

2016 ASEAN TRADE FACILITATION FRAMEWORK

Adopted in Vientiane, Lao PDR on 3 August 2016

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I INTRODUCTION

1. Trade facilitation is a recognized driver of economic development and regional integration. It plays a key role with respect to the realization of the goal of establishing ASEAN as a single market and production base, which is stable, prosperous, highly competitive and economically integrated, with effective facilitation for trade and investment, in which there is free flow of goods, services and investment.
2. Important drivers of trade facilitation, as well as several trade facilitation obligations and commitments, already inform ASEAN Member States' trade and economic relations within ASEAN. These are evident in the ASEAN Charter, ASEAN Vision 2025: Forging Ahead Together: ASEAN Economic Community Blueprint 2025, and ASEAN Trade in Goods Agreement (ATIGA). Noting trade facilitation disciplines are also evident in the Trade Facilitation Agreement under the World Trade Organization (WTO) and within the framework of the Revised International Convention on the Simplification and Harmonization of Customs Procedures (the revised Kyoto Convention), which was adopted by the World Customs Organization (WCO).
3. The ASEAN Trade Facilitation Framework (ATFF) aims at consolidating these elements and it provides a basis upon which ASEAN Member States (AMSs) can further engage and foster greater trade facilitation regionally and within the relevant ASEAN sectoral bodies. The ATFF focuses on effective implementation of the existing ASEAN obligations, commitments and instruments relating to trade facilitation. The added value of the ATFF rests in the desire of AMSs to provide a coordinated and renewed impetus towards trade facilitation within the ASEAN region.
4. While avoiding overlaps among ASEAN subsidiary bodies and initiatives, the ATFF shall be developed and implemented through a comprehensive ASEAN Trade Facilitation Work Programme geared to achieve specific and measurable deliverables, strengthen the role of micro, small and medium-sized enterprises (MSMEs), increase market access opportunities and promote exports, foster private sector engagement, enhance ASEAN's ability to integrate into global value chains, narrow the development gap, strengthen cooperation with ASEAN's Dialogues Partners, and ensure effective monitoring and reporting of ASEAN's progress in facilitating trade.

II SCOPE

5. In line with the ASEAN commitments to trade facilitation under the ATIGA and the AEC Blueprint 2025, the scope of the ATFF shall cover the following areas: a) Customs and transport facilitation; b) Transparency of trade regulation and procedures; c) Standards and conformance; and d) Private sector engagement and business facilitation. Other specific areas of ATFF, such as the ASEAN Single Window (ASW), the ASEAN Customs and Transit System (ACTS), the ASEAN Trade Repository (ATR) with the inter-operative network of National Trade Repositories (NTRs); the ASEAN-wide system of Self Certification, the system of ASEAN Solutions for Investments, Services and Trade (ASSIST), and/or the various initiatives to streamline Non-Tariff Measures (NTMs) and eliminate Non-Tariff Barriers (NTBs), shall be coordinated and advanced by the specific subsidiary bodies active in each of these focus areas under the coordination of the ASEAN Trade Facilitation Joint Consultative Committee (ATF-JCC).

III OBJECTIVES

6. The objectives of the ATFF shall be the following:
 - a) To achieve the competitive, efficient and seamless movement of goods within the region in order to enhance ASEAN's trade and production networks, better participate into global value chains, as well as to establish a highly integrated and cohesive economy.
 - b) To minimise the impact of non-tariff measures (NTMs) and achieve the elimination of non-tariff barriers (NTBs), fostering an effective and responsive regional approach to efficiently address NTMs with a view to pursuing legitimate policy objectives while reducing cost and time of doing business in ASEAN;
 - c) To further promote the active engagement of the private sector, with particular emphasis on the development and promotion of micro, small and medium enterprises (MSMEs) in the process of regional economic integration, through greater participation of the various ASEAN business associations in the appropriate fora;
 - d) To address the development gaps between and within AMSs and the need to facilitate the increasing participation of all AMSs, especially least developed AMSs, in the process of implementation of ASEAN trade facilitation programmes;
 - e) To enhance the institutional coordination among the relevant sectoral bodies of ASEAN, in order to effectively implement the trade facilitation measures under their respective purview consistently with their sectoral work-plans for 2016-2025 and the ASEAN Blueprint 2025;
 - f) To improve the monitoring mechanism for the implementation of trade facilitation measures, with a view to increasing their effectiveness and responsiveness in improving the competitiveness of ASEAN industries and businesses, particularly MSMEs; and
 - g) To encourage the implementation of trade facilitation measures, which have been accepted by international institutions such as the WTO and/or the WCO, and in light of other relevant best practices.

