

Factors Affecting Asian FTA Practices
-An Approach to Surmount Difficulties-
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I. Introduction

There have been so many Regional Trade Agreements (RTAs) or Free Trade Agreements (FTAs) in the world. The World Trade Organization (WTO) even has difficulty to clearly state the exact number of RTAs or FTAs.¹

There are different angles looking at RTAs. As indicated at the WTO website, “RTAs can complement the multilateral trading system, help to build and strengthen it. But by their very nature RTAs are discriminatory: they are a departure from the MFN principle, a cornerstone of the multilateral trading system.”² Disregarding the possible negative aspect, WTO provides legal basis for the establishment of RTAs under the conditions set forth in some instruments of WTO. The most important rules guiding the establishments and the operations of FTAs are in Article XXIV of the General Agreement on Tariffs and Trade (GATT) 1994, Article V of the General Agreement on Trade in Services (GATS) and the Enabling Clause under the WTO. The practices of FTA in Asia are of course subject to these basic rules. In other words, WTO rules certainly are one of the most important factors deciding the establishments and the operation of FTAs.

However, there are more than the rules themselves affecting the practices of FTA. Each region has its own special background contributing to the proliferation or restraint of FTAs. If we look at the situation in Asia, we might be able to find such

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¹ According to WTO website at http://www.wto.org/english/tratop_e/region_e/region_e.htm (last visit on April 10, 2006), “Over 170 RTAs are currently in force; an additional 70 are estimated to be operational although not yet notified. By the end of 2005, if RTAs reportedly planned or already under negotiation are concluded, the total number of RTAs in force might well approach 300.” Thus, even WTO still can only estimate the number of RTAs currently in force.

² http://www.wto.org/english/tratop_e/scope_rta_e.htm. Last visit on April 2, 2006. The concept of RTA includes FTA, customs union and preferential arrangement under the Enabling Clause.

special background and factors leading to such proliferation and restraint.

The paper tries to group FTAs concluded by or between Asian economies into different types and then to identify different causes and factors leading to the conclusions of the agreements of different kinds. The factors could be of historical, economic or political nature. These factors might be the ones similar to those contributing to the establishments of FTAs in other regions. They could also be very unique when comparing with the situations of other areas.

Analyzing these factors could help us understand more about the ways to move forward in enhancing the cooperation among Asian economies and to think further whether or to what extent or by what means an economic integration covering wider geographic areas in Asia would be possible.

The author hopes that a mechanism or framework can be developed for the purpose of enhancing Asian economic integration.

II. Some Particularities of Asian Countries Concluding FTAs³

Many papers about RTAs or FTAs favor to cite the number of RTAs concluded and notified to the previous GATT and the current WTO. As a matter of fact, the large number of RTAs shows the trend and importance of concluding RTAs as the trade policy of countries.

Members of the WTO are obligated to notify the WTO about the conclusions of regional trade agreements and their features. Thus WTO collects valuable information about the number and practices of RTAs of its Members.

According to the WTO, there are totally 193 notifications made to the previous GATT and the current WTO, of which 12 were those Members acceding to the then current RTAs and 181 were new RTAs. Most RTAs are that of FTAs. Very limited amount of RTAs are of customs union in nature.⁴ Also limited numbers of agreements are focusing on trade in services.

³ For the purpose of discussions, the paper does not include Middle East and Central Asian countries within the scope of Asia.

⁴ Both FTA and Customs union require participating members to eliminate with respect to substantially all the trade between the constituent territories. The difference between them is basically in that members to an FTA are free to have their respective external trade policies, while members to a customs union are bound to establish a single customs territory. See paragraph 8 of Article XXIV of GATT 1994. The paper uses the terms "RTA" and "FTA" interchangeably most of the time due to the fact that in Asia, there has not been a customs union in place and most of the RTA established in Asia are FTAs.

Table 1: Notifications of RTAs in Force to GATT/WTO as of 1 March 2006⁵

Types	Accessions to RTAs	New RTAs	Total
GATT Art. XXIV (FTA)	4	120	124
GATT Art. XXIV (CU)	5	6	11
Enabling Clause	1	21	22
GATS Art. V	2	34	36
Total	12	181	193

There are comprehensive statistics and features collected by WTO Secretariat regarding RTAs. The author tries to excerpt relevant parts having to do with Asian countries, as shown in Table 2.

