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DECLARATION ON THE ASEAN ECONOMIC COMMUNITY BLUEPRINT

WE, the Heads of State/Government of Brunei Darussalam, the Kingdom of Cambodia, the Republic of Indonesia, the 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, Member Countries of ASEAN, on the occasion of the 40th Anniversary of ASEAN and the 13th ASEAN Summit in Singapore;

RECALLING **our earlier decision to establish by 2020 the ASEAN Community, including the ASEAN Economic Community (AEC), made in the Declaration of ASEAN Concord II in Bali, Indonesia, on 7 October 2003;**

DETERMINED to achieve higher levels of economic dynamism, sustained prosperity, inclusive growth and integrated development of ASEAN;

CONSCIOUS of the increasing interdependence of the ASEAN economies within the region as well as with the rest of the world and stressing the importance of narrowing the development gap for accelerating the ASEAN Economic Community by 2015*;*

RECOGNISING that different levels of development within ASEAN require some flexibility as ASEAN moves towards a more integrated and interdependent future;

REAFFIRMING our collective commitment, made at the 12th ASEAN Summit in Cebu, the Philippines, on 13 January 2007, to accelerate the establishment of the ASEAN Community, including its AEC pillar, to 2015;

COGNISANT of the need to have a strengthened institutional framework and a unified legal identity as set forth in the ASEAN Charter by putting in place rules-based systems to realise the establishment of the AEC by 2015;

EXPRESSING satisfaction at the overall progress made and commitment shown by ASEAN in developing the AEC Blueprint and to ensure its timely implementation;

REAFFIRMING the ASEAN Economic Ministers (AEM) as the coordinator of all ASEAN economic integration and cooperation issues;

DO HEREBY:

1. **ADOPT** the AEC Blueprint which each ASEAN Member Country shall abide by and implement the AEC by 2015. The AEC Blueprint will transform ASEAN into a single market and production base, a highly competitive economic region, a region of equitable economic development, and a region fully integrated into the global economy. The AEC Blueprint including its strategic schedule is annexed to this Declaration.

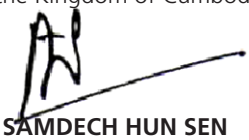
2. **TASK** concerned Ministers, assisted by the ASEAN Secretariat, to implement the AEC Blueprint and to report to us regularly, through the Council of the ASEAN Economic Community, on the progress of its implementation.

DONE in Singapore on the Twentieth Day of November in the Year Two Thousand and Seven, in single copy, in the English language.

For Brunei Darussalam:

HAJI HASSANAL BOLKIAH
Sultan of Brunei Darussalam

For the Kingdom of Cambodia:



SAMDECH HUN SEN
Prime Minister

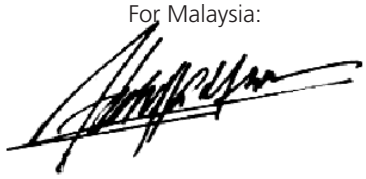
For the Republic of Indonesia:

DR. SUSILO BAMBANG YUDHOYONO
President

For the Lao People's Democratic Republic:

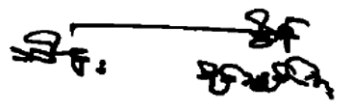
BOUASONE BOUPHAVANH
Prime Minister

For Malaysia:



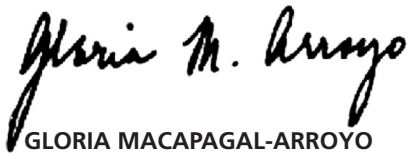
DATO' SERI ABDULLAH AHMAD BADAWI
Prime Minister

For the Union of Myanmar:



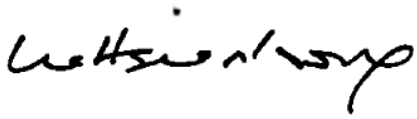
GENERAL THEIN SEIN
Prime Minister

For the Republic of the Philippines:



GLORIA MACAPAGAL-ARROYO
President

For the Republic of Singapore:



LEE HSIEN LOONG
Prime Minister

For the Kingdom of Thailand:

GENERAL SURAYUD CHULANONT (RET.)
Prime Minister

For the Socialist Republic of Viet Nam:

NGUYEN TAN DUNG
Prime Minister

ASEAN ECONOMIC COMMUNITY BLUEPRINT

I. INTRODUCTION

1. The ASEAN Leaders at their Summit in Kuala Lumpur in December 1997 decided to transform ASEAN into a stable, prosperous, and highly competitive region with equitable economic development, and reduced poverty and socio-economic disparities (ASEAN Vision 2020).

2. At the Bali Summit in October 2003, ASEAN Leaders declared that the ASEAN Economic Community (AEC) shall be the goal of regional economic integration (Bali Concord II) by 2020. In addition to the AEC, the ASEAN Security Community and the ASEAN Socio-Cultural Community are the other two integral pillars of the envisaged ASEAN Community. All the three pillars are expected to work in tandem in establishing the ASEAN Community in 2020.

3. Subsequently, the ASEAN Economic Ministers Meeting (AEM) held in August 2006 in Kuala Lumpur, Malaysia, agreed to develop "a single and coherent blueprint for advancing the AEC by identifying the characteristics and elements of the AEC by 2015 consistent with the Bali Concord II with clear targets and timelines for implementation of various measures as well as pre-agreed flexibilities to accommodate the interests of all ASEAN Member Countries."

4. At the 12th ASEAN Summit in January 2007, the Leaders affirmed their strong commitment to accelerate the establishment of an ASEAN Community by 2015 as envisioned in the ASEAN Vision 2020 and the ASEAN Concord II, and signed the Cebu Declaration on the Acceleration of the Establishment of an ASEAN Community by 2015. In particular, the Leaders agreed to hasten the establishment of the ASEAN Economic Community by 2015 and to transform ASEAN into a region with free movement of goods, services, investment, skilled labour, and freer flow of capital.

II. CHARACTERISTICS AND ELEMENTS OF AEC

5. The AEC is the realisation of the end goal of economic integration as espoused in the Vision 2020, which is based on a convergence of interests of ASEAN Member Countries to deepen and broaden economic integration through existing and new initiatives with clear timelines. In establishing the AEC, ASEAN shall act in accordance to the principles of an open, outward-looking, inclusive, and market-driven economy consistent with multilateral rules as well as adherence to rules-based systems for effective compliance and implementation of economic commitments.

6. The AEC will establish ASEAN as a single market and production base making ASEAN more dynamic and competitive with new mechanisms and measures to strengthen the implementation of its existing economic initiatives; accelerating regional integration in the priority sectors; facilitating movement of business persons, skilled labour and talents; and strengthening the institutional mechanisms of ASEAN. As a first step towards realising the ASEAN Economic Community, ASEAN has been implementing the recommendations of the High Level Task Force (HLTF) on ASEAN Economic Integration contained in the Bali Concord II.

7. At the same time, the AEC will address the development divide and accelerate integration of Cambodia, Lao PDR, Myanmar and Viet Nam (CLMV) through the Initiative for ASEAN Integration

and other regional initiatives. Other areas of cooperation are also to be incorporated such as human resources development and capacity building; recognition of professional qualifications; closer consultation on macroeconomic and financial policies; trade financing measures; enhanced infrastructure and communications connectivity; development of electronic transactions through e-ASEAN; integrating industries across the region to promote regional sourcing; and enhancing private sector involvement for the building of the AEC.

8. Based on the above and taking into consideration the importance of external trade to ASEAN and the need for the ASEAN Community as a whole to remain outward looking, the AEC envisages the following key characteristics: (a) a single market and production base, (b) a highly competitive economic region, (c) a region of equitable economic development, and (d) a region fully integrated into the global economy. These characteristics are inter-related and mutually reinforcing. Incorporating the required elements of each characteristic in one Blueprint shall ensure the consistency and coherence of these elements as well as their implementation and proper coordination among relevant stakeholders.

A. Single Market and Production Base

9. An ASEAN single market and production base shall comprise five core elements: (i) free flow of goods; (ii) free flow of services; (iii) free flow of investment; (iv) freer flow of capital; and (v) free flow of skilled labour. In addition, the single market and production base also include two important components, namely, the priority integration sectors, and food, agriculture and forestry.

A1. Free flow of goods

10. Free flow of goods is one of the principal means by which the aims of a single market and production base can be achieved. A single market for goods (and services) will also facilitate the development of production networks in the region and enhance ASEAN's capacity to serve as a global production centre or as a part of the global supply chain.

11. Through ASEAN Free Trade Area (AFTA), ASEAN has achieved significant progress in the removal of tariffs. However, free flow of goods would require not only zero tariffs but the removal of non-tariff barriers as well. In addition, another major component that would facilitate free flow of goods is trade facilitation measures such as integrating customs procedures, establishing the ASEAN Single Window, continuously enhancing the Common Effective Preferential Tariffs (CEPT) Rules of Origin including its Operational Certification Procedures, and harmonising standards and conformance procedures.

12. The Common Effective Preferential Tariffs for ASEAN Free Trade Area (CEPT-AFTA) Agreement will be reviewed and enhanced to become a comprehensive agreement in realising free flow of goods and applicable to ASEAN needs for accelerated economic integration towards 2015.

13. Elimination of Tariffs. Tariffs on all intra-ASEAN goods will be eliminated in accordance with the schedules and commitments set out in the CEPT-AFTA Agreement and other relevant Agreements/Protocols.

Actions:

i. Eliminate import duties on all products, except for those phased in from the Sensitive and Highly Sensitive Lists by 2010 for ASEAN-6 and by 2015, with flexibilities for some sensitive products by 2018, for CLMV in accordance with the provisions of the Protocol to Amend the CEPT Agreement for the Elimination of Import Duties;

ii. Eliminate import duties on products in the Priority Integration Sectors by 2007 for ASEAN-6 and 2012 for CLMV in accordance with the provisions of the ASEAN Framework (Amendment) Agreement for the Integration of Priority Sectors;

iii. Complete the phasing in of the remaining products in the Sensitive List (SL) into the CEPT Scheme and reduce tariffs on these products to 0-5% by 1 January 2010 for ASEAN-6, 1 January 2013 for Viet Nam, 1 January 2015 for Lao PDR and Myanmar, and by 1 January 2017 for Cambodia, in accordance with the provisions of the Protocol on Special Arrangements for Sensitive and Highly Sensitive Products; and

iv. Phase in products, which are in the General Exceptions List, in conformity with the CEPT Agreement.

14. Elimination of Non-Tariff Barriers. ASEAN has achieved significant progress in tariff liberalisation. The main focus of ASEAN towards 2015 will be placed on the full elimination of non-tariff barriers (NTBs).

Actions:

i. Enhance transparency by abiding to the Protocol on Notification Procedure and setting up an effective Surveillance Mechanism;

ii. Abide by the commitment of a standstill and roll-back on NTBs;

iii. Remove all NTBs by 2010 for ASEAN-5, by 2012 for the Philippines, and by 2015 with flexibilities to 2018 for CLMV, in accordance with the agreed Work Programme on Non-Tariff Barriers (NTBs) elimination;

iv. Enhance transparency of Non-Tariff Measures (NTMs); and

v. Work towards where possible having regional rules and regulations consistent with International best practices.

