

PROGRAM MID-YEAR HIGHLIGHTS 2016

The ASEAN-Australia-New Zealand Free Trade Area (AANZFTA) Economic Cooperation Support Program (AECSP) supports AANZFTA implementation, generating tangible outcomes supporting all Parties to benefit from the FTA and to achieve economic integration in line with the vision of the ASEAN Economic Community (AEC) Blueprint 2025.

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

Some 60 trade, finance, and customs officials from AANZFTA Parties met in Cebu, Philippines in May 2016 to discuss measures to ensure timely and coordinated processes in the transposition of AANZFTA Tariff Reduction Schedules (TRS) and Rules of Origin Product Specific Rules (PSRs) from Harmonized System Codes (HS) 2012 to HS Code 2017. Guidelines, general principles, and indicative timeframes for transposing AANZFTA TRS and PSRs were developed to better coordinate efforts amongst AANZFTA Parties. A special session on Rules of Origin facilitated transposition exercises for PSRs from HS 2012 into HS 2017. Subsequent in-country trainings on transposition will be organized in 2016-17 to support national processes in Cambodia, Lao PDR, and Viet Nam.

A pilot workshop to monitor AANZFTA utilization for Indonesia was held in Bogor in September 2015. The workshop aimed to develop the capacity of relevant government agencies to collect and process data to quantify the utilization of the AANZFTA tariff preferences in trade among the Parties.

Sanitary and Phytosanitary Measures (SPS)

In May 2016, regulators from ASEAN Member States, Australia, and New Zealand visited dairy farms, milk collection centres, and a milk testing laboratory in Chiang Mai, Thailand, to learn first-hand how the country's dairy processing industry is implementing Sanitary and Phytosanitary (SPS) regulatory controls. With the completion of Phase II of the SPS Regulatory Cooperation Project, countries are now in a better position to develop national work plans to implement SPS standards and regulations for dairy products. Implementation of these national work plans will encourage domestic and regional trade in dairy products by enabling countries to meet food safety requirements of consumers and importing countries within the AANZFTA region.

The implementation of the ASEAN Regional Diagnostic Network was consolidated through further development of the network and continued enhancement of diagnostic expertise in the ASEAN region. A key focus has been on ensuring the ongoing sustainability of the Network.

Customs

In March 2016, the AANZFTA Committee on Trade in Goods provided comments to the draft report of the pilot business survey on non-tariff measures (NTMs). Follow-up interviews were conducted to strengthen the methodology and findings of the report, including emphasis on SPS, Standards, Technical Regulations and Conformity Assessment Procedures (STRACAP), and practical recommendations to improve Rules of Origin and Certificates of Origin. Findings from the survey will assist Parties in the mandated review of NTMs and will inform future actions to address this important issue.

Services

Bilateral technical exchanges under the project on Education and Training Governance: Capacity Building for National Qualifications Frameworks (NQF) – Phase III were completed in 2015 between: New Zealand and Indonesia; Australia and the Philippines; Australia and Viet Nam; Malaysia and Myanmar; and Malaysia and Lao PDR. National Qualifications Frameworks (NQFs) are used to develop and classify qualifications according to a set of criteria for levels of learning achieved. The exchanges provided an opportunity for countries to learn from and understand each other's education and qualifications systems.

The NQF technical exchanges were complemented by work being done by the Task Force on ASEAN Qualifications Reference Framework (AQRF), which held its 7th meeting in October 2015. The AQRF enabled comparison of education qualifications across ASEAN Member States. Having mutually comparable NQFs across the region contributes to better recognition of the skills and qualifications of labour moving across the region, resulting in greater labour mobility. Phase IV of the AQRF project supports the alignment of some ASEAN Member States' NQFs and qualifications systems to the AQRF.



The project on Capacity Building on Statistics of International Trade in Services (SITS) Phase III: Enhancing Data Compilation of SITS through Pilot Surveys enhanced the capacity of Cambodia, Lao PDR, and Myanmar to collect services trade data. In the long-term, these capacities could assist countries in developing relevant policies, including for increased services market access.

