR, *supra* note 97, at 5.

159. USSFTA, *supra* note 107, art. 15.14.

160. *Id.* art. 15.15. Investors or parties with unresolved disputes may submit their claims under the International Center for Settlement of Investment Disputes (ICSID) Convention, *id.*

USSFTA¹⁶¹ and parties have a right to public panel hearings where interested parties will have an opportunity to submit their views.¹⁶²

E. Competition Policy

“Singapore does not have an umbrella competition law, although the Singapore Government has specific competition regulations governing the telecommunications, finance, and power sectors, and is in the process of drafting a broader law.”¹⁶³ Under the USSFTA, pursuant to the provisions under Chapter 12, Singapore commits to enact general domestic competition legislation by 2005,¹⁶⁴ proscribing all anti-competitive trade and commercial practices of local enterprises in order to ensure that U.S. firms will not be discriminated against in the course of commercial conduct and trade.¹⁶⁵ Such legislation is to cover the practices of government enterprises as well.¹⁶⁶ Furthermore, Singapore is to create a competition commission by that date to enforce the newly enacted legislation.¹⁶⁷ Note, however, that nothing under the agreement prevents either party from designating a monopoly.¹⁶⁸

III. THE PROS AND CONS OF THE USSFTA

The USSFTA is a groundbreaking agreement and should be ratified under the Trade Promotion Authority. First, it is a win-win agreement for the parties because both have much to gain by its adoption. Next, it bodes well for the U.S. to bridge relations with the Asia-Pacific by signing a bilateral agreement with a leading Asian country. Lastly, the major objectives of Congress are met under the agreement.

The USSFTA is a win-win agreement for both parties and certainly represents an increased commitment to building closer economic relations between the two countries.¹⁶⁹ For Singapore, the concerns of being left out of the enormous U.S. market in the wake of NAFTA, and especially in the face of FTAA negotiations, will be significantly assuaged with the adoption and

art. 15.15(5)(a); the ICSID Additional Facility Rules, *id.* art. 15.15(3)(b); or under the United Nations Commission on International Trade Law (UNCITRAL) Arbitration Rules, *id.* art. 15.15(3)(c). *See generally* Convention on the Settlement of Investment Disputes between States and Nationals of Other States, Oct. 14, 1966, 17 U.S.T. 1270, 575 U.N.T.S. 159, available at <http://www.worldbank.org/icsid/basicdoc/partA.htm>.

161. *See* USSFTA, *supra* note 107, art. 15.20.

162. *Id.*

163. *Report, supra* note 98, at 347.

164. USSFTA, *supra* note 107, art. 12.2(1) n. 12-1.

165. *Id.* art. 12.2(1).

166. *Id.* art. 12.2(1) n. 12-1.

167. *Id.* art. 12.2(2).

168. *Id.* art. 12.3(1)(a).

169. *See generally Paper, supra* note 96.

ratification of this agreement.¹⁷⁰ This agreement is also a major coup for Singapore as it will be the first Asian nation to sign an RTA with the United States, thus ending five years of U.S. reticence in trade with the Asia-Pacific, post financial crisis. For the U.S., currently the largest exporter to Singapore, the USSFTA “will substantially improve market access . . . for American industrial and other non-agricultural goods and particularly for services[.]”¹⁷¹ The Investments Chapter of the agreement provides rights consistent with U.S. law and guarantees a fully transparent dispute settlement process, open to the public, where parties will have input.¹⁷² Prior to the initiation of FTA negotiations with Singapore, the U.S. had been concerned that it could lose market share in Singapore, especially in services trade, as a result of the multiple FTAs Singapore has recently been ratifying and negotiating.¹⁷³ Thus, the agreement provided an opportunity for the U.S. to solidify the parties’ symbiotic economic relationship. “A robust agreement with Singapore, the most free-trade-oriented country in the region, sets a high standard for other agreements and encourages significant trade liberalization in the region.”¹⁷⁴

It is also relevant to note that unlike NAFTA, which was wrought with environmental and labor concerns and side agreements,¹⁷⁵ the USSFTA has integrated environmental issues as part of the core text, representing a significant accomplishment as far as RTAs go. “The [a]greement fully meets the environmental objectives set out by Congress in TPA,” the Trade Act of 2002.¹⁷⁶ However, the provisions in the agreement then fall flat as it merely provides that the parties will effectively enforce their own domestic environmental law and that they will strive for “high levels of protection” without defining what those levels are or how they will be enforced.¹⁷⁷

While the provisions in the agreement do achieve several milestones in terms of greater accessibility and fairness in trade and commerce, it is important to note that the reservations Singapore lists in its Annex to the Chapter In Trade in Services are still the same industries it has been fiercely protecting all these years, industries such as the postal and telecommunications sectors, certain financial service and banking sectors, and the power industry. Singapore has given no signs that it is willing to

170. See generally GORDON, *supra* note 4.

171. *U.S.-Singapore Free Trade Agreement, Excerpts from Trade Advisory Committee Reports* (quoting the Advisory Committee for Trade Policy and Negotiations (ACTPN)), at <http://www.ustr.gov/new/fta/Singapore/ac-excerpts.pdf> (last visited Apr. 11, 2003) [hereinafter *Excerpts*].

