The Design of Trade Agreements (DESTA) CODEBOOK

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Contents

1 Agreements Covered

We endeavoured to put together a list of all agreements that have the potential to liberalize trade. Partial scope agreements thus are included as soon as they liberalize at least some trade, whereas framework agreements (with very few exceptions), trade and co-operation agreements, etc. are excluded. We did not include interim agreements (for this reason, no agreements with the Palestinian Authority are included). Neither did we consider agreements with tiny island states such as the Marshall Islands or Tuvalu.

Sources: Our list of agreements builds on the list of agreements notified to the World Trade Organization (356 of our agreements also appear in that list) and a list held by the World Trade Institute (aka "Hufbauer list"). We added agreements that we uncovered from a large number of other sources, including the lists maintained by the Organization of American States' Foreign Trade Information System (http://www.sice.oas.org/), the Asia Regional Integration Centre (http://aric.adb.org/fta-all) and the World Bank (http://wits.worldbank.org/gptad/library.php). Finally, we systematically searched the websites of foreign, trade and economics ministries.

Additional information: The Central America Free Trade Agreement (CAFTA) is listed twice (once without – signed in May 2004 – and once with the Dominican Republic – signed in August 2004). In terms of contents, the two agreements are identical and the latter superseded the former.

2   Meta Data

Note: All blank entries in the data are "NAs" (not available).

[**number**] Unique ID for each entry in the database. This variable should be used to merge the meta data to the different sections of coded provisions and specific variables available for download on the website. See [entry_type] for more information.

[**base_treaty**] Unique ID of each agreement. Note that this variable is the same for all entries that refer to a given agreement. See [entry_type] for more information.

[**name**] Name of the agreement

Explanation: For bilateral agreements, the two countries are always listed in alphabetical order ("Chile Korea", NOT "Korea Chile"). For accessions, [name] includes the name of the agreement followed by the acceding country and ending with the term "accession" (e.g. "MERCOSUR Venezuela accession"). For withdrawals, [name] includes the name of the agreement followed by the term "withdrawal" and ending with the withdrawing country (e.g. "EFTA withdrawal Portugal").
EC is used throughout instead of EEC, EU, etc. US is used throughout for the United States of America and, likewise, UK is used for the United Kingdom. Korea is used instead of Republic of Korea or South Korea. Macedonia is used instead of FYROM. Taiwan is used instead of Taipei, or Chinese Taipei. DR Congo is used for the Democratic Republic of the Congo. For countries that disappeared/dissolved (e.g. Yugoslavia and the Soviet Union), we consistently coded the successor states (in this case, Serbia and Russia) as members.

[**entry_type**] Entries in the database are classified into six categories:

- **base_treaty**: indicates that the entry refers to an agreement. For these entries the variable [number] matches the variable [base_treaty].

- **accession**: indicates that the entry refers to a change in the country coverage of an agreement. Accessions can occur directly or indirectly (see [typememb]). Accession entries do not contain coded provisions. The variable [base_treaty] indicates the base treaty the accession refers to and is used in the entry unique ID variable [number]. For instance, "17+3" contains information on the third round of accessions to treaty "17". Each round corresponds to one country joining the agreement.

- **withdrawal**: coded similarly to accession, with the only difference that "+" in [number] is substituted by "_".

- **protocol or amendment**: indicates entries that build on or modify other agreements. The variable [base_treaty] indicates the base treaty the protocol/amendment refers to. Coding of provisions in these entries refers only to the protocol/amendment and not to the main treaty. However, all variables in the dispute settlement mechanism (DSM) section match the ones of the main treaty if the protocol/amendment refers to it.

- **consolidated**: indicates entries that have been consolidated with their relevant corresponding base treaty. When consolidating, the presence of provisions takes precedence over the absence of provisions. All values of [number] are obtained by adding an "a" to the non-consolidated [number]. For instance, entry "250a" is the consolidated version of entry "250". For subsetting of consolidated entries see [consolidated].

- **negotiation**: indicates treaties that are currently under negotiation and do not contain coded provisions.

[**consolidated**] Whether an agreement has a consolidated and a non-consolidated version

1	For consolidated entries
−1	For non-consolidated entries
0	For all others

[**year**] Year of signature

[**entryforceyear**] Year in which the agreement entered into force

[**language**] Language of the legal text in the agreement

English
Spanish
Arabic
French
Portuguese
German

[**typememb**] Type of the agreement according to its membership

1	Bilateral
2	Plurilateral
3	Plurilateral & third country
4	Region-region (e.g. CARIFORUM EC EPA)
5	Accession (e.g. UK EU accession agreement signed in 1972)
6	Accession to an agreement as a result of membership in a regional agreement (for example, when Romania entered the EU, it also signed up to the FTA between the EU and Mexico signed in 2000)
7	Withdrawal

[**regioncon**] Geographic location of an agreement's signatory states

Africa	Signatory states located in Africa
Americas	Signatory states located in the Americas
Asia	Signatory states located in Asia
Europe	Signatory states located in Europe
Intercontinental	Signatory states located across continents
Oceania	Signatory states located in Oceania

[**wtolisted**] Whether the agreement is included in the list maintained by the WTO

0	Not included
1	Included

[**wto_name**] Name of the agreement in the WTO list

[**c1...c91**] Numeric ISO codes in three digits for member states at time of signature (ISO3n)
Note: ISO code 729 is used for Sudan and ISO code 530 is used for the Netherlands Antilles. In absence of an agreed upon ISO code, ISO code 900 is used for Kosovo.

[**mc1...mc91**] Type of membership according to the agreement referring to the member states in *[c1...c91]*, e.g. the type of membership in *[mc1]* refers to the country in *[c1]*, etc.

mc1...mc91	*Type of agreement according to membership*	*Type of membership according to agreement*
0 0	Bilateral agreement	0 = member in bilateral agreement
0 0 0...	Plurilateral agreement	0 = member in plurilateral agreement
0... 1 1...	Plurilateral and third country	0 = third country member 1 = member in plurilateral agreement
2 2... 3 3...	Region-region agreements	2 = member in regional agreement A 3 = member in regional agreement B
2... 1...	Accession (e.g. UK EU accession agreement in 1972)	1 = accessing country
3... 2...	Accession to an agreement as a result of membership in a regional agreement (for example, when Romania entered the EU, it also signed up to the PTA between the EU and Mexico signed in 2000)	2 = accessing country
2 2...1...	Withdrawal	1 = withdrawing country

Explanation: These variables are used to produce the dyadic versions of the dataset and have to correspond to the type of membership indicated in [typememb].

