



### PROGRAM HIGHLIGHTS 2014 and 2015

August 2015

*The AANZFTA Economic Cooperation Support Program (AECSP) continues to support AANZFTA implementation and generate tangible outcomes. In addition to the positive links between the economic cooperation activities and AANZFTA's implementation, the program is also supporting economic integration.*

#### Rules of Origin (ROO) and Other Aspects of Implementation of Tariff Commitments

Between 2014 to 2015 in-country trainings on AANZFTA ROO were completed in Indonesia, Lao PDR, Malaysia, Thailand and Viet Nam with the assistance of ROO experts who participated at the regional training for trainers in 2013. To date, around 400 front-line actors and end-users including exporters, traders, chambers of commerce and intermediaries have benefited from the training and the user-friendly practical training modules distributed and translated in several ASEAN languages.

A joint session for the relevant ROO and customs officials was held in April 2015 to facilitate the immediate and smooth implementation of the First Protocol amending the AANZFTA Agreement.

To better assess the impact of FTAs, technical assistance training has been provided on tariff and trade data analysis in Indonesia in 2014, and in both Lao PDR and Viet Nam in 2015. Workshops bringing together relevant agencies involved in the collection and reporting of tariff preferences have been held in Cambodia, Lao PDR and the Philippines, and a further workshop is scheduled for Indonesia in September 2015.

Capacity building is underway to enhance the awareness and participation in AANZFTA among small and medium enterprises (SMEs) from Cambodia, Lao PDR and Myanmar.

#### Sanitary and Phytosanitary Measures (SPS)

A study visit to Australia and New Zealand was completed in December 2014 for ASEAN regulators to have greater understanding of good farming practices in the dairy sector and risk-based SPS regulatory frameworks in dairy products. Phase 2 of the project is to be undertaken in October 2015 to help enhance ASEAN's production and trade opportunities in the dairy industry through development of SPS regulations that meet ASEAN countries' individual needs and safety requirements of their trading partners.

Now in its 3rd year of implementation, the *ASEAN Regional Diagnostic Network (ARDN) Project* completed training and mentoring activities for frontline diagnosticians such as the identification of scale insects, pest nematodes and viruses, workshops on DNA extractions, and specialist trainings in Australia and the US in 2014. In 2015, the project continues to provide support for a range of relevant activities, including those that promote the adoption of diagnostic techniques and an ASEAN Diagnosticians Forum. A current focus is how to ensure the long-term sustainability of the ARDN.

#### Standards, Technical Regulation and Conformity Assessment Procedures (STRACAP)

A dialogue workshop for systematic identification of STRACAP priority areas in line with the ASEAN Economic Community (AEC) targets was conducted in September 2014 and has initiated a planning process for deciding future directions of STRACAP cooperation.

#### Customs

The pilot business survey on non-tariff measures (NTMs) has identified regulatory issues at and beyond the border that raise business concerns as well as assess their awareness of trade agreements including AANZFTA. Work on the survey is progressing and a report on the pilot is to be completed by November 2015 for consideration by the Parties. The project assists Parties in the mandated review of NTM to consider the scope for additional means to enhance trade facilitation in the region.

#### Services

ASEAN Ministries for Economic, Education and Labor endorsed the *ASEAN Qualifications Reference Framework (AQRF)* which functions as a device to enable comparisons of qualifications across ASEAN. Under this project, a multi-sectoral Task Force on AQRF which developed and is designing the implementation of the framework in transition is supported, with further assistance to countries wanting to implement AQRF. Between 2014 to 2015, Australia, Indonesia, Lao PDR, Malaysia, Myanmar, New Zealand, the Philippines, Thailand and Viet Nam are exchanging officials and technical experts to share experiences and practice in qualification framework development, and quality assurance processes and systems.

*Statistics on International Trade in Services (SITS)* project aims to improve collection and analysis of services statistics from AANZFTA members. Cambodia, Lao PDR and Myanmar held capacity building



workshops to train officials and strengthen institutional capacity to collect services statistics. Myanmar agreed to administer a questionnaire to over 6,000 respondents at the border and is currently analysing the results of the pilot survey.

