

Session on Non Tariff Measures and Barriers

by Gil L. Gonzales, Exec. Director of ASEAN BAC

Dialogue: Parliamentarians Supporting the “Quiet Revolution” for Better Regulatory Governance

19-20 Fairmont Jakarta Hotel, Indonesia



AEC Must Anticipate and Respond to Megatrends

SIMON TAY

Chairman of the Singapore Institute of International Affairs

- ASEAN now aims to become a global player; but this will not be easy.
- Must anticipate and respond to 3 global megatrends:
 - 1) upsurge of populism and anti-globalisation in national politics;
 - 2) shifts in geo-politics and geo-economics. China competition play vs US/Japan. ASEAN promotes multilateral dialogue and builds trust;
 - 3) Impact of Technology - robotics, artificial intelligence, the Internet of Things will transform sectors, value chains, and social patterns (4IR).



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How can ASEAN best respond to these megatrends?

- Work together – unity and cooperation re-emphasized
- Move towards higher levels in region-wide diplomacy, economic integration and cooperation on social policy.
- AEC must make life better for the wide majority of ASEAN peoples thru:
 - MSMEs integration into global and regional value chains;
 - Workers have better prospect of better jobs and upgraded skills;
 - Vulnerable peoples' protection across borders – including undocumented workers.
- AEC can show a “human face” and secure broader social support for economic integration

DRIVERS

Parliamentarians/
Enablers

Mega
Trends



Business/
Risk Takers

ASEAN BAC/
Noise Makers



Hasten
economic
integration.

MSME GVC/
RVC integration.

Creates more
entrepreneurs,
more jobs.

Attain higher
and inclusive
growth.....
prosperity for
all.

DRIVERS

Parliamentarians/
Enablers

- Mind Set
Good Economics = Good Politics vs
Political Suicide
- Machinery & Muscle
Governance = Leadership

Business/
Risk Takers

- Lost Time & Opportunities. All
translate to COSTS
- Will take risks but strained. No ease
of doing business.
- Like driving a Toyota sedan in an F1
Grand Prix.



The complexity of it all..... Having an effective handle on NTMs/NTBs.

- Which NTMs are legit/sacred/appropriate for a developed/developing economy?
- Which NTMs are absurd/protection driven?
- Who has authority to declare and label as such?
- Where is and who has the best practice?
- Where are the quick wins with high impact?
Targets/milestones?
- At national levels...what are we waiting for ?
- When do we talk of integration?

The Ice Cream Story (sampled by ERIA):

- There are 109 NTMs total across ASEAN. Lowest is Cambodia with only 1. Highest is Vietnam with 28, Thailand with 25.
- There are 42 TBTs total. Lowest is Brunei with only 2 while Vietnam and Thailand has 8 each.
- There are 21 Export Measures: Philippines with 8 as highest, some with Zeros.
- Excludes Pre-shipment inspection measures, price and quantitative control measures, others.

Replicating the process PER PRODUCT!!!

- Start to Identify the most common NTMs across
- list down the steps/procedures in acquiring each NTM and put a price tag on it
- Find out which has least steps and least costs and use as benchmark
- Press governments to eliminate those identified as “non-best practice” , protective and unnecessary cost for trade.

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THANK YOU

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