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ASEAN SECTORAL INTEGRATION PROTOCOL FOR THE LOGISTICS SERVICES SECTOR

The Governments of Brunei Darussalam, the Kingdom of Cambodia, the Republic of Indonesia, the Lao People's Democratic Republic (hereinafter referred to as "Lao PDR"), 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 States of the Association of South East Asian Nations (hereinafter collectively referred to as "ASEAN" or "Member States" or singularly as "Member State");

RECALLING ASEAN Framework Agreement for the Integration of Priority Sectors signed by the Leaders on 29 November 2004 in Vientiane, Lao PDR (hereinafter referred to as the "Framework Agreement") and the Framework (Amendment) Agreement for the Integration of Priority Sectors as a first step towards the realisation of the ASEAN Economic Community;

RECALLING Article 10 of the Framework Agreement under which Member States agreed to expedite the development of integrated transport logistics services within ASEAN through measures stated therein;

NOTING that Article 20 of the Framework Agreement provides for the review of the Framework Agreement by the Ministers responsible for ASEAN Economic Integration for the purpose of considering further measures and/or other sectors for priority integration;

RECALLING the decision of the 37th Meeting of the ASEAN Economic Ministers held in Vientiane, Lao PDR on 28

September 2005, to study and identify measures to develop the logistics services sector for priority integration;

REITERATING ASEAN's strong commitment towards accelerating the establishment of an ASEAN Community by 2015 along the lines of ASEAN Vision 2020 and the Declaration of ASEAN Concord II, in the three pillars of the ASEAN Security Community, ASEAN Economic Community and ASEAN Socio-Cultural Community; and

HAVING carried out an initial round of negotiations and concluded the roadmap for the full integration of the logistics services sector in ASEAN,

HAVE AGREED AS FOLLOWS:

ARTICLE 1
OBJECTIVE

1. This Protocol spells out measures as in the Roadmap referred to in paragraph 1(b) of Article 2 to be taken by Member States on a priority basis so as to enable the progressive, expeditious and systematic integration of the logistics services sector.

ARTICLE 2
MEASURES

1. The integration measures to be pursued are grouped into two broad categories, taking into account existing relevant agreements or earlier relevant committed measures, namely:

   (a) Common measures which cut across all priority sectors as specified in the Framework Agreement; and

(b) Specific measures that are of direct relevance to the logistics services sector.

2. All categories of measures shall be pursued in parallel.

3. The ASEAN Senior Economic Officials Meeting (SEOM) in consultations with other sectoral bodies may conduct additional negotiations, as and when necessary, to consider new integration measures for the sector.

ARTICLE 3
APPENDICES

1. The Roadmap for Integration of the Logistics Services Sector shall be annexed hereto as Appendix I and shall form an integral part of this Protocol.

2. Additional measures other than those identified in the Appendix I may be introduced, as and when deemed necessary through an amendment pursuant to paragraph 2 of Article 4 of this Protocol.

ARTICLE 4
FINAL PROVISIONS

1. Member States shall undertake the appropriate measures to fulfil the agreed obligations arising from this Protocol.

2. The provisions of this Protocol may be modified through amendments mutually agreed upon in writing by all Member States.

3. This Protocol shall enter into force 180 (one hundred and eighty) days after the date of its signature. Notwithstanding the specified date of entry into force,

Member States undertake to carry out the obligations which arise prior to the date of entry into force of this Protocol in accordance with the timelines indicated in the Framework Agreement for the Integration of Priority Sectors and the Roadmap for Integration of the Logistics Services Sector attached to this Protocol.

4. This Protocol shall be deposited with the Secretary-General of ASEAN, who shall furnish a certified copy to each Member State.

IN WITNESS WHEREOF, the undersigned, being duly authorised thereto by their respective Governments, have signed the ASEAN Sectoral Integration Protocol for Logistics Services Sector.

DONE at Makati City, the Philippines, this Twenty-fourth Day of August in the year Two Thousand and Seven, in a single original copy in the English language.

For Brunei Darussalam:

LIM JOCK SENG
Second Minister of Foreign Affairs and Trade

For the Kingdom of Cambodia:

CHAM PRASIDH
Senior Minister and Minister of Commerce

For the Republic of Indonesia:

MARI ELKA PANGESTU
Minister of Trade

For the Lao People's Democratic Republic:

NAM VIYAKETH
Minister of Industry and Commerce

For Malaysia:

RAFIDAH AZIZ
Minister of International Trade and Industry

For the Union of Myanmar:

U SOE THA
Minister for National Planning and Economic Development

For the Republic of the Philippines:

PETER B. FAVILA
Secretary of Trade and Industry

For the Republic of Singapore:

LIM HNG KIANG
Minister for Trade and Industry

For the Kingdom of Thailand:

KRIRK-KRAI JIRAPAET
Minister of Commerce

For the Socialist Republic of Viet Nam:

VU HUY HOANG
Minister of Industry and Trade

APPENDIX 1
ROADMAP FOR THE INTEGRATION OF LOGISTICS SERVICES

I. OBJECTIVES

The objectives of this initiative are to:

- Create an ASEAN single market by 2015 by strengthening ASEAN economic integration through liberalisation and facilitation measures in the area of logistics services; and
- Support the establishment and enhance the competitiveness of an ASEAN production base through the creation of an integrated ASEAN logistics environment.