Table 2: RTAs with at Least One Asian Country Being a Party⁶

	Agreement	Date of entry into force	Date of notification	Related provisions	Type of agreement
1	Bangkok Agreement - Accession of China	1-Jan-02	29-Jul-04	Enabling Clause	Accession to Preferential arrangement
2	Republic of Korea - Singapore	2-Mar-06	24-Feb-06	GATT Art. XXIV	Free trade agreement
3	Thailand – New Zealand	1-Jul-05	2-Dec-05	GATT Art. XXIV	Free trade agreement
4	Japan – Mexico	1-Apr-05	22-Apr-05	GATT Art. XXIV	Free trade agreement
5	Thailand - Australia	1-Jan-05	5-Jan-05	GATT Art. XXIV	Free trade agreement
6	Republic of Korea - Chile	1-Apr-04	19-Apr-04	GATT Art. XXIV	Free trade agreement
7	China - Macao, China	1-Jan-04	12-Jan-04	GATT Art. XXIV	Free trade agreement
8	China - Hong Kong, China	1-Jan-04	12-Jan-04	GATT Art. XXIV	Free trade agreement
9	United States - Singapore	1-Jan-04	19-Dec-03	GATT Art. XXIV	Free trade agreement
10	Singapore - Australia	28-Jul-03	1-Oct-03	GATT Art. XXIV	Free trade agreement

⁵ From http://www.wto.org/english/tratop_e/region_e/summary_e.xls, last visit on April 1, 2006.

⁶ Excerpted from WTO website at http://www.wto.org/english/tratop_e/region_e/type_e.xls. Last visit on April 1, 2006.

11	EFTA - Singapore	1-Jan-03	24-Jan-03	GATT Art. XXIV	Free trade agreement
12	Japan - Singapore	30-Nov-02	14-Nov-02	GATT Art. XXIV	Free trade agreement
13	New Zealand - Singapore	1-Jan-01	19-Sep-01	GATT Art. XXIV	Free trade agreement
14	PATCRA ⁷	1-Feb-77	20-Dec-76	GATT Art. XXIV	Free trade agreement
15	ASEAN – China	1-Jul-03	21-Dec-04	Enabling Clause	Preferential arrangement
16	SAPTA ⁸	7-Dec-95	25-Apr-97	Enabling Clause	Preferential arrangement
17	AFTA	28-Jan-92	30-Oct-92	Enabling Clause	Preferential arrangement
18	Laos – Thailand	20-Jun-91	29-Nov-91	Enabling Clause	Preferential arrangement
19	Bangkok Agreement	17-Jun-76	2-Nov-76	Enabling Clause	Preferential arrangement
20	GSTP ⁹	19-Apr-89	25-Sep-89	Enabling Clause	Preferential arrangement
21	PTN ¹⁰	11-Feb-73	9-Nov-71	Enabling Clause	Preferential arrangement
22	Republic of Korea - Singapore	2-Mar-06	24-Feb-06	GATS Art. V	Services agreement
23	Thailand - New Zealand	1-Jul-05	2-Dec-05	GATS Art. V	Services agreement
24	Japan – Mexico	1-Apr-05	22-Apr-05	GATS Art. V	Services agreement
25	Thailand - Australia	1-Jan-05	5-Jan-05	GATS Art. V	Services agreement
26	Republic of Korea - Chile	1-Apr-04	19-Apr-04	GATS Art. V	Services agreement

⁷ PSTCRA is the Papua New Guinea-Australia Trade and Commercial Relations Agreement.

⁸ Agreement on SAARC Preferential Trading Arrangement (SAPTA) is an agreement among the People's Republic of Bangladesh, the Kingdom of Bhutan, the Republic of India, the Republic of Maldives, the Kingdom of Nepal, the Islamic Republic of Pakistan and the Democratic Socialist Republic of Sri Lanka.

⁹ GSTP refers to the Agreement on the Global System of Trade Preferences among Developing Countries entered into force on 19 April 1989. There are 44 countries as contracting parties, including Asian countries.

¹⁰ 1971 Protocol Relating to Trade Negotiations among Developing Countries was adopted in the context of the GATT 1947 and is open only to developing countries.

