



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

AECSP SYMPOSIUM HIGHLIGHTS

Key Outcomes and Success Factors of 11-Year AANZFTA Economic Cooperation



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List of Abbreviations and Acronyms

AANZFTA	ASEAN-Australia-New Zealand Free Trade Area
AECSP	AANZFTA Economic Cooperation Support Programme
AMS	ASEAN Member States
ASU	AANZFTA Support Unit
CLIP	Competition Law Implementation Programme
CTG	Committee on Trade in Goods
DoO	Declaration of Origin
EC-SC	Economic Cooperation Sub-Committee
EERD	External Economic Relations Division
FJC	FTA Joint Committee
FSMS	Food Safety Management Systems
GMP	Good Manufacturing Practices
GHP	General Principles of Food Hygiene
ISDS	Investor-state dispute settlement
IP	Intellectual Property
IPET	Ideal Patent Examiner Training
PCPMD	Programme Cooperation and Project Management Division
PSR	Product Specific Rules
ROO	Rules of Origin
NPPOs	National Plant Protection Organisations
SPS	Sanitary and Phytosanitary Measures
SC-SPS	Sub-Committee on Sanitary and Phytosanitary Measures
STRACAP	Standards, Technical Regulation and Conformity Assessment Procedures
SITS	Statistics in Trade in Services
TRS	Tariff Reduction Schedules
WTO	World Trade Organization

Introduction

In 2010, the ASEAN-Australia-New Zealand Free Trade Agreement (AANZFTA) entered into force, covering an area of 692 million people with a combined gross domestic product of US\$ 4.56 trillion and US\$ 63.8 billion of merchandise trade (ASEANstats, 2020). As a comprehensive agreement, AANZFTA has lowered barriers to trade, boosted economic integration, and enhanced regional cooperation. Also established in 2010, the AANZFTA Economic Cooperation Support Programme (AECSP) encourages economic cooperation amongst the 12 AANZFTA Parties. Since its inception, the Programme has yielded tangible outcomes in key ASEAN priority areas, including trade in goods and services, investment, intellectual property, and competition policy. Guided by the high-level outcome of unlocking the full benefits of AANZFTA, the AECSP has sought to enhance government capacities and increase business utilisation of the Agreement. In these goals, the AECSP has been a success not only has it deepened economic integration between AANZFTA Parties but also contributed to building institutional and technical capacities for future FTA negotiation and implementation.

In 2019, AANZFTA Parties agreed to a Work Plan for the AANZFTA Upgrade Negotiations to improve market access for ASEAN Member States (AMS) through export facilitation and further boost intra-regional trade. Parties have agreed on key AANZFTA Upgrade Negotiation priorities, including rules of origin (ROO), customs procedures and trade facilitation, trade in services, e-commerce, investment, competition, and trade and sustainable development. With negotiations for the AANZFTA Upgrade ongoing, it is vital to examine the successes and lessons learned from the implementation of the AECSP and AANZFTA at large.



Overview of AECSP Outcomes

The AECSP implementation from 2010-2021 has completed **80 projects**; 14 projects are still ongoing. More than **321 events** (170 regional and 151 national) were conducted, amassing participation by over **12,000 direct beneficiaries** from across the AANZFTA region; more than 40% of total participants were from newer ASEAN members: Cambodia, Lao PDR, Myanmar, and Viet Nam (ASU Database, 2021).

The AECSP has achieved commendable results in having a balanced gender participation ratio across the implementation period. Due considerations on gender have been enforced throughout the project cycle, in the appraisal of project proposals, the planning and implementation process, and evaluating the outcomes. Gender focused outcomes and activities have built awareness of gender equality and women's empowerment into the AECSP and AECSP-supported projects. As of July 2021, around 51% females and 49% males have participated in the AECSP projects.

Project beneficiaries, including AMS officers from various national departments and agencies, have been highly appreciative of the efforts made in the AECSP and the opportunities provided for participation in the capacity-building workshops and training activities that have raised their overall competency in their daily work. Participants' evaluation of the Programme reflected positive learning experiences, networks formed, and mutual learning and engagement opportunities in the activities participated.



The strength of the program is that it has managed to deliver many tangible results and outcomes in terms of capacity building at both individual and institutional levels. It has helped ASEAN member states develop their technical expertise and enhance our institution in various areas under the trade agreement. AECSP has really supported ASEAN in its priorities towards building an ASEAN Economic Community and also our own national reforms.

