

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

Ms. Deepali Fernandes

Senior Migration and Economic Development Specialist

Labour Mobility and Human Development Division

International Organization of Migration



UNITED NATIONS
UNCTAD



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

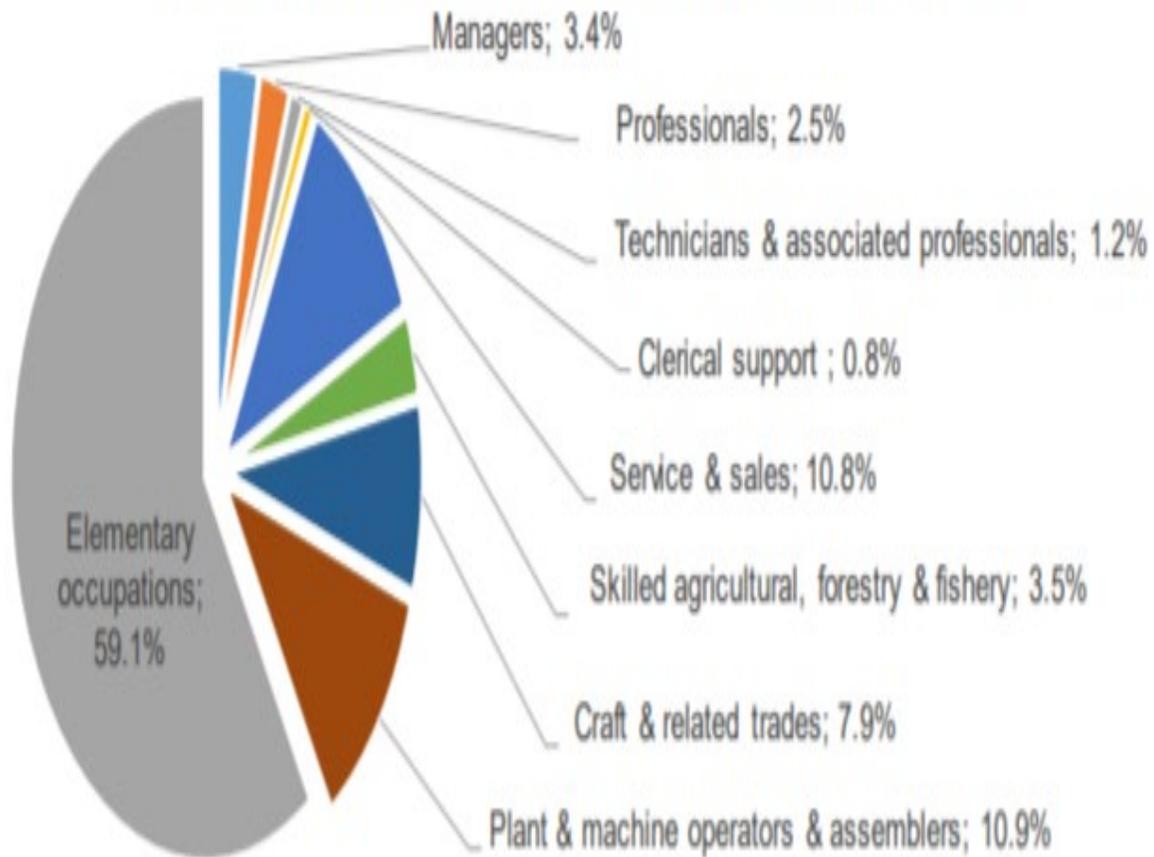
- Economic Snapshot
 - ASEAN as a region, ASEAN Trade in Services
- Overview of ASEAN MRAs
 - Features and Progress made, Barriers
 - Trade in Services Commitments and MRA interlinkages
- Considerations
- Holistic Picture Observations

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

Share of Employed Migrants in ASEAN by Occupation, 2014



Source: ASEAN Secretariat analysis based on ILO's International Labour Migration Statistics Database in ASEAN, Version IV (June 2016)

- Services account for 50.9% of total GDP (ASEANstats 2018)
- Key sectors travel, transport and other business services
 - Tourism crucial for all ASEAN
- Key export interests: Thailand: health, Philippines: ITES, Singapore: finance, logistics, Malaysia: education
- 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**

