

**SAPTA (Goods)
Summary Fact Sheet**

Table 1: Background Information

Parties	Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka.	
Date of signature	22 September 1993	
Date of entry into force	7 December 1995	
Transition period for full implementation	The SAPTA became a FTA with effect from 1 January 2006.	
Date of full implementation	The SAPTA concessions will continue until the SAFTA will become a full-fledged FTA on 1 January 2015	
Website addresses or points of contact	Not available.	
List of related GATT/WTO documents	WT/COMTD/10	Notification and Agreement

Table 2: Internal trade liberalization provisions

Import duties and charges	Article 7: Schedules of Concessions Annex II: National Schedules of Concessions	
Export duties and charges	None	
Non-tariff measures	Article 7: Schedules of Concessions	
Sector-specific rules	None	
Product exclusions	SAPTA –positive List Approach and SAFTA –Negative List approach	

Table 3: Common External Tariff

Provisions	Not applicable
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Table 4: General trade-related provisions

Provision	Relevant Article(s)	Additional Information
Rules of Origin	Article 16 and Annex III	Products in the Schedule of concessions are eligible for preferential treatment if: they are wholly produced or obtained in the exporting party; products worked on or processed as a result of which the total value of the parts or inputs from non-Parties used in the manufacture of the product do not exceed 60% of the F.O.B. value of the final product. Cumulation is permitted provided that the aggregate content originating in the territory of the Contracting State is not less than 50% of its F.O.B. value. Products originating in least developed state parties are allowed more favourable treatment.
Standards-related measures	None	
SPS measures	None	
Safeguard mechanisms (intra-trade)	Articles 13 and 14 under SAPTA and Article 16 under SAFTA	Where a Party faces serious economic problems including balance of payments difficulties, it may suspend provisionally the concessions under the Agreement. If an import, that is subject to a concession, from one of the other parties to the Agreement causes or threatens to cause serious injury in the importing party, the importing party may, with prior consultations except in critical circumstances, suspend provisionally and without discrimination, the concession accorded under the

Provision	Relevant Article(s)	Additional Information
		Agreement. The Party initiating the suspension of concessions must notify the parties being affected and the Committee of Participants must enter into negotiations
Anti-dumping and countervailing measures	None	
Subsidies and state aid	None	
Customs-related procedures	None	
IPR	None	
Government procurement	None	
Competition	None	
Investment	None	
General exceptions	None	
Accession	None	
Dispute resolution	Article 20	All disputes between Parties are to be amicably resolved through negotiations. Disputes that are not resolved may be referred to the Committee of Participants by a party to the dispute. For safeguard measures, in the event of a failure by the parties to resolve their differences within 90 days, the Committee shall meet within 30 days to try and resolve the issue. Failure to resolve the issue within 60 days will give the affected parties the right to withdraw similar concessions which the Committee does not disapprove of.
Relation with other trade agreements	Article 11	The provisions of the Agreement will not apply in the case of preferences already granted or to be granted by any Party to other parties outside the Agreement and to third countries through bilateral, plurilateral and multilateral trade agreements and similar arrangements. The Parties shall also not be obliged to grant preferences under the Agreement which impair concessions already granted under these other agreements.
Transparency	None	
Institutional provisions	Article 9	The Agreement establishes a Committee of Participants consisting of representatives of the Parties which shall meet at least once a year to review progress in implementation and to ensure that benefits from the Agreement accrue to all parties equitably. Provision is also made for the Committee to facilitate any negotiations between the parties.

Table 5a: Sri Lanka's trade with SAARC countries under SAPTA, 2003-2006
(US\$, million)

Country	2003			2004			2005			2006		
	Exports	Imports	Balance of Trade	Exports	Imports	Balance of Trade	Exports	Imports	Balance of Trade	Exports	Imports	Balance of Trade
Afghanistan	0.476	0.272	0.204	1.278	0.122	1.156	2.039	0.122	1.917	0.690	0.312	0.378
	Nil			Nil			Nil			Nil		
Bangladesh	10.41	5.63	4.78	13.38	7.70	5.68	15.51	8.87	6.64	18.85	8.06	10.79
	0.013			Nil			Nil			0.06		
Bhutan	Nil	Nil	Nil	Nil	Nil	Nil	0.01	0.00	0.01	Nil	Nil	Nil
	Nil			Nil			Nil			Nil		
India	241.14	1076.17	(835.03)	385.50	1358.01	(972.52)	559.26	1440.41	(881.15)	494.06	1822.07	(1328.01)
	3.296			2.506			2.288			1.86		
Maldives	54.39	22.65	31.74	60.16	19.84	40.32	24.76	21.09	3.67	29.64	23.73	5.91
	Nil			Nil			Nil			0.02		
Nepal	1.66	0.01	1.65	0.28	0.08	0.20	0.30	0.11	0.18	3.60	0.072	3.528
	Nil			Nil			Nil			Nil		
Pakistan	36.13	70.98	(34.84)	39.22	107.93	(68.70)	43.06	115.65	(72.59)	58.9	147.9	(89.0)
	23.23			22.40			8.38			0.84		
Total Exports	344.21			499.8			645			605.74		
Exports under SAPTA	26.54			24.90			10.67			2.78		
Exports under SAPTA as % of total Exports	7.7%			5%			1.65%			0.46%		

* Exports under SAPTA are indicated in bold letters.

* Afghanistan became a member of SAARC in April 2007.

Source: Sri Lanka Customs & Department of Commerce.