

2009 MEMORANDUM OF UNDERSTANDING ON ASEAN COOPERATION IN AGRICULTURE AND FOREST PROMOTION SCHEME

Signed in Bandar Seri Begawan, Brunei Darussalam on 11 November 2009

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The Governments of Brunei Darussalam, the Kingdom of Cambodia, the Republic of Indonesia, Lao People's 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 Viet Nam being members of the Association of Southeast Asian Nations (hereinafter referred to collectively as "ASEAN" or "Member States" and individually as "Member State"),

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 markets;
- ii) ASEAN shall enhance co-operation and collective action in international and inter-regional fora as well as in international organizations 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
- iv) ASEAN acknowledges that sub-regional arrangements among the Member States or between Member States and non-ASEAN economies could complement overall ASEAN economic co-operation.

REITERATING our commitment to the Framework Agreement on Enhancing ASEAN Economic Co-operation signed in Singapore on 28 January 1992 which provides the focus of co-operation 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 co-operation to better manage, conserve, develop and market forest resources;

REITERATING our commitment to the Ministerial Understanding on ASEAN Co-operation in Food, Agriculture and Forestry, signed in Brunei Darussalam on 28 October 1993, that Member States 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 Economic Community Blueprint, adopted by the Thirteenth ASEAN Summit on 20 November 2007, in particular to enhance intra- and extra- ASEAN trade and long-term competitiveness of food, agriculture and forest products/commodities;

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 of 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 integration and that these sectors cannot progress without promoting trade and ASEAN must take full advantage of the relevant international organizations and fora;

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

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

RECALLING the Memorandum of Understanding on ASEAN Co-operation and Joint Approaches in Agriculture and Forest Products Promotion Scheme, signed at Bandar Seri Begawan on 28 October 1999 (hereinafter referred to as the "1999 Memorandum of Understanding"), which is set to expire on 27 October 2009 and the need to further strengthen co-operation among Member States on promotion of agriculture and forest products;

HAVE AGREED as follows:

I. GENERAL PROVISIONS

1. Member States hereby agree to establish the ASEAN Co-operation on Agriculture and Forest Products Promotion Scheme (hereinafter referred to as the "Scheme").
2. In the Scheme, "Promotion" means joint efforts to improve the competitiveness of ASEAN Agriculture and Forest Products (hereinafter referred to as the "Products"). These include negotiation, collective bargaining, and addressing issues and problems encountered by Member States in international markets.
3. The objectives of the Scheme are to:
 - i) strengthen the collective bargaining position of ASEAN on matters affecting trade in the Products in international markets;
 - ii) expand the Products exported markets through product intensification of downstream higher value-added activities; to international diversification, processing and
 - iii) continue upgrading the quality of the Products and food safety;
 - iv) lay down the foundation for greater and closer economic ties between Member States; and
 - v) maintain the 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 List of Products covered by the Scheme appears in Schedule A.
5. Promotional programmes of the Products shall be initiated by the private sector in consultation and co-operation with the National Coordinator of Member States as referred to in paragraph 19 and 20. The addresses of the National Coordinators and Focal Points of the respective Member States appear in Schedule B.
6. Member States shall assist and facilitate the private sector initiatives.
7. The Scheme shall establish a Coordinating Mechanism for joint approaches and promotion to expand ASEAN exports of the Products into international markets, as referred to in paragraph 18 to 22. The organizational structure of the Joint Committee appears in Schedule C.

II. JOINT PRODUCT PROMOTION IN INTERNATIONAL MARKETS

8. The Scheme shall establish guidelines and procedures for joint promotions for the Products which shall include the following programmes or activities:
 - i) joint efforts to counter campaign against the Products;
 - ii) joint effort to overcome discriminatory tariff and non-tariff barriers and unfair trade practices imposed by an importing country or countries; and
 - iii) joint promotion of the Products 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 or non-trade related issues or both; or
 - ii) the product is of major export interest to or has export potential for at least two Member States; or
 - iii) the product has economic impact, in terms of income generation and employment, on a large number of people in the Member States.
10. The application for the inclusion or removal of a product under the Scheme shall be considered and decided within three (3) 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 a product may withdraw from its position and request the Member States to appoint a replacement. A Member State who wishes to withdraw as Lead Country has to notify members of the Joint Committee at least three (3) 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 or concerns affecting trade of the product assigned.
13. The Scheme shall avoid duplication of promotional activities currently being undertaken by other regional and international organizations of which Member States are members.

III. JOINT ASEAN POSITION AT INTERNATIONAL FORA

14. Member States shall endeavour to hold consultations and co-operation among themselves to formulate a joint ASEAN position at international fora on issues relating to the Products.

IV. ENHANCEMENT OF INTRA-ASEAN TRADE

15. Member States shall endeavour to enhance intra- ASEAN trade which shall include the following areas:
 - i) consultations and exchange of experiences and information on trade and investment policies and strategies;
 - ii) co-operation on border and non-border measures to supplement and complement efforts towards liberalizing trade and investment to include reciprocal recognition of tests and certification, removal of barriers, and fair competition; and
 - iii) co-operative efforts in downstream and value-added activities.

V. ENHANCEMENT OF COMPETITIVENESS OF THE PRODUCTS

16. Member States shall endeavour to undertake strategic actions towards enhancing the long term competitive posture of Products through the following efforts:
 - i) strengthening co-operation in human resources development;
 - ii) enhancing complementarity of the Products;
 - iii) intensifying co-operation development and transfer; in technology
 - iv) accelerating the harmonization of standards, in accordance with international standards; and
 - v) strengthening co-operation in the implementation of sanitary and phytosanitary measures to promote trade competitiveness of ASEAN Member States.

