



Third Semi-Annual Report – Companion Document to
the Fifth Semi-Annual Work Plan

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Third Semi-Annual Report for the ASEAN-US Technical Assistance & Training Facility (Companion Document to the Fifth Semi-Annual Work Plan)

Introduction

The ASEAN-US Technical Assistance and Training Facility (“the Facility”) provides technical assistance and training designed to strengthen the ASEAN Secretariat and ASEAN as an organization through implementation of Vientiane Action Programme (VAP) directives. The VAP contains goals and strategies to realize ASEAN Security, Economic and Socio-Cultural Communities and to narrow the development gap between the ASEAN six Member Countries and the four newer Member Countries. Each Facility activity stream and related performance indicators are directly linked to one or more VAP directive.

The Facility reviewed the VAP directives, and, in consultation with the Secretariat, prioritized actions into seven activity streams: Sector Integration (textiles, information and communications technology (ICT), healthcare, logistics), Investment, Customs and Trade Facilitation (ASEAN Harmonized Tariff Nomenclature, ASEAN Single Window, Rules of Origin, Standards and Conformity Assessment, and Non-tariff Measures), Trade in Services, Trade Negotiations, Trade-related Coordination and Dialog, and Strengthened Secretariat Resources.¹ In the Fifth Semi-Annual Work Plan, the Facility proposes creating two new activity streams: Natural Resource Management and Public Health.

FACILITY RESULTS TO DATE

During its first two years the Facility launched 86 activities, completed 35, and proposed to launch an additional 33 under the Fifth Semi-Annual Work Plan. The Facility has completed activities in six activity streams. One activity is underway in the seventh activity stream, the Trade-related Coordination & Dialogue Activity Stream. Over 650 ASEAN Member Country and private sector representatives and Secretariat staff

¹ A key characteristic of the ASEAN-US Facility technical assistance and training activities is that they are demand-driven. Consequently, priority areas or “activity streams” can be expanded or contracted according to need as determined in consultation with the ASEAN Secretariat and approved by USAID through the established work plan development process. The work plan is updated on a semi-annual basis. The absence from this list does not indicate that any VAP directive is not a priority. This is simply the list of VAP directives on which the ASEAN Secretariat and the Facility have agreed should be the focus of activities.

have benefited from Facility training. Among the principal accomplishments with ASEAN during the reporting period are:

- Updating and streamlining the ASEAN Harmonized Tariff Nomenclature, reducing the number of tariff subheadings by nearly 25%;
- Developing guiding principles and priority actions for the integration of the ASEAN logistics sector that are supported by empirical data from freight corridor audits;
- Detailing obstacles to investments in the ASEAN Investment Area and recommendations for improvements;
- Providing policy analysis and administrative suggestions for changing the ASEAN rule of origin to ease its application and use;
- Recommending actions to help achieve an ASEAN Economic Community based on an analysis of the political evolution of ASEAN, current trade policy trends and likely future scenarios;
- Training services and trade negotiators to support negotiations underway in the ASEAN Framework Agreement on Services (AFAS) and between ASEAN and its dialogue partners;
- Completing an assessment of the Secretariat's information technology infrastructure; and
- Proposing a detailed outline of an ASEAN Comprehensive Counterterrorism Plan.

This Semi-Annual report covers activities of the Facility from April 2006 through September 2006. Activities completed prior to April 2006 are described in the Semi-Annual Report – Companion Document to the Fourth Work Plan (March 2006).

SECTOR INTEGRATION ACTIVITY STREAM

Related VAP Directive

VAP section 2.1 states that the “acceleration of economic integration towards a single market and production base will begin with eleven sectors, selected on the basis of comparative advantage in natural resource endowments, labor skills and cost competitiveness, and value-added contribution to ASEAN’s economy. These sectors are expected to “demonstrate that integration enhances competitiveness and thereby ASEAN’s attractiveness as an investment destination.”

Activities

The ASEAN Secretariat and Member Countries have drawn up roadmaps for the regional integration of the initial eleven priority sectors. These are being refined and updated and are to be approved by the ASEAN Summit in December 2006. ASEAN is drafting a roadmap for the logistics, a new priority sector, which is to be completed by the spring of 2007. Under the Sector Integration Activity Stream the Facility has conducted assessments of the textile and healthcare roadmaps, provided “guiding principles” for the logistics roadmap, and will assist in facilitating and tracking implementation of the roadmap on Information Communications Technology (ICT or “e-ASEAN”).

Textiles and Apparel Integration

The Facility has been working closely with the Secretariat on textile and apparel integration since the summer of 2005. On May 3, 2006, the ASEAN Senior Economic Officials Meeting (SEOM) met in a Special Session to review progress on updating the roadmaps. Nathan consultant Don Feeney presented an assessment of the textile and apparel integration roadmap he co-authored with Nathan consultant Peter Minor. Feeney pointed out that textile and apparel is a growth industry and that, with appropriate policies, investment, training and marketing, opportunities would be available to competitive ASEAN producers. He encouraged ASEAN Member Country governments to eliminate tariffs and ease customs documentation and shipping procedures among ASEAN Member Countries so the region could become an integrated, vertical textile and apparel supply chain that could quickly respond to changing market demand. Training and new investment are important to ensure well-functioning production operations and to innovate new designs. In his view, stepped up marketing efforts are essential for successful ASEAN producers. He advocated policies that would encourage fabric producers to provide more samples to agents for large customers so that they could be “nominated” to make inputs for the “making up” of garments.

In a follow up, Feeney and Minor revised their presentation for the high-level Consultation on Priority Sectors (COPS II) that took place on June 12-13 in Jakarta. Special topics included rules of origin, reasons for low investment in the region compared to China, and up-dated trade trends.

ICT Sector Integration

Following up the World Bank’s assessment of the roadmap for the integration of the ASEAN ICT sector, the focus of the Facility’s project has shifted to implementation. Nathan consultant Steve Magiera will assess the e-ASEAN Framework Agreement and Roadmap to: (a) determine whether the measures contained in both will lead to greater integration of the ASEAN ICT market; (b) identify actions that have been taken to implement those measures; and (c) determine whether these measures have been effective in achieving their objectives. Based upon this assessment Magiera will develop recommendations on: (a) priority areas for action and/or sequencing of measures that would lead to greater integration of the ASEAN ICT market; (b) areas where closer coordination with other negotiating groups, such as services and investment, would facilitate integration of ICT within ASEAN; and (c) future programs to provide technical assistance and training to ASEAN, in areas such as telecommunications regulatory reform, cyber-security, and e-commerce legislation. He will organize a

roundtable discussion on implementation issues that will include the private sector. In addition, Magiera will provide training on the scheduling of telecommunications commitments under the ASEAN Framework Agreement on Services (AFAS) and the General Agreement on Trade in Services (GATS). Open telecom markets are a key to stimulate competition and integration in this sector.