2016 **ASEAN
Agreement on
Movement of
Natural
Persons**

2015
**AEC Blueprint
2025**

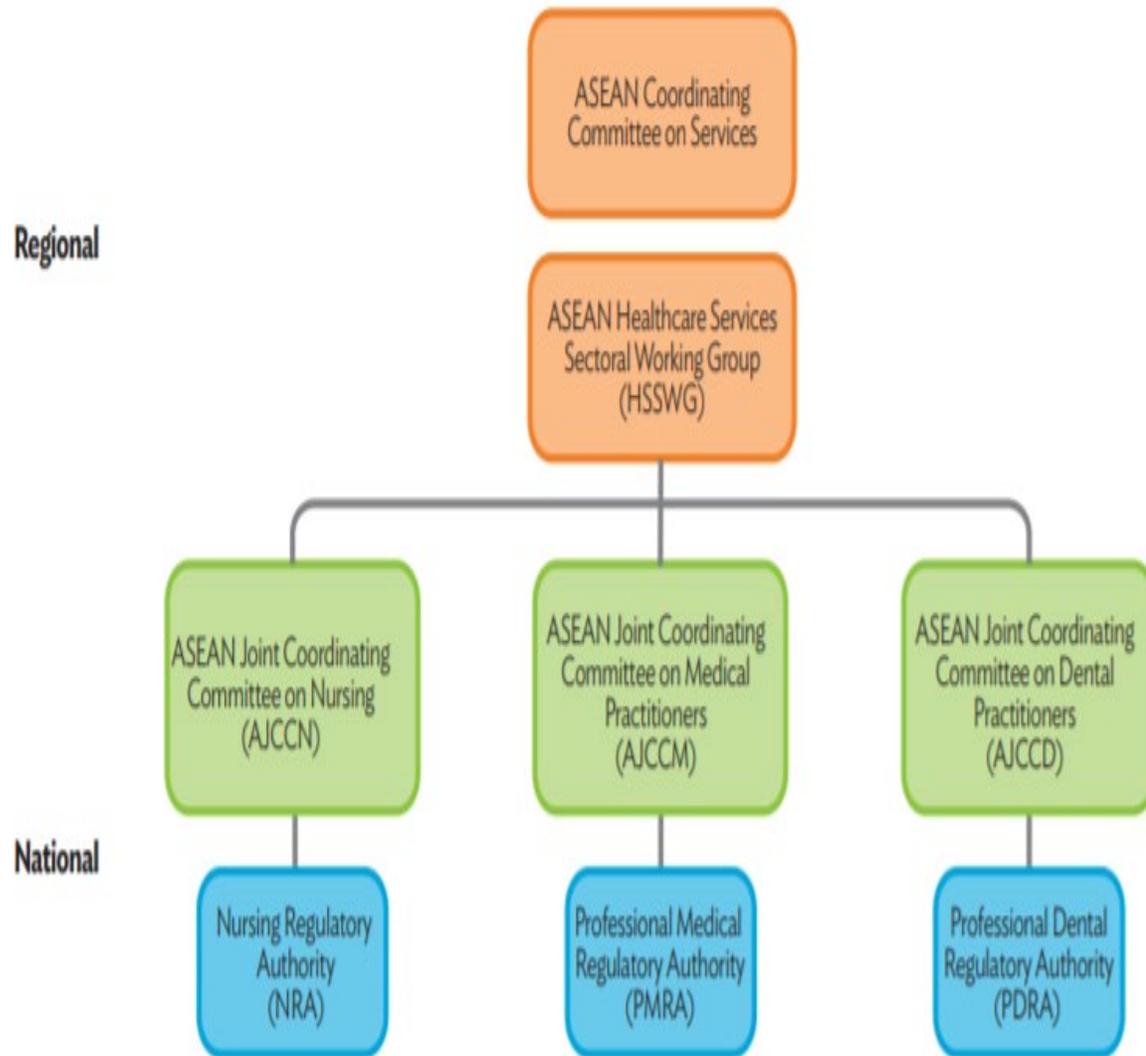
TABLE: OVERVIEW OF ASEAN MRAs AND DATES CONCLUDED

MRA CONCLUDED	DATE CONCLUDED	MODE OF IMPLEMENTATION
Engineering	December 9, 2005	ASEAN Registration
Architecture	November 19, 2007	ASEAN Registration
Framework Agreement on Surveyors Qualifications	November 19, 2007	MRA
Accountancy	February, 26, 2009 and November 13, 2014	MRA
Nursing	December 8, 2006	Bilateral Registration
Dental Practitioners	February, 26, 2009	Bilateral Registration
Medical Practitioners	February, 26, 2009	Bilateral Registration
Tourism Professionals	9 November 2012	

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 (ADB 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 AQR