15. Rules of Origin (ROO): Putting in place ROO which are responsive to the dynamic changes in global production processes so as to: facilitate trade and investment among ASEAN Member Countries; promote a regional production network; encourage development of SMEs and the narrowing of development gaps; and promote the increased usage of the AFTA CEPT Scheme.

Actions:

i. Continuously reform and enhance the CEPT ROO to respond to changes in regional production processes, including making necessary adjustments such as the introduction of advance rulings and improvements to the ROO;

ii. Simplify the Operational Certification Procedures for the CEPT ROO and ensure its continuous enhancement, including the introduction of facilitative processes such as the electronic processing of certificates of origin, and harmonisation or alignment of national procedures to the extent possible; and

iii. Review all the ROO implemented by ASEAN Member Countries, individually and collectively, and explore possible cumulation mechanisms, where possible.

16. Trade facilitation. Simple, harmonised and standardised trade and customs, processes, procedures and related information flows are expected to reduce transaction costs in ASEAN which will enhance export competitiveness and facilitate the integration of ASEAN into a single market for goods, services and investments and a single production base.

Actions:

i. Assess trade facilitation conditions in ASEAN;

ii. Develop and implement a comprehensive trade facilitation work programme which aims at simplifying, harmonising and standardising trade and customs, processes, procedures and related information flows;

iii. Promote transparency and visibility of all actions and interventions by all stakeholders within international trade transactions;

iv. Establish a regional trade facilitation cooperation mechanism;

v. Establish ASEAN Trade Facilitation Repository;

vi. Develop national level measures to support and ensure effective implementation of regional level initiatives; and

vii. Develop a comprehensive capacity building programmes to ensure smooth implementation of the work programme.

17. Customs Integration. In light of the acceleration of AEC, the realisation of ASEAN Customs Vision 2020 is brought forward to 2015. In particular, the 2005-2010 Strategic Plan of Customs Development aims to: (a) integrate customs structures; (b) modernise tariff classification, customs valuation and origin determination and establish ASEAN e-Customs; (c) smoothen customs clearance; (d) strengthen human resources development; (e) promote partnership with relevant international organisations; (f) narrow the development gaps in customs; and (g) adopt risk management techniques and audit-based control (PCA) for trade facilitation.

Actions:

i. Modernise customs techniques, guided by simple and harmonised customs procedures and formalities in line with international standards and best practices through the implementation of regional models of processing of cargoes and shipments (ASEAN Cargo Clearance and ASEAN Customs Declaration Document in 2007);

ii. Establish ASEAN Customs Transit system to facilitate movement of goods and means of transport;

iii. Establish ASEAN Customs systems dealing with special customs regimes such as Temporary Admission, Outward Processing and Inward Processing with the view to facilitate integration of production and supply chains;

iv. Adopt international standards and practices to secure a uniform system of tariff classification, a synchronised system of value assessment for customs purposes and a harmonised system of origin determination, and information exchange where possible;

v. Implement ASEAN e-Customs; and

vi. Promote mutual assistance for better customs efficiency and effectiveness.

18. ASEAN Single Window. The implementation of measures of simplifying, harmonising and standardising trade and customs, processes, procedures and the application of ICT in all areas related to trade facilitation would be paramount in the ultimate creation of an ASEAN Single Window. The ASEAN Single Window is an environment where ten National Single Windows of individual Member Countries operate and integrate. National Single Window enables a single submission of data and information, a single and synchronous processing of data and information and a single decision-making for customs clearance of cargo, which expedites the customs clearance, reduce transaction time and costs, and thus enhance trade efficiency and competitiveness.

Actions:

i. ASEAN-6 (Brunei Darussalam, Indonesia, Malaysia, Philippines, Singapore and Thailand) shall operationalise their National Single Windows by 2008 at the latest;

ii. ASEAN-4 (Cambodia, Lao PDR, Myanmar and Viet Nam) shall operationalise their National Single Windows no later than 2012; and

iii. Standardisation of data elements based on WCO data model, the WCO data set and United Nation Trade Data Elements Directory (UNTDED) and acceleration of introduction of information, communication and technology (ICT) for digitalised processing and exchange.

19. Standards and Technical Barriers to Trade. Systems of standards, quality assurance, accreditation, and measurement are crucial to promote greater efficiency and enhance cost effectiveness of production of intra-regional imports/exports. Standards, technical regulations and conformity assessment procedures will be harmonised through the implementation of the ASEAN Policy Guideline on Standards and Conformance, with greater transparency, improved quality of conformity assessment and active participation of the private sector.

Actions:

i. Harmonise standards, technical regulations and conformity assessment procedures through their alignment with international practices, where applicable; [1]

ii. Develop and implement sectoral Mutual Recognition Arrangements (MRAs) on Conformity Assessment for specific sectors identified in the ASEAN Framework Agreement on Mutual Recognition Arrangements (also see footnote 1);

[1] Identification of standards, technical regulations and conformity assessment procedures to be harmonised or for sectoral MRAs to be developed, must take into consideration the impact on ASEAN trade, the complexity of the regulatory system, the technical infrastructure as well as the feedback from stakeholders.

iii. Enhance technical infrastructure and competency in laboratory testing, calibration, inspection, certification and accreditation based on regionally/internationally accepted procedures and guides;

iv. Promote transparency in the development and application of standards, technical regulations and conformity assessment procedures in line with the requirements of the World Trade Organisation (WTO) Agreement on Technical Barriers to Trade and the ASEAN Policy Guideline on Standards and Conformance;

v. Strengthen post market surveillance systems to ensure the successful implementation of the harmonised technical regulations; and

vi. Develop capacity building programmes to ensure smooth implementation of the work programme.

A2. Free flow of services

20. Free flow of trade in services is one of the important elements in realising ASEAN Economic Community, where there will be substantially no restriction to ASEAN services suppliers in providing services and in establishing companies across national borders within the region, subject to domestic regulations. Liberalisation of services has been carried out through rounds of negotiation mainly under the Coordinating Committee on Services. Negotiation of some specific services sectors such as financial services and air transport are carried out by their respective Ministerial bodies. In liberalising services, there should be no back-loading of commitments, and pre-agreed flexibility shall be accorded to all ASEAN Member Countries.

21. In facilitating the free flow of services by 2015, ASEAN is also working towards recognition of professional qualifications with a view to facilitate their movement within the region.

Actions:

i. Remove substantially all restrictions on trade in services for 4 priority services sectors, air transport, e-ASEAN, healthcare and tourism, by 2010 and the fifth priority services sector, logistics services, by 2013;

ii. Remove substantially all restrictions on trade in services for all other services sectors by 2015;

iii. Undertake liberalisation through consecutive rounds of every two years until 2015, i.e. 2008, 2010, 2012, 2014 and 2015;

iv. Target to schedule minimum numbers of new sub-sectors for each round: 10 sub-sectors in 2008, 15 in 2010, 20 in 2012, 20 in 2014 and 7 in 2015, based on GATS W/120 universe of classification;

v. Schedule packages of commitments for every round according to the following parameters:

- No restrictions for Modes 1 and 2, with exceptions due to bona fide regulatory reasons

(such as public safety) which are subject to agreement by all Member Countries on a case-by-case basis;

- Allow for foreign (ASEAN) equity participation of not less than 51% by 2008, and 70% by 2010 for the 4 priority services sectors; not less than 49% by 2008, 51% by 2010, and 70% by 2013 for logistics services; and not less than 49% by 2008, 51% by 2010, and 70% by 2015 for other services sectors; and

- Progressively remove other Mode 3 market access limitations by 2015;

vi. Set the parameters of liberalisation for national treatment limitations, Mode 4 and limitations in the horizontal commitments for each round by 2009;

vii. Schedule commitments according to agreed parameters for national treatment limitations, Mode 4 and limitations in the horizontal commitments set in 2009;

viii. Complete the compilation of an inventory of barriers to services by August 2008;

ix. Allow for overall flexibilities[2], which cover the sub-sectors totally excluded from liberalisation and the sub-sectors in which not all the agreed parameters of liberalisation of the modes of supply are met, in scheduling liberalisation commitments. The scheduling of liberalisation commitments in each round shall be accorded with the following flexibilities:

- Possibility of catching up in the next round if a Member Country is not able to meet the parameters of commitments set for the previous round;

- Allowing for substituting sub-sectors that have been agreed to be liberalised in a round but for which a Member Country is not able to make commitments with sub-sectors outside the agreed sub-sectors; and

- Liberalisation through the ASEAN Minus X formula.

x. Complete mutual recognition arrangements (MRAs) currently under negotiation, i.e. architectural services, accountancy services, surveying qualifications, medical practitioners by 2008, and dental practitioners by 2009;

xi. Implement the MRAs expeditiously according to the provisions of each respective MRA;

xii. Identify and develop MRAs for other professional services by 2012, to be completed by 2015; and

xiii. Strengthen human resource development and capacity building in the area of services.

For the financial services sector[3],

22. Liberalisation measures of the financial services sector should allow members to ensure orderly financial sector development and maintenance of financial and socio-economic stability.

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[2] The 15% figure for overall flexibility will be reviewed upon the completion of the inventory of limitations in 2008.

[3] All measures for the financial services sector will be subject to prudential measures and balance of payment safeguards as provided for under the WTO General Agreement on Trade in Services.

Member Countries would be guided by the following principles in pacing their liberalisation measures:

(a) Liberalisation through ASEAN Minus X formula where countries that are ready to liberalise can proceed first and be joined by others later; and

(b) The process of liberalisation should take place with due respect for national policy objectives and the level of economic and financial sector development of the individual members.

Actions:

i. Progressively liberalise restrictions in sub-sectors or modes as identified by each member country by 2015; and

ii. Progressively liberalise restrictions in the remaining sub-sectors or modes, which are not identified under "pre-agreed flexibilities", by 2020.

A3. Free flow of investment

23. A free and open investment regime is key to enhancing ASEAN's competitiveness in attracting foreign direct investment (FDI) as well as intra-ASEAN investment. Sustained inflows of new investments and reinvestments will promote and ensure dynamic development of ASEAN economies.

24. ASEAN investment cooperation is being implemented through the Framework Agreement on the ASEAN Investment Area (AIA), 1998, while investment protection is accorded under a separate agreement i.e. the ASEAN Agreement for the Promotion and Protection of Investment, 1987 or commonly referred to as ASEAN Investment Guarantee Agreement (IGA).

25. Under the AIA, all industries (in the manufacturing, agriculture, fishery, forestry and mining and quarrying sectors and services incidental to these five sectors) shall be open and national treatment granted to investors both at the pre-establishment and the post-establishment stages, with some exceptions as listed in member countries' Temporary Exclusion Lists (TEL) and Sensitive Lists (SL). The TEL is to be phased-out based on agreed timelines. Although the SL does not have a timeline for phasing-out, they will be reviewed periodically.

26. To enhance regional integration as well as to maintain a competitive investment area, both the Framework Agreement on the AIA and the ASEAN IGA will be reviewed. The objective is to realise a more comprehensive investment agreement which should be forward looking, with improved features, provisions and obligations by considering international best practices that would increase the investor confidence in ASEAN. The ASEAN Comprehensive Investment Agreement (ACIA), which will build on the existing AIA Agreement and ASEAN IGA, will cover the following pillars:

Investment Protection

27. Provide enhanced protection to all investors and their investments to be covered under the comprehensive agreement.

Actions:

i. To strengthen among others the following provisions:

- investor-state dispute settlement mechanism;
- transfer and repatriation of capital, profits, dividends, etc.[4]
- transparent coverage on the expropriation and compensation;
- full protection and security; and
- treatment of compensation for losses resulting from strife.

