APPENDIX FILE

1. Research Design and Methodology

a) Source and analysis of quantitative data

The study collected the following quantitative data:

Value of total Thai and Malaysian exports to Japan. The value of total exports (under all trade regimes) from Thailand and Malaysia to Japan was retrieved from the Trade Map database (Trade Map, undated). Analyses were conducted at the four-digit (HS4) and/or six-digit (HS6) level of good specification—approximately 1,300 and 6,200 categories of goods, respectively—in the *Harmonized Commodity Description and Coding System*.[1] Data were collected between January 2003 (for Malaysia) or January 2004 (for Thailand) and December 2019. Exports are valued in current United States dollars and as "free-on-board", the value of the goods at the exporter's customs frontier, and excluding the cost of carriage, insurance, and freight.

Value of Thai and Malaysian preferential exports to Japan under the Japanese GSP program, JTEPA, and MJEPA. Data on the value of Thai and Malaysian exports to Japan that used preferential tariffs under the Japanese GSP scheme, JTEPA, and MJEPA originated from *preferential certificates of origin,* administrative records that accredit that the exported good complies with the rules of origin established by the GSP or the FTA. Data for Thai exports under the Japanese GSP and JTEPA were provided by the Thai Ministry of Commerce at the HS4 and/or HS6 level. Data at HS6 were collapsed into the HS4 level to allow their comparison with preferential export data for Malaysia. Data for Malaysian exports under the Japanese GSP and MJEPA were provided by the Malaysian Ministry of International Trade and Industry at the HS4 level. Values of Thai and Malaysian exports under the Japanese GSP program covered the period between January 2003 (Malaysia) or January 2004 (Thailand) and April 2019 when both countries lost their eligibility to this GSP scheme.[2] Data on the value of Thai exports to Japan under JTEPA covered the period from its implementation in November 2007 to December 2019, while those of Malaysian exports under MJEPA covered from its implementation in July 2006 to December 2019. Preferential export values refer to the free-on-board cost of the good in current United States dollars. The preferential export data provided by the Thai and Malaysian trade ministries included trade values for each good at the HS4 and/or HS6 level, but they do not identify the firms that filed the preferential certificates of origin nor the importing firm as that information is considered confidential and it is never released.

Most-favored-nation applied tariffs. Data were retrieved from the WTO's Tariff Download Facility (WTO, undated) at the HS2, HS4, and HS6 levels. Tariff rates were collected for the period between January 2003 and December 2019.

Preferential tariffs under the Japanese GSP program, JTEPA, and MJEPA. The preferential tariff rates offered by the Japanese GSP program during the period between January 2003 and April 2019 were retrieved from Japan's Customs website (Japan Customs,

[1] The study used the HS 2007 version as it is the version in which the government authorities provided preferential export data. Since the trade data in the Trade Map database is in the 2012 version, the codes that changed between both versions were converted according to the available tables (https://unstats.un.org/unsd/trade/classifications/correspondence-tables.asp)

[2] The Thai and Malaysian trade ministries do not collect data for preferential exports through the Australian and New Zealand GSP schemes as both schemes use a self-certification system for rules of origin.

[3] The GSP and FTA schemes provide trade preferences in the form of zero (tariff exemption) or below-most-favored-nation tariff rates (partial

undated) at HS8 level and aggregated down to the HS4 or HS6 level for comparison with other data in the article. The preferential tariff rates offered by JTEPA and MJEPA during the period from their implementation to December 2019 were retrieved from the corresponding FTA treaties (MOFA-J, 2006a; MOFA-J, 2006b) at HS6 level and, whenever required for their comparison with other data in the article, aggregated down to HS4.

Quantitative data were processed and analyzed using IBM® SPSS® Statistics version 23 for Mac (IBM, Armonk, New York, United States). The above data were used to calculate the following variables:

Preferential tariff margin offered by the Japanese GSP or FTAs. The preference tariff margin granted by a preferential trade arrangement (p)—either the Japanese GSP program or an FTA—on imports of a given good (x), specified at the HS4 and/or HS6 level, is the difference between the most-favored-nation tariff rate applied by Japan and the preferential tariff rate offered by Japan through (p) in a given year (y).[3]

$$\text{Preferential Tariff Margin}_{p,x,y} = \text{Most-favored-nation tariff rate}_{x,y} - \text{Preferential tariff rate}_{p,x,y}$$

Utilization rate of the Japanese GSP and FTAs. The *utilization rate* of a preferential trade arrangement (p)—either the Japanese GSP or an FTA—for the export of a given good (x), specified at the HS4 and/or HS6 level, during a given year (y) is the ratio, as a percentage, between the value of preferential exports of (x) under (p) during (y) and the value of total exports (preferential and non-preferential) of (x) during (y).

$$\text{Utilization Rate } p,x,y = \frac{\text{Value of Preferential Exports } p,x,y}{\text{Value of Total Exports } x,y}$$

Wherever indicated the utilization rate of (p) was calculated for all tradable goods and referred to as the *overall utilization rate*. The overall utilization rate is defined as the ratio, as a percentage, between the value of preferential exports of all tradable goods ($\sum x$), at the HS4 and/or HS6 level, under (p) during (y) and the value of total exports (preferential and non-preferential) of all tradable goods ($\sum x$) during (y).

$$\text{Overall utilization Rate } p,\sum x,y = \frac{\text{Value of Preferential Exports } p,\sum x,y}{\text{Value of Total Exports } \sum x,y}$$

[3] In GSP and FTA schemes, preferential tariffs rates can be set to zero (tariff elimination), below the most-favored-nation tariff rate (partial tariff reduction), or left at the same level as the most-favored-nation rate (exclusion). In FTAs, tariffs can be eliminated or reduced from the beginning or over several years.