Logistics

In response to requests by the Senior Economic Committee Meeting (SEOM) and the Secretariat, the Facility sponsored a project to develop “guiding principles” for the development of a roadmap to integrate logistics in ASEAN. Nathan consultants Peter Cook and Dr. Ruth Bamonyong drew up a work plan in consultation with the Secretariat that included gathering empirical data from providers of logistics-related services (transport, customs, etc.) and detailed audits of two freight corridors. This empirical approach is to provide a solid, realistic foundation for the “guiding principles.” The study took a holistic approach to logistics, including transportation infrastructure as well as traders, service providers and rules and regulations. Dr. Ruth participated in COPSII and was the lead speaker in a consultative meeting chaired by Viet Nam in August that discussed preliminary ideas for a roadmap.

The “guiding principles” include framing appropriate objectives, identifying policy areas for action to achieve those objective, and implementation measures. The project’s initial recommendations are that two basic objectives should help determine logistics sector priorities: (1) creation of an ASEAN single market through liberalization and facilitation measures in logistics services; and (2) establishment of a competitive ASEAN production base through the creation of an integrated ASEAN logistics environment.

To reach these objectives, the consultants recommend that ASEAN member countries take action in six major policy areas:

- **Encourage the integration of ASEAN national logistics systems**—by improving communication at the regional level to identify actions in the logistics sector to support and facilitate trade flows between ASEAN countries;
- **Encourage the progressive liberalization of logistics services**—to enable them to respond better to the opportunities available for ASEAN integration and increasing competitiveness;
- **Increase trade, logistics and investment facilitation**—to identify the means needed to improve transport logistics facilities and the priorities for investment;
- **Build ASEAN logistics capacity**—by encouraging human resource development in the sector and an environment conducive to developing the sector;
- **Promote ASEAN logistics service providers**—by identifying them and providing channels for their greater participation in the sector; and
- **Promote multimodal transport capacity**—especially containerized transport.

The consultants made nine recommendations for implementation:

1. Create a high-level consultation process among ASEAN countries with access to logistics performance monitoring to identify logistics deficiencies in multimodal transport and encourage member countries to correct them;
2. Determine priorities for liberalization of the logistics sector, starting with transport operators and following with selected logistics services;
3. Develop a plan for improved Electronic Data Interchange among customs agencies, port operators, freight forwarders, and shippers, so that cargo can be positioned, pre-inspected, and tracked through ASEAN freight corridors on a timely basis;
4. Develop an ASEAN security plan for the transport and logistics systems to meet increasing international demand for secure shipments;
5. Develop linkages between ASEAN gateways and customs and security systems to minimize nontariff barriers to imports and exports;
6. Identify gaps in the human resources available to logistics service providers and support programs to fill the gaps;
7. Develop and implement infrastructure and facility development and maintenance policies that will reduce transport costs on ASEAN freight corridors;
8. Reduce import and export paperwork and the time required for import, export, and customs formalities; and
9. Create an Internet-based system to promote the use of ASEAN logistics service providers.

The corridor analyses highlighted the top priorities for action: (1) reducing the high cost of road transport and (2) reducing the paperwork required for import and export to reduce processing time and cost.

These preliminary results will be presented at a work shop scheduled for November.

Healthcare

The Center for Strategic International Studies in Jakarta is reviewing the ASEAN healthcare “roadmap.” This review covers existing integration of the ASEAN healthcare sector, barriers to regional trade and development, investment rules, regulations, professional standards and certification, and mutual recognition agreements concerning the pharmaceutical industry, traditional medicines, cosmetics, and medical devices.

While the healthcare roadmap primarily covers trade in goods, the assessment is also taking into account ASEAN Member Country activities in healthcare services, such as the negotiation of mutual recognition agreements on nurses and medical practitioners, joint efforts to combat infectious disease, and possible joint research and development efforts among ASEAN member countries. Recommendations from the study should include priority areas for action to accelerate integration, including whether additional measures are necessary to speed implementation of existing ASEAN agreements, such as through the provision of technical assistance for the transposition of ASEAN measures into national law or for setting up post-marketing surveillance systems. The results of the study are to be presented at a work shop in October.

Progress in Achieving Performance Indicators

The performance indicator for this activity stream is improvement in the integration road maps. Specific measures would be the identification of impediments to implementation, increased awareness of their significance, and concrete action programs to reduce them. The textile and logistics assessments have fulfilled the first two measures by presenting specific actions necessary to overcome impediments to regional integration and dissemination of that information to private sector and government officials.

INVESTMENT ACTIVITY STREAM

Related VAP Directive

Section 2.2 of the VAP requires ASEAN Member Countries to liberalize, facilitate, and promote investment in the ASEAN Investment Area (AIA), consistent with implementation of the ASEAN Framework Agreement on Investment. Technical assistance and training provided by the Facility under the Investment Activity Stream is designed to achieve these VAP objectives.

Activities

Determinates of Foreign Direct Investment and Measuring Progress: In August Robert Cassidy, a Nathan Associates consultant, presented a preliminary report to the ASEAN Secretariat on determinates of foreign direct investment (FDI) and investment trends in ASEAN. His report listed obstacles to investment in ASEAN Member Countries, as recorded by the World Bank's "Doing Business" analysis, and suggested recommendations that could increase FDI inflows. He found that countries highly ranked under the "Doing Business" survey were more likely to attract FDI inflows. Only three ASEAN Member Countries ranked in the top quartile (Singapore (2), Thailand (20) and Malaysia (21)), while the remaining ASEAN Member Countries included in the study fell in the third and fourth quartiles.

His tentative conclusions are that:

- One of the major determinants of FDI flows is market size, suggesting that further economic integration among ASEAN Member Countries should generate additional investment. While each

economy must move at its own speed, the earlier the integration, the greater the benefits to the entire ASEAN region.

- Although FDI flows to China have been growing at a faster pace, those flows have had a net positive impact of FDI flows to ASEAN. In short, the investment creating effect has outweighed the investment-diversion effect.
- ASEAN share of FDI flows will continue to decline if their policies remain unchanged, indicating that ASEAN will fall further behind China with respect to total FDI flows.
- The World Bank's Doing Business study demonstrates that countries that improve the regulatory environment affecting businesses in 10 categories can expand economic growth and investment, including foreign direct investment.
- Policy factors that have a significant impact on FDI flows include the openness of the economy, protection of investment, and lower business taxes.

.Among the many topics discussed during the presentation was the need for ASEAN Member Countries to reduce red tape. Countries pulling down ASEAN overall performance should at least improve to be average if they could not immediately aspire to achieve best practices. Such policy changes and integration to create a single, large integrated market would make ASEAN a more attractive investment location, enabling it to keep up with China. Cassidy pointed out that China's investment policies are no better than many ASEAN Member Countries.

Toward an ASEAN Investment Area - A Status Quo Assessment: ASEAN is committed to the creation of the ASEAN Investment Areas (AIA). The Framework Agreement on the ASEAN Investment Area has two primary objectives: (1) establishment of a competitive AIA with a more liberal and transparent investment environment among Member Countries; and (2) realization of a free flow of FDI in ASEAN by 2020. These would be accomplished by according national treatment to FDI in ASEAN and freeing up all sectors to FDI inflows (except in certain sectors²) for Member Countries by 2010 and 2020 for FDI from all sources. At more than half-way to the 2010 goals, how much progress has been made in the AIA, and is the agreement on track? Given the goals of the AIA and the AEC in general, how much divergence continues to exist in the various ASEAN investment-related agreements and the investment regimes of the ASEAN Member Countries?

To answer these questions, the Facility is sponsoring two policy studies that substitute for a proposed policy study on services. One will evaluate (a) progress in each Member Country in implementing the ASEAN Investment Framework Agreement; and (b) how much remains to be done in order to meet the 2010/2020 goals. The study will include quantitative macro indicators on the effects of implementing the AIA on FDI flows and qualitative policy assessments as well as possible economic (i.e., FDI- and trade-related) impact of

² These excluded sectors are limited to such areas as public health and morals, safety, protection of privacy, etc. That is, exclusions are to be limited to areas linked to key non-economic policy areas.

reducing the number of sectors/activities on the existing temporary exclusion and sensitive lists. An outline of this study is attached.

The second study will examine ASEAN investment provisions and individual ASEAN Member Country agreements to see if there are overlapping, conflicting, reinforcing, or diverging commitments. The AIA basically covers investment liberalization, promotion and cooperation while investment protection is covered by the ASEAN Protocol on the Promotion and Protection of Investment. The Protocol and AIA are to be read together but were drafted and amended at different times reflecting differing circumstances. As a consequence, there could be inconsistencies, overlaps and gaps and not a comprehensive, coherent treatment of investment issues. Adding to the complexity are ASEAN member countries Bilateral Investment Treaties (BITs), many of which are with other ASEAN member countries.

The project is intended to highlight key areas of progress as well as shortcomings in attaining the goals articulated in the AIA and investment-related aspects of the AEC. It will also provide a series of concrete recommendations as to how the region can better harmonize investment policies at the regional level in order to create a highly-integrated and competitive region for FDI from ASEAN and third-country sources. This investment policy study substitutes for a services policy study as the investment directly relates to one of the modes to deliver services, i.e. through commercial presence.

Progress in Achieving Performance Indicators

Performance indicators for this activity stream include increased liberalization, facilitation through improvement in the investment climate, and regional promotion of investment. The Facility is measuring the degree of progress on these indicators through improvements recorded in the World Bank's "Doing Business" database, increased FDI inflows, and through semi-annual surveys of relevant Secretariat staff and our expert(s). The "Doing Business" study cited above provides a baseline to measure progress and was well-regarded by the Secretariat staff. The AIA assessment studies will provide additional benchmarks to assess progress. With respect to the second measure, FDI inflows into ASEAN totaled \$38 billion in 2005, a 48 percent increase over the previous year.

CUSTOMS AND TRADE FACILITATION ACTIVITY STREAM

The Customs and Trade Facilitation Activity Stream covers border measures that can impede the flow of goods and services within ASEAN and limit ASEAN's ability to develop a unified market. This activity stream has been widened beyond customs to cover border information requirements of government agencies (the Single Window), rules of origin, non-tariff measures, and standards and conformity assessment. Activities in these streams are cross-cutting and support work areas identified in the Sector Integration Activity Stream.

ASEAN Harmonized Tariff Nomenclature (AHTN) Sub-stream

Related VAP Directive

Section 2.3.5.1 of the VAP specifies that customs integration will be carried out in seven core areas of customs administration: customs tariff classification; customs valuation; origin determinations; customs automation; customs clearance; temporary admission and customs transit. Technical assistance and training that the Facility provides under the ASEAN Harmonized Tariff Nomenclature (AHTN) Sub-stream is designed to improve the integration and harmonization of customs tariff classification in ASEAN.

Activities

In July the Technical Review Committee (TRC) completed updating and streamlining the AHTN, reducing the number of subheadings nearly 25 percent, from 10,700 to around 8,300. This marks a major step in customs modernization. Nathan Associates consultant Holm Kappler was an active participant in the TRC meetings through the entire revision process. The Committee also completed the revision of the Subheading Explanatory Notes (SEs). Drafting of correlation tables between the old and new versions of the AHTN is being done by the ASEAN Secretariat with the assistance of Mr. Kappler.

After Director Generals of Customs endorse the revised AHTN, each Member Countries will adopt the new nomenclature according to their domestic procedures. The ASEAN goal is to begin implementation of the revised AHTN by January 2007. The Facility will help achieve this goal by conducting four work shops with representatives of customs agencies and the private sector to facilitate implementation of the revised AHTN. The initial work shop should be in November.

Progress in Achieving Performance Indicators

This activity stream's performance indicators are increased integration and harmonization of ASEAN customs structures. To measure progress in achieving these indicators, the ASEAN-US Facility is tracking the degree to which ASEAN agreement has been reached to update and simplify the AHTN. The TRC now has completed the review of all chapters, a major milestone in this project.

Single Window Sub-stream

Related VAP Directive

VAP Section 2.3.5.1 calls for the integration of customs structures in ASEAN, including the development of the Single Window approach. The Single Window is to "modernize customs procedures and practices and improve customs control and compliance in cooperation with line ministries and businesses through the implementation of defined programs of the 2005-2010 ASEAN Strategic Plan of Customs Development."

Activities

The Single Window is a system that “allows traders to lodge information with a single body to fulfill all import or export related regulatory requirements.” In December 2005 ASEAN Member Countries signed an Agreement to Establish and Implement the ASEAN Single Window. Under Article 5 of the Agreement, Member Countries are to develop and implement their National Single Windows in a timely manner for the establishment of the ASEAN Single Window. Brunei Darussalalm, Indonesia, Malaysia, Philippines, Thailand and Singapore are to operationalize their National Single Windows by 2008. Cambodia, Lao PDR, Viet Nam and Myanmar are to do so by 2012.

The Facility has prepared a work shop on implementation of the ASEAN Single Window to take place in Hanoi on October 2-4. This work shop will feature issues encountered by other countries in implementing single window regimes, including the United States. Bill Nolle, an internationally known and respected US Customs and Border Patrol expert, will be a lead speaker and meet with ASEAN technical staff prior to the work shop. Once the Protocol for Implementation of the ASEAN Single Window has been signed, the Implementation Steering Committee will begin to guide implementation. The Facility will provide assistance to follow up work emerging from the work shop and deliberations of the Implementation Steering Committee as foreseen in the Fourth Semiannual Work Plan.

Progress in Achieving Performance Indicators

This activity stream’s performance indicator is increased harmonization of customs structures. To measure in achieving the indicator the Facility will track Member Countries’ plans and progress toward implementing national single windows (i.e., the recognition of practical steps necessary to implement a Single Window and measures taken to implement the Single Window). A pilot program between Thailand and the Philippines on information sharing under a single window regime has had a measure of success. Ensuring compatibility of national regimes will be a key indicator to access progress in linking national single windows together to form an ASEAN Single Window.

Rules of Origin Sub-stream

Related VAP Directive

VAP section 2.3.5.2 calls for continuously strengthening the Common Effective Preferential Tariff (CEPT) Scheme for Rules of Origin (ROO) by making it “more transparent, predictable, and standardized, taking into account the best practices of other Regional Trading Arrangements (RTAs), including World Trade Organization rules of origin, and adopting substantial transformation as alternative criteria for conferring origin status.”

Activity

Nathan Consultant Gene Rosengarden teamed with the Center of Strategic International Studies of Jakarta on two studies regarding rules of origin (ROO). One is on the implications for ASEAN trade and integration of using a different rule of origin, such as possibly switching from a value added to substantial transformation rule of origin as cited in VAP 2.3.5.2. The other study is more strategic: to examine the implications of multiple rules of origin resulting from ASEAN and ASEAN member country free trade agreements, the so-called “noodle bowl” effect. This study presents options to avoid the administration of such rules from impeding ASEAN trade.

The preliminary conclusions of the first study were that using the change in tariff classification (CTC) rule as a primary basis for the origin rules would be preferable from an economic and administrative perspective. The CTC approach offers benefits for customs administrations as they could easily administer such a rule. CTC is not simple in all cases, but the approach could be advantageous for smaller firms since the cost of compliance would be lower as the value-added rule requires extensive book keeping. Lower compliance costs by using the CTC could also increase the use of ASEAN preferential tariff rates.

In the companion strategy study, the preliminary recommendations for simplifying the administration of the rules and customs procedures are based on the notion that a more “business-friendly” border environment contributes to a favorable climate for trade and investment, particularly in manufacturing. To minimize the cost of customs compliance, reduce the opportunity for fraud and unwarranted diversions of trade and provide for efficient enforcement of trade regulations, the study recommends:

- Providing for self-verification of origin;
- Reorganizing the origin rules to make them easier to understand;
- Simplifying the Certificate of Origin;
- Providing for expeditious release of priority ASEAN shipments;
- Establishing programs for creating better understanding of ASEAN requirements for border officials and traders;
- Encouraging a strategic approach to tariff policy; and
- Undertaking programs for effective and efficient enforcement.

These preliminary results are to be discussed with ASEAN experts at a work shop in the fourth quarter of 2006.

Progress in Achieving Performance Indicators

This activity stream’s performance indicators are transparent, predictable rules of origin that promote trade and regional integration. The ASEAN-US Facility will measure progress in achieving these indicators by

tracking movements in that direction at the policy level as well as in implementation. Results of the training sessions on trade negotiations suggest an increased awareness of the importance of transparent, predictable rules of origin and a keen interest in achieving them.

Non-Tariff Measures Sub-stream

Related VAP Directive

VAP Section 2.3.2 calls for (a) full transparency of non-tariff measures (NTMs) through an ASEAN data base; (b) clear criteria to identify NTMs that are barriers to trade and for their elimination; (c) a clear and definitive work program for the removal of these barriers; and (d) adoption and compliance with WTO Agreements on Technical Barriers to Trade (TBT), Sanitary and Phyto-Sanitary and Import Licensing Procedures, along with implementation guidelines deemed appropriate for ASEAN.

Activities

The Fourth Semiannual Work Plan provided for a project officer to assist in implementing the ASEAN work plan on Non-Tariff Measures (NTM). The NTM work plan, approved by the ASEAN Free Trade Area Council on 21 August 2006, calls for all Member Countries to compile official documents that serve as the basis for their NTMs. According to one study, non-automatic licensing is the most common NTM used by member countries followed by technical regulations. The ASEAN Secretariat, assisted by the NTM project officer, will classify all existing NTMs according to red, green or amber boxes. For example, measures that are non-transparent and discriminatory might be placed in the red box while those that have a scientific basis or are imposed for public health and safety, environment, religious or national security reasons might be placed in the green box. NTM's that fit in neither the red or green boxes would be placed in the amber box.

Member Countries would conduct domestic consultations on the Secretariat's classification of their NTM's and circulate a verified list of NTM's to other Member Countries. They would justify measures, if appropriate, or provide options for the elimination of those NTM's in the red box. The ASEAN Secretariat, assisted by the NTM project officer, is to organize regional sectoral consultations with policy makers, regulators and the private sector.

Recommendations emerging from these consultations are to be submitted to the Senior Economic Officials Meeting (SEOM) together with a timeline for the elimination of specified NTM's. Elimination would take place in three tranches, the first as of January 2008 for ASEAN 6 and 2013 for CLMV. The last tranche would be in January 2010 for ASEAN 6 and 2015 for CLMV. Under the current schedule, the ASEAN Economic Ministers would endorse such an indicative schedule for the elimination of NTM's by September 2007. With the program now getting underway, the Secretariat has requested supplementary assistance for Member Countries which is proposed in the Fifth Semiannual Work Plan.