Facilitation and Cooperation

28. A more transparent, consistent and predictable investment rules, regulations, policies and procedures.

Actions:

i. Harmonise, where possible, investment policies to achieve industrial complementation and economic integration;

ii. Streamline and simplify procedures for investment applications and approvals;

iii. Promote dissemination of investment information: rules, regulations, policies and procedures, including through one-stop investment centre or investment promotion board;

iv. Strengthen databases on all forms of investments covering goods and services to facilitate policy formulation;

v. Strengthen coordination among government ministries and agencies concerned;

vi. Consultation with ASEAN private sectors to facilitate investment; and

vii. Identify and work towards areas of complementation ASEAN-wide as well as bilateral economic integration.

Promotion and Awareness

29. Promote ASEAN as an integrated investment area and production network.

[4] Since these items are related to capital movements, they should follow the guiding principles of capital movements as stated in section A.4. Freer Flow of Capital, particularly on allowing Greater Capital Mobility.

Actions:

i. Create the necessary environment to promote all forms of investment and new growth areas into ASEAN;

ii. Promote intra-ASEAN investments, particularly investments from ASEAN-6 to CLMV;

iii. Promote the growth and development of SMEs and MNEs;

iv. Promote industrial complementation and production networks among MNCs in ASEAN;

v. Promote joint investment missions that focus on regional clusters and production networks;

vi. Extend the benefits of ASEAN industrial cooperation initiatives in addition to the AICO Scheme to encourage regional clusters and production networks; and

vii. Work towards establishing an effective network of bilateral agreements on avoidance of double taxation among ASEAN countries.

Liberalisation

30. Progressive liberalisation of ASEAN Member Countries' investment regime to achieve free and open investment by 2015.

Actions:

i. Extend non-discriminatory treatment, including national treatment and most-favoured nation treatment, to investors in ASEAN with limited exceptions; minimise and where possible, eliminate such exceptions;

ii. Reduce and where possible, eliminate restrictions to entry for investments in the Priority Integration Sectors covering goods; and

iii. Reduce and where possible, eliminate restrictive investment measures and other impediments, including performance requirements.

A4. Freer flow of capital

31. Strengthening ASEAN Capital Market Development and Integration.

Actions:

i. Achieve greater harmonisation in capital market standards in ASEAN in the areas of offering rules for debt securities, disclosure requirements and distribution rules;

ii. Facilitate mutual recognition arrangement or agreement for the cross recognition of qualification and education and experience of market professionals;

iii. Achieve greater flexibility in language and governing law requirements for securities issuance;

iv. Enhance withholding tax structure, where possible, to promote the broadening of investor base in ASEAN debt issuance; and

v. Facilitate market driven efforts to establish exchange and debt market linkages, including cross-border capital raising activities.

32. Allowing Greater Capital Mobility.

The liberalisation of capital movements is to be guided by the following principles:

a) Ensuring an orderly capital account liberalisation consistent with member countries' national agenda and readiness of the economy;

b) Allowing adequate safeguard against potential macroeconomic instability and systemic risk that may arise from the liberalisation process, including the right to adopt necessary measures to ensure macroeconomic stability; and

c) Ensuring the benefits of liberalisation to be shared by all ASEAN countries.

Actions:

i. Remove or relax restrictions, where appropriate and possible, to facilitate the flows of payments and transfers for current account transactions;

ii. Remove or relax restrictions on capital flows, where appropriate and possible, to support foreign direct investment and initiatives to promote capital market development

A5. Free flow of skilled labour

33. In allowing for managed mobility or facilitated entry for the movement of natural persons engaged in trade in goods, services, and investments, according to the prevailing regulations of the receiving country, ASEAN is working to:

Action:

i. Facilitate the issuance of visas and employment passes for ASEAN professionals and skilled labour who are engaged in cross-border trade and investment related activities.

34. In facilitating the free flow of services (by 2015), ASEAN is also working towards harmonisation and standardisation, with a view to facilitate their movement within the region.

Actions:

i. Enhance cooperation among ASEAN University Network (AUN) members to increase mobility for both students and staff within the region;

ii. Develop core competencies and qualifications for job/occupational and trainers skills required in the priority services sectors (by 2009); and in other services sectors (from 2010 to 2015); and

iii. Strengthen the research capabilities of each ASEAN Member Country in terms of promoting skills, job placements, and developing labour market information networks among ASEAN Member Countries.

A6. Priority Integration Sectors

35. While it is desirable to integrate across the whole range of economic sectors, ASEAN has recognised the magnitude of the challenge this would pose and initially focused its resources on comprehensively integrating a limited number of priority sectors, which will serve as a catalyst for the overall ASEAN economic integration.

36. Twelve priority integration sectors were identified for accelerated economic integration. Several Member Countries took on the coordinator role for each sector. Each priority integration sector has a roadmap, which combines specific initiatives of the sector and the broad initiatives that cut across all sectors such as trade facilitation measures.

37. Raising the efficiency of these key sectors will enable ASEAN to compete for capital, and retain value-added economic activity and employment in the region. The sectoral approach allows the region to focus its limited resources on rapid and deep integration in these critical areas while provides ASEAN members the opportunity to observe and manage the impact of integration and to jointly develop a stronger sense of commitment to economic integration prior to a broader roll-out.

Actions:

i. Conduct a bi-annual review to monitor the status, progress and effectiveness of PIS roadmaps to ensure their timely implementation; and

ii. Identify sector-specific projects or initiatives through regular dialogues or consultation with stakeholders, particularly the private sector.

A7. Food, Agriculture and Forestry

38. Enhance intra- and extra-ASEAN trade and long-term competitiveness of ASEAN's food, agriculture and forestry products/commodities.

Actions:

i. Monitor implementation of CEPT-AFTA schemes for agricultural and forest products;

ii. Develop and apply fisheries quality management systems that ensure food safety and support competitive position of ASEAN fisheries products on world markets through the implementation, validation, verification of Hazard Analysis Critical Control Point (HACCP)-based systems and improved laboratories practices, and adapting quality and safety management systems so that they may be applied to small enterprises in ASEAN by 2009;

iii. Establish Good Agriculture / Aquaculture Practices (GAP), Good Animal Husbandry Practices (GAHP), Good Hygiene Practices (GHP), Good Manufacturing Practices (GMP), and Hazard Analysis Critical Control Point (HACCP) based systems; for agricultural and food products with significant trade / trade potential by 2012;

iv. Harmonise the quarantine and inspection/sampling procedure by 2010 and Sanitary and Phytosanitary (SPS) measures for agricultural, food and forestry products with significant trade / trade potential; in accordance with international standards/guidelines, where applicable, by 2015;

v. Harmonise the Maximum Residue Limits (MRLs) of commonly used pesticides for widely traded crop products in accordance with international standards/guidelines, where applicable, by 2010;

vi. Harmonise the regulatory framework for agricultural products derived from modern biotechnology in accordance with international standards/guidelines, where applicable, by 2015;

vii. Harmonise the safety and quality standards for horticultural produce and agricultural products of economic importance in the ASEAN region, in accordance with international standards/guidelines, where applicable, by 2015;

viii. Harmonise the animal (both terrestrial and aquatic animals) health control for safety of food of animal origin through a common bio-security management standards scheme, in accordance with international standards/guidelines, where applicable, by 2015;

ix. Harmonise guidelines for the use of chemicals in aquaculture and measures to eliminate the use of harmful chemicals, in accordance with international standards/guidelines, where applicable, by 2009; and

x. Develop a regional reference framework on phased-approach to forest certification by 2015.

39. Promote cooperation, joint approaches and technology transfer among ASEAN Member Countries and international, regional organisations and private sector.

Actions:

i. Develop joint strategies / positions on issues of related interest to ASEAN with

international organisations such as WTO, Food and Agriculture Organisation of the United Nations (FAO), World Organisation for Animal Health (OIE), International Plant Protection Convention (IPPC), CODEX, Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) and dialogue partners;

ii. Promote collaborative research and technology transfer in agriculture, food and forestry products;

iii. Establish strategic alliances and joint approaches with the private sectors in promoting food safety, investment and joint venture opportunities, promotion of agricultural products and market access;

iv. Strengthen efforts to combat illegal logging and its associated trade, forest fire and its resultant effects; and

v. Strengthen efforts to combat illegal fishing.

40. Promote ASEAN agricultural cooperatives as a means to empower and enhance market access of agricultural products, to build a network mechanism linking agricultural cooperatives, and to fulfil the purpose of agricultural cooperatives for the benefit of farmers in the region.

Actions:

i. Strengthen strategic alliance between agricultural cooperatives in ASEAN through bilateral, regional and multilateral cooperation;

ii. Establish business linkages among the potential agricultural cooperatives within ASEAN; and

iii. Promote direct investment and strategic partnership with ASEAN agricultural cooperatives producers, consumers, and traders.

B. Competitive Economic Region

B1. Competition Policy

41. The main objective of the competition policy is to foster a culture of fair competition. Institutions and laws related to competition policy have recently been established in some (but not all) ASEAN Member Countries (AMCs).[5] There is currently no official ASEAN body for cooperative work on CPL to serve as a network for competition agencies or relevant bodies to exchange policy experiences and institutional norms on CPL.

Actions:

i. Endeavour to introduce competition policy in all ASEAN Member Countries by 2015;

ii. Establish a network of authorities or agencies responsible for competition policy to serve as a forum for discussing and coordinating competition policies;

[5] Currently, only four AMCs (Indonesia, Singapore, Thailand and Viet Nam) have their own competition law and competition regulatory bodies. Malaysia has not passed any nation-wide competition law but has, instead, relied on sector-level regulations to ensure and enforce competition in markets.

iii. Encourage capacity building programmes/activities for ASEAN Member Countries in developing national competition policy; and

iv. Develop a regional guideline on competition policy by 2010, based on country experiences and international best practices with the view to creating a fair competition environment.

B2. Consumer Protection

42. The building of an integrated economic region with a people-centred approach in this region has made ASEAN mindful that consumers cannot be precluded in all measures taken to achieve this integration. Consumer protection measures are already being developed in tandem with the proposed economic measures to address the already emerging consumer protection.

Actions:

i. Strengthen consumer protection in ASEAN through the establishment of the ASEAN Coordinating Committee on Consumer Protection (ACCCP);

ii. Establish a network of consumer protection agencies to facilitate information sharing and exchange; and

iii. Organise regional training courses for consumer protection officials and consumer leaders in preparation for an integrated ASEAN market.

B3. Intellectual Property Rights (IPR)

43. In principle, intellectual property (IP) policy can serve as a powerful stimulus to (a) cultural, intellectual and artistic creativity and their commercialisation; (b) efficient adoption and adaptation of more advanced technologies; and (c) continuous learning to meet the ever-rising threshold of performance expectations.

44. IP policy can also help to incubate a vibrant culture of creativity and invention, and to ensure more equitable access and benefits to all stakeholders in both traditional and newer IPRs. Furthermore, IP policy can influence both the volume and quality of external trade and investment and the transfers of advanced, proprietary technologies. IP creativity is a major determinant of local value added and external competitiveness.

