

# ASEAN TRADE FACILITATION

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# Trade Facilitation

- Adoption of ASEAN Trade Facilitation Work Programme in 2008.
  
- ASEAN Trade Facilitation Work Programme covers:
  - Elimination of tariffs
  - Elimination of NTBs
  - Enhancement of Rules of Origin
  - Customs Integration
  - ASEAN Single Window
  - Harmonisation of Standards and Conformance Procedures



# Tariffs and Non-tariff Measures

- **Elimination of Tariffs:** At present 95.99% of ATIGA tariff lines are eliminated.
- **Elimination of NTBs:** Several initiatives in addressing the barrier components of Non-tariff Measures (NTMs):
  - (i) Adoption of Work Programme on NTM;
  - (ii) Establishment of Interagency body in each AMS;
  - (iii) Discussion of cases in the Matrix of Actual Cases on NTMs/trade barriers and the pilot project/case studies on NTMs;
  - (iv) Elimination of TRQs by Viet Nam; and
  - (v) Re-alignment of ASEAN NTM database with the 2012 UNCTAD NTM classification with technical assistance from ASEAN Regional Integration Support from the EU (ARISE) and UNCTAD.



# Enhancement of Rules of Origin

- Continuous revision of ASEAN ROO and Operational Certification Procedures (OCP) to be trade-facilitative and responsive to global production changes.
  
- **Products Specific Rules (PSR):**
  - Undertaking sectoral studies to come up with the most appropriate ROO for automotive, and iron and steel products.
  
  - Completion of the sectoral study on automotive with assistance from EU (APRISE)
  
  - On-going work on the sectoral study on iron and steel products with assistance from the Ministry of Economy Trade and Industry (METI) of Japan.
  
- **ASEAN Self-certification System:**
  - Implementation of Pilot projects on ASEAN self-certification scheme;
  
  - Work towards the realisation of ASEAN self-certification system by 2015.



# ASEAN Trade Repository (ATR)

- Establishment of National Trade Repository (NTR) which is a pre-requisite of ATR by ASEAN Member States ;
- NTR establishment by Indonesia, Lao PDR, Malaysia, and Thailand;
- Establishment of ATR as required by the ATIGA which contains all trade-related information, e.g. tariff nomenclature, NTMs, national trade and customs registration.
- Establishment of ATR which is as a web portal, a single point of access to ASEAN Member States' trade-related information on their NTR by 2015.
- Technical assistance on the NTR/ATR establishment from ARISE and World Bank.



# Customs Integration

New ASEAN Agreement on Customs signed in 2012 and entered into force in November 2014 : simplification and harmonisation of rules and procedures in :

- Customs Tariff Classification
- Valuation
- Origin Determination of Goods
- E-Customs
- Customs Clearance
- Customs Transit
- Authorised Economic Operators
- Knowledge Based Service
- Enforcement and Mutual Assistance
- Post clearance Audit
- Public Security and Protection of Society
- Reform and Modernisation
- HR/Admin Development
- Private Sector Engagement
- Narrowing Development Gap



# Customs Integration

- **Protocol Governing the Implementation of ASEAN Harmonised Tariff Nomenclature (AHTN):**
  - Signed in 2003
  - Established and implemented AHTN to facilitate ASEAN Trade
  - Established uniformity of application in the classification of goods in ASEAN
- **AHTN Task Force**
  - Established in 2008
  - Review and simplify the AHTN
  - Make and issue decision on all classification disputes among Members



# ASEAN Customs Transit System (ACTS)

## Sub-Working Group on ASEAN Customs Transit System

- Established in 2010
- To examine the implementation of a pilot project of the ASEAN Customs Transit System (ACTS) along the North-South Corridor (between Malaysia, Singapore and Thailand)
- Main features of ACTS: Single Customs Transit Declaration, Computerised Customs Transit System and Single Guarantee.





# ASEAN Single Window (ASW)

- ASW - key component in realizing the ASEAN Economic Community.
- A secure environment where NSWs operate and integrate, enabling seamless, standardized and harmonized routing and communication of trade and customs related data and information for customs clearance and release
- National Single Windows (NSWs) allow traders to submit trade-related documents in one place and enable agencies within a Member State to process and deliver decisions through the same point where the submission was made.
- “Full-fledged” version of ASW, exchange of ATIGA Form D, to be implemented by exchange-ready AMS, i.e. Indonesia, Malaysia, Singapore and Thailand.
- Signing of the Protocol on the Legal Framework Agreement to Implement the ASW (PLF) by the ASEAN Finance Ministers in March 2015. The PLF would govern the legal aspects of the eventual implementation of the ASW across Member States.
- AMS are at various levels of development of their NSW.



# Harmonization of Standards and Conformance Procedures

## 1. Harmonisation of standards and technical requirements

- Guided by ASEAN Policy Guidelines on Standards and Conformance.
- Based on international standards and practices.

## 2. Mutual Recognition Arrangements (MRAs)

- Guided by ASEAN Framework Agreement on MRAs (1998)
- Recognition of conformity assessment results (testing, inspection and product certification).
- Competence criteria of conformity assessment bodies follows international standards and practices.



# Harmonization of Standards and Conformance Procedures

- Harmonization of standards and technical requirements are on-going for all the Priority Integration Sectors (PIS):

- Agro-based products (prepared foodstuff)
- Automotive
- Healthcare products (Cosmetics, Medical Device, Pharmaceutical, Traditional Medicines and Health Supplements)
- Rubber-based
- Electrical and Electronic Equipment
- Wood based products
- *Building and Construction Materials*



# Mutual Recognition Arrangements (MRA)

## Existing MRAs

- ASEAN Sectoral MRA for Electrical and Electronic Equipment (2002)
- ASEAN Sectoral MRA for GMP Inspection of Manufacturers for Medicinal Products (2009)

## Under negotiation (by 2015)

- MRA on Inspection and Certification System on Food Hygiene for Prepared Foodstuff
- ASEAN MRA on Type Approval for Automotive Product
- ASEAN MRA on Building and Construction Material
- ASEAN MRA on Bio-Equivalence (BE) Study Report



# Standards and Conformance

## 3. Development of Single Regulatory Regime, Directive or Agreement for the PIS

- Unifies regulatory regimes in ASEAN
- Follows harmonised standards, guidelines and conformity assessment procedures.



# Regulatory Regimes

- **Harmonised Regulatory Regimes**
  - Agreement on the ASEAN Harmonised Cosmetic Regulatory Scheme (2003) – ASEAN Cosmetic Directive
  - Agreement on the ASEAN Harmonised Electrical and Electronic Equipment Regulatory Regime (2005)
  - ASEAN Medical Device Directive (2014)
- **Under Negotiation**
  - ASEAN Agreements on Traditional Medicines and Health Supplements (by 2016)



# Technical Assistance to ASEAN on S&C

- **Australia and New Zealand**
  - AANZFTA Economic Cooperation Work Programme (ECWP)
- **European Union**
  - ASEAN-EU, ASEAN Regional Integration Support Program from the EU (ARISE)
- **Germany – Physikalisch-Technische Bundesanstalt (PTB)**
  - Strengthening Quality Infrastructure Programme
- **Japan**
  - Through ACCSQ - METI-Japan Cooperation on S&C.
- **USA**
  - ASEAN-Connectivity Through Trade and Investment (ACTI)



Thank You

