



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

### THE EIGHTH MEETING OF THE FTA JOINT COMMITTEE 14–18 March 2016, Melbourne, Australia

The Eighth Meeting of the FTA Joint Committee (FJC) was held in Melbourne, Australia from 14 to 18 March 2016. Representatives from ASEAN Member States (AMS), Australia and New Zealand, and staff from the ASEAN Secretariat attended the Meeting, which was co-chaired by:

- a) Ms **Tutiaty Wahab**, Deputy Permanent Secretary, Ministry of Foreign Affairs and Trade, Brunei Darussalam, on behalf of the AMS;
- b) Mr **Michael Mugliston**, Special Negotiator, Free Trade Agreement Division, Department of Foreign Affairs and Trade, for Australia; and
- c) Mr **Greg Andrews**, Head of FTA Implementation Unit, Ministry of Foreign Affairs and Trade, for New Zealand.

The 5<sup>th</sup> ASEAN-Closer Economic Relations (CER) Integration Partnership Forum was also held on 15 March 2016 at the side lines of the 8<sup>th</sup> FJC Meeting. The theme of the forum was “*Economic Integration and Standards and Conformance Infrastructure: Challenges and Opportunities*”.

### SUMMARY OF MAIN OUTCOMES

#### 1. *Highlights of the 20<sup>th</sup> AEM-CER Consultations*

**WELCOMED** the general completion of the transposition of AANZFTA Tariff Reduction Schedules (TRS) from HS 2007 to HS 2012, apart from two outstanding tariff lines of Indonesia’s TRS.

#### 2. *Implementation of the AANZFTA Agreement*

**WELCOMED** the entry into force for all Parties except Indonesia of the *First Protocol to Amend the Agreement Establishing the AANZFTA* and **NOTED** that the ratification of the First Protocol is being deliberated in Indonesia.

**REITERATED** that flexibility should be exercised by all Parties in implementing the First Protocol with the aim of not impeding trade flows.

#### 3. *Transposition from HS 2012 to HS 2017*

**WELCOMED** the proposal for a Special Joint Session on transposition of Tariff Reduction Schedules and Product Specific Rules, which is expected to take place in May 2016.

#### 4. **General Review of AANZFTA**

**RECALLED** that Chapter 18, Article 9 of the AANZFTA Agreement requires Parties to undertake a General Review of AANZFTA with a view to furthering its objectives in 2016, and every five years thereafter, unless otherwise agreed by the Parties.

**AGREED** to recommend for AEM-CER consideration in August 2016 (through SEOM-CER) that the General Review of AANZFTA commence in 2017 with the aim of finalising the review recommendations by the second quarter of 2018.

#### 5. **Work Programme of the FTA Joint Committee and Subsidiary Bodies**

**URGED** all committees and sub-committees to explore the possibility of meeting inter-sessionally, to progress their work in line with the Proposed Terms of Reference for the General Review of the AANZFTA, and in preparation for the actual AANZFTA General Review.

**REQUESTED** the Committee on Trade in Goods (CTG) to set clear mandates, timelines and maintain regular communication with the Non-Tariff Measures (NTM) Review Consultant to ensure a final report that meets the expectations of CTG and its sub-committees and delivered before the 21<sup>st</sup> AEM-CER Consultations in August 2016.

**NOTED** that the Committee on Investment (COI) discussions on the investment Built-in Agenda are moving forward and **ENCOURAGED** the Committee on Trade in Services (CTS) to consolidate and consider the outcomes of the CTS projects completed under the Economic Cooperation Work Programme in supporting the review of services commitments, non-papers proposed in the previous CTS meetings, as well as consider other further analysis that might be useful in preparing for the AANZFTA General Review.

**WELCOMED** the progress of the Competition Law Implementation Programme (CLIP) and the successful completion of the 5<sup>th</sup> ASEAN Competition Conference (ACC) in June 2015 in Ho Chi Minh City, Viet Nam, which addressed policy issues relating to ASEAN's emerging competition regimes.

**WELCOMED** the accession of Cambodia and Lao PDR in 2015 to the World Intellectual Property Organization's (WIPO) Madrid Protocol for the International Registration of Marks.

**WELCOMED** the good progress made in the Regional Patent Examination Training (RPET) and **ACKNOWLEDGED** the recognition accorded by Australia to the programme which received a silver and an innovation award at the Australian Prime Minister's Awards for Excellence in Public Sector Management held on 26 November 2015.

#### 6. **Economic Cooperation**

**RECALLED** the *Guidance from the FTA Joint Committee to AANZFTA Committees on AECSP Projects* circulated in January 2016 where the subsidiary bodies should: i) prioritise projects which progress the built-in agenda; ii) put emphasis on building on earlier projects or phases to ensure longer term, sustainable outcomes; iii) consider whether the proposed activities are aligned with the ASEAN Economic Community (AEC) 2025 Blueprint; and iv) achieve deeper economic integration among Parties.

**ENDORSED** Phase IV of the ASEAN Qualifications Reference Framework (AQR) which will provide capacity-building support to ASEAN Member States referencing National Qualifications Frameworks against the AQR.

**NOTED** that AECSP communications outputs (e.g., Programme Highlights, Programme Overview, Factsheets, and press releases) were distributed at the 20<sup>th</sup> AEM-CER Consultations in August 2015 and **ENCOURAGED** committees to provide suggestions on possible AECSP projects that could be showcased and concrete examples where and how a particular project has benefited the Parties.

**AGREED** to the provision of the design and gender expertise to select projects and **NOTED** the need for cost-effective use of the design expert in consultation with the Economic Cooperation Sub-Committee (EC-SC).

**+ END +**