172. *Id.* (quoting ISAC 13 – Services)

173. *Id.* (quoting from ACTPN). The U.S. was most notably concerned about Singapore’s agreement with Japan, China, Canada and Korea. *Id.* See also Ministry of Trade and Industry, *supra* note 93.

174. *Excerpts, supra* note 171 (quoting from ACTPN).

175. See generally A.L.C. de Mestral, *The Significance of the NAFTA Side Agreements on Environmental and Labour Cooperation*, 15 ARIZ. J. INT’L & COMP. LAW 169 (1998).

176. USTR, *supra* note 97, at 8.

177. *Id.* See also USSFTA, *supra* note 107, art. 18.1.

try. Singapore has given no signs that it is willing to liberalize these industries.¹⁷⁸ As a result, there is a significant irony in the interplay between concessions and reservations: telecommunication devices such as satellite dishes are now allowed for import, yet the services to support the use are strictly controlled by the Government;¹⁷⁹ U.S. banks will be allowed greater presence and access to the local ATM network, but access is not to be granted immediately and then only by application;¹⁸⁰ Singapore is to draw up legislation proscribing all anti-competition, yet it reserves the right to keep some monopolies.¹⁸¹

It is also significant to note that the Labor Advisory Committee for Trade Negotiations and Trade Policy (LAC) is of the opinion that the USSFTA actually fails to meet the objectives set by Congress under the TPA. According to the LAC, the agreement "fails to meet some congressional negotiating objectives, barely complies with others, and includes some provisions that are not based on any congressional negotiating objectives at all."¹⁸² The USSFTA repeats the mistakes of NAFTA and is "likely to lead to the same deteriorating trade balances, lost jobs, trampled rights, and inadequate economic development that NAFTA has created,"¹⁸³ and will not protect the core rights of Singapore workers or U.S. workers. While there are counter reports of the impact on labor,¹⁸⁴ and despite the fact that both countries have reaffirmed their commitment to the standards of the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work,¹⁸⁵ there are legitimate concerns among workers of both the U.S. and Singapore. U.S. workers fear a repeat of the NAFTA labor problems under the USSFTA, resulting in the loss of even more manufacturing jobs as companies relocate overseas.¹⁸⁶ The workers in Singapore are likewise skeptical of the benefits under the USSFTA, fearful that the country's top professional jobs will now go to U.S. professionals who are often better paid yet equally qualified. Despite these labor fears, any asymmetry will eventually even out due in large part to the fact that both economies are highly similar and very compatible in terms of skill, costs, technology and comparative advantages. Furthermore, while over the short term, the move-

178. USSFTA, *supra* note 107, annex 8C (no phase out date included).

179. *See generally Report, supra* note 98, at 344.

180. *Id.* at 346.

181. *See generally id.*

182. *The U.S.-Singapore Free Trade Agreement, Report of the Labor Advisory Committee for Trade Negotiations and Trade Policy (LAC)*, 3, at <http://www.ustr.gov/new/fta/Singapore/ac-lac.pdf> (Feb. 28, 2003).

183. *Id.* at 16.

184. *See Excerpts, supra* note 171 (quoting the Labor Advisory Committee (LAC)).

185. *Id.* *See generally* ILO, available at <http://www.ilo.org/> (last visited Apr. 7, 2004).

186. Manufacturing will likely not relocate to Singapore as the labor costs there are quite high as well, but will however, relocate to Bintan Island of Indonesia, with whom Singapore has an FTA and under which, the island is considered part of the 'Singapore territory' for purposes of manufacturing and rules of origin.

ment in labor may be disproportionate or disruptive to the domestic labor market, over the long run such migration patterns would be minimized.

IV. CONCLUSION

The USSFTA carries with it implications of greater regional harmony and economic cooperation than just another RTA. The success of the USSFTA will determine the vitality and health of the U.S. international markets in Asia and what role it will continue to play in international politics, most notably, the international politics of the Asia-Pacific region. As the U.S. concentrates on building a unified Western hemisphere, it has to be ever mindful of who it is walling in for preferential treatment as much as who it is walling out as a consequence. Economic retaliation and trade warfare can be costly between hemispheric factions and half a century of work under multilateralism hangs in the balance. The USSFTA will open more doors than it will close and should be ratified by Congress under the current Trade Promotion Authority.

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Appendix A

Regional Integration Agreements Notified to GATT/WTO and in Force as of January 1995

Reciprocal Regional Integration Agreements

Europe

European Community (EC)

Austria	Germany	Netherlands
Belgium	Greece	Portugal
Denmark	Ireland	Spain
Finland	Italy	Sweden
France	Luxembourg	United Kingdom

EC FTAs with

Estonia	Latvia	Norway
Iceland	Liechtenstein	Switzerland
Israel	Lithuania	

EC association agreements with

Bulgaria	Hungary	Romania
Cyprus	Malta	Slovak Rep.
Czech Rep.	Poland	Turkey

European Free Trade Association (EFTA)

Iceland	Norway	Switzerland
Liechtenstein		

EFTA free trade agreements with

Bulgaria	Israel	Slovak Rep.
Czech Rep.	Poland	Turkey
Hungary	Romania	

Norway free trade agreements with

Estonia	Latvia	Lithuania
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Switzerland free trade agreements with

Estonia	Latvia	Lithuania
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Czech Rep. and Slovak Rep. Customs Union