27	China - Macao, China	1-Jan-04	12-Jan-04	GATS Art. V	Services agreement
28	China - Hong Kong, China	1-Jan-04	12-Jan-04	GATS Art. V	Services agreement
29	United States - Singapore	1-Jan-04	19-Dec-03	GATS Art. V	Services agreement
30	Singapore - Australia	28-Jul-03	1-Oct-03	GATS Art. V	Services agreement
31	EFTA - Singapore	1-Jan-03	24-Jan-03	GATS Art. V	Services agreement
32	Japan - Singapore	30-Nov-02	14-Nov-02	GATS Art. V	Services agreement
33	New Zealand – Singapore	1-Jan-01	19-Sep-01	GATS Art. V	Services agreement

Note: Some of the Agreements were notified both under Article XXIV of GATT 1994 and Article V of GATS. Thus there are overlaps of service agreements and free trade agreements.

Some apparent features or aspects can be observed from the this table:

1. If we look at the notifications of RTAs by WTO Members from the above table, we certainly can find that Asia is not absent in actively participating the joining and establishing RTAs, especially in recent years. Within the total number of RTAs notified to GATT/WTO, there are 33 RTAs with at least one Asian country being a party.¹¹ However, if we compare 33 RTAs with the total number of RTAs notified to the GATT/WTO, which is 193, Asian countries are very conservative in engaging in RTA practices. Especially, most of Asia related RTAs were concluded after 2000, as will be mentioned. This has shown that in the past, particularly before 2000, regionalism was not a very popular policy in Asia.

2. RTAs can be classified into different types according to the different natures of them and the different instruments on which the RTAs are based. As shown in Table 2, there is only one accession to an existing RTA, i.e. China acceding to Bangkok Agreement. Others were to establish new RTAs. Larger portion of the Asia related RTAs were concluded as FTAs under Article XXIV of GATT 1994. There are 13 agreements of this kind. There are also 12 agreements established under GATS and 7 preferential arrangements under the Enabling Clause.

¹¹ FTAs signed by Taiwan with Panama and Guatemala have not been included in the calculation of RTAs posted by the WTO.

3. There are 14 agreements concluded between or among Asian countries and 19 agreements concluded with non-Asian countries. Agreements concluded between Asian countries include the Chinese accession to Bangkok Agreement, Korea - Singapore agreement, China - Macao arrangement, China - Hong Kong arrangement, Japan - Singapore agreement, ASEAN - China agreement, SAPTA, AFTA, Laos - Thailand agreement, Bangkok Agreement, Korea - Singapore agreement, Japan - Singapore agreement. While agreements concluded between Asian countries and non-Asian countries are those of Thailand - New Zealand, Japan - Mexico, Thailand - Australia, Korea - Chile, Singapore - Australia, EFTA - Singapore, New Zealand - Singapore, PATCRA, GSTP, PTN, Thailand - New Zealand, Japan - Mexico, Thailand - Australia, Korea - Chile, United States - Singapore, Singapore - Australia, EFTA - Singapore, New Zealand - Singapore. From this, it clearly shows that Asian countries are not merely inward-looking. Countries are also actively looking for external opportunities. However, it also indicates that internal arrangements are perhaps underdeveloped.

4. Among these 33 agreements, there were only 7 concluded and became effective before 2000. Others were established after year 2000. This has reflected that only as recent as five or six years ago, Asian countries began to include the conclusions of RTA as their policies or strategic plans. While from overall perspective of WTO Members, the surge in RTAs started since early 1990s.¹² The trend of Asian countries more actively concluding RTAs has been started ten years latter than those in other regions.

5. It is very interesting to note that there has not been a customs union established between or among Asian countries or by any Asian country with countries outside of the region. The integration under a customs union is deeper than that of an FTA. The lack of customs union in Asia shows that Asian economic integration is yet to be deepened.

6. Since most Asia related FTAs were established after 2000, it has also shown that the integrations are not the result of historical factors. Rather, they are more economic driven or of strategic consideration. For example, although there were fears about the development of domestic agriculture being serious hampered, Korea decided to enter into an FTA with the US. People estimated that after the signing of Korea - US FTA, the economic growth would increase about 1%, Korean export to

¹² http://www.wto.org/english/tratop_e/region_e/region_e.htm. Last visit on April 20, 2006.

US would increase about 10%, the unemployment rate would decrease for 0.6% (meaning that there will be 104 thousand additional jobs available), and more investments from US would be brought into Korea so as to enhance the quality of many service sectors. People also estimated that after the signing of the US - Singapore FTA, the investment from US increased 13 times.¹³ Economic factor is apparently a driving force for the establishment of many RTAs.