Overall adjusted utilization rate of the Japanese GSP and FTAs. Wherever indicated, the overall utilization rate of the Japanese GSP or FTAs was also calculated, and referred to as the *overall adjusted utilization rate*, only for those goods for which the Japanese GSP or the FTAs provide Thai and Malaysian exporters with a tariff saving relative to the Japanese most-favored-nation tariff, that is, a preferential tariff margin greater than zero.[4]

Overall FTA adjusted utilization rate excluding goods in HS4 codes 2709-2713. In Figures 1 and 2 of the article, the overall adjusted utilization rates of JTEPA and MJEPA were calculated, and referred to as the *overall adjusted utilization minus HS 2709-2013,* after subtracting the export value of petroleum goods (HS4 codes 2709 to 2713) of both the numerator and the denominator, that is, of both preferential and total exports.

Utilization share rate of a good in the Japanese GSP and FTAs. The utilization share rate of a given good (x) or a category of goods (x_1-x_n), specified at the HS4 and/or HS6 level, in a preferential trade arrangement *(p)*—either the Japanese GSP or an FTA—and in a given year (y) is the share, as a percentage, that the value of the preferential exports of (x) or (x_1-x_n) under (p) during (y) represents in the value of preferential exports of all traded goods ($\sum$x) under (p) during (y).

$$\text{Utilization Share } p, x, y \;=\; \frac{\text{Value of Preferential Exports } p, x, y}{\text{Value of Preferential Exports } p, \sum x, y}$$

$$\text{Utilization Share } p, x1 - xn, y \;=\; \frac{\text{Value of Preferential Exports } p, x1 - xn, y}{\text{Value of Preferential Exports } p, \sum x, y}$$

b) Source and analysis of qualitative data

The above quantitative data were complemented with qualitative data obtained through in-depth semi-structured interviews. These qualitative data were used to conduct a detailed process-tracing of the policymaking of JTEPA and MJEPA, and to uncover evidence of business lobbying to influence it.

Offices held by the interviewees and questions asked to them during the semi-structured interviews. The study analyzed qualitative data obtained from more than 200 in-depth semi-structured interviews with government officials, business representatives, and officials in government-linked and independent research institutes in Thailand and Malaysia. Interviews—that lasted on average 106 minutes—comprised a series of questions (see below) regarding the policymaking process in JTEPA and MJEPA and how it was shaped by liberalization through the Japanese GSP, and the impact of Japanese GSP and these FTAs on export patterns, investment flows, and technological upgrading. The present study assessed those interviews only on information pertaining to exports to Japan, not to imports. Most

[4] In 2012—an in-between year for the period under study—Japan applied a 0% most-favored-nation tariff on 52.9% of all goods at the HS6 level (WTO, 2013). The adjusted GSP or FTA utilization rate excludes from the numerator and denominator of the utilization rate equation the export value of the goods for which the *preferential tariff margin* offered by the GSP or FTA is zero, that is, the half of goods at HS6 that can enter Japan tariff-free under the multilateral regime plus those for which the multilateral tariff rate, even if it is higher than zero, is equal to the tariff rate in the GSP (or FTA).

questions were open-ended but others asked the interviewee for specific quantitative information, or to compare different explanatory variables. In the latter case, interviewees had the opportunity to add other explanatory variables, and to elaborate on their relevance. The answers provided by interviewees were contrasted with the quantitative data on preferential and non-preferential exports.

