



THE FOURTH MEETING OF THE FTA JOINT COMMITTEE

7-11 May 2012, Brunei Darussalam

The Fourth Meeting of the FTA Joint Committee was held in Jerudong, Brunei Darussalam from 7-11 May 2012. Representatives from the ten ASEAN Member States, Australia and New Zealand, and staff from the ASEAN Secretariat attended the Meeting, which was co-Chaired by:

- (a) Mr. Mohamad Alias Serbini, Deputy Permanent Secretary, Ministry of Foreign Affairs and Trade, Brunei Darussalam, on behalf of 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, Deputy Director and Unit Head, Asia Regional Unit (AANZFTA) FTA, Ministry of Foreign Affairs and Trade, for New Zealand.

SUMMARY OF MAIN OUTCOMES

1. *Implementation of AANZFTA*

WELCOMED the AANZFTA agreement's entry into force for Indonesia on 10 January 2012, making all Parties now on board the FTA.

AGREED there is a need to maintain the momentum in the implementation of AANZFTA including with respect to the Parties commitments under the FTA and with respect to the agreement's built-in agenda.

NOTED the progress made in the resolution of practical implementation issues and **AGREED** to explore tools to address implementation issues and increase FTA awareness.

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

RECOGNIZED that all FTA Committees have now been activated and **UNDERScoreD** the critical role of FTA Joint Committee and its subsidiary bodies to move forward the built-in agenda and to align economic cooperation activities with the *Strategic Approach to Economic Cooperation* endorsed by the ASEAN-CER Ministers in August 2011.

CONSIDERED the reports of subsidiary bodies under the FTA Joint Committee, namely: (i) Committee on Trade in Goods; (ii) Committee on Investment; (iii) Committee on Trade in Services; (iv) Committee on Intellectual Property; and (v) Economic Cooperation Budget Subcommittee.

NOTED the on-going work on the transposition of AANZFTA tariff reduction schedules to HS 2012 nomenclature and **UNDERLINED** the urgency of completing the transposition exercise for both tariff reduction schedules and product specific rules of origin.

NOTED the work being done to implement the decision of Ministers to remove the FOB value from the Certificate of Origin and the transposition of product specific rules of origin in HS 2012.

NOTED the efforts to put in place a mechanism for monitoring the utilization of AANZFTA tariff preferences.

WELCOMED on-going work to implement a self-certification pilot project and other initiatives aimed at facilitating trade among the Parties and enhancing the utilization of the AANZFTA tariff preferences.

AGREED to move forward the discussions on the Investment Work Programme and **ENCOURAGED** Parties to make better use of the Economic Cooperation Work Program (ECWP) to achieve the objectives of the FTA's investment chapter.

NOTED the positive development in ASEAN's data collection on statistics on trade in services (SITS) and **AGREED** to continue to provide technical and financial support through ECWP. **SUGGESTED** a workshop on SITS be held back-to-back with a Committee on Trade in Services meeting in May 2013.

ENCOURAGED the Parties to continue to share experience in services sectors, particularly, through: a compilation of case studies on the positive impact of services liberalization covering different sectors (including connectivity), a survey and outreach to business, and a best practice workshop on international services agreements including best practices on MFN.

ENDORSED the creation of the ASEAN Task Force on National Qualifications Framework (NQF) to implement Phase II of ECWP'S NQF project.

ENDORSED the ECWP project on Comprehensive Patent Examination Training.

3. Economic Cooperation Projects and Activities

NOTED the good progress in economic cooperation among the Parties and the link between ECWP projects and delivery of outcomes under the policy, implementation, and the built-in agendas.

WELCOMED the feedback from Parties highlighting practical and positive impacts of ECWP on FTA implementation.

HIGHLIGHTED the need to track how these activities are delivering the objectives of the AANZFTA Economic Cooperation Support Program (AECSP).

ENCOURAGED ASEAN Member States to continue to put forward projects that would assist them in the overall implementation of AANZFTA.

AGREED to exchange ideas in the development of communication strategy and explore the possibility of funding outreach activities to promote AANZFTA at various forums.

LOOKED FORWARD to the dissemination of the translated AANZFTA publications in Cambodia, Lao PDR, Myanmar and Vietnam to reach out to more business people.

NOTED the targeted and in-depth in-country capacity building activities in newer ASEAN members which support the objective of narrowing the development gap among the Parties.

NOTED the positive and practical outcomes of the rapid response interventions in Cambodia on Tariff Transposition and in the Philippines on Rules of Origin.

4. Outreach Activities

RECOGNIZED the need to enhance the Government-to-Business and Business-to-Business interface and **AGREED** to undertake focused and strategic activities to increase business awareness and the use of AANZFTA and other FTAs.

RECOGNIZED the initiatives to enhance business outreach and advocacy including through:

(a) ASEAN-CER Integration Partnership Forum to be held in Manila in May 2012 along the sidelines of the SEOM-CER Consultations (materials are downloadable via website link <http://www.mfat.govt.nz/integrationPF>);

(b) Dissemination of link to the AANZFTA website (<http://aanzfta.asean.org>) maintained by the ASEAN Secretariat; and

(c) Enhancement of New Zealand's FTA website to make it more business-friendly and responsive to business enquiries.

ENCOURAGED Parties to conduct business forum or private sector engagement back-to-back with the committee meetings or ECWP activities in key areas to create a link between outreach and FTA operationalization.

AGREED to share FTA promotional experiences (e.g., outreach to SMEs, use of factsheets) and useful tools of getting feedback from the business sector.

NOTED the AANZFTA-focused business event planned in New Zealand.

RECOGNIZED that the upcoming WTO Committee on Regional Trade Agreements review of AANZFTA provides an opportunity to present a good story on AANZFTA and promote its credibility as a benchmark for FTAs.

