



ASEAN - Australia - New Zealand Free Trade Area (AANZFTA)  
Economic Cooperation Support Programme (AECSP)

# AECSP AT A GLANCE 2021



# Overview of the AECSP

Since 2010, the ASEAN-Australia-New Zealand Free Trade Area (AANZFTA) Economic Cooperation Support Programme (AECSP) has assisted AANZFTA Parties in implementing the 'Economic Cooperation' chapter of the Agreement to maximise the benefits of AANZFTA.

Through good governance processes and close partnership amongst all the 12 Parties, the AECSP has supported 94 projects to date—enabling a rich diversity of high-quality, demand-driven economic research, policy advice, and tailored capacity building—that have empowered over 12,000 individual government officials, institutions, and businesses across the AANZFTA region. In particular, the AECSP has addressed the AANZFTA implementation gaps amongst Parties, with priorities on and the most benefits for the less-developed members, through 'Rapid Response' funding, deliberate consultations, inclusive engagement processes, and more. Further, the AECSP has provided timely support to assist Parties with the AANZFTA Upgrade negotiations, ensuring that AANZFTA remains modern and relevant to the changing business environment and ever-evolving regional trade and economic landscape.

Moreover, the AECSP has contributed to boosting business confidence in regional economic opportunities for trade and investment—through initiatives to strengthen the regional trade and investment climate, support adoption and implementation of international

accords and standards, foster knowledge-sharing and regional cooperation. A rich diversity of knowledge products and resources are developed and disseminated to help Parties and businesses, especially Micro, Small and Medium Enterprises (MSMEs), reap the benefits offered by AANZFTA. These resources and information are available on the [AANZFTA website](#).

The AECSP adopts a result-oriented approach to programme and project management. Sustainability and gender considerations, in equal measures, are at the heart of the design and implementation of engagement activities. These considerations have also been embedded in AECSP Project Management Guidelines that seek to sustain the project outcomes beyond their life cycles—in strengthening individual, organisational, and institutional capacities going forward.

As the end of the AECSP is approaching, this publication indulges in retrospection of 11 years of AECSP implementation. It demonstrates key results that the AECSP has achieved under each component under the Economic Cooperation Work Programme (ECWP). It also highlights their relevance and implications for the ASEAN economic integration agenda. These achievements exemplify the ASEAN Secretariat's successful delivery and management of the AECSP for results—setting the stage for a new economic cooperation programme under AANZFTA for many years to come.



# Key Results 2010–2021



## Rules of Origin (ROO) and Other Aspects of Implementation of Tariff Commitments/ Customs Procedures and Trade Facilitation (CPTF)

Over 3,000 government officials and business individuals from ASEAN Member States (AMS) have benefited from the AANZFTA Economic Cooperation Support Programme (AECSP) specialised training and enhanced sustainable capacity for the essential disciplines of trade in goods. These include Rules of Origin (ROO), transposition of AANZFTA Tariff Reduction Schedules (TRS) and Product-Specific Rules (PSR), Declaration of Origin, Full Cumulation, and monitoring the utilisation of tariff preferences and tariff and trade data analysis.

AECSP has supported developing a Regional Approach to Monitoring Utilisation of AANZFTA Tariff Preferences, which aims to demonstrate the feasibility and importance of establishing a region-wide mechanism to capture, report and monitor the utilisation data AANZFTA tariff preferences. Initiated in 2010, this project started by building an understanding of statistical tools used by AMS in collecting and processing data. In 2011-2018, the project continued to streamline a regional mechanism in data collection and processing. Indonesia and the Philippines successfully carried out pilot testing of the mechanism in 2014-2017. Together with Australia, the Philippines demonstrated the feasibility of establishing the regional mechanism to monitor the utilisation of AANZFTA tariff preferences. In 2021, the AANZFTA Joint Committee endorsed the third phase of this project to continue building individual Parties capacity. The project seeks to review the availability of the required data to monitor tariff utilisation and assess the challenges and mechanisms involved in collecting, processing, and reporting data. A work plan with recommendations will be developed to ensure the complete submission of data preferences regularly.

ASEAN indicated its readiness to negotiate the Declaration of Origin (DOO) or self-certification under AANZFTA following a series of in-country training on DOO. If adopted, the self-certification scheme would be an alternative to the current certificate of origin regime, enabling eligible traders to claim AANZFTA preferential treatment based on an origin declaration. Country training seminars held in Cambodia, Indonesia, Lao PDR, Malaysia, Myanmar, Philippines, Thailand, and Viet Nam were conducted between February and April 2019 and reached out to officials and private sectors from all ten AMS. Workbook on Declaration of Origin was produced to enhance the understanding of the concept and benefits and the knowledge on the importation of final goods and risk management related to DOO application.

The AECSP supported in-country training seminars in Cambodia, Indonesia, Lao PDR, Malaysia, Myanmar, the Philippines, Thailand and Viet Nam on Full Cumulation for AANZFTA ROO (November-December 2018). When fully implemented, this new method would allow for the accumulation of originating costs for goods incurred in one AANZFTA Party to count in the production costs of a subsequent good in another AANZFTA Party, regardless of whether the processing of the original good is sufficient to confer originating status. A workbook was also produced to inform AMS on the Full Cumulation concepts, documentation, potential risk, risk management strategy, and possible application in AANZFTA ROO.

With AECSP support through in-country training and development of AANZFTA transposition guidelines, AANZFTA Parties have completed the transposition of their AANZFTA TRS and PSR from the Harmonised System (HS) 2012 to HS 2017. To date, all Parties have implemented the AANZFTA TRS and PSR in HS 2017 in a collective effort to aid businesses and prevent disruption from trading.

The regional and country-level of Training of Trainers (ToT) activities on goods matters delivered by participating AMS demonstrated the success and sustainability of the AECSP regional ToT approach. The Regional ToT on AANZFTA Rules of Origin in 2013 was the most notable ToT where five graduates from each AMS subsequently served as Lead Trainers for workshops in their respective countries.

The AECSP facilitated the dissemination and sustainability of knowledge on Rules of Origin, focusing on the non-English speaking communities. The programme supported the publication of Primer on AANZFTA Rules of Origin (2009), available in English, Khmer, Laotian, Burmese, Thai and Vietnamese. The second publication: AANZFTA Rules of Origin Training Modules (2013), is available in English, Khmer, Indonesian, Laotian, Thai, and Vietnamese. A total of 6,800 copies of these publications were distributed widely to assist in-country knowledge-sharing further.

Through AECSP support, all Parties had successfully implemented the First Protocol to Amend the AANZFTA Agreement by streamlining the Certification of Origin form and developing a guide to assist businesses in transitioning to using the First Protocol.

AECSP-supported research on AANZFTA Non-Tariff Measures (NTMs) came up with recommendations to Ministers in 2017, making NTMs an ongoing part

of AANZFTA's work programme while enforcing good regulatory practice and strengthening business engagement. This comprehensive review entailed a business survey involving comprehensive consultations with 110 companies, primarily small-and-medium enterprises.

**Further, the AECSP set in motion a new initiative to enhance understanding of Advance Ruling on Origin (ARO) amongst all AANZFTA Parties** and preparing them to implement ARO in facilitating trade as mandated under Article 8 of the 'Customs Procedure' Chapter of the AANZFTA Agreement.



## Sanitary and Phytosanitary Measures

**Over 700 AMS officials and 1,500 farmers benefited from various successful capacity building initiatives through streamlining and improving quarantine systems and procedures and harmonising international standards and regulations.**

The multi-phase **ASEAN Regional Diagnostic Network (ARDN)** project has significantly enhanced the capacity of AMS to identify plant pests and diseases, stimulated the adoption of new diagnostic techniques, facilitated access to some critical markets for agricultural products, and promoted regional collaboration and trade. Notably, the ARDN project:

- ◆ **Assists crop protection** through developing skills and tools for AMS to identify plant pests of high significance to trade, to draw up scientifically credible, national and regional pest lists for particular pest groups or commodities, provide prompt notifications required under international phytosanitary obligations, bringing transparency to quarantine operations;
- ◆ **Improves market access and scientifically-based quarantine policies** to ensure AMS has a robust diagnostic capacity to assess a commodity's potential risks and develop robust export strategies or import requirements. Specifically, the project: (i) assisted Laos in defining pest status for its corn and cassava, which helped gained market access to China and Thailand for corn and to Cambodia; Thailand and Viet Nam for cassava; (ii) supported Cambodia in gaining market access to China for rice and banana exports; (iv) opened market access of the Philippines papaya to New Zealand; (v) assisted Viet Nam to use remote microscopy to assess detections by quarantine officers of insects in imported goods and clear consignments more quickly when there is no quarantine threat; (vi) initiated a national diagnostic network in Indonesia and Thailand, (vii) assisted a diagnostic protocol for a significant corn disease paving the way for the export of high-value seed corn from disease-free AMS, and (viii) complemented operations of Clearing House in Malaysia and Thailand national diagnostic network.

- ◆ **Continue support to ASEAN scientists and technicians in diagnosing plant viruses** to become more familiar with emerging technologies for diagnosing viruses and other plant pests. As of the second quarter of 2021, the project has supported the initial activities for developing diagnostic resources of fungi of economically important monocots and supported the development of a database and manual for the ARDN Expertise Register.

**The AECSP assisted AMS in implementing international regulatory standards to ensure their supply of safe and quality dairy products through the multi-phased Sanitary and Phytosanitary Regulatory Cooperation in Dairy project.** The project contributed to the set-up of a dairy cow association in Cambodia, delivered customised orientation training on proposed new dairy regulations and controls to critical stakeholders and farmers in the Philippines; the revision of Myanmar's existing Animal Health and Development Law to ensure its alignment with the National Dairy Development Plan; the completion of Thailand's revision of Good Agricultural Practice checklists for dairy cattle farms and delivered training on dairy processing, Good Agricultural Practice for farmers and Good Manufacturing Practice for mill collection centres.

**The AECSP enhanced AMS's technical capacity to conduct Import Risk Analysis (IRA) to import animal and animal products based on the World Organisation for Animal Health (OIE) risk analysis framework.** The project, led by Malaysia and experts from Australia and New Zealand, provided an interactive training workshop combined with field visits to 25 representatives from nine AMS. The training equipped SPS officials from AMS with better knowledge and skills in import risk analysis and applying the Qualitative Risk Analysis Framework, narrowing the competency gap among the AMS and reducing barriers to importing animal and animal products in the region.

**Further, the AECSP enhanced AMS officials' understanding of the World Trade Organisation (WTO) SPS Agreement and international standards related to SPS by developing practical guidelines for ASEAN in implementing international SPS standards**—critical to increasing trade and economic integration among AANZFTA Parties. This has prepared AMS for meeting their international obligations under AANZFTA, WTO, ASEAN Strategic Plan of Food, Agriculture and Forestry 2016-2025 and the ASEAN Economic Community Blueprint 2025. Phase I of the project identified challenges faced by AMS in implementing their SPS international commitments. This review also put forward crucial policy recommendations and a list of prioritised competencies to be strengthened by developing ASEAN Regional Guidelines. Phase II followed on and completed the development of a comprehensive set of ASEAN SPS Guidelines, comprising (i) Guideline 1 - International Frameworks; (ii) Guideline 2 - Pest Risk Analysis; (iii) Guideline 3 - Food Safety Risk



Assessment; and (iv) Guideline 4 - Animal Import Risk Analysis. This project has increased AMS officials' practical understanding of international guidelines and standards, including the International Plant Protection Convention (IPPC), the World Organization for Animal Health (OIE), and the Codex Alimentarius (Codex), contributing to better implementing SPS measures in the ASEAN region. Further, a series of 16 e-learning modules was designed and is freely available on the AANZFTA website to facilitate accessibility for a wide audience. These complementary e-learning modules continue to benefit ASEAN officials, especially newly recruited officers, and businesses to better their knowledge of important principles of the SPS Agreement and risk analysis in the areas of animal health, plant health, and food safety. This is particularly important in contributing to narrowing the capacity gap between AMS.

### **Standards, Technical Regulation and Conformity Assessment Procedures**

**More than 200 government officials and small and medium entrepreneurs have benefitted from capacity building activities to harmonise regulation, standard and conformity assessment in various areas, including, among others, electrical equipment, food and beverage, and health supplement.**

**To date, AECSP has been supporting the multi-year STRACAP Workplan Implementation Programme (SWIP).** This programme aims to: (i) improve the understanding and arrangements for implementing and advancing Good Regulatory Practice, (ii) enhance cooperation in international standards engagement; and (iii) build technical capacity for standards and conformance technical infrastructure to address capacity and policy gaps and needs in the targeted sectors. Food and beverage, cosmetics and health supplements have been the focus of the programme thus far. As part of the SWIP, in 2017, New Zealand led a successful initiative on Good Regulatory Practice (GRP) in the food and beverage sector, which improved Parties' understanding of the innovative practice models from various regulatory systems and successfully paved the way for more in-depth engagement in Good Regulatory Practice. Ongoing support to the cosmetic sector has led to research on best practices models on GRP. In the second quarter of 2021, the research findings are under review and consideration by the Sub-Committee on STRACAP.

**The AECSP supported participation in various regional meetings has helped regulatory officials from Cambodia, Lao PDR, and Myanmar better understand important and relevant initiatives in standards and conformance conducted by other AANZFTA Parties.** AECSP supported officials from Cambodia, Lao PDR and Myanmar in the APEC Sub-Committee Meeting on Standards and Conformance and technical conferences on Good Regulatory Practices and enhancing regulators on the WTO Agreement on Technical Barriers to Trade.

### **Further, the AECSP assists Micro, Small, and Medium Enterprises (MSMEs) in the AANZFTA region to augment their practical knowledge and technical expertise in the international standards of prepared food.**

AECSP assistance has focused on marking and labelling, authorising food ingredients, contaminant limits, and analytical methods to enhance MSME expertise in these standards and enable greater market access and integration into the global supply chains. Phase I concluded with the completion of Capacity Needs Assessment based on which a Regional Capacity Building Program for MSMEs was developed, focusing on key areas including food safety management systems, technical requirements on labelling, i.e., nutritional labelling, allergens, nutrition claims and information on import/export requirements of AANZFTA Parties. A Catalogue of Regulations and Food Standards, contact points and relevant training materials were also developed to ensure that businesses and the public have easy access to the correct information and knowledge about food standards in the AANZFTA region. In 2021, the AECSP continues supporting MSMEs through a project which will compile best practices and recommendations relevant to Training on Food Safety Management Systems (FSMS) and electronic handbooks for enablers. Specialised sessions would be developed as a mechanism to maintain the database's integrity and learn from the experience of Australia and New Zealand.

### **Trade in Services**

**The AECSP has supported developing the ASEAN Qualifications Reference Framework (AQRf),** endorsed by ASEAN Economic and Education Ministers in 2014 and ASEAN Labour Ministers in 2015. The AQRf Governance and Structure was instituted in 2017. Through five phases, the AQRf project has supported AMS in referencing their national qualifications frameworks (NQFs) against the AQRf criteria—underpinned by quality assurance principles and standards towards enabling comparisons of education qualifications across all AMS. As a result, Malaysia and the Philippines have completed referencing their national qualification frameworks (NQFs) against the AQRf criteria, followed by Indonesia and Thailand in 2020. The project continues to assist AMS in developing and implementing their national qualifications frameworks and referencing them against the AQRf. The robustness of the referencing process raises the level of transparency and trust in ASEAN qualifications within the international community, encouraging greater mobility of students and workers within ASEAN.

**The AECSP enabled a pilot programme to assist AMS in preparing negative list commitments in services sectors.** The assistance was provided through regional dialogue and series of in-country technical assistance workshops for Cambodia, Indonesia, Lao PDR, and Thailand, which identified 70 draft reservations. Further, the project made available (i) Best Practice Guidelines

for Preparing a Negative List—for policy officers and negotiators to develop, refine, and negotiate their country's negative list; and (ii) a collection of training materials with helpful information and resources such as sectoral classification lists and scheduling guidelines. These materials aim to build and sustain participants' countries' capacity to prepare and negotiate negative list schedules—an approach that leads to more efficient trade negotiations and improved regional services architecture in trade agreements.

#### **The AECSP enabled comprehensive reviews of transport and logistics policies and institutional arrangements for Malaysia and the Philippines.**

Completed in 2019, these reviews mapped out the laws and regulations affecting trade and investment in transport and logistics services in both AMS and identified parameters for a coherent and well-functioning transport system. Further, a Policy and Institutional Framework (PIF) and Strategic Action Plan (SAP) were developed as part of a pilot programme to improve domestic regulations in logistics and transport in both countries. The Frameworks and Strategic Action Plan consist of options available to policymakers wishing to enhance transport and logistics services regulations, requirements, and means of implementing each option.

#### **The AECSP supported analytical studies to facilitate ASEAN policy-making process at both regional and domestic levels.**

The 2017 AECSP report on *AANZFTA Health and Education Policy Review* highlighted the barriers to trading health and education services and the benefits of international cooperation in these services. Similarly, AECSP sought to amplify the awareness of the benefits of services liberalisation through commissioning a report in 2017 on *Impact of Services Liberation: Case Studies of Five Countries*. The report looked into the various aspects of services liberation and showcased the successes of Australia, Indonesia, the Philippines, Thailand, and Viet Nam in undertaking liberalisation measures in the sectors of business services, financial services, logistics, telecommunications, and tourism.

#### **The AECSP supported technical assistance in building surveying and compilation capacity in Statistics in Trade in Services (SITS) and strengthened inter-agency coordination between AMS' statistical agencies**

through a three-phase project from 2011-2017. Pilot sectors have included transportation, manufacturing, travel, and tourism. Around 300 AMS officials and enumerators were trained to design and conduct pilot surveys towards SITS compilation, thereby supporting the development of statistical infrastructure on international trade in services for the AMS.

## **Investment**

**A wide range of AECSP-supported researches, capacity-building initiatives, and dialogues have taken place to assist Parties in addressing impediments to expanding investment flow throughout the AANZFTA.**

Over 1,100 officials—mainly from ASEAN investment promotion agencies have benefited from these activities, focusing on reservation list scheduling, market access, streamlining business licensing procedures, and investment disputes resolution and prevention.

#### **The AECSP supported the Investment Policy Reviews (IPRs) for Cambodia, Lao PDR, Malaysia, Myanmar, the Philippines and Viet Nam,**

contributing to creating a favourable investment environment in these AMS. With technical support from the Organisation for Economic Co-operation and Development (OECD), these IPRs provided comprehensive analyses of the investment environment in each country and supported the process of policy formulation and adjustment as well as promoting inter-governmental and public-private dialogue in removing barriers to foreign investments as follows:

- ◆ **Cambodia:** The first Investment Policy Review for Cambodia in 2018 recommends the country use Official Development Aid to expand its infrastructure and diversify the economy; refine investment climate; enhance trade promotion and facilitation; improve public and corporate governance; promote entrepreneurship, MSMEs, investor protection; level up the capacity and regulatory quality, competition policy and the application of technologies; and explore green growth sectors.
- ◆ **Lao PDR:** The country has implemented some recommendations from its Investment Policy Review, completed in 2017, to improve its investment environment, particularly in reducing domestic restrictions on investment, such as eliminating minimum capital requirements for investors in some sectors.
- ◆ **Malaysia:** The Investment Policy Review for Malaysia was the first of the IPR series. Critical recommendations for Malaysia as an early leader in export-led development included liberalising the service sectors, strengthening its intellectual property regime, fostering investment promotion and trade facilitation, undertaking corporate governance reform, and improving responsible conduct.
- ◆ **Myanmar:** Addressed key recommendations from its 2014 Investment Policy Review to facilitate its investment climate. These included enacting the Myanmar Investment Law in 2016, implementing the Myanmar Investment Rules in 2017 and issuing notifications to facilitate the law's implementation. The Myanmar Companies Law also came into effect in 2018, aiming to ease the business registration process.
- ◆ **Philippines:** Following its first Investment Policy Review in 2016, the Philippines amended its Anti Red Tape Act of 2007 through the passage of "Ease of Doing Business and Efficient Delivery of Government Services Act of 2018" to promote transparency, simplify the requirements and procedures to reduce red tape and expedite business and non-business-related transactions in the government.



- ◆ **Viet Nam:** Completed the Viet Nam's Investment Policy Review in late 2018. The review recommended Viet Nam to (i) further improve its investment climate, and coordination on investment promotion and facilitation; (ii) enhance corporate governance, transparency and predictability of legal frameworks and enforcement; and (iii) mainstream responsible business conduct and promote green growth. Viet Nam is in the process of revising its Investment and Corporate Law.

**A follow-up Regional Forum on Investment Policy Reviews took place in 2019, providing an avenue for investment policymakers in the AANZFTA region, the OECD, and business associations to review the achievements and lessons learned since the IPRs.** Policymakers discussed the challenges and ways to further strengthen ASEAN economic integration by improving investment climates, raising awareness of modern investment policy-making, and sound investment promotion and facilitation practices.

**The AECSP-supported Regional Forum on Investment Disputes, Resolution and Prevention, organised in late 2018, enhanced Parties' knowledge and understanding of the latest investor-state dispute settlement developments.** This further improved AMS capacity on dispute prevention and resolution in implementing the Investment Chapter of the AANZFTA. At this Forum, AANZFTA government representatives gained a deeper understanding of critical issues encompassing dispute prevention and resolution, investment retention, and an awareness of typical challenges faced by member states. AANZFTA officials also discussed possible measures and tools for adequate investor-state disputes settlement, which can elevate investor confidence in the AANZFTA investment environment and government confidence in investment policy-making.

**In early 2019, AECSP further provided technical assistance to the Myanmar Investment Commission to implement its international investment commitments, including the AANZFTA.** This short-term assistance helped Myanmar prepare market access investment offers and enhanced officials' understanding of their investment obligations in international treaties, particularly the Investor-State Dispute Settlement and its implications, improving Myanmar officials' ability to avoid and better manage investment disputes.

**Since 2020, the AECSP has assisted Viet Nam in developing a handbook for implementing international investment commitments.** This ongoing project seeks to enhance the awareness and understanding among its government officials at all levels of its investment treaty commitments. The development and implementation of the Handbook would contribute to effective management of investment treaty commitments to improve investor confidence, avoid investor-state disputes, and facilitate new investment. The success of this project would establish a model for future investment handbooks in the other ASEAN Member States.