45. Regional cooperation in IPR has been guided by the ASEAN IPR Action Plan 2004-2010 and the Work Plan for ASEAN Cooperation on Copyrights which aim to develop a culture of learning and innovation supported by a friendlier IP profile to businesses, investors, inventors and creators in ASEAN. In addition, these Plans are also designed to foster better public awareness, coordination and networking, predictability, capacity building, and contribution of IP industries to competitiveness and development.

Actions:

i. Fully implement the ASEAN IPR Action Plan 2004-2010, and the Work Plan for ASEAN Cooperation on Copyrights;

ii. Establish an ASEAN filing system for design to facilitate filings by users and promote coordination among the IP Offices in ASEAN Member Countries, as receiving office, contingent upon the language requirements;

iii. Accession to the Madrid Protocol, where possible;

iv. Sustain consultations and information exchanges among national enforcement agencies in IPR protection; and

v. Promote regional cooperation on Traditional Knowledge (TK), Genetic Resources (GR) and Cultural Traditional Expressions (CTE).

B4. Infrastructure Development

46. Transport Cooperation. An efficient, secure and integrated transport network in ASEAN is vital for realising the full potential of the ASEAN Free Trade Area as well as in enhancing the attractiveness of the region as a single production, tourism and investment destination and narrowing development gaps. ASEAN transport is also critical in linking ASEAN with the neighbouring Northeast and South Asian countries.

47. Regional efforts have been made to enhance transport facilitation and logistics services, promote multimodal transport infrastructure linkages and connectivity, facilitate transport and tourism integration and further liberalise the air and maritime transport sectors. The enabling framework for the full liberalisation of air services in ASEAN shall be expeditiously implemented.

48. Multi-modal transport and transport facilitation. The ASEAN Transport Action Plan (ATAP) 2005-2010 covers maritime, land and air transport, and transport facilitation. The Plan outlines 48 action measures.

Actions:

i. Implementation of the ASEAN Framework Agreement on the Facilitation of Goods in Transit by 2009;

ii. Implementation of the ASEAN Framework Agreement on Multimodal Transport by 2010; and

iii. Finalisation of the ASEAN Framework Agreement on the Facilitation of Inter-State Transport by 2008 for its implementation beginning 2010.

49. Land transport. Priority is given to completion of the Singapore-Kunming Rail Link (SKRL and the ASEAN Highway Network (AHN) projects.

Actions:

i. Complete the development of all the missing links in the Singapore-Kunming Rail Link;

ii. Complete the implementation of the AHN projects, in particular, road construction / improvement of below Class III road (two narrow lanes with double bituminous treatment) sections of designated Transit Transport Routes (TTRs) of the AHN; and

iii. Enhance road safety in ASEAN.

50. Maritime and air transport. Adopt the general principles and framework for an ASEAN Single Shipping Market and develop and implement the ASEAN Single Aviation Market.

Actions:

i. Implement relevant International Maritime Organisation (IMO) conventions;

ii. Implement the Roadmap towards an Integrated and Competitive Maritime Transport in ASEAN;

iii. Implement the ASEAN Open Sky Policy (Roadmap for Integration of the Air Travel Sector); and

iv. Implement the ASEAN Single Aviation Market.

51. Information Infrastructure. A secure and connected information infrastructure is important for sustaining the region's economic growth and competitiveness. Efforts have been made to facilitate interconnectivity and technical interoperability among ICT systems, leveraging on existing national networks and evolving these into a regional information infrastructure. Equal emphasis has been given to improving trust and confidence in the use of the Internet and security of electronic transactions, payments and settlements.

52. Develop high-speed inter-connections among all national information infrastructures (NII).

Actions:

i. Facilitate high-speed connection among all national information infrastructure by 2010 and implement ICT measures as identified in the VAP;

ii. Intensify capacity building and training programmes for national Computer Emergency Response Teams (CERTs) and strengthen its capacity, cooperation and the coverage of the region's cyber-security network, including expanding the ASEAN CERT Incident Drills to include ASEAN's Dialogue Partners in 2007;

iii. Encourage the participation of all stakeholders (people, communities, enterprises and public administrations) in utilisation and development of ICT applications and services on the regional information infrastructure;

iv. Support sectoral ICT applications (initially in key sectors such as customs, logistics, transport, content industry) to improve their effectiveness and productivity;

v. Expand the number of ASEAN countries participating in the ASEAN MRA for telecommunications equipment; and

vi. Deepen regional policy and regulatory framework to deal with the opportunities and challenges in the area of Next Generation Networks, including the interoperability of products/services, information systems and networks in the convergence environment.

53. Energy Cooperation. Secure and reliable supply of energy including bio-fuel is crucial to support and sustain economic and industrial activities. Regional collaboration in the Trans-ASEAN Gas Pipeline (TAGP) and the ASEAN Power Grid (APG) Projects allows the optimisation of the region's energy resources for greater security. These projects also provide opportunities for private sector involvement in terms of investment, including financing, and technology transfer. Interconnected networks of electricity grids and gas pipelines offer significant benefits both in terms of security, flexibility and quality of energy supply.

54. Expedite the development of the ASEAN Power Grid (APG) and the Trans-ASEAN Gas Pipeline (TAGP). The APG involves 14 electricity interconnection projects and the TAGP, seven gas interconnection projects.

Actions:

i. Accelerate implementation of the APG and TAGP;

ii. Promote greater involvement of private sectors in APG and TAGP; and

iii. Finalise the ASEAN Petroleum Security Agreement to enhance oil and gas security in the region;

55. While ASEAN strive towards accelerating the establishment of an ASEAN Community by 2015, it is important to ensure that such development is sustainable through, among others, mitigating greenhouse gas emission by means of effective policies and measures, thus contributing to global climate change abatement. Recognising the limited global reserve of fossil energy and the unstable world prices of fuel oil, it is essential for ASEAN to emphasise the need to strengthen renewable energy development, such as bio-fuels, as well as to promote open trade, facilitation and cooperation in the renewable energy sector and related industries as well as investment in the requisite infrastructure for renewable energy development.

56. Mining cooperation. Enhance trade and investment and strengthen cooperation and capacity in geological and mineral sector for sustainable mineral development in the ASEAN region.

Actions:

i. Facilitate and enhance trade and investment in minerals;

ii. Intensify institutional and human capacity building in ASEAN geological and mineral sector;

iii. Promote environmentally and socially sustainable mineral development; and

iv. Encourage the participation of the private sector in mineral development.

57. Financing of Infrastructure Projects. Financing is always recognised as an important contributor to economic growth. As ASEAN accelerates its economic integration efforts, greater investment will be needed particularly in the development of regional infrastructure. Putting in place innovative financing schemes to attract greater private sector involvement is thus important.

Actions:

i. Promote greater participation of private sectors and international organisations in financing regional infrastructure development such as the APG, TAGP, SKRL and ASEAN Highway Network; and

ii. Remove or relax impediments to cross-border investment in/financing of regional infrastructure projects.

B5. Taxation

58. Actions:

i. Complete the network of bilateral agreements on avoidance of double taxation among all Member Countries by 2010, to the extent possible.

B6. E-Commerce

59. To lay the policy and legal infrastructure for electronic commerce and enable on-line trade in goods (e-commerce) within ASEAN through the implementation of the e-ASEAN Framework Agreement and based on common reference frameworks.

Actions:

i. Adopt best practices in implementing telecommunications competition policies and fostering the preparation of domestic legislation on e-commerce;

ii. Harmonise the legal infrastructure for electronic contracting and dispute resolution;

iii. Develop and implement better practice guidelines for electronic contracting, guiding principles for online dispute resolution services, and mutual recognition framework for digital signatures in ASEAN;

iv. Facilitate mutual recognition of digital signatures in ASEAN;

v. Study and encourage the adoption of the best practices and guidelines of regulations and/or standards based on a common framework; and

vi. Establish a networking forum between the businesses in ASEAN and its Dialogue Partners as a platform for promoting trade and investment.

C. Equitable Economic Development

C1. SME development

60. The ASEAN Policy Blueprint for SME Development (APBSD) 2004-2014 outlines the framework for SME development in the ASEAN region. It comprises strategic work programmes, policy measures and indicative outputs. Its objectives are to:

(a) Accelerate the pace of SME development, optimising on the diversities of ASEAN Member Countries;

(b) Enhance the competitiveness and dynamism of ASEAN SMEs by facilitating their access to information, market, human resource development and skills, finance as well as technology;

(c) Strengthen the resilience of ASEAN SMEs to better withstand adverse macroeconomic and financial difficulties, as well as the challenges of a more liberalised trading environment; and

(d) Increase the contribution of SMEs to the overall economic growth and development of ASEAN as a region.

Actions:

i. Timely implementation of the ASEAN Policy Blueprint for SME Development 2004-2014 (APBSD);

ii. Promote networking of SMEs and their participation in the building of regional production and distributions networks; and

iii. Promote best practices in SME development, including SME financing.

C2. Initiative for ASEAN Integration (IAI)

61. Given the different levels of development among ASEAN Member Countries, there arises the need to ensure the deepening and broadening integration of ASEAN is accompanied by technical and development cooperation to address the development divide and accelerate the economic integration of the less developed ASEAN Member Countries so that the benefits of ASEAN integration are shared and enjoyed by all ASEAN Member Countries. This would allow ASEAN Member Countries to move in a unified manner.

62. The Initiative for ASEAN Integration (IAI), launched in November 2000, gives the direction and sharpens the focus of collective efforts to narrow the development gap not only within ASEAN but between ASEAN and other parts of the world as well. The IAI currently covers the following priority areas, namely infrastructure, human resource development, information and communications technologies (ICT), capacity building for regional economic integration, energy, investment climate, tourism, poverty reduction and improvement in the quality of life.

63. Meeting the AEC challenge will require CLMV to develop policy to enhance economic growth, strengthen economic competitiveness, increase domestic and foreign direct investments, expand private sector enterprises while meeting its public goals.

Actions:

i. Enhance the IAI to serve as the platform for identifying and implementing technical assistance and capacity building programmes for both public and private sectors in ASEAN Member Countries, in particular, CLMV and the other sub-regional arrangements such as the IMT-GT and the BIMP-EAGA within ASEAN to allow them to be equal partners in the development of regional production and distribution networks;

ii. ASEAN-6 to continue its support for IAI programmes;

iii. Garner sufficient support from dialogue partners and international organisations such as the Asian Development Bank and the World Bank for effective implementation of the IAI programmes;

iv. Build/strengthen capacity of government officials to develop/implement economic and social policies that would mitigate the effects of economic integration; and

v. Conduct periodic socio-economic studies to monitor/evaluate the impact of economic integration.

D. Integration into the Global Economy

64. ASEAN operates in an increasingly global environment, with interdependent markets and globalised industries. In order to enable ASEAN businesses to compete internationally, to make ASEAN a more dynamic and stronger segment of the global supply chain and to ensure that the internal market remains attractive for foreign investment, it is crucial for ASEAN to look beyond the borders of AEC. External rules and regulations must increasingly be taken into account when developing policies related to AEC.

D1. Coherent Approach towards External Economic Relations

65. ASEAN shall work towards maintaining "ASEAN Centrality" in its external economic relations, including, but not limited to, its negotiations for free trade (FTAs) and comprehensive economic partnership (CEPs) agreements. This shall be done by:

Actions:

i. Review FTA/CEP commitments vis-à-vis ASEAN's internal integration commitments; and

ii. Establish a system for enhanced coordination, and possibly arriving at common approaches and/or positions in ASEAN's external economic relations and in regional and multilateral fora.

