

1999 MEMORANDUM OF UNDERSTANDING ON ASEAN COOPERATION IN AGRICULTURE AND FOREST PRODUCTS PROMOTION SCHEME

Signed in Bandar Seri Begawan, Brunei Darussalam on 28 October 1999

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The Governments of Brunei Darussalam, Kingdom of Cambodia, the Republic of Indonesia, Lao People Democratic Republic, Malaysia, the Union of Myanmar, the Republic of the Philippines, the Republic of Singapore, the Kingdom of Thailand and the Socialist Republic of Vietnam being members of the Association of Southeast Asian Nations hereinafter referred to as ASEAN:

RECALLING

The Singapore Declaration signed at the Fourth ASEAN Summit in 1992 which agreed that:

- i) ASEAN shall adopt joint efforts to strengthen trade promotion and negotiations -on ASEAN agricultural products 'in order to enhance ASEAN's competitive posture, and to sustain the expansion of ASEAN agricultural exports in international market;
- ii) ASEAN shall enhance cooperation and collective action in international and inter-regional fora as well as in international organisations and regional groupings;
- iii) ASEAN shall also continue to enhance relations with its dialogue partners and other producing/consuming countries towards the advancement of the commodity issues; and

which acknowledged that sub-regional arrangements among themselves, or between ASEAN Member Countries and non-ASEAN economies could complement overall ASEAN economic cooperation;

REITERATING our commitment to the Framework Agreement on Enhancing ASEAN Economic Cooperation signed in Singapore on 28 January 1992 which provides the focus of cooperation in food, agriculture and forestry on the areas of development, production and promotion of agricultural products for ensuring food security and upgrading of information exchanges, and on the need to strengthen technical joint cooperation to better manage, conserve, develop and market forest resources;

REITERATING our commitment to the Ministerial Understanding on ASEAN Cooperation in Food, Agriculture and Forestry, signed in Brunei Darussalam on 28 October 1993, that Member Countries shall collectively promote the ASEAN Agriculture and Forest Products;

RECALLING the Bangkok Declaration signed at the Fifth ASEAN Summit in 1995 which agreed that ASEAN shall embark on new initiatives to achieve global competitiveness in agriculture and forestry while maintaining the sustainability of its resources

REITERATING our resolve as stated in the ASEAN Vision 2020 to enhance international competitiveness of food, agriculture, and forest products, to make ASEAN a leading producer of these products.

CONSIDERING that agriculture and forestry will remain as important aspects of the ASEAN economy with particular significant impact on income enhancement and poverty alleviation and that human resources can be developed through the transfer of technology, a result of the implementation of bold investment programmes;

REAFFIRMING our awareness on the dynamics of recent global affairs, the trend towards regional trade and economic integration, and environmental issues;

RECOGNISING the need to realign the food, agriculture, and forestry sectors within the mainstream of ASEAN economic cooperation and that these sectors cannot progress without promoting trade and ASEAN must take full advantage of the relevant international organisations and fora;

ACCEPTING the importance of liberalising the agriculture and forestry sectors and transforming these sectors from production push approach to market-oriented approach; and

REALISING the importance of agriculture and forest products diversification, intensification of downstream processing and higher value added activities;

HAVE AGREED to sign a Memorandum of Understanding with the following provisions:

I. GENERAL PROVISIONS

1. The Governments of ASEAN Member Countries hereby agree to establish the ASEAN Cooperation on Agriculture and Forest Products Promotion Scheme, hereinafter referred to as the Scheme.
2. In this Scheme, "Promotion" means joint efforts to improve the competitiveness of ASEAN agriculture and forest products. These include negotiation, collective bargaining, and addressing issues and problems encountered by Member Countries in the international markets.
3. The objectives of the Scheme are to:
 - i) Strengthen the collective bargaining position of ASEAN on matters affecting agriculture and forest products trade in the world markets;
 - ii) Expand agriculture and forest products exports through product diversification, intensification of downstream processing and higher value added activity;
 - iii) Continue upgrading the quality of ASEAN Agriculture and Forest Products;
 - iv) Lay down the foundation for a bigger and closer economic ties between ASEAN Member Countries; and
 - v) Maintaining agriculture and forest products resources to ensure the sustainable supply of raw materials.
4. The products to be covered by the Scheme shall be reviewed at the Joint Committee Meeting. The Initial Product List covered by the Scheme appears in Schedule A.

5. Promotional programmes of the agriculture and forest products shall be initiated by the private sector in consultation with the National Coordinator of Member Countries as referred to in paragraph 17. The addresses of National Coordinators and Focal Points appear in Schedule B,
6. The Governments of Member Countries shall assist and facilitate the private sector's initiatives.
7. The Scheme shall establish a Coordinating Mechanism for joint approaches and promotion to expand ASEAN exports of agriculture and forests products in the world market as referred to in paragraph 17. The organisational structure of the Joint Committee appears in Schedule C.