II. MEASURES

This Roadmap provides concrete actions that ASEAN Member Countries shall pursue to achieve greater and significant integration of logistics services in ASEAN, through progressive implementation of the measures, which include the liberalisation of logistics services, enhancing competitiveness of ASEAN logistics services providers through trade and logistics services facilitation, expanding capability of ASEAN logistics service providers, human resource development, and enhancing multi-modal transport infrastructure and investment.

III. COVERAGE

The scope of the measures will cover freight logistics and related activities. The implementation of the specific measures shall be subject to the relevant national laws and regulations.

IV. COORDINATION

The Senior Economic Officials Meeting (SEOM) shall be the overall coordinating and monitoring body in the implementation of this Roadmap, with Viet Nam as the Country Coordinator.

NO.	MEASURES		IMPLEMENTING BODY	TIMELINE
	SPECIFIC ISSUES			
I	**Member country shall endeavour to achieve substantial liberalisation of logistics services in the following sectors[1]:**			
1	Maritime cargo handling services	CPC 741	Coordinating Committee on Services (CCS)	2013
2	Storage & warehousing services	CPC 742	CCS	2013
3	Freight transport agency services	CPC 748	CCS	2013
4	Other auxiliary services[2]	CPC 749	CCS	2013
5	Courier services[3]	CPC 7512**	CCS	2013
6	Packaging services	CPC 876	CCS	2013
7	Customs clearance services[4]		CCS and Customs Coordinating Committee (CCC)	2013
	Maritime transport services			
8	International Freight Transportation excluding Cabotage	CPC 7212	CCS	2013
	Air freight services			
9	Implement ASEAN Multilateral Agreement of the Full Liberalisation of Air Freight Services		Senior Transport Officials Meeting (STOM)	December 2008

[1] The individual schedule of specific commitments shall be negotiated by the Coordinating Committee on Services (CCS) and relevant negotiating bodies. Flexibility to be provided for some member countries in implementation using the ASEAN Minus X Formula.

[2] Include the following activities: bill auditing; freight brokerage services; freight inspection, weighing and sampling services; freight receiving and acceptance services; transportation document preparation services. These services are provided on behalf of cargo owners.

[3] "Express Delivery Services" will be included in the list of services to be liberalised. These services are recognised to be distinct and separate from postal services.

[4] "Customs clearance services" (alternatively "customs house brokers' services") means activities consisting in carrying out on behalf of another party customs formalities concerning import, export or through transport of cargoes, whether this service is the main activity of the service provider or a usual complement of its main activity.

NO.	MEASURES	IMPLEMENTING BODY		TIMELINE
	Rail freight transport services			
10	International rail freight transport services	CPC 7112	CCS and relevant STOM Working Groups	Beginning 2008
	Road freight transport services			
11	International road freight transport services	CPC 7213	CCS and relevant STOM Working Groups	Beginning 2008
II	**Enhancing Competitiveness of ASEAN Logistics Services Providers through Trade (including Documentation Simplification) and Logistics (Transport) Facilitation**			
II(a)	***Trade and Customs Facilitation***			
12	Implement provisions in the WTO Agreement on Customs Valuation	Customs Coordinating Committee (CCC)/ Customs Procedures and Trade Facilitation Working Group (CPTF-WG)		On-going
13	Implement the WCO Immediate Release Guidelines and review, as appropriate, the de minimus levels (value thresholds) for express delivery of air shipments and implement/introduce EDI to speed up customs clearance.	CCC/ CPTF-WG		On-going
14	Promote the implementation of the WCO Framework of Standards to Secure and Facilitate Global Trade	CCC/ CPTF-WG		On-going
15	Identify suitable standards to secure the interoperability and interconnectivity in facilitating trade within customs jurisdiction, including those of Information and Communication Technology	CPTF-WG		2007-2009
16	Enact domestic legislation to provide legal recognition of electronic documents/ transactions	TELSOM/ CPTF-WG		2007-2008

