

**AANZFTA General Review: Recommendations for the 23rd AEM-CER Consultations
(endorsed by Ministers on 1 September 2018)**

Recalling the *Terms of Reference for Conducting the General Review of AANZFTA*, endorsed at the 21st AEM-CER Consultations (4 August 2016, Vientiane), which included the following objective for the General Review, to:

“make recommendations to update, improve, upgrade and unlock the potential of AANZFTA taking into account the AEC [ASEAN Economic Community] Blueprint 2025 and other relevant developments”;

Noting the findings of the joint [General Review Stage One Report](#), presented to Ministers in September 2017, which assessed AANZFTA’s operation and implementation since the Agreement entered into force in 2010;

Further noting the conclusion of the General Review Stage One Report that AANZFTA serves as an important building block in realising regional economic integration and sustainable economic development and seeking to build on its potential in this regard;

Acknowledging that the FTA Joint Committee (FJC) recommendations for the General Review, if endorsed by Ministers, will set a baseline for future negotiations, the outcomes of which should ensure the Agreement retains its relevance to business and adds value to developments in other fora including the Regional Comprehensive Economic Partnership (RCEP) negotiations;

the FJC **proposes** Ministers agree to the recommendations listed below, to guide negotiations to upgrade AANZFTA. The FJC proposes that officials commence implementation of the recommendations at the 11th FJC Meeting and Related Meetings in Australia in the first half of 2019, with a view to concluding text of a second protocol to amend AANZFTA within an expeditious timeframe. The FJC will devise a workplan that takes into account progress in other negotiations in determining the schedule of meetings to implement the recommendations. The FJC may thus prioritise some areas for early discussion before others.

Rules of Origin

- Review ROO text and update as required to take into account modern trade practices and make ROO easier to use by traders, as per Article 18 of Chapter 3 of AANZFTA, including:
 - a trade facilitating documentary evidence of origin system
 - transit arrangements that reflect modern hubbing practices
 - reach an outcome on built-in agenda issues.

Customs Procedures

- Review and expand the Customs Procedures Chapter to include trade facilitation, including consideration of the provisions of the WTO Trade Facilitation Agreement.

Trade in Services

- Review services commitments and Chapter text (including related Annexes) with a view to update and upgrade AANZFTA, taking into account existing built-in agenda items and progress in other relevant free trade agreement processes.

Electronic Commerce

- Review the Electronic Commerce Chapter text to take into account developments at the international, regional and national level, in relation to electronic commerce, including:
 - o updating key provisions and
 - o discussing inclusion of new disciplines, taking into account developments in e-commerce since negotiation of AANZFTA.

Investment

- Review Chapter text and finalise discussions on schedules of reservation including the scheduling approach using the negative list, with a view to update and upgrade AANZFTA (including considering the adequacy of safeguards for public policy), taking into account existing built-in agenda items and progress in other relevant free trade agreement processes.
- Discuss how investment facilitation and aftercare could contribute to AANZFTA implementation.

Competition

- Review the Competition Chapter text
 - o discuss inclusion of new provisions on consumer protection.

Government Procurement

- Develop a chapter on Government Procurement, to support improved transparency and cooperation in government procurement. The Chapter shall not include any market access obligations.

Trade and Sustainable Development

- Discuss further how economic cooperation on Trade and Sustainable Development issues could be undertaken under the AANZFTA.