Interviewees received assurance that their names or any identifying information would not be shown in connection to their comments. The positions held by the interviewees and the institutions to which they belonged were the following. Government officials interviewed in Thailand included senior members of the JTEPA negotiation team and other high-ranking officials up to the levels of Counsellor and Director-General in the Departments of ASEAN Affairs and of International Economic Affairs, the Office of the Minister, and the Japan Desk at the Ministry of Foreign Affairs. Interviewees at the Ministry of Commerce included officials up to the levels of former Minister, Commercial Advisor, Director General, and Executive Director at the Departments of Trade Negotiations and of Foreign Trade. Interviewees at the Ministry of Finance included officials up to the level of Director in the Customs Department, Fiscal Policy Office, and Fiscal Policy Research Institute. Interviewees at the Ministry of Agriculture and Cooperatives included officials up to the levels of Deputy Secretary-General at the Office of Agricultural Economics. Interviewees at the Ministry of Industry included officials up to the levels of Senior Expert and Director at the Office of Industrial Economics. Interviews also included high-ranking officials up to the level of Director and Executive Director in the Divisions of Investment Promotion, of Investment Strategy and Policy, and of International Affairs Bureaus at the Thai Board of Investment and up to the level of Secretary-General at the Office National Economic and Social Development Board. Interviews with peak business associations in Thailand included the Director of the Joint Standing Committee for Commerce, Industry and Banking, the Chairman and other top-ranking officials in different divisions (Committee on Trade Rules and International Trade, International Trade Negotiation Coordination Office) at the Thai Chamber of Commerce, and the Chairman and several top-ranking officials up to the level of vice-President and Deputy Secretary-General in the Board of the Thai Federation of Industries and Directors of several industry clubs within the latter. Interviewees in sector-specific business associations included leading representatives up to the level of (depending on the organizational chart of the association) Chairman, President or Executive Director of the Thai Frozen Food Association, Thai Tuna Industry Association, Thai Food Processors' Association, Thai Textile Manufacturing Association, Thai Synthetic Fiber Manufacturers' Association, Thai Garment Manufacturing Association, Thai Gem and Jewelry Traders Association, Thai National Shippers' Council, Thai Automotive Industry Association, Thai Auto Part Manufacturers Association, Thai Pharmaceutical Manufacturers Association, and the Pharmaceutical Research Manufacturers Association. Interviewees in individual domestic and foreign firms in Thailand included leading representatives up to the level of (depending on the organizational chart of the firm) President, Executive Director, Chief Executive Officer, Corporate General Manager, Director of Policy and Government Affairs, Executive Advisor, and Managing Director at the following companies: Charoen Pokphand Foods Plc., CP Beverages and Food, Kingfisher Holdings Ltd., Pakfood Public Co. Ltd., Transamut Food Co. Ltd., AFTEX Ltd, Asia Fiber Public Co. Ltd, Thong Thai Textile Co. Ltd., Beauty Gems, TC Asia Public Co. Ltd, KV Electronics Co. Ltd, TC Asia Public Co. Ltd, Golden Cup Pharmaceuticals Co. Ltd., Olic Thailand Ltd., Bio-Innova and Synchron Co. Ltd, EBCI Ltd. Co., Thailand Toyota Corporation, Mitsubishi Motors Thailand, General Motors Thailand, Ford/Mazda Auto Alliance, Tri Petch Isuzu, Thai Rung Union Car Public Company, Siam Senater Co. Ltd., Nissan Powertrain Thailand, Hyundai Motor Thailand, Somboon Advance Technology Public Co. Ltd., Thai Summit Autoparts Industry, Thai Auto Conversion, Asia Precision, Summit

Auto Seats Industry, AAPICO Hitech Co, Thai Swedish Assembly Co. Ltd., Denso International Asia, Ernst & Young Thailand, Nathan Associates Inc. Other interviewees included leading representatives in public-private institutes (Thai Textile Institute, Thai-German Institute, Thai Automotive Institute), foreign government and government-related organizations (Japan Embassy, Japan Overseas Development Corporation, Japan External Trade Organization, Japan's Institute of Developing Economies), and foreign business associations (Japanese Chamber of Commerce) based in Thailand. Lastly, interviewees also included researchers in public research institutes and independent think tanks (Thailand Development Research Institute, International Institute of Trade and Development).

Government officials interviewed in Malaysia included senior members of the MJEPA negotiation team, a former Ambassador and Permanent Representative of Malaysia to the WTO, and other high-ranking officials up to the levels of Senior Director, Director, and Special Officer to the Secretary-General in the Departments of Trade (Sections of FTA Policy and Negotiations Coordination, and of ASEAN Economic Cooperation), of Industry (Sections of Sectoral Policy, Sectoral Policy and Industry Services, of Trade Cooperation and Industry Coordination), and of Investment (Section of Investment Policy and Trade Facilitation) in the Ministry of International Trade and Investment. Interviewees also included high-ranking officials in public agencies linked to the Ministry of International Trade and Investment; namely, officials up to the level of Senior Deputy Director and Deputy Director in the Malaysian Industrial Development Authority, and up to the level of Deputy Chief Executive Officer and Director in the Malaysia External Trade Development Corporation. Interviewees in government-linked organizations included officials up to the level of Chief Executive Officer in the Malaysian Palm Oil Board, and up to the level of Senior Vice-President in Khazanah Nasional Bhd. Interviews with peak business associations in Malaysia included leading representatives up to the level of Deputy Chief Executive Officer and Advisor to the Chief Executive Officer in the Federation of Malaysian Manufacturers, up to the level of Chairman and Assistant Executive Secretary in the Associated Chinese Chambers of Commerce and Industry and Malaysia, and up to General Manager in the Malay Chamber of Commerce Malaysia. Interviewees in sector-specific business associations included leading representatives up to the level of (depending on the organizational chart of the association) Chief Executive Officer, Chairman, President or Secretary-General in the Malaysian Palm Oil Association, Malaysian Textile Manufacturer Association, Malaysian Plastics Manufacturers Association, Malaysian Iron and Steel Industry Federation, Malaysian Automotive Association, Malaysian Automotive Components Parts Manufacturers, Automotive Federation of Malaysia, PROTON Vendors Association, PERODUA Vendors Club. Interviewees in individual domestic and foreign firms included leading representatives up to the level of (depending on the organizational chart of the firm) President, Executive Director, Chief Operations Officer, General Manager, Executive Advisor, Managing Director, or Director of Manufacturing at the following companies: Pen Apparel Sdn. Bdn., WSA Group, Sumitomo Electric Sintered Components Sdn. Bhd., Hicom Teck See Manufacturing Malaysia Sdn. Bhd., Ernst & Young Malaysia, Ingress Corporation Bhd. Other interviewees included representatives up to the level of Director in the Japan External Trade Organization, and up to the level of Chairman or Executive Director in foreign business associations in Malaysia (ASEAN Chamber of Commerce and Industry) based in Thailand. Lastly, interviewees also included executives and researchers in independent think tanks (Institute of Strategic and International Studies, Malaysian Institute of Economic Research).