Central European Free Trade Area

Czech Rep.	Poland	Slovak Rep.
Hungary		

Czech Rep. and Slovenia Free Trade Agreement

North America

Canada-US FTA (CUFTA)

NAFTA

Latin America & the Caribbean

Caribbean Community and Common Market (Caricom)

Central American Common Market

(CACM)

Latin American Integration Association (LAIA)

Andean Pact

Southern Common Market (Mercosur)

Middle East

Economic Cooperation Organization (ECO)

Gulf Cooperation Council (GCC)

Asia

Australia-New Zealand Closer Economic Relationship (CER)

Bangkok Agreement

Common Effective Preferential Scheme for the ASEAN Free Trade Area

Lao People's Dem. Rep. and Thailand Trade Agreement

Other

Israel-U.S. Free Trade Agreement

Slovak Rep. and Slovenia Free Trade Agreement

Regional Trade Agreements Notified to the GATT/WTO and in Force

By date of entry into force

As of 24 January 2003

<u>EC (Treaty of Rome)</u>	1-Jan-58	10-Nov-65	GATS Art. V	Services agreement	WT/REG39 S/C/N/6	Under factual examination	...
<u>EC (Treaty of Rome)</u>	1-Jan-58	24-Apr-57	GATT Art. XXIV	Customs union	L/626	Report adopted	6S/70 & 109 29.11.57
<u>EFTA (Stockholm Convention)</u>	3-May-60	14-Nov-59	GATT Art. XXIV	Free trade agreement	WT/REG85	Report adopted	8S/70 04.06.60
<u>CACM</u>	12-Oct-61	24-Feb-61	GATT Art. XXIV	Customs union	WT/REG93	Report adopted	10S/98 23.11.61
<u>TRIPARTITE</u>	1-Apr-68	23-Feb-68	Enabling Clause	Other	L/2980 L/2980/Add.1	Report adopted	18S/83 14.11.68
<u>EFTA accession of Iceland</u>	1-Mar-70	30-Jan-70	GATT Art. XXIV	Accession to free trade agreement	L/3328 L/3328/Add.1	Report adopted	18S/174 26.09.70
<u>EC — OCTs</u>	1-Jan-71	14-Dec-70	GATT Art. XXIV	Free trade agreement	WT/REG106	Report adopted	18S/143 09.11.71
<u>EC — Malta</u>	1-Apr-71	24-Mar-71	GATT Art. XXIV	Customs union	WT/REG102	Report adopted	19S/90 26.06.72
<u>EC — Switzerland and Liechtenstein</u>	1-Jan-73	27-Oct-72	GATT Art. XXIV	Free trade agreement	WT/REG94	Report adopted	20S/196 19.10.73
<u>EC accession of Denmark, Ireland and United Kingdom</u>	1-Jan-73	7-Mar-72	GATT Art. XXIV	Accession to customs union	L/3877	Report adopted	C/M/107 11.07.75
<u>PTN</u>	11-Feb-73	9-Nov-71	Enabling Clause	Other	L/3598 18S/11	Examination not requested	...
<u>EC — Iceland</u>	1-Apr-73	24-Nov-72	GATT Art. XXIV	Free trade agreement	WT/REG95	Report adopted	20S/158 19.10.73
<u>EC — Cyprus</u>	1-Jun-73	13-Jun-73	GATT Art. XXIV	Customs union	WT/REG97	Report adopted	21S/94 21.06.74
<u>EC — Norway</u>	1-Jul-73	13-Jul-73	GATT Art. XXIV	Free trade agreement	WT/REG137	Report adopted	21S/83 28.03.74
<u>CARICOM</u>	1-Aug-73	14-Oct-74	GATT Art. XXIV	Customs union	WT/REG92	Report adopted	24S/68 02.03.77
<u>Bangkok Agreement</u>	17-Jun-78	2-Nov-78	Enabling Clause	Other	L/4418 L/4418/Corr.1	Report adopted	25S/109 14.03.78