D2. Enhanced participation in global supply networks

66. ASEAN shall also enhance participation in global supply networks by:

Actions:

i. Continuing the adoption of international best practices and standards in production and distribution, where possible; and

ii. Developing a comprehensive package of technical assistance for the less developed ASEAN Member Countries to upgrade their industrial capability and productivity to enhance their participation in regional and global integration initiatives.

III. IMPLEMENTATION

67. A strategic schedule that includes key milestones for a comprehensive and deeper economic integration shall form an integral part of this Blueprint. Consultations have been made with relevant bodies/stakeholders to invite their inputs and coordinating conferences were held to jointly review the Blueprint and its strategic schedule among all stakeholders to ensure consistency of the above measures, programmes and milestones across sectors and promote greater sense of ownership of the Blueprint.

68. Relevant ASEAN sectoral bodies will coordinate the implementation of the above programmes and measures while relevant government agencies will be responsible for overseeing the implementation and preparation of more detailed action plans at the national level. Partnership arrangements with the private sector, industry associations and the wider community at the regional and national levels will also be actively sought where required to ensure participation of all stakeholders in the integration process.

69. For the successful implementation of these programmes and measures, the necessary institutions or mechanisms, resources, capacity and political will be accorded to the Community building process.

A. Implementation Mechanism

70. Relevant sectoral Ministerial bodies shall be responsible for the implementation of the Blueprint and monitoring of commitments under their respective purview. The ASEAN Economic Ministers (AEM), as the Ministers-in-Charge of Economic Integration in the Council of ASEAN Economic Community, shall be accountable for the overall implementation of the Blueprint.

71. To allow for effective implementation of the Blueprint, the following measures on charting strategic directions and coordination shall be implemented.

Actions:

i. The HLTF shall provide strategic inputs to the AEM on issues affecting the timely implementation of the Blueprint;

ii. Undertake regular consultations with various sectoral bodies to discuss and elicit feedback on implementation issues of the Blueprint; and

iii. The Secretary-General of ASEAN shall report the progress of AEC to relevant ministerial meetings and the Summit.

72. In enhancing the implementation arrangements and streamlining the decision-making process of all ASEAN economic initiatives identified in the Blueprint and beyond, the following measures are recommended:

i. Promote transparency and improve the operation of notification procedures under all ASEAN economic agreements through the Protocol on Notification Procedures;

ii. Ratification of ASEAN legal instruments shall be made within six months of signing;

iii. Decision-making process by economic bodies to be made by consensus, and where there is no consensus, ASEAN to consider other options with the objective of expediting the decision-making process;

iv. Utilise the Enhanced Dispute Settlement Mechanism (DSM) to promote a rules-based community;

v. The ASEAN Minus X formula can be invoked to accelerate the implementation of agreed economic initiatives; and

vi. Flexibility should be accorded in the implementation of AEC, which shall be pre-agreed and not delay the overall progress and implementation of the AEC.

73. Progress in the implementation of the above programmes and measures for AEC building by Member Countries needs to be monitored, reviewed and disseminated to all stakeholders. The ASEAN Secretariat shall review and monitor compliance of implementing the Blueprint.

Action:

i. Develop and maintain a set of statistical indicators, including an integrated tariff and trade data database system, address harmonisation of statistics and data quality issues, and the AEC scorecards, to monitor and assess the progress of implementation of each element of the AEC.

74. For the financial sector,

i. Establish an appropriate implementation mechanism in the form of regular progress reports to the Leaders.

B. Resources

75. Research and capacity building support is to be mobilised from various facilities.

Actions:

i. The ASEAN Development Fund, with contributions from Member Countries, will be a vehicle to draw resources from other ASEAN and non-ASEAN sources;

ii. Identify and implement technical studies or training programmes on issues, areas or topics where analytical as well as capacity building support are needed to facilitate the implementation of the AEC Blueprint;

iii. Translate milestones and targets of the AEC Blueprint into national milestones and targets and incorporate them in their national development plans;

iv. Promote the participation of the ADB, World Bank/IFC, dialogue or trading partners and the private sector in the development of regional infrastructure projects;

v. Strengthen the research and planning capabilities of the ASEAN Secretariat in areas relevant to the AEC;

vi. Strengthen the research capabilities and human capital development of each ASEAN Member Country; and

vii. Establish appropriate capacity building programmes to assist newer member countries to enhance the development and regulatory frameworks of their financial markets.

C. Communications

76. Success of building the AEC requires involvement by all stakeholders in the integration process. In addition to involving all stakeholders in the formulation of the Blueprint, a good communications programme is required to create greater public awareness of the AEC in all ASEAN countries as well as to keep all stakeholders, including the business communities and people of ASEAN, informed of the progress of this community building.

Actions:

i. Launch a comprehensive communications plan to explain to the government officials, key stakeholders and the general public the objectives, benefits and challenges of the AEC;

ii. Develop a regional platform for open discussion and sharing information in implementing the ASEAN Economic Community;

iii. Member Countries shall set up a mechanism at the national level to regularly report the outcome and issues of the integration process; and

iv. Create an AEC communications website that would provide an additional channel to reach communities at large, where stakeholders can provide feedback and respond to ASEAN economic initiatives.

D. Review

77. The AEC Blueprint shall be reviewed periodically taking into account dynamic regional and global developments.

Strategic Schedule for ASEAN Economic Community

Strategic Approach	Priority Actions			
	2008-2009	2010-2011	2012-2013	2014-2015
A. Towards a Single Market and Production Base				
A1. Free Flows of Goods ▪ Common Effective Preferential Tariffs-ASEAN Free Trade Area (CEPT-AFTA)	▪ Enhance CEPT Agreement (2008)			
▪ Tariffs Reduction	▪ Complete the tariff reduction schedule to 0-5% for all IL products for Laos and Myanmar (2008)[1]	▪ Complete the tariff reduction schedule to 0-5% for all IL products for Cambodia (2010)[1]		
▪ Elimination of Tariffs	▪ Integrate products outside the CEPT Scheme in accordance to the CEPT Agreement (2008); ▪ Eliminate import duties on 60% of all IL products except for those phased in from SL and HSL for Laos and Myanmar (2008);[2] ▪ Eliminate import duties on 80% of all IL products except for those phased in from SL and HSL for ASEAN 6 (2007); ▪ Eliminate import duties on products in the PIS for ASEAN-6 (2007);	▪ Eliminate import duties on 60% of all IL products except for those phased in from SL and HSL for Cambodia (2010); ▪ Eliminate import duties on 80% of all IL products except for those phased in from SL and HSL for Viet Nam (2010); ▪ Eliminate tariffs on all products, except for those phased in from the SL and HSL, for ASEAN 6 (2010);	▪ Eliminate import duties on 80% of all IL products except for those phased in from SL and HSL for Laos and Myanmar (2012); ▪ Eliminate import duties on products in the PIS for CLMV (2012);	▪ Eliminate tariffs on all products, except for those phased in from the SL and HSL, for CLMV 2015 with flexibility on some sensitive products up to 2018

[1] ASEAN-6 and Viet Nam have completed their tariff reduction schedule in 2003 and 2006 respectively
[2] ASEAN-6 and Viet Nam have reached their 60% tariff elimination in 2003 and 2006 respectively.

Strategic Approach	Priority Actions			
	2008-2009	2010-2011	2012-2013	2014-2015
	▪ Elimination of duties for 1st and 2nd tranche of ICT products for CLMV in accordance to the Framework Agreement on e-ASEAN (2008 for the 1st tranche ICT products and 2009 for the 2nd tranche ICT products);[3]	▪ Elimination of duties for the 3rd tranche ICT products for CLMV in accordance to the Framework Agreement on e-ASEAN (2010)[3]		
		▪ Reduce tariffs on Sensitive List (SL) products to 0-5% for ASEAN-6 (2010);	▪ Reduce tariffs on Sensitive List (SL) products to 0-5% for Viet Nam (2013). In the case of sugar Viet Nam shall reduce the tariffs to 0-5% by 2010;	▪ Complete phase in of the remaining products in the Sensitive List (SL) into the CEPT Scheme and reduce tariffs on these products to 0-5% (2015- Lao PDR and Myanmar; 2017-Cambodia)
		▪ Complete the tariff reduction schedule for Highly Sensitive List (HSL) to the agreed end-rate		
▪ Elimination of Non-Tariff Barriers	▪ Abide by the commitment of a standstill and roll-back on NTBs, effective immediately;	→	→	→
	▪ Enhance transparency by abiding to the Protocol on Notification Procedure and setting up an effective Surveillance Mechanism;	→	→	→
		▪ Eliminate NTBs for ASEAN 5 (2010)	▪ Eliminate NTBs for the Philippines (2012)	▪ Eliminate NTBs for CLMV (2015) with flexibility to 2018 for some sensitive products

[3] ASEAN-6 has completed its tariff reduction for all ICT products in 2005

Strategic Approach	Priority Actions			
	2008-2009	2010-2011	2012-2013	2014-2015
▪ Rules of Origin	▪ Continuously reform and enhance the CEPT ROO to respond to changes in global production processes, including making necessary adjustments such as the introduction of advance rulings and improvements to the ROO (2007); ▪ Simplify the Operational Certification Procedures for the CEPT ROO and ensure its continuous enhancement, including the introduction of facilitative processes such as the electronic processing of certificates of origin, and harmonisation or alignment of national procedures to the extent possible (2007); and ▪ Review all the ROO implemented by ASEAN Member Countries, individually and collectively, and explore possible cumulation mechanisms, where possible.	→	→	→
▪ Trade Facilitation Work Programme	▪ Finalisation of the Comprehensive Work Programme on Trade Facilitation ▪ Assessment of Trade Facilitation conditions in ASEAN ▪ Establish Regional Trade Facilitation mechanism ▪ Promote transparency and visibility of all actions and interventions by all stakeholders within international trade transactions.	▪ Promote transparency and visibility of all actions and interventions by all stakeholders within international trade transactions. ▪ Simplified, harmonised and standardised trade and custom, processes, procedures and related information flows to move goods and associated services internationally from seller to buyer, and to pass payment in opposite direction	→	→

Strategic Approach	Priority Actions			
	2008-2009	2010-2011	2012-2013	2014-2015
	▪ Establish ASEAN Trade Facilitation Repository ▪ ASEAN Criteria for authorised traders		→	
Customs Integration ▪ Strategic Plan of Customs Development	▪ Integrate customs structures. ▪ Modernise customs techniques, guided by simple and harmonised customs procedures and formalities through the implementation of regional models of processing of cargoes and shipments (ASEAN Cargo Processing Model and ASEAN Customs Declaration Document in 2007) as committed. ▪ Establish ASEAN Customs Transit system to facilitate movement of goods and means of transport. ▪ Establish ASEAN Customs systems dealing with special customs regimes such as Temporary Admission, Outward Processing and Inward Processing with the view to facilitate integration of production and supply chains. ▪ Modernise tariff classification, customs valuation and origin determination and establish ASEAN e-Customs.	→	→	