*Khairunnisa Nadiyah Abdul Ghani, ASEAN Co-Chair,
AANZFTA Economic Cooperation Sub-Committee (EC-SC)*



Effectiveness and Efficiency

The AECSP adhered to the AECSP project management guidelines and ASEC's relevant rules and procedures, including finance and administration, to ensure that each project has been managed smoothly in a systematic process. Progressive revisions and improvements to the project management guidelines and processes have amassed greater stakeholder participation in designing and appraising AECSP project proposals and monitoring and reporting progress and results to ensure those project outcomes are aligned with project objectives under a results-oriented approach.

The AANZFTA Support Unit (ASU), through the ASEAN Secretariat (ASEC), facilitated close coordination and consultations with relevant AANZFTA subsidiary bodies, ASEC focal divisions, and other stakeholders to ensure project results are reported promptly to the main governing bodies and monitored to ensure the relevance of project outcomes in meeting AECSP objectives.

With the disruption introduced by COVID-19 in 2020, many projects that required onsite delivery had to be halted or adjusted. The efficient management to communicate the required changes and approve revised proposals has enabled project activities, albeit with strictly limited face-to-face engagements.

Sustainability

Sustainability considerations were embodied throughout the project cycle, beginning from design to project appraisal, implementation, monitoring, and evaluation that adhered to AECSP guidelines and project template requirements to embed sustainable outcomes.

Projects, including the ASEAN Regional Guidelines for the Implementation of International Standards related to the SPS Measures project and the Competition Law Implementation Program (CLIP), adopted a multi-phased approach, ensuring that resources and inputs gathered in the early phase of the project could be further developed in the later phase.

Risk Management

The AECSP institutional structure helped build strong ownership to deliver on the AANZFTA agenda by assigning clear roles and responsibilities to different stakeholders involved in the governance and implementation of the AECSP.

Periodic meetings with other sectoral stakeholders and reporting the progress of AECSP implementation in high-level meetings have helped identify programme risks and reinforce the objectives of the AECSP in meeting the AANZFTA goals. M&E processes were also implemented to help identify potential risks.



Since the pandemic, we've had to adapt and change. Last year, the EC-SC adopted a policy to encourage all the implementers to adapt to the impact of COVID-19 and support the recovery. We encouraged all of the implementers to revise their proposals so that it was able to be delivered in the virtual environment, but also to have them focus on activities that will support the COVID-19 recovery. For the most part, the implementers have done very well, and activities have continued.

Dan Thomas, Australia EC-SC Co-Chair

Relevance and Key Outcomes by ECWP Components



Component 1. Rules of Origin (ROO) and Other Aspects of Implementation of Tariff Commitments

Objective and Relevance to the AANZFTA

The overall objective of Component 1 was to facilitate efficient and transparent administration of rules of origin (ROO) requirements in line with Chapter 3 of the AANZFTA. Given the flexibility of ROO provisions in the Agreement, businesses in the AANZFTA region stood to benefit from fewer delays in shipment processing by effectively using the ROO provisions of the AANZFTA. This ultimately facilitated trade among the Parties and encouraged deeper economic integration.

Key Project Information

Since its inception in 2010, the AECSP has supported **12 completed and one ongoing project** to promote understanding and effective implementation of the AANZFTA ROO chapter. Activities carried out under Component 1 have benefitted **2,635 participants** (as of July 2021).

Project Outcome

Enabled all AANZFTA Parties to successfully transpose their Tariff Reduction Schedules (TRS) and Product Specific Rules (PSR) into Harmonized System 2017: To

date, all Parties have complied with the transposition that facilitates certification of origin in identifying goods eligible for preferential tariff rates.

Strengthened the capacity of officials to apply and interpret ROO provisions in the AANZFTA through a sustainable and scalable approach: Around 400 frontline actors and trading firms from Cambodia, Indonesia, Lao PDR, Malaysia, Myanmar, the Philippines, Thailand and Viet Nam were trained by ASEAN government officials who had been previously trained under the AANZFTA ROO training-of-trainers program.

Strengthened awareness of the benefits and risks of Declaration of Origin (DoO) among ASEAN agencies and officials: Eight in-country training seminars assisted 650 participants in better understanding the DoO Pilot Programme to maximise the benefits of AANZFTA, especially for exporters

Strengthened AMS understanding of full cumulation programme: AECSP supported in-country training seminars to introduce the new method, its benefits, potential risk and risk management strategies, and increased participation in regional supply chains in the region.



In-Country Training on Transposition of AANZFTA TRS and PSR from HS 2012 to HS 2017 and Related Trade Analysis for Government Officials of Lao PDR (Vientiane, 14 December 2017)



Component 2. Sanitary and Phytosanitary Measures (SPS)

Objective and Relevance to the AANZFTA

Component 2 was a necessary step towards implementing Chapter 5 of the AANZFTA, which reaffirmed the principles of the World Trade Organization (WTO) Sanitary and Phytosanitary (SPS) Agreement. Capacity building measures supported by the AECSP under this component sought to align regulatory frameworks, practices, and standards related to SPS at the regional and international levels to facilitate trade and strengthen cooperation among Parties and protect human, animal, and plant health in the region.

Key Project Information

As of July 2021, the AECSP has been instrumental in facilitating **six (6) completed and one ongoing project** to support the implementation of the AANZFTA chapter on SPS, including the landmark ASEAN Regional Diagnostic Network (ARDN). As of July 2021, **705 participants** have benefited from capacity building programs under Component 2.

Project Outcomes

Strengthened AMS capacity to implement international SPS standards based on a comprehensive needs assessment: The AECSP supported the development of a

set of practical SPS guidelines, which was endorsed by the AANZFTA Sub-Committee on SPS (SC-SPS) in 2020 and will act as a vehicle for further operationalisation of the AANZFTA in the agriculture sector.

Enhanced capacity in plant pest identification by ASEAN National Plant Protection Organisations (NPPOs):

Under the ARDN, the AECSP contributed to enhancing AMS' capacity to identify high priority pests and diseases through modern diagnostics technology and methodology as well as bringing transparency to their quarantine operations.

Improved market access and import risk assessment:

Both ARDN and Import Health Standard (IHS) have expanded market access for agricultural commodities, namely corn for Thailand, corn and cassava for Lao PDR, rice and banana for Cambodia, and papaya for the Philippines.

Enabled inter-agency and cross-border collaboration:

Multiple activities under the component enabled collaboration and narrowing of knowledge gaps among AMS, such as developing a national diagnostic network in Thailand and creating a region-wide Facebook group to monitor and exchange solutions related to whitefly developments.



Workshop on Identification of Pest Fruit Flies (Bekasi, 30 October – 2 November 2018)



Component 3. Standards, Technical Regulation and Conformity Assessment Procedures (STRACAP)

Objective and Relevance to the AANZFTA

Burdensome standards, technical regulations and conformity assessment procedures (STRACAP) can act as trade barriers, increasing the cost of doing business in the region. Chapter 6 of the AANZFTA sought to address this challenge by promoting mutual understanding of the various STRACAP of Parties. Component 3 enabled programs and initiatives towards strengthening cooperation and facilitating the exchange of knowledge among the Parties on STRACAP-related matters, with a high priority on cosmetics, beverages, and health supplements sectors, to achieve the overall objectives of Chapter 6.

Key Project Information

The AECSP has undertaken **five (5) completed and three (3) ongoing projects** to support joint efforts in the fields of STRACAP, assisted in promoting mutual understanding of each Party's STRACAP measures, and strengthened information exchange and cooperation among the Parties. **206 participants** have benefited from the AECSP supported workshops under this component (as of July 2021).

Project Outcomes

Increased AMS capability to develop and deploy risk assessment tools: Regulatory officials from Cambodia, Lao PDR, and Myanmar better understand standards and conformance across the AANZFTA regions.

Contributed to the continuous effort of increasing MSME practical knowledge and technical expertise in the international standards of prepared food and enhanced AMS capacity to support MSMEs: In doing so AECSP has supported studies to identify and develop ASEAN MSME capacity building programme to comply with international food standards which focus on, among others, Food Safety Management Systems (FSMS), Good Manufacturing Practices (GMP), and General Principles of Food Hygiene (GHP). To date, the capacity building programs is still ongoing and envisaged to enhance MSME enablers capacities in providing advisory services for MSMEs greater market access and integration.

Enabled the exchange of information on GRP between AANZFTA Parties, strengthening market access and regional trade opportunities: To date, AECSP has been supporting the multi-year SWIP, which focuses on GRP in the food and beverage and cosmetics.



AANZFTA Workshop on STRACAP Work Plan Implementation Programme: Good Regulatory Practice (Auckland, 30-31 May 2017)



Component 4. Services

Objective and Relevance to the AANZFTA

AANZFTA sought to foster and facilitate trade in services between Parties, as reflected in Chapter 8. While services have remained a critical part of economic growth, ASEAN's internal efforts to address trade challenges in services were less extensive than its decades of creating common approaches to trade in goods. AANZFTA has helped in addressing this imbalance, with the inclusion of Component 4 on Trade in Services to support the implementation commitments and obligations of the Parties on services liberalisation through a wide range of programs and initiatives promoting regulatory coherence and compatibility among the Parties.

Key Project Information

Continued AECSP engagement under Component 4 has positively contributed to achieving the broader goal of increasing crossborder flows of services among AANZFTA Parties. As such, the AECSP has supported the implementation of **13 complete and one ongoing project** activities. The work of AECSP has assisted **1,593 participants** (as of July 2021) under this component.

Project Outcomes

Strengthened capability in developing and implementing NQFs and a valid NQF referencing process: Throughout Phases I to IV, the AQRF triggered national reforms to expedite the process of developing NQFs as in the case of the Philippines, where AQRF helped institutionalise the Philippines Qualifications Framework and the Philippines Qualifications Register. The ongoing AQRF V aims to support AMS' referencing qualification to be more robust and internationally accepted. To date, Indonesia, the Philippines, Thailand have completed their NQF referencing reports. The Phase V is targeting for the progressing of the referencing process for CLMV countries Viet Nam.

Facilitated regional governance of student and worker mobility by establishing Asia's first regional qualifications framework: AQRF has also increased confidence in education standards in the AANZFTA region and facilitated the conduct of supply of services through the mode 4 and temporary movement of natural persons, students, and education providers among the Parties.



The First ASEAN Qualification Reference Framework (AQRF) Committee Meeting and the First Technical Expert Workshop (Jakarta, 9-10 February 2017)

Improved domestic regulations in logistics and transport:

AECSP supported the comprehensive reviews of policies affecting trade and investment in the transport and logistics policies for Malaysia and the Philippines, which led to the formulation of Policy Institutional Framework and Strategic Action Plans to enhance their respective sectors' competitiveness.

Built and sustained AMS capacity in preparing and negotiating negative list schedules, without prejudice to the result of the upgrade negotiation, resulting in improved regional service architecture in trade

agreements: Around 70 draft reservations were identified during the technical assistance workshops held for Cambodia, Indonesia, Lao PDR, and Thailand. The project also made available a practical guide for AMS officials to refine their country's negative list.

Strengthened capacity and inter-agency coordination on Statistics in Trade in Services (SITS): Around 300 AMS officials and enumerators were trained to design and conduct pilot surveys on SITS compilation in the pilot sectors of transportation, manufacturing, travel and tourism.



Component 5. Investment

Objective and Relevance to the AANZFTA

Increased intra-regional investment stands to benefit AANZFTA parties particularly those that are less developed. AANZFTA Chapter 11 aimed to provide greater protections for investors, with provisions on fair treatment, transfers of investment capital and returns, and non-discriminatory expropriation of investments to increase cross-border investment flow in the region. Component 5 contributed to this goal, with projects seeking to increase knowledge of Parties' regulatory environments and build capacities to engage in intra-AANZFTA investment.

Key Project Information

Under Component 5, the AECSP provided crucial support to **17 projects (15 completed and one is ongoing)** in line with one of the main thrusts of the AANZFTA: to facilitate investment across the Parties and deepen and broaden linkages. In particular, these projects included workshops focusing on reservation list scheduling, market access; streamlining business licensing procedures; and investment disputes resolution and prevention, among others. Furthermore, the AECSP has supported comprehensive Investment Policy Reviews conducted by the OECD across AMS since 2011. As of July 2021, **1,150 participants** benefited from programs conducted under Component 5.



Project Outcomes

Enhanced understanding of latest developments and best practices that addressed investment related challenges in AMS:

Multiple workshops raised awareness of AMS officials concerning modern investment policy-making in light of increasing investor-state dispute settlement (ISDS) cases and negotiations for bilateral investment treaties and FTAs with ISDS commitments.

Increased transparency in inter-agency dialogue and strengthened partnerships:

Initiatives conducted under this component improved engagement of policymakers with private sector stakeholders, who benefitted from information on the country's trade and investment policies.

Improved investment reform governance by empowering national coalitions of reform-minded officials:

The IPR process led to the establishment of cross-government task forces and investment legislative reform programmes among the AMS.

Directly contributed to legislative or institutional reforms, or the implementation of new measures:

Significant policy reforms included eliminating foreign equity caps in specific sectors in Lao PDR; easing of business registration processes in Myanmar; amending an anti-red tape law in the Philippines; reviewing Viet Nam's investment and corporate law; recommending the use of official development aid to expand Cambodia's infrastructure.

Strengthened partnerships with other development partners interested in supporting investment policy reforms:

Specific areas of partnerships included the World Bank/IFC's support in drafting Myanmar's unified investment law and the close coordination of the OECD, World Bank/IFC, and New Zealand in updating Lao PDR's investment promotion law.



Component 6. Intellectual Property (IP)

Objective and Relevance to the AANZFTA

Robust intellectual property (IP) regimes are essential in developing competitive markets and encouraging dynamic trade and investment. Businesses need reasonable assurance that their branding and innovative products will be protected when engaging in trade. AANZFTA Chapter 13, governing IP, sought to safeguard IP rights, stimulating greater trade and economic integration between Parties. Component 6 was designed to address issues in implementing Chapter 13, encouraging AMS IP offices to meet international best practices and improving collaboration amongst Parties.

Key Project Information

Through various capacity development programs, the AECSP has enhanced the knowledge of **1,625 beneficiaries**, mainly from intellectual property regulatory agencies of AMS, and strengthened the organisational capabilities of AMS under Component 6. As of July 2021, the AECSP has supported the implementation of 13 projects (11 completed and two

ongoing) under Component 6, including key projects such as technical assistance for the accession of AMS to the Madrid Protocol and capacity-building measures, namely the RPET and IPPEA.

Project Outcomes

Enhanced capacities of AMS IP offices to develop, maintain and deliver their credible patent examination programme based on international standards:

IPET and RPET Mentoring programs demonstrated long-term sustainability by enabling IP Offices of AMS to commence a pilot of the new training programme with the initial examiners from Viet Nam and the Philippines has completed the first phase while Indonesia and Thailand are set to conduct similar activities.

Enhanced quality of patent examination practices and strengthened training infrastructure: A case study conducted regarding RPET showed that trainees from IP offices in Indonesia, Malaysia, the Philippines, Thailand, and Viet Nam demonstrated a noticeable improvement in examination quality as a result of the program.

Increased awareness of government departments, IP practitioners, and business stakeholders on key IP issues: Workshops on Madrid Protocol Accession and GRTKTCEs workshop and comparative study have deepened the understanding of AMS IP officials on the legal and technical aspects of implementing the Madrid Protocol and developing domestic regulations on IP-related aspects of GRTKTCEs including best practice model national policies and laws.

Increased public cost recovery through accession to the Madrid Protocol: Key results from this support project included the successful accession to the Madrid Protocol by

Cambodia (2015), Lao PDR (2016), Brunei Darussalam and Thailand (2017), and Indonesia (2018) as well as an increase in government revenue through trademark registrations.

Provided MSMEs in the region with practical tools to protect their IP rights and commercialise their IP assets: IPPEA launched the IP Sectoral Portal to help businesses better understand the benefits of IP rights and how to manage their IP assets. It also made available a handbook for MSMEs in the region to maximise the value of their IP assets and a business guide on how to effectively protect IP rights across all AANZFTA Parties.

Enabled sustained coordination and collaboration between AANZFTA IP offices: Projects under the component helped AANZFTA IP offices establish the Community of Practice by providing a platform to exchange best practices. The RPET mentoring program also saw experts from Australia assisting in local training to AMS to develop their training programmes.



Seminar on Madrid Protocol for Trademark Owners and IP Attorneys (Hanoi, 18-19 November 2013)



Component 7. Customs Procedures and Trade Facilitation

Objective and Relevance to the AANZFTA

Customs administration has been a bedrock of cross-border trade, primarily for goods. Hence, Chapter 4 of the AANZFTA sought to ensure predictability, consistency, and transparency in the application of customs laws and regulations and simplify customs procedures of the Parties. Component 7 was designed to support the delivery of capacity building initiatives in line with this objective to operationalise and promote the full utilisation of benefits of the AANZFTA for governments and businesses alike.

