



A Year of

ASEAN Cooperation

June 2005 - May 2006

Achievements of the twenty-eight
ASEAN Ministerial Bodies

ASEAN Ministerial Meeting (AMM)

Established : 1967, meets annually, with informal meetings and retreats in between
 Last Meeting : 38th AMM, 26 July 2005, Vientiane

The AMM, supported by the ASEAN Standing Committee¹ and the ASEAN Senior Officials Meeting (SOM), oversees ASEAN's community-building efforts, external relations, strategic policy and development cooperation. The AMM implements the decisions of the ASEAN Leaders, working with the other sectoral bodies in ASEAN. The AMM is also responsible for the management of ASEAN's institutional and organisational affairs through the ASEAN Standing Committee.



38th AMM, Vientiane

Political and Security Cooperation

A key issue that has engaged the AMM and the ASEAN SOM in the past year has been that of maintaining ASEAN's centrality in the evolving regional strategic architecture. ASEAN convened the first East Asia Summit (EAS) on 14 December 2005, establishing it as a leader-led forum for dialogue on broad, strategic, political and economic issues, and setting the tone for an open, inclusive, transparent and outward-looking EAS with ASEAN as the driving force of the process. ASEAN also continued to be the primary driving force of the ASEAN Regional Forum, and the ASEAN Plus Three and ASEAN Plus One processes.

Cooperation on regional security also made progress in two areas. First, Mongolia and New Zealand acceded to

the Treaty of Amity and Cooperation in Southeast Asia (TAC) in July 2005 and Australia in December 2005, bringing to ten the number of non-regional States that have acceded to the 1976 Treaty. Second, the ASEAN-China Joint Working Group on the Implementation of the DOC, established to study and recommend confidence-building measures under the framework of the 2002 Declaration on the Conduct of Parties in the South China Sea (DOC), has met in the Philippines in August 2005 and in China in February 2006.

The highlights of ASEAN's external relations in the past twelve months can be found on page 12-13. The seventeen ASEAN Committees in Third Countries (ACTCs) complemented the efforts of the AMM by pushing ASEAN's agenda in various cities around the world.² In recent months, the ACTCs made diplomatic representations to advance the ASEAN-endorsed candidature of Dr. Surakiart Sathirathai, Deputy Prime Minister of Thailand, for the post of the next United Nations Secretary-General.

The Vientiane Action Programme (VAP)

As the ASEAN ministerial body that oversees the implementation of the VAP and the progress of ASEAN community building, the AMM has also begun to explore how ASEAN could facilitate regional integration by streamlining the VAP and its successor plans into national development activities. This is another aspect of the centrality of ASEAN principle. To this end, the Senior Officials Meeting on Development Planning, which reports to the AMM, was revived in July 2005 after an eight-year hiatus and is expected to play an important role in advocating for the VAP priorities, goals and targets to be considered in the respective Member Countries' national development efforts.

As a concrete expression of ASEAN's commitment to implement the VAP, the ASEAN Development Fund, or ADF, was set up on 26 July 2005 at the 38th AMM. Seeded by the conversion of US\$ 10 million from the original ASEAN Fund, the ADF serves as a common pool of financial resources to expedite the implementation of the VAP. Under the ADF agreement, Member Countries have committed to giving an additional US\$ 100,000

each to the ADF before 2007 but they can also contribute further amounts, as Malaysia had done in pledging US\$ 500,000 to the ADF on 26 July 2005. Among the Dialogue Partners, Australia contributed AUS\$ 1.3 million to the ADF on 13 April 2006 while India pledged US\$ 1 million in December 2005 of which the first instalment of US\$ 400,000 was transferred to the ADF on 26 May 2006.

Japan has contributed about US\$ 70 million to advance the cause of ASEAN integration and the VAP under the Japan-ASEAN Integration Fund.

Specifically on the ASEAN Security Community Plan of Action under the VAP, the ASEAN SOM assisted the AMM in monitoring the overall progress made in implementing the various programme measures.

Development Cooperation

ASEAN's development cooperation agenda made steady progress, specifically in the implementation of the Work Plan for the Initiative for ASEAN Integration (IAI). As of 1 May 2006, there were 129 projects in the IAI Work Plan which are at various stages of implementation. Funding has been secured for 110 projects (85.3 percent), of which 70 projects have been completed, 27 projects are being implemented, and 13 projects are in the planning stage. The top five non-ASEAN donors are the RoK, Japan, India, Norway, and European Union. The ASEAN-6 countries³ are actively involved in implementing 80 projects with a contribution of US\$ 20.8 million.

A Mid-Term Review of the IAI Work Plan, completed in November 2005, recommended a broadening of the scope of the Work Plan from the current four to seven main areas, namely, energy, human resource development, information and communications technology, regional economic integration, tourism, poverty reduction and improvement in the quality of life, and projects of general coverage. In addition, 75 new project ideas were recommended for implementation in the remaining three years of the Work Plan.

Streamlining of ASEAN Meetings and Work

With the growth of the ASEAN family, more sectoral bodies have been created and institutionalised. The working relationships, formalities and other rules and regulations have multiplied. The ASEAN SOM has been studying ways to streamline the work of ASEAN, manage the number of ASEAN meetings and get greater value from these meetings.

Other Portfolios under the Purview of the AMM

- **Director-General of Immigration Departments and Heads of Consular Affairs Divisions of the Ministries of Foreign Affairs (DGICM).** The 9th DGICM held on 9-11 November 2005 adopted the revised Work Programme to implement the ASEAN Plan of Action on Immigration Matters adopted in 2002. Recognising the importance of cooperation on immigration issues with the ASEAN Dialogue Partners, the DGICM also convened consultations with Australia back-to-back with the 9th DGICM to discuss and explore possible areas of cooperation. An ASEAN Framework Agreement on Visa Exemption to facilitate intra-ASEAN travel is being finalised.
- **ASEAN Committee on Women (ACW).** In November 2005, the ACW conducted a one-day workshop to operationalise the Declaration on the Elimination of Violence against Women. With technical assistance and funding from both UNIFEM and UNAIDS, the work plan to operationalise the Declaration proposes



The IAI Work Plan includes projects to build capacity in labour skills training

goals, outcomes, activities and strategies for resource mobilisation, to be implemented from 2006-2010. Eight priority areas of action have been identified, including the political and economic empowerment of women to reduce their vulnerability to exploitation, and gender mainstreaming of policies and programmes, among others.

- **ASEAN Conference on Civil Service Matters (ACCSM).** The 13th ACCSM in December 2005 agreed to link its priorities to the mainstream of ASEAN activities. The ACCSM would continue to address its priorities of civil service modernisation, strengthening existing public sector capacities in the CLMV countries⁴ and sharing knowledge and experiences in developing civil service systems as strategic partners in national and regional development. Under the IAI framework, the ASEAN-6 countries have assisted the CLMV countries strengthen their public sector capacity building through training courses and technical know-how.

¹The Chair of the ASEAN Standing Committee is also the Foreign Minister chairing the AMM. The committee includes the Directors-General of the ten ASEAN National Secretariats and the Secretary-General of ASEAN.

²Each ACTC comprises of the ASEAN Heads of Mission in the following cities: Beijing, Berlin, Brussels, Canberra, Geneva, Islamabad, London, Moscow, New Delhi, New York, Ottawa, Paris, Riyadh, Seoul, Tokyo, Washington DC and Wellington.

³The ASEAN-6 countries are Brunei Darussalam, Indonesia, Malaysia, Philippines, Singapore and Thailand.

⁴The CLMV countries are Cambodia, Lao PDR, Myanmar and Viet Nam.

ASEAN Defence Ministers Meeting (ADMM)

Established : 2006, meets annually

Last meeting : 1st ADMM, 9 May 2006, Kuala Lumpur

At their inaugural meeting on 9 May 2006, the Ministers of Defence of the ASEAN Member Countries exchanged views on regional and international security and defence issues and gave background briefings on national security policies and activities. It was agreed that the ADMM should be an integral part of ASEAN, that it should add value to and complement the overall ASEAN process, and that it should also be open, flexible and outward-looking in respect of actively engaging ASEAN's friends and Dialogue Partners as well as the ASEAN Regional Forum.



The inaugural ASEAN Defence Ministers Meeting, Kuala Lumpur

The ADMM Concept Paper, adopted by the Ministers, spells out the specific objectives of the ADMM, namely:

- to promote regional peace and stability through dialogue and cooperation in defence and security;
- to give guidance to existing senior defence and military officials dialogue and cooperation in the field of defence and security within ASEAN and between ASEAN and dialogue partners;
- to promote mutual trust and confidence through greater understanding of defence and security challenges, as well as enhancement of transparency and openness; and
- to contribute to the establishment of an ASEAN Security Community (ASC) as stipulated in the Bali Concord II and to promote the implementation of the Vientiane Action Programme (VAP) on ASC.

An ASEAN Defence Senior Officials' Meeting (ADSOM) will be established to support the activities of the ADMM.

The 1st ADMM also expressed support for the continuation of informal consultations among the ASEAN Chiefs of Defence Force, ASEAN Army Chiefs, ASEAN Navy Chiefs, ASEAN Air Force Chiefs, ASEAN Heads of Coast Guards, and ASEAN Heads of Military Intelligence units.

ASEAN Law Ministers Meeting (ALAWMM)

Established : 1986, meets once every 36 months
 Last meeting : 6th ALAWMM, 19-20 September 2005,
 Ha Noi

Taking into account the importance of strengthening cooperation on judicial assistance in civil and commercial matters, the 6th ALAWMM agreed to establish the Working Group on an Agreement on Service Abroad of Judicial and Extra Judicial Documents amongst ASEAN Member Countries and an Agreement on Abolishment of Legalisation of Foreign Public Documents Used in Judicial Assistance amongst ASEAN Member Countries. Also to be established are working groups to examine: (a) modalities for harmonising the trade laws of ASEAN Member Countries; (b) uniform laws on the legalisation of foreign public documents; (c) a model ASEAN extradition treaty; and (d) a model law on maritime security.