Strategic Approach	Priority Actions			
	2008-2009	2010-2011	2012-2013	2014-2015
	▪ Adopt international standards and practices to secure a uniform system of tariff classification, a synchronised system of value assessment for customs purposes and a harmonised system of origin determination (origin conferring), and information exchange, where possible.	→	→	
	▪ Smoothen customs clearance	→	→	
	▪ Strengthen human resources development	→	→	→
	▪ Implement ASEAN e-Customs.	→	→	→
	▪ Promote mutual assistance for better customs efficiency and effectiveness.	→	→	→
▪ ASEAN Single Window	▪ Brunei Darussalam, Indonesia, Malaysia, Philippines, Singapore and Thailand operationalise their National Single Windows by 2008.			
	▪ ASEAN-4 (Cambodia, Lao PDR, Myanmar and Viet Nam) operationalise their National Single Windows no later than 2012.	→	→	
	▪ Implementation of measures of simplifying, harmonising and standardising trade and customs, processes, procedures.	→	→	

Strategic Approach	Priority Actions			
	2008-2009	2010-2011	2012-2013	2014-2015
	▪ Standardisation of data elements based on WCO data model, the WCO data set and United Nation Trade Data Directory (UNTDED) and acceleration of introduction of information, communication and technology (ICT) for digitalised processing and exchange.	→	→	
	▪ Application of ICT in all areas related to trade facilitation and customs management are paramount in the ultimate creation of an ASEAN Single Window.	→	→	
▪ Standards and Conformance	▪ Implement a Single Regulatory Scheme for Cosmetic	▪ Monitor the implementation of the Single Regulatory Scheme for Cosmetics	→	→
	▪ Continue to monitor the effective Implementation of the ASEAN Sectoral MRA on Electrical and Electronic Equipment (EEE)	→	▪ The listed Conformity Assessment Bodies under the Sectoral MRAs will be utilised to implement the single regulatory regime for EEE	
	▪ Prepare for the implementation of a single regulatory regime for electrical and electronic equipment	→	▪ Implement a single regulatory regime for EEE	▪ Monitor the implementation of the single regulatory regime for EEE
	▪ Implement the ASEAN Common Technical Dossiers (ACTD) for Pharmaceutical and Medical Device	▪ Monitor the implementation of the ACTD.	→	→
		▪ Strengthen competency and confidence amongst regulatory authorities in evaluation process	→	
			→	▪ Implement harmonised technical requirements for TMHS for identified areas in all Member Countries

Strategic Approach	Priority Actions			
	2008-2009	2010-2011	2012-2013	2014-2015
			▪ Monitor the effective implementation of the Sectoral MRA on GMP Inspection for Pharmaceutical	→
			▪ Implement harmonised standards and technical regulations	→
	▪ Implement the ASEAN Common Submission Dossier Template (CSDT) for Medical Device	▪ Monitor the implementation of the CSTD.	→	→
		▪ Strengthen competency and confidence amongst regulatory authorities in evaluation process	→	→
	▪ Develop an ASEAN Module for Traditional Medicine and Health Supplement (TMHS) and identify areas for harmonisation of technical requirements	▪ Harmonise the technical requirements on TMHS for identified areas		
	▪ Sign and prepare for the implementation an ASEAN Sectoral MRA on Good Manufacturing Practice (GMP) Inspection for Pharmaceutical	▪ Implement the Sectoral MRA on GMP Inspection for Pharmaceutical		
	▪ Establish and implement Post Market Alert Systems for various Sectors	▪ Monitor the effective implementation of the Post Marketing Alert System for various sectors		
	▪ Identify and harmonise more standards and technical regulations for other sectors such as wood-based, rubber- based and automotive etc.	▪ Continue to harmonise standards and technical regulations for identified sectors		

Strategic Approach	Priority Actions			
	2008-2009	2010-2011	2012-2013	2014-2015
	▪ Continue to enhance Technical Infrastructure: more testing laboratories and certification bodies to be accredited to relevant international standards and Post Market Surveillance to be strengthened			
A2. Free Flows of Services				
▪ Services Liberalisation under AFAS[4]		▪ Remove substantially all restrictions on trade in services for the 4 priority services sectors (2010)	▪ Remove substantially all restrictions on trade in services for logistics services by 2013.	▪ Remove substantially all restrictions on trade in services for all other services sectors by 2015.
	▪ Schedule at least 10 new sub-sectors (2008)	▪ Schedule at least 15 new sub-sectors (2010)	▪ Schedule at least 20 new sub-sectors (2012)	▪ Schedule at least 20 (2014) and 7 (2015) new sub-sectors
	▪ No restrictions for Modes 1 and 2, with exceptions due to bona fide regulatory reasons (2008)	→	→	→
	▪ At least 51% foreign equity participation for the 4 priority services sectors, (2008)	▪ At least 70% foreign equity participation for the 4 priority services sectors, (2010)	→	→
	▪ At least 49% foreign equity participation for logistics services, (2008)	▪ At least 51% foreign equity participation for logistics services, (2010)	▪ At least 70% foreign equity participation for logistics services, (2013)	
	▪ At least 49% foreign equity participation for other services sectors, (2008).	▪ At least 51% foreign equity participation for other services sectors, (2010);	→	▪ At least 70% foreign equity participation for all services sectors, (2015).
	▪ Progressively remove market access limitations for Mode 3 as endorsed by the AEM.	→	→	→
	▪ Complete the compilation of an inventory of barriers to services by August 2008.			

[4] The approaches shall be subject to flexibility as provided in the Blueprint

Strategic Approach	Priority Actions			
	2008-2009	2010-2011	2012-2013	2014-2015
	▪ Set the parameters of liberalisation for national treatment limitations, Mode 4 and limitations in the horizontal commitments for each round (2009)	▪ Schedule commitments according to agreed parameters for national treatment limitations, Mode 4 and limitations in the horizontal commitments set in 2009.	→	→
▪ Mutual Recognition Arrangements (MRAs)	▪ Complete MRAs currently under negotiation, i.e. architectural services, accountancy services, surveying qualifications, medical practitioners, and dental practitioners (2008). ▪ Implement the completed MRAs	▪ Identify and develop MRAs for other professional services by 2012 →	→ →	▪ Full implementation of completed MRAs (2015). →
▪ Financial Services Sector	▪ Develop the list of "pre-agreed flexibilities" that can be maintained by each member country for the sub-sectors identified for liberalisation by 2015	▪ Agree on the list of "pre-agreed flexibilities" that can be maintained by each member country for the sub-sectors identified for liberalisation by 2015	▪ Develop the list of "pre-agreed flexibilities" that can be maintained by each member country from 2020	▪ Substantially remove[5] restrictions for the Insurance, Banking and Capital Market sub-sectors by 2015 as identified by member countries in **Annex 1**. ▪ By 2017, agree on the list of "pre-agreed flexibilities" that can be maintained by each member country from 2020 ▪ Substantially remove[6] restrictions on trade in services for all remaining sectors by 2020.
A3. Free Flows of Investment ▪ ASEAN Investment Agreement (AIA)	▪ Discuss, negotiate and draft the new ASEAN Comprehensive Investment Agreement (ACIA). ▪ Finalise the ACIA to be submitted to the 11th AIA Council.			

[5] Members may maintain restrictions as negotiated and agreed in the list of "pre-agreed flexibilities" for 2015.
[6] Members may maintain restrictions as negotiated and agreed in the list of "pre-agreed flexibilities" for 2020.

Strategic Approach	Priority Actions			
	2008-2009	2010-2011	2012-2013	2014-2015
▪ Liberalisation	▪ Commence Phase I of the progressive reduction/elimination of investment restrictions and impediments in 2008.	▪ Complete Phase I of the progressive reduction/ elimination of investment restrictions and impediments for eight (8) ASEAN Member Countries in 2010 and for ASEAN 2 (Lao PDR and Myanmar) in 2011. ▪ Commence Phase II of the progressive reduction/ elimination of investment restrictions and impediments for eight (8) ASEAN Member Countries in 2010 and for ASEAN 2 (Lao PDR and Myanmar) in 2011	▪ Complete Phase II of the progressive reduction/ elimination of investment restrictions and impediments for eight (8) ASEAN Member Countries in 2012 and ASEAN 2 (Lao PDR and Myanmar) in 2013. ▪ Commence the Final Phase of the progressive elimination of investment restrictions and impediments for eight (8) ASEAN Member Countries in 2012 and for ASEAN 2 (Lao PDR and Myanmar) in 2013	▪ Complete the Final Phase of the progressive reduction/ elimination of investment restrictions and impediments foreight (8) ASEAN Member Countries in 2014 and ASEAN 2 (Lao PDR and Myanmar) in 2015. ▪ Realise free and open investment regime with minimal investment restrictions in 2015. ▪ Achieve the harmonisation of investment measures to facilitate movement of investments.
▪ Facilitation	▪ Identify international best practices on investment measures for possible adoption by ASEAN. ▪ Review and recommend applicable international best practices for adoption by ASEAN.	▪ Commence the adoption of applicable international best practices on investment measures	▪ Review and assess the impact and effectiveness of the investment measures adopted. ▪ Continue efforts to adopt applicable international best practices on investment measures.	▪ Review and assess the impact and effectiveness of the investment measures adopted. ▪ Achieve the harmonisation of selected investment measures to facilitate movement of investment.

Strategic Approach	Priority Actions			
	2008-2009	2010-2011	2012-2013	2014-2015
	▪ Publish and disseminate ASEAN Investment Publications: - ASEAN Investment Report (AIR); - Statistics of FDI in ASEAN; - Compendium on Investment Measures and Policies in ASEAN (Investing in ASEAN Guidebook: An Update) - Update Investment Brochure; and - Brochure on Outsourcing Activities / Opportunities in ASEAN	▪ Publish and disseminate ASEAN Investment Publications: - ASEAN Investment Report (AIR); - Statistics of FDI in ASEAN; - Foreign Investors Living in ASEAN; - Directory on Logistics in ASEAN; and - Development and Promotion of New Growth Areas including Environmental Friendly Industries	▪ Publish and disseminate ASEAN Investment Publications: - ASEAN Investment Report (AIR); - Statistics of FDI in ASEAN; - Facts and Figures of Doing Business in ASEAN (an update).	▪ Publish and disseminate ASEAN Investment Publications: - ASEAN Investment Report (AIR); - Statistics of FDI in ASEAN; - Directory on Electronics; - Directory on Component Manufacturers
	▪ Identify and promote investment opportunities for infrastructure in CLMV countries.	▪ Link website on investment between ASEAN and Dialogue Partners.	▪ Develop ASEAN Investment Promotion Video to build up image/ brand of ASEAN.	▪ Undertake consultation with business sector to facilitate investment in ASEAN.
	▪ Complete FDI database covering goods and services sector.	▪ Undertake consultation with business sector to facilitate investment in ASEAN.	▪ Undertake consultation with business sector to facilitate investment in ASEAN.	
	▪ Enhance networking among ASEAN Investment Promotion Agencies.	▪ Organise discussions on key issues of FDI.		
	▪ Undertake consultation with business sector to facilitate investment in ASEAN.			
	▪ Establish database on Industrial Cluster.			
▪ Promotion	▪ Organise two inbound and two outbound investment missions.	▪ Organise two inbound and two outbound investment missions.	▪ Organise two inbound and two outbound investment missions annually.	▪ Organise two inbound and two outbound investment missions.
	▪ Continue series of ASEAN investment seminars on opportunities in CLMV countries to be hosted by ASEAN-6.	▪ Promote regional clusters and production network through ASEAN industrial cooperation initiatives	▪ Promote regional clusters and production network through ASEAN industrial cooperation initiatives	

