



ASEAN-AUSTRALIA-NEW ZEALAND FREE TRADE AREA (AANZFTA)

THE NINTH MEETING OF THE FTA JOINT COMMITTEE 29 May–3 June 2017, Auckland, New Zealand

The Ninth Meeting of the FTA Joint Committee (FJC) was held in Auckland, New Zealand on 29 May–3 June 2017. Representatives from ASEAN Member States (except Malaysia), Australia and New Zealand, and staff from the ASEAN Secretariat attended the Meeting, which was co-chaired by:

- a) Ms Nor Ashikin Johari, Deputy Permanent Secretary, Ministry of Foreign Affairs and Trade, Brunei Darussalam, on behalf of the ASEAN Member States (AMS);
- b) Ms Julie-Ann Guivarra, Assistant Secretary, Free Trade Agreement Division, Department of Foreign Affairs and Trade, for Australia; and
- c) Mr Keawe Woodmore, Manager of FTA Implementation Unit, Ministry of Foreign Affairs and Trade, for New Zealand.

The 6th ASEAN-Closer Economic Relations (CER) Integration Partnership Forum was also held on 31 May 2017 at the sidelines of the 9th FJC Meeting. The theme of the forum was “*Economic Integration in Challenging Times*”.

SUMMARY OF MAIN OUTCOMES

1. Highlights of the 21st AEM-CER Consultations

NOTED the Ministers’ endorsement of the Terms of Reference for Conducting the General Review of AANZFTA, with the FJC’s recommendations to be presented to the Ministers in August 2018.

2. Implementation of the AANZFTA Agreement

NOTED that Indonesia’s ratification of the *First Protocol to Amend the Agreement Establishing the AANZFTA* is targeted for completion by this year.

REITERATED that all Parties should exercise flexibility in the implementation of the First Protocol with the aim of not impeding trade flows.

3. Transpositions of Tariff Reduction Schedules (TRSs) and Product Specific Rules (PSRs) from HS2012 to HS2017

NOTED that Parties will endeavour to implement the transposed TRSs and PSRs in HS 2017 by 1 January 2018, and **ENCOURAGED** Parties to expedite the transposition of TRSs and PSRs to HS2017 for implementation by the agreed timeline.

NOTED the finalisation of the guidelines for the transposition of the AANZFTA TRSs from HS 2012 into HS 2017, which will be reviewed periodically by the Committee on Trade in Goods (CTG) for subsequent transpositions.

4. General Review of the AANZFTA Agreement

WELCOMED a briefing by the Economic Research Institute for ASEAN and East Asia (ERIA) on their Regional Assessment of the AANZFTA's Impact and Benefits to ASEAN.

AGREED to prepare the Stage One Joint Report of the General Review of the AANZFTA Agreement, consisting of the full report and Executive Summary, for Ministers' consideration at the 22nd AEM-CER Consultations in September 2017.

AGREED to explore options for business engagement at the 22nd AEM-CER Consultations in September in light of the General Review.

5. Non-Tariff Measures (NTMs)

NOTED the progress by the CTG in its review of NTMs, including the input to the review provided by a Consultant conducting a business survey. **NOTED** that the CTG will prepare a brief report on the NTM review, including recommendations, for consideration by the FJC for submission to the 22nd AEM-CER Consultations in September 2017.

6. Monitoring the Utilisation of AANZFTA Tariff Preferences

WELCOMED briefings by Australia, the Philippines and Indonesia on monitoring utilisation of AANZFTA tariff preferences. **NOTED** that the CTG agreed to develop a work plan intersessionally to support all Parties in assessing the utilisation of the AANZFTA, and **ENCOURAGED** the CTG to maintain the momentum to work toward establishing the regional monitoring project.

7. Work Programme of other Subsidiary Bodies

WELCOMED the positive approach of the Committee on Investment (COI) in recognising the AANZFTA's benefit in providing a smaller forum for building confidence and understanding on investment issues including those under discussion in a range of forums, and **NOTED** that the COI will continue discussions with a view to finalising the built-in agenda expeditiously. **NOTED** that the COI discussed AANZFTA Economic Cooperation Support Program (AECSP) investment projects, including the need to ensure these projects remain demand-driven, draw on regional expertise in delivery where possible and build on previous work.

NOTED that the Committee on Services (CTS) discussed ways to improve the substance and management of projects under the AECSP (in relation to project design, monitoring and evaluation) and the consultant selection process, as well as ways to attract a larger pool of experts.

WELCOMED the progress of the Competition Law Implementation Programme (CLIP) Phase II, and the successful outcomes of the 7th ASEAN Competition Conference (ACC) held on 8–9 March 2017 in Selangor, Malaysia.

NOTED that Australia's and New Zealand's support on Intellectual Property through the AECSP has contributed significantly to ASEAN's internal integration agenda such as the work to facilitate the accession of AMS to the World Intellectual Property Organization's (WIPO) Madrid Protocol.

NOTED the accession of Brunei Darussalam to the Madrid Protocol in October 2016 and Myanmar's interest in capacity building to facilitate its accession to the Madrid Protocol.

8. Economic Cooperation

NOTED that Australia and New Zealand reaffirmed their commitments to the AECSP through the extension of their financial support for the programme until 31 December 2019.

NOTED that outcomes from the General Review will be considered in the design of the successor program to the AECSP.

NOTED that the AECSP has facilitated the AANZFTA's implementation and, more broadly, ASEAN regional integration.

APPROVED the AECSP Proposal to support the Regional Patent Examination Training Mentoring Program.

ENCOURAGED the Committees and Sub-Committees to consider where projects could help address gaps in AANZFTA implementation, and **REQUESTED** all committees, sub-committees, project proponents and implementing parties to use the recently-updated AECSP Project Management Package, and work closely with the AANZFTA Support Unit (ASU) to ensure adherence to the guidance, particularly with respect to monitoring on-going projects. **COMMENDED** the recent workshop on AECSP project design and proposal development for officials from Cambodia, Lao PDR, Myanmar and the ASEAN Secretariat.

NOTED the improved layout and content of the AANZFTA website and agreed on the need to increase the use of the website (<https://aanzfta.asean.org>) as part of outreach efforts.

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