In preventing and combating transnational crime and terrorism, the ASEAN Law Ministers underlined the need to enhance coordination linkages with other relevant ASEAN bodies and successfully conclude the Treaty on Mutual Legal Assistance in Criminal Matters.

To support the implementation of the VAP, the ASEAN Senior Law Officials' Meeting (ASLOM) will have an expanded mandate to address all matters pertaining to legal cooperation to support ASEAN integration initiatives which are common to all its members.

ASEAN Ministerial Meeting on Transnational Crime (AMMTC)

Established : 1997, meets once in two years
 Last meeting : 5th AMMTC, 29 November 2005,
 Ha Noi

ASEAN pursued tighter regional coordination to combat transnational crime and the 5th AMMTC endorsed the revised Work Programme to Implement the ASEAN Plan of Action to Combat Transnational Crime. The work

programme was revised in 2005 for the period of 2006-2007. The 5th AMMTC stressed the need to:

- strengthen and maximise coordination among the relevant ASEAN sectoral bodies responsible for combating transnational crime;
- educate and involve the public to assist and cooperate in the fight against terrorism;
- have a comprehensive action plan on counter-terrorism; and
- have an efficient and speedy means of information exchange and intelligence sharing through the strengthening of personal contacts, hotline connectivity and placement of police liaison officers at each individual embassy.

ASEAN continued to cooperate with its Dialogue Partners to combat transnational crime. The ASEAN Plus Three Work Plan in Combating Transnational Crime was endorsed, in-principle, at the 2nd ASEAN Plus Three Ministerial Meeting on Transnational Crime on 30 November 2005 with the detailed activities to be developed by the senior officials. At the first AMMTC Plus China Informal Consultation on 30 November 2005, China announced that it would provide short-term training courses for 900 ASEAN law enforcement officials, including one-year-scholarships for 100 officials.



Regional cooperation can lead to the seizure of illicit drugs

On drug control, the 2nd ASEAN and China Cooperative Operations in Response to Dangerous Drugs (ACCORD) International Congress held on 20 October 2005 endorsed the Initiative on Regional Joint Action against Amphetamine-Type Stimulants (ATS)-Related Crimes Initiatives which proposes concrete joint law enforcement

operations. ATS is now recognised as one of the top priorities in regional drug control cooperation. The Congress also adopted the Beijing Declaration and the revised ACCORD Work Plan.

ASEAN Regional Forum (ARF)

Established : 1994, meets annually

Last meeting : 12th ARF, 29 July 2005, Vientiane

The ARF remained seized with the situation in the Korean Peninsula and renewed its support for the resumption of the Six-Party Talks on the denuclearisation of the Korean Peninsula as well as the inter-Korea dialogue. The ARF also welcomed the progress made by ASEAN and China in the implementation of Declaration on the Conduct of Parties in the South China Sea.



An ARF field visit to Pearl Harbour

The ARF continued to hold the regular Defence Officials' Dialogue and Security Policy Conference. The Heads of Defence Universities/Colleges/Institutions also met on 10-14 October 2005 in Ha Noi and agreed to continue to promote academic exchange programmes. A workshop on security perceptions was held on 21-22 June 2005 in Ulaan Bator, Mongolia, to promote greater understanding on current security challenges.

The 12th ARF Meeting in July 2005 adopted the ARF Statement on Information Sharing and Intelligence Exchange and Document Integrity and Security in Enhancing Cooperation to Combat Terrorism and Other

Transnational Crimes. The ARF Seminar on Cyber-Terrorism, held on 3-5 October 2005 in Cebu, recommended the establishment of ARF focal points for cyber-terrorism, development of national legislations on cyber-terrorism and the possible establishment of an ARF Centre on Cyber-Terrorism.

The Inter-Sessional Support Group on Confidence Building Measures was renamed as the Inter-Sessional Support Group on Confidence-Building Measures and Preventive Diplomacy. It held its first and second meetings on 17-19 October 2005 in Honolulu and on 1-3 March 2006 in Manila. The ISG agreed on the convening of the ARF Experts and Eminent Persons. Work on the drafting of the Terms of Reference for the Friends of the ARF Chair continued.

Efforts to contribute to non-proliferation continued. The Seminar on Small Arms and Light Weapons (SALW), held on 2-4 November 2005 in Phnom Penh, agreed to explore the potential for enhanced regional co-operation on SALW issues. The ARF Seminar on Non-Proliferation of Weapons of Mass Destruction, held on 27-29 March 2006 in Singapore, agreed that regional cooperation should focus on practical steps to improve the implementation and compliance with non-proliferation obligations. The ARF Seminar on Missile Defence, held on 6-7 October 2005 in Bangkok, contributed to promoting transparency and greater understanding on policies and concerns on missile defence. A workshop among export licensing experts was held on 17-18 November 2005 in Singapore and proposed the adoption of best practices in export licensing for security purposes.

Two ARF maritime security workshops were held on 26-28 October 2005 in India and on 19-20 December 2005 in Japan to promote capability building and multilateral cooperation.

The ARF reconvened the Inter-Sessional Meeting on Disaster Relief, which met from 30 November to 2 December 2005 in Bandung, and recommended the adoption of a set of cooperative activities on disaster management and emergency response.

ASEAN Economic Ministers (AEM)

Established : 1975, meets annually
 Last meeting : 37th AEM, 28 September 2005,
 Vientiane

Steady progress has been made in the areas under the purview of the AEM that are in line with ASEAN’s commitment to establish the ASEAN Economic Community (AEC) to enhance ASEAN’s competitiveness for economic growth and development through closer integration.

The Priority Sectors for Integration

Representatives from the various ASEAN sectoral working groups and committees, and the private sector attended the Consultative Meeting on the Priority Sectors (COPS) on 8-9 July 2005 to discuss the implementation and coordination of roadmaps measures for the integration of the twelve priority sectors by 2010 as given in the Framework Agreement for the Integration of Priority Sectors and its Protocols. COPS will be scheduled on a regular basis and COPS II in June 2006 will consider phase-two integration measures.

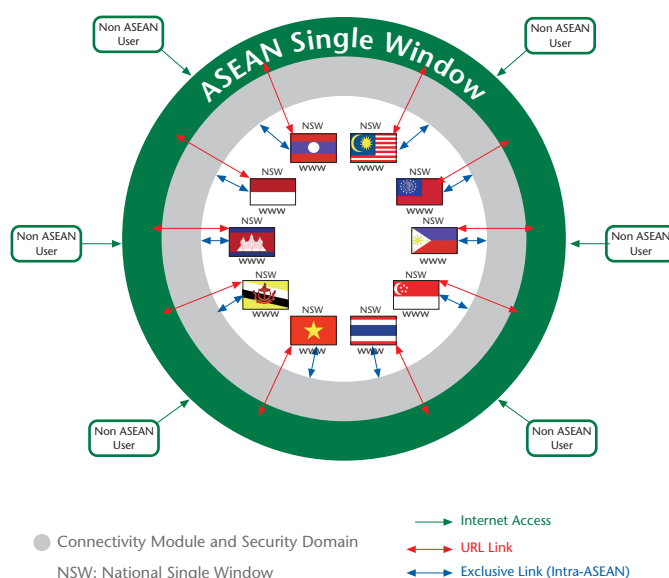
ASEAN’s Priority Sectors for Integration	
Agro-based products	Health care
Air travel	Rubber-based products
Automotive products	Textiles & apparels
e-ASEAN	Tourism
Electronics	Wood-based products
Fisheries	Logistics

Trade Facilitation

Customs. Steps were made towards the modernisation and harmonisation of customs techniques under the Strategic Plan of Customs Development that was implemented in 2005. The development of the ASEAN Cargo Processing Model, for example, was an initial step made towards harmonising the customs environment. Member Countries have also adopted the ASEAN Customs Declaration Document. On 9 December 2005, the ASEAN Economic Ministers signed the Agreement to Establish

and Implement the ASEAN Single Window (ASW). The ASW will speed up the clearance of imports through the electronic processing of trade documents at the national and regional level. The ASW Model will be in operation in ASEAN by 2012.

ASEAN’s Single Window Overview - Phase I



Standards and Conformance. The ASEAN Policy on Standards and Conformance was endorsed by the AEM in September 2005 as a supportive measure for the AEC. In addition, over the last twelve months, concrete results were seen on several fronts: (a) 140 standards to-date have been harmonised in ASEAN; (b) the Agreement on ASEAN Harmonised Electrical and Electronic Equipment Regulatory Regime was signed on 9 December 2005; (c) six laboratories in Malaysia, Singapore, Thailand and Viet Nam have been selected as ASEAN Reference Testing Libraries in the areas of mycotoxins, pesticide residues, veterinary drugs, microbiology, heavy metals and genetically modified organisms; (d) the ASEAN Common Food Control Requirements (ACFCR) have been finalised and will provide guiding principles on food control systems, labelling and food hygiene; and (e) the Post-Marketing Alert (PMA) System for defective and unsafe health care products was adopted.

Trade in Services

The year 2015 has been set as the target for the liberalisation of all services sectors, with flexibility for some sectors/sub-sectors. Targets and other parameters

to guide the services negotiations have been endorsed and plans are underway to map out the liberalisation and integration of different services sectors. Key strategic and interrelated services, e.g. tourism and transport, will be fast tracked in their liberalisation. The Mutual Recognition Arrangement on Engineering Services was signed at the 11th ASEAN Summit on 9 December 2005.