7. Not all Asian countries are equally enthusiastically or actively engaging in the negotiations and conclusions of FTAs. The active and most noticeable player is Singapore. Singapore has concluded 12 bilateral agreements with its trading partners after 2001, more than one third of the total Asia related RTAs. If we include non-bilateral agreements (i.e. agreements with more than two parties), the total number of agreements to which Singapore is a party is even higher. This has very clearly shown the ambition of Singapore in integrating its economy with different regions of the world, including Asia, United States, Australia, New Zealand and some European countries.

Japan has its first FTA with Singapore in 2002. This has shown its turning point of its foreign trade policy starting to focus on establishing economic ties with its trading partners through FTAs. In order to lower the adverse effect arising from NAFTA, it further decided to conclude the Japan - Mexico Economic Association Agreement, as will be further mentioned.

Although China started negotiating FTAs at a stage latter than many other countries, it is one of the most active countries in Asia in concluding FTAs. In 2000, China suggested an FTA between China and ASEAN. In same year, at the “ASEAN plus three” submit, a study on the possible East Asia-wide FTA was started.¹⁴ According to Table 2, China also has concluded FTAs with Hong Kong, Macao and ASEAN. If we look at the actual FTAs concluded and negotiated by China, the number is even higher. According to *Peoples Daily Online*¹⁵, China has established nine FTAs with different partners during its “Tenth Five Year Plan” period (2001-2005), covering one fourth of China’s total foreign trade. Also in the past five years, China has been talking with 27 countries and regions on the establishment of FTAs.

¹³ http://www.cw.com.tw/article/relative/relative_article.jsp?AID=1879. Last visit on April 23, 2006.

¹⁴ Robert Scollay and John P. Gilbert, *New Regional Trading Arrangements in the Asia Pacific?* at 3 (2001)

¹⁵ Peoples Daily Online, *China Has Established Nine FTAs in Past Five Years*, 9 February 2006, at http://www.bilaterals.org/article.php3?id_article=3779, last visit on April 10, 2006.

III. Factors Having Influence and Implication on Asian FTA Practices

1. Historical Factor:

If one is only to look at the East Asian countries, he might state that the common basis for people and governments to think and to act could be the Confucius thought. However, if we include South East Asian countries in the broader picture, we do not have a basis to make same assertion. Thus it is not easy to find historical factor to support the incitement or restraint for or against RTAs in this region.

As indicated earlier, most of the FTAs were concluded after 2000. The one with a longer history is the ASEAN Free Trade Agreement (AFTA). ASEAN was established on August 8, 1967 through the signing of the Bangkok declaration by the five original member countries: Indonesia, Malaysia, the Philippines, Singapore, and Thailand. Later Brunei joined the Association in January of 1984, Vietnam in July of 1995, Laos and Myanmar in July of 1997, and Cambodia in April of 1999. Now the ASEAN has all ten Southeast Asian countries as its members. The objectives of the ASEAN include “to alleviate intra- ASEAN tensions, to reduce the regional influence of external actors, and to promote the socioeconomic development of its member states as a further hedge against Communist insurgency.”¹⁶ At its Fourth ASEAN Summit in Singapore in 1992, ASEAN countries adopted the Framework Agreement on Enhancing Economic Cooperation, part of the framework was to launch the AFTA with the objective to increase the ASEAN region's competitive advantage as a collective trading bloc.¹⁷ AFTA was initiated in the light of then development of NAFTA and Single European Market and the ASEAN Heads of Government recognized that the best way for ASEAN, in the changed circumstances, was economic liberalization and freer competition.¹⁸

However, the longer history of AFTA has more to do only with South East Asian countries. The relatively long history of economic integration of AFTA does not have very strong historical implication on the expansion of FTAs in Asia. Whether it is ASEAN plus one or ASEAN plus three, they are more of economic-driven nature.

2. Economic Factor:

¹⁶ George O. White, III, *From Snowplows to Siopao --Trying to Compete in a Global Marketplace: The ASEAN Free Trade Area*, Tulsa Journal of Comparative and International Law, at 179-82, Fall 2000.

¹⁷ *Id.* at 184-85.

¹⁸ S Tiwari, *Asia-Pacific Rim Legal Implications of the ASEAN Free Trade Area*, Singapore Journal of Legal Studies, July, 1994, at 218.