II. JOINT PRODUCT PROMOTION IN WORLD MARKET

8. The Scheme shall establish guidelines and procedures for joint ASEAN products promotions which shall include the following programmes/activities:
 - i) Joint efforts to counter campaign against ASEAN products;
 - ii) Joint negotiations to overcome discriminatory Non-Tariff Barriers (NTBs) and unfair practices imposed by importing country/countries; and
 - iii) Joint promotion of product through participation in promotional activities.
9. A product to be considered for inclusion in the Scheme must satisfy any two of the following criteria:
 - i) The product is being subjected to discriminatory treatment and/or nontrade related issues;
 - ii) The product is of major export interest to or has export potential for at least two Member Countries; and
 - iii) The product has economic impact in terms of income generation and employment on a large number of people in ASEAN.
10. The application for the inclusion or removal of a product under the Scheme shall be considered and decided on not more than three months upon receipt of the application at a meeting of the Joint Committee or by ad referendum.
11. The joint promotion of a product shall be undertaken and agreed upon by a Lead-Country whose selection shall be made on the basis of the expertise possessed by the country. The Lead-Country for the product may withdraw from its position and request Member Countries to appoint a replacement. A Member Country who wishes to withdraw as lead country has to notify members of the Joint Committee at least three months before the Joint Committee Meeting. The Joint Committee will then consider and decide on the replacement.
12. The Lead-Country shall undertake to implement the most appropriate strategy to promote the product being assigned. The Lead-Country shall also examine and recommend measures for joint efforts and approaches on issues/concerns affecting trade of the products.
13. The Scheme shall avoid duplication of promotional activities currently being undertaken by other regional and international organisations.

III. ENHANCEMENT OF INTRA-ASEAN TRADE

14. Efforts shall be undertaken by Member Countries to enhance intra-ASEAN trade which shall include the following areas:
- i) Consultations and exchange of information on trade and investment policies and strategies;
 - ii) Cooperation on border and non-border measures to supplement and complement efforts towards liberalising trade and investment to include reciprocal recognition of tests and certification, removal of barriers, and fair competition; and
 - iii) Cooperative efforts in downstream and value added activities.

IV. ENHANCEMENT OF COMPETITIVENESS OF ASEAN PRODUCTS

15. Member Countries shall endeavour to undertake strategic actions towards enhancing the long term competitive posture of ASEAN agriculture and forest products through the following efforts:
- i) Strengthening cooperation in human resources development;
 - ii) Enhancing complementarity of ASEAN products;
 - iii) Intensifying cooperation in technology development and transfer; and
 - iv) Accelerating the harmonisation of standards.

V. COORDINATING MECHANISM

16. A Joint Committee shall be established to coordinate joint efforts and programmes under the Scheme. The Joint Committee shall be chaired on rotational basis and be held in Member Countries hosting the AMAF Meeting. The Meeting shall be held prior to the AMAF Meeting.
17. The Joint Committee, comprising of the ASEAN Secretariat, the Chairman of the National Focal Points Working Groups/ Industry Clubs, concerned government officials, the representative of the ASEAN-CCI and the relevant private sector recommended by the National Coordinators, shall oversee the implementation of the Scheme while the National Coordinators shall be responsible to coordinate activities of the Lead Countries/ Focal Points. Member Countries identified to lead a particular product as in Schedule A shall establish the meeting of the Working Group and to organise and call for the meeting at least once a year as deemed appropriate. The lead country shall chair the Working Group which shall be named "The Meeting of the National Focal Points Working Group on of the Promotion Scheme". The Working Groups/Industry Clubs established by private sectors, including the ASEAN Vegetable Oils Club and the ASEAN Rubber Business Club could continue with their establishment and to report their activities to the Joint Committee.
18. The Chairman of the Working Groups/ Industry Clubs shall present the progress report of its activity for the consideration of the Joint Committee Meeting.
19. The Joint Committee shall adopt its own rules of procedures.

VI. ENTRY INTO FORCE

20. This Memorandum of Understanding shall enter into force from the date of its signature and shall initially apply for a period of five (5) years. It may be extended by the consensus of all Members Countries beyond the original five year period. Upon entry into force, this Memorandum of Understanding and its Schedules shall supersede the Memorandum of Understanding on ASEAN Cooperation and Joint Approaches in Agriculture and Forest Products Promotion Scheme, signed at Langkawi, Malaysia, on 25 August 1994.

VII. FINAL PROVISION

21. This Memorandum of Understanding may be amended by consensus of the Member Countries;
22. This Memorandum of Understanding shall be deposited with the Secretary-General of ASEAN who shall promptly furnish a certified copy thereof to each of the Member Countries.
23. This Memorandum of Understanding shall replace the Memorandum of Understanding on ASEAN Cooperation and Joint Approaches in Agriculture and Forest Products Promotion Scheme of 25 August 1994 on the date of its signature. All programmes under it which have started or already in force or effect at the time of entry into force of this Memorandum of Understanding shall remain valid until the completion of the said programmes.

IN WITNESS WHEREOF, the undersigned being duly authorised thereto by their respective Governments, have signed this Memorandum of Understanding.

DONE at Bandar Seri Begawan, Brunei Darussalam on this 28th day of October 1999 in a single copy in the English Language.

For the Government of Brunei Darussalam: **ABDUL RAHMAN TAIB**, Ministry of Industry and Primary Resources

For the Government of the Kingdom of Cambodia: **MR. MAY SAM-OUEN**, Secretary of State of Agriculture, Forestry and Fisheries

For the Government of the Republic of Indonesia: **MR RAHARDJO DOJONEGORO**, Ambassador

For the Government of Lao People Democratic Republic: **DR. SIENE ASPHANGTHONG**, Minister of Agriculture and Forestry

For the Government of Malaysia: **DATUK AMAR DR. HJ. SULAIMAN HJ. DAUD**, Minister of Agriculture

For the Government of the Union of Myanmar: **U OHN MYINT**, Deputy Minister of Agriculture and Irrigation

For the Government of the Republic of the Philippines: **MR. EDGARDO J. ANGARA**, Secretary of Agriculture

For the Government of the Republic of Singapore: **MR. MAH BOW TAN**, Minister of National Development

For the Government of the Kingdom of Thailand: **MR. PONGPOL ADIREKSARN**, Minister of Agriculture and Cooperatives

For the Government of the Socialist Republic of Vietnam: **MR. LE HUY NGO**, Minister of Agriculture and Rural Development