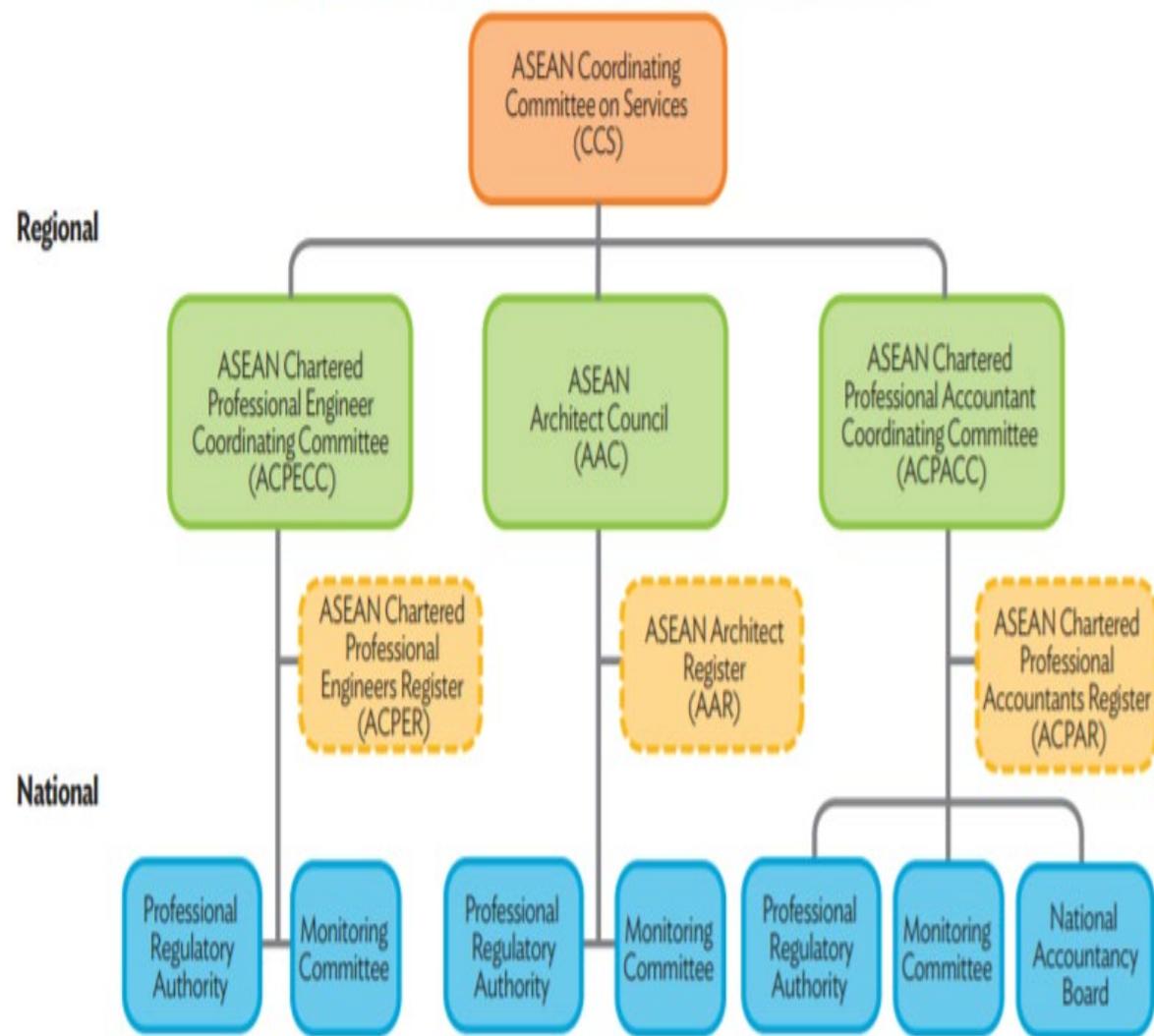
Figure 2: Implementing Structure of the Mutual Recognition Arrangements on Dental, Medical, and Nursing Services



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

Figure 3: Implementing Structure of the Mutual Recognition Arrangements on Accountancy, Architecture, and Engineering Services



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."