Strategic Approach	Priority Actions			
	2008-2009	2010-2011	2012-2013	2014-2015
▪ Protection		▪ Organise seminar on investment protection and settlement of investment disputes	▪ Organise seminar on investment protection and settlement of investment disputes	
A4. Freer Flows of Capital ▪ Strengthening ASEAN Capital Market Development and Integration	→	→	→	▪ Achieve greater harmonisation in capital market standards in ASEAN in the areas of offering rules for debt securities, disclosure requirements and distribution rules ▪ Facilitate mutual recognition arrangement or agreement for the cross recognition of qualification and education and experience of market professionals ▪ Achieve greater flexibility in language and governing law requirements for securities issuance ▪ Enhance withholding tax structure, where possible, to promote the broadening of investor base in ASEAN debt issuance
▪ Allowing greater capital mobility				
The liberalisation of capital movements is to be guided by the following principles: 1. Ensuring an orderly capital account liberalisation consistent with member countries' national agenda and readiness of the economy. 2. Allowing adequate safeguards against potential macroeconomic instability and systemic risk that may arise from the liberalisation process, including the right to adopt necessary measures to ensure macroeconomic stability. 3. Ensuring the benefits of liberalisation to be shared by all ASEAN countries.				
▪ Foreign Direct Investment	▪ Assess and identify rules for liberalisation for freer flows of foreign direct investments which include: - Direct outward investment - Direct inward investment - Liquidation of direct investment	▪ Progressively liberalise, where appropriate and possible, the pre identified list of rules for freer flow of foreign direct investments	→	▪ Continue to liberalise, where appropriate and possible, any other items related to - Foreign direct investment - Portfolio investments - Other types of capital flows - To support FDI and to promote capital market development

Strategic Approach	Priority Actions			
	2008-2009	2010-2011	2012-2013	2014-2015
▪ Portfolio Investment	2009-2010: ▪ Assess and identify rules for liberalisation for freer flows of portfolio investments, particularly in debts and equity, which include: - Purchase of domestic debt securities and equity by non-residents - Issuance of debt securities and equity by non-residents locally - Repatriation of proceeds arising from portfolio investments - Issuance and/or sale of debt securities and equity abroad by residents - Purchase of debt securities and equity abroad by residents	→ ▪ 2011-2013: Progressively liberalise, where appropriate and possible, the rules identified for freer flow of portfolio investments	→	
▪ Other Types of Flows		▪ 2011-2012 Assess and identify rules for liberalisation of other types of flows, particularly long-term foreign borrowing and lending	→ ▪ Progressively liberalise, where appropriate and possible, the rules identified for other types of flows, particularly long-term foreign borrowing and lending	

Strategic Approach	Priority Actions			
	2008-2009	2010-2011	2012-2013	2014-2015
▪ Current Account Transactions	▪ Develop financial market to eliminate, where applicable, the practice of dual exchange rate structure. ▪ Relax the limitation on foreign exchange purchase and other payments for invisible transactions and current transfers	▪ Further develop financial market to eliminate, where applicable, the practice of dual exchange rate structure. ▪ Adopt Article VIII IMF by ASEAN countries by 2011	▪ Remove and/ or relax, where appropriate and possible, restrictions on repatriation/ surrender requirement	▪ Continue to liberalise, where appropriate and possible, any other items related to current account transactions
▪ Facilitation	▪ Draft/amend legal and regulatory framework, where appropriate and possible, to support changes in rules ▪ Strengthen policy dialogue on prudential regulation and supervision, to assist member countries develop a supportive regulatory framework for orderly liberalisation ▪ Establish/enhance systems to monitor flows in each member country ▪ Country collaboration to harmonise, where possible, policies, statistics and infrastructure related to flows ▪ Share with member countries progress on rules liberalised	→	→	→
A5. Free Flows of Skilled Labour	▪ Complete MRAs for major professional services, including PIS services sectors by 2008 ▪ Develop core competencies (concordance of skills and qualifications) for job/occupational skills required in the priority services sectors by 2009			▪ Develop core competencies (concordance of skills and qualifications) for job/occupational skills required in all services sectors by 2015

Strategic Approach	Priority Actions			
	2008-2009	2010-2011	2012-2013	2014-2015
A6. Priority Integration Sectors	▪ Conduct a bi-annual review to monitoring the status, progress and effectiveness of PIS roadmaps amongst ASEAN Member Countries ▪ Identify sector-specific projects or initiatives with Country Coordinators through regular dialogues or consultation with stakeholders, particularly the private sector	▪ Complete most of the measures identified under the roadmap of original 11 priority integration sectors	▪ Complete most of the measures identified under the roadmap for integration of logistics servicess	
A7. Food, Agriculture and Forestry ▪ Enhance intra- and extra-ASEAN trade and long-term competitiveness of ASEAN's food, agriculture and forestry products/ commodities.	▪ Develop and apply fisheries quality management system that ensure food safety and support competitive position of ASEAN fisheries products on world markets through the implementation, validation, verification of Hazard Analysis Critical Control Point (HACCP)-based systems and improved laboratories practices, and adapting quality and safety management systems so that they may be applied to small enterprises in ASEAN by 2009			

Strategic Approach	Priority Actions			
	2008-2009	2010-2011	2012-2013	2014-2015
			▪ Establish Good Agriculture / Aquaculture Practices (GAP), Good Animal Husbandry Practices (GAHP), Good Hygiene Practices (GHP), Good Manufacturing Practices (GMP), and Hazard Analysis Critical Control Point (HACCP) based systems; for agricultural and food products with significant trade / trade potential by 2012	
		▪ Harmonise the quarantine and inspection/sampling procedure by 2010		▪ Sanitary and Phytosanitary (SPS) measures for agricultural, food and forestry products with significant trade / trade potential by 2015
	▪ Harmonise the Maximum Residue Limits (MRLs) of commonly used pesticides for widely traded crop products in accordance with international standards/guidelines, where applicable, by 2010			
				▪ Harmonise the regulatory framework for agricultural products derived from modern biotechnology by 2015
				▪ Harmonise the safety and quality standards for horticultural produce and agricultural products of economic importance in the ASEAN region by 2015

Strategic Approach	Priority Actions			
	2008-2009	2010-2011	2012-2013	2014-2015
	▪ Harmonise guidelines for the use of chemicals in aquaculture and measures to eliminate the use of harmful chemicals by 2009			▪ Harmonise the animal (both terrestrial and aquatic animals) health control for safety of food of animal origin through a common bio-security management standards scheme by 2015
	▪ Define legality standard of timber by 2008. ▪ Finalised draft Guideline on Phased-approach to Forest Certification by 2009.	▪ Field testing on the Implementation of the Guideline by 2010. ▪ Capacity building activities for the implementation of the Guideline at national level during 2010 - 2011	→	▪ Develop a regional reference framework on phased-approach to forest certification by 2015
▪ Promote cooperation, joint approaches and technology transfer with international, regional organisations and private sector	▪ Develop joint strategies / positions on issues of related interest to ASEAN with international organisations such as WTO, FAO, OIE, IPPC, CODEX, CITES and dialogue partners	→	→	→
	▪ Promote collaborative research and technology transfer in agriculture, food and forestry products	→	→	→
	▪ Establish strategic alliances and joint approaches with the private sectors in promoting food safety, investment and joint venture opportunities, promotion of agricultural products and market access			
	▪ Strengthen efforts to combat illegal logging and its associated trade, forest fire and its resultant effects	→	→	→
	▪ Strengthen efforts to combat illegal fishing	→	→	→

Strategic Approach	Priority Actions			
	2008-2009	2010-2011	2012-2013	2014-2015
▪ Promote ASEAN agricultural cooperatives as a means to empower and enhance market access of agricultural products, to build a network mechanism linking agricultural cooperatives, and to fulfil the purpose of agricultural cooperatives for the benefit of farmers in the region	▪ Strengthen strategic alliance between agricultural cooperatives in ASEAN through bilateral, regional and multilateral cooperation ▪ Establish business linkages among the potential agricultural cooperatives within ASEAN ▪ Promote direct investment and strategic partnership with ASEAN agricultural cooperatives producers, consumers, and traders	→	→	→
B. Towards a Highly Competitive Economic Region				
<u>B1. Competition Policy</u> ▪ Building capacity and introduction and/or adoption of best practices for introducing competition policy	▪ Carrying out a foundation-laying study, review of study findings and recommendations, and convening a regional meeting on study findings and recommendations.	▪ Drawing up a regional work plan on Competition Policy and Law with special focus: capacity building and the introduction of best practices for introducing competition policy. ▪ Exploring funding opportunities for the implementation of selected elements of the work plan in line with the strategic schedules of AEC building.	→ →	→ →

Strategic Approach	Priority Actions			
	2008-2009	2010-2011	2012-2013	2014-2015
B3. Intellectual Property Rights ▪ Intellectual Property Rights Action Plan	Studies to be carried out on: ▪ One, the contribution of the copyright system to the economic development. ▪ Two, the implications of copyright system to the economy. ▪ Three, the best utilisation by various countries of flexibilities (limitations and exemptions) available from various IP agreements including the FTAs. ▪ Four, collective management societies and copyright tribunals. ▪ Collecting of country reports on business development services (BDS)	▪ Completion of studies carried out in collaboration with dialogue partners and follow-up activities ▪ To set a common goal to be attained so as to facilitate the development of copyright-based industries in ASEAN Member Countries ▪ Formation of national and regional on-line BDS networks	▪ To enhance the competitiveness of copyright industries in the economies of the ASEAN region ▪ To develop online access to copyright notifications, where available ▪ Operation of national and regional on-line BDS networks ▪ Evaluate the use of the regional online BDS network.	▪ Outcome: ▪ Effective use of copyright system ▪ Establishment of collective management societies in all ASEAN countries Outcome: ▪ An improved ASEAN BDS network
	←	▪ Capacity building in collaboration with dialogue partners and among AMCs.	→	→
	▪ Agreement on a suitable model	▪ Amendment of laws and procedures in each AMC	▪ Capacity building for IPO officers in AMCs	▪ Implementation of the ASEAN filing system for design
	▪ Study on the impact of accession to Madrid Protocol	▪ Amendments of laws and regulations for accession, as needed.	→	▪ Implementation of the Madrid Protocol
	←	▪ On-going consultations and information exchanges on IPR protection among national enforcement agencies	→	→
	▪ Identification of national TK, GR and CTE and collecting inventory	▪ Identification of national TK, GR and CTE and collecting inventory	▪ Capacity building	▪ Establishment of national and regional database on TK, GR and CTE