The Education and Health Services Policy Review (the Review), once finalised, is intended to explore how education and health services could benefit from further trade liberalisation. The Review's interim report recommended narrowing the gap between commitments in the ASEAN Framework Agreement on Services (AFAS) and in AANZFTA to reduce uncertainty for business. A workshop with AANZFTA Parties and researchers was held in February 2016, which allowed countries to share views on the Review's interim results.

The consultants for the project on the Case Study on the Benefits of Services Liberalisation presented six case studies at a conference with AANZFTA Parties in Bangkok, Thailand in July 2016. The conference enhanced AANZFTA Parties' understanding of the processes and benefits of services liberalization through successful examples from logistics services in Australia, tourism in Thailand and business services in Vietnam, telecommunications services in the Philippines, financial services in Indonesia and air transport in the region.

Investment

The OECD Investment Policy review (IPR) of the Philippines was completed and launched in April 2016. The IPR assessed the investment climate in the Philippines, including investment regulation and protection, investment promotion and facilitation, competition policy, infrastructure and responsible business conduct. To accelerate the country's economic growth, the review recommended further easing of the country's foreign direct investment restrictions, harmonization of investment promotion, and enactment of a new Magna Carta for small and medium scale enterprises.

Intellectual Property

Phase 2 of the Madrid Accession Project contributed to the accession of Cambodia and Lao PDR to the Madrid Protocol in 2015 and supported Myanmar in developing its trademark law. Accession to the Madrid Protocol allows business owners to seek trademark protection in multiple jurisdictions simultaneously by filling a single application in one IP office. Improving the ease of doing business in ASEAN is an incentive for the continued flow of foreign direct investment and for more dynamic business activities in the AANZFTA region. Other activities included a training session on substantive trademark examination in Myanmar, attachment trainings of Cambodian and Myanmar trademark examiners at the Intellectual Property Office of the Philippines, and IT expert mission for Intellectual Property Officers from Malaysia and Thailand.

The Regional Patent Examination Training (RPET) Program is a modern, comprehensive, and intensive competency-based online training program that aims to build the capabilities of participating ASEAN Intellectual Property (IP) offices in conducting patent search and examination based on international Patent Cooperation Treaty (PCT) Standards. In 2015, RPET's innovative training approach was recognized with a silver award and an innovation award at the annual Institute of Public Administration, Australian Prime Minister's awards for Excellence in Public Sector Management. Since 2013, RPET has produced a total of 18 graduates from the IP Offices of Indonesia, Malaysia, Philippines, Thailand, and Viet Nam. By the end of the fourth intake in 2018, the program will have produced up to 45 graduates comprising an ASEAN cohort of highly skilled patent examiners.

Competition Policy and Law

The Competition Law Implementation Program (CLIP) Phase I ended in March 2016 and successfully strengthened the enforcement capacity of ASEAN competition agencies through targeted capacity building assistance on implementation of competition law, including supporting the institutional set-up of competition authorities and training officials in competition law investigations. CLIP Phase I contributed to 9 out of 10 ASEAN Member States (AMS) having national competition policy and laws in place, by December 2015. CLIP Phase II (2016 to 2018) builds on the gains from Phase I and focuses on building the capacities of competition agencies in AMS to effectively implement competition policy and law to meet commitments under the AEC Blueprint.

The ASEAN Competition Conference (ACC) series has been instrumental in sharing updates and shaping the direction of Competition Policy and Law in ASEAN since 2011. Spearheaded by the ASEAN Experts Group on Competition (AEGC), the 6th ACC was held in Bangkok, Thailand in July 2016 to share good practices and lessons of competition agencies worldwide in combating cartels. The 6th ACC provided ASEAN Member States with: tools for cartel detection and investigation; guidance in the appropriate level of sanctions and key considerations for multi-jurisdictional cartel investigations; and advice on how to foster a broad-based competition culture among different stakeholder groups.