<u>EC — Algeria</u>	1-Jul-76	28-Jul-76	GATT Art. XXIV	Free trade agreement	WT/REG105	Report adopted	24S/80 11.11.77
<u>PATCRA</u>	1-Feb-77	20-Dec-76	GATT Art. XXIV	Free trade agreement	L/4451 L/4451/Add.1	Report adopted	24S/63 11.11.77
<u>EC — Egypt</u>	1-Jul-77	15-Jul-77	GATT Art. XXIV	Free trade agreement	WT/REG98	Report adopted	25S/114 17.05.78
<u>EC — Lebanon</u>	1-Jul-77	15-Jul-77	GATT Art. XXIV	Free trade agreement	WT/REG100	Report adopted	25S/142 17.05.78
<u>EC — Syria</u>	1-Jul-77	15-Jul-77	GATT Art. XXIV	Free trade agreement	WT/REG104	Report adopted	25S/123 17.05.78
<u>SPARTECA</u>	1-Jan-81	20-Feb-81	Enabling Clause	Other	L/5100	Examination not requested	...
<u>EC accession of Greece</u>	1-Jan-81	24-Oct-79	GATT Art. XXIV	Accession to customs union	L4845	Report adopted	30S/168 09.03.83
<u>LAIA</u>	18-Mar-81	1-Jul-82	Enabling Clause	Other	L/5342	Examination not requested	...
<u>CER</u>	1-Jan-83	14-Apr-83	GATT Art. XXIV	Free trade agreement	WT/REG111	Report adopted	31S/170 02.10.84
<u>United States — Israel</u>	19-Aug-85	13-Sep-85	GATT Art. XXIV	Free trade agreement	L/5862 L/5862/Add.1	Report adopted	34S/58 14.05.87
<u>EC accession of Portugal and Spain</u>	1-Jan-86	11-Dec-85	GATT Art. XXIV	Accession to customs union	L/5936	Report adopted	35S/293 19.10.88
<u>CAN</u>	25-May-88	12-Oct-92	Enabling Clause	Other	L/6737	Examination not requested	...
<u>CER</u>	1-Jan-89	22-Nov-95	GATS Art. V	Services agreement	WT/REG40 S/C/N/7	Consultations on draft report	...
<u>GSTP</u>	19-Apr-89	25-Sep-89	Enabling Clause	Other	L/6564/Add.1	Examination not requested	...
<u>Laos — Thailand</u>	20-Jun-91	29-Nov-91	Enabling Clause	Other	L/6947	Examination not requested	...
<u>EC — Andorra</u>	1-Jul-91	25-Feb-98	GATT Art. XXIV	Customs union	WT/REG53	Factual examination concluded	...
<u>MERCOSUR</u>	29-Nov-91	5-Mar-92	Enabling Clause	Customs union	WT/COMTD/1	Under factual examination	...
<u>AFTA</u>	28-Jan-92	30-Oct-92	Enabling Clause	Other	L/4581	Examination not requested	...
<u>EC — Czech Republic</u>	1-Mar-92	13-May-96	GATT Art. XXIV	Free trade agreement	WT/REG18	Factual examination concluded	...
<u>EC — Slovak Republic</u>	1-Mar-92	13-May-96	GATT Art. XXIV	Free trade agreement	WT/REG18	Factual examination concluded	...
<u>EC — Hungary</u>	1-Mar-92	3-Apr-92	GATT Art. XXIV	Free trade agreement	WT/REG18	Consultations on draft report	...
<u>EC — Poland</u>	1-Mar-92	3-Apr-92	GATT Art. XXIV	Free trade agreement	WT/REG18	Factual examination concluded	...
<u>EFTA — Turkey</u>	1-Apr-92	6-Mar-92	GATT Art. XXIV	Free trade agreement	WT/REG86	Report adopted	40S/48 17.12.93
<u>EFTA — Czech Republic</u>	1-Jul-92	3-Jul-92	GATT Art. XXIV	Free trade agreement	WT/REG87	Report adopted	41S/116 08.12.94

<u>EFTA — Slovak Republic</u>	1-Jul-92	3-Jul-92	GATT Art. XXIV	Free trade agreement	WT/REG88	Report adopted	41S/116 08.12.94
<u>Czech Republic — Slovak Republic</u>	1-Jan-93	30-Apr-93	GATT Art. XXIV	Customs union	WT/REG89	Report adopted	41S/112 04.10.94
<u>EFTA — Israel</u>	1-Jan-93	1-Dec-92	GATT Art. XXIV	Free trade agreement	WT/REG14	Factual examination concluded	...
<u>CEFTA</u>	1-Mar-93	30-Jun-94	GATT Art. XXIV	Free trade agreement	WT/REG11	Consultations on draft report	...
<u>Kyrgyz Republic — Russian Federation</u>	24-Apr-93	15-Jun-99	GATT Art. XXIV	Free trade agreement	WT/REG73	Under factual examination	...
<u>EC — Romania</u>	1-May-93	23-Dec-94	GATT Art. XXIV	Free trade agreement	WT/REG2	Factual examination concluded	...
<u>EFTA — Romania</u>	1-May-93	24-May-93	GATT Art. XXIV	Free trade agreement	WT/REG16	Factual examination concluded	...
<u>Faroe Islands — Norway</u>	1-Jul-93	13-Mar-96	GATT Art. XXIV	Free trade agreement	WT/REG25	Factual examination concluded	...
<u>Faroe Islands — Iceland</u>	1-Jul-93	23-Jan-96	GATT Art. XXIV	Free trade agreement	WT/REG23	Factual examination concluded	...
<u>EFTA — Bulgaria</u>	1-Jul-93	30-Jun-93	GATT Art. XXIV	Free trade agreement	WT/REG12	Factual examination concluded	...
<u>MSG</u>	22-Jul-93	7-Oct-99	Enabling Clause	Other	WT/COMTD/N/9 WT/COMTD/21	Examination not requested	...
<u>EFTA — Hungary</u>	1-Oct-93	23-Dec-93	GATT Art. XXIV	Free trade agreement	WT/REG13	Consultations on draft report	...
<u>EFTA — Poland</u>	15-Nov-93	20-Oct-93	GATT Art. XXIV	Free trade agreement	WT/REG15	Factual examination concluded	...
<u>EC — Bulgaria</u>	31-Dec-93	23-Dec-94	GATT Art. XXIV	Free trade agreement	WT/REG1	Factual examination concluded	...
<u>EEA</u>	1-Jan-94	10-Oct-96	GATS Art. V	Services agreement	WT/REG138 S/C/N/28	Under factual examination	...
<u>NAFTA</u>	1-Jan-94	1-Feb-93	GATT Art. XXIV	Free trade agreement	WT/REG4	Consultations on draft report	...
<u>EC — Hungary</u>	1-Feb-94	27-Aug-96	GATS Art. V	Services agreement	WT/REG50 S/C/N/24	Consultations on draft report	...
<u>EC — Poland</u>	1-Feb-94	27-Aug-96	GATS Art. V	Services agreement	WT/REG51 S/C/N/25	Factual examination concluded	...
<u>BAFTA</u>	1-Apr-94	15-Jun-99	GATT Art. XXIV	Free trade agreement	WT/REG77	Factual examination concluded	...
<u>NAFTA</u>	1-Apr-94	1-Mar-95	GATS Art. V	Services agreement	WT/REG4 S/C/N/4	Consultations on draft report	...
<u>Georgia — Russian Federation</u>	10-May-94	21-Feb-01	GATT Art. XXIV	Free trade agreement	WT/REG118	Under factual examination	...
<u>COMESA</u>	8-Dec-94	29-Jun-95	Enabling Clause	Other	WT/COMTD/N/3	Examination not requested	...
<u>CIS</u>	30-Dec-94	1-Oct-99	GATT Art. XXIV	Free trade agreement	WT/REG82	Under factual examination	...
<u>Romania — Moldova</u>	1-Jan-95	24-Sep-97	GATT Art. XXIV	Free trade agreement	WT/REG44	Factual examination concluded	...