Intellectual Property

Activities carried out under the ASEAN Intellectual Property Rights Action Plan 2004 - 2010 and the Work Plan for ASEAN Cooperation on Copyrights (endorsed by AEM in September 2005) help improve the friendliness of regional Intellectual Property (IP) systems and instruments to businesses, users and investors. As such they have a positive impact on the priority integration sectors and the regional community-building process in ASEAN. Commonality in trademark filing requirements and the consolidated list of ethnic goods and services in ASEAN have been achieved along with the on-going simplification of IP-related procedures, monitoring of TRIPS compliance, and region-wide information exchange and coordination. Moreover, regional cooperation is being initiated in the areas of Traditional Knowledge and Folklore, and Geographical Indications because of their growing social and economic importance.

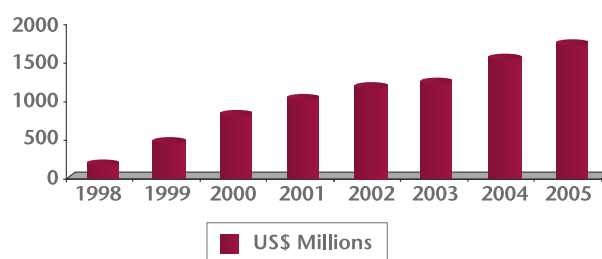
Dispute Settlement

The ASEAN Protocol on Enhanced Dispute Settlement Mechanism (DSM) introduced significant changes to the dispute settlement process. Overall, the ASEAN DSM offers various means of resolving issues or disputes relating to economic agreements, ranging from advisory and consultative action to adjudication. In particular, the ASEAN Consultation to Solve Trade and Investment Issues (ACT), a web-based application which is now operational, provides the private sector some redress for grievances against the violation of agreement provisions. Member Countries have begun to contribute to the Special ASEAN DSM Fund and have made nominations for the panel and appellate body.

Industrial Cooperation

The 134 (out of 200) approved applications, as of February 2006, under the ASEAN Industrial Cooperation Scheme (AICO) are expected to generate over US\$ 1.7 billion in business transactions per year. ASEAN is extending the waiver of 30 percent national equity requirement for AICO applications until 31 December 2006 to sustain the success of AICO.

AICO Trade Related Transactions



Source: The ASEAN Secretariat

Small and Medium-sized Enterprise

Implementation of prioritised activities under the ASEAN Policy Blueprint for SME Enterprise Development (APBSD) 2004-2014 is on track, with 50 per cent of the immediate and short term projects and activities already carried out. Another 20 percent of the activities are currently in progress. ASEAN has also conducted seminars, workshops and projects to help develop small and medium-sized enterprises (SMEs) into ASEAN transnational corporations. Among the many cooperative activities with Dialogue Partners was the successful implementation of the first High Level Seminar on Promoting SME Development in East Asia. Two ASEAN-wide projects undertaken unilaterally by two Member Countries trained local trainers in accounting and financial information, and in preparing business plans. Meanwhile, the creation of the ASEAN Support Industry Database and the organisation of trade missions would help promote regional and global market opportunities for ASEAN SMEs.

Cooperation in Statistics

ASEAN cooperation in statistics had taken some concrete steps in the past twelve months toward greater general improvement and harmonisation of statistics, which include: (a) endorsement by the 6th ASEAN Heads of Statistical Offices Meeting (AHSOM) held in August 2005 to extend the coverage of the ASEAN Statistical Indicators (ASI); (b) development of a system of indicators for the ASEAN Baseline Report (ABR) and its database, under the ASEAN-UNDP Partnership Facility, that will be further developed to measure the progress of the establishment of an ASEAN Community; (c) endorsement by the Task Force on Harmonisation of Statistical Classification (TFSC) of an ASEAN Common Industrial Classification (ACIC) that is envisioned to provide a common structure at the three-digit level for adaptation of the UN International Standard Industrial Classifications (ISIC Rev.4) by the ASEAN Member Countries in 2007; (d) formulation of a regional work plan on international merchandise trade statistics (IMTS) which will serve as a foundation for the development of harmonised IMTS; and (e) strengthened partnerships between AHSOM and the UNESCAP Statistics Division as well as the United Nations Statistics Division.

Note: The Senior Economic Officials Meeting held in March 2006 has endorsed a proposition to strengthen the AHSOM mechanism by explicitly putting AHSOM under the AEM.

ASEAN Free Trade Area (AFTA) Council

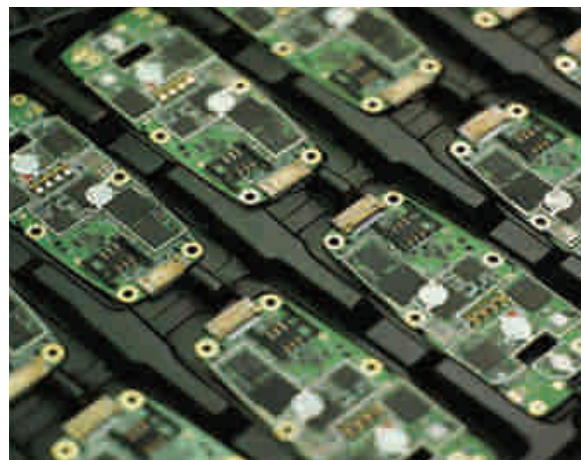
Established : 1992, meets annually

Last meeting : 19th AFTA Council Meeting,
27 September 2005, Vientiane

The 19th AFTA Council Meeting discussed the progress made in the implementation of the Common Effective Preferential Tariff (CEPT) scheme. 98.99% of the products in the CEPT Inclusion List (IL) of the ASEAN-6 have been brought down to the 0-5% tariff range. In addition, tariffs were eliminated on 64.19% of IL products of the ASEAN-6 so that the average tariff under the CEPT scheme in the ASEAN-6 is now down to 1.87% from 12.76% in 1993. The ASEAN-6 have also eliminated tariffs on the last tranche of their ICT products in line with their

commitment under the e-ASEAN Framework Agreement. The newer Member Countries of ASEAN would start implementing their commitments under this Agreement on 1 January 2008.

Regarding the CLMV countries, Cambodia's last tranche of products in the Temporary Exclusion List (TEL) would be transferred into the IL by 2007. Lao PDR will have no more products in its TEL once its 2005 CEPT legal enactment is issued. Myanmar's TEL contains only unprocessed agriculture products and these will be moved to the IL in 2007. On 28 February 2006, Viet Nam transferred into its IL, the remaining TEL products such as motorcycle parts and components, and automobile CBUs (Completely Built-Up) which were subject to deferment under the TEL Protocol. Therefore, as of May 2006, the CLMV countries have 90.96% of all their products in the IL and the tariffs on 76.78% of these are within the 0-5% range.



Electronic products are among ASEAN's top exports

The AFTA Council Ministers endorsed the criteria to facilitate the classification of the verified Non-Tariff Measures (NTMs) and the identification of Non-Tariff Barriers (NTBs) for priority elimination. Senior officials will prioritise the elimination of NTBs and recommend a work programme on the elimination of NTBs for consideration of the next AFTA Council Meeting.

Meanwhile, the Substantial Transformation Rules for wheat flour, wood-based products, aluminum products, iron and steel were endorsed for implementation as co-equal or alternative rules to the 40% ASEAN value-added

rule as part of the regional effort to improve the CEPT Rules of Origin.

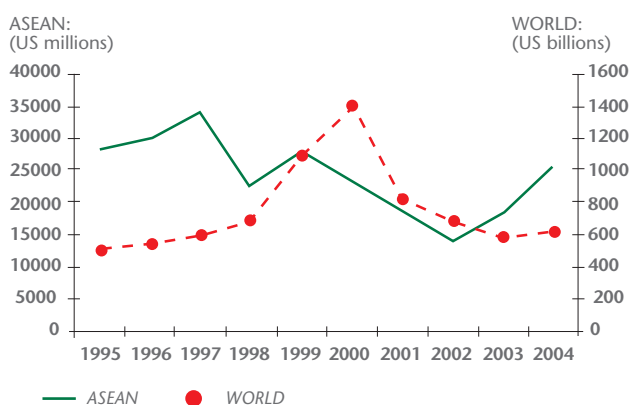
ASEAN Investment Area (AIA) Council

Established : 1998, meets annually
 Last meeting : 8th AIA Council Meeting, 27 September 2005, Vientiane

The 8th AIA Council Meeting took note of the sustained rise in foreign direct investment (FDI) in ASEAN. At US\$ 25.6 billion, the FDI inflow in 2004 represented an increase of 39 percent year-on-year. Some US\$ 5.8 billion of FDI flowed into the region in the first quarter of 2005. ASEAN has thus remained a preferred destination for investors as the pace of inward FDI has outpaced that of global FDI in the recent years. Meanwhile, ASEAN continues to promote intra-ASEAN FDI, the value of which has consistently been higher than US\$ 2 billion since 2001.

Achievements in the AIA during the past year included the ratification by all Member Counties of the Agreement

ASEAN and Global FDI Trend



Source: ASEAN Secretariat: ASEAN FDI Database, 2005; UNCTAD, World Investment Report 2005

on the Promotion and Protection of Investment (signed on 15 December 1987) and its Protocol (signed on 12 September 1996), and the Framework Agreement on the ASEAN Investment Area (signed on 7 October 1998) and its Protocol (signed on 14 September 2001). In addition, Member Countries also submitted their

Temporary Exclusion List (TEL) and Sensitive List (SL) for the Services Incidental to the Five Sectors (Manufacturing, Agriculture, Fishery, Forestry and Mining).

