

Brief Snapshots of Countries' Initial Offers

Country	Snapshots
Australia	
Brunei Darussalam	Brunei: The initial offers cover 6 sectors and 32 subsectors. These are the common sectors committed across our ASEAN plus 1 FTAs, with some subsectors that go beyond some of our existing ASEAN plus one FTAs.
Cambodia	
China	
India	<p>1. India tabled its initial offers in Services to the ASEAN Secretariat on 25th May 2015.</p> <p><u>The following are some of the key elements of India's Initial offers (IO):</u></p> <p>2. India's initial offer contains high quality offers in 11 sectors and in around 85 sub-sectors. While India's IO under the RCEP is significantly superior to India's commitments under the ASEAN-India TIS Agreement (as per the requirements of the Guiding Principles - under RCEP, all RPCs have to build on their commitments under ASEAN+1 FTA), India's IO also has certain plusses vis-à-vis 'best' FTAs. These are enumerated below.</p> <p><u>'Best' FTA plus offers</u></p> <p>3. India's IO under RCEP is an improvement over India's other FTAs in the following areas:</p> <ul style="list-style-type: none"> i. FIPB approval requirement for prior collaboration in the same sector has been removed for all sectors / sub-sectors – This is a significant procedural improvement - <u>India is offering to bind its autonomous regime on this issue for the first time in any FTA;</u> ii. Foreign investment cap of 74% in telecom services is being offered as against 49% in RO¹; iii. Coverage of environmental services has been improved – India has offered 3 additional sub-sectors. These are: Cleaning Services of Exhaust gases (CPC 9404); Noise Abatement (CPC 9405) and Nature and Landscape Protection Services excluding nature remediation and bio diversity conservation (CPC 9406)**². <p><u>Comparison with India's commitments under the ASEAN-India FTA</u></p> <p>4. Based on RCEP Guiding Principles, it was decided that all RPCs will table offers with <i>substantial coverage building on ASEAN plus 1 FTAs including in number of sectors / sub-sectors and modes of supply.</i></p> <p>5. India's IO under RCEP are a significant improvement from the ASEAN-India commitments both in coverage of sectors/sub-sectors and depth of offer within the sectors offered. A broad comparison with India's commitments under the India-ASEAN TIS Agreement is as follows:</p>

¹ Foreign investment cap of 74% in telecom services committed by India only to Japan. In all other FTAs, it is below 74%.

² India has not committed these services in any FTA earlier.

- i. The sectoral coverage under the RCEP is much wider than what is committed to ASEAN³. As against eleven sectors offered to RCEP, India has committed only seven broad sectors to ASEAN.
- ii. As against around 85 sub-sectors offered under RCEP, less than 50 sub-sectors have been committed by India under ASEAN-India FTA with just about 25 sub-sectors to the Philippines.
- iii. India has offered commitments in Modes 1 and 2 as 'None' across the board under RCEP except for a few sub sectors; this is also a significant improvement over India's commitments under the India-ASEAN FTA;
- iv. In Mode 3, India has offered 100% foreign investment ceiling in most sub-sectors under the RCEP. There are foreign investment caps in very few sub-sectors like Health related services, photographic services, construction and telecom, and financial services. This is a major improvement over India's commitments under the India-ASEAN FTA, where there are foreign investment caps in most committed sectors.
- v. Various categories of service suppliers under Mode 4 have been offered under RCEP. These include: Business Visitors (BV), Intra-Corporate Transferees (ICT); Contractual Service Suppliers (in 10 professions); and Independent Professionals (in 11 professions). On the other hand, In ASEAN, CSS and IP categories of services have access to only CRS (with nil commitments in CSS and IP to Philippines).

Scope for further Improvements:

6. India looks forward to a high quality and commercially meaningful services agreement under the RCEP. Based on commercially meaningful offers in sectors and modes of export interest to India from the other RPCs, India stands ready to examine requests of other RPCs and to improve her initial offers, both in terms of coverage and depth of commitments.