3   Market Access

[**typedepth**]

1	Partial Scope Agreement
2	(full) Free Trade Agreement
3	Customs Union
4	Services Agreement
5	Framework Agreement; no specific provisions

Explanation: Relies on the Hufbauer and WTO coding – if the two lists did not coincide, we acted as referee. If no code was available from either source, we coded based on the provisions within the agreement; no attempt was made to establish the specificity of the plans to achieve the objective set out. An agreement thus is coded as "3" if the text stipulates the aim of establishing a common external trade policy, independent of whether or not it actually sets out a concrete plan at reaching this objective. We coded Hufbauer's type 4 agreements (accession) following the type of the regional trade agreement that the acceding state joins.

[**transition_a**] Maximum years allowed for tariff cuts for country A (NA = data not available)

[**transition_b**] Maximum years allowed for tariff cuts for country B (NA = data not available)

[**transition_c… transition_l**] Same applies as above

4 Services

Note: Roy (2011) offers a detailed coding of services provisions (152 sub-sectors for mode 3 and 142 for mode 1 commitments) in 67 agreements. Roy et al. (2009) code for 32 agreements whether their services commitments are based on a negative or a positive list approach.

[**ser_chap**] Does the agreement include (substantive) provisions stipulating the liberalization of trade in services?

0	No mention of services trade liberalization
1	Services trade liberalization mentioned as general objective
2	Substantive provisions liberalizing trade in services

Explanation: We coded 1 if the aim of liberalizing services is mentioned in the agreement's preamble. Also 1 for agreements with a services chapter or article that does not contain any substantive liberalization measures (for example, national treatment obligation or schedules of commitments). The purpose here is to make a qualitative judgement about the depth of the services obligations.

[**ser_gatsref**] Does the agreement contain a reference to the General Agreement on Trade in Services (GATS)?

0	No mention of services at all
0	No mention of the GATS
1	GATS mentioned

Explanation: Some agreements make a reference to "international agreements in the area" or the WTO in general. We coded this as 1 and added a comment.

[**ser_mfn**] Does the service chapter contain a most favoured nation (MFN) clause?

0	No service chapter
0	No MFN clause included in the service chapter
1	MFN clause included in the service chapter

Explanation: Coding of this point is difficult because sometimes specific sectors and/or countries are excluded from the MFN obligation. Also existing PTAs are sometimes excluded from this provision. We coded 1 even if existing PTAs are excluded. We also coded 1 if a general MFN clause clearly also applies to services.

[**ser_nonestablishment**] Does the service chapter grant the right of non-establishment (that is, does it allow the provision of services without local presence)?

0	No service chapter
0	The right of non-establishment is not explicitly allowed (it may be either omitted or explicitly excluded)
1	The right of non-establishment is explicitly granted

Explanation: We coded 1 if there is an *explicit* provision on this point, even if specific sectors and/or countries are excluded from the national treatment obligation.

[**ser_movement**] Does the service chapter allow the movement of natural persons in the provision of services?

0	No service chapter
0	Movement of natural persons is not explicitly allowed (it may be either omitted or explicitly excluded)
1	Movement of natural persons in the provision of services is explicitly allowed

[**ser_continuous**] Does the service chapter include a review provision?

0	No service chapter
0	No review provision in service chapter
1	Review provision in service chapter

Explanation: Sometimes the review provision may apply to only a few of the provisions in the services agreement. We coded 1 even if the review provision only applies to part of the services chapter. There are significant differences across those agreements with a review provision: some specify yearly meetings, others only vaguely state that a review should take place at a later stage. We may be missing general review provisions that apply to all chapters of an agreement and thus are not mentioned in the service chapter. In future coding, it would make sense to only consider review clauses that set a clear date by which revisions should be undertaken.

Bibliography

Roy, Martin (2011) "Services Commitments in Preferential Trade Agreements: An Expanded Dataset", WTO Staff Working Paper.

Roy, Martin, Juan Marchetti, and Hoe Lim (2009) "Services Liberalization in the New Generation of Preferential Trade Agreements (PTAs): How Much Further than the GATS?", in Antoni Estevadeordal, Robert Teh, and Kati Suominen (eds) *Regional Rules in the Global Trading System* (Cambridge: Cambridge University Press).

5 Investments

Note: The coding of this section draws on the coding developed by Lesher and Miroudot (2006) and Houde, Kolse-Patil, and Miroudot (2007). Moreover, the coding has been designed to be as similar as possible to the section on services, given how closely related investment and services are.

[**inv__sect__cov**] Does this agreement include an investment chapter?

0	No mention
1	Endeavors without specific scope
2	Based on bilateral investment treaty
3	Services only (included in service chapter)
4	Beyond services (separate chapter)

Explanation: An agreement is coded 1 if the aim of protecting investment is mentioned in the agreement's preamble; 2 if it relies on an existing BIT; 3 if only investment in the services sector is protected; 4 if investment protection goes beyond services. *Note (from Kotschwar, p. 12):* in GATS-type agreements, investment disciplines are contained in the services chapter as well as a limited investment chapter and interactions between these chapters are governed as stated in one of these chapters. In the NAFTA-type agreements, investment disciplines are contained in the investment chapter and there is limited interaction with the services chapter.

Scope of Non-Discrimination Provisions

[**inv__pre__est__oper**] Pre-establishment operation: 1 if yes, 0 otherwise

[**inv__est__oper**] Establishment operation (i.e. greenfield): 1 if yes, 0 otherwise

[**inv__post__est__oper**] Post-establishment operation (i.e. free movement of capital and resale): 1 if yes, 0 otherwise

[**inv__merger**] Acquisition (i.e. merger): 1 if yes, 0 otherwise

Explanation: An agreement is coded 1 if non-discriminatory provisions are granted to foreign investors in each phase of the investment procedure in a given country.