The AIA process has been advanced by the Coordinating Committee on Investment (CCI), for example, through enhanced external linkages with ASEAN Dialogue Partners, joint consultations with the private sector, various capacity-building programmes and investment promotion activities, including those directed toward the priority integration sectors. Meanwhile, the Working Group on Foreign Direct Investment Statistics (WGFDIS) published the seventh edition of "Statistics of Foreign Direct Investment in ASEAN, 2005". Next year's publication would extend the coverage of countries (e.g., Australia, New Zealand, India and inclusion of the enlarged EU) and of intra-ASEAN FDI data. The WGFDIS has also started to deliberate on how to better capture FDI in priority services, particularly tourism, health care and e-ASEAN.

ASEAN Ministerial Meeting on Agriculture and Forestry (AMAF)

Established : 1979, meets annually
 Last meeting : 27th AMAF, 29 September 2005, Tagaytay City

ASEAN cooperation on food, agriculture and forestry sectors continued to progress with the AMAF calling for continued collaboration of all parties concerned to support the VAP with particular focus on the full economic integration of agro-based products, wood-based products and fisheries sectors by 2010. At the same time, urgent regional issues such as the threat of Highly Pathogenic Avian Influenza (HPAI) were addressed due to its significant socio-economic impact.

Assurance of food safety, harmonisation of produce quality and standardisation of trade certification were among the priorities addressed, building upon the experience of some Member Countries and existing international standards such as Codex. To-date, forty-eight standards for animal vaccines, twelve criteria for

accreditation of livestock establishment and three criteria for accreditation of livestock products have been endorsed as harmonised ASEAN standards. The 27th AMAF Meeting in September 2005 further endorsed the ASEAN Criteria on Sheep and Goats for Breeding, Sheep and Goats for Slaughter, Ducks for Slaughter, and Cattle Slaughterhouses for the Production of Frozen or Chilled Beef. An additional 104 maximum residue limits (MRLs) of pesticides for various fruits, vegetables and cash crops, which are being widely traded within ASEAN, were also endorsed. The total number of ASEAN-endorsed MRLs to-date is 559, including a total of 42 pesticides.



ASEAN promotes safer pesticides for agriculture products

Significant progress was also made in harmonising standards for key horticultural produce, developing good agriculture practices for the production of fruits and vegetables, strengthening the genetically modified food testing network, developing guidelines on good management practices for shrimp farms and developing a code of conduct for responsible fisheries. In the forestry sub-sector, ASEAN has sought to develop a regional timber certification scheme acceptable to all stakeholders.

ASEAN presented a joint policy statement that outlined ASEAN's commitment to sustainable forest management, regional forest cooperation and joint approaches in the international forest dialogue at the 5th Session of the United Nations Forum on Forests (UNFF-5) in May 2005. Against a growing threat of illicit wildlife trade in the region, ASEAN has established the ASEAN Wildlife Law Enforcement Network in December 2005, promoting information sharing, coordination and enforcement mechanisms among CITES authorities, custom officials, and relevant law enforcement agencies of the Member Countries.

The outbreak of HPAI in the region has caused a significant negative impact on the poultry industry, trade and public health. In response, a Regional Framework for the Control and Eradication of HPAI in ASEAN was endorsed in September 2005, outlining a three-year regional strategy to control and eradicate the disease. ASEAN will also establish an Animal Health Trust Fund (AHTF) by the end of 2006 which can be used for the control of important livestock diseases. ASEAN's efforts have gained the support of international organisations such as the Food and Agriculture Organisation, World Organisation for Animal Health, World Health Organisation and Asian Development Bank, as well as from Dialogue Partners such as Australia, China and Japan.

ASEAN Ministers on Energy Meeting (AMEM)

Established : 1980, meets annually

Last meeting : 23rd AMEM, 13 July 2005, Siem Reap

The activities of the AMEM continued to be guided by the ASEAN Plan of Action for Energy Cooperation (APAEC) 2004-2009.

The implementation of the Trans-ASEAN Gas Pipeline (TAGP) project advanced further with natural gas flowing via the Trans Thai-Malaysia Gas Pipeline. Three other potential projects could be undertaken by a pre-established Joint Venture Company, namely the BATMAN (Batangas to Manila) 1 Project, the East Kalimantan-Central Java Gas Transmission Project and the West Java-East Java Gas Transmission Project.

The Heads of ASEAN Power Utilities/Authorities Council are formulating a Memorandum of Understanding on the ASEAN Power Grid (APG) to provide a common framework for ASEAN cooperation on power interconnection. This would further enhance regional energy security and sustainability. There was also steady progress in the implementation of the Cambodia-Thailand, Lao PDR-Thailand, Cambodia-Viet Nam, Sumatra-Peninsular Malaysia, and Sarawak-West Kalimantan APG projects.

The ASEAN Energy Benchmarking System for Buildings, ASEAN Energy Management Accreditation System and ASEAN Standards and Labelling System projects were implemented to promote energy efficiency and conservation in the transportation and industrial sectors, to mitigate the adverse impacts of higher oil prices.



Energy security and sustainability remains a top priority

The ASEAN Energy Awards 2005 were created to recognise the achievements of public and private entities in energy efficiency and renewable energy.

Under the EC-ASEAN Energy Facility, fifty-one projects were contracted with the EC to a committed value of EUR 12.4 million. Twenty-five other projects expect to receive further funding support of EUR 4.1 million.

The Energy Policy and Systems Analysis Project and Regional Competency Standards for Training on Renewable Energy were implemented under the Australia-ASEAN Economic Development Cooperation Programme.

Cooperation with China, the RoK and Japan has strengthened under the ASEAN Plus Three energy cooperation framework. This has focused on coordinated efforts to integrate alternative and renewable energy sources into the regional energy supply chain, conduct feasibility studies on oil stockpiles, maintain the stability of the energy market, and forge stronger partnership in new and renewable energy development. In addition, an ASEAN Plus Three Energy Security Communication System is being developed to enhance the region's capacity for timely emergency response.

The ASEAN Centre for Energy also played an instrumental role in coordinating and facilitating the implementation of the programmes and activities under the APAEC.

ASEAN Finance Ministers Meeting (AFMM)

Established : 1997, meets annually

Last meeting : 10th AFMM, 5 April 2006, Siem Reap

Steady progress has been made in the area of finance cooperation as guided by the VAP.

The ASEAN Surveillance Process. Two batches of training on "Regional Economic and Financial Monitoring" were conducted by the Asian Development Bank (ADB) during August-September 2005 and February-March 2006. In addition, the VIEWS (Vulnerability Indicators and Early Warning System) Software developed by the ADB was installed in most ASEAN Plus Three countries. VIEWS has been designed to function as an early warning system of financial crisis by monitoring the development of a set of selected macroeconomic indicators and measuring its impact on the vulnerability of the economy. An ASEAN Surveillance Report was prepared by the ASEAN Secretariat for peer review by the ASEAN Finance and Central Bank Deputies and the ASEAN Finance Ministers at their meetings in April 2006.

Capital Market Development. The FTSE ASEAN Index series, comprising the FTSE ASEAN Index and FTSE ASEAN 40 Index, were successfully launched at the 2nd ASEAN Finance Ministers Investor Seminar in London in September 2005. The Index series has performed well and provided a good proxy for benchmarking ASEAN stock market performances. In addition, an Exchange Traded Fund on FTSE ASEAN 40 is being developed by the private sector and is expected to be launched by the end of 2006. Furthermore, a Working Group on Regional Bond Market Linkages had been established to explore further linkages among bond markets in the region.

Capital Account Liberalisation. The ASEAN Capital Account Regime webpage was launched at the 10th AFMM in April 2006. The webpage is prepared and hosted by the ASEAN Secretariat to disseminate information on capital account regimes in ASEAN Member

Countries as well as relevant investment news. A book on 'ASEAN Capital Account Regime' is also being prepared and will be launched at the ASEAN Finance Ministers' Investors Seminar in Singapore in September 2006.

Financial Services Liberalisation. The Guidelines for Negotiation on Financial Services Liberalisation under the Positive List Approach Modality were adopted in August 2005. Indicative lists are being prepared based on the Guidelines and used as a basis for the first negotiation under the Fourth Round in August 2006.

ASEAN Capital Market Forum. Progress has been made on disclosure standards, accounting and auditing standards, distribution rules, cross-recognition of qualifications on education and harmonisation of offering rules for debt securities towards creating a more interlinked ASEAN Securities Marketplace by 2010.



Custom harmonisation will facilitate trade in ASEAN

ASEAN Insurance Cooperation. Progress on ASEAN insurance cooperation includes the adoption of International Association of Insurance Supervisors (AIS) core principles, the harmonisation of insurance statistics, the implementation of Protocol 5 (and Blue Card Scheme) and continued strengthening of regional training and research through ASEAN Insurance Training and Research Institute.

ASEAN Customs Cooperation. On ASEAN customs cooperation, the progress includes the simplification and harmonisation of customs procedures and formalities,

simplification of the AHTN (ASEAN Harmonise Tariff Nomenclature), and the signing of the Protocol to establish and implement the ASEAN Single Window (ASW). [More information on the ASW can be found on page 21.]

ASEAN Currency Cooperation. An ASEAN Central Bank Forum's (ACBF) Task Force is conducting a study on a possible exchange rate arrangement in ASEAN.

ASEAN Mekong Basin Development Cooperation (AMBDC)

Established : 1996, meets annually
Last meeting : 7th Ministerial Meeting on AMBDC,
28 November 2005, Kuala Lumpur

The AMBDC programme serves as an important framework for cooperation in advancing the development and prosperity of the Mekong riparian states. The programme continued to focus on the objectives of: (a) advancing ASEAN integration (highway, rail and energy networks) by strengthening the interconnections and economic linkages between the ASEAN member countries and the Mekong riparian countries; and (b) enhancing the competitiveness of the region and opening up trade, investment, services, tourism, etc, to promote an economically sound and sustainable development of the Mekong Basin.

To-date there are fifty-five projects at various stages of development and implementation, covering areas such as infrastructure, trade and investment, agriculture, forestry and minerals, industry, tourism, human resource development, science and technology, and health. Of these projects, thirty-one projects have secured funding, while the remaining twenty-four projects require US\$ 87.6 million of funding support from development partners.

The Singapore-Kunming Rail Link (SKRL) project is the flagship project of AMBDC. Progress has been achieved on the various links and various feasibility studies have

been carried out. Member Countries recognise that it is important to create greater awareness of the SKRL project among the private sector, potential investors and funding agencies.

The twenty-four unfunded projects will be reviewed by their respective proponent countries and re-submitted to the AMBDC Steering Committee for evaluation. Member Countries will also prioritise these projects to enable implementation on a phased basis.

The 7th Ministerial Meeting held in Kuala Lumpur in November 2005 agreed to bring the AMBDC Programme into the ASEAN and the ASEAN Plus Three mainstream of cooperation. Taking note that the representation at the AMBDC Ministerial Meeting involves the economic, foreign affairs and planning ministers, it was agreed that future AMBDC Ministerial Meetings be convened back-to-back with the AEM Plus Three meetings.

ASEAN Ministerial Meeting on Minerals (AMMin)

Established : 2005, meets at least once in three years
 Last meeting : Inaugural AMMin, 4 August 2005,
 Kuching

The Ministerial Understanding on ASEAN Cooperation in Minerals was signed at the inaugural AMMin on 4 August 2005. The Understanding calls for development of the minerals sector to be an engine for greater economic growth and social progress in the region. It also aims to enhance trade and investment in the minerals sector, and promote environmentally sound and socially responsible practices in the sustainable management and optimum utilisation of mineral resources.

The ASEAN Minerals Cooperation Action Plan (AMCAP) 2005-2010 was also adopted. It contains nineteen actions to realise the policy agenda under the VAP and the Understanding. Four working groups will help to implement the AMCAP, collectively addressing specific cooperation areas in minerals information and database; trade and investment in minerals; sustainable mineral development; and capacity building in the minerals sector.

The private sector, through the ASEAN Federation of Mining Associations (AFMA), has established the Forum on Private Sector Cooperation in ASEAN as the platform to foster trade and investment through joint venture projects and creative partnerships. The AFMA also agreed to (a) develop a prioritised Strategic Plan to support the Private Sector Forum's Roadmap for Cooperation and the AMCAP 2005-2010; (b) expand membership to cover all ASEAN Member Countries; and (c) establish a permanent secretariat to handle emerging priorities and challenges in the further development of the ASEAN minerals sector.

ASEAN also embarked on a number of joint minerals projects/activities in 2005, particularly in the areas of capacity building, trade and investment, mineral database, and environmental-friendly mining and mineral processing. The Australia-assisted Study on Enhancing Minerals Trade and Investment in ASEAN was completed in December 2005.

To promote high value-added manufacturing and services activities in the minerals sector, ASEAN will foster closer cooperation with its Dialogue Partners and relevant international and regional organisations in the areas of research and development in mineral resource development and geosciences, as well as cooperative programmes on technology transfer. As a first step, representatives from China, Japan and the RoK will be invited to an ASEAN Plus Three Consultative Meeting on Mineral Cooperation tentatively scheduled in 2006.

ASEAN Ministerial Meeting on Science and Technology (AMMST)

Established : 1980, meets every year
 Last meeting : 11th AMMST, 10-11 August 2005,
 Jakarta

ASEAN's Science and Technology (S&T) cooperation continued to be guided by the programme areas identified in the VAP. Progress made in the period June 2005 to May 2006 included:

- **Development of regional technical skills.** Since August 2005, the ASEAN Virtual Institute of Science and Technology (AVIST) has started offering on-line courses to the public covering the topics of bioinformatics, ecotourism, and technology and innovation management. A limited number of scholarships were made available to assist the participation of ASEAN Member Countries in the three courses. In addition, as part of the region's effort to improve the S&T capabilities in ASEAN, fifteen capacity-building activities were undertaken in the areas of food technology, biotechnology, IT, meteorology, space technology and technology management. Support for these activities were provided by Dialogue Partners as well as ASEAN Member Countries.



Biotechnology is a key focus of the ASEAN Plan of Action on S&T Development 2007-2011

- **Sharing of information and best practice.** The ASEAN Science and Technology Network (ASTNET) has been migrated from a proprietary to an open source system and additional features that would facilitate on-line transactions have been added. The effort is in response to the directive of the ASEAN S&T Ministers to adopt a paperless mode of communication and sharing of information and best practices with the use of ICT tools, including the adoption of open source systems as an alternative.
- **Development of regional technology foresight practitioners.** The project on Technology Foresight and Scan was completed in April 2006. Through its various workshops and region-wide activity, it has enhanced the capability of S&T policy-makers, technical experts, academia and the private sector in technology foresighting and planning.
- **Promotion of technology transfer.** In order to facilitate and promote technology transfer within and outside ASEAN, the Sub-Committee on S&T Infrastructure and Resources Development has established a portal under the ASEAN-RoK project on Establishment of Network on Investment and Technology Transfer Information. The portal, currently hosted and managed by the Korea Institute of Science and Technology Information (KISTI), will act as a broker for scientists, researchers, technology and business communities and private sector to do technology transactions.
- **Promotion of S&T Awareness.** The 7th ASEAN Science and Technology Week and the 9th ASEAN Food Conference were held in August 2005 in Jakarta, attracting 1,500 and 500 participants, respectively. These triennial events showcase the technology achievements by scientists, researchers and industries from within and outside ASEAN. Two issues of the ASEAN Journal on Science and Technology for Development were issued in the past year with funding support from the ASEAN Science Fund.

The ASEAN Plan of Action on Science and Technology 2007-2011 is currently under development and will focus on, among others, selected human resource development, and research and development areas, such as renewable and alternative energy, IT applications (particularly open source systems), biotechnology and food science, materials science, nanotechnology, and disaster management.

ASEAN Telecommunications and IT Ministers Meeting (TELMIN)

Established : 2001, meets annually
 Last meeting : 5th TELMIN, 26 September 2005,
 Ha Noi

A number of regional commitments and initiatives have advanced the cooperation and development of ICT in the region, including the *Ha Noi Agenda on Promoting Online Services and Applications to realize e-ASEAN*, and the *ASEAN ICT Focus 2005-2010 on Building a Connected*,

Vibrant and Secure ASEAN Community adopted by the 5th TELMIN in September 2005. Specifically:

- A convergence action agenda has been developed, outlining primary principles of convergence to prepare for an effective policy and regulatory framework in embracing new technologies.
- The spectrum allocation for Radio Frequency Identification (RFID) is being harmonised, starting 2006, to facilitate the deployment of RFID in ASEAN and make ASEAN an attractive region for the development of this technology.
- In support of intra-region trade and investment, four Member Countries have bilateral pacts implementing the ASEAN Telecommunications Regulators Council Sectoral Mutual Recognition Arrangement (MRA) for Telecommunications Equipment. Brunei Darussalam, Indonesia, Malaysia and Singapore had concluded bilateral MRAs in 2004-2005. Bilateral Malaysia-Indonesia and Malaysia-Brunei Darussalam MRAs are to be concluded in 2006.



Capacity building plays a vital role in ICT development in ASEAN

- The Harmonisation of Legal Infrastructure for e-Commerce in ASEAN project has identified issues for the generic and country-specific implementation for electronic transactions and electronic signatures. The ASEAN cyber laws survey was conducted on issues of consumer protection, privacy and data protection, cyber-crime, etc. Currently, the project is addressing the issues of electronic contracting and dispute resolution for online transactions.

- The ASEANConnect web portal was launched in September 2005 (www.ASEANconnect.gov.my). The web portal contains essential information and data on ASEAN ICT initiatives and activities, key ICT indicators on convergence, telecom equipment trade, conformity assessment, digital divide and infrastructure.
- A seminar on e-Learning was conducted in December 2005 in Kuala Lumpur for ASEAN e-learning researchers and educators to share research findings and experience on the use of e-learning technologies in bridging the digital divide.
- The 2nd ASEAN-China ICT Week, which included a ministerial forum, was held in April 2006. Areas of ICT cooperation with the Plus Three countries include human resource development, RFID technologies and applications, the digital divide, next generation network (NGN), and network security.
- Cooperation with India has included joint activities covering information systems security, e-learning technologies, assistive technology for visually impaired persons, tele-education and tele-medicine network, and IT industry forum.

ASEAN has also adopted the Framework for Cooperation on Network Security and its Action Plan, particularly to fight SPAM. A workshop for ASEAN chief information officers was conducted in March 2006 to explore ways to further enhance security in information network. National Computer Emergency Response Teams (CERTs) have been established to facilitate the prevention, detection and resolution of security threats to computer networks.

ASEAN submitted a joint statement on Internet Governance to the World Summit on the Information Society II held in Tunis in November 2005.

ASEAN Transport Ministers Meeting (ATM)

Established : 1996, meets annually

Last meeting : 11th ATM, 17 November 2005, Vientiane

The year 2005 saw active implementation of the eleven transport measures under the VAP and the ASEAN

Transport Action Plan (ATAP) 2005-2010. There was active participation of the private sector, for instance, the ASEAN associations of freight forwarders, national airlines, ports, ship-owners and shippers' councils, in the formulation of concrete work activities in the various sub-sectors.