VI. DESIGNATED AUTHORITY

17. The list of National Coordinators and Focal Points for the implementation of this Memorandum of Understanding on behalf of the Government of the Member States shall be as stipulated in Schedule B.

VII. COORDINATING MECHANISM

18. A Joint Committee shall be established to coordinate joint efforts and programmes under the Scheme. The Joint Committee shall be chaired on a rotational basis. The new Chairperson of the Joint Committee shall take office at the start of each meeting (hereinafter referred to as the "Joint Committee Meeting") and shall hold office until the start of the next Joint Committee Meeting.
19. The Joint Committee, comprising of the Chairperson of the National Focal Points Working Groups or Industry Clubs, concerned government officials, the representative of the ASEAN Chambers of Commerce and Industry (ASEAN-CCI), the relevant private sector recommended by the National Coordinators, and the ASEAN Secretariat as the secretary of the Joint Committee, shall oversee the implementation of the Scheme while the National Coordinators shall be responsible to coordinate activities of the Lead Countries and Focal Points. Member States identified to lead a particular product as listed in Schedule A shall establish the meeting of the Working Group, organize and call for the meeting at least once a year, as deemed appropriate. The Lead Country shall chair the meeting of the Working Group which shall be named "The Meeting of the National Focal Points Working Group on [subject matter] of the Promotion Scheme".
20. The Working Groups or Industry Clubs established by private sectors including the ASEAN Vegetable Oils Club (AVOC) and the ASEAN Forest Products Industry Club (AFPIC) may continue with their establishment and report their activities to the Joint Committee.
21. The Chairperson of the Working Groups or Industry Clubs shall present the progress report of its activity for the consideration of the Joint Committee Meeting.
22. The Joint Committee shall adopt its own rules of procedures.

VIII. FINANCIAL ARRANGEMENTS

23. The financial arrangements to cover expenses for the co-operative activities undertaken within the framework of this Memorandum of Understanding shall be mutually agreed upon by the respective participating Member States on a case-by-case basis subject to the availability of funds.
24. Notwithstanding anything in paragraph 23 above, expenses for organising the meetings of the Joint Committee or Working Groups shall be borne by the Member State hosting the meetings. The Member State, which is sending its representatives for participation in the meetings of the working groups, shall bear their own travel and living expenses but any Member State may sponsor other Member States to participate in any working group meeting.

IX. CONFIDENTIALITY

25. Member States shall undertake to observe the confidentiality of the documents, information and other data received from or supplied to the other member states during the period of the implementation of this Memorandum of Understanding or any other agreements made pursuant to this Memorandum of Understanding, in accordance with the legal procedure or protocol of individual Member States. Member States agree that the provisions of this Article shall continue to be binding between them notwithstanding the termination of this Memorandum of Understanding, unless otherwise agreed by all Member States.

X. SUSPENSION

26. Each Member State reserves the right for reasons of national security, national interest, public order or public health to suspend temporarily, either in whole or in part, the implementation of this Memorandum of Understanding which suspension shall take effect immediately after notification has been given to other Member States through official channels and/or designated authorities.

XI. DISPUTE SETTLEMENT

27. Any difference or dispute between any Member States concerning the interpretation, application or implementation of any provisions of this Memorandum of Understanding shall be settled in accordance with the provisions under the Chapter VIII of ASEAN Charter.

XII. REVISION, MODIFICATION AND AMENDMENT

28. i) During the implementation period of the MOU, any Member State may request in writing a revision, modification or amendment of all or any part of this Memorandum of Understanding.
- ii) Any revision, modification or amendment agreed to by the Member States shall be reduced into writing and shall form part of this Memorandum of Understanding.
- iii) Such revision, modification or amendment shall come into force on such date as may be determined by the Member States.
- iv) Any revision, modification or amendment shall not prejudice the rights and obligations arising from or based on this Memorandum of Understanding up to the date of such revision, modification or amendment.

XIII. DEPOSITORY

29. 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 States.

XIV. ENTRY INTO FORCE

30. This Memorandum of Understanding shall enter into force from the date of its signature and shall apply for a period of five (5) years. It may be extended by the consensus of all Members States beyond the original five-year period.
31. Upon entry into force, this Memorandum of Understanding and its Schedules shall supersede the "1999 Memorandum of Understanding".
32. All programmes and activities under the 1999 Memorandum of Understanding which have started or are 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 and activities.

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

DONE at Bandar Seri Begawan, Brunei Darussalam on this Eleventh Day of November in the Year Two Thousand Nine, in a single copy in the English Language.

For the Government of Brunei Darussalam:

PEHIN DATO YAHYA

Minister of Industry and Primary Resources

For the Government of the Kingdom of Cambodia:

CHAN TONG YVES

Secretary of State of Agriculture, Forestry and Fisheries

For the Government of the Republic of Indonesia:

SUSWONO

Minister of Agriculture

For the Government of Lao People's Democratic Republic:

SITAHENG RASPHONE

Minister of Agriculture and Forestry

For the Government of Malaysia:

DATO' WIRA MOHD. JOHARI BHRUM

Deputy Minister of Agriculture and Agro-Based Industry

For the Government of the Union of Myanmar:

HTAY OO

Minister of Agriculture and Irrigation

For the Government of the Republic of Philippines:

ARTHUR C YAP

Secretary of Agriculture

For the Government of the Republic of Singapore:

MOHAMAD MALIKI OSMAN

Parliamentary Secretary for National Development

For the Government of the Kingdom of Thailand:

THEERA WONGSAMUT

Minister of Agriculture and Cooperatives

For the Government of the Socialist Republic of Viet Nam:

CAO DUC PHAT

Minister of Agriculture and Rural Development