Government officials were asked a series of questions on the following issues: a) Exports barriers faced in Japan before and after the FTA: relevance of tariff barriers in Japan compared to rules of origin (comparison of the rules of origin in the GSP and the FTA), non-tariff barriers, other factors; b) Relevance of the Japanese GSP and/or of the FTA, and main

objectives of FTA liberalization: competitiveness of the main Thai and Malaysian exporting sectors to Japan; impacts of GSP and FTA liberalization on competitiveness; overall and sector-specific dependence on the Japanese GSP scheme; FTAs as a means to bind GSP tariffs, to liberalize tariffs on goods not covered by the GSP, to eliminate non-tariff barriers and harmonize standards, to import cheaper upstream inputs and raw materials, other objectives; advantages/disadvantages of FTAs versus GSP; economic relevance of the bilateral FTA with Japan compared to other bilateral FTAs (implemented or potential), the ASEAN-Japan FTA, and multilateral liberalization; c) Main driving forces and actors in FTA policymaking: the role of political leaders, the bureaucracy, and businesses in the launching of FTA proposals, the specification of a national position, bilateral negotiations, and the eventual formulation of the FTA; timeline of the FTA policymaking process; similarities and differences in the policymaking of the bilateral FTA with Japan compared other bilateral FTAs, ASEAN-centered FTAs, WTO rounds, APEC, etc.; d) Impact studies and technical information: whether or not impact studies were produced and by whom before or during FTA negotiations; type and source of technical information required for the negotiation and formulation of FTAs; e) Business involvement in FTA policymaking: involvement of peak and industry-specific business associations and/or individual firms in FTA policymaking; business participation in government-led consultations and/or proactive pressure outside invited consultations; which business associations, individual firms, and/or other interest groups were invited to consultations; which business associations, individual firms, and/or other interest groups took a proactive role in favor or against FTA liberalization; main sectors and individual firms in favor or against the FTA; intra-sector variability in the support or opposition to FTA liberalization; similarities and differences in the modality and level of business involvement in the policymaking of JTEPA or MJEPA compared to those in other bilateral FTAs, ASEAN-centered FTAs, WTO rounds, APEC, etc.; f) Building of a national position on FTA liberalization: how diverging positions among government agencies were articulated and resolved; how diverging interests among economic sectors or within a given sector were resolved; building of a national position to bargain with Japan; g) Negotiations with Japan and final outcome: consultations with and feedback from businesses and/or other government agencies during FTA negotiation rounds with Japan; main obstacles during negotiations; the extent to which the original position of each government is reflected in the FTA treaty; main impacts of the FTA; main sectors and goods that do or do not benefit from the bilateral FTA; how the bilateral FTA does or does not improve market access in Japan with respect to the Japanese GSP: reduced tariffs, more lenient rules of origin, reduced non-tariff barriers, other.

In turn, business associations and individual firms were asked a series of questions, some overlapping with those presented to government officials; a) Export patterns: share of the production of your firm and/or sector destined to exports, main export destinations, share of exports to Japan out of total exports; b) Exports barriers that your firm and/or sector face in Japan before and after the FTA: relevance of tariff barriers in Japan compared to rules of origin (comparison of the rules of origin in the GSP and the FTA), non-tariff barriers, other factors; c) Relevance of the Japanese GSP and/or of the FTA for your firm and/or sector, and main objectives of FTA liberalization: competitiveness of your firm/sector in the Japanese market; impact of trade barriers and FTA liberalization on the competitiveness of your sector/firm; dependence of your firm and/or sector in the Japanese GSP scheme, FTAs as a means to bind GSP tariffs, to liberalize tariffs on goods not covered by the GSP, to introduce more lenient rules of origin than those in the GSP, to eliminate non-tariff barriers and harmonize standards, to import cheaper upstream inputs and raw materials, other objectives; advantages/disadvantages of FTAs versus GSP, relevance for your firm/sector of the bilateral FTA with Japan compared to other bilateral FTAs (implemented or potential), the ASEAN-

Japan FTA, and multilateral liberalization; d) Business preferences and positions concerning FTA liberalization: overall support or opposition of your business association and/or firm for the bilateral FTA with Japan; position of your business association and/or firm concerning good coverage, tariff rates, rules of origin, non-tariff barriers, other elements in the FTA; whether and how the FTAs signed by Japan with other countries affect your preferences and bargaining position; intra-sector variability in FTA preferences and positions (e.g., between upstream and downstream firms, large and small firms, foreign versus local firms, other cleavages); building of a unified sector position on FTA liberalization; collective action within the sector and/or with related sectors for FTA liberalization; e) Business involvement in FTA policymaking: involvement of your business association and/or individual firm in FTA policymaking; participation in government-led consultations and/or proactive pressure outside invited consultations; knowledge of the invited participation in consultations or proactive pressure by competing firms; government focal point for relations with businesses during FTA policymaking; assistance to government officials with technical information required for FTA formulation; public positions (e.g., statements, mass media) of your business association and/or firm in favor or against FTA liberalization; similarities and differences in the modality, level of business involvement, and leverage in the policymaking of JTEPA or MJEPA compared to those in other bilateral FTAs, ASEAN-centered FTAs, WTO rounds, APEC, etc.; f) Outcome of FTA negotiations and comparison to the Japanese GSP scheme: use (or lack of use) by your firm of the FTA; use (or lack of use) by your firm of the GSP after FTA implementation; main benefits of the FTA for your firm and/or sector; whether and how the FTA does or does not improve market access in Japan with respect to the GSP scheme and/or the multilateral regime regarding reduced tariffs, more lenient rules of origin, reduced non-tariff barriers, other issues; main benefits or disadvantages of the FTA for competing firms; extent to which the original position of your business association and/or firm was reflected in the FTA treaty; main goods where you did not achieve your original objectives for Japanese liberalization, remaining barriers faced by your goods in Japan that the FTA did not address; concessions in other goods/sectors made by each government that affected the liberalization of goods you export to Japan.