[**inv__mfn**] Most Favored Nation (MFN): 1 if MFN is granted, 0 otherwise

[**inv__nt**] National Treatment (NT): : 1 if NT is granted, 0 otherwise

[**inv__stand__treat**] Whether there are standards of treatment

0	No treatment
1	Minimum standard of treatment
2	Treatment in case of strife
3	Expropriation and compensation

Explanation: An agreement is coded 0 if no standard of treatment is granted to investors; 1 if a minimum standard of treatment is granted. Note: in contrast to national treatment and most-favored nation treatment, which are contingent standards based on the treatment afforded to other groups of investors, the standard treatment is an absolute standard drawn from customary international law. Moreover, an agreement is code 2 and 3 if compensation is granted to investors respectively in case of strife and expropriation.

[**inv_transf_pay**] Transfers and Payments

0	Restrictions
1	No restrictions specifically mentioned

Explanation: An agreement is coded 1 if there are no restrictions on transfers or payments except to safeguard balance of payments.

Bibliography

Houde, Marie-France, Akshay Kolse-Patil, and Sébastien Miroudot (2007). "The Interaction between Investment and Services Chapters in Selected Regional Trade Agreements." OECD Trade Policy Working Papers, No. 55.

Lesher, Molly, and Sébastien Miroudot (2006). "Analysis of the Economic Impact of Investment Provisions in Regional Trade Agreements." OECD Trade Policy Working Papers No. 36. Available at: http://www.oecdilibrary.org.

6 Intellectual Property Rights (IPRs)

[**ipr_gen_stat**] Does the treaty only include a general statement on the protection of intellectual property rights (IPRs) or substantive provisions protecting IPRs?

0	No mention of IPRs protection
1	IPRs protection mentioned as general objective
2	Substantive provisions protecting IPRs

Explanation: An agreement is coded 1 if only the aim of protecting IPRs is mentioned (for example, in the agreement's preamble, or in general provisions). It is coded 2 if any substantive provisions on IPRs are included. The purpose here is to make a qualitative judgement about the depth of IPRs protection.

IPRs Conventions: Does the agreement include references to multilateral conventions on the protection of intellectual property rights (IPRs)?

[**ipr_rome**]	Rome Convention	1 if yes, 0 otherwise
[**ipr_paris**]	Paris Convention	1 if yes, 0 otherwise
[**ipr_bern**]	Convention Bern	1 if yes, 0 otherwise
[**ipr_copy_right**]	WIPO Copyright Treaty	1 if yes, 0 otherwise
[**ipr_phono**]	WIPO Phonograms Treaty	1 if yes, 0 otherwise

[**ipr_trips**] Does the agreement contain a reference to the Agreement on Trade Related Aspects of Intellectual Property Rights (TRIPS)?

0	No
1	Yes

Scope of IPRs Protection

[**ipr_specific_prov**] Are there specific provisions in relation to substantive standards of intellectual property rights protection?

0	No
1	Yes

[**ipr_pharma**] Are there references to pharmaceuticals?

0	No
1	Yes

[**ipr_geo_indic**] Are there references to geographical indications (GIs)?

0	No
1	Yes

[**ipr_enforc_prov**] Are there specific provisions in relation to enforcement?

0	No
1	Yes

Explanation: An agreement is coded the first two questions 1 when there are provisions protecting IPRs in specific sectors, e.g. pharmaceutical. Moreover, an agreement is coded 1 when there are provisions that require products to specify the geographical provenance/geographical indications (GI). Finally, an agreement is coded 1 if there is a specific provision on the enforcement of regulations related to IPRs protection.
Note: Regarding GI, an agreement is coded 0 when there was a reference to GI in terms of definition, e.g. IPR refers to trade marks, patents, GI etc without any further mentioning of GI-related obligations). Regarding the provision on enforcement, agreement is coded 1 if the treaty mentions the word "implementation" in relation to IPRs.

7   Public Procurement

[**proc_prov**] Does the agreement contain substantive provisions on public procurement?

0	No public procurement provisions
1	General aim
2	Substantive provisions

Explanation: General aim may be a reference in the preamble of the agreement or included in a list of broad areas of co-operation. An agreement is coded 1 even if a time frame for negotiations towards a public procurement chapter is given. An agreement is coded 2 only if the agreement itself contains concrete provisions.

[**proc_national**] Does the agreement guarantee national treatment (NT) with respect to public procurement?

0	No public procurement provisions
0	No
1	Yes

Explanation: Sometimes, this is granted only in one direction or there are longer transition periods in one direction than in the other.

[**proc_transparency**] Does the chapter on public procurement include a transparency provision?

0	No public procurement provisions
0	No
1	Yes

Explanation: For some we had to code NA, because the details of the procurement agreement are decided by a joint committee later on.

[**proc_entities**] Which entities are covered by the agreement's procurement provisions?

1	Central government
2	1+Regional government
3	2+Government enterprises

Explanation: For some we had to code NA, because the details of the procurement agreement are decided by a joint committee later on.

[**proc_coverage**] What is the scope of the public procurement provisions in the agreement?

0	No public procurement provisions
1	Goods only
2	Services only
3	Goods and services

Explanation: There are often exceptions to this coverage.

[**proc_wto**] Does the agreement contain a reference to the WTO/GATT procurement agreements?

0	No
1	Yes

Explanation: "Other conventions in this field" is also coded 1.

8 Competition

[**comp_chap**] Does this agreement include a chapter on competition?

0	No competition chapter
1	Competition chapter
NA	No info available

Note: Here NA refers to missing data (in particular if references are made to protocols or appendices where details are regulated)

[**comp_art**] Does this agreement include a competition article?

0	No competition article
1	Competition article
NA	No info available

Explanation: If [comp_chap] is coded 1, article is always coded 0. If there is an article titled Competition or which has some general provisions on competition, we code 1. If there are specific provisions, we code 0 as we will code this in "coverage" below[2].

Cooperation and Institution-building

What is the degree of cooperation/institution-building on competition? We code seven forms of cooperation/institution-building.

