UNCTAD workshop on
Recognition of qualifications to facilitate movement of natural persons
Co-organized by UNCTAD-ACP Secretariat
Geneva, 3 May 2019

Few observations on ASEANs MRA regime and how it links to trade in services
by
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Labour Mobility and Human Development Division
International Organization of Migration
FEW OBSERVATIONS ON ASEANs MRA REGIME AND ITS LINKS TO TRADE

Deepali Fernandes
IOM, Senior Migration and Economic Development Specialist
UNCTAD WORKSHOP ON REAPING THE DEVELOPMENT BENEFITS FROM TRADE IN SERVICES THROUGH MODE 4
Palais Des Nations,
Geneva, 3 May, 2019
OUTLINE

• Economic Snapshot
  • ASEAN as a region, ASEAN Trade in Services

• Overview of ASEAN MRAs
  • Features and Progress made, Barriers
  • Trade in Services Commitments and MRA interlinkages

• Considerations

• Holistic Picture Observations
Snapshot of ASEAN Economic Community

- established 1967, 10 members, Indonesia, Thailand, Singapore, Malaysia, Philippines, Vietnam, Brunei, Cambodia, Myanmar, Laos
  - RCEPs with Korea, China, India, NZ, Australia and Japan
- dynamic economic growth of goods but also services
  - collectively predicted to be 4th largest by 2050 (Mckinseys)
- market size of 650 million people ➔ significant portion of young labour force
- Skills shortages, skills mismatches
  - concern for of businesses and govts
Snapshot of ASEAN: Trade in Services

- Services account for 50.9% of total GDP (ASEANstats 2018)
- Key sectors travel, transport and other business services
  - Tourism crucial for all ASEAN
- Nearly 7.1% of ASEAN labour force is skilled migrants eg. Professionals, managers
- Skilled movement: BV, ICTs
OVERVIEW OF SELECT ASEAN AGREEMENTS RELATED TO MRAS

1992 AFTA

1995 AFAS

AIA

1996- Ongoing ASEAN Packages on Services Negotiations – 10 Packages

2005-2012 9 ASEAN MRAs

2014 AQRF

2015 ASEAN Agreement on Movement of Natural Persons

2016 AEC Blueprint 2025
<table>
<thead>
<tr>
<th>MRA CONCLUDED</th>
<th>DATE CONCLUDED</th>
<th>MODE OF IMPLEMENTATION</th>
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</thead>
<tbody>
<tr>
<td>Engineering</td>
<td>December 9, 2005</td>
<td>ASEAN Registration</td>
</tr>
<tr>
<td>Architecture</td>
<td>November 19, 2007</td>
<td>ASEAN Registration</td>
</tr>
<tr>
<td>Framework Agreement on Surveyors Qualifications</td>
<td>November 19, 2007</td>
<td>MRA</td>
</tr>
<tr>
<td>Accountancy</td>
<td>February, 26, 2009 and November 13, 2014</td>
<td>MRA</td>
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<tr>
<td>Nursing</td>
<td>December 8, 2006</td>
<td>Bilateral Registration</td>
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<tr>
<td>Dental Practioners</td>
<td>February, 26, 2009</td>
<td>Bilateral Registration</td>
</tr>
<tr>
<td>Medical Practioners</td>
<td>February, 26, 2009</td>
<td>Bilateral Registration</td>
</tr>
<tr>
<td>Tourism Professionals</td>
<td>9 November 2012</td>
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</table>
Generic Overview of MRAs

• Purpose: Support ASEAN trade in services and goods integration through movement of professionals in key sectors

• Objectives in MRAs: facilitate mobility of professionals within ASEAN, exchange information and expertise on standards and qualifications, promote adoption of best practices on professional services, provide opportunities for capacity building and training of professionals

• Long, complex process but much expectation:
  • Can MRAs facilitate hiring of ASEAN professionals in the region – 90% yes (ADBI Survey)
  • Estimated that ASEAN MRAs could involve approx. 1.5% of working population of ASEAN if those eligible use them (MPI and IOM 2014)

• Bolstered by the MNP agreement and the AQRF
MRA on Dental, Medical, Nursing: Features and Progress

- Bilateral recognition
- Purpose to improve transparency and encourage benchmarking
- Focus on (i) information exchange eg. registration/licensing procedures (ii) identifying areas to facilitate further mobility, safety and post care
MRA on Accountancy, Architecture Engineering: Features and Progress

- Regional registration
- Registration of 2,552 engineers and 417 architects (ASEAN Sec. 2017)
- Time to set up the process – 6 years and ongoing
- Average timeline
  - Submission of notification of participation – 2 years
  - Creation of monitoring committees, assessment statements for recognition – 3 years
  - Commence registration of engineers in MRA system -1 year
- Malaysia and Singapore have completed all steps

Source: ADBI, MPI ASEAN MRAs on professional services, 2017
MRA on Accountancy, Architecture and Engineering: Operationalization

**Figure 5: Steps for ASEAN Members States to Fully Implement Mutual Recognition Arrangements on Accountancy, Architecture, and Engineering Services**

- **Country of Origin Level**
  - (1) Submit “notification of participation”
  - (2) Prepare and submit “assessment statement”
  - (3) Screen domestic applicants based on assessment statement
  - (4) Approve domestic applicants

- **ASEAN Level**
  - (5) Seek approval of domestic applicants to the AAC, ACPECC, and ACPACC during regional meetings

- **Country of Destination Level**
  - (6) Establish a system to review and register ACPE, AA, and ACPA
  - (7) Screen ACPE, AA, and ACPA applicants
  - (8) Approve ACPE, AA, and ACPA applicants as ASEAN foreign registered professionals
  - (9) Monitor ASEAN registered professionals in compliance with local codes