<u>EC — Lithuania</u>	1-Jan-95	26-Sep-95	GATT Art. XXIV	Free trade agreement	WT/REG9	Factual examination concluded	...
<u>EC — Estonia</u>	1-Jan-95	30-Jun-95	GATT Art. XXIV	Free trade agreement	WT/REG8	Factual examination concluded	...
<u>EC — Latvia</u>	1-Jan-95	30-Jun-95	GATT Art. XXIV	Free trade agreement	WT/REG7	Factual examination concluded	...
<u>EC accession of Austria, Finland and Sweden</u>	1-Jan-95	20-Jan-95	GATT Art. XXIV	Accession to customs union	WT/REG3 L/7614/Add.1	Consultations on draft report	...
<u>EC accession of Austria, Finland and Sweden</u>	1-Jan-95	20-Jan-95	GATS Art. V	Accession to services agreement	WT/REG3 S/C/N/6	Consultations on draft report	...
<u>EC — Bulgaria</u>	1-Feb-95	25-Apr-97	GATS Art. V	Services agreement	WT/REG1 S/C/N/55	Under factual examination	...
<u>EC — Czech Republic</u>	1-Feb-95	9-Oct-96	GATS Art. V	Services agreement	WT/REG139 S/C/N/26	Under factual examination	...
<u>EC — Romania</u>	1-Feb-95	9-Oct-96	GATS Art. V	Services agreement	WT/REG2 S/C/N/27	Under factual examination	...
<u>EC — Slovak Republic</u>	1-Feb-95	27-Aug-96	GATS Art. V	Services agreement	WT/REG52 S/C/N/23	Factual examination concluded	...
<u>Faroe Islands — Switzerland</u>	1-Mar-95	8-Mar-96	GATT Art. XXIV	Free trade agreement	WT/REG24	Factual examination concluded	...
<u>EFTA — Slovenia</u>	1-Jul-95	18-Oct-95	GATT Art. XXIV	Free trade agreement	WT/REG20	Factual examination concluded	...
<u>Kyrgyz Republic — Armenia</u>	27-Oct-95	4-Jan-01	GATT Art. XXIV	Free trade agreement	WT/REG114	Under factual examination	...
<u>Kyrgyz Republic — Kazakhstan</u>	11-Nov-95	29-Sep-99	GATT Art. XXIV	Free trade agreement	WT/REG81	Under factual examination	...
<u>SAPTA</u>	7-Dec-95	22-Sep-93	Enabling Clause	Other	WT/COMTD/10	Examination not requested	...
<u>CEFTA accession of Slovenia</u>	1-Jan-96	8-Jan-98	GATT Art. XXIV	Accession to free trade agreement	WT/REG11	Consultations on draft report	...
<u>EC — Turkey</u>	1-Jan-96	22-Dec-95	GATT Art. XXIV	Customs union	WT/REG22	Under factual examination	...
<u>Estonia — Ukraine</u>	14-Mar-96	25-Jul-00	GATT Art. XXIV	Free trade agreement	WT/REG108	Factual examination concluded	...
<u>EFTA — Estonia</u>	1-Jun-96	25-Jul-96	GATT Art. XXIV	Free trade agreement	WT/REG28	Factual examination concluded	...
<u>EFTA — Latvia</u>	1-Jun-96	25-Jul-96	GATT Art. XXIV	Free trade agreement	WT/REG29	Factual examination concluded	...
<u>Georgia — Ukraine</u>	4-Jun-96	21-Feb-01	GATT Art. XXIV	Free trade agreement	WT/REG121	Under factual examination	...
<u>Georgia — Azerbaijan</u>	10-Jul-96	21-Feb-01	GATT Art. XXIV	Free trade agreement	WT/REG120	Under factual examination	...
<u>Slovenia — Latvia</u>	1-Aug-96	20-Feb-97	GATT Art. XXIV	Free trade agreement	WT/REG34	Factual examination concluded	...
<u>EFTA — Lithuania</u>	1-Aug-96	25-Jul-96	GATT Art. XXIV	Free trade agreement	WT/REG30	Factual examination concluded	...

