

BEST PRACTICE FROM ASEAN

BY PREWPRAE CHUMRUM





EUROPEAN UNION
FOUNDED IN 1957



MEMBER STATES **27**

ASEAN
FOUNDED IN 1967



MEMBER STATES **10**



MOTTO:
UNITED IN DIVERSITY



OFFICIAL LANGUAGES **24**



MILLION POPULATION **447.7**



LAND AREA **4 214 995 KM²**



MOTTO:
ONE VISION, ONE IDENTITY,
ONE COMMUNITY

01 WORKING LANGUAGE
ENGLISH

655.9 MILLION
POPULATION

LAND AREA **4 500 000 KM²**

EU & ASEAN

The EU and ASEAN are the two most advanced regional integration initiatives in the world.

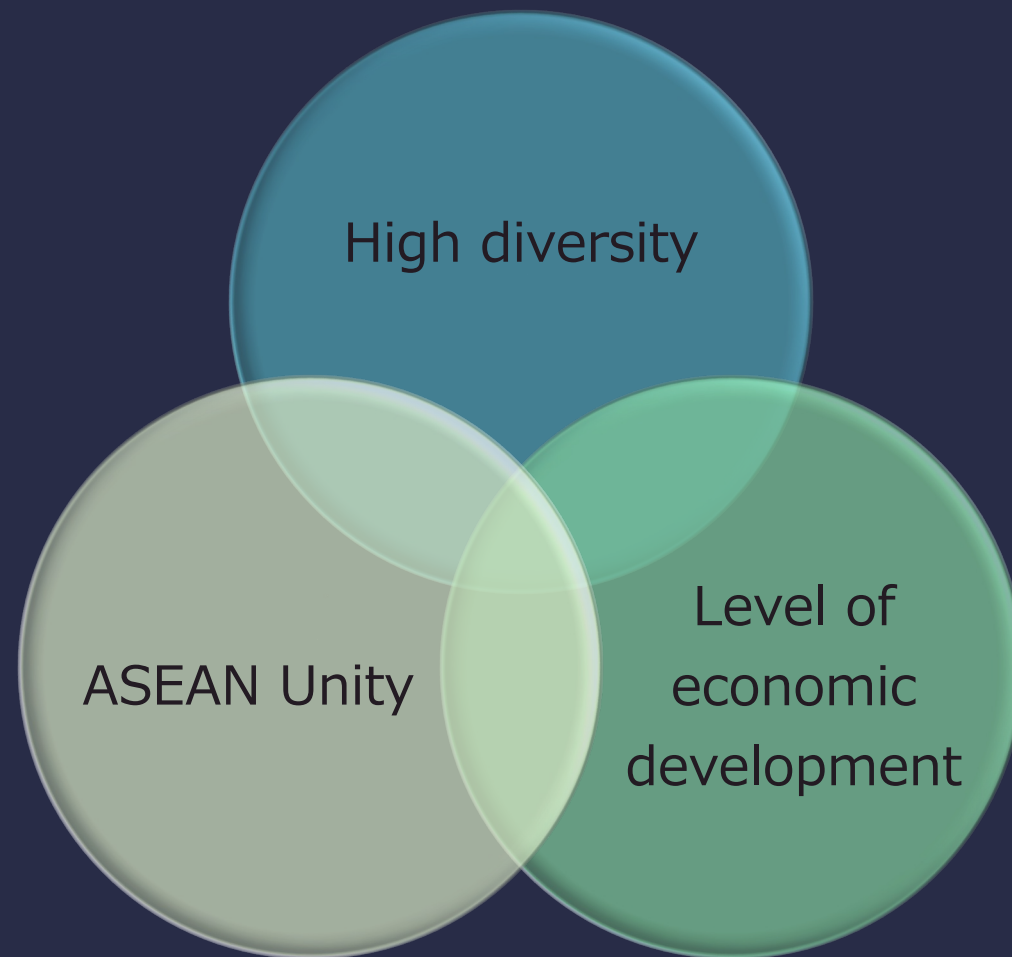
The EU is ASEAN's most significant collaborator in development cooperation.

The EU is the third largest provider of foreign direct investment to the ASEAN region

The EU is an increasingly important destination for investment coming from the ASEAN region.

ASEAN

Association of Southeast Asian Nations



ASEAN Economic Outlook

GDP Growth Rate (% per year)

	2021	2022	2023	2024
Developing Asia	7.2	4.2	4.8	4.8
Caucasus and Central Asia	5.8	5.1	4.4	4.6
East Asia	7.9	2.8	4.6	4.2
South Asia	8.4	6.4	5.5	6.1
Southeast Asia	3.5	5.6	4.7	5.0
The Pacific	-1.4	5.2	3.3	2.8

ASEAN in FTA Negotiations

PRC

Japan

Republic of
Korea

Australia &
New Zealand

Hong Kong

RCEP

Canada

EU / GCC /
Mercosur

**Consensus
Rule**

**ASEAN
Caucus**

**Collective
bargaining
power**

**Differences
exist**

S & D



The 7th Regional
Comprehensive Economic
Partnership Intersectoral
Ministerial Meeting
Business

Chai

VIET NAM



35th ASEAN SUMMIT and Related Summits

2 - 4 NOVEMBER 2019
BANGKOK / NONGTHABURI
THAILAND





Modes of services



Mode 1
cross
border
services



Mode 2
consumption
abroad



Mode 3
commercial
presence



Mode 4
natural
person

ASEAN Model for Trade in services VS Movement of Natural Person

TIS

Annex on
Telecommunication

Annex on Financial
Services

Annex on Professional
Services

Schedule of
Commitments

MNP

Market Access
Commitments
(Immigration laws)

Key obligations

services	Market Access
National Treatment	MFN
Denial of Benefits	Domestic Regulations
Safeguards	SOC/ NCMs (transition)

investment	Market access	Treatment of Investment
NT / MFN	Promotion	Facilitation
Expropriation	Transfers	SMBD
PPR	Denial of Benefits	Compensation for losses

Investment Chapter

Liberalisation

Non-service sectors: agriculture, fishery, mining, forestry and manufacture

Promotion

Investment promotion activities:
business matching and exchange of information

Facilitation

- Transparency - dissemination of information
- Application of investment
- One-stop-service centre

Protection

- Non-discrimination / fair treatment
- Transfer / expropriation
- Investor-State Dispute Settlement (ISDS)



Investor-state dispute settlement

Benefits: investor's confidence & FDI attraction

Concerns: government's policy space

ISDS

Protection (investors and investment)

Expropriation: doable for public interest & compensation promptly

Arbitration

Legitimate public policy objectives (LPPO) – tobacco & alcohol

Public health & compulsory licensing (CL)

Prior consent

CHALLENGES



Level of Ambition

- Obligations: rules & market access
- Timeframe

Different practices

- Scope and Coverage
- Structure

New Issues

- Negative list / NCM
- Exceptions (GATS - GE/SE)

LDCs

- one rule for all
- flexibilities: commitment / timeline

Keys to success 😊

Balance of
Interests

Unity

Flexibilities

Explore all
options





THANK YOU