Underway is a *Case Study on the Benefits of Services Liberalisation*, which aims to create awareness and better understanding of the benefits and advantages of services liberalisation. The project examines six priority sectors – financial services, telecommunications, logistics, business services, air transport and tourism/travel services – and will develop case studies for AANZFTA Parties for their use with domestic constituencies in advocating further liberalisation under AANZFTA.

## Investment

The AECSP is funding the ongoing OECD *Investment Policy Reviews* (IPRs) for the Philippines, Viet Nam (a second review), Lao PDR and Cambodia. The IPR for the Philippines is expected to be completed by end 2015 and the IPRs for Viet Nam, Lao PDR and Cambodia are scheduled for completion in 2016. Malaysia and Myanmar completed reviews in 2013 and 2014 respectively with support from the program. IPRs take a comprehensive approach to improving the investment climate, involving multiple meetings with stakeholders and policymakers. The review process assesses the strengths and weaknesses of the investment climate compared to peers in the region and elsewhere and makes reform recommendations. The second ASEAN-OECD Investment Conference (December 2014) showcased the national reforms that have followed the IPR recommendations.

National investment policy workshops were held in Myanmar in 2014 and Viet Nam in 2015, to facilitate the implementation of AANZFTA and support investment flows between the Parties.

## Intellectual Property

ASEAN Member States' (AMS) accession to and implementation of the Madrid Protocol enables a trademark owner from ASEAN to seek protection in multiple jurisdictions simultaneously by filing a single application before a single office and pay one set of fees. Since 2011, support included organization of fora and development of national roadmaps to guide ASEAN's accession process. For 2015, a series of training activities in Madrid operations and IT systems for IP offices and examiners, expert missions and technical exchanges among select ASEAN IP offices, and seminars to raise public-private stakeholders awareness of the Madrid System to encourage use particularly among SMEs are being implemented.

*The Regional Patent Examination Training (RPET) Program* delivers intensive competency-based patent examination training to examiners of ASEAN IP Offices that conduct substantive patent examination, to enable them to meet international Patent Cooperation Treaty (PCT) standards. To date, the first six ASEAN trainees who participated in the first intake of the program in 2013 have graduated from the two-year program. By the conclusion of the third intake in 2017, the program will have produced up to 32 graduates from Indonesia, Malaysia, Philippines, Thailand and Viet Nam. Graduates are trained to international standards, creating a critical mass of patent examiners that can assist with improving patent examination outcomes within the region.

Complementing the RPET, an *Ideal Patent Examination Training (IPET) Model* has been developed in 2014. An IPET model curriculum, learning management system, and train-the-trainer course will be delivered in late 2015.

Leveraging on the strategy and resource kit on IP public education and awareness completed in 2014, a regional information campaign (with supporting campaign materials to raise awareness among business owners and IP creators of the potential of the AANZFTA and the AEC) will be rolled-out in 2015.

## Competition Policy

*The Competition Law Implementation Program* (CLIP) is delivering targeted capacity building assistance, through practical skills exchange and knowledge transfer, to AMS to help combat anti-competitive activities, in individual markets and the ASEAN region more broadly.

Since October 2014, the CLIP has delivered two regional workshops on in-house training tools for competition authorities and developing core competencies for competition regulation; three workshops in Cambodia, Lao PDR and Myanmar on the role of competition law in supporting economic success; two secondments of Australian Competition and Consumer Commission experts in Malaysia between January-June 2015; and the CLIP Study Visit of ASEAN competition experts in Sydney in May 2015 to exchange views on the experiences of both Australia and New Zealand in the development, promotion and enforcement of competition policy and law.

Since 2011, AECSP has been supporting the annual *ASEAN Competition Conference* (ACC) which is a key platform for strategic discussions and a flagship event among government authorities in ASEAN responsible for administering competition policy and law and relevant public-private stakeholders within and outside the region. At the 5th ACC in Ho Chi Minh City, ASEAN continued to address the issues in the emerging competition landscape beyond the launch of AEC by 2015. The outcomes of the ACC are taken forward through ASEAN expert group processes with support from dialogue partners including Australia and New Zealand to ensure a fair competition environment for enterprises in the region.