Slovenia — Former Yugoslav Republic of Macedonia	1-Sep-96	20-Feb-97	GATT Art. XXIV	Free trade agreement	WT/REG36	Factual examination concluded	...
Kyrgyz Republic — Moldova	21-Nov-96	15-Jun-99	GATT Art. XXIV	Free trade agreement	WT/REG76	Factual examination concluded	...
Slovak Republic — Israel	1-Jan-97	30-Mar-98	GATT Art. XXIV	Free trade agreement	WT/REG57	Factual examination concluded	...
Poland — Lithuania	1-Jan-97	30-Dec-97	GATT Art. XXIV	Free trade agreement	WT/REG49	Factual examination concluded	...
Slovenia — Estonia	1-Jan-97	20-Feb-97	GATT Art. XXIV	Free trade agreement	WT/REG37	Factual examination concluded	...
EC — Faroe Islands	1-Jan-97	19-Feb-97	GATT Art. XXIV	Free trade agreement	WT/REG21	Under factual examination	...
Canada — Israel	1-Jan-97	23-Jan-97	GATT Art. XXIV	Free trade agreement	WT/REG31	Factual examination concluded	...
EC — Slovenia	1-Jan-97	11-Nov-96	GATT Art. XXIV	Free trade agreement	WT/REG32	Factual examination concluded	...
Slovenia — Lithuania	1-Mar-97	20-Feb-97	GATT Art. XXIV	Free trade agreement	WT/REG35	Factual examination concluded	...
Israel — Turkey	1-May-97	18-May-98	GATT Art. XXIV	Free trade agreement	WT/REG60	Factual examination concluded	...
CEFTA accession of Romania	1-Jul-97	8-Jan-98	GATT Art. XXIV	Accession to free trade agreement	WT/REG11	Consultations on draft report	...
Slovak Republic — Latvia	1-Jul-97	14-Nov-97	GATT Art. XXIV	Free trade agreement	WT/REG47	Factual examination concluded	...
Slovak Republic — Lithuania	1-Jul-97	14-Nov-97	GATT Art. XXIV	Free trade agreement	WT/REG48	Factual examination concluded	...
Czech Republic — Latvia	1-Jul-97	13-Nov-97	GATT Art. XXIV	Free trade agreement	WT/REG45	Factual examination concluded	...
EC — Palestinian Authority	1-Jul-97	30-Jun-97	GATT Art. XXIV	Free trade agreement	WT/REG43	Factual examination not started	...
Canada — Chile	5-Jul-97	13-Nov-97	GATS Art. V	Services agreement	WT/REG38 S/C/N/65	Under factual examination	...
Canada — Chile	5-Jul-97	26-Aug-97	GATT Art. XXIV	Free trade agreement	WT/REG38	Factual examination concluded	...
Czech Republic — Lithuania	1-Sep-97	13-Nov-97	GATT Art. XXIV	Free trade agreement	WT/REG46	Factual examination concluded	...
EAEC	8-Oct-97	6-Apr-99	GATT Art. XXIV	Customs union	WT/REG71	Under factual examination	...
Czech Republic — Israel	1-Dec-97	30-Mar-98	GATT Art. XXIV	Free trade agreement	WT/REG56	Factual examination concluded	...
Slovenia — Croatia	1-Jan-98	25-Mar-98	GATT Art. XXIV	Free trade agreement	WT/REG55	Factual examination concluded	...
Kyrgyz Republic — Ukraine	19-Jan-98	15-Jun-99	GATT Art. XXIV	Free trade agreement	WT/REG74	Under factual examination	...
EC — Lithuania	1-Feb-98	11-Feb-02	GATS Art. V	Services agreement	WT/REG145 S/C/N/189	Factual examination not started	...