Indonesia

- Indonesia submitted its initial offer of services commitment on 15 of May 2015 to ASEAN Secretariat.
- The initial offer is built upon Indonesia's current commitment in ASEAN+1 FTAs with modifications, considering the result of on going process of domestic consultation with respective Ministries.
- Indonesia offers 7 services sectors: business services, construction and related engineering services, educational services, financial services, health services, tourism and travel related services, and transportation services, with 66 sub sectors in total of commitment.
- With the spirit to support the achievement of a commercially meaningful market access commitment, Indonesia would willing to offer certain commitments in AFAS, some are sub sectors under tourism and travel services and the other is sub sector under business services.
- For commitment in horizontal section, in particular for mode 3, Indonesia commits 49% foreign equity participation. This commitment applies to all sectors committed except sectors that are committed in specific section such as construction services that commits 55% foreign equity

³ India has three separate SOCs under India-ASEAN FTA – one for 8 AMSs; one for Indonesia and one for Philippines. Unless otherwise specified, comparison is with India's SOC to the 8 AMS.

	<p>participation, and sub sector under travel and tourism services, i.e hotel 3,4 and 5 stars which commits 100% foreign equity participation, in eastern part and certain provinces in Indonesia.</p> <ul style="list-style-type: none"> • Indonesia's offers also include some subsectors that are higher in commitment than previous ASEAN +1 commitments as follows: <ul style="list-style-type: none"> ○ Business Services <ul style="list-style-type: none"> - Research and experimental development services on linguistic and languages (CPC 85204), limited to foreign language only ○ Tourism and Travel Related Services <ul style="list-style-type: none"> - Motel Lodging Services (CPC 6412/64120) - Letting services of furnished accommodations (CPC 64193) - Meal Serving Services with Full Restaurant Services (CPC 64210) - Beverage Serving Services without Entertainment (CPC 64310) - Beverage serving services with entertainment (CPC 6432/64320)
Japan	<p>Japan's offer is on a par with its best ASEAN+1 offer, as was suggested by the RCEP Intersessional Meeting in Jakarta in March 2015. It also includes a blank column which could be used in the future to indicate subsectors where Japan applies ratchet clause.</p>
Korea	<p>Korea prepared for its initial offer based on the Korea-ASEAN FTA. We committed 10 sectors out of 12(excluding 8. Health related and social services, 12. Other services not included elsewhere) and 108 subsectors out of 155. In the Korea-ASEAN FTA, 10 sectors out of 12 and 109 out of 155 were committed. Our initial offer has some plus and minus compared to Korea-ASEAN FTA. We had some minus, since we committed the best offer to ASEAN, better than our commitment in Korea-China FTA and Korea-India FTA. However, we tried to include some plus element as well. In life insurance services and non-life insurance services under the Financial services, we removed some limitations that Korea-ASEAN FTA had in mode 3. Also, we added in our initial offer "services auxiliary to rail transport services" under Rail Transport Services."</p>
Lao PDR	
Malaysia	<p>Malaysia offers 10 sectors covering 79 sub-sectors as follows:</p> <ul style="list-style-type: none"> (i) Business Services (ii) Communication Services (iii) Construction and Related Engineering Services (iv) Distribution Services (v) Educational Services (vi) Health Related and Social Services (vii) Tourism and Travel Related Services (viii) Recreational, Cultural and Sporting Services (ix) Transport Services (x) Other Services <p>These offers are based on AANZFTA and some sub-sectors are AANZFTA Plus.</p>
Myanmar	<p>No. of Sector: 8 No. of Sub-sector: 70 Based on ASEAN+1 FTA</p>

New Zealand	
Philippines	Indicative commitments on services sectors covering Business, Finance, Environment, Tourism and Transport Services.
Singapore	Singapore drafted our RCEP WGTIS initial offer in line with the guiding principles. It is also within the agreed range of 70-80 subsectors (the upper-bound end of the Malaysian Chair's previously proposed range of subsectors for initial offers). In total, Singapore committed about 79 subsectors across 11 sectors, and our initial offer incorporates gains to all AFPs over the existing ASEAN+1 FTAs.
Thailand	Thailand briefed the Meeting that her offers include 10 sectors/73 subsectors and include all modes of supply, where financial services will be included in the revised offer. The offer is better than any ASEAN plus one FTAs.
Viet Nam	