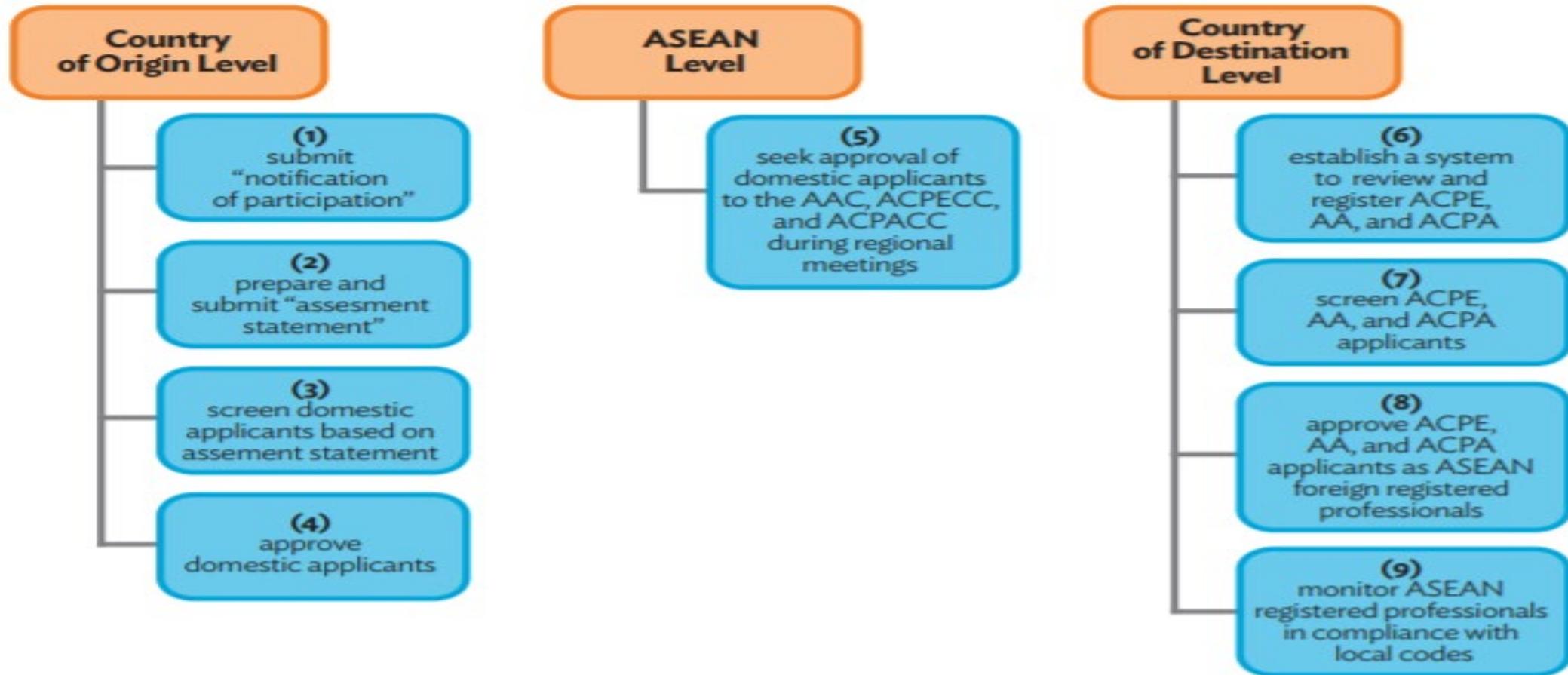
MRA on Accountancy, Architecture Engineering: Features and Progress