Process-tracing of FTA policymaking and uncovering of evidence of business lobbying. FTA policymaking was reconstructed through a detailed process-tracing approach (Beach & Pedersen, 2019; King et al., 1994:86, 225-228; van Evera, 1997:64-67). The information provided by and cross-validated by key stakeholders in the semi-structured interviews was used to reconstruct the sequence of events that led to the formation of a Thai and Malaysian position on JTEPA and MJEPA liberalization, respectively, as well as the dynamics of bilateral FTA negotiations with Japan.

Unlike that in the United States or the European Union, where at least some business lobbying activities are registered, efforts by business associations and individual firms in East Asia to influence policymaking tend to occur in the context of government-business coordination arrangements and go most often undocumented (Laothamatas, 1992, 1995; Weiss, 1994; Yoshimatsu, 2002, 2008). This is compounded by the greater complexity of business lobbying in FTA negotiations vis-à-vis business lobbying in some other areas of policymaking including that in multilateral rounds at the WTO (Corning, 2016; Postigo, 2016; Woll, 2007). In the formulation of FTAs, the specification of rules of origin, provisions on investment, standard recognition agreements, and other complex regulatory frameworks in FTA treaties demand significant technical expertise from government officials in trade ministries and FTA negotiation teams that often depend on the information offered by other government agencies but also by business associations and individual firms as well as by staff in universities and think tanks. Business associations and individual firms can assist trade

officials with technical information in the course of invited government-business consultations but businesses can also act proactively and provide this information in exchange for access to FTA policymaking and for government officials heeding their trade preferences. This new "regulatory lobbying", more nuanced than the classical "pressure lobbying", is common in FTA policymaking, including in East Asia (Corning, 2016; Postigo, 2016; Woll 2007).

Considering that interest groups' self-reporting of policy influence can be often misleading (Dür, 2008; Klüver, 2013), evidence of business lobbying in this study was cross-validated not only between businesses and government officials but also among actors supporting and opposing specific FTA policy choices. To trace evidence of regulatory lobbying during FTA policymaking, the present study analyzed interviews with representatives from business associations but also with those from non-trade-related government agencies, research institutes, and think tanks (see above), some of whom had elaborated impact studies on these FTAs and provided technical information to government officials and/or business associations. As argued elsewhere (King et al., 1994:48; Manger 2009:21), since each country has its own distinct institutional setting, evidence on business lobbying cannot be symmetrically systematized across countries. Furthermore, the organization of business collective action also varied among sectors. Accordingly, Tables 3 and 4 in the article and Suppl. Tables S1 and S2 in this Appendix only report evidence of lobbying (cells marked with a "Yes" in these tables) for those categories of goods for which the evidence of lobbying by their exporters was cross-validated at the sectoral level in each country. In turn, the cells that are not marked with a "Yes" in these Tables simply indicate that there was no substantiation from the analysis of interviews that the exporters of those goods pressed for FTA liberalization; however, it cannot be ruled out that there has actually been business lobbying.

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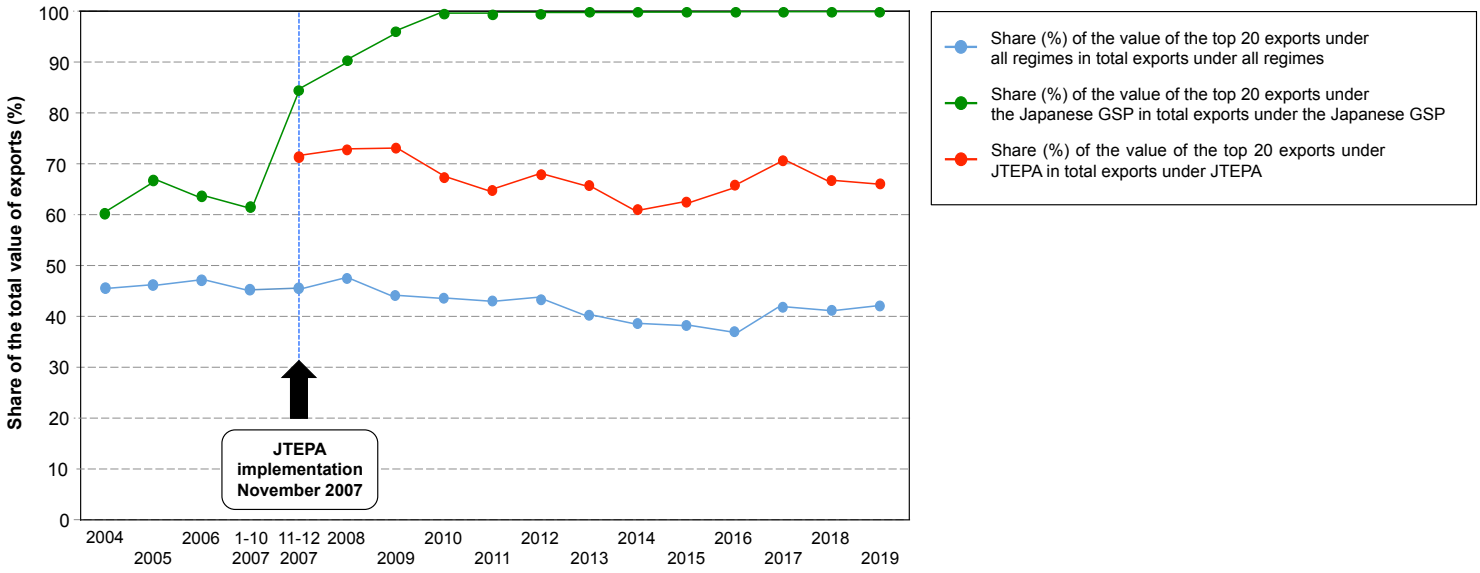
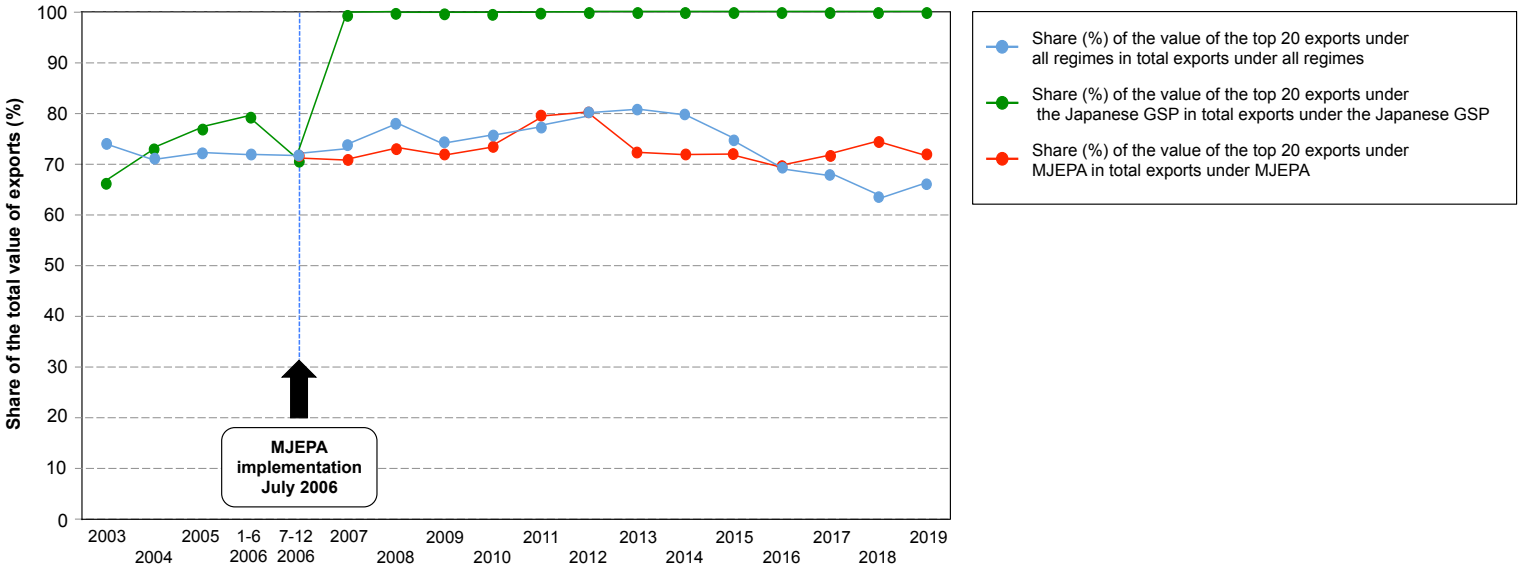
Share (%) of the value of the top 20 Thai goods (HS4) exported to Japan under different tariff regimes in total exports under each regime



Supplementary Figure S1: Share of the value of the top 20 Thai goods (at the HS4 level of good specification) exported to Japan under the Japanese GSP, JTEPA, or the combination of all tariff regimes (most-favored-nation and preferential) in the total value of exports under each tariff regime

Source: Author's calculations using total export data from the Trade Map database and preferential export data (under the Japanese GSP or JTEPA) provided by the Thai Ministry of Commerce

Share (%) of the value of the top 20 Malaysian goods (HS4) exported to Japan under different tariff regimes in total exports under each regime



Supplementary Figure S2: Share of the value of the top 20 Malaysian goods (at the HS4 level of good specification) exported to Japan under the Japanese GSP, MJEPA, or the combination of all tariff regimes (most-favored-nation and preferential) in the total value of exports under each tariff regime

Source: Author's calculations using total export data from the Trade Map database and preferential export data (under the Japanese GSP or MJEPA) provided by the Malaysian Ministry of International Trade and Industry

Supplementary Table S1: Thai exports (HS4) to Japan under JTEPA with Utilization Rate ≥ 80% (2015) *

Goods at HS4	Average Utilization (%)	Joint Utilization Share (%) **	Traded under GSP before JTEPA ***	Evidence of Lobbying ****
Preparations of meat and seafood (1602,1605)	96.0	21.1	Yes	Yes
Plastic polymers, polyethers, polyamides, cellulose, natural polymers (3901,3902,3907,3908,3910,3912,3913)	99.4	8.2	Yes	Yes
Plastic floor coverings, plates, sheets, films, plastic containers & plastic kitchenware (3918,3920,3923,3924,3925)	90.8	5.1	Yes	Yes
Organic chemicals (2905,2909,2910,2915-2918,2922,2927,2940,2942)	98.1	4.1	Yes	
Meat and poultry (0207)	100	4.0	Yes	Yes
Copper and articles thereof (7407,7408,7413,7415)	98.0	4.0	Some goods	
Man-made filaments & fibers, textile fabrics, wadding, non-apparel textiles (5401,5402,5404,5408,5503,5508-5510,5512-5515, 5603,5604, 5607,5608,5806,5808,5810,5811,5903,5911,6004,6005,6602,6605,6610)	96.0	3.6	Some goods	Yes
Automotive parts: Springs of iron and steel (7320)	100	3.7	Yes	Yes
Gelatin, peptones, dextrins and starches (3503-3505)	99.5	3.3	Some goods	Yes
Vegetables & preparations (0703, 0709,0710, 0712, 2002, 2004-2006)	96.3	3.2	Some goods	Yes
Apparel (knitted/crocheted or not) (6108,6110,6111,6113-6117,6205-6208,6213,6214)	96.2	3.2		Yes
Jewelry (7113)	87.9	1.7	Yes	Yes
Fish and crustaceans (0301,0306)	92.0	1.6	Some goods	Yes
Misc. edible preparations, sauces and condiments (2101-2104)	100	1.4	Yes	Yes
Paper sheets and toilet paper (4801,4818)	100	1.2	Yes	
Wool, Cotton (5107,5205,5206,5208,5209,5212)	95.8	1.2	Some goods	
Glass & Glassware (7005,7008,7013,7014)	100	0.9	Yes	
Inorganic chemicals (2803,2811,2815,2821,2832,2835,2842)	99.5	0.9	Yes	
Vacuum flasks (9617)	99.0	0.9	Yes	
Animal & Veg fats (1504,1507,1513,1515,1516,1520,1521)	96.2	0.9	Some goods	
Toilet & Perfumery products (3301,3303,3307)	93.6	0.9	Yes	
Stone, cement, asbestos (6804,6805,6811)	100	0.6	Yes	
Raw hides, skins, and leather products (4104,4106,4201,4202)	98.9	0.6	Yes	
Footwear (6401-6404)	95.3	0.4		Yes
Ginger (0910)	100	0.4	Yes	
Misc Chemicals (3802,3808-3810,3812,3823)	97.7	0.3	Yes	
Fruits and nuts (0801,0803-0805, 0811-0813)	96.5	0.3	Yes	Yes
Fishing rods (9507)	97.4	0.3	Yes	
Ceramic products (6902,6905,6908,6911,6912)	100	0.3	Yes	
Wood and articles thereof (4409-4411, 4417, 4419, 4421)	97.4	0.2	Yes	
Brushes, pens (9603, 9608)	96.4	0.4	Yes	
Hats (6505)	100	0.2	Yes	
Birds eggs (0408)	100	0.2		
Beverages (2208)	82.6	0.1	Yes	Yes
Plants for medicine, perfumery (1211)	100	0.1	Yes	
Manufacturers of straw (4601, 4602)	91.0	0.0	Yes	
Cumulative Utilization Share Rate of goods with Utilization Rate ≥ 80%		**79.5**		

Source: Author's calculations using preferential export data provided by the Thai Ministry of Commerce.

* The table lists 199 goods at the HS4 level that Thailand exported to Japan through JTEPA in 2015 and for which JTEPA utilization rate was ≥ 80%. Categories of goods are then ranked is descending order by their joint utilization share. It should be noted that because a high utilization rate is not necessarily accompanied by a high utilization share rate the cumulative share of these 199 goods with the highest utilization rate is similar to that of the top 20 exports in Suppl. Figure S1. The description of goods at HS4 was shortened because of space limitations.

** The column "Join Utilization share" indicates the combined share that the export of these goods through JTEPA represents in the total value of exports through JTEPA. A value of 0.0 indicates a joint utilization share of < 0.01% of total exports through JTEPA

*** In the column "Traded under GSP before JTEPA", some cells were marked with a "Yes" to indicate that these categories of goods at HS4 level and their subcategories at HS6 were exported under GSP tariffs before JTEPA was implemented. In turn, other cells marked were with "Some goods" to indicate that only some of the goods at HS6 level within the HS4 level were exported through GSP tariffs before JTEPA.

**** In the column "Evidence of Lobbying", some cells were marked with a "Yes" to indicate that there is evidence of lobbying in favor of JTEPA liberalization by the exporters of those categories of goods (see page S8 in this Appendix for details).