## Intellectual Property

**Since 2010, AECSP has enhanced knowledge for over 1,600 officials and supported AMS in strengthening their organisational capabilities in creating, utilising, protecting, and enforcing intellectual property rights.** Various initiatives under this component have contributed to developing sound and balanced intellectual property systems in the AANZFTA region.

**From 2011 to 2017, AECSP assisted AMS in their accession to and implementation of the Protocol Relating to The Madrid Agreement Concerning the International Registration Marks, or the Madrid Protocol,** facilitating trademark protection for businesses in the region and achieving the AEC 2025 goal of ASEAN's complete access to the Madrid Protocol. Key results from this project include:

- ◆ The successful accession to the Madrid Protocol by Cambodia in 2015; Lao PDR in 2016; Brunei Darussalam and Thailand in 2017; Indonesia in 2018;
- ◆ Technical assistance to Myanmar aiding future accession by facilitating the development of its national legislative and organisational capability;
- ◆ Provision of post-accession support to the Philippines and Viet Nam for their implementation of the Protocol.

**The AECSP continues to deepen AMS' understanding of and capacity to design and implement quality management practices** within their respective trademark offices through the Enhancement of Trade Mark Quality Management project. The project seeks to improve the quality of information available to businesses in preparing for high-quality trademark applications and avoiding common issues that can cause a delay or become a barrier to entry into a new market in the region.

Further, the AECSP has enabled an ongoing research study and regional dialogues to improve all Parties' awareness and understanding of the approaches and related policy issues in protecting and promoting IP-related aspects on **Genetic Resources, Traditional Knowledge, and Traditional Cultural Expressions (GRTKCE)**.

**Three complementary projects supported by the AECSP have strengthened AMS' institutional capacity to design and adopt a consistent and sustainable approach to patent examination and training tailored to the need of AMS:**

- ◆ The **Regional Patent Examination Training (RPET)** project, run from 2013 to 2018, has trained 45 examiners from Indonesia, Malaysia, the Philippines, Thailand, and Viet Nam to the international standards of the Patent Cooperation Treaty (PCT). RPET has enabled participating officials to consistently conduct patent searches and substantive examinations by adopting international best practices and PCT standards. In addition, trainees with two-year training from RPET

have participated in an online Community of Practice to share experiences and progress amongst the AMS.

- ◆ Complementing RPET, a capacity-building project on **Ideal Patent Examination Training (IPET)** model, initiated in 2013, improved the quality and consistency of patent examination in the region by developing a coordinated and sustainable approach to training. The Ideal Training Model, curriculum and training tools, and the establishment of the online learning management system have assisted AMS to deliver consistent, ongoing, and structured training to their patent examiners. Likewise, participating AMS had received technical backing in customising training materials on this system to suit their national circumstances.
- ◆ The **RPET Mentoring Programme**, implemented from 2017 to 2020, had assisted AMS in adapting RPET's competency-based training models and materials from RPET and IPET to national practices and legislation. Under RPET Mentoring, experienced Australian mentors have conducted in-country consultations in Indonesia, Malaysia, the Philippines, Thailand, and Viet Nam and subsequently developed a work plan for capacity development for each participating IP office. Set in motion by RPET Mentoring, the Philippines and Viet Nam have successfully piloted the first phase of their competency-based training programme with new patent examiners. Other IP offices are planning to pilot such a programme for their new trainees later in 2019.

**The Regional Intellectual Property Public Education and Awareness Strategy equip with knowledge and toolkits in raising awareness of their respective business communities and IP creators about strategic IP management.** Two phases of this project had developed (i) Regional IP Public Education and Awareness Strategy and Resource Kit; (ii) IP for Business portal on the AANZFTA website; (iii) Business Guide to Intellectual Property Institutions, Laws and Filing Processes in AANZFTA Parties; (iv) Handbook on Intellectual Property Commercialisation: Strategies for Managing Intellectual Property Rights and Maximising Value. These resources and publications aim to help businesses, especially SMEs, reap the benefits of AANZFTA through applying for and using their intellectual property rights

## **Competition and Consumer Protection**

**AECSP has enabled numerous capacity-building and exchange of information in promoting competition, economic efficiency, consumer welfare, and the curbing of anti-competitive practices while reducing the capacity gap between AANZFTA Parties.** Nearly 4,000 officials, mainly from ASEAN national competition agencies, have benefited from these initiatives.

**Since 2014 the Competition Law Implementation Programme (CLIP) has contributed to implementing the AANZFTA chapter on Competition and achieving ASEAN's strategic goals in establishing a competitive, innovative, and dynamic ASEAN with effective and progressive competition policy.** CLIP technical assistance has supported competition law implementation at both national and regional levels in ASEAN. These activities include regional and sub-regional training workshops, resident advisors and expert placements, secondments, study programmes, remote assistance, competition clinics, webinars, and e-learning modules on the CLIP Academy. Select results from four phases of CLIP include, but are not limited to, the following:

- ◆ CLIP supported the enactment of national competition laws of Brunei Darussalam, Lao PDR, Myanmar, and the Philippines. CLIP continues to assist Cambodia in finalising and enacting its competition law and support Thailand and Viet Nam in their advocacy efforts.
- ◆ CLIP has equipped nearly 2,000 staff of ASEAN competition authorities to be 'enforcement ready' with the skills necessary to implement new and revised law effectively. CLIP eLearning modules on competition law, economics, enforcement, investigations and more help extend and sustain the learning outcomes. In collaboration with the Federal Court of Australia and the OECD, CLIP has also delivered enduring tools such as the Competition Primers for ASEAN Judges.
- ◆ CLIP promotes regional collaboration and skills transfer to provide support and mentorship to AMS officials and commissioners in the most appropriate and timely fashion. These were done through expert placements and resident advisors for Cambodia, Indonesia, Malaysia, Myanmar, and Thailand secondments programmes with Australia and New Zealand.
- ◆ CLIP has been fostering advocacy efforts towards a competition-aware ASEAN region. The AANZFTA Consumer and Competition Law Digest, formerly known as CLIPPINGS online newsletter, reaches a broad audience, sharing highlights of competition development and cooperation in the region. CLIP also produces other communication materials to support its advocacy efforts: media releases, videos, posters and pamphlets. Additionally, the Call for Papers through the 2021 AANZFTA Competition Law Essay Contest helps support the Virtual ASEAN Competition Research Centre and regional discourse about the effective implementation of competition law in ASEAN.
- ◆ CLIP makes possible regional cooperation arrangements on Competition Policy and Law through arranging AANZFTA Heads of Agency Roundtable in 2018 and Commissioners' Retreat in



2019, implementing recommendations from the ASEAN Capacity Building Roadmap for Competition (2017-2020) and ASEAN Regional Cooperation Framework (ARCF). The development of the ASEAN Capacity Building Roadmap (2021-2025) is taking place.

- ◆ Amid the COVID-19 pandemic, CLIP IV activities, namely competition clinics, webinars, and remote assistance, continue to help address issues of most immediate concern for ASEAN competition agencies in a practical and timely way. These technical assistances seek to support competitive markets and minimise economic and social harm resulting from the pandemic.

#### **Seven ASEAN Competition Conferences convened over 1,300 participants from ASEAN national competition agencies and the private sector.**

The happenings and participation exemplify the regional acceptance of the importance of competition policy. These annual thematic ASEAN Competition Conferences have served as an effective forum for ASEAN competition officials, practitioners, and academicians in and outside the region to discuss challenges in implementing their respective competition policy and law, exchange experiences and strategic discussions, and draw lessons from drawing lessons from one another.

#### **Alongside competition, the AECSP has supported new initiatives to enhance AMS's capacity to develop and implement consumer protection laws, empower consumers, and drive merits-based competition between traders:**

- ◆ The **Consumer Protection Scoping** project has strengthened the interface between consumer protection and competition law in the AANZFTA. It also explored the potential for ongoing cooperation on consumer protection under the AANZFTA. The Project delivered (i) an information paper on consumer protection administration of AMS, potential areas of AANZFTA cooperation and preparation for review and upgrade of Competition Chapter under the AANZFTA Agreement; (ii) study visit to Australia to learn from Australian and New Zealand experience on implementing competition and consumer protection law and to identify possible cooperation to complement and strengthen competition law implementation in AANZFTA region; and (iii) report on Cooperation on Consumer Protection under AANZFTA - a Proposed Way Forward (2021-2025), regulator-to-regulator technical cooperation on consumer protection.
- ◆ With the above foundation, the **AANZFTA Consumer Affairs Programme Phase I (CAP I)**, initiated in late 2020, supports consumer agencies in the AMS to respond to issues stemming from the COVID-19 pandemic. This has included a significant focus on online consumer protection, owing to the pandemic

precipitating more robust e-commerce in ASEAN. In that, CAP I has shared information about approaches to consumer protection, including hard and soft law development, practical aspects of implementation, and inter-agency cooperation coordination. Due to the COVID-19 pandemic, CAP activities—online training workshops, technical support for digital advocacy tools, video interviews, blogs, case studies, and more are fully delivered through virtual means. CAP aims to increasingly foster regular information exchange, more robust regulator-to-regulator networks, and mutual understanding among AANZFTA consumer authorities, as well as with competition law counterparts.

### **Government Procurement**

#### **AECSP set in motion a regional dialogue on sustainable government procurement amongst AANZFTA Parties.**

The 'Sustainable Procurement Symposium', which took place in November 2019, served as an avenue for participating officials to exchange experiences, increase knowledge on international best practices, and explore strategic issues relating to sustainable government procurement. The symposium also fostered a crucial discussion on further collaboration on developing a new chapter on 'Government Procurement' for the AANZFTA Upgrade negotiations.

### **Cross-Cutting Initiatives**

The AECSP has commissioned research to derive lessons learned from the **Regional Comprehensive Economic Partnership (RCEP) Agreement and other relevant free trade agreements (FTAs) to support the AANZFTA Upgrade negotiations.** The project assists the AANZFTA Joint Committee and its subsidiary bodies in preparing for the negotiations. The ultimate goal is to ensure that the upgraded AANZFTA Agreement remains relevant to the current and emerging trends, modern, comprehensive, high-quality, and more responsive to the needs of business operation, the production networks, and complementary to existing FTAs.

#### **The AECSP Symposium project celebrated the 11-year of AECSP implementation—since 2010.**

Through methodological and participatory reviews—stakeholder interviews and a consultative workshop—the project engages in retrospective taking stock of the results and lessons learned from AECSP implementation. The project also identified potential priority areas for the AECSP successor programme. A virtual event: 'AECSP Symposium' on 23 August 2021 convened key AANZFTA stakeholders, including all AANZFTA bodies, ASEAN Secretariat, AECSP project implementing partners, and business community representatives, to celebrate and reflect the success of the decade-long AECSP implementation and explore possibilities for the AANZFTA economic cooperation beyond 2021.

