

Chapter 3

The Harmonization of Standards in the ASEAN

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- Rubber-based products – Rubber-based Product Working Group (RBPWG)
- Traditional medicine and health supplements – Traditional Medicine & Health Supplement Product Working Group (TMHSPWG)

Under WG1, there are two task force groups – one is on building and construction (Task Force on Building and Construction [TFBC]), and the other is on wood-based products (Task Force on Wood-based Products [TFWBP]).

A Product Working Group (PWG) and a Task Force (TF) are substantially the same since they are able to achieve the same goals of discussing the harmonization of sectoral standards and establishment of MRAs. Their difference is that a PWG has reached the level of support and investment from ASEAN member states that warrants the independence of a dedicated body, while a TF usually means that the subject under its purview has yet to achieve a critical level of interest (see Appendix A for the ASEAN structure for standards and conformance, and Appendix B for a summary of the WGs and PWGs, and the responsibilities of each entity).

3. The Harmonization of Standards in the ASEAN

The ASEAN does not formulate its own standards. To ensure economic integration within the ASEAN, and the compatibility of ASEAN-origin products with international markets, the member states agree to adopt certain international standards for products of interest as national standards. Through this approach, the ASEAN aims to avoid conflict in the national standards among all member states, such that these do not become an impediment to trade.

During the harmonization exercise, the national standards bodies in ASEAN or appointed standards development agencies would need to adopt agreed upon international standards (ISO, IEC, etc.) as national standards. In the event they do not adopt any of the identified international standards as their national standards, they would then accept the direct use of these international standards. Harmonising existing national standards and adopting international standards into new national standards is based on the ISO/IEC Guide21 'Adoption of International Standards as Regional or National Standards' or its latest edition (ASEAN, 2005b).

Harmonising the standards to international standards, with standards being essentially voluntary, may be considered relatively easier to undertake than harmonizing the technical regulations, which are mandatory in nature, unless the standards become part of technical regulations. However, if an ASEAN member state needs to modify an international standard prior to adopting it, such member states should ensure that the modification is not prepared and adopted with a view to or with the effect of creating unnecessary TBTs, and should not be more restrictive than necessary to fulfil legitimate objectives. The member state would also endeavour to ensure an easy comparison of the content and structure of its national standards with the referenced international standards and to provide information to explain the reason for such modifications (ASEAN, 2005b).

On conformity assessment procedures, ASEAN member states agreed under the ATIGA to adopt procedures that are consistent with international standards and practices. In instances where they cannot achieve such procedures due to differences in legitimate public policy objectives such as the protection of health, safety, or the environment, ASEAN member states agree to minimise the differences of conformity assessment procedures as far as possible. Conformity assessment procedures imposed by an ASEAN member state should also not be more stringent on suppliers of products originating in the territories of other member states than those on domestic suppliers of similar products. For MRAs, ASEAN member states should accept the results of conformity assessment produced by CABs designated by other member states in accordance with the provisions of the ASEAN Framework Agreement on Mutual Recognition Arrangements and the provisions of the respective ASEAN Sectoral MRAs in all regulated areas.

Notably, the harmonization of standards and development of MRAs are focused on ASEAN's 11 Priority Integration Sectors as identified in the ASEAN Framework Agreement for the Integration of Priority Sectors, namely (i) agro-based products, (ii) air travel, (iii) automotive, (iv) e-ASEAN, (v) electronics, (vi) fisheries, (vii) healthcare, (viii) rubber-based products, (ix) textiles and apparels, (x) tourism, and (xi) wood-based products.⁷ This focus is in line with provisions in the ASEAN Policy Guideline on Standards and Conformance that ASEAN member states should give special attention to implement all standards, technical regulations, and conformity assessment measures as stated in the Bali Concord II, the Recommendation of the High-Level Task Force on ASEAN Economic Integration, and the documents for fast-track integration of the priority sectors, including the ASEAN Framework Agreement for the Integration of Priority Sectors, its protocols, and road maps.

According to discussions with national standards body representatives, the process to identify certain standards for harmonization within each Priority Integration Sectors is based on several criteria, namely (i) the volume of intra-ASEAN trade affected, (ii) the existence and extent of TBTs, (iii) the readiness of technical infrastructure in the majority of ASEAN member states, and (iv) the interest of the majority of ASEAN member states. The discussion to adopt a standard for harmonization generally begins at the PWG level, after which the relevant PWG will forward its decision to the ACCSQ for endorsement prior to submission to the Senior Economic Official Meeting or to the ASEAN Economic Ministers for adoption.

More crucially, the adoption of international standards is equally critical for ASEAN's external trade as it is for intra-ASEAN trade so that the products could compete at an international level. As international standards define the characteristics that products and services have to meet in export markets, these help developing countries take part fairly and competitively in international trade. Demonstrating compliance with such standards and achieving certification would be useful in establishing the credibility and reputation of ASEAN exports in the international market. As ASEAN industries continue to grow and develop, these can use

⁷ASEAN member states signed the ASEAN Framework Agreement for the Integration of Priority Sectors on 29 November 2004.

international standards as basis for developing new products and services, supporting their acceptance in new markets, or even creating new markets (ISO, 2014).

4. Evaluating Sector-Specific Developments

This paper examines the regional framework and developments for the following six sectors: (i) automotive, (ii) cosmetics, (iii) electrical and electronic equipment, (iv) medical devices, (v) rubber-based products, and (vi) wood-based products. This is followed by a review of their implementation in Indonesia, Malaysia, Thailand, and Viet Nam. The results are based on comparisons between publicly available information and interviews with national standards bodies – the National Standardization Agency of Indonesia (BSN), the Department of Standards Malaysia, the Thai Industrial Standards Institute (TISI), and the Directorate for Standards, Metrology and Quality of Viet Nam (STAMEQ) and the Viet Nam Standard and Quality Institute.⁸

Automotive Sector

For *standards harmonization* within ASEAN, the Automotive Product Working Group (APWG) has undertaken the harmonization of automotive products by agreeing to align national standards or technical requirements with the United Nations Economic Commission for Europe (UNECE) Regulations of the 1958 Agreement.⁹ Under the AEC 2015 implementation schedule, the ASEAN has adopted 19 UNECE regulations for harmonization (Table 1). In addition, the APWG has undertaken initial work towards the alignment and/or adoption of 32 additional UNECE regulations during the post-2015 period following the process undertaken for the 19 UNECE regulations. In this regard, the APWG is analysing the suitability of M1, N1, and L categories of vehicles¹⁰ for the 32 UNECE regulations in the ASEAN.

⁸ This paper omits information deemed sensitive or not yet made public by the ASEAN or its member states and does not directly attribute information to a certain body or its representative. Moreover, the purpose of this paper is not to elaborate on the main objectives of each of the PWGs, but rather to provide information on recent sectoral developments and the policy basis behind them.

⁹ The purpose of the 1958 Agreement, signed on 20 March 1958, is the adoption of uniform technical prescriptions for wheeled vehicles, equipment, and parts that can be fitted and/or used on wheeled vehicles and the conditions for reciprocal recognition of approvals granted on the basis of these prescriptions.

¹⁰ Category M1 refers to vehicles designed and constructed for carrying passengers, comprising no more than eight seats in addition to the driver's seat; Category N1 refers to vehicles designed and constructed for carrying goods and have a maximum mass not exceeding 3.5 tons; Category L refers to mopeds, motorcycles, motor tricycles, and quadricycles.