- 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

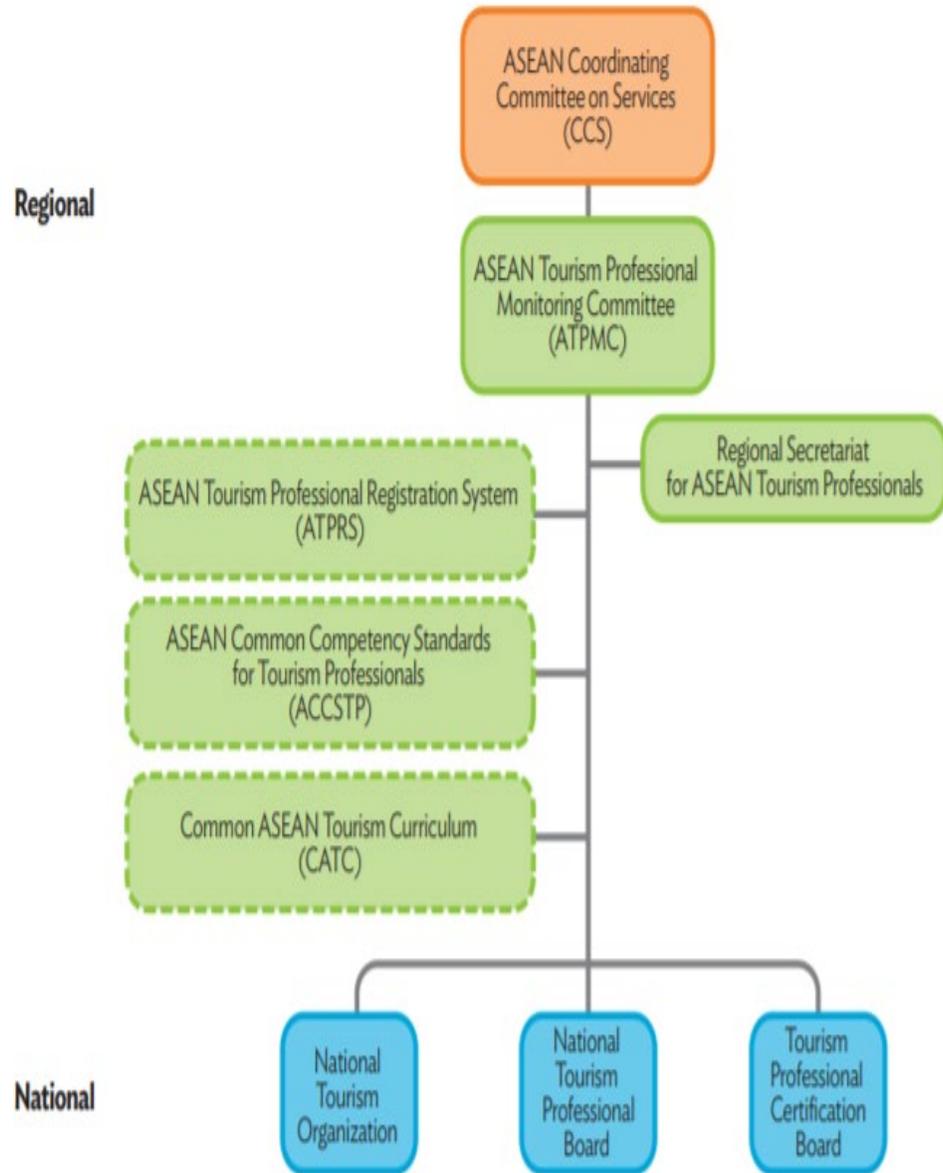
Figure 5: Steps for ASEAN Members States to Fully Implement Mutual Recognition Arrangements on Accountancy, Architecture, and Engineering Services



Eligibility Criteria to be admitted as an ASEAN Architect or Engineer

ASEAN MRA Architectural Services	ASEAN MRA Engineering Services
Education: 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	accredited engineering degree/program the Country of Origin or Host Country or equivalent
Registration/License: 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	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.
Work Experience: 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.	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.
Training: Complied with the Continuing Professional Development policy	Training: Complied with the Continuing Professional Development policy
Ethical standard: Obtained certification from the Professional Regulatory Authority of the Country of Origin, no record of serious violation on technical, professional, or ethical standards	Code of conduct and accountability: Must agree to be bound by local and international codes of professional conduct.
Other requirements: any other of the ASEAN Architect Council.	Other requirements: any of the ASEAN Chartered Professional Engineers.

Figure 4: Implementing Structure of the Mutual Recognition Arrangement on Tourism Professionals



Source: ASEAN, "ASEAN Mutual Recognition Arrangement on Tourism Professionals."

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

Examples of Potential Barriers to ASEAN Professional Movements linked to ASEAN MRAs- IOM Report Forthcoming 2019- Initial Findings DRAFT

Labour market Test	Yes for all AMS with differences ranging from advertisement, foreign worker utilization plan, disclose plan to reduce reliance on foreign workers train national workers, proof of attempt to find local candidates eg. Interviews, inclusion in law to prioritize nationals
Restrictions on employment in certain sectors or occupations	Cap of 6% on foreign specialized employees/workers
Quotas on foreign workers based on nationality	6 have no explicit restrictions, some countries do utilize some kind of quotas, however all nationals from AMS allowed visa exemptions for short term visits with variations in duration
Is a job offer a requirement for entry	9 AMS require a valid offer of employment before admission of foreign workers
Language requirements	Does not seem to be required by law for entry
Restrictions on duration of stay	6 countries with restrictions, however potential for renewal in most cases
Implementing MRAs and AQR	Lack of resources to disseminate information, complexity of regulations, insufficient stakeholder interest

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

Labour market assesment

- LMIS mapping of existing and future needs at national level
- Information portal

Skilling and Education Needs

- Skilling for current and future needs
- Global Skills Partnership: ILO, IOM, UNESCO

Trade Arena

- Key export sectors & MRA
- Interlinkages to modes, markets
- GVCs
- Private sector

MRAs

- National/regional legislation, institutions
- Regional information portal
- Monitoring
- International standards

Development implications

- Job creation, poverty and inequality implications
- International frameworks eg. SDGs

Thank you for your attention!



Dfernandes@iom.int