Strategic Approach	Priority Actions			
	2008-2009	2010-2011	2012-2013	2014-2015
B4. Infrastructure Development ▪ Transport Action Plan - Singapore-Kunming Rail Link (SKRL) - Road Safety Requirements	▪ Completion of Poipet-Sisophon Rail Link (2009)	▪ Implementation of the ASEAN five-year Regional Road Safety Action Plan.	▪ Member Countries to develop ASEAN standard measures for road safety.	
▪ ASEAN Framework Agreement on Multimodal Transport	▪ Member Countries have enacted necessary domestic legislations to put into effect the ASEAN Framework Agreement on Multimodal Transport (i.e. to allow Multimodal Transport Operators from other AMCs to operate in their respective territory.)	▪ At least two Member Countries implementing the ASEAN Framework Agreement on Multimodal Transport.	▪ ASEAN-wide implementation of the ASEAN Framework Agreement on Multimodal Transport	
▪ ASEAN Framework Agreement on the Facilitation of Goods in Transit (AFAFGIT)	▪ Implement the ASEAN Framework Agreement on the Facilitation of Goods in Transit (AFAFGIT) for Road Transport Operations contingent on the speedy conclusion of Protocol 2 (Frontier Ports) and Protocol 7 (Customs Transit). ▪ Completion of road construction / improvement of below Class III road sections of the designated Transit Transport Routes of Protocol 1 of the ASEAN Highway Network, i.e., Poipet – Sisophon (48km) and Kratie Stung Treng (198km).	▪ Conclude and sign Protocol 6 (Railway Borders and Interchange Stations) of the ASEAN FAGIT. ▪ Installation of the harmonised Route Numbering signs in the designated Transit Transport Routes (TTRs) under Protocol 1 of the ASEAN Framework Agreement on Facilitation of Goods in Transit.		▪ Full implementation of the ASEAN Framework Agreement on the Facilitation of Goods in Transit (for Road and Rail Transport Operations)

Strategic Approach	Priority Actions			
	2008-2009	2010-2011	2012-2013	2014-2015
▪ ASEAN Framework Agreement on the Facilitation of Inter-State Transport (FAIST)	▪ Conclude and adopt final text of the ASEAN Framework Agreement on the Facilitation of Inter-State Transport (FAIST)	▪ Start implementation of the ASEAN Framework Agreement on the Facilitation of Inter-State Transport (2010)		▪ Full implementation of the ASEAN Framework Agreement on the Facilitation of Inter-State Transport
	▪ Conclude and sign the ASEAN Multilateral Agreement on the Full Liberalisation of Air Freight Services (2008)	▪ Implementation of ASEAN Multilateral Agreement on the Full Liberalisation of Air Freight Services (in accordance with the Air Travel Roadmap)		
▪ Roadmaps for Integration of Air Travel Sector (RIATS)	▪ Implement the ASEAN Multilateral Agreement on the Full Liberalisation of Air Freight Services (2008)			
	▪ Conclude and sign ASEAN Multilateral Agreement on the Full Liberalisation of Air Services (2008)			
	▪ Implement the ASEAN Multilateral Agreement on Air Services (in accordance with the Air Travel Roadmap)	▪ Implement the ASEAN Multilateral Agreement on Air Services (in accordance with the Air Travel Roadmap)	▪ ASEAN-wide implementation of the ASEAN Multilateral Agreement on Air Services (in accordance with the Air Travel Roadmap)	
	▪ Adopt concept and enabling framework for ASEAN Single Aviation Market to pave way for the regional open-sky arrangement (2008)	▪ Finalise the implementation arrangement / agreement on the ASEAN Single Aviation Market by 2015.	▪ Implement the ASEAN Single Aviation "agreement / arrangement".	
	▪ Develop the implementation arrangement / agreement on the ASEAN Single Aviation Market (which will be implemented by 2015).			▪ ASEAN-wide Implementation of the ASEAN Single Aviation "agreement / arrangement".
▪ Roadmap towards an Integrated and Competitive Maritime Transport in ASEAN, which promotes and strengthens intra-ASEAN shipping market and services.	▪ Develop strategies for a ASEAN Single Shipping Market	▪ Implement the Maritime Transport Roadmap	▪ Implement the Maritime Transport Roadmap	▪ Review the Maritime Transport Roadmap for the next 3-5 years.

Strategic Approach	Priority Actions			
	2008-2009	2010-2011	2012-2013	2014-2015
▪ Information Infrastructure - Brunei Plan Action of ICT - ICT Focus	▪ Implement the ASEAN Telecommunications Regulators Council (ATRC) Mutual Recognition Arrangement (MRA) on conformity assessment for telecommunication equipment	▪ ASEAN-wide implementation of the ASEAN MRA on conformity assessment for telecommunication equipment	→	→
	▪ Promote and deepen policy and regulatory measures to deal with the opportunities and challenges in the area of Next Generation Networks (including issue on broadband penetration and communications in rural areas, etc)	▪ Implement regional measures to extend connectivity, capacity and access in and between member countries via high speed network between national information infrastructures	→	→
		▪ Enable the interoperability of products/ services, information systems and networks, in a convergence environment.		
	▪ Develop a general framework or guidelines for coordinated ASEAN e-government programs for efficient delivery of public services, and to facilitate regional trade, investment and other business activities.			
	▪ To activate the ASEAN e-Government Forum, among others, to identify key public services for ICT applications, including capacity building activities	→	→	→

Strategic Approach	Priority Actions			
	2008-2009	2010-2011	2012-2013	2014-2015
	▪ Intensify capacity building and training for national Computer Emergency Response Teams (CERTs) and strengthen cooperation and coverage of ASEAN regional cyber-security network. ▪ Develop an action plan for MRA and/ or Certification of ICT professionals in ASEAN	→	→	→
▪ Content Industry	▪ Develop action plan for developing ASEAN contents, web services and online application industries.			
Energy Cooperation a. ASEAN Power Grid	▪ Ratify/Accept MOU on ASEAN Power Grid (by December 2008) Ratify/Accept MOU on ASEAN Power Grid (by December 2008) ▪ Review the 2003 AIMS (by December 2008) ▪ Adopt the revised AIMS as an updated reference document (by May 2009) ▪ Establish APGCC (by May 2008) ▪ Approve the TOR (by December 2008) ▪ Report the TOR to SOME/AMEM (by July 2009) ▪ Establish task-groups for relevant studies (by May 2009) ▪ Implement interconnection projects and report progress to HAPUA Council and SOME/ AMEM (2008-2015)	→	→	→
				▪ Adopt key findings & recommendation of the study and submit to SOME/ AMEM (by 2014)

Strategic Approach	Priority Actions			
	2008-2009	2010-2011	2012-2013	2014-2015
				▪ Firm up the institutional and implementing arrangements to realize the APG (starting 2015)
• Trans-ASEAN Gas Pipeline	▪ Adopt the Updated TAGP Conceptual Master Plan ▪ Adopt legal and regulatory framework for cross-border gas pipeline transportation	▪ Formation of model ASEAN Joint Venture (JV) Gas Pipeline Company ▪ Adopt common technical standards for construction, operation and maintenance of ASEAN gas pipeline projects	▪ Adopt business model for ASEAN gas pipeline ownership and operation ▪ Develop and implement regional safety and security plan for TAGP pipelines and facilities	▪ Optimise Trans-ASEAN Gas Pipelines
B5. Taxation		▪ Complete the network of bilateral agreements on avoidance of double taxation among all Member Countries by 2010, to the extent possible		
B6. E-Commerce	▪ Member Countries to enact their e-commerce laws ▪ Implement harmonised guidelines and principles for electronic contracting and online dispute resolution services ▪ Adopt regional framework and strategy for the mutual recognition of digital signatures	▪ Update and/or amend relevant legislations in line with regional best practices and regulations in e-Commerce activities ▪ Adopt the best practices/ guidelines on other cyber-law issues (i.e. data privacy, consumer protection, IPR, ISP liability, etc) to support the regional e-commerce activities. ▪ Advancing cross-border electronic transactions, through pilot implementation of mutual recognition of foreign digital signatures	→	▪ A harmonised legal infrastructure for E-Commerce fully in place in ASEAN

Strategic Approach	Priority Actions			
	2008-2009	2010-2011	2012-2013	2014-2015
	▪ Continued capacity building and information sharing for Member Countries on E-Commerce legal infrastructure activities (e.g. PKI, institutional strengthening for CAs, etc)			
C. Towards a Region of Equitable Economic Development				
C1. SME Development ▪ ASEAN Policy Blueprint for SME Development	▪ Established a common curriculum for entrepreneurship in ASEAN	▪ Established a comprehensive SME service centre with regional and sub-regional linkages in ASEAN Member Countries ▪ Established an SME financial facility in each ASEAN Member Country	▪ Established a regional programme for the promotion of internship scheme for staff exchanges and visits for skills training	▪ Established a regional SME development fund that would be used as a financial source for SMEs that are undertaking business in the ASEAN region
C2. Initiatives for ASEAN Integration (IAI)	▪ Conduct periodic socio-economic studies to monitor/ evaluate the impact of economic integration ▪ Build/strengthen capacity of government officials to develop/implement economic and social policies that would mitigate the effects of economic integration	→	→	→
D. Towards Full Integration into the Global Economy				
D1. Coherent Approach towards External Economic Relations and Enhanced Participation in Global Supply Networks	▪ Review FTA/CEP commitments vis-à-vis ASEAN's internal integration commitments ▪ Establish a system for enhanced coordination, and possibly arriving at common approaches and/or positions in ASEAN's external economic relations and in regional and multilateral fora.	→	→	→

Strategic Approach	Priority Actions			
	2008-2009	2010-2011	2012-2013	2014-2015
	▪ Compilation of international best practices and standards in production and distribution ▪ Identification of technical assistance needs for the less developed ASEAN Member Countries to upgrade their industrial capabilities and productivity	▪ Published a handbook (guide book) on international best practices and standards in production and distribution ▪ Implementation of projects to upgrade the less developed ASEAN Member Countries' industrial capabilities and productivity	▪ Adoption and/ or alignment of production and distribution in ASEAN with international best practices and standards	▪ Achieved consistency in ASEAN's FTA/ CEP agreements/ commitments vis-à-vis ASEAN's AEC commitments - 2015

Annex 1

Financial Services Sub-sectors Identified for Liberalisation by 2015

	Sub-sectors	Member Countries
Insurance	Direct Life Insurance	Indonesia, Philippines
	Direct Non-life Insurance	Brunei, Cambodia, Indonesia, Malaysia, Philippines, Singapore and Viet Nam
	Reinsurance and Retrocession	Brunei, Cambodia, Indonesia, Malaysia, Philippines, Singapore and Viet Nam
	Insurance Intermediation	Cambodia, Malaysia, Indonesia, Philippines, Singapore and Viet Nam
	Services Auxiliary to Insurance	Brunei, Cambodia, Indonesia, Malaysia, Philippines, Singapore and Viet Nam
Banking	Acceptance of Deposits and Other Repayable Funds from the Public	Cambodia, Laos and Viet Nam
	Lending of All Types	Cambodia, Laos and Viet Nam
	Financial Leasing	Cambodia, Laos and Viet Nam
	All Payment and Money Transmission Services	Cambodia, Laos and Viet Nam
	Guarantee and Commitments	Cambodia, Laos, Myanmar and Viet Nam
Capital Market	Trading for Own Account or for Account of Customers	Brunei, Indonesia, Malaysia, Philippines, Singapore and Thailand
	Participation in Issues of All Kinds of Securities	Indonesia, Philippines (subject to constitutional and legislative limitations)
	Asset Management	Indonesia, Philippines, Singapore and Thailand
	Settlement and Clearing Services for Financial Assets	Indonesia, Philippines, Singapore and Thailand
Others	Provision and Transfer of Financial Information, Financial Data Processing and Related Software by Suppliers of Other Financial Services	Philippines and Myanmar
	Advisory, Intermediation and Other Auxiliary Financial Services	Philippines, Singapore, Thailand and Viet Nam