# Programme Breakdown

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

- Monitoring the Utilisation of AANZFTA Tariff Preferences - Phase II - Building Individual Parties Capacities to Submit Compatible Data for CTG Analysis
- Workshop on Chemicals and Plastics Production Process Rules for the AANZFTA Rules of Origin
- Capacity building on Monitoring the Utilisation of AANZFTA Tariff Preferences
- Development of Training Modules and Training for Trainers on AANZFTA Rules of Origin
- Workshop on Streamlining of Certificate of Origin Application and Issuance Procedures
- Workshop on AANZFTA Self-Certification of Origin
- Developing a Regional Approach to Monitoring Utilisation of AANZFTA Tariff Preferences
- Policy Dialogue on Future Transposition of the HS of the AANZFTA Tariff Reduction Schedules and Rules of Origin Product Specific Rules
- Training on Tariff and Trade Data Analysis for Government Officials
- Joint Session to Discuss Implementation of the First Protocol to Amend the AANZFTA Agreement
- Transposition of AANZFTA Tariff Reduction Schedules and Product Specific Rules from Harmonized Commodity Description and Coding System (HS) 2012 into HS 2017 Nomenclature
- Capacity Building to Support the Negotiation of Pilot Programs on Declaration of Origin under AANZFTA
- Capacity Building to Support the Negotiation of Pilot Programs on Full Cumulation for AANZFTA Rules of Origin
- Enhancing SMEs' Awareness and Participation in AANZFTA — Capacity Building for Cambodia, Lao PDR and Myanmar
- Rapid Response: Training on Transposition of AANZFTA Tariff

Reduction Schedules from Harmonised System 2007 to 2012 for Cambodia, Lao PDR, Myanmar, and Viet Nam

- Rapid Response: Training on Trade and Tariff Analysis for Cambodia and Indonesia
- Rapid Response: Training on AANZFTA Rules of Origin for Cambodia, Lao PDR, Myanmar, and the Philippines

## Sanitary & Phytosanitary Measures

- ASEAN Regional Diagnostic Network (Phase III)
- ASEAN Regional Guideline for the implementation of International Standards related to Sanitary and Phytosanitary
- ASEAN Regional Diagnostic Network (Phase I and II)
- ASEAN Import Health Standard: Priority Line and Capacity Development
- Sanitary and Phytosanitary Regulatory Cooperation in Dairy
- Capacity Building Program for the Development of Skills in Import Risk Analysis for Importation of Animal and Animal Products

## Standards, Technical Regulation and Conformity Assessment Procedures

- STRACAP Work Plan Implementation Program (SWIP) – Work Stream 1: Good Regulatory Practice – Cosmetics Sector
- SWIP – Work Stream 2: Cooperation in International Standards Engagement in Cosmetics (Phase One)
- Capacity Building Programme for MSME on International Prepared Food Standards – Phase II
- AANZFTA Parties' Participation in the APEC Workshop on Harmonised Electrical Equipment Regulatory Risk Assessment Tools
- Workshop on International Standards Development Best Practices
- Workshop on Priority Setting for AANZFTA Standards, Technical Regulations and Conformity Assessment Procedures
- SWIP – Work Stream 1: Good Regulatory Practice – Beverage Sector

- Capacity Building Programme for MSME on International Prepared Food Standards
- Rapid Response: Cambodia, Lao PDR, and Myanmar participation at APEC Sub-Committee on Standards and Conformance

## Customs Procedure and Trade Facilitation

- Capacity Building on Advance Ruling on Origin (ARO)
- Review of Non-Tariff Measures
- Capacity Building and Technical Assistance in Advance Rulings on Rules of Origin, Tariff Nomenclature and Customs Valuation
- Capacity Building on Risk Management

## Trade in Services

- ASEAN Qualifications Reference Framework: Capacity Building for National Qualifications Frameworks (Phase V)
- Education and Health Services Policy Review
- ASEAN Qualifications Reference Framework: Capacity Building for National Qualifications Frameworks (Phases I, II III and IV)
- Capacity Building on Collection and Management of Statistics of International Trade in Services (Phases I, II and III)
- Technical Assistance: ASEAN Logistics in Services Sector
- Workshop on Enhancing Domestic Regulations in Services
- Case Study on the Benefits of Services Liberalisation
- Enhancing ASEAN Logistics and Transport Services: Policy, Institutional and Regulatory Review
- Preparatory Work on Transitioning to Negative List Schedules (Pilot Phase)

## Investment

- Handbook for Implementing International Investment Commitments – Stage One: Pilot in Viet Nam

- Seminar-cum-Workshop on the Two-Annex Approach in the Scheduling of Reservation Lists under the Investment Chapter
- Investment Facilitation and Technical Assistance for Newer ASEAN Member States
- Study on Investment Trends, Issues, and Prospects in AANZFTA
- Workshop on Investment Commitments in International Agreements
- Workshop on Investment Disputes, Resolution, and Prevention
- Workshop on Non-Mode 3 Investment in Services
- Capacity Building for CLMV to Facilitate the Implementation and Business Utilization of AANZFTA
- Investment Policy Reviews of Cambodia, Lao PDR, Malaysia, Myanmar, the Philippines and Viet Nam
- Investment Policy Workshop for ASEAN Policy Makers
- Regional Forum on Investment Disputes, Resolution and Prevention
- Rapid Response: Knowledge exchange on Investment Treaty Handbooks as a tool for Investor-State Dispute Prevention
- Rapid Response: Knowledge exchange on understanding and application of international investment commitments for Myanmar

## Intellectual Property

- Comparative Study on Genetic Resources, Traditional Knowledge, and Traditional Cultural Expressions (Phase I)
- Enhancement of Trade Mark Quality Management (Phase I and II)
- Intellectual Property Public Education and Awareness (Phase II) - Regional Information Campaign and Supporting Campaign Materials
- Regional Patent Examination Training Mentoring Program
- AANZFTA Intellectual Property Crime Conference
- Workshop on Accession to the Madrid Protocol