Key Project Information

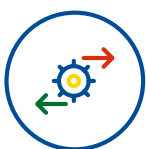
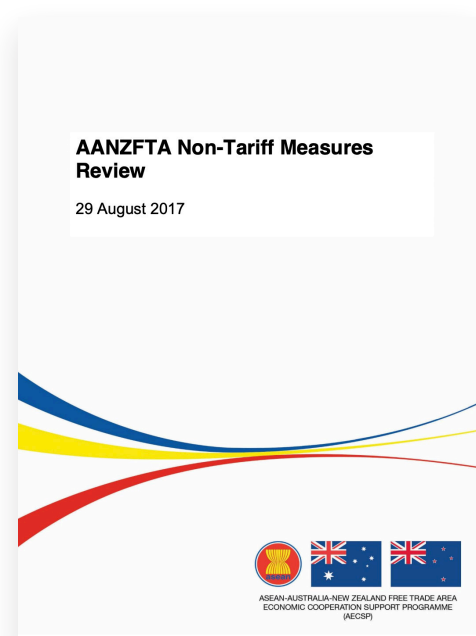
As of July 2021, 92 participants have benefited from two (2) projects supported by the AECSP that fall under customs. These exercises were designed to review non-tariff measures and other trade impediments to enhance trade facilitation in goods, promote efficient administration of customs procedures, and expedite the clearance of goods across the AANZFTA region. One project on capacity building on advance ruling on origin is ongoing.

Project Outcomes

Deepened the understanding of ASEAN Committee on Trade in Goods (CTG) representatives and officials from relevant ministries on the impact of NTMs on AANZFTA:

AECSP supported research highlighting the impact of NTMs on the supply chain in the region, which served as a basis for multiple workshops producing key recommendations for the CTG to address NTMs.

Contributed to the continuous effort to simplify border administrative procedures by enabling sharing of experiences and cooperation between customs authorities, particularly in risk management: AECSP supported various workshops to promote regional cooperation in customs administration and trade facilitation in AANZFTA.



Component 8. Competition and Consumer Protection

Objective and Relevance to the AANZFTA

Competition amongst businesses encourages innovation and efficiency, driving economic growth. Competitive markets are an essential means to facilitate the overall goals of AANZFTA, which are to facilitate sustainable economic growth in the region. But in the absence of adequate regulation, businesses may pursue anti-competitive activities – especially where regulatory and enforcement

capacities are low. AANZFTA Chapter 14, which addressed competition, emphasised the need for cooperation between parties to promote competition, economic efficiency, consumer welfare and to curtail anti-competitive behaviour. Component 8 supported the implementation of Chapter 14 through projects to increase Parties' capacities to address anti-competitive behaviour and to promote consumer welfare, focusing on the least-developed AMS.

Key Project Information

AECSP has enabled the implementation of **15 completed and two (2) ongoing projects** related to competition policy, including the Competition Law Implementation Programme (CLIP), now in its fourth phase, which supported practical skills exchange, capacity building, awareness-raising, and regional cooperation, and the Consumer Affairs Program (CAP) launched in 2020. CAP Phase I is complementing CLIP and supporting fair competition in markets through new technical cooperation among AANZFTA consumer law authorities (namely the members of the ASEAN Committee on Consumer Protection). As of July 2021, AECSP-backed programmes and other competition and consumer protection initiatives have benefited **3,786 participants**, mainly competition regulators across AANZFTA.

Project Outcomes

Deepened AMS understanding of consumer protection and supported more effective consumer protection administration: The AANZFTA Consumer Protection Scoping Project (a precursor to CAP) delivered an information paper on potential areas of cooperation on consumer protection of AMS, a study visits to Australia to learn from Australian and New Zealand regulatory experience, and; a report on regulator-to-regulator technical cooperation on consumer protection. CAP has since built on the Scoping Project by building a regular, sustained pattern of cooperation among AANZFTA consumer law regulators.

Fostered closer intra-ASEAN and intra-AANZFTA learning and cooperation on competition policy and law

enforcement: AECSP support for CLIP over four phases facilitated capacity building and cooperation among competition regulators across the AANZFTA region. CLIP focused on delivering practical assistance to engage in cross-border cooperation and provided peer-to-peer learning opportunities, including through in-country expert placements and ASEAN secondments to the ACCC and NZCC. The AECSP also sponsored several ASEAN Competition Conferences.

Improved capacity building to support AMS to become effective competition regulators: CLIP activities supported AMS in three key areas:

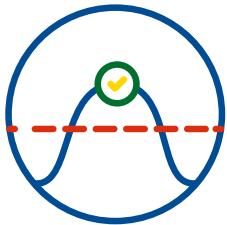
1. AMS introduce improved competition laws and institutions, including laws, which incorporate effective mechanisms for their implementation and institutional frameworks;
2. National competition authorities and staff have improved enforcement practices to identify and enforce contraventions of national laws, and use those outcomes to support advocacy efforts and deter future anti-competitive conduct; and
3. Enable case-specific enforcement cooperation among competition agencies within the AANZFTA region.