[**comp_not_distort**] Is there a provision on undertakings not to distort competition?

0	No provision
1	Undertaking not to distort competition
NA	No info available

Explanation: 1 signifies that in the agreement there is a general reference to competition (e.g., not to distort competition). If specific areas (see below) are mentioned (e.g., state aid, state trading enterprise, M&A, or monopolies and cartels) we also code 1 here.

[**comp_info**] Is there a provision on the exchange of information or notification?

0	No provision
1	Provisions including exchange of information or notification requirements in relation to competition
NA	No info available

Explanation: We focus on active information and notification procedures. Provisions for only partial areas of competition, we code=0 (e.g. if there are two areas, but only one involves a form of information exchange). If information exchange relates to cases when competition law is breached, it is also coded 0.

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[2]Eg. on "state aid" or "competition concerning undertakings"

[comp__joint__committee] Is there a provision on a general institution responsible for competition?

0	No provision
1	Existence of a Joint committee responsible for competition
NA	No info available

Explanation: We code 1, if there are competition procedures and there is a General Committee (e.g. Joint Committee) that among other issues also deals with competition.

[comp__nat__autho] Is there a provision on the establishment of a national competition authority?

0	No provision
1	Provisions establishing a national competition authority
NA	No info available

Explanation: If only one country establishes a competition authority (the other partner already has one), we make a comment.

[comp__wg] Is there a provision on the establishment of working groups?

0	No provision
1	Establishing a working group dealing with competition-related issues
NA	No info available

[comp__coor__autho] Is there a provision on the coordination among national authorities?

0	No provision
1	Provisions describing cooperation among national authorities
NA	No info available

Explanation: In order to code 1, the agreement needs to include specific coordination procedures. If there is only coordination "upon request", we code 0.

[comp__com__autho] Is there a provision on the creation of a common authority/institution on competition?

0	No provision
1	Creation of a common authority
NA	No info available

Coverage

[comp__coverage] Is there a provision on monopolies and cartels, or/and on mergers and acquisitions, or/and on state trading enterprises, or/and on state aid?

0	No provisions
1	Provisions
NA	No info available

[comp_monopoly] Is there a provision on monopolies and cartels?

0	No provision
1	Monopolies and cartels
NA	No info available

Explanation: Monopolies or cartels are mentioned. We also code 1 when there is reference to expressions related to abuse of market dominance (e.g., "all agreements between undertakings, decisions by associations of undertakings and concerted practices between undertakings which have as their object or effect the prevention, restriction or distortion of competition" or "abuse by one or more undertakings of a dominant position in the territories of the Parties as a whole or in a substantial part thereof."

[comp_merger] Is there a provision on mergers and acquisitions?

0	No provision
1	Mergers and acquisitions
NA	No info available

Explanation: We also include provisions that relate to "anti-competitive business conduct" if they are related to mergers or acquisitions.

[comp_ste] Is there a provision on state trading enterprises?

0	No provision
1	State trading enterprises
NA	No info available

Explanation: We include any reference to states as enterprises (e.g., state-owned firms).

[comp_state_aid] Is there a provision on state aid?

0	No provision
1	State aid
NA	No info available

Explanation: We code state aid and subsidies (the latter when they relate to "domestic support for (agricultural) goods"). We do not code here export subsidies.

9 Technical Barriers to Trade (TBT)

Note: Piermartini and Budetta (2009) provide a coding scheme for technical barriers to trade (TBT) provisions. They code for a total of 47 variables, distinguishing among standards, technical regulations and conformity assessment and between mutual recognition and harmonization. However, on quite a few of these variables they hardly find any variation across their agreements. For example, across the 64 agreements that they consider, they only find a significant number of mutual recognition provisions with respect to conformity assessment.

There is an overlap of 60 agreements between this respective database and the Piermartini and Budetta database. Intercoder reliability for our variable [**tbt_wto**] is 88 percent. Checks of the deviant cases largely confirmed our initial coding.

[**tbt_prov**] Does the agreement contain a TBT chapter or provision(s)?

0	No
1	Yes

[**tbt_wto**] Does the agreement contain a reference to the WTO Agreement on TBTs (the GATT Standards code)?

0	No
1	Yes

[**tbt_coop**] Does the agreement call for co-operation and information exchange on TBTs?

0	No
1	Yes

[**tbt_distort**] Does the agreement contain a requirement for standards to be least trade-distorting?

0	No
1	Yes

Explanation: This is only coded 1 if there is a specific requirement for standards to be least trade-distorting. A general reference to the objective of facilitating trade is not sufficient. Even if coded 0, the agreement may include in another part a provision prohibiting non-tariff barriers, which could have an effect on this part of the agreement.

[**tbt_dispute**] Does the agreement contain a dispute settlement provision for TBTs?

0	No
1	Yes

Explanation: Coded 1 even if only mentioned that disputes in this field should be dealt with by the agreement's joint committee.

[tbt_intstand] Does the agreement encourage the use of international standards?

0	No
1	Yes

Explanation: International here refers to both regional and global.

[tbt_harmon] Does the agreement contain provisions that stipulate the (partial) harmonization of TBT?

0	No
1	Harmonization as a general aim
2	Selective harmonization for specific sectors
3	Full harmonization

Explanation: We coded 1 if the agreement stipulates the aim of harmonization with international rules. Full harmonization is hardly written down. We coded 3 for some EU agreements with potential accession countries.

Bibliography

Piermartini, Roberta and Michele Budetta (2009). "A Mapping of Regional Rules on Technical Barriers to Trade", in Antoni Estevadeordal, Robert Teh, and Kati Suominen (eds) *Regional Rules in the Global Trading System* (Cambridge: Cambridge University Press).

10   Sanitary and Phytosanitary (SPS) Measures

[**sps_prov**] Does the agreement contain a sanitary and phytosanitary (SPS) chapter or provision(s)?

0	No
1	Yes

[**sps_wto**] Does the agreement contain a reference to the WTO Sanitary and Phytosanitary (SPS) agreement?

0	No
1	Yes

Explanation: An agreement is also coded 1 if the agreement simply refers to "international conventions and agreements in this field" or similar.