Progress in Achieving Performance Indicators

This activity stream's performance indicators include identification of and progress to remove NTBs. To measure progress toward achieving these indicators, the Facility will track implementation of the work plan to inventory NTMs, identify those that are trade barriers, and progress toward eliminating such non-tariff barriers to trade. As this project is relatively new, the Facility will report on progress in the next semiannual report.

TRADE IN SERVICES ACTIVITY STREAM

Related VAP Directive

Section 2.4.1 of the VAP directs ASEAN Member Countries to accelerate regional integration towards creating a single market in services through progressive liberalization earlier than 2020. According to the VAP Annex, Member Countries are committed to achieve the free flow of trade in services by 2010. Technical assistance and training that the Facility provides under the Trade in Services Activity Stream is designed to build ASEAN capacity to liberalize trade in services through raising awareness of the benefits of liberalization and methods for doing so that can be applied regionally in AFAS and internationally in the General Agreement on Trade in Services (GATS).

Activities

Workshop on Scheduling Services Commitments: On April 28, 2006, in Bangkok the Facility conducted a workshop on scheduling of services commitments which attracted 89 participants. High interest in the workshop was attributable to the fact that ASEAN Member Countries are in the process of negotiating their fifth package of services liberalization commitments under AFAS. In addition to trade officials others attending the workshop were from government line agencies expected to make commitments in the negotiations. The goal is to produce a consolidated set of commitments among ASEAN countries by year's end that would represent a "GATS-plus" outcome, reflecting existing obligations under GATS and additional liberalizations under AFAS.

The workshop was conducted by Richard Self, a principal associate at Nathan Associates. Over half of the day was spent addressing issues relating to the scheduling process in six sectors: healthcare, telecommunications (basic and value-added), maritime transport, construction, business services (including the professions), and tourism. Participants were presented with principal issues that arise in negotiating commitments then worked in six sector groups to draft schedules of commitments.

Mutual Recognition Agreement Workshop: The second activity was a two-day work shop on mutual recognition agreements (MRA) held in Bali on September 14-15. This also proved to be enormously popular with nearly 100 participants from trade and government line ministries as well as the private sector. Mr. Self was joined by former WTO Deputy Director General Stoler to present the concept of MRAs, their place in

international and regional service trade agreements, characteristics of successful MRAs, and practical issues drawing on examples of MRAs in specific sectors. The latter included architecture, accounting, land surveying, medical practitioners, tourism professionals, and ICT/telecom, all areas in which ASEAN is working on MRAs. A lively interactive session engaged participants in drawing up an ideal sector-specific MRA based on hypothetical facts in fictitious countries, and managing disputes. An ASEAN MRA on engineering services has been signed and the work shop discussed practical issues in implementation, drawing on examples of similar agreements in other regions.

International Trade in Services Statistics: The third activity was a work shop on international trade in services statistics held in Kuala Lumpur on September 4-6. Thirty-five statistical experts attended. The work shop was led by Patricia Abaroa of the US Bureau of Economic Analysis and joined by the principal editor of the soon-to-be-revised Balance of Payment Manual, Robert Dipplesman of the International Monetary Fund. The workshop provided an overview of the importance of services statistics, introduced the basic framework of services statistics and data collection systems, discussed international standards such as the IMF Balance of Payments Manual, the Manual on Statistics of International Trade in Services, and the GATS modes of supply, and provided an introduction on some of the major categories of services statistics, such as transportation, travel, and other services. The liveliest discussion was on survey techniques used to gather and estimate trade in services, such as financial services, tourism, travel and insurance. As a result of this work shop, ASEAN experts made new requests for similar activities which are proposed in the Fifth Semiannual Work Plan.

Progress in Achieving Performance Indicators

The performance indicators for this activity stream are increased awareness of the benefits to ASEAN of liberalizing trade in services and measures taken to open trade in services. The ASEAN-US Facility will measure progress in achieving these indicators by tracking: (1) the number of ASEAN Member Country government and private sector representatives and Secretariat staff members trained as regards the importance of liberalizing trade in services; (2) perceived increase in support in ASEAN for liberalizing ASEAN trade in services through semi-annual surveys of relevant Secretariat staff; and (3) increased scheduling commitments made to liberalize services and agreements on mutual recognition agreements. By the first measure progress has been noticeable, given the extraordinarily high number of participants, nearly 225. Measurement of progress using the other two indicators needs to await the final results of the negotiations on services commitments and signed MRAs, both expected at the end of the year.

TRADE NEGOTIATIONS ACTIVITY STREAM

Related VAP Directive

VAP provisions for sector integration (2.1), trade in goods (2.3) and trade in services (2.4) aim to eliminate barriers to trade within ASEAN in a manner consistent with Member Country obligations under the World

Trade Organization. In addition, pursuant to Section 2.12 of the VAP, ASEAN is to strengthen linkages and promote “the coherence of agreements with major trading partners such as China, Japan, Korea, the US, Australia, New Zealand and the EU and emerging economies such as India.” These efforts could lead to establishment of “Free Trade Areas (FTA’s) and Closer Economic Partnerships.” The technical assistance and training that the Facility provides under the Trade Negotiations Activity Stream is designed to produce more, well-prepared ASEAN trade negotiators. Such negotiators will achieve better internal ASEAN agreements to support integration of the priority sectors and complementary agreements with external partners in a manner consistent with Member Country WTO obligations.

Activities

Trade Negotiations Course: Fifty three participants from Lao PDR, Viet Nam, and Cambodia took part in the ASEAN Trade Negotiations Course held in Vientiane July 26-28. Dr. Nam Viyaketh, Minister of Industry and Commerce, and the Honorable Patricia Haslach, U.S. Ambassador to Lao P.D.R. gave opening remarks. The sessions were led by Nathan Associates’ Vice President Lance Graef assisted by Principal Associate Richard Self and the resident Trade Specialist, James Wallar. Lecture material covered the basics of the World Trade Organization (WTO) and trade measures, with a concentration on rules of origin, services, investment and WTO accession.

The centerpiece of this course was a trade negotiation simulation. The simulation extended over the three days of the course, with the final plenary meeting of the negotiating groups serving as the last training session, incorporating the material covered in the earlier lectures including on rules of origin. Participants were at first challenged by the difficulty of the material and questioned why they had to cope with such arcane material. Mr. Graef pointed out that the rise of preferential trade agreements, notably in Asia, increases the importance and, potentially, the complexity of rules of origin. The simulation helped to illustrate that unless simple, transparent rules of origin are put into place, trade flows could be impeded as complex rules increased costs and uncertainty of trading. The dynamics of the negotiations at the final plenary session demonstrated that participants had developed a firm grasp of fundamental issues that can create sound negotiation positions and result in better trade agreements. Participants highly rated the work shop and discussions made apparent the interest in special assistance to Lao PDR for their accession to the WTO.

ASEAN Economic Community Redefined: On September 13th Vinod Aggarwal, Professor and Director of Berkley’s APEC Center at the University of California, made a presentation to ASEAN Secretariat officials based on a draft of his policy study entitled “The Political Economy of ASEAN’s Evolution.” He described trends that have lead ASEAN to set the goal of an ASEAN Economic Community (AEC) and raised the question whether ASEAN can rely on the same methods to realize that ambitious goal by 2015 in an economic environment that is changing faster than at any other time in ASEAN’s history.

From an institutional design perspective, Aggarwal asked: “What kinds of goals, means, and structures will help to create the “political will” that is necessary to move forward with an AEC?” He presented an analytical framework to outline the interplay of forces that lead to the creation of international “metaregimes” (such as

ASEAN) and their implementation. The paper traces the evolution of ASEAN decision-making, the current state of both ASEAN and Member Country trade policy and implications for ASEAN with respect to its unity, internal integration, and development. After presenting ideas of how states might organize trade in the next 10 to 15 years and ASEAN's position in those developments, he presented policy recommendations. These included:

- Metaregime: Develop the metaregime further and make changes widely accepted by elites, business groups, labor, and other interest groups by:
 - Publicizing economic benefits of closer economic integration;
 - Publicizing political benefits of economic unity;
 - Promoting region wide interest groups of civil society (political elites, business, labor, environmental, other); and
 - Modifying institutional structures to foster greater unity and possible use of qualified majority voting as in the EU.
- Regime: Building up the regime to promote internal integration and greater unity by :
 - A dispute settlement mechanism;
 - Target dates;
 - More specific arrangements to ensure convergence and trade and investment facilitation;
 - Stronger Secretariat to monitor compliance (evaluation of scorecards);
 - Secretariat mechanisms to work with regional and national civil society groups;
 - Mechanisms to aid newest members in meeting targets;
 - Bilateral agreements that conform to ASEAN metaregime;
 - Scorecard on implementation of commitments by Member Countries; and
 - Aid to help countries implement regime commitments on trade and investment liberalization.

The presentation and subsequent discussions with the ASEAN Secretariat provided highly useful insights on how ASEAN could generate more support for their economic objectives that would, in turn, generate additional momentum to accelerate its work

Progress in Achieving Performance Indicators

This activity stream's performance indicator is better trained ASEAN trade negotiators. The ASEAN-US Facility uses two basic measures to track progress in achieving this indicator: (1) the number of negotiators trained as reported in project activity reports; and (2) whether negotiating skills of ASEAN trade negotiators

have improved in the aggregate. Measured by the first indicator, performance has been good, with an additional 53 trained negotiators. On the second measure, changing staff render such a measure difficult, although judging by the number of active negotiations within ASEAN and between ASEAN and its dialogue partners, negotiating skills should be improving. The Facility will work with the Secretariat to more precisely assess the results of previous training activities.

TRADE-RELATED COORDINATION & DIALOG ACTIVITY STREAM

Related VAP Directive

The broad scope of the VAP's provisions and implementation work programs places a premium on intra-ASEAN coordination and consultation with the private sectors. VAP 5.2 calls for the involvement of private sector stakeholders in addressing approaches and mechanisms for project design and implementation.

This activity stream is designed to support ASEAN efforts to respond to the VAP directives to strengthen intra-ASEAN coordination and consultation and explore ways of better involving the private sector. Experience suggests that consultation with the private sector on policies at an early stage can help ensure better policy decisions and more effective implementation. Strengthening the consultative mechanism between the ASEAN Secretariat, Member Country officials and the private sector could lead to (1) improved coordinated implementation of complementary, effective roadmaps for integration of the priority sectors; and (2) foster complementary and effective trade agreements that support that implementation. Because both of these VAP objectives involve trade, the activity stream focuses specifically on trade-related consultations.

This activity stream treats coordination and dialogue (a) within ASEAN Secretariat and between ASEAN officials and (b) between ASEAN officials the private sector representatives as separate, but converging tracks. The Resident Trade Specialist has worked with Secretariat staff and private sector representatives to assess the current formal and informal consultation mechanisms in ASEAN and models that might inform efforts to improve the current mechanisms.

Activities

Technical instructions for intra-ASEAN coordination activities approved in the previous Work Plan have been refined based on discussions with Secretariat staff and the Facility's experience in this area. The unit heads of the Trade Facilitation Cluster would participate in a practical training work shop on trade policy coordination. In addition to lectures and cases studies on effective coordination, the group would meet with representatives of the US Trade Representative's office and technical US Government line agencies, such as Customs and the Food and Drug Administration, to discuss techniques for coordination between technical and policy issues, using current issues as examples. The sessions would be supplemented by meetings with private sector representatives to discuss how they insert their views on technical issues into the policy making mechanism. Lessons learned from these sessions and their applicability to the ASEAN context would wrap up the work shop.

Progress in Achieving Performance Indicators

The performance indicators for this activity stream include improved public-private sector consultation and internal coordination in the ASEAN trade-related policy-making process. The Facility is measuring progress toward achieving these indicators by tracking increased attention to ways to improve coordination among the various ASEAN entities and officials and need for private sector input in regional policy making. Over the reporting period there has been increased attention to receiving input from the private sector as illustrated in COPS II, in work on the mutual recognition agreements on professional services and skilled labor, and in the working group on Small and Medium-sized Enterprise which had its first presentation by a representative of the private sector, arranged by the Facility.

STRENGTHENED SECRETARIAT RESOURCES ACTIVITY STREAM

Related VAP Directive

The ASEAN Secretariat: Basic Mandate, Functions and Composition (Secretariat's Mandate), states that the Secretariat's mandate is "to initiate, advise, coordinate, and implement ASEAN activities" and "to function as coordinating Secretariat to help facilitate effective decision-making within and amongst ASEAN bodies." In other words, the Secretariat is tasked to provide technical input and to facilitate effective decision-making in ASEAN to implement the VAP. The focus of the Strengthened Secretariat Resources Activity Stream is on expanding the capacity of Secretariat staff to play those roles covering virtually all VAP directives.