Accelerated progress towards finalising new and revised competition regulations: To date, nine of the ten AMS have enacted competition laws. While Cambodia is planning to enact its national competition law this year, officials described the expert placement programme as 'the key factor' in advancing the set-up of the Competition Commission in Cambodia.



Success Factors

The success of the AECSP could be attributed to a multitude of factors and stakeholder involvement that have designed and driven project initiatives to meet AECSP objectives, and the AANZFTA goals enabled continuous improvement in project cycles and created outcomes that could be sustained in the future.



Overarching and well-defined management structure and responsibilities



Systematic project appraisal and approval process



Generating synergies by complementing AECSP objectives with ASEAN goals and initiatives



Adoption of innovative digital solutions



Culture of communication and reporting



Periodic review of AECSP project management and implementation processes



Support to mitigate differences in capacity



There's been a real willingness and openness of a lot of the ASEAN colleagues to make the staff available and learn from a different perspective throughout these projects, which has been a real success. A lot of the projects have been ASEAN driven, so a lot of the ideas have come from different ASEAN states, talking about their needs in trade negotiations and implementing the AANZFTA and looking at those gaps where they can upskill officials.

Alexander Hart-Smith, New Zealand EC-SC Co-Chair, January-July 2021



Overarching and Well-Defined Management Structure and Responsibilities

The FJC and its subsidiary bodies, jointly with the role of the ASEC in providing the administration and support, has enabled the implementation of the AECSP. The expanded role of the EC-SC in 2015 to provide advice and recommendations to project proposals has led to improvements in the project design and M&E.

Situating the ASU within ASEC has allowed the ASEC systems and protocols to maximise efficiency and buy-in from AMS. By leveraging the existing ASEAN institutional structure in place, the institutional arrangement of the AECSP put forth the AECSP agenda and enabled project activities to be proposed and commence implementation within a short timeframe.

A clear understanding of the roles and responsibilities of each body in supporting the implementation of the AECSP and the effective utilisation of resources has enabled the AECSP to leverage the existing system in place to host an institutional structure that is designed for efficient communication with all AANZFTA Parties.



Systematic Project Appraisal and Approval Process

All projects under the AECSP followed the project cycle, beginning with 1) project identification and preparation, 2) project appraisal, 3) implementation and 4) completion. A systematic review and approval process has been embedded in the project cycle for project approval to occur on a case-by-case basis.

Depending on the budget and project proponents, the project appraisal and approval process could take different

paths. A Streamlined AECSP Consultation and Approval Requirements to support AANZFTA Upgrade was approved by FTA Joint Committee (FJC) in 2021. This fast-tracked ECWP project proposal process only requires approval by all the Co-Chairs of the EC-SC, further accelerating the process of obtaining approvals for smaller projects completed in a shorter time frame.

The systematic review and approval process has facilitated a consistent approach to managing many projects under the AECSP.



Generating Synergies by Complementing AECSP Objectives with ASEAN Goals and Initiatives

Most of the projects supported by the AECSP are also associated with ASEAN goals and objectives, as identified in the AEC Blueprint 2025. In areas where the AANZFTA and ASEAN are aligned, projects conducted under the AECSP can often complement a range of ASEAN initiatives and provide more synergy to achieve regional economic integration and development by having more buy-ins and participation from AMS.

As an example, strategic incorporation of capacity building and technical assistance to support developing AMS to meet AANZFTA objectives which were aligned with ASEAN's objectives of developing more robust IP regimes and helping ASEAN IP Offices to raise standards to the international practice, shows how regional cooperation through the AECSP has supported AMS to accede to the Madrid Protocol and developed regional capacity in patent examination.

The alignment of AECSP projects with ASEAN objectives and initiatives have led to higher participation by AMS and achieved enhanced outcomes.



Adoption of Innovative Digital Solutions

Adoption of digital tools and online learning solutions have also enhanced AECSP capacity-building efforts and ensured that these resources could be sustained in the future and even be customised for the needs of individual nations. Examples include:

- ◆ The Ideal Patent Examiner Training (IPET) in 2014 developed online learning resources customised to each AMS's needs on an online learning management system.
- ◆ In the ASEAN Regional Guidelines for the Implementation of International Standards related to the SPS Measures project, 16 e-learning modules were developed to assist AMS officials in implementing the SPS guidelines.
- ◆ Under the ARDN, support was provided to increase the AMS capacity to utilise the Clearing House system.
- ◆ Under the fourth phase of the Competition Law Implementation Programme (CLIP) project, the e-learning platform (CLIP Academy) was updated with new e-learning modules, recordings of online panel discussions, and blog posts.