Most of the newly concluded Asia related FTAs are motivated by economic considerations. For example, it is stated that due to the conclusions of the NAFTA by Mexico in 1994 and the FTA between Mexico and European Union in 2000, the import and export trade between Japan and Mexico was greatly replaced by the internal trade within NAFTA and between Mexico and EU under their FTAs. As a result, Japan cumulatively suffered a loss of about 2 thousand billion Japanese Yen.¹⁹ The establishment of Japan - Mexico FTA was apparently motivated by economic considerations. For instance, Singapore's active engagement in negotiating FTAs and promoting further integration of ASEAN basically is also thought to expand its international market.²⁰

3. Political Factor and International Relations:

International politics is complicated in Asia. There is the south-north Korea issue. There is also China-Taiwan problem. From the perspective of RTAs, Taiwan should be a topic to be taken more into account.

The problem with regard to Taiwan partly comes from misunderstanding or misinterpretation of internal trade or international law rules. The author had experiences participating conferences on free trade agreements with Chinese scholars also joining. One of the views expressed by many Chinese scholars is that since Taiwan is not a state, it does not have a standing to conclude any FTA with other countries. The author is surprised with such view. Since it has been universally accepted about Taiwan being a party to the WTO as a separate customs territory having autonomy in its external trade policy and since the conclusion of an RTA is about the external trade policy of a territory, the author does not see any legal difficulty for Taiwan to conclude FTAs with those countries having no political ties with or granting not political recognition to Taiwan. Legally speaking, the establishment of an FTA with Taiwan being a party is not more than concluding another trade agreement by Taiwan under or admitted by the WTO.

For some other countries, they might have concern about offending China. Thus they prefer to put off making any positive decision about starting to discuss any possible FTA with Taiwan. Certainly, the concern could be of some importance for some countries. However, for them the key is to persuade China that the conclusion of any FTAs with Taiwan does not have anything to do with political recognition and to persuade themselves that including Taiwan as one of their closer trading partners

¹⁹ <http://ekm92.trade.gov.tw/BOFT/OpenFileService>. Last visit on April 23, 2006.

²⁰ http://www.iscnet.com.tw/mdj/wb/05/WB05_SG.htm. Last visit on April 23, 2006.

through FTA is beneficial to their economies.

4. Competition and Cooperation:

Within Asia, there are mixtures of cooperation and competition among countries. Four little dragons compete to become the leader of the four. China, Korea and Japan compete to become the “plus” of ASEAN. Of course, they also cooperate, especially through concluding FTAs between themselves. There have been FTAs agreements established within the region. In addition to AFTA, China’s agreement with ASEAN, Korea’s agreement with Singapore, and Singapore’s agreement with Japan are those more recent examples showing close cooperative efforts between Asian countries.

5. China Factor:

The feeling of its trading partners about China is also of mixture nature. Chinese market is huge and attractive to most of the countries. They also have more or less concern about the strong price competitiveness of Chinese products in their respective domestic markets. China is both the production factory and the market of the world. In the past, the economy of East Asia and even of the whole Asia was basically lead and largely influenced by Japan. Now, it is more appropriate to state that it is lead and influenced more by China. As indicated, China is very actively engaging in discussing and establishing FTAs with its partners. Considering the ambition of China and the size of Chinese market, it is very likely that there will be hub-and-spoke relations established, with China being the hub and its neighbors being the spokes.

V. More Integrations and Cooperation Needed in Asian Region

The fact that trade among RTAs' parties currently accounts for over 50 per cent of global trade and covers a widening spectrum of trade policy matters²¹ and that there are more new FTAs established by Asian countries with countries outside of the region has shown that Asian economies would have to seriously consider possible expansion of integration with greater extent.

From the perspective of international relations, there were RTAs concluded between traditional rival or unfriendly countries in other regions, examples of which include the integration of EU with Hungary, Poland and some other eastern European countries and the one between EU and South Africa. In other words, RTAs could help in strengthening the ties between friendly economies. It could also serve as a platform

²¹ WTO, *Note by the Secretariat: Synopsis of “Systemic” Issues Related to Regional Trade Agreements*, (WT/REG/W/37) at 4, 2 March 2000.

of interaction between traditional rival countries. In other words, RTAs should be positive element to help reducing tensions, instead of creating uneasiness among countries. The author considers that political concerns or difficulties are only self-restraint myth that needs to be reversed.

Considering the trend and the increased number of RTAs as well as the positive aspects of RTAs, also observing the tendencies of Asian being a more economically driven region, it is worthwhile to explore the possible approaches for Asian countries to consider the framework that could serve as the basis of further Asian integration.