[**sps_coop**] Does the agreement contain provisions calling for information exchange and technical cooperation on SPS measures?

0	No
1	Yes

[**sps_harmon**] Does the agreement contain provisions that stipulate the harmonization of SPS provisions?

0	No
1	Harmonization as a general aim
2	Full harmonization

Explanation: An agreement is coded 1 if the agreement stipulates the aim of harmonization with international rules. Some EU agreements refer to harmonization on the basis of EU legislation, which is coded 2.

11   Trade Defence Instruments

Anti-dumping Measures

[**tr_ad_prov**] Is there an anti-dumping provision?

0	No
1	Yes

[**tr_ad_wto**] Is there a reference to GATT/WTO?

0	No
1	Yes

Explanation: Both partners accept the provisions in GATT or WTO. Reference to international treaties in this area are also coded as 1. Yet, joint efforts to elaborate future rules (with help of GATT/WTO) are not coded.

[**tr_ad_allowed**] Is it allowed to use anti-dumping measures?

0	No mentioning
1	Yes

[**tr_ad_outruled**] Is the use of anti-dumping measures explicitly out-ruled?

0	No mentioning
1	Yes

Explanation: Code 1 if there is an explicit statement not to take recourse to anti-dumping (AD) measures, and 0 otherwise.

Anti-dumping: Specific Provisions

[**tr_admas**] Do parties search for mutually accepted solutions prior to investigation?

0	No mentioning
1	Yes

[**tr_addeminimis**] Do parties explicitly agree on a de minimis dumping margin (or dumped volume) that differs from the GATT/WTO?

0	No mentioning
1	Yes

Explanation: WTO-margin less than 2%, volume less than 3%. In a separate column, we specify the exact thresholds.

[tr_adsunset] Do parties agree on a duration of anti-dumping duty that differs from GATT/WTO?

0	No mentioning
1	Yes

Explanation: The WTO's sunset requirement establishes that dumping duties shall normally terminate no later than five years after first being applied. In a separate column, we specify the exact thresholds.

[tr_adlesserduty] Do parties explicitly agree on a lesser duty rule?

0	No mentioning
1	Yes

Explanation: The WTO talks about the desirability, no obligation. We also include the disallowance of zeroing.

[tr_adpublic] Do parties agree on taking broader public interest in account (beyond sector interests)?

0	No mentioning
1	Yes

[tr_adlegal] Does the PTA's dispute settlement not apply to anti-dumping (AD)?

0	No mentioning
1	Yes

[tr_adlegalwto] Do the parties agree that the resolution of a dispute can occur in the WTO?

0	No mentioning
1	Yes

Explanation: We code also 1 when the PTA dispute settlement does not apply to anti-dumping (AD) and parties reserve their rights and obligations under WTO law.

Subsidies and Countervailing Duties

[tr_sub_prov] Are there any subsidy provisions?

0	No
1	Yes

Explanation: We code articles with titles "subsidies" or "state aid". We also include specific subsidies (e.g. "agricultural subsidies" or "export subsidies"). We list all subsidies-related provisions in an extra column.

[tr_sub_gen_ref] Is there a general reference to subsidies?

0	No
1	Yes

Explanation: We code general references such as "Any aid granted by a State Party to this Agreement or through State resources in any form whatsoever... shall be incompatible with the proper functioning of this Agreement" or "The Member States shall not introduce new, or expand existing subsidies and shall work towards the elimination of any such measures by ... ".

[tr_sub_wto] Is there a reference to GATT/WTO?

0	No
1	Yes

Explanation: Parties refer to WTO/GATT provisions on subsidies or countervailing duties (also if only countervailing duties are mentioned).

[tr_sub_policy] Do parties develop a common policy on subsidies?

0	No
1	Yes

Explanation: Joint procedures in case of safeguard are not sufficient to be coded, there need to be joint rules that refer to a common policy. We included also following two cases (if one party is allowed to provide more subsidies than another party; if one party is called to create an institution that focuses on state aid).

[tr_sub_allowed] Is there an explicit reference to allowing subsidies?

0	No
1	Yes

Explanation: For instance when parties explicitly mention their right to use subsidies.

[tr_sub_outruled] Is there an explicit reference to outrule subsidies?

0	No
1	Yes

Explanation: E.g. wording such as "Neither Party shall introduce or maintain any subsidy on any good destined for the territory of the other Party". Are only limits to certain areas listed, we code 1 in [tr_sub_gen_ref].

[tr_countervail] Are countervailing duties mentioned in the agreement?

0	No
1	Yes

Explanation: Measures against subsidies or "countervailing duties".

Safeguard / Escape Clause

[**tr_safe_prov**] Does the agreement contain specific safeguard provisions for PTA parties?

0	No
1	Yes

[**tr_safe_wto**] Does the agreement refer to GATT/WTO provisions on safeguards?

0	No
1	Yes

Explanation: Parties retain rights and obligations under GATT Art. XIX, Safeguards Agreement; also if parties only retain the rights and obligations of the investigation provisions of the GATT/WTO safeguard agreements, we code 1.

[**tr_safe_outruled**] Does the agreement outrule the use of safeguards?

0	No
1	Yes

Explanation: Coded 1 if all "quantitative restrictions" or "safeguards measures" are explicit banned.

[**tr_safe_globexcl**] Do PTA members agree on conditions under which partners will be excluded from multilateral safeguard measures?

0	No
1	Yes

Explanation: If there are exceptions for PTA partners in case a general/global safeguard is applied (code 1). Exceptions could define a different substantial share of total imports or it is mentioned that imports from the other Party does not contribute to serious injury or threat thereof.

[**tr_safe_trans**] Do parties allow safeguard measures only during a transition period?

0	No
1	Yes

[**tr_safe_ceiling**] Do parties allow safeguard measures on products up to the most-favoured nation (MFN) duty or the temporal suspension of a duty reduction?

0	No
1	Yes

Explanation: This is a measure that controls for the scope and degree of the measure taken. If a tariff measures is introduced it is less than most-favoured nation (MFN) duty (or applied duty, base rate) or it could mean than the speed of tariff liberalization is affected (for some period the duty stays at the same number).

