

3. Each Member State shall answer within sixty (60) days all reasonable enquiries from another Member State with regard to the criteria employed by its respective licensing authorities in granting or denying import licences. The importing Member State shall also consider publication of such criteria.

4. Elements in non-automatic import licensing procedures that are found to be impeding trade shall be identified, with a view to remove such barriers, and to the extent possible work towards automatic import licensing procedures.

CHAPTER 5 TRADE FACILITATION

Article 45

Work Programme on Trade Facilitation and its Objectives

1. Member States shall develop and implement a comprehensive ASEAN Trade Facilitation Work Programme, which sets out all concrete actions and measures with clear targets and timelines of implementation necessary for creating a consistent, transparent, and predictable environment for international trade transactions that increases trading opportunities and help businesses, including small and medium sized enterprises (SMEs), to save time and reduce costs.

2. The ASEAN Trade Facilitation Work Programme shall set out actions and measures to be implemented at both ASEAN and national levels.

Article 46

Scope of the ASEAN Trade Facilitation Work Programme

The ASEAN Trade Facilitation Work Programme referred to in Article 45 shall cover the areas of customs procedures, trade regulations and procedures, standards and conformance, sanitary and phytosanitary measures, ASEAN Single Window and other areas as identified by the AFTA Council.

Article 47

Principles on Trade Facilitation

Member States shall be guided by the following principles in relation to trade facilitation measures and initiatives at both ASEAN and national levels:

- (a) **Transparency:** Information on policies, laws, regulations, administrative rulings, licensing, certification, qualification and registration requirements, technical regulations, standards, guidelines, procedures and practices relating to trade in goods (hereinafter referred to as “rules and procedures relating to trade”) to be made available to all interested parties, consistently and in a timely manner at no cost or a reasonable cost;
- (b) **Communications and Consultations:** The authorities shall endeavour to facilitate and promote effective mechanisms for exchanges with the business and trading community, including opportunities for consultation when formulating, implementing and reviewing rules and procedures relating to trade;
- (c) **Simplification, practicability and efficiency:** Rules and procedures relating to trade to be simplified to ensure that they are no more burdensome or restrictive than necessary to achieve their legitimate objectives;
- (d) **Non-discrimination:** Rules and procedures relating to trade to be applied in a non-discriminatory manner and be based on market principles;
- (e) **Consistency and predictability:** Rules and procedures relating to trade to be applied in a consistent, predictable and uniform manner so as to minimise uncertainty to the trade and trade related parties. Rules and procedures relating to trade to provide clear and precise procedural guidance to the appropriate authorities with standard policies and operating procedures and be applied in a non-discretionary manner;
- (f) **Harmonisation, standardisation and recognition:** While accepting the need of each Member State to regulate or set rules for legitimate objectives such as protection of health, safety or public morals and conservation of exhaustible natural resources, regulations, rules and

procedures affecting the acceptance of goods between Member States to be harmonised as far as possible on the basis of international standards where appropriate. The development of mutual recognition arrangements for standards and conformity assessment results, and continuing co-operation on technical infrastructure development, are encouraged;

- (g) Modernisation and use of new technology: Rules and procedures relating to trade to be reviewed and updated if necessary, taking into account changed circumstances, including new information and new business practices, and based on the adoption, where appropriate, of modern techniques and new technology. Where new technology is used, relevant authorities shall make best efforts to spread the accompanying benefits to all parties through ensuring the openness of the information on the adopted technologies and extending co-operation to authorities of other economies and the private sector in establishing inter-operability and/or inter-connectivity of the technologies;
- (h) Due process: Access to adequate legal appeal procedures, adding greater certainty to trade transactions, in accordance with the applicable laws of Member States; and
- (i) Co-operation: Member States shall strive to work closely with private sector in the introduction of measures conducive to trade facilitation, including by open channels of communication and co-operation between both governments and business. Member States shall continue to work in partnership to focus on opportunities for increased co-operation including integrated technical assistance and capacity-building; exchanges of best practices critical to implementing trade facilitation initiatives and the co-ordination of positions concerning topics of common interest discussed in the framework of regional and international organisations.

Article 48

Progress Monitoring of Trade Facilitation

1. Member States, individually and collectively, shall undertake assessments once in every two (2) years, on implementation of the trade facilitation measures set out in this Agreement and in the ASEAN

Trade Facilitation Work Programme to ensure effective implementation of trade facilitation measures. For this purpose, an ASEAN Trade Facilitation Framework shall be agreed by Member States within six (6) months after entry into force of this Agreement, to serve as a guideline to further enhance trade facilitation in ASEAN.

2. The ASEAN Work Programme on Trade Facilitation shall be reviewed based on the results of the regular assessment pursuant to paragraph 1 of this Article. The ASEAN Trade Facilitation Work Programme and the ASEAN Trade Facilitation Framework and any revisions thereto shall be administratively annexed to this Agreement and serve as an integral part of this Agreement.

Article 49

Establishment of the ASEAN Single Window

Member States shall undertake necessary measures to establish and operate their respective National Single Windows and the ASEAN Single Window in accordance with the provisions of the *Agreement to Establish and Implement the ASEAN Single Window* and the *Protocol to Establish and Implement the ASEAN Single Window*.

Article 50

Implementation Arrangement

1. The progress in the implementation of the ASEAN Work Programme on Trade Facilitation and the outcomes of its assessment shall be reported to the AFTA Council. The SEOM, assisted by the CCA, shall be the main co-ordinator in monitoring the progress of the implementation of the ASEAN Work Programme on Trade Facilitation, in close co-ordination with the various ASEAN Committees in charge of the implementation of the measures under the Work Programme.

2. Each Member State shall establish a Trade Facilitation Co-ordinating Committee or relevant focal point at the national level.

CHAPTER 6

CUSTOMS

Article 51

Objectives

The objectives of this Chapter are to: