

Journal of Economic Integration

**Online Appendix for**

**Labor Clauses in Preferential Trade Agreements:  
How Do They Affect Informality?**

**By**

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## Appendix

**Table A.1 List of Preferential Trade Agreements**

Agreement	Type	Entry into Force	Agreement	Type	Entry into Force
Agadir Agreement <sup>LC</sup>	FTA	2007	Global System of Trade Preferences among Developing Countries (GSTP) <sup>LC</sup>	PSA	1989
Armenia – Kazakhstan	FTA	2001	Guatemala – Chinese Taipei <sup>LC</sup>	FTA&EIA	2006
Armenia – Moldova <sup>LC</sup>	FTA	1995	Gulf Cooperation Council (GCC) – Singapore	FTA&EIA	2013
Armenia – Turkmenistan	FTA	1996	Hong Kong, China – Chile <sup>LC</sup>	FTA&EIA	2014
Armenia – Ukraine <sup>LC</sup>	FTA	1996	Hong Kong, China – New Zealand <sup>LC</sup>	FTA&EIA	2011
ASEAN – Australia – New Zealand	FTA&EIA	2010	Iceland – China	FTA&EIA	2014
ASEAN – China	FTA&EIA	2005	Iceland – Faroe Islands	FTA&EIA	2006
ASEAN – India	FTA&EIA	2010	India – Afghanistan	PSA	2003
ASEAN – Japan	FTA	2008	India – Bhutan	FTA	2006
ASEAN – Korea, Republic of	FTA&EIA	2010	India – Japan	FTA&EIA	2011
ASEAN Free Trade Area (AFTA)	FTA	1992	India – Malaysia	FTA&EIA	2011
Asia Pacific Trade Agreement (APTA) <sup>LC</sup>	PSA	1976	India – Nepal	PSA	2009
Asia Pacific Trade Agreement (APTA) – Accession of China <sup>LC</sup>	PSA	2002	India – Singapore	FTA&EIA	2005
Australia – Chile <sup>LC</sup>	FTA&EIA	2009	India – Sri Lanka	FTA	2001
Australia – China <sup>LC</sup>	FTA&EIA	2015	Israel – Mexico <sup>LC</sup>	FTA	2000
Australia – New Zealand (ANZCERTA)	FTA&EIA	1983	Japan – Australia	FTA&EIA	2015
Australia – Papua New Guinea (PATCRA)	FTA	1977	Japan – Indonesia	FTA&EIA	2008
Brunei Darussalam – Japan	FTA&EIA	2008	Japan – Malaysia	FTA&EIA	2006
Canada – Chile <sup>LC</sup>	FTA&EIA	1997	Japan – Mexico	FTA&EIA	2005
Canada – Colombia <sup>LC</sup>	FTA&EIA	2011	Japan – Mongolia <sup>LC</sup>	FTA&EIA	2016
Canada – Costa Rica <sup>LC</sup>	FTA	2002	Japan – Peru <sup>LC</sup>	FTA&EIA	2012
Canada – Honduras <sup>LC</sup>	FTA&EIA	2014	Japan – Philippines <sup>LC</sup>	FTA&EIA	2008
Canada – Israel	FTA	1997	Japan – Singapore	FTA&EIA	2002
Canada – Jordan <sup>LC</sup>	FTA	2012	Japan – Switzerland <sup>LC</sup>	FTA&EIA	2009
Canada – Korea, Republic of <sup>LC</sup>	FTA&EIA	2015	Japan – Thailand	FTA&EIA	2007
Canada – Panama <sup>LC</sup>	FTA&EIA	2013	Japan – Viet Nam	FTA&EIA	2009
Canada – Peru <sup>LC</sup>	FTA&EIA	2009	Jordan – Singapore <sup>LC</sup>	FTA&EIA	2005
Caribbean Community and Common Market (CARICOM)	CU & EIA	1973	Korea, Republic of – Australia <sup>LC</sup>	FTA&EIA	2014
Central American Common Market (CACM) <sup>LC</sup>	CU	1961	Korea, Republic of – Chile <sup>LC</sup>	FTA&EIA	2004
Central European FTA (CEFTA) <sup>LC</sup>	FTA	2007	Korea, Republic of – Colombia <sup>LC</sup>	FTA&EIA	2016

**Table A.1 (continued)**

<b>Agreement</b>	<b>Type</b>	<b>Entry into Force</b>	<b>Agreement</b>	<b>Type</b>	<b>Entry into Force</b>
Chile – China <sup>LC</sup>	FTA&EIA	2006	Korea, Republic of – India	FTA&EIA	2010
Chile – Colombia <sup>LC</sup>	FTA&EIA	2009	Korea, Republic of – New Zealand <sup>LC</sup>	FTA&EIA	2015
Chile – Costa Rica (Chile – Central America) <sup>LC</sup>	FTA&EIA	2002	Korea, Republic of – Singapore	FTA&EIA	2006
Chile – El Salvador (Chile – Central America) <sup>LC</sup>	FTA&EIA	2002	Korea, Republic of – Turkey <sup>LC</sup>	FTA	2013
Chile – Guatemala (Chile – Central America) <sup>LC</sup>	FTA&EIA	2010	Korea, Republic of – US <sup>LC</sup>	FTA&EIA	2012
Chile – Honduras (Chile – Central America) <sup>LC</sup>	FTA&EIA	2008	Korea, Republic of – Viet Nam <sup>LC</sup>	FTA&EIA	2015
Chile – India	PSA	2007	Kyrgyz Republic – Armenia	FTA	1995
Chile – Japan <sup>LC</sup>	FTA&EIA	2007	Kyrgyz Republic – Kazakhstan	FTA	1995
Chile – Malaysia <sup>LC</sup>	FTA	2012	Kyrgyz Republic – Moldova <sup>LC</sup>	FTA	1996
Chile – Mexico <sup>LC</sup>	FTA&EIA	1999	Kyrgyz Republic – Ukraine	FTA	1998
Chile – Nicaragua (Chile – Central America) <sup>LC</sup>	FTA&EIA	2012	Kyrgyz Republic – Uzbekistan	FTA	1998
Chile – Viet Nam <sup>LC</sup>	FTA	2014	Lao People's Democratic Republic – Thailand	PSA	1991
China – Costa Rica <sup>LC</sup>	FTA&EIA	2011	Latin American Integration Association (LAIA)	PSA	1981
China – Hong Kong, China	FTA&EIA	2004	Malaysia – Australia <sup>LC</sup>	FTA&EIA	2013
China – Korea, Republic of <sup>LC</sup>	FTA&EIA	2015	Mauritius – Pakistan	PSA	2007
China – Macao, China	FTA&EIA	2003	Melanesian Spearhead Group (MSG)	PSA	1994
China – New Zealand <sup>LC</sup>	FTA&EIA	2008	MERCOSUR – India	PSA	2009
China – Singapore	FTA&EIA	2009	Mexico – Central America <sup>LC</sup>	FTA&EIA	2012
Colombia – Mexico <sup>LC</sup>	FTA&EIA	1995	Mexico – Panama	FTA&EIA	2015
Colombia – Northern Triangle (El Salvador, Guatemala, Honduras) <sup>LC</sup>	FTA&EIA	2009	Mexico – Uruguay	FTA&EIA	2004
Common Economic Zone (CEZ)	FTA	2004	New Zealand – Chinese Taipei <sup>LC</sup>	FTA&EIA	2013
Common Market for Eastern and Southern Africa (COMESA) <sup>LC</sup>	CU	1994	New Zealand – Malaysia <sup>LC</sup>	FTA&EIA	2010
Commonwealth of Independent States (CIS)	FTA	1994	New Zealand – Singapore	FTA&EIA	2001
Costa Rica – Colombia <sup>LC</sup>	FTA&EIA	2016	Nicaragua – Chinese Taipei <sup>LC</sup>	FTA&EIA	2008
Costa Rica – Peru <sup>LC</sup>	FTA&EIA	2013	North American Free Trade Agreement (NAFTA) <sup>LC</sup>	FTA&EIA	1994
Costa Rica – Singapore <sup>LC</sup>	FTA&EIA	2013	Pacific Alliance <sup>LC</sup>	FTA&EIA	2016
Dominican Republic – Central America <sup>LC</sup>	FTA&EIA	2001	Pacific Island Countries Trade Agreement (PICTA)	FTA	2003
Dominican Republic – Central America – USFTA (CAFTA – DR) <sup>LC</sup>	FTA&EIA	2006	Pakistan – China	FTA&EIA	2007
Economic and Monetary Community of Central Africa (CEMAC)	CU	1999	Pakistan – Malaysia	FTA&EIA	2008

**Table A.1 (continued)**

<b>Agreement</b>	<b>Type</b>	<b>Entry into Force</b>	<b>Agreement</b>	<b>Type</b>	<b>Entry into Force</b>
Economic Community of West African States (ECOWAS) <sup>LC</sup>	CU	1993	Pakistan – Sri Lanka	FTA	2005
Economic Cooperation Organization (ECO)	PSA	1992	Panama – Chile <sup>LC</sup>	FTA&EIA	2008
EFTA – Albania <sup>LC</sup>	FTA	2010	Panama – Costa Rica (Panama – Central America) <sup>LC</sup>	FTA&EIA	2008
EFTA – Bosnia and Herzegovina <sup>LC</sup>	FTA	2015	Panama – Dominican Republic	PSA	1987
EFTA – Canada <sup>LC</sup>	FTA	2009	Panama – El Salvador (Panama – Central America) <sup>LC</sup>	FTA&EIA	2003
EFTA – Central America (Costa Rica and Panama) <sup>LC</sup>	FTA&EIA	2014	Panama – Guatemala (Panama – Central America) <sup>LC</sup>	FTA&EIA	2009
EFTA – Chile <sup>LC</sup>	FTA&EIA	2004	Panama – Honduras (Panama – Central America) <sup>LC</sup>	FTA&EIA	2009
EFTA – Colombia <sup>LC</sup>	FTA&EIA	2011	Panama – Nicaragua (Panama – Central America) <sup>LC</sup>	FTA&EIA	2009
EFTA – Egypt <sup>LC</sup>	FTA	2007	Panama – Peru <sup>LC</sup>	FTA&EIA	2012
EFTA – Former Yugoslav Republic of Macedonia <sup>LC</sup>	FTA	2002	Panama – Singapore	FTA&EIA	2006
EFTA – Hong Kong, China <sup>LC</sup>	FTA&EIA	2012	Pan – Arab FTA (PAFTA)	FTA	1998
EFTA – Israel	FTA	1993	Peru – Chile <sup>LC</sup>	FTA&EIA	2009
EFTA – Jordan <sup>LC</sup>	FTA	2002	Peru – China <sup>LC</sup>	FTA&EIA	2010
EFTA – Korea, Republic of	FTA&EIA	2006	Peru – Korea, Republic of <sup>LC</sup>	FTA&EIA	2011
EFTA – Lebanon <sup>LC</sup>	FTA	2007	Peru – Mexico	FTA&EIA	2012
EFTA – Mexico <sup>LC</sup>	FTA&EIA	2001	Peru – Singapore	FTA&EIA	2009
EFTA – Montenegro <sup>LC</sup>	FTA	2012	Russian Federation – Azerbaijan	FTA	1993
EFTA – Morocco <sup>LC</sup>	FTA	1999	Russian Federation – Belarus – Kazakhstan	CU	1997
EFTA – Palestinian Authority <sup>LC</sup>	FTA	1999	Russian Federation – Serbia <sup>LC</sup>	FTA	2006
EFTA – Peru <sup>LC</sup>	FTA	2011	Russian Federation – Tajikistan	FTA	1993
EFTA – SACU <sup>LC</sup>	FTA	2008	Russian Federation – Turkmenistan	FTA	1993
EFTA – Serbia <sup>LC</sup>	FTA	2010	Russian Federation – Uzbekistan	225	1993
EFTA – Singapore	FTA&EIA	2003	Singapore – Australia	FTA&EIA	2003
EFTA – Tunisia <sup>LC</sup>	FTA	2005	Singapore – Chinese Taipei <sup>LC</sup>	FTA&EIA	2014
EFTA – Turkey	FTA	1992	South Asian FTA (SAFTA)	FTA	2006
EFTA – Ukraine <sup>LC</sup>	FTA&EIA	2012	South Asian FTA (SAFTA) – Accession of Afghanistan	FTA	2011
Egypt – Turkey	FTA	2007	South Pacific Regional Trade and Economic Cooperation Agreement (SPARTECA)	PSA	1981
El Salvador – Cuba	PSA	2012	Southern African Customs Union (SACU)	CU	2004

**Table A.1 (continued)**

<b>Agreement</b>	<b>Type</b>	<b>Entry into Force</b>	<b>Agreement</b>	<b>Type</b>	<b>Entry into Force</b>
El Salvador – Honduras – Chinese Taipei <sup>LC</sup>	FTA&EIA	2008	Southern African Development Community (SADC) <sup>LC</sup>	FTA	2000
EU – Albania <sup>LC</sup>	FTA&EIA	2006	Southern African Development Community (SADC) – Accession of Seychelles	FTA	2015
EU – Algeria	FTA	2005	Southern Common Market (MERCOSUR)	CU&EIA	1991
EU – Andorra	CU	1991	Switzerland – China <sup>LC</sup>	FTA&EIA	2014
EU – Bosnia and Herzegovina <sup>LC</sup>	FTA	2008	Thailand – Australia	FTA&EIA	2005
EU – Cameroon <sup>LC</sup>	FTA	2009	Thailand – New Zealand <sup>LC</sup>	FTA&EIA	2005
EU – CARIFORUM States EPA <sup>LC</sup>	FTA&EIA	2008	The Gulf Corporation Council	CU	2003
EU – Central America <sup>LC</sup>	FTA&EIA	2013	Trans-Pacific Partnership <sup>LC</sup>	FTA	2017
EU – Chile <sup>LC</sup>	FTA&EIA	2003	Trans-Pacific Strategic Economic Partnership <sup>LC</sup>	FTA&EIA	2006
EU – Colombia and Peru <sup>LC</sup>	FTA&EIA	2013	Treaty on a free trade area between members of the CIS	FTA	2012
EU – Cote d'Ivoire <sup>LC</sup>	FTA	2009	Turkey – Albania	FTA	2008
EU – Eastern and Southern Africa States Interim EPA <sup>LC</sup>	FTA	2012	Turkey – Bosnia and Herzegovina <sup>LC</sup>	FTA	2003
EU – Egypt	FTA	2004	Turkey – Chile <sup>LC</sup>	FTA	2011
EU – Faroe Islands <sup>LC</sup>	FTA	1997	Turkey – Former Yugoslav Republic of Macedonia	FTA	2000
EU – Former Yugoslav Republic of Macedonia <sup>LC</sup>	FTA&EIA	2001	Turkey – Georgia	FTA	2008
EU – Georgia <sup>LC</sup>	FTA&EIA	2014	Turkey – Israel	FTA	1997
EU – Iceland <sup>LC</sup>	FTA	1973	Turkey – Jordan	FTA	2011
EU – Israel <sup>LC</sup>	FTA	2000	Turkey – Mauritius	FTA	2013
EU – Jordan <sup>LC</sup>	FTA	2002	Turkey – Montenegro	FTA	2010
EU – Korea, Republic of <sup>LC</sup>	FTA&EIA	2011	Turkey – Morocco	FTA	2006
EU – Lebanon <sup>LC</sup>	FTA	2003	Turkey – Palestinian Authority	FTA	2005
EU – Mexico	FTA&EIA	2000	Turkey – Serbia	FTA	2010
EU – Montenegro <sup>LC</sup>	FTA&EIA	2008	Turkey – Syria	FTA	2007
EU – Morocco	FTA	2000	Turkey – Tunisia	FTA	2005
EU – Norway <sup>LC</sup>	FTA	1973	Ukraine – Azerbaijan	FTA	1996
EU – Overseas Countries and Territories (OCT) <sup>LC</sup>	FTA	1971	Ukraine – Belarus <sup>LC</sup>	FTA	2006
EU – Palestinian Authority	FTA	1997	Ukraine – Former Yugoslav Republic of Macedonia	FTA	2001
EU – Papua New Guinea – Fiji	FTA	2009	Ukraine – Kazakhstan	FTA	1998
EU – Rep. of Moldova <sup>LC</sup>	FTA&EIA	2014	Ukraine – Moldova <sup>LC</sup>	FTA	2005
EU – San Marino	CU	2002	Ukraine – Montenegro	FTA&EIA	2013
EU – Serbia <sup>LC</sup>	FTA&EIA	2010	Ukraine – Tajikistan	FTA	2002
EU – South Africa <sup>LC</sup>	FTA	2000	Ukraine – Turkmenistan	FTA	1995
EU – Switzerland – Liechtenstein <sup>LC</sup>	FTA	1973	Ukraine – Uzbekistan	FTA	1996

**Table A.1 (continued)**

<b>Agreement</b>	<b>Type</b>	<b>Entry into Force</b>	<b>Agreement</b>	<b>Type</b>	<b>Entry into Force</b>
EU – Syria	FTA	1977	US – Australia <sup>LC</sup>	FTA&EIA	2005
EU – Tunisia	FTA	1998	US – Bahrain <sup>LC</sup>	FTA&EIA	2006
EU – Turkey	CU	1996	US – Chile <sup>LC</sup>	FTA&EIA	2004
EU – Ukraine <sup>LC</sup>	FTA&EIA	2014	US – Colombia <sup>LC</sup>	FTA&EIA	2012
Eurasian Economic Community (EAEC) <sup>LC</sup>	CU	1997	US – Israel	FTA	1985
Eurasian Economic Union (EAEU)	CU&EIA	2015	US – Jordan <sup>LC</sup>	FTA&EIA	2001
Eurasian Economic Union (EAEU) – Accession of Armenia	CU&EIA	2015	US – Morocco <sup>LC</sup>	FTA&EIA	2006
Eurasian Economic Union (EAEU) – Accession of Kyrgyz	CU&EIA	2015	US – Oman <sup>LC</sup>	FTA&EIA	2009
European Economic Area (EEA) <sup>LC</sup>	EIA	1994	US – Panama <sup>LC</sup>	FTA&EIA	2012
European Free Trade Association (EFTA) <sup>LC</sup>	FTA&EIA	1960	US – Peru <sup>LC</sup>	FTA&EIA	2009
Faroe Islands – Norway <sup>LC</sup>	FTA	1993	US – Singapore <sup>LC</sup>	FTA&EIA	2004
Georgia – Armenia	FTA	1998	West African Economic and Monetary Union (WAEMU)	CU	2000
Georgia – Azerbaijan <sup>LC</sup>	FTA	1996			
Georgia – Kazakhstan	FTA	1999			
Georgia – Russian Federation	FTA	1994			
Georgia – Turkmenistan <sup>LC</sup>	FTA	2000			
Georgia – Ukraine	FTA	1996			

Source: Deep Trade Agreements dataset (Mattoo et al., 2020), <https://datatopics.worldbank.org/dta/table.html>. PSA denotes Partial Scope Agreement, FTA denotes Free Trade Agreement, CU denotes Customs Union and EIA denotes Economic Integration Agreement.

Note: LC denotes PTAs with labor clauses.

**Table A.2 Data definition and sources**

Variable	Definition	Data Source
GDPPc	Official GDP per capita, PPP (constant 2005 international \$)	WDI – World Bank
Employment ratio	Employment to population ratio, 15+, total (%). It is the proportion of a country's population that is employed. Ages 15 and older are generally considered the working-age population	WDI – World Bank
Taxes	Taxes on income, profits, and capital gains are levied on the actual or presumptive net income of individuals, on the profits of corporations and enterprises, and on capital gains, whether realized or not, on land, securities, and other assets. (Current LCU) divided to GDP (current LCU)	WDI – World Bank
Labor market regulations	Index on the basis of an unweighted average of the sub-indices on “Hiring regulations and minimum wage, Hiring and firing regulations, Centralized collective bargaining, Hours regulations, Mandated cost of worker dismissal, Conscription	Fraser Institute, Economic Freedom of the World (2008)
Voice and accountability	Index (-2.5 to 2.5) capturing perceptions of the extent to which a country's citizens are able to participate in selecting their government, as well as freedom of expression, freedom of association, and a free media	Kaufmann et al. (2009)
Openness	Sum of exports and imports as a share of GDP	International Monetary Fund