The ASEAN Framework Agreement on Multimodal Transport was signed at the 11th ATM in November 2005 and will further facilitate the door-to-door delivery of goods within ASEAN, using various modes of transport, under a single transport document. It also provides the common policy framework to further enhance the competency of freight forwarders and multimodal transport operators in the region. In addition, a development study to address the integration of the Logistics Sector had been finalised.

Air Transport. Four Member Countries have designated airlines to implement the liberalised measures under the 2002 ASEAN Memorandum of Understanding (MOU) on Air Freight Services. Various concrete measures were adopted in 2005 to intensify air transport cooperation including: (a) the conclusion of the Protocol to amend the 2002 ASEAN MOU on Air Freight Services to increase tonnage to 250 tons weekly and to expand designated points by 2006; (b) the finalisation of the ASEAN Multilateral Agreement on the Full Liberalisation of Air Freight Services by 2006; (c) the development of an ASEAN Multilateral Agreement on Air Services; (d) the development of a conceptual framework for the establishment of a Single Aviation Market in ASEAN; and (e) the conclusion of the Fifth Package of Commitments on Air Transport Services, expected to be signed at the 12th ATM in 2006. In addition, the Australian-assisted Study on Strategic Directions for ASEAN Airlines in a Globalising World was completed in August 2005.

Maritime Transport. Efforts are underway to finalise the Roadmap towards an Integrated and Competitive Maritime Transport in ASEAN. To further enhance regional maritime safety and security, four projects under the International Maritime Organisation-ASEAN Follow Through Projects are expected to be completed by the middle of 2006. Two ASEAN seaports had been selected

as pilot ports for developing an integrated Port Safety, Health and Environmental Protection Management System as part of the implementation of the German-assisted ASEAN Ports Association's Handling of Dangerous Goods in Selected ASEAN Ports project.



ASEAN and the ADB are working to make the roads in the region safer

Land Transport. US\$ 3.5 million will be mobilised by the Asian Development Bank (ADB) over the next three to five years under the ADB-ASEAN Road Safety Program-Phase II which commenced in early 2006. For greater interoperability, ASEAN agreed to harmonise road signage design and placement for the ASEAN Highway Network. With technical support from Japan, the draft of the ASEAN Intelligent Transport System Policy Framework was further refined and its accompanying Plan of Action was formulated.

Under the Singapore-Kunming Rail Link (SKRL) Project, a feasibility study on the Sai Gon-Loc Ninh missing link in Viet Nam was carried out. The feasibility study on the spur line connecting Nam Tok-Three Pagoda Pass-Thanyuayay (on the Thailand-Myanmar border) is expected to be completed by the Korea International Cooperation Agency by the end of 2006.

Transport partnerships between ASEAN and its Dialogue Partners continued to strengthen:

- **China.** Senior transport officials are finalising a regional maritime transport agreement and a regional passenger and cargo air services arrangement. There have also been joint projects in the areas of inland waterway

improvement, maritime search and rescue, compensation for oil pollution caused by ship, and transport security.

- **Japan.** Under the ASEAN-Japan Transport Partnership Programme, work on transport logistics development and new air navigation systems led to concrete activities and measures for joint implementation.
- **India.** ASEAN and India continued to forge a strong partnership in promoting transport infrastructure integration and facilitation, and in enhancing human resource development in the road, port, inland waterway transport and shipping, railway and air sectors.

ASEAN Tourism Ministers Meeting (M-ATM)

Established : 1998, meets annually

Last meeting : 9th M-ATM, 16 January 2006, Davao

International tourist arrivals in ASEAN numbered more than fifty-one million in 2005, a year-on-year increase of 5 percent. To further enhance inward international and regional tourism, the ASEAN Tourism Ministers have urged the establishment of a single visa and improved land border-check facilities.

The 9th M-ATM endorsed in principle Phase 2 of the Roadmap for Integration of Tourism Sector that includes new measures and proposed strategies to accelerate the integration of tourism services and air travel in ASEAN. The proposed strategies will also address the threat of infectious diseases, unpredictable natural disasters and terrorism as well as strategies to make tourism travel more affordable.

The Visit ASEAN Campaign (VAC)

To jointly promote ASEAN as a single destination, several possible courses of action were identified, for instance: (a) the establishment of ASEAN Tourism Centres as dedicated organisations to promote ASEAN tourism in major international markets similar to the ASEAN-Japan Centre; (b) the promotion of ASEAN tourism through the airline facilities, e.g., pages of in-flight magazines; (c) establishing a common ASEAN area in major international events and trade shows; and (d) the

organisation of joint familiarisation trips for outbound tour operators of major international markets.



Plain of Jars at Xieng Khouang, Lao PDR

ASEAN will also target youth travellers, an important tourism market segment, by creating suitable products such as home stay programmes, student exchange programmes and youth camps. The National Tourism Organisations and the ASEAN Tourism Association have been tasked to catalogue available youth travellers' promotional programmes of Member Countries and Dialogue Partners, and to study the possibilities of creating suitable products such as a Visit ASEAN Pass for youth.

For 2006, support was given by the Ministers for such VAC activities as the production ASEAN posters, the exchange of Audio Video Promotional (AVP) materials among Member Countries, the production of an ASEAN AVP of ASEAN Tourism, and the improvement of the ASEAN tourism website.

Other Activities

Indonesia and Philippines will host the ASEAN Tourism Investment Forum in 2006 and 2007 respectively. The Ministers also decided to formalise the Technical Reference Group in each Member Country as a formal technical committee for the future development of the ASEAN Common Competency Standards for Tourism Professionals. The Task Force on Tourism Manpower Development will be preparing the Mutual Recognition Arrangement for Tourism Professionals for eventual signing in late 2006 or early 2007. In view of the current threat of avian flu, the ASEAN Crisis Communication Team has been urged to quickly put into operation the framework, action plan and manual for crisis communications.

ASEAN Ministers Responsible for Culture and Arts (AMCA)

Established : 2003, meets once in two years
 Last meeting : 2nd AMCA, 3 August 2005, Bangkok

Since the last AMCA, ASEAN continued to enhance its cultural cooperation with its Dialogue Partners in several high profile events.

A joint ASEAN-China cultural and symphony orchestra performance in celebration of the 15th Anniversary of ASEAN-China dialogue relations was held in Siem Reap in Cambodia on 8-9 April 2006. The event drew some 1,500 people consisting of dignitaries from both ASEAN and China, the local population and tourists. Against the backdrop of the historic Angkor Wat, young dancers and musicians showcased all the tradition, richness and versatility of the diverse cultural heritage of ASEAN and China.

ASEAN and Korea also celebrated their 15th Anniversary of dialogue relations and commemorative activities were held throughout 2005-2006, including performances by the ASEAN-Korea Symphony Orchestra in Seoul in September 2005.



ASEAN-China cultural performances staged in Angkor Wat

Member Countries also participated in ASEAN-wide on-going projects with a focus on people-centred activities, especially the youth. The ASEAN Youth Camp, held in Brunei Darussalam in January 2006, remained a popular activity for the youth of ASEAN and now also targets participants from China, Japan and the RoK. The "Art-for-All Towards a Caring Society" project looked at

developing new approaches to art especially for the disabled and disadvantaged children and youth, giving them the opportunity to explore their potential and develop their creative skills. The Inter-ASEAN Youth Stamp Exhibition (Group Category), scheduled to be held in Singapore in 2007, is aimed at encouraging youth and educational institutions in ASEAN to use stamp collections as a learning and educational tool, and to foster closer inter-ASEAN understanding and relationships.

Future activities in the culture sector would include programmes and projects in human resource development in the culture sector and the development of small and medium-sized cultural enterprises in ASEAN. Projects would be tailored towards training courses and the development of rural enterprises and heritage sites that could generate revenue for the particular Member Country.

ASEAN Ministerial Meeting on Disaster Management (AMMDM)

Established : 2004, meets as necessary
 Last meeting : Inaugural AMMDM, 7 December 2004, Phnom Penh

In July 2005, ASEAN Member Countries concluded negotiations and signed the ASEAN Agreement on Disaster Management and Emergency Response (ADMER) at the 38th ASEAN Ministerial Meeting. The Agreement provides a regional comprehensive platform to strengthen preventive, monitoring and mitigation measures to address disasters in the region. Even as the agreement is being ratified, Member Countries have already begun to implement many of the provisions of the agreement. An ASEAN Regional Disaster Emergency Response Simulation Exercise, codenamed ARDEX 05, was held in Selangor, Malaysia, in September 2005. An earthquake scenario was simulated, mobilising the participation of search and rescue teams and light to medium equipment from Malaysia, Singapore and Brunei Darussalam. ARDEX 06, which will simulate a flood disaster scenario, is planned for September 2006 in Phnom Pehn, Cambodia.

When Indonesia was struck by an earthquake on 27 May 2006 that claimed over 5,000 lives and caused extensive damage to property in Jogjakarta and Central Java, several ASEAN Member Countries were the first to respond speedily to the disaster. They brought in search and rescue teams, medical and other emergency supplies. The ASEAN Secretariat in collaboration with the Indonesian authorities coordinated the emergency response efforts within the framework of the ADMER.



ASEAN conducts its first joint disaster simulation exercise

ASEAN has also started formulating standard operating procedures for regional standby arrangements, the mobilisation of military and civilian personnel and assets, and the coordination of joint disaster relief and emergency response operations. A regional inventory of assets and capacities is being compiled based on earmarked assets from Member Countries. Several Member Countries have strengthened their early warning systems, to respond in particular to earthquakes and tsunamis, by installing relevant equipment, and coordination and dissemination mechanisms.