NO.	MEASURES	IMPLEMENTING BODY	TIMELINE
17	Encourage application of standardised trade data and documents for trade facilitation through the adoption of International standards like WCO data model, UNTDED- United Nations Trade Data Elements Directory, UN-eDocs and the electronic submission of trade data and documents for customs clearance.	CPTF-WG and SEOM	2008 for ASEAN-6 and 2012 for CLMV
18	Adopt service commitments (Client Service Charters) by ASEAN customs authorities	CCC	Completed by 31-Dec-05
19	Encourage implementation of 24x7 customs operations to accelerate the cargo customs clearance as requested by the industry and subject to the relevant national regulations.	CPTF-WG and SEOM	2007-2008
20	Promote relevant technologies for advanced information systems to be shared among governmental agencies, shippers, and industry, in advancing supply-chain security initiatives.	Customs Enforcement Working Group (CEWG)/ STOM/ Telecommunication Senior Officials Meeting (TELSOM)	On-going
21	Develop the Single Window approach for customs clearance.	ASEAN Single Window Steering Committee(ASW-SC)/ CPTF-WG/SEOM	2008 for ASEAN 6 and 2012 for CLMV
22	Promote the use of RFID (Radio Frequency Identification) applications to facilitate cross-border use of RFID in trade and customs as well as cross border tracking of goods.	TELSOM/ CPTF-WG/ ASW-SC	On-going
23	Facilitate cross border electronic transactions, information sharing, electronic payment and electronic signatures	TELSOM WG AII/ CPTF-WG	Beginning 2008
24	Encourage enterprises to adopt/develop interoperable supply chain management systems in ASEAN to link up planning solutions, automated storage and retrieval systems and wireless tracking technologies	TELSOM WG AII/ CPTF-WG	On-going

NO.	MEASURES	IMPLEMENTING BODY	TIMELINE
25	Enhance cooperation and communications between customs and the business sector including through electronic means.	CCC/ CPTF-WG / ASEAN Freight Forwarders Association (AFFA) and ASEAN Shippers Council	On-going
26	Implement risk management practices to facilitate trade, while maintaining effective customs control	CPTF-WG	On-going
27	Enhance transport security and safety in the regional supply-chain networks, through capacity building initiatives, technical networking, and regular exchange of relevant technologies, best practices and information	STOM/ CPTF-WG	On-going
28	Conduct regular formal dialogues between private sectors, relevant associations and government related bodies	CCC/ CPTF-WG/ ASW-SC	On-going
II(b)	***Logistics Facilitation***		
29	Enhance the transparency of domestic regulation for logistics related regulation through timely publication of investment regulation, licensing criteria, licensing decisions by the Governments and may facilitate consultation to the private sectors in the policy-making process	Coordinating Committee on Investment (CCI)/CCS/STOM Working Groups	On-going
30	Conclude and sign the ASEAN Framework Agreement on Facilitation of Inter-State Transport	STOM	2008
31	Operationalise the ASEAN Framework Agreement on the Facilitation of Goods in Transit and the ASEAN Framework Agreement on Multimodal Transport, to promote efficient door-to-door cargo transport and cross-border transport facilitation	STOM/CCC	Beginning 2008
32	Improve land transport network infrastructures and services to achieve better inter-connectivity, inter-operability and inter-modality with the national, regional and international maritime and air transport gateways	STOM	On-going
33	Strengthen intra-ASEAN maritime and shipping transport services	STOM	On-going

NO	MEASURES	IMPLEMENTING BODY	TIMELINE
34	Establish enabling and conducive policy environment for increased private sector involvement and/or public-private partnerships in the development of transport logistics infrastructure and the provision and operation of transport logistics facilities and services.	STOM	On-going
35	Identify and develop other mechanisms to further facilitate the movement of natural persons involving logistics services	CCS	On-going
III	**Expanding Capability of ASEAN Logistics Service Providers**		
36	Adopt best practices in the provision of logistics services and support the development of SMEs in the sector, including the formation of SME networks	SEOM/STOM	Beginning 2007
37	Promote regional cooperation to assist CLMV countries especially least developed countries	STOM	Beginning 2007
38	Develop and update an ASEAN database on logistics services providers with a view to enhance the development of networking activities	ASEAN Secretariat with inputs from STOM and AFFA	Beginning 2007
IV	**Human Resource Development**		
39	Develop and upgrade skills and capacity building through joint trainings and workshops	STOM, CCC, AFFA and other related bodies	Beginning 2007
40	Encourage the development of national skills certification system for logistics service providers.	AFFA and other related bodies	On-going
41	Encourage the development of an ASEAN common core curriculum for logistics management	AFFA and other related bodies	On-going
42	Encourage the establishment of national /sub-regional centre of excellence (training centre)	STOM and AFFA	Beginning 2007

NO.	MEASURES	IMPLEMENTING BODY	TIMELINE
V	**Enhance Multi-Modal Transport Infrastructure and Investment**		
43	Identify and develop the ASEAN transport logistics corridor network and formulate the necessary infrastructure development requirements, to support the improvement of inland transport network infrastructure, the inter-modal linkages between connecting modes of transport, to match inland with maritime transport infrastructure and to improve connectivity between ASEAN logistics gateways, among others.	STOM	Beginning 2007
44	Promote the usage of trade terms and practices related to multimodal transport, including the INCOTERMS (International Commercial Terms)	STOM/AFFA	On-going

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