IV PRINCIPLES

7. A number of key principles shall guide the agenda of regional trade facilitation on the basis of the ATFF and in line with the overarching rationale of trade facilitation under ATIGA and AEC Blueprint 2025. These principles provide guidance and direction for the further development and implementation of the ASEAN trade facilitation programme.
- a) **Transparency:** Information on policies, laws, regulations, administrative rulings, licensing, certification, qualification and registration requirements, technical regulations, standards, guidelines, procedures and practices relating to trade in goods (hereinafter referred to as “rules and procedures relating to trade”) shall be made available to all interested parties, consistently and in a timely manner, at no cost or a reasonable cost;
 - b) **Communications and consultations:** AMSs shall endeavour to facilitate and promote effective mechanisms for exchanges with the business and trading community, including opportunities for consultation when formulating, implementing and reviewing rules and procedures relating to trade;
 - c) **Simplification and efficiency:** AMSs shall simplify the rules and procedures relating to trade, by fostering responsive regulatory/good regulatory practices, in order to reduce burdensome, restrictive or unnecessary measures;
 - d) **Non-discrimination:** AMSs shall apply the rules and procedures relating to trade in a non-discriminatory manner and based on market principles;
 - e) **Consistency and predictability:** AMSs shall apply rules and procedures relating to trade in a consistent, predictable and uniform manner, so as to minimize uncertainty. Rules and procedures relating to trade shall be applied in a nondiscretionary manner and shall provide clear and precise procedural guidance to the appropriate authorities with standard policies and operating procedures;
 - f) **Harmonisation and mutual recognition:** While maintaining the right to regulate or set rules to pursue legitimate objectives such as the protection of health, safety or public morals and the conservation of exhaustible natural resources, the regulations, rules and procedures affecting the acceptance of goods between AMSs shall be harmonised subject to domestic regulation on the basis of international standards and facilitated through mutual recognition, where appropriate;
 - g) **Modernisation and use of new technology:** AMSs will review and update, if necessary, the rules and procedures relating to trade, including new information and new business practices, and based on the adoption, where appropriate, of modern techniques and new technology;
 - h) **Due process:** Access to adequate legal appeal procedures, which add greater certainty to trade transactions, shall be provided by AMSs in accordance with the applicable laws of the respective AMS;
 - i) **Cooperation:** AMSs shall strive to work closely with the private sector in the introduction of measures conducive to trade facilitation, including by open channels of communication and cooperation between both governments and business; and

- j) Private sector orientation: AMSs shall endeavour to engage the business sector and community-based organisations even more effectively, both in terms of providing easier access to official information on implementation and by obtaining timely feedback on policies or measures being proposed, particularly when they have a trade facilitation goal.

V INSTITUTIONAL FRAMEWORK

- 8. In order to realize the objectives of the ATFF, the ASEAN Trade Facilitation Joint Consultative Committee (ATF-JCC) shall be revived to carry out its mandate, consistently with the agreed scope of the AEC Blueprint 2025 and the ATIGA:
 - a) Develop a Strategic Action Plan for Trade Facilitation (2017-2025), taking into account the sectoral work-plans of all relevant ASEAN bodies playing a role relevant to trade facilitation;
 - b) Draft, periodically review and update the ASEAN Work Programme on Trade Facilitation (AWPTF), which will set out clear targets and timeframes for implementation, factoring in all initiatives pursued by the relevant bodies;
 - c) Direct and coordinate the trade facilitation activities of all relevant ASEAN bodies playing a role vis-à-vis trade facilitation:
 - i). The ASEAN Directors-General of Customs (for customs) and the ASEAN Senior Transport Officers (for transit), supported by ASEAN Transit Transport Coordinating Board (TTCB) and the other respective working bodies (e.g., the ASW Steering Committee) for customs and transport facilitation initiatives such as the ASEAN Single Window (ASW) and the ASEAN Customs and Transit System (ACTS);
 - ii). The Coordinating Committee on the Implementation of the ATIGA (CCA) for transparency of trade regulations and procedures initiatives, such as the ASEAN Trade Repository (ATR) and the National Trade Repositories (NTRs);
 - iii). The ASEAN Consultative Committee for Standards and Quality (ACCSQ) and the ASEAN Committee on Sanitary and Phytosanitary Measures (AC-SPS) for trade facilitation in the areas of standards and conformance; and
 - iv). Other relevant sectoral bodies, particularly with respect to trade facilitation initiatives geared to private sector engagement and business facilitation.
 - d) Achieve a more inclusive and consultative process to engage the private sector on trade facilitation issues;
 - e) Address specific issues or concerns, as proposed by private sector representatives, which require trade facilitation actions (e.g., specific non-tariff measures or non-tariff barriers, lack of transparency, issues that could not be resolved through business-to-government consultations under ASSIST, etc.) and that impair the expeditious movement of goods within the region; and
 - f) Periodically report to the Senior Economic Officials' Meeting (SEOM) on the progress in the implementation of the AWPTF, for SEOM to report to the AFTA Council or the AEM, as appropriate.

9. With respect to private sector engagement and business facilitation, the ATF-JCC, assisted and supported by the other relevant subsidiary bodies, shall ensure effective implementation of all related trade facilitation initiatives and shall periodically coordinate its efforts and achievements with SEOM.
10. AMSs shall designate their Senior-level representatives to the ATF-JCC. Representatives from the private sector, including the ASEAN Business Advisory Council, may be invited to attend dedicated sessions of the ATF-JCC in order to discuss general issues of ASEAN trade facilitation and/or to obtain feedback and/or discuss any proposals with a view to further facilitate business in the region. Private sector participation and representation shall be determined by the Chair of the ATF-JCC in coordination with ASEAN Member States and the ASEAN Secretariat, depending on the issues being discussed in each session of the ATF-JCC. Private sector participation shall be on a self-funded and consultation basis.
11. The ATF-JCC shall be chaired by the SEOM Chair/Lead and shall be convened, as necessary and at least twice a year, in order to advance the trade facilitation mandate of the ATF-JCC and/or to tackle specific issues of trade facilitation, as referred to it by AMSs and/or by the other relevant ASEAN bodies or the private sector.
12. The ATF-JCC shall be serviced by the ASEAN Secretariat, which will assist it intersessionally for purposes of drafting the meetings' agenda, coordinating with the other relevant ASEAN bodies that play a role vis-à-vis trade facilitation, and interacting with the private sector.
13. To assist the functioning of the ATF-JCC, AMSs shall strengthen the Trade Facilitation Coordinating Committees or their relevant focal points at their respective national levels, in line with Article 50 of the ATIGA. AMSs, individually and collectively, shall undertake assessments, once every two years, on the implementation of the trade facilitation measures set out in the AWPTF, in line with Article 48 of the ATIGA.