Ongoing Completed

- Intellectual Property Training for Small to Medium-Sized Enterprises
- Intellectual Property Experts supporting the implementation of the AANZFTA IP Committee work program
- Accession to the Madrid Protocol (Phases I, II and III)
- Regional Patent Examination Training
- Capacity Building for Patent Examiners – An Ideal Training Model
- IP Public Education and Awareness - Community of Practice and Strategy
- Policy Workshops on IP and Genetic Resources, Traditional Knowledge, and Traditional Cultural Expressions

## Competition and Consumer Protection

- Competition Law Implementation Program Phase IV
- AANZFTA Consumer Affairs Program Phase I
- Competition Law Implementation Program (Phases I, II and III)
- Workshops I and II on Competition Policy and Law for the ASEAN Member States
- Building Competition Law Enforcement Capability through Investigation Skills Training
- Competition Regulatory Experts Secondment to Malaysia and Viet Nam
- ASEAN Competition Conferences (First to Seventh)
- AANZFTA Scoping Project on Consumer Protection

## Government Procurement

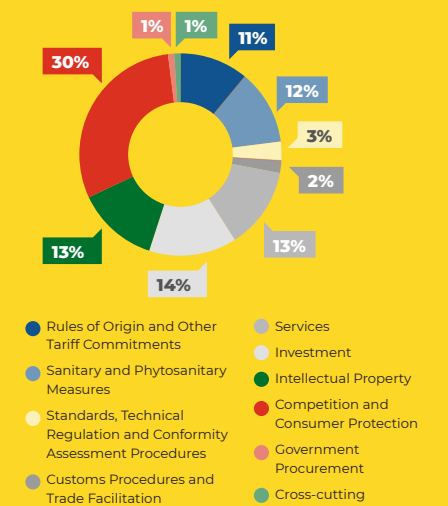
- 2019 Sustainable Procurement Symposium

## Cross-Cutting Initiatives

- Lessons Learned from the RCEP Agreement and Other Relevant FTAs to support the AANZFTA Upgrade Negotiations
- AECSF Symposium: Results, Lessons Learned, and Future Directions of the AANZFTA Economic Cooperation

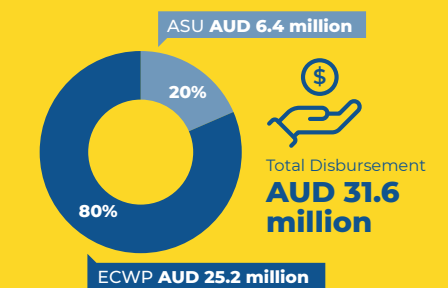
## Budget Allocation by Components

(As of 16 August 2021)



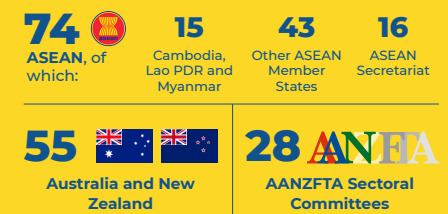
## AECSF Disbursement

(As of 31 July 2021)



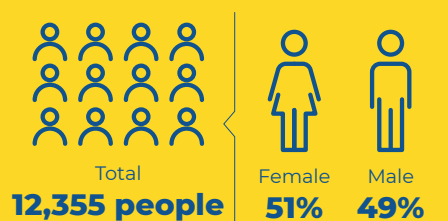
## AECSF Project Initiating Party

(As of 16 August 2021)

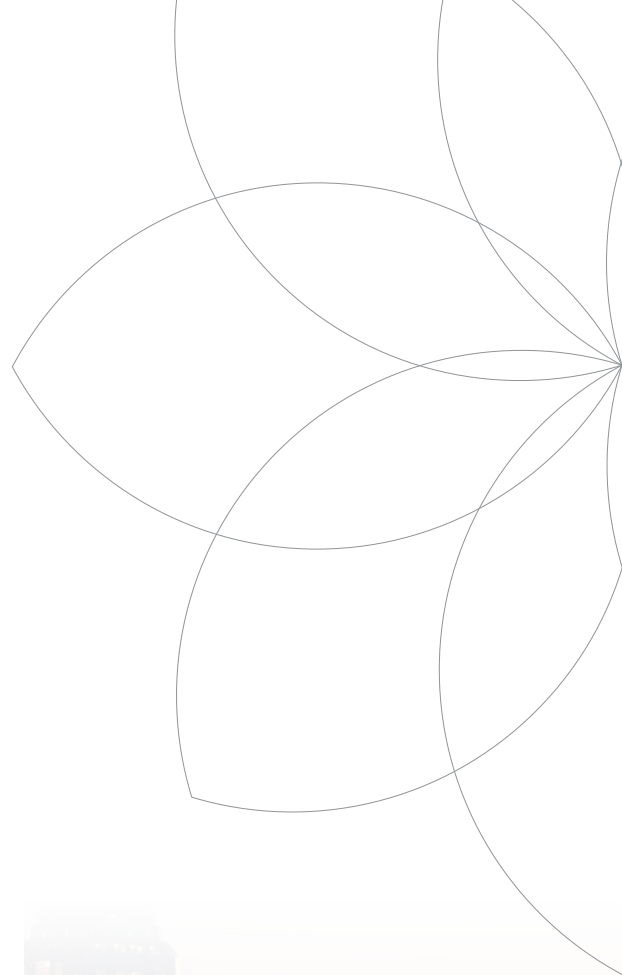


## Number of People Reached by the AECSF

(As of 16 August 2021)







**Australian  
AID** 



**NEW ZEALAND**  
FOREIGN AFFAIRS & TRADE  
Manatū Aorere

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