ASEAN Secretariat resources are severely strained. The Secretariat is staffed by 50 professionals who are openly recruited throughout ASEAN and by 80 who are recruited locally. Those professionals serve a multitude of coordinating committees and working groups, staffing nearly 800 ASEAN meetings a year. Technical assistance and training that the Facility provides is designed to help build skills and capacity in the ASEAN Secretariat so that it can better and more efficiently fulfill its duties to support implementation of the VAP.

Activities

Associate Officer Program (ASO). The Facility supports the ASEAN Secretariat Associate Officer Program (ASO) designed to expose young ASEAN professionals to ASEAN's aspiration, goals and activities. The Facility funded two associate officers in 2005-2006. Both reported that their experiences working with ASEAN increased their appreciation for the ASEAN spirit and would inspire their work when they returned home. Given the success of the program, the Fifth Semiannual Work Plan proposes to fund an additional eight ASOs.

Project Monitoring System (PMS). In response to the ASEAN Secretariat's desire to update and enhance its PMS, the Facility has contracted a local ASEAN firm to: (a) identify and correct the existing errors in the PMS; (b) enhance the system through the addition of several new functions; (c) reduce time consumed for inputting

project details; and (d) redesign the PMS in line with user's requirements. The firm should conclude the work in October. The Fifth Semiannual Work Plan proposes a project to incorporate additional information in the data base on projects under the Integration of ASEAN Initiative.

Internal Secretariat IT Infrastructure. International telecommunications (IT) network specialists conducted a comprehensive assessment of the ASEAN Secretariat's IT network and its security and provided a set of recommendations to improve the operational capacity of the network with a particular focus on improving email, internet access, the ability to access software applications. These assessments would conclude in mid-September. The ASEAN Secretariat IT Unit is reviewing the conclusion and intends to make recommendations for follow up action. Depending on these recommendations the Facility may support measures to upgrade the ASEAN Secretariat's IT system.

Counterterrorism. Mr. Charles Lim, a Nathan consultant, completed an assessment of ASEAN Member Countries' preparedness to combat transnational crime. He visited seven ASEAN member countries and found that some, such as Brunei, Indonesia, Malaysia, Singapore and Thailand, have made significant progress in capacity building and have fewer needs for external assistance than others. Mr. Lim concluded that creating an ASEAN Transnational Crime Operational Coordination Center (ATCOCC) would be the most effective mechanism to combine national efforts into a regional one. However, he noted that such an idea might be ahead of its time. Accordingly, he suggested that an ASEAN Transnational Crime Information Management and Communication System be established to facilitate information sharing. He also recommended the creation of an ASEAN Transnational Crime Coordination Group to help manage information sharing and, if all goes well, as a precursor to the ATCOCC. Mr. Lim recommended that ASEAN draft and adopt a Comprehensive Counterterrorism Plan and provided an outline for such a plan. His approach was endorsed, in principal, by the ASEAN Senior Officials Meeting on Transnational Crime.

ARF Unit Peacemaking and Preventative Diplomacy Training. Mr. Nguyen Son Ngoc of the ASEAN Regional Forum staff participated in the training conducted by the United Nations Institute for Training and Research from July 4 to 13. Mr. Ngoc reported that the session was highly worthwhile, that he learned much and contributed to the discussion relaying experiences in ASEAN, including the ASEAN Regional Forum. The sessions helped him refine his skills in conflict analysis, negotiations and mediation. The materials on how disputes begin, escalated and are resolved were particularly relevant, in his view, as the ASEAN Regional Forum is evolving toward its second phase of preventative diplomacy.

ARF Unit Computers for a Secure Dialogue. The Facility purchased computers to fully operationalize the secure line of the ARFNet, the official website of the ASEAN Regional Forum. The secure inter-active chat line is for members only. The website, which was developed under a USAID project, is hosted in SingTel datacenter in Singapore. The ASEAN Secretariat has assumed the cost of annual subscription to a broadband connection. The network has been using the Secure Socket Layer (SSL) certified encryption in order to instill confidence among the ARF participants of the ARFNet's secure environment inside ARFNet's Member

Services section. Due to the timely purchase of these computers, the ASEAN Secretariat was able to announce at the Senior Officials Meeting in May continued USG support for the AFRNet.

ARF Unit Website Design and Networking Training. The Facility is funding two activities: (1) the participation of one member of the Secretariat's ARF Unit staff in a web basic and web design and networking course; and (2) the upgrading of the AFRnet website. The ARFNet is a built-up default system that provides limited room for adjustment and has not satisfied the ARFNet users. The sections of the website that require upgrading include: Archives, Photo Gallery, Current Documents Under Consideration, News, Public Library, Calendar, and Contacts. This work should be completed by the end of the year.

Public Relations. In light of the strengthening of the US-ASEAN relationship, the Facility worked with the ASEAN Public Affairs Office (PAO) to design a scope of work to enhance the public relations efforts of the Secretariat and would benefit the relationship. The overall capacity building objectives under this activity are to: (1) improve communications and information flow within the Secretariat; (2) increase coordination on events and issues which could benefit from a PR strategy; (3) increase the knowledge of ASEAN Secretariat staff on how to better coordinate with Member Countries on consistent messaging and branding; and (4) increase the capacity of the Secretariat staff to design and implement strategically planned PR strategies. During July-September, Nathan consultant Lisa Alley, a Trade Specialist with an expertise in public relations, was positioned inside the Secretariat to conduct an environmental assessment and hold a stakeholders meeting from which enough information could be derived to design a Communications Plan for the organization.

Leading up to the September 1st stakeholders meeting, Ms. Alley regularly met with the PAO director and her staff to design the strategy, identify key stakeholders, messages and target audiences. This preparation, in large part, made the stakeholders meeting a success. The meeting was conducted by senior communications specialist Ms. Dottie Li and included the participation of the PAO staff and five senior directors. The "brainstorming" sessions provided valuable perspectives on how to best tackle PR issues stemming from within their units which will be incorporated into the Communications Plan. The draft report will be circulated among the stakeholders for their comments before being finalized. Implementation of activities is covered by a proposed second phase of this project in the Fifth Semiannual Work Plan.

In addition, the consultant also identified a local website hosting company and launched the www.asean-us-partnership.org website. The website publicizes the US-ASEAN Enhanced Partnership and is a focal point for information on US assistance to ASEAN. The consultant began a process for developing USAID success stories. The first story was on modernizing the ASEAN Harmonized Tariff Nomenclature.