**Sources:** ASEAN, “ASEAN Mutual Recognition Arrangement on Engineering Services;” ASEAN, “ASEAN Mutual Recognition Arrangement on Architectural Services;” ASEAN, “ASEAN Mutual Recognition Arrangement on Accountancy Services.”
<table>
<thead>
<tr>
<th>Eligibility Criteria to be admitted as an ASEAN Architect or Engineer</th>
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<tbody>
<tr>
<td><strong>ASEAN MRA Architectural Services</strong></td>
<td><strong>ASEAN MRA Engineering Services</strong></td>
</tr>
<tr>
<td><strong>Education:</strong> accredited architectural degree in Country of Origin or Host Country or equivalent. Period of education not less than five 5 years, full-time in an accredited/validated university in Country of Origin</td>
<td>accredited engineering degree/program the Country of Origin or Host Country or equivalent</td>
</tr>
<tr>
<td><strong>Registration/License:</strong> current and valid professional registration to practice in Country of Origin issued by the Professional Regulatory Authority in accordance with its policy on registration/licensing/certification of the practice of architecture or the Monitoring Committee</td>
<td>Registration/License: Professionals assessed within their jurisdiction as eligible for independent practice. Assessment may be undertaken by the Monitoring Committee or by the Professional Regulatory Authority in country of origin.</td>
</tr>
<tr>
<td><strong>Work Experience:</strong> not less than 10 years of continuous practice of architecture after graduation, of which at least 5 years after registration and at least 2 years in responsible charge of significant architectural works.</td>
<td>Work Experience: minimum of 7 years of experience (since graduation), of which at least two (2) years shall be in responsible charge of significant engineering works.</td>
</tr>
<tr>
<td><strong>Training:</strong> Complied with the Continuing Professional Development policy</td>
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<tr>
<td><strong>Ethical standard:</strong> Obtained certification from the Professional Regulatory Authority of the Country of Origin, no record of serious violation on technical, professional, or ethical standards</td>
<td>Code of conduct and accountability: Must agree to be bound by local and international codes of professional conduct.</td>
</tr>
<tr>
<td><strong>Other requirements:</strong> any other of the ASEAN Architect Council</td>
<td>Other requirements: any of the ASEAN Chartered Professional Engineers.</td>
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</tbody>
</table>

MRA on Tourism Professionals: Features and Progress

- 6 areas: front office, housekeeping, food production, food and beverage services (for hotel services), travel agency, and tour operations. Nearly 32 professions.

- Different approach ➔ instead of formal regulation, competency standards, curriculum

- Requires valid tourism competency certificate in agreed job titles issued by Tourism Professional Certification Board of AMS
<table>
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<tr>
<th>Examples of Potential Barriers to ASEAN Professional Movements linked to ASEAN MRAs- IOM Report Forthcoming 2019- Initial Findings DRAFT</th>
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<tr>
<td><strong>Labour market Test</strong></td>
</tr>
<tr>
<td><strong>Restrictions on employment in certain sectors or occupations</strong></td>
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<tr>
<td><strong>Quotas on foreign workers based on nationality</strong></td>
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<tr>
<td><strong>Is a job offer a requirement for entry</strong></td>
</tr>
<tr>
<td><strong>Language requirements</strong></td>
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<td><strong>Restrictions on duration of stay</strong></td>
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<td><strong>Implementing MRAs and AQRF</strong></td>
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</tbody>
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Source: IOM Bangkok Report (Forthcoming 2019): A comparative analysis of Legislation and Policies in ASEAN member states on skilled Migration. The report is based on questionnaires sent to AMS labour and government officials relating to skilled workers. It covers elements of information, existing agreements, challenges encountered, future regulatory and policy changes. The report also maps available legislation and regulation of 10 AMS affecting intra ASEAN labour flows.
A word on the MNP and AQRF

**AMNP**
- covers all services sectors
- comprehensive agreement providing for movement of ICT, CSS, BVs as per schedules of commitments
- stipulates provisions of liberalization and procedural improvement eg. Increased visa transparency

**AQRF**
- Voluntary common reference framework to facilitate comparison of qualifications in all education and training sectors across AMS
- Supports and enhances National Qualification Framework to facilitate comparison, transparency and higher quality qualifications systems, no mandatory changes
Considerations

• MRAs are living documents: signing is first step, implementation follows
  • Alignment of domestic regulation with ASEAN MRAs, some cases domestic regulation is more liberal
  • Institutions to be set up or ratcheted up

• Concern of double recognition

• Operationalization of MRAs
  • Dissemination of information to stakeholders particularly private sector

• Degree of subjectivity – good to have clear regional guidelines

• Continuous political will and end target being AEC in mind
### Holistic Picture Observations

<table>
<thead>
<tr>
<th>Labour market assessment</th>
<th>Skilling and Education Needs</th>
<th>Trade Arena</th>
<th>MRAs</th>
<th>Development implications</th>
</tr>
</thead>
<tbody>
<tr>
<td>• LMIS mapping of existing and future needs at national level</td>
<td>• Skilling for current and future needs</td>
<td>• Key export sectors &amp; MRA</td>
<td>• National/regional legislation, institutions</td>
<td>• Job creation, poverty and inequality implications</td>
</tr>
<tr>
<td>• Information portal</td>
<td>• Global Skills Partnership: ILO, IOM, UNESCO</td>
<td>• Interlinkages to modes, markets</td>
<td>• Regional information portal</td>
<td>• International frameworks eg. SDGs</td>
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<tr>
<td></td>
<td></td>
<td>• GVCs</td>
<td>• Monitoring</td>
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Thank you for your attention!

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