

Trade Facilitation Action Plan (TFAP) – 31 July 2008

1. Background

At the first ASEM Senior Officials' meeting on Trade and Investment (SOMTI) in Brussels on 25 July 1996, it was agreed to establish an ASEM trade facilitation action plan (TFAP). This plan aims to reduce non-tariff barriers (NTBs) and promote trade opportunities between the two regions while complementing and considering work being carried out in bilateral and multilateral fora. The TFAP would thus contribute to the goal of promoting greater trade between Asia and Europe and facilitating and liberalising trade between the two regions.

The SOMTI had requested certain designated "shepherds" (the Philippines, Korea, the EU Presidency and the European Commission) to elaborate a proposal for TFAP, including priority issues to be covered, mechanisms to bring it about and the time frame for the first stages of its implementation.

The second SOMTI meeting in Tokyo on 5-6 June 1997 expressed support for the work carried out thus far, agreed with the broad principles, priorities and mechanisms suggested, and requested shepherds to take this work further with a view to producing a detailed proposal for consideration and endorsement at the Economic Ministers' Meeting in September 1997.

The first ASEM Economic Ministers' Meeting (EMM), held in Makuhari, Japan, on 27-28 September 1997, endorsed the framework elaborated by shepherds for the TFAP and the Leaders at the second ASEM Summit adopted it as a tangible achievement in the ASEM process.

At the second Economic Ministers' Meeting, in Berlin in 1999, partners decided to upgrade the Trade Facilitation exercise, in adopting the future of TFAP. They agreed that all ASEM partners should report individually on a voluntary basis every year on the measures which they have taken to address certain priority barriers, and on other measures they have taken which are relevant to achieving TFAP goals and objectives. These reports are publicly available, provided to the Asia-Europe Business Forum.

Implementation of TFAP is supervised by the Senior Officials Meeting on Trade and Investment (SOMTI). TFAP working Groups and SOMTI have so far evaluated the implementation of deliverables in priority areas during the period 1998-2000, 2000-2002 and 2002-2004.

2. Principles and objectives

The following principles and objectives provide direction in achieving value-added ASEM work in trade facilitation:

- TFAP has its value in its potential for building understanding, and should be a catalyst of progress on the discussion of trade facilitation issues. It shall promote understanding and awareness among ASEM partners in these areas.
- The TFAP should aim at reducing non-tariff barriers (NTBs) and transaction costs, as well as promoting trade opportunities between the two regions, while complementing work being carried out in other fora.
- The TFAP shall provide the framework to determine thematic priorities and concrete goals for trade facilitation, to set guidelines for their successful achievement and to follow these through to implementation. The TFAP shall further provide a system for monitoring progress and for ensuring that partners contribute toward this progress in a balanced way.
- Actions stemming from TFAP should be non-discriminatory, with respect both to ASEM and non-ASEM partners.
- In order to achieve synergy and mutual reinforcement, the TFAP should further be consistent with, support and stimulate bilateral and multilateral efforts for trade facilitation, by highlighting work on specific priority areas not sufficiently covered in other fora, and by identifying possible "best practice" approaches to be considered by ASEM for implementation.
- Business-sector participation in the TFAP process is essential in order to help identify issues and priorities, and to generate support for their implementation. Participation of the business sector is encouraged and facilitated, in particular through the ASEM Business Forum. Actions in the TFAP context are carried out with particular attention to issues of importance to SMEs.
- Transparency and deregulation are promoted, as general measures to enhance the environment in which the business sector operates.

3. Priority areas

The TFAP dialogue gives priority emphasis to the following broad areas. For each of them, a working group have been created, led by volunteered countries called Facilitators:

- **Customs procedures (facilitators: European Commission, Japan).** In supporting the on-going cooperation between customs authorities, the TFAP will aim at promoting simplification, harmonisation and transparency in customs procedures. This should include inter alia :
 - Accelerated alignment and harmonisation of tariff nomenclatures with WTO and WCO standards;
 - Accelerated implementation of obligations with respect to customs valuation procedures;
 - Promotion of standardised and simplified documentation, including if possible paperless systems;
 - Promotion of transparency of customs regulations and procedures;
 - Collection and dissemination of information on ASEM partners' respective rules of origin;

- Exploration of possible common positions of ASEM partners in WTO and WCO.
- **Standards and conformity assessment (facilitators: European Commission, Thailand, Korea).** In supporting and enhancing the ongoing cooperation between standards, testing, certification and accreditation bodies, the TFAP will in particular aim at :
 - Enhancing the exchange of information among standards bodies and establishing national contact points as appropriate;
 - Promoting and facilitating the alignment of domestic standards of ASEM partners with international standards;
 - Promoting simplification and transparency in standards and certification information and procedures, drawing on electronic media where appropriate;
 - Where appropriate, exploring possible common positions amongst ASEM partners in relation to the work of international standards bodies (such as ISO and IEC);
 - Where appropriate, preparing for eventual progress towards mutual recognition agreements;
 - Encouraging cooperation in the promotion of technical and institutional capacity-building relating to standards, testing and certification.
- **Quarantine and SPS procedures (Facilitators: Thailand, China, the Netherlands, European Commission) :** considering ongoing work in other fora, the TFAP would inter alia help promote :
 - A simplification and rationalisation in procedures and documentation considering international best practice; and
 - The enhancement of transparency through the timely and accessible availability of information, drawing where appropriate on electronic media.
- **Intellectual property rights (Facilitators: Thailand, France, European Commission).** Considering ongoing work in other fora, the TFAP would promote
 - A broad-ranging dialogue among ASEM partners on IPR-related issues,
 - An enhanced understanding of the application of intellectual property rules in both the public and the private sector.

- **E-Commerce (Facilitators: Korea, Finland, European Commission).** The activity in this area will in particular aims at :
 - Supporting and enhancing the growth of e-Commerce transactions between Asia and Europe, by identifying and reducing the differences in existing regulations and standards which hinder Asia-Europe transactions and thus prepare the ground for common standards between Asia and Europe.
 - On the basis of the results reached in this area, providing discussions in other international fora on e-Commerce;
 - Identifying ASEM co-operation measures to promote more reliable and secure e-Commerce transactions, including issues of authentication, certification, privacy protection and others;
 - Considering taking joint ASEM actions to strengthen consumer protection;
 - Organising a seminar on e-commerce and logistics;
 - Exchanging experience on the influence of e-Commerce on business activity, in particular SMEs;
 - Involving the private sector in the discussion on e-Commerce, particularly through the Asia-Europe Business Forum (AEBF);
 - Identifying those IPR measures which could be used as well in the context of e-Commerce.
 - Developing a uniform standard system on e-Commerce statistics among ASEM partners, to effectively evaluate the e-Commerce transactions between Asia and Europe;
 - Strengthening the capacity building in both public and private sectors, by providing training programmes on trade administration for government officials and programmes on application of e-Commerce to businessmen.