



THE SECOND MEETING OF THE FTA JOINT COMMITTEE
24-25 November 2010, Melbourne, Australia

The Second Meeting of the FTA Joint Committee was held in Melbourne, Australia on 24-25 November 2010. Representatives from the ten ASEAN Member States, Australia and New Zealand attended the Meeting, which was co-Chaired by:

- (a) Mr. Nazmi Mohamad, Deputy Permanent Secretary, Ministry of Foreign Affairs and Trade, Brunei Darussalam, on behalf of the ASEAN Member States;
- (b) Mr. Michael Mugliston, Special Negotiator, Free Trade Agreement Division, Department of Foreign Affairs and Trade, for Australia; and
- (c) Mr. Steve McCombie, Unit Head (FTA and Economic Unit) Asia Regional Division, Ministry of Foreign Affairs and Trade, for New Zealand.

Summary of Main Outcomes

NOTED that Cambodia and Lao PDR have ratified the AANZFTA and are in the process of issuing the necessary legal enactment for the entry into force of the AANZFTA on 4 January 2011 and 1 January 2011, respectively.

NOTED that Indonesia has entered the second phase of her ratification procedures, which she hopes to complete as soon as possible.

CONSIDERED the report of two (2) subsidiary bodies under the FTA Joint Committee: (i) Committee on Trade in Goods (CTG); and (ii) Committee on Investment (COI).

- **NOTED** that in relation to the outcomes of the Committee on Trade in Goods:
 - (a) The review of non-tariff measures pursuant to Article 7.4 of the AANZFTA Trade in Goods Chapter would be launched at the third meeting of the FTA Joint Committee/Committee on Trade in Goods. The ASEAN Secretariat was requested to draft a work plan on the review of NTMs for consideration at the 3rd Committee on Goods meeting.
 - (b) Parties to the AANZFTA were encouraged to notify all measures affecting trade in goods. This should include advice on the information available on relevant websites and publications as well as details of notifications made to the WTO.
 - (c) The 3rd Committee on Trade in Goods meeting would also consider a draft work plan towards the development of a regional approach in monitoring the utilization of AANZFTA tariff preferences.
 - (d) In relation to the Rules of Origin:
 - **NOTED** that the Sub-Committee on Rules of Origin are looking into the

proposal on the treatment of the FOB value in the AANZFTA Certificate of Origin, i.e. deletion of the FOB value in the Certificate Origin where the claim for origin is not based on the regional value content.

- **ENDORSED** the Work Programmes for the Review of the Product Specific Rules (PSRs) and the Cumulation Rule pursuant to Article 18.3 and Article 18.4 of the AANZFTA Rules of Origin Chapter.
 - **AGREED** to hold a workshop on ROO Cumulation back-to-back with the 3rd FTA Joint Committee meeting
 - **AGREED** in principle to the proposal for a Workshop on Streamlining of CO Procedures and a Workshop on CO Self-Certification Procedures identified under the draft ECWP Implementation Plans.
- **NOTED** that the 1st Committee on Investment (COI) Meeting finalized and endorsed its Rules and Procedures, considered the outcomes of the workshop on the Two-Annex Approach to Scheduling of Reservation Lists under the Investment Chapter and agreed to consider further proposed economic cooperation activities

NOTED that the AANZFTA Economic Cooperation Support Programme (AECSP) Design Document has been subsequently published in the AANZFTA website.

WELCOMED the establishment of the AANZFTA Support Unit at the ASEAN Secretariat in August 2010.

APPROVED the 2011 budget for the AANZFTA Support Unit.

NOTED the inter-sessional endorsement of the following project proposals:

- (i) Two-Annex Approach to the Scheduling of Reservation Lists under the Investment Chapter;
- (ii) Education and Training Governance: Capacity Building for National Qualifications and Frameworks;
- (iii) ASEAN Regional Diagnostics Network on SPS;
- (iv) Priority Line and Capability Development for ASEAN Import Health Standard Risk Assessments; and
- (v) Capacity-building Workshop on International Trade in Services Statistics Collection and Management.

EXCHANGED VIEWS on the outcome of the following economic cooperation activities and agreed on follow-up actions:

- (i) Capacity-Building Workshop on Monitoring the Utilization of Tariff Preferences under the AANZFTA held in Ho Chi Minh City on 9-10 November 2010.
- (ii) Seminar/Workshop on Chemical and Plastic Production Processes for the AANZFTA Rules of Origin held in Ho Chi Minh City on 11-12 November 2010.

- (iii) Seminar/Workshop on the Two-Annex Approach to the Scheduling of Reservation Lists under the Investment Chapter held in Melbourne, Australia on 23-24 November 2010.

ENDORSED the Rapid Response Fund Guidelines. The Rapid Response is a mechanism intended to provide flexibility for the AANZFTA Support Unit to address urgent or unforeseen issues related to the implementation of the AANZFTA commitments.

AGREED to continue working on the strategic approach to economic cooperation, which would include consideration of the draft Implementation Plans for the nine (9) Components under the ECWP.

Next FTA Joint Committee Meeting

The 3rd FTA Joint Committee Meeting would be held in New Zealand in May 2011. The exact date and venue of the said Meeting would be posted on the AANZFTA website once determined.