History of US-ASEAN Relations. In response to a USAID and State Department request, Nathan Associate Cena Maxfield drew upon primary documents to produce the first comprehensive review of U.S. Government agencies' engagement with ASEAN. Based upon this research Ms. Maxfield drafted a one-page fact sheet and a fold out brochure. Once refined, these can serve as resource materials for upcoming ASEAN-US activities, such implementation of the Plan of Action for the ASEAN-US Enhanced Partnership and celebration of the 30th anniversary of the ASEAN-US dialogue in 2007.

The draft history of ASEAN-US assistance programs indicates that before the current ASEAN Cooperation Plan began in 2002, the USG had provided a total of almost \$83 million in assistance to ASEAN. This included:

- \$34.6 million to build human capacity and strengthen regional institutions, including scholarship for more than 900 students, and training more than 3,250 experts in plant quarantine and agricultural planning;
- \$16.5 million on trade, investment and small business development including launching the US-ASEAN Business Council which has become a self-sustaining private organization and the premier group for establishing ASEAN-US business contacts; and
- \$31.8 million on environmental activities, including management of watershed and coastal resources.

Since 2002 the current ASEAN Cooperation Plan has undertaken over 20 projects worth around \$10 million involving many different USG agencies. Activities have ranged from creating a website for the ASEAN Regional Forum, to combating AIDS/HIV, to controlling forest fire pollution (HAZE), to trade and investment issues handled by the Facility.

Progress in Achieving Performance Indicators

The performance indicator for this activity stream is increased Secretariat capacity to support implementation of the VAP. The ASEAN-US Facility is measuring progress toward achieving this indicator by tracking the number of Secretariat staff members who receive training designed to increase their capacity to support VAP implementation, through improvements in IT infrastructure, and through semi-annual surveys of senior Secretariat staff.

- 1 The completed management training, the ASO, and IT improvements have increased the Secretariat's capacity to support VAP implementation.
- 2 The diagnostic on the ASEAN Secretariat's IT systems is an important step toward possible effective improvement in the operation of the Secretariat's systems.
- 3 A strategic communications plan should help generate support for ASEAN work and momentum to take its work forward in creating an ASEAN Community

ASEAN-US Technical Assistance and Training Facility

Performance Monitoring Framework

RDM/A Strategic Framework A. Improved Regional Governance and Economic Reform /1						
PC 4. Increase participation in global trade and investment						
ASEAN-US Technical Assistance and Training Facility Activity Streams						
Trade Negotiations	Trade-related Coordination & Dialog	Customs & Trade Facilitation	Investment	Trade in Services Activity Stream	Priority Sector Integration	Strengthened Human Resources Activity Stream
ASEAN Vientiane Action Programme Directives						
<p>2.12. Economic Relations with Dialogue Partners... efforts will be made to strengthen external economic relations...with major Dialogue Partners...through the establishment of FTAs and Closer Economic Partnerships...promoting the coherence of agreements with major trading partners.</p>	<p>5. 2.Institutional Arrangements...The ASEAN Secretariat will facilitate the consultation process among ASEAN bodies and seek the most efficient modality in setting up the appropriate institutional arrangement at the programme/project level. Approaches and mechanisms to closely involve other ASEAN stakeholders, including the private sector and civil society, must also be addressed.</p>	<p>2.3.5.1 Customs: Integrate customs structures in ASEAN. 2.3.5.2 Rules of Origin: Transparent, predictable, standardize 2.3.2 NTMs: Transparency and removal of NTBs.</p>	<p>2.2.ASEAN Investment Area ...Implementation of the AIA will be intensified...liberalization...improve the investment environment...adopt a strategic promotion programme...</p>	<p>2.4.1. Trade in Services...Accelerate regional integration towards creating a single market in services through progressive liberalization...</p>	<p>2.1. Eleven Priority Integration Sectors...textiles and apparel, ICT, healthcare...a roadmap will serve as the basis for economic integration of each of the priority sectors...</p>	<p>5.Implementation Mechanisms...Strengthen existing institutions</p>
Performance Indicators						
<p>Better prepared ASEAN Member Country trade negotiators.</p>	<p>Improved public-private sector consultation and internal coordination in ASEAN trade-related policy making process.</p>	<p>Increased harmonization of customs structures; Transparent, predictable rules of origin; Identification and progress to remove NTBs.</p>	<p>Increased effort toward liberalization and investment facilitation and promotion through improved environment. and regional investment promotion.</p>	<p>Increased awareness of the benefits to ASEAN of liberalizing trade in services.</p>	<p>Progress toward integrating the ASEAN textile and apparel products, ICT and healthcare sectors.</p>	<p>Increased Secretariat capacity to support implementation of the VAP.</p>
Measures of Progress Toward Achievement of Performance Indicators						
<p>1. Number of negotiators trained. 2. Number of negotiations.</p>	<p>1. Increased attention to improving intra-ASEAN coordination.</p>	<p>1. Number of AHTN Chapters where progress achieved toward harmonization. 2. Adoption of work plans and progress toward implementing ASEAN Single Window. 3. Movement toward effective, predictable rules of origin. 4. Implementation of work plan to identify NTMs as trade barriers and progress toward eliminating NTMs.</p>	<p>1. Progress toward implementation of the ASEAN Investment Agreement. 2. Increase in FDI inflows.</p>	<p>1. Number of ASEAN Member Country government and private sector representatives and Secretariat staff trained.2. Number of scheduled commitments and MRAs.</p>	<p>1. Integration road map improved in Phased II and finalized.</p>	<p>1. Number of Secretariat staff who receive training designed to increase their capacity to support VAP implementation. 2 Number of improvements in IT systems and programs.</p>
<p>2. Report in semi-annual surveys of Secretariat staff responsible for trade in goods, services and investment negotiations on the degree of improvement of ASEAN Member Country negotiator skills.</p>	<p>1. Increased attention to improving private sector input.</p>	<p>2. Report in semi-annual surveys of Secretariat staff and our experts whether progress has been made toward achieving the performance indicator.</p>	<p>2. Report in semi-annual surveys of Secretariat staff and our experts whether progress has been made toward achieving the performance indicator.</p>	<p>2. Report in semi-annual surveys of Secretariat staff whether or not support in ASEAN for liberalizing trade in services has increased.</p>	<p>2. Report in semi-annual surveys of Secretariat staff, private sector representatives and our experts as to whether progress has been made toward implementing the integration roadmap.</p>	<p>2. Report in semi-annual surveys of senior Secretariat staff whether or not progress has been made toward achieving the performance indicator.</p>