[**tr__safe__dur**] Parties agree on a duration (and extension) of safeguard duty that is different from GATT/WTO.

0	No
1	Yes

Explanation: Safeguards in the WTO are up to four years renewable once, therefore on aggregate eight years. We only specify if on the aggregate this number is different. There has to be a number, the expression "what is strictly necessary, to remedy the situation" is not sufficient to code 1.

Additional Issues

[**tr__struct__adjust**] Does the agreement mention structural adjustment?

0	No
1	Yes

Explanation: Besides "structural adjustment", another term used synonymously is the "protection of an infant industry".

[**tr__bop**] Does the agreement mention balance of payment (BOP)?

0	No mentioning
1	Balance of payment mentioned

Explanation: Often BOP provisions are found in the chapter "safeguards".

12 Dispute Settlement

[**ds_prov**] Does this agreement include provisions for solving disputes?

0	No
1	Yes

Explanation: There does not need to be an explicit article; provisions could be found under chapters such as "fulfilment of obligations" or "joint committee". When coded as 0 all other variables in this section are also coded as 0.

[**ds_del_con**] Is there a provision on consultation?

0	No
1	Yes

Explanation: Only consultation requirements in respect to problems and disputes are coded as 1. If disputes are referred to joint committees and they have the explicit duty to engage in consultations for the proper implementation that is coded 1.

[**ds_del_med**] Is there a provision on mediation?

0	No
1	Yes

Explanation: Mediation means recourse to a "third party", discussion of the case in the joint committee is not sufficient to be coded as mediation. Other expressions are "good office" or "conciliation".

[**ds_del_arb**] Is there a provision on arbitration?

0	No
1	Yes

Explanation: Usually in form of "ad hoc panels" with three or five members. If the joint committee can delegate to specialized expert groups to make binding recommendations to settle disputes, we also code 1.

[**ds_del_sb**] Is there a provision on the creation of a standing body with delegated powers?

0	No
1	Yes

Explanation: A standing body with delegated powers, e.g. the European Court of Justice.

[**ds_del_ext**] Is there a reference to external DS institutions?

0	No
1	Yes

Explanation: We code when other courts are explicitly mentioned and referred to (e.g., WTO, ICJ). It is sufficient to have explicit reference to the WTO and that parties have rights to bring cases in that fora.

[ds_forum] Is there a provision on the choice of DS fora?

0	No
1	Yes

Explanation: Are there any provisions on the choice of forum.

[ds_forum_complain] Does the ultimate option for forum choice foresee the complainant to choose the forum?

0	No
1	Yes

Explanation: We code only the ultimate option. This variable is always 0 if [ds_forum_parties] is coded as 1.

[ds_forum_parties] Does the ultimate option for forum choice foresee the parties to chose the forum jointly?

0	No
1	Yes

Explanation: We code only the ultimate option. This variable is always coded as 0 if [ds_forum_complain] is coded as 1.

[ds_forum_restrict] Are there restrictions/limits to the use of multiple fora?

0	No restriction (non-exclusive)
1	Restriction to one forum (exclusive)

Explanation: When there is no restriction we code 0. We code 1 if it excluded to use another forum once the first one is used.

[ds_binding_prov] Is there a provision on bindingness?

0	No
1	Yes

[ds_binding_exp_yes] Is it explicitly mentioned that provisions on DS are binding?

0	No
1	Yes

Explanation: Here we code whether parties are explicitly bound or not. We code 1 when following statements are made: "The ruling of the arbitral tribunal shall be final and binding", or "on receipt of the final report of a panel, the Parties shall agree on the resolution of the dispute, which shall be in conformity with the determinations and the recommendations, if any, of the panel, unless otherwise agreed by the Parties", or "the resolution, whenever possible, shall be to eliminate the non-conformity or the nullification or impairment".

[ds_binding_exp_no] Is it explicitly mentioned that provisions on DS are NOT binding?

0	No
1	Yes

Explanation: Here we code whether parties are explicitly bound or not. We code 1 if it is mentioned that the arbitral decision is non-binding.

Forms of Sanctions/Retaliation

[ds_sanc_prov] Are there any provisions related to retaliation in case of non-implementation?

0	No
1	Yes

Explanation: We code provisions that foresee the implementation of retaliation or compensation measures. A special case are treaties that foresee the use of trade remedies against sudden imports either as safeguard measures, measures against dumping or countervailing duties, which we code as 0. We only code the use of measures to "retaliate" against unfair practices as 1 if there is also a "fulfilment of obligations" article that gives states the option to take unilateral action (which is similar to a sanction/retaliation).

[ds_sanc_dp] Do both parties select jointly the appropriate level of retaliation/compensation/sanctions?

0	No
1	Yes

Explanation: Joint selection also can occur in the form of agreeing on compensation (e.g., "if the Parties are unable to agree on a resolution within 30 days of presentation of the final report, or such other period as the Parties may agree, the Party complained against shall, if so requested by the complaining Party, enter into negotiations with a view to agreeing to compensation".)

[ds_sanc_compl] Does the complainant select the appropriate level of retaliation/compensation/sanctions?

0	No
1	Yes

Explanation: Explicit mentioning that the complainant selects the amount.

[ds_sanc_tp] Does a third part select the appropriate level of retaliation/compensation/sanctions?

0	No
1	Yes

Explanation: The third party in most cases is the original panel that is asked to decide (e.g., "at the request of any of the Parties, the original arbitration panel shall rule ... whether the suspension of benefits should be terminated or modified".)

[ds_sanc_seq] Is there an order in the process of selecting appropriate levels of retaliation/compensation/sanctions?

0	No
1	Yes (sequencing)

Explanation: If we code at least two out of the three previous variables, then we code 1 here. This illustrates sequencing.

[ds_sanc_sect] Are there provisions on retaliation in the same sector?

0	No
1	Yes

Explanation: We code 1 when there are provisions that suggest retaliation to be pursued in the same sector where the original measure which breached the contract occurred.

[ds_sanc_cross] Is cross-retaliation possible (sanctions in other sector)?