VI. An Approach to Achieve Greater Economic Integration among Asian Economies: An Idea of “RTA Network” in the Region²²

In order to cope with the need of maintaining the current arrangements among Asian economies and recognizing the differences between economies, it would be desirable to create a framework of RTA Network, under which countries would be able to have more RTAs established among themselves.

The basic idea suggested here is in that there will not be a requirement of signing a single greater RTA among Asian economies. Instead, countries with similar economic situations would be expected to conclude various smaller RTAs. For example, there would be ASEAN countries still maintaining their AFTA. ASEAN countries could also establish RTAs with other economies, such as China, Korea, and even Japan. China could still maintain its closer economic relations with Hong Kong and Macao. There could be FTAs between or among Japan, Korea and Taiwan. It would also be desirable, from broader perspective, to have economic integration between China and Taiwan. Possibility of establishing RTAs could also be between individual members of ASEAN with Taiwan or other economies. And in addition to all of these, there could also be FTAs between different RTAs.

The reason of not having a single greater TRA for Asian is to avoid the practical difficulty that could be envisaged from the diverse situations of different economies, as explained above. It would also be more flexible to cope with the need of progressive integration within the greater region.

The reason to have a Network of RTAs is also to have different countries maintaining their particularities, but still being able to acquire the benefits that can be given rise to by the integration. There will be different degrees of integration between

²² The author had proposed such idea in a more comprehensive manner in 2004 at ASLI conference.

different RTAs in accordance with the different economic development and different needs. Also since it could be possible that different RTAs could have their source of authority, some being under GATT or GATS, some under Enabling Clause, it would thus also be logical to have different arrangements of RTAs in this region.

There would not be any difficulty of establishing an RTA Network being in line with the WTO. Each RTA would still be considered an RTA under Article XXIV of the GATT, Article V of the GATS or the Enabling Clause, and thus be examined thereunder. Any RTA between different RTAs is also allowed under the WTO, as long as various requirements of the GATT, the GATS and the Enabling Clause are met. As a matter of fact, there are RTAs between different economic integrations.

The Agreement on the European Economic Area (the EEA Agreement) exemplifies the situation of economic integration between different RTAs. A brief historical review of the EEA Agreement could illustrate the aspects of establishing RTA between different RTAs and the functions such inter-RTA integration could play between and among economies: The EEA Agreement is to establish an internal market covering the European Community (EC) and its Member States on the one hand, and the countries of the European Free Trade Association (EFTA), on the other. The Agreement was signed on 2 May 1992 in Oporto between the then 12 EC Member States and the 7 EFTA members: Austria, Finland, Iceland, Liechtenstein, Norway, Sweden and Switzerland. Switzerland later failed to ratify the Agreement as a result of a narrowly adverse referendum in December 1992. It is considered a *de facto* economic union. The Agreement came into force at the beginning of 1994, covering EFTA members and members of the European Union.

According to the approach, there would be different RTAs established between and among economies. This does not necessary guarantee real integration of Asian economies, without coordination among different RTAs. It would be of great help if there would also be institutional arrangements for coordinating different RTAs. There would always be institutional arrangement within RTAs serving as disputes solving and policy coordinating mechanism between countries. However, since there will be quite a number of RTAs under the network approach for Asian economies, it is of same importance to have an overall institutional arrangement serving as dispute solving and policy coordinating mechanism between and among RTAs.

VI. Concluding Remark

The paper examines different types of RTAs having to do with Asia and the special background and factors affecting the proliferation and restraint as well as the practices of FTAs in Asia. The factors are more of economic nature, sometimes with stronger political considerations in different situations. In any event, the facts that some Asian countries are actively engaging in the conclusion of FTAs and that Asian countries having more and more FTAs with countries outside of the region suggest that there is a more urgent need to have a stronger internal ties among members of the region.

Certainly there will be more FTAs established within the region. This should be a very positive development in the region. However, people are yet to have a consensus on whether and how to build a greater economic integration in Asia. The paper assumes that a widely covering FTA would be a task that needs longer time and much more efforts to realize. Before the ultimate realization, there is a need to have interim arrangement that could lead to more interactions and cooperation among Asian countries. Asian RTA Network would be a possible choice to gradually achieve such goal.

Of course, there could be other efforts put forth by scholars to enhance the process of Asian economic integration. International law and international trade scholars from Asian countries forming an FTA forum to conduct researches and discussion on the feasibility and features of greater Asian trade arrangement could also be the one deserving our further thought.