<u>EC — Estonia</u>	1-Feb-98	11-Feb-02	GATS Art. V	Services agreement	WT/REG144 S/C/N/188	Factual examination not started	...
<u>Romania — Turkey</u>	1-Feb-98	18-May-98	GATT Art. XXIV	Free trade agreement	WT/REG59	Factual examination concluded	...
<u>Hungary — Israel</u>	1-Feb-98	24-Mar-98	GATT Art. XXIV	Free trade agreement	WT/REG54	Factual examination concluded	...
<u>Czech Republic — Estonia</u>	12-Feb-98	3-Aug-98	GATT Art. XXIV	Free trade agreement	WT/REG62	Factual examination concluded	...
<u>Slovak Republic — Estonia</u>	12-Feb-98	3-Aug-98	GATT Art. XXIV	Free trade agreement	WT/REG63	Factual examination concluded	...
<u>EC — Tunisia</u>	1-Mar-98	23-Mar-99	GATT Art. XXIV	Free trade agreement	WT/REG69	Factual examination concluded	...
<u>Poland — Israel</u>	1-Mar-98	25-Feb-99	GATT Art. XXIV	Free trade agreement	WT/REG65	Factual examination concluded	...
<u>Lithuania — Turkey</u>	1-Mar-98	8-Jun-98	GATT Art. XXIV	Free trade agreement	WT/REG61	Factual examination concluded	...
<u>Kyrgyz Republic — Uzbekistan</u>	20-Mar-98	15-Jun-99	GATT Art. XXIV	Free trade agreement	WT/REG75	Under factual examination	...
<u>Hungary — Turkey</u>	1-Apr-98	12-May-98	GATT Art. XXIV	Free trade agreement	WT/REG58	Factual examination concluded	...
<u>Estonia — Turkey</u>	1-Jun-98	23-Mar-99	GATT Art. XXIV	Free trade agreement	WT/REG70	Factual examination concluded	...
<u>Czech Republic — Turkey</u>	1-Sep-98	24-Apr-99	GATT Art. XXIV	Free trade agreement	WT/REG67	Factual examination concluded	...
<u>Slovak Republic — Turkey</u>	1-Sep-98	24-Mar-99	GATT Art. XXIV	Free trade agreement	WT/REG68	Factual examination concluded	...
<u>Slovenia — Israel</u>	1-Sep-98	8-Mar-99	GATT Art. XXIV	Free trade agreement	WT/REG66	Factual examination concluded	...
<u>Georgia — Armenia</u>	11-Nov-98	21-Feb-01	GATT Art. XXIV	Free trade agreement	WT/REG119	Under factual examination	...
<u>Estonia — Faroe Islands</u>	1-Dec-98	26-Jan-99	GATT Art. XXIV	Free trade agreement	WT/REG64	Factual examination concluded	...
<u>Bulgaria — Turkey</u>	1-Jan-99	4-May-99	GATT Art. XXIV	Free trade agreement	WT/REG72	Factual examination concluded	...
<u>CEFTA accession of Bulgaria</u>	1-Jan-99	24-Mar-99	GATT Art. XXIV	Accession to free trade agreement	WT/REG11	Consultations on draft report	...
<u>EC — Slovenia</u>	1-Feb-99	11-Feb-02	GATS Art. V	Services agreement	WT/REG145 S/C/N/190	Factual examination not started	...
<u>EC — Latvia</u>	1-Feb-99	11-Feb-02	GATS Art. V	Services agreement	WT/REG143 S/C/N/187	Factual examination not started	...
<u>Poland — Latvia</u>	1-Jun-99	29-Sep-99	GATT Art. XXIV	Free trade agreement	WT/REG80	Factual examination concluded	...
<u>Poland — Faroe Islands</u>	1-Jun-99	18-Aug-99	GATT Art. XXIV	Free trade agreement	WT/REG78	Factual examination concluded	...
<u>CEMAC</u>	24-Jun-99	28-Sep-00	Enabling Clause	Other	WT/COMTD/N/13 WT/COMTD/24	Examination not requested	...

<u>EFTA — Palestinian Authority</u>	1-Jul-99	21-Sep-99	GATT Art. XXIV	Free trade agreement	WT/REG79	Factual examination not started	...
<u>Georgia — Kazakhstan</u>	16-Jul-99	21-Feb-01	GATT Art. XXIV	Free trade agreement	WT/REG123	Under factual examination	...
<u>Chile — Mexico</u>	1-Aug-99	14-Mar-01	GATS Art. V	Services agreement	WT/REG125 S/C/N/142	Factual examination not started	...
<u>Chile — Mexico</u>	1-Aug-99	27-Feb-01	GATT Art. XXIV	Free trade agreement	WT/REG125	Factual examination not started	...
<u>EFTA — Morocco</u>	1-Dec-99	20-Feb-00	GATT Art. XXIV	Free trade agreement	WT/REG91	Factual examination concluded	...
<u>Georgia — Turkmenistan</u>	1-Jan-00	21-Feb-01	GATT Art. XXIV	Free trade agreement	WT/REG122	Under factual examination	...
<u>EC — South Africa</u>	1-Jan-00	14-Nov-00	GATT Art. XXIV	Free trade agreement	WT/REG113	Factual examination not started	...
<u>WAEMU/JEMOA</u>	1-Jan-00	3-Feb-00	Enabling Clause	Other	WT/COMTD/N/11 WT/COMTD/23	Examination not requested	...
<u>Bulgaria — Former Yugoslav Republic of Macedonia</u>	1-Jan-00	21-Jan-00	GATT Art. XXIV	Free trade agreement	WT/REG90	Factual examination concluded	...
<u>Hungary — Latvia</u>	1-Jan-00	20-Dec-99	GATT Art. XXIV	Free trade agreement	WT/REG84	Factual examination concluded	...
<u>EC — Morocco</u>	1-Mar-00	8-Nov-00	GATT Art. XXIV	Free trade agreement	WT/REG112	Under factual examination	...
<u>Hungary — Lithuania</u>	1-Mar-00	20-Dec-99	GATT Art. XXIV	Free trade agreement	WT/REG83	Factual examination concluded	...
<u>Poland — Turkey</u>	1-May-00	14-May-00	GATT Art. XXIV	Free trade agreement	WT/REG107	Factual examination concluded	...
<u>Turkey — Slovenia</u>	1-Jun-00	6-Mar-02	GATT Art. XXIV	Free trade agreement	WT/REG135	Factual examination not started	...
<u>EC — Israel</u>	1-Jun-00	7-Nov-00	GATT Art. XXIV	Free trade agreement	WT/REG110	Factual examination concluded	...
<u>Mexico — Israel</u>	1-Jul-00	27-Feb-01	GATT Art. XXIV	Free trade agreement	WT/REG124	Factual examination not started	...
<u>Latvia — Turkey</u>	1-Jul-00	22-Jan-01	GATT Art. XXIV	Free trade agreement	WT/REG116	Factual examination concluded	...
<u>EC — Mexico</u>	1-Jul-00	1-Aug-00	GATT Art. XXIV	Free trade agreement	WT/REG109	Under factual examination	...
<u>EAC</u>	7-Jul-00	11-Oct-00	Enabling Clause	Other	WT/COMTD/N/14 WT/COMTD/25	Examination not requested	...
<u>Turkey — Former Yugoslav Republic of Macedonia</u>	1-Sep-00	22-Jan-01	GATT Art. XXIV	Free trade agreement	WT/REG115	Factual examination concluded	...
<u>New Zealand - Singapore</u>	1-Jan-01	4-Sep-01	GATT Art. XXIV	Free trade agreement	WT/REG127	Under factual examination	...
<u>New Zealand - Singapore</u>	1-Jan-01	4-Sep-01	GATS Art. V	Services agreement	WT/REG127 S/C/N/169	Under factual examination	...