The ASEAN Regional Programme on Disaster Management (ARPD) 2004-2010, continued to be implemented. The focus has been on raising public awareness and fostering community participation, research, disaster information sharing and communication, as well as capacity building and training. Activities are being undertaken to address the identified communications infrastructure gaps and develop disaster-related information content. ASEAN continues to foster collaborative links with many international organisations

and partners especially the Office of the UN High Commissioner for Refugees (UNHCR), UN Office for the Coordination of Humanitarian Affairs (OCHA), the Pacific Disaster Centre and Dialogue Partners such as China and the United States.

ASEAN Education Ministers Meeting (ASED)

Established : 2006, meets annually
 Last meeting : Inaugural ASED, 23 March 2006, Singapore

The inaugural ASED was held on 23 March 2006 in Singapore. Concrete steps were made in articulating the role education plays in promoting a regional identity, creating a feeling of “ASEANness” and contributing to the goals of the ASEAN Socio-Cultural Community. There was recognition that the ASEAN identity is made up of the different socio-cultural identities of the ten Member Countries. In order to strengthen awareness and understanding of ASEAN among the young, existing interactions and exchanges among ASEAN’s students should be deepened, as well as expanded to include more Member Countries. ASEAN could also draw lessons and opportunities from the experiences of Member Countries in managing cultural and racial diversity.

In this context, as the collective entity set up to promote regional education collaboration, the ASED agreed to pursue the following initiatives:

- Strengthen educational resources available to each Member Country in the area of ASEAN studies, with ICT used to develop and update information among the Member Countries;
- Strengthen activities that bring ASEAN students and teachers together, for instance, through ASEAN studies and more people-to-people interactions; and
- Initiate and support a parallel collaborative process among researchers and academics on the role of education in addressing the challenges and opportunities of multi-ethnic societies and the diverse ASEAN Community, in order to better inform ASEAN’s education policy-makers.

With the inaugural ASED, the ASEAN Education Ministers have laid the ground for better coordination among the education entities in the region.

ASEAN Ministerial Meeting on the Environment (AMME)

Established : 1981, meets once in three years, annual informal meetings in between

Last meeting : 9th AMME, 17-18 December 2003, Yangon

At their informal meeting on 27 September 2005, the ASEAN Environment Ministers agreed to the establishment of the ASEAN Centre for Biodiversity (ACB) which would continue the work of the ASEAN Regional Center for Biodiversity Conservation project. The ACB has received substantial financial support from the European Union for the first three years of its operation. The Ministers also agreed to work towards completing the national process for the signing of the ASEAN Framework Agreement on Access and Benefit Sharing with a view to signing it at their 10th Meeting in October 2006.



ASEAN Environment Year 2006 will focus on the region's rich biodiversity

More marine sites are targeted to be nominated as ASEAN Heritage Parks. ASEAN also welcomed national, sub-regional and non-governmental initiatives to conserve areas of biological importance in the region. In this respect, the Heart of Borneo initiative to establish a transboundary network of sanctuaries on the island of Borneo involving Brunei Darussalam, Indonesia and Malaysia, was recognised by the ASEAN Leaders as an

initiative which would play a vital role in protecting the island's biodiversity and major water catchment areas.

The ASEAN-RoK flagship project: Restoration of Degraded Forest Ecosystems in the Southeast Asian Tropical Region (2000-2005) entered its second phase in July 2005 for another three years to further strengthen partnerships in research, capacity building, and sharing of scientific and technical information to ensure sustainable and equitable forest management and rehabilitation of deforested areas.

Initial activities to implement the ASEAN Marine Water Quality Criteria (AMWQC) were conducted with financial support from the ASEAN-Australia Development Cooperation Programme. These included a review of national laws, regulations and standards with a view to harmonisation with the AMWQC; training on analytical, inter-calibration and monitoring technologies; and proposals for inclusion of Arsenic and Zinc parameters in the AMWQC. The adoption of the ASEAN Strategic Plan of Action on Water Resources Management was adopted by the Environment Ministers. The Report on the State of Water Resources Management in ASEAN was also published in 2005.

A web portal for the ASEAN Network on Environmentally Sustainable Cities (ESC) was launched in 2005 (www.aseansec.org/aiesc.htm) while a workshop was held in December 2005 to develop key indicators for Clean Air, Clean Land and Clean Water, as well as to develop criteria for the ASEAN ESC awards.

The ASEAN Environment Year 2006 was launched in Bogor, Indonesia, on 18 May 2006 with the theme "Biodiversity: Our Life, Our Future".

ASEAN Ministerial Meeting on Haze (AMMH)

Established : 1997, meets as the need arises

Last meeting : 11th AMMH, 10 November 2004, Ha Noi

August 2005 saw one of the worst cases of transboundary haze pollution from land and forest fires since the 1997/98 haze episode. This incident prompted, for the first time,

a coordinated regional emergency response to suppress the fires in Indonesia by mobilising personnel, aircraft and equipment from Malaysia and Singapore. Other Member Countries stood ready to provide assistance as needed.

At the 11th Summit in December 2005, the ASEAN Leaders expressed serious concern over the impact of land and forest fires and the resulting transboundary haze pollution that affects the region almost annually. While various measures have been undertaken at the national level and at the regional level (guided by the ASEAN Agreement on Transboundary Haze Pollution), the Leaders recognised the need to further intensify and undertake coordinated action, particularly to address the underlying causes of land and forest fires. Swift and more effective inter-agency collaboration and coordination at the national and regional levels is necessary to deal comprehensively with transboundary haze pollution and its widespread impact.

For speedy and timely response during critical periods of fire and haze, the Environment Ministers have established and adopted the Terms of Reference for the Panel of ASEAN Experts on Fire and Haze Assessment and Coordination. The Panel draws experts from all Member Countries and will be mobilised during potential or impending critical periods. These experts will provide rapid assessment on the ground with a view to giving advice and support to the affected country and to facilitate mobilisation of resources.



Close cooperation among Member Countries will minimise the cross-border impact of forest fires

Preventive, monitoring, and mitigation activities continued to be strengthened under the framework of the ASEAN Agreement on Transboundary Haze Pollution. These include regular dissemination of regional weather forecast and hotspot information; situation reports during critical periods; operationalisation of standard operating procedures for monitoring, assessment and joint emergency response; conduct of simulation exercises to enhance coordination and communication; development of on-line inventory of fire-fighting resources to expedite cross border mobilisation of resources during emergencies; and dissemination of guidelines for zero-burning and controlled burning practices. The ASEAN Peatland Management Strategy, 2006-2020 has been adopted to rehabilitate and sustainably manage the fire-prone peatlands in the region. As part of the strategy, a five-year project on the rehabilitation and sustainable use of peatlands is being developed with financial support from the Global Environment Facility.

ASEAN Health Ministers Meeting (AHMM)

Established : 1980, meets once in two years
 Last meeting : 7th AHMM, 22 April 2004, Penang

ASEAN's focus in the health sector in the past twelve months has been on avian influenza and HIV.

Avian Influenza

Since early 2004, ASEAN health officials and expert/working groups such as the ASEAN Expert Group on Communicable Diseases (AEGCD) have worked to formulate coordinated multi-agency and multi-sectoral approaches to prevent, control, and eradicate avian influenza in the region. Health officials also coordinated prevention efforts closely with their counterparts in the animal health sector. On-going technical meetings devised cooperative measures across sectors and countries.

The human health aspect of avian influenza is monitored by the AEGCD through the ASEAN Plus Three Emerging Infectious Diseases (EID) Programme. Regional coordination mechanisms are in place for information networking, early warning and response, and strengthening the capacity for laboratory diagnosis and

epidemiological surveillance. EID Programme coordinators also liaise with the Task Force on Highly Pathogenic Avian Influenza (HPAI) which was established in October 2004 to deal with controlling the spread of the disease among animals.

ASEAN's Dialogue Partners are also working with ASEAN to address the threat of avian influenza. Australia provides support through the ASEAN Plus Three EID Programme. Japan contributed towards regional pandemic preparedness by providing a regional stockpile of Oseltamivir (Tamiflu) and Personal Protective Equipment (PPE) based in Singapore. ASEAN is also working with WHO to address the human health issues, the FAO and the World Organisation for Animal Health (OIE) for animal health disease control, and with the Asian Development Bank to strengthen cross-sectoral capacities in ASEAN Member Countries.



ASEAN works continuously to combat avian influenza

The ASEAN Secretariat serves as the channel of communication for information exchange and collaboration among ASEAN Member Countries, and with partners in the region and the wider international community.

HIV and AIDS

Since its establishment in 1993, the ASEAN Task Force on AIDS (ATFOA) has implemented two regional work programmes, addressing priorities identified by the ASEAN Leaders in fighting AIDS. In December 2005, the ASEAN Leaders adopted the Strategic Framework for the Third ASEAN Work Programme on HIV and AIDS (AWPIII) for 2006-2010.

The AWPIII strategies provide an integrated regional approach to help Member Countries:

- improve enabling environments for effective responses;
- increase the involvement of people living with HIV in national and regional responses;
- improve leadership in responding to the HIV epidemic, through collaboration with the Joint United Nations Programme on HIV/AIDS (UNAIDS) and the Asia Pacific Leadership Forum on HIV/AIDS; and
- learn from each other in implementing policies and programmes, and thus strengthen inter-country collaboration.