**Table A.3 Summary statistics**

Variable	Obs	Mean	Std.deviation	Minimum	Maximum
Informality	1542	27.237	12.660	5.693	70.521
Ln(GDP <sub>PC</sub> )	1542	9.559	1.044	6.712	11.461
Employment ratio	1542	57.601	10.119	30.24	87.82
Taxes	1542	36.074	16.484	-4.468	92.589
Labor market regulations	1542	6.247	1.332	2.450	9.443
Voice and accountability	1542	0.298	0.891	-1.862	1.826
Openness	1542	88.255	51.466	11.855	437.326
PTA <sub>it</sub>	1542	0.798	0.297	0	1
PTA <sub>it</sub> <sup>LC</sup>	1542	0.533	0.363	0	1
PTA <sub>it</sub> <sup>NLC</sup>	1542	0.264	0.309	0	1

**Table A.4 Correlation matrix**

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Ln(GDP <sub>PC</sub> )	1.000								
Employment ratio	-0.300	1.000							
Taxes	0.338	0.0056	1.000						
Labor market regulations	0.242	-0.038	0.172	1.000					
Voice and accountability	0.667	-0.173	0.315	0.173	1.000				
Openness	0.302	-0.083	0.031	0.231	0.110	1.000			
PTA <sub>it</sub>	0.023	0.110	0.131	0.006	-0.040	-0.090	1.000		
PTA <sub>it</sub> <sup>LC</sup>	0.148	0.041	0.236	0.022	0.334	-0.054	0.575	1.000	
PTA <sub>it</sub> <sup>NLC</sup>	-0.151	0.057	-0.151	-0.020	-0.430	-0.022	0.284	-0.620	1.000

**Table A.5 List of countries by income-group (World-Bank classification)**

<b>High-Income Economies</b>		<b>Low- and Middle-Income Economies</b>	
<i>High-income countries (40 countries)</i>		<i>Middle-income countries (62 countries)</i>	<i>Low-income countries (10 countries)</i>
Australia	Albania	Mauritius	Burkina Faso
Austria	Angola	Mexico	Central African Republic
Bahamas	Argentina	Moldova	Ethiopia
Bahrain	Armenia	Mongolia	Guinea-Bissau
Belgium	Azerbaijan	Myanmar	Madagascar
Canada	Bangladesh	Nepal	Mali
Chile	Belarus	Nicaragua	Mozambique
Croatia	Belize	Papua New Guinea	Rwanda
Cyprus	Bhutan	Paraguay	Togo
Czech Republic	Bolivia	Peru	Uganda
Denmark	Bosnia and Herzegovina	Philippines	
Estonia	Brazil	Russian Federation	
Finland	Bulgaria	Senegal	
France	Cabo Verde	South Africa	
Germany	Cambodia	Sri Lanka	
Greece	Cameroon	Tanzania	
Hungary	China	Thailand	
Iceland	Colombia	Tunisia	
Ireland	Congo	Turkey	
Israel	Costa Rica	Ukraine	
Italy	Cote d'Ivoire	Zambia	
Korea	Dominican Republic	Zimbabwe	
Latvia	Egypt		
Lithuania	El Salvador		
Malta	Fiji		
Netherlands	Gabon		
New Zealand	Georgia		
Norway	Ghana		
Poland	Guatemala		
Portugal	Honduras		
Saudi Arabia	India		
Singapore	Indonesia		
Slovak Republic	Iran		
Slovenia	Jamaica		
Spain	Jordan		
Sweden	Kazakhstan		
United Arab Emirates	Kenya		
United Kingdom	Kyrgyz Republic		
United States	Lebanon		
Uruguay	Malaysia		