<u>EFTA — Former Yugoslav Republic of Macedonia</u>	1-Jan-01	31-Jan-01	GATT Art. XXIV	Free trade agreement	WT/REG117	Factual examination concluded	...
<u>EC — Mexico</u>	1-Mar-01	21-Jun-02	GATS Art. V	Services agreement	WT/REG109 S/C/N/192	Factual examination not started	...
<u>Hungary — Estonia</u>	1-Mar-01	4-Oct-01	GATT Art. XXIV	Free trade agreement	WT/REG128	Factual examination not started	...
<u>EC — FYROM</u>	1-Jun-01	21-Nov-01	GATT Art. XXIV	Free trade agreement	WT/REG129	Under factual examination	...
<u>EFTA - Mexico</u>	1-Jul-01	25-Jul-01	GATT Art. XXIV	Free trade agreement	WT/REG126	Factual examination not started	...
<u>EFTA - Mexico</u>	1-Jul-01	25-Jul-01	GATS Art. V	Services agreement	WT/REG126 S/C/N/166	Factual examination not started	...
<u>India — Sri Lanka</u>	15-Dec-01	26-Jun-02	Enabling Clause	Free trade agreement	WT/COMTD/N/16	Examination not requested	...
<u>United States — Jordan</u>	17-Dec-01	18-Oct-02	GATS Art. V	Services agreement	WT/REG134 S/C/N/193	Factual examination not started	...
<u>United States — Jordan</u>	17-Dec-01	5-Mar-02	GATT Art. XXIV	Free trade agreement	WT/REG134	Factual examination not started	...
<u>EFTA — Jordan</u>	1-Jan-02	22-Jan-02	GATT Art. XXIV	Free trade agreement	WT/REG133	Factual examination not started	...
<u>EFTA — Croatia</u>	1-Jan-02	22-Jan-02	GATT Art. XXIV	Free trade agreement	WT/REG132	Factual examination not started	...
<u>Slovenia — Bosnia and Herzegovina</u>	1-Jan-02	21-Jan-02	GATT Art. XXIV	Free trade agreement	WT/REG131	Factual examination not started	...
<u>Chile — Costa Rica</u>	15-Feb-02	24-May-02	GATS Art. V	Services agreement	WT/REG136 S/C/N/191	Factual examination not started	...
<u>Chile — Costa Rica</u>	15-Feb-02	14-May-02	GATT Art. XXIV	Free trade agreement	WT/REG136	Factual examination not started	...
<u>EC — Croatia</u>	1-Mar-02	20-Dec-02	GATT Art. XXIV	Free trade agreement	WT/REG142	Factual examination not started	...
<u>EC — Jordan</u>	1-May-02	20-Dec-02	GATT Art. XXIV	Free trade agreement	WT/REG141	Factual examination not started	...
<u>EFTA</u>	1-Jun-02	3-Dec-02	GATS Art. V	Services agreement	S/C/N/207	Factual examination not started	...
<u>Canada — Costa Rica</u>	1-Nov-02	17-Jan-02	GATT Art. XXIV	Free trade agreement	WT/REG147	Examination not requested	...
<u>Japan - Singapore</u>	30-Nov-02	14-Nov-02	GATS Art. V	Services agreement	WT/REG140 S/C/N/206	Factual examination not started	...
<u>Japan - Singapore</u>	30-Nov-02	14-Nov-02	GATT Art. XXIV	Free trade agreement	WT/REG140	Factual examination not started	...
<u>EFTA - Singapore</u>	1-Jan-03	24-Jan-03	GATS Art. V	Services agreement	WT/REG148 S/C/N/226	Examination not requested	...
<u>EFTA - Singapore</u>	1-Jan-03	24-Jan-03	GATT Art. XXIV	Free trade agreement	WT/REG148	Examination not requested	...
<u>ECO</u>	not available	22-Jul-92	Enabling Clause	Other	L/7047	Examination not requested	...
<u>GCC</u>	not available	11-Oct-84	Enabling Clause	Other	L/5676	Examination not requested	...