Supplementary Table S2: Malaysian exports (HS4) to Japan under MJEPA with Utilization Rate ≥ 80% (2015) *

Goods at HS4	Average Utilization (%)	Joint Utilization Share (%) **	Traded under GSP before MJEPA ***	Evidence of Lobbying ****
Plastic polymers. Plastics plates, films & containers (3901,3902,3906, 3918-3920,3922,3923-3926)	100	26.2	Yes	Yes
Miscellaneous chemical products (3801,3802,3808,3809,3812,3816, 3819,3823,3824)	99.0	6.8	Yes	Yes
Organic chemicals (2909,2915-2917,2922,2932,2938)	98.8	6.2	Yes	Yes
Fishing rods (9507)	100	4.9	Yes	
Wood, articles thereof & furniture (4405,4408-4411,4414,4415,4419-4421)	96.3	4.6	Yes	Yes
Cotton; man-made filaments and fibers; wadding, felt; fabrics (5205,5206, 5208,5210,5211,5402,5407,5503, 5510,5512-5516, 5602, 5603,5607-5609, 5903, 5911,6002)	97.8	4.2	Yes	Yes
Apparel (knitted/crocheted or not) (6101, 6103-6106,6108-6110,6114, 6201-6205,6207,6210,6212)	95.4	3.4		Yes
Gloves, mittens and mitts (knitted/crocheted) (6116)	100	2.4	Yes	Yes
Fish fillets, dried fish & crustaceans (0304-0306,0308)	97.8	2.1	Yes	Yes
Vacuum flask & vessels (9617)	96.9	1.8	Yes	
Miscellaneous metal tools (8302,8306,8309)	99.9	1.5	Yes	
Zinc dusts, bars and articles thereof (7903,7904,7907)	93.6	0.9	Yes	
Screw, bolts & nuts of iron or steel (7318)	92.9	0.5	Yes	Yes
Foliage, branches & other parts of plant (0604)	100	0.5	Yes	
Scent sprays (9616)	100	0.4	Yes	Yes
Candles (3406)	100	0.3	Yes	
Aluminium bars, structures and casks (7604,7610,7612)	100	0.2	Yes	
Ceramics (6907,6911,6912)	100	0.2	Yes	
Hats (6505,6506)	100	0.2	Yes	
Spectacles and frames (9003,9004)	91.3	0.2	Yes	
Wool grease, hydrogenated/esterified fats, margarine (1505,1516,1517)	96.7	0.2	Yes	
Photographic film in rolls (3702)	87.8	0.2	Yes	
Meat and edible meat offal (0207)	100	0.1	Yes	
Wheeled toys (9503)	97.7	0.1	Yes	
Oral or dental hygiene preps (3306)	100	0.1	Yes	
Brushes (9603); Pens (9608)	100	0.1	Yes	
Crustaceans, molluscs preps (1605)	100	0.1	Yes	
Inorganic chemicals (2823,2833)	100	0.0	Yes	Yes
Shawls, scarves, mufflers and alike (not knitted/crocheted) (6214)	100	0.0	Yes	Yes
Carbon electrodes & other of graphite, cargon (8545)	96.8	0.0	Yes	
Bed linen, curtains (6302, 6303)	90.6	0.0	Yes	Yes
Waters not containing sugar or flavour (2201)	100	0.0	Yes	
Fruits and nuts, cooked or uncooked (0811)	100	0.0	Yes	
Paints and varnishes in aqueous medium (3209)	100	0.0		
Bicycles (8712)	100	0.0		
Jewelry imititation (7117)	80.1	0.0		
Tea (0902)	100	0.0		
Tapioca or substitutes (1903)	87.6	0.0		
Ferro-cerium and other pyrophoric alloys (3606)	100	0.0	Yes	
Plants for pharmacy, perfumery, insecticide (1211)	85.1	0.0	Yes	
Knives, blades of metal (8208)	85.9	0.0	Yes	
Footwear (6401)	100	0.0	Yes	Yes
Cumulative Utilization Share Rate of goods with Utilization Rate ≥ 80%		**68.9**		

Source: Author's calculations using preferential export data provided by the Malaysian Ministry of International Trade and Industry.

* The table lists 126 goods at the HS4 level that Malaysia exported to Japan through MJEPA in 2015 and for which MJEPA utilization rate was ≥ 80%. Categories of goods are then ranked is descending order by their joint utilization share. It should be noted that because a high utilization rate is not necessarily accompanied by a high utilization share rate the cumulative share of these 126 goods with the highest utilization rate is lower than that of the top 20 exports in Suppl. Figure S2. Of note, palm, coconut and babassu oil (HS4 codes 1511 and 1513) were among the most exported goods through the GSP before MJEPA and they are still now under MJEPA (their utilization share of MJEPA in 2015 was 7.43%) but they are not included in this table because their utilization rate since 2011 has been below 80%. The description of goods at HS4 was shortened because of space limitations.

** The column "Join Utilization share" indicates the combined share that the export of these goods through MJEPA represents in the total value of exports through MJEPA. A value of 0.0 indicate a joint utilization share of < 0.01% of total exports through MJEPA.

*** In the column "Traded under GSP before MJEPA", some cells were marked with a "Yes" to indicate that these categories of goods were exported under GSP tariffs before MJEPA was implemented.

**** In the column "Evidence of Lobbying", some cells were marked with a "Yes" to indicate that there is evidence of lobbying in favor of MJEPA liberalization by the exporters of those categories of goods (see page S8 in this Appendix for details).