As a whole, digital tools and e-learning modules helped enrich AMS officials' learning experience and added more flexibility for officials to access the learning tools and resources at their best available time.



Culture of Communication and Reporting

To support the M&E process and identify any bottlenecks, the progress of all AECSP supported projects needs to be reported to the FJC, the EC-SC, and the FJC subsidiary bodies.

The submission of the Project Progress Report for mid- to long-term projects helped ensure those project

deliverables were according to timelines and any issues could be identified in time. The internal process also involved validation with internal stakeholders such as with the Programme Cooperation and Project Management Division (PCPMD) and EERD (External Economic Relations Division) before any publications were circulated. Implementation of projects was also supported by frequent communication with ASEC and ASU staff.

Frequent communication and reporting of project progress and outcomes have raised awareness, enhanced knowledge and supported policy-making in AANZFTA Parties.



Periodic Review of AECSP Project Management and Implementation Processes

Continuous improvement has taken place since the inception of the AECSP in its project management and implementation, with new tools and guides being developed by the ASU to support documentation of project results and lessons learned.

The Project Completion Report template developed by the ASU in 2017 to assist project implementers in documenting project results and identifying areas for improvement has enabled a continuous process of evaluation and learning from experience. The FJC also recommended that the meeting agenda for all FJC subsidiary bodies should also note the outcomes of the Project Completion Reports and discuss lessons learned and follow up action.

The process of continuous reviews and improvements has enabled project documentations to be fine-tuned for better evaluation and tracking of project results and outcomes and contributed to more efficient and effective processes in managing and implementing projects.

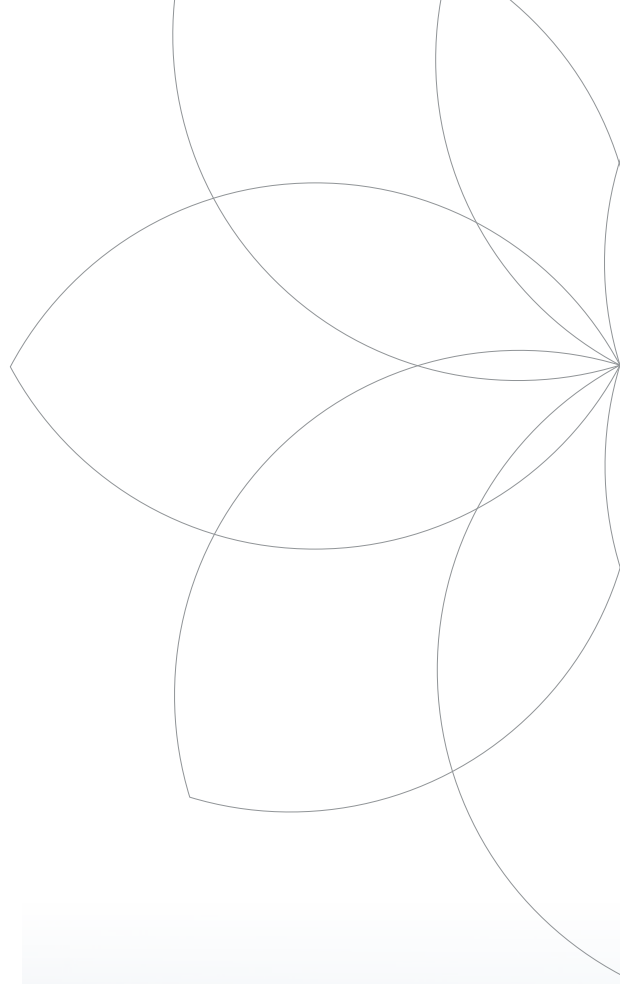


Support to Mitigate Differences in Capacity

AECSP provided regional support to countries at different stages of institutional development and with rather varied economic systems and governance structures. Additional considerations were provided in budget guidelines, project proposals and implementation to recognise capacity gaps and ensure the sustained impact in capacity-building efforts such that knowledge transfer and continuous improvement could be made beyond the project cycle.

A case in point is the Competition Law Implementation Programme (CLIP) that have supported selected developing AMS (Cambodia and Lao PDR) in strengthening their enforcement capacity. CLIP incorporated sub-regional workshops for common needs across AANZFTA Parties. It targeted capacity-building to accommodate the priorities of a group of AMS.

By meeting the needs of AANZFTA Parties and providing targeted capacity-building initiatives for selected AMS, the AECSP has helped AMS progress in key trade and economic areas of importance to national outcomes and advanced a more ambitious AANZFTA agenda.



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