ASEAN's partnership with UNAIDS was also deepened as part of the AWPII implementation and AWPIII development. This led to a Cooperation Agreement between ASEAN and UNAIDS in March 2006, providing a long-term structure for joint activities, and ensuring a stronger ASEAN voice in global decision-making on AIDS. This partnership will also support current work undertaken by ASEAN in coordinating regional follow-up on universal access to HIV prevention, and AIDS treatment, care and support, through existing ASEAN processes; and facilitating recommendations for consideration by the 12th ASEAN Summit Special Session on HIV and AIDS scheduled for December 2006.

Note: To give a distinct area of cooperation for prevention of HIV transmission and treatment of the AIDS disease, ATFOA has adopted a separate use of the terms "HIV" and "AIDS".

ASEAN Ministers Responsible for Information (AMRI)

Established : 1989, meets once in eighteen months
 Last meeting : 8th AMRI, 7-8 October 2004,
 Phnom Penh

Engagement with the media, and journalists specifically, was the mainstay of ASEAN cooperation in the field of information for much of the past twelve months.

The ASEAN Journalists Visit Programme continued to promote ASEAN awareness among the region's media

by inviting the national media of Member Countries to interview ASEAN leaders and policy makers. To groom and engage budding journalists, the first ASEAN Campus Journalists Exchange Programme was held in October 2005. The young campus journalists visited selected historical, cultural and industrial sites in several ASEAN Member Countries to learn more of their collective regional identity and each Member Country's distinct qualities and attributes. More such exchange programmes are planned for the next two years.

Media exchanges with Dialogue Partners continued throughout the year. Several batches of journalists from India visited all the ASEAN Member Countries, focusing on the areas of business, trade and industry. Likewise, the ongoing media exchange programme between ASEAN and the RoK continued into its eighth year in 2005. These exchanges have built new ties and also enhanced the knowledge and understanding among the journalists and media practitioners from ASEAN and its Dialogue Partners.

ASEAN Labour Ministers Meeting (ALMM)

Established : 1975, meets once in two years
after 2004

Last meeting : 19th ALMM, 5 May 2006, Singapore

At the 19th ALMM, the ASEAN Labour Ministers renewed their commitment to realise the ASEAN Community by 2020. Progress had been made in addressing the priority of preparing ASEAN's workforce for regional economic integration. Since the Ministers last met in 2004, the Senior Labour Officials have engaged in dialogue priorities such as social security and protection, facilitating labour mobility in ASEAN, addressing the impact of economic integration on employment, and enhancing tripartite partnerships in industrial relations and workforce employability. A Regional Industrial Relations website had also been launched as a joint initiative of Singapore and Japan.

Recognising that labour cooperation is an integral component of economic and socio-cultural pillars of the ASEAN Community, the ASEAN Labour Ministers agreed to undertake the following:

- Form an Ad Hoc Working Group on Progressive Labour Practices to Enhance Competitiveness of ASEAN, allowing ASEAN's labour policy-makers to share experiences and discuss policies that promote ASEAN as a destination for global investments and businesses;
- Convene an ASEAN Policy Dialogue on National Occupational Safety and Health (OSH) Frameworks and Management to bring together ASEAN government officials, the academe and international experts to discuss pertinent OSH challenges and developments; and
- Develop a human resource planning and labour market monitoring mechanism for the region, as well as an integrated approach to skills development and training to support economic integration, complementing the industry-linked human resource development (HRD) activities under the ASEAN Economic Community.

The ASEAN Occupational Safety and Health Network (ASEAN-OSHNET) continued to play an important role in regional economic integration. Policies and programmes on acceptable OSH standards will continue to be a priority of ASEAN labour cooperation.

ASEAN Ministerial Meeting on Social Welfare and Development (AMMSWD)

Established : 1979, meets once in three years

Last meeting : 5th AMMSWD, 16 December 2004,
Bangkok

ASEAN cooperation in the area of social welfare and development for the past twelve months focused on raising the standard of living of the marginalised and disadvantaged, and reducing the social risks faced by children, women, the elderly and persons with disabilities. These are priorities identified in the VAP.

ASEAN has taken a development perspective rather than a welfare-oriented approach to help mainstream aging issues at the policy and programme-levels. This required inter-sectoral collaboration among the different ministries involved in health care, social welfare, transport, planning and finance.

ASEAN has also worked with the Plus Three countries on aging issues. The first ASEAN Plus Three symposium on aging issues was held in 2005 and served as a forum to share experiences and facilitate opportunities for cross-cultural cooperation among Ministries of Social Welfare and Health. Phase 1 of the ASEAN-RoK Home Care for Older Persons Project, based on the Korean model of volunteer-based home care, has been completed and the project's phase 2 is now underway. The project showed the increasing importance of the community in taking care of the aged, as changes in population structure undermine support from immediate family members.



Volunteers are briefed during a field visit under the ASEAN - RoK Home Care for Older Persons Project

ASEAN priorities for children would now be integrated into the future Framework Work Programme on Social Welfare, Family and Population, an outcome of the Fourth Regional Seminar on Early Child Care and Development (ECCD) held from 19-21 October 2005 in Ha Noi. Healthcare and education in ECCD were recognised as important factors in the holistic care and development of children with monitoring and minimum standards identified as areas where experience and knowledge could be shared through regional collaboration.

Human resource development and capacity building in addressing social welfare and development issues continue to be the mode of ASEAN cooperation in the social sector. Member Countries have opened up national trainings to one another. ASEAN also worked with Dialogue Partners to address shared concerns, for instance, the 3rd ASEAN-Japan High Level Officials Meeting on

Caring Societies held from 29 August to 1 September 2005 under the theme of "Development of Human Resources and Partnerships in Social Welfare and Health".

ASEAN Ministers Meeting on Rural Development and Poverty Eradication (AMRDPE)

Established : 1997, meets once in two years

Last meeting : 4th AMRDPE, 7 October 2004, Singapore

ASEAN has focused on building the capacity of the officials in rural development poverty alleviation administration, identified as a priority in the VAP. This is a way for ASEAN to address the issue of raising the standard of living of the marginalised and disadvantaged groups in the region, and live up to its Millennium Development Goals (MDGs) commitment.

A Regional Workshop on ASEAN Cooperation on Poverty and the MDGs in August 2005 provided ASEAN Member Countries an opportunity to extensively exchange experiences on the MDGs processes. An ASEAN Millennium Development Compact (AMDC) is now being developed, coordinated by the ASEAN Senior Officials on Rural Development and Poverty Eradication. The AMDC aims to help narrow the development gap across and within ASEAN Member Countries. The MDGs would be used as a planning framework and its quantitative targets as a benchmark for reducing the disparities or development gap. ASEAN's cooperation measures on the MDGs, in the context of AMDC, would focus on Goal 1 (Eradicate Extreme Poverty and Hunger). Furthermore, the AMDC could include cooperation measures for realising Goals 2 to 7 of the MDGs, through consultation and close coordination with other existing ASEAN bodies dealing with those goals. These other ASEAN bodies deal with gender equality, labour, health/AIDS, education, social welfare, and the environment.

In 2005, ASEAN supported by the World Bank's Tokyo Development Learning Distance Centre developed learning programmes to build the capacity of government

officials as well as to establish a network of communities of practice in the area of rural development and poverty. The programme was implemented through video conferences on specific topics. Three video conferences on Community-Driven Development, facilitated by resource persons from the World Bank, have been completed.

A Regional Workshop on Rural Development and Poverty Eradication from 19-22 December 2005 was organised to address several suggested activities under the VAP, in particular, the access of rural populations to micro-finance, integrated farming, and low-income housing development.

ASEAN Ministerial Meeting on Youth (AMMY)

Established : 1992, meets once in three years
 Last meeting : 4th AMMY, 3 - 4 September 2003,
 Manila

The VAP calls for increased participation of youth in the productive workforce. This supports the sectoral work by the AMMY and its senior officials in implementing a regional work programme that focuses on preparing the ASEAN youth for sustainable employment and the challenges of globalisation. This work programme was adopted by the 4th AMMY in 2003 and prioritises youth leadership development, promoting regional awareness and civic responsibility, and building the capacity of the youth to take full advantage of ICT and other technological changes in the region.

To advance the AMMY work programme, Malaysia will develop a capacity-building package for senior officials and relevant civil society organisations to effectively address priorities on the regional agenda. Over 2006-2007, ASEAN will prioritise projects in three areas, namely, youth entrepreneurship and employability, youth leadership, and ASEAN awareness. In keeping with AMMY's priority focus, ASEAN Youth Day XII was celebrated in Semarang, Indonesia, from 23-25 August 2005, with the theme, "Sustainability in Promoting Employability of Youth". Eight ASEAN Youth Awards

were presented to awardees from Brunei Darussalam, Cambodia, China, Indonesia, Myanmar, Philippines, Singapore and Viet Nam.

The Plus Three countries have also been invited to join ASEAN in addressing these areas. Youth exchange programmes with each of the Plus Three countries have done much to deepen regional identity and awareness among the youth of ASEAN and East Asia and these programmes will continue. One such activity was the ASEAN Plus China, Japan and Korea (10 + 3) Youth Forum on Friendship and Cooperation held from 26 September to 1 October 2005, organised by the All-China Youth Federation. The ASEAN Plus Three Seminar on Urban Youth Work III, which was conducted in July 2005 in Singapore on a cost-sharing basis, was another such activity.

Future youth cooperation programmes between ASEAN and China will focus on youth leadership and youth entrepreneurship skills while Japan will develop joint activities that address youth employability and juvenile delinquency. The RoK will include all the ten ASEAN Member Countries in its new "Asia Youth Friendship Project".

For ASEAN's own action agenda, the different ASEAN bodies dealing with promoting regional awareness among the youth will be working together to ensure that future initiatives are in sync with the current popular culture of the youth in order to better engage them.



ASEAN activities encourage youth networking

