

# **APEC Early Voluntary Sectoral Liberalization of the Automotive Industry<sup>1</sup>**

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## **Abstract**

Early liberalization of the automotive industry within APEC was proposed by the USA. With automobiles comprising approximately 8 percent of global exports in 1995, of which 45 percent originate from the APEC region.<sup>2</sup> The industry is easily identified as one of the sectors that could greatly benefit from trade-promoting policies among within APEC.

The long-term benefits of the EVSL Program on the automotive industry were evident to all the industry participants who took part in the consultation. They however, unanimously feel that the current pace of liberalization being undertaken in the ASEAN is already quick; and that the setting of even earlier targets for the removal of existing trade barriers will be detrimental to the local industry.

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<sup>1</sup> The views expressed herein do not necessarily represent the official views of the Philippine government in general, and/or the WTO/AFTA Advisory Commission in particular. This industry paper was prepared to provide some basic or background information; hence, in no way it is exhaustive. The intent is to offer the initial set of information for discussion and in the process, elicit the ideas that could be helpful in formulating the appropriate strategies in the development of this industry sector.

This industry paper is one of the 15 papers generated under the "APEC Early Voluntary Sectoral Liberalization" project which was jointly funded by the WTO/AFTA Commission and the Philippine APEC Study Center Network (PASCN) in furtherance of the general objective of undertaking consensus building activities and other necessary measures to promote the Philippines as a competitive player in the global economy.

<sup>2</sup> From the EVSL proposal paper.