0	No
1	Yes

Explanation: We code 1 when there are provisions allowing retaliation to be pursued in a different sector than where the original measure which breached the contract occurred.

[ds_sanc_money] Are monetary sanctions (compensation) possible?

0	No
1	Yes

Explanation: This can occur in different areas, e.g. labour, environment.

Exemptions

[ds_exempt] Are there any exemptions from dispute settlement (DS)?

0	No
1	Yes

[ds_exempt_pos] Is there an explicit positive list of areas covered under the DSM of the PTA?

0	No
1	Yes

Explanation: We list those areas that are explicitly mentioned in the dispute settlement chapter or for which there is theme-specific DS mechanism (for areas, see appendix). Additional requirements (e.g., consultations before using the usual chapter of DS) are not coded as positive list; there needs to be a substantial difference in how disputes are resolved. If parties refer to other dispute settlement provisions (e.g., for internet domain names), this is sufficient to be coded as 1.

[ds_pos_count] We count the number of areas mentioned (see appendix)

[ds_exempt_neg] Is there an explicit negative list of exemptions from DS?

0	No
1	Yes

Explanation: We list areas that are partially or totally exempt from dispute settlement. General exceptions (restrictions on grounds of morality, public policy or public security) are not listed.

[ds_neg_count] We count the number of areas mentioned (see appendix)

[ds_priv_standing] Is there a provision allowing private actors to bring a case against the other party breaching the agreement?

0	No
1	Yes

Explanation: We also code 1 if there is an investment chapter with an investor-state arbitration clause. We also code 1 if companies have a right of access to national regulating bodies or courts to solve disputes, such as in the areas of telecommunication.

[ds_chain] Is there a provision requiring for a Joint Committee or (Association) Commission to address the dispute before the establishment of the arbitral panel?

0	No
1	Yes

[ds_time_frames] Does the treaty list time frames related to stages and implementation of dispute settlement decisions?

0	No
1	Yes

Explanation: We do not differentiate between pre-award and post-award time frames; we code 1 when parties foresee time frames for implementation.

[ds_interim] Does the panel issue an initial/draft/interim report prior to the issuance of the final report?

0	No
1	Yes

[ds_chairman_cons] What is the ultimate procedure by means of which the chairman of the arbitral panel is selected? The chairman is selected by consultation of parties.

0	No
1	Yes

Explanation: This is one of four different possibilities ([ds_chairman_cons],[ds_chairman_joint], [ds_chairman_lot],[ds_chairman_third]) We code only the ultimate option. All variables are set to 0 if the selection procedure is not specified.

[ds_chairman_joint] What is the ultimate procedure by means of which the chairman of the arbitral panel is selected? The chairman is selected by arbitrators jointly.

0	No
1	Yes

Explanation: See [ds_chairman_cons]

[ds_chairman_lot] What is the ultimate procedure by means of which the chairman of the arbitral panel is selected? The chairman is selected by lot.

0	No
1	Yes

Explanation: See [ds_chairman_cons]

[ds_chairman_third] What is the ultimate procedure by means of which the chairman of the arbitral panel is selected? The chairman is selected a third party (e.g. WTO DG).

0	No
1	Yes

Explanation: See [ds_chairman_cons]

[ds_separate_ops] Does the process allow for separate opinions to be included in the panel report?

0	No
1	Yes

Explanation: The question is whether members of the panel are allowed to form and draft separate opinions that are to be included in the panel report (e.g., "panelists may furnish separate opinions on matters not unanimously agreed".)

[ds_mas_count_pre] How many times do parties evoke the concept of "mutually agreeable solution" (MAS) throughout the text of the DS chapter until the award is out?

[ds_mas_count_post] How many times do parties evoke the concept of "mutually agreeable solution" (MAS) throughout the text of the DS chapter post award?

Explanation: We distinguish between amicable solutions prior to the award and after the award. In the post award period we also code when there is reference to "mutually satisfactory compensation", but not if they agree on the reasonable time to implement. In the pre award phase we also code as MAS when there is a possibility to suspend or terminate the proceedings by agreement (both suspension and termination are coded 1 each). The same applies to the post-award. If it is stated the MAS can occur any time in the process, we decided to code 2 pre and 2 post award to weight this general statement. If a specific mediation process is included,we count every substantive reference to a MAS and count this for the pre-award period

Appendix: Abbreviations for "negative" and "positive list"

1	Sanitary and Phytosanitary Measures
2	Technical Barriers to Trade (includes Regulation)
3	Services (3a: Telecom, 3b: Financial Services, 3c: Temporary Movement, 3d: Air Transport, 3e: Electronic Commerce)
4	Competition Policy
5	Investment
6	Intellectual Property Rights (6a: Domain Names)
7	Public Procurement
8	Trade Remedies (AD and CVD)
9	Safeguards
10	Business Environment
11	Balance of Payments
12	Regulatory Co-operation
13	Labour
14	Environment
15	Goods (15a: Cars, 15b: Agricultural Goods)
16	Rules of Origin
17	Economic Co-operation
18	Tax
19	Subsidies
20	Energy
21	Public Companies
22	Trade Facilitation

13 Depth

We use two different measures to operationalize depth.

[depth_index]

The first measure of depth is an additive index that combines seven key provisions that can be included in PTAs – [full_fta], [standards], [investments], [services], [procurement], [competition], and [iprs] (see Dür et al. 2014). The first provision captures whether the agreement foresees that all tariffs (with limited exceptions) should be reduced to zero (that is, whether the aim is to create a full free trade area). The other six provisions capture cooperation that goes beyond tariff reductions, in areas such as services trade, investments, standards, public procurement, competition and intellectual property rights. For each of these areas, we code whether the agreement contains any substantive provisions. A substantive provision, for example, is a national treatment clause in the services chapter. A statement that the contracting parties desire to open their services markets, by contrast, does not count as a substantive provision.

[depth_rasch]

The second measure of depth relies on latent trait analysis. Latent trait analysis is a type of factor analysis for binary data (Bartholomew et al. 2011). Doing so allows us to deal with highly correlated data and to account for the fact that not all items are of equal importance in establishing the extent of countries' commitments. Standard factor analysis is based on Pearson correlation and thus not applicable to the binary data included in our dataset. We therefore opted for latent trait analysis, a method developed for binary data. The specific approach that we use is known as the Rasch model, which is frequently applied in psychometrics, for example to measure intelligence (Bond and Fox 2007). A major assumption of the Rasch model is that the items are related to a single underlying dimension; we therefore only included variables in the analysis that are theoretically related to depth. We use a total of 48 variables that theoretically are related to the depth of an agreement (these variables pertain to such aspects as services liberalization, trade-related investment measures, intellectual property rights and standards) to arrive at a measure of depth. For a full list of variables, see the online appendix of Dür et al (2014).

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14   Flexibility

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[**flexescape**] Long-term flexibility

This can be used by parties in the future to protect against unforeseen developments without breaching the agreement. We measure this variable using a simple additive index of the presence or absence of four flexibility provisions in PTAs: a provision allowing for the suspension of tariff cuts in case of balance of payments problems, a general safeguard provision, a provision allowing for the imposition of countervailing duties, and a provision allowing for the imposition of anti-dumping duties. In the absence of these provisions, a country that suspends its tariff cuts or imposes anti dumping and countervailing duties for goods covered by the agreement is in breach of the agreement. These four provisions thus serve as escape clauses. The index can range from 0 to 4.

[**transition**] Short-term flexibility

We operationalize short-term flexibility relying on the maximum number of years that countries are allowed to achieve the liberalization of tariffs envisaged in the agreement. The longer the transition period, the more time exists for import competing groups to adjust to increased competition. Phase out periods for tariff liberalization range between 0 years (all tariffs are liberalized at the date of entry into force of an agreement) and 20 years (usually for a selected number of sensitive products).

[**flexrigid**]

We further provide an additive measure consisting of eight variables: a provision measuring whether parties agreed on GATT/WTO provisions on safeguards, a provision calling for a duration (and extension) of safeguard duty that is different from GATT/WTO, one allowing safeguard measures only during a transition period, another provision allowing safeguard measures on products up to the MFN duty or the temporal suspension of a duty reduction (a measure that controls for the scope and degree of the measure taken), a provision where parties agree on a de minimis dumping margin (or dumped volume) that differs from the GATT/WTO, refere to GATT/WTO, and a provision whether the parties develop a common policy on subsidies. Thus, this measure indicates how rigid flexibility is. A score of 8 means high and a score of 0 no rigidity concerning flexibility.

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Baccini, Leonardo, Andreas Dür, and Manfred Elsig (2015). "The Politics of Trade Agreement Design: Revisiting the Depth-Flexibility Nexus". *International Studies Quarterly*, 59(4): 765-775.

15 Strength of Dispute Settlement Mechanisms

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We measure the strength of the dispute settlement mechanism (DSM) in a PTA with two indices, which are comprised of six components.

a) The two indices are:

[**enforce**] Strength of DSM index

This is a simple six-category index of the strength of dispute settlement for all PTAs in our data set, creating by summing all six of the components discussed in b) below. This index can range from 0 to 12, but the largest value maxes out at 9.

[**enforce01**] Standardized Strength of DSM index

This is a more standardized six-category index that forces all components to have equal weight. Here we take the same six components below, but instead of adding the raw values for each we standardize them all on a 0-1 scale, resulting in an indicator ranging from 0-6. For the first component (i) we code 1 if there is a delegated third party dispute settlement mechanisms (arbitration, standing body), otherwise the value is 0.

b) The six components that comprise these indices are as follows:

i) The first component captures the extent to which dispute settlement authority is delegated to a third-party, legal body. The lowest category (0) includes the scenario in which there are no provisions for dispute settlement or in which dispute settlement provisions exist but specify only consultations and/or mediation. A value of 1 is assigned to PTAs that specify only ad-hoc arbitration as a legal dispute settlement option, whereas the largest value of 2 is reserved for PTAs that create a standing body for dispute settlement.

ii) The second component emphasizes the ability of a complainant state to choose the dispute settlement venue. PTAs are given a 0 for this component when they fail to specify anything about multiple fora and forum choice. The next category (1) indicates scenarios in which the complainant is allowed to choose the forum, yet they can only pursue settlement in one forum, thereby excluding ex post the use of an alternative forum. Finally, the highest value, given a value of 2, is when the complainant chooses the venue and there are no restrictions on the use of multiple fora.

iii) A third element is the method by which the chairman of any judicial panel is selected, since effective dispute settlement is more likely in PTAs that allow for the swift selection of an unbiased chair that is not beholden to the interests of the state parties. Among the four options for chairman selection, the highest value of 2 is given to PTAs that specify either of the following: an outside actor (an international organization/secretary-general) selects, or the chairman is chosen "by lot". Next in line is the scenario in which the party-appointed arbitrators select the chairman (coded as 1). All remaining PTAs, coded as 0, are those that specify only bilateral consultations as the method of selection.

iv) The fourth component is a 0 vs. 1 variable that captures whether the DSM in a given treaty specifies any time limits for the dispute settlement process, whether overall and/or for particular stages (i.e., pre- and post-award). The specification of time frames encourages a faster dispute settlement process and thus should enhance compliance with obligations.

v) The fifth component explores the extent to which post-award sanctions can be used to effectively implement awards. Our empirical indicator for this subcomponent is a four-point, additive scale that combines values for four 0 vs. 1 indicators (Does the PTA contains a sanctions provision? Can the complainant choose the level of retaliation? Is same-sector or cross-retaliation allowed? Is monetary compensation specified?)

vi) The sixth component examines whether the dispute settlement provision applies broadly to all areas covered by the agreement, or whether some areas (i.e., trade remedies, safeguards, some forms of services, temporal entry of workers, SPS and TBT, competition policy, and investment) are excluded. PTAs with at least and arbitration mechanism without DS exclusions are given a value of 1, whereas those that contain exclusions or do not have a third party dispute settlement are coded as 0.

Bibliography

Allee, Todd, and Manfred Elsig (2016). "Why Do Some International Institutions Contain Strong Dispute Settlement Provisions? New Evidence from Preferential Trade Agreements". *Review of International Organizations*, 11(1): 89–120.