

Committee on Regional Trade Agreements

FACTUAL PRESENTATION

**Economic Partnership Agreement
between
Brunei Darussalam and Japan
(Goods and Services)**

Report by the Secretariat

This report, prepared for the consideration of the Economic Partnership Agreement between Brunei Darussalam and Japan has been drawn up by the WTO Secretariat on its own responsibility and in full consultation with the Parties. The report has been drawn up in accordance with the rules and procedures contained in the Decision for a Transparency Mechanism for Regional Trade Agreements (WT/L/671).

Any technical questions arising from this report may be addressed to Ms. Jo-Ann Crawford (tel: +41 22 739 5422).

H. SAFEGUARD ACTIONS ON SERVICES TRADE AND INVESTMENT

91. In the event of serious balance of payments and external financial difficulties or threat thereof, or where movements of capital cause or threaten to cause serious difficulties for macroeconomic management in particular, monetary, fiscal and exchange rate policies, the Parties may adopt or maintain restrictions relating to cross-border capital transactions with regard to investments (Article 68), while Article 85 permits the Parties to adopt or maintain restrictions on trade in services, including on payments or transfers on trade in services on which the adopting/maintaining Party has undertaken specific commitments. Such measures are to ensure that the other Party is treated as favourably as any non-Party; to be consistent with the Articles of Agreement of the IMF; avoid unnecessary damage to the commercial, economic and financial interests of the other Party; not exceed those necessary; and be temporary in nature.

I. DOMESTIC REGULATION

92. With a view to preventing unnecessary barriers to trade in services, Article 80 provides that the Parties shall endeavour to ensure that measures relating to qualification requirements and procedures, technical standards and licensing requirements are: based on objective and transparent criteria, such as competence and the ability to supply the service; not more burdensome than necessary to ensure the quality of the services; and do not constitute a disguised restriction on the supply of the service in the case of licensing procedures.

J. RECOGNITION

93. Where a Party recognizes the education, or experience obtained, requirements met or, licenses or certifications granted in a non-Party, it is not bound to accord this treatment to the other Party. The Party shall provide the other Party an adequate opportunity to demonstrate that the education or experience obtained, requirements met, or licenses or certifications granted in the other Party should also be recognized (Article 81.3).

V. PROVISIONS AFFECTING TRADE IN GOODS, SERVICES AND INVESTMENT

A. GOVERNMENT PROCUREMENT

94. In Article 98 the Parties agree to accord MFN treatment to goods, services and suppliers of the other Party; enhance transparency of measures regarding government procurement; and implement in a fair and effective manner the measures regarding government procurement.²⁴

B. INTELLECTUAL PROPERTY RIGHTS

95. Article 97 contains provisions governing intellectual property. Each Party made commitments to endeavour to improve its intellectual property protections system; comply with obligations set out in the international agreements relating to intellectual property to which it is a party and endeavour to join those to which it is not a party; endeavour to ensure transparent and streamlined administrative procedures concerning intellectual property rights; endeavour to ensure adequate and effective enforcement of intellectual property rights; and endeavour to promote public awareness of protection of intellectual property.

²⁴ Japan is a signatory of the WTO Agreement on Government Procurement, Brunei is not.

- (a) endeavour to improve its intellectual property protection system;
- (b) comply with the obligations set out in the international agreements relating to intellectual property to which it is a party;
- (c) endeavour to become a party to international agreements relating to intellectual property to which it is not a party;
- (d) endeavour to ensure transparent and streamlined administrative procedures concerning intellectual property;
- (e) endeavour to ensure adequate and effective enforcement of intellectual property rights; and
- (f) endeavour to further promote public awareness of protection of intellectual property.

Article 98
Government Procurement

Each Party, recognising the importance of enhancing liberalisation of its government procurement markets in further improving the business environment in the Party, shall endeavour to:

- (a) accord most-favoured-nation treatment to goods, services and suppliers of the other Party;
- (b) enhance transparency of the measures regarding government procurement; and
- (c) implement in a fair and effective manner the measures regarding government procurement.

Article 99
Sub-Committee on Improvement of Business Environment

1. For the purposes of the effective implementation and operation of this Chapter, a Sub-Committee on Improvement of Business Environment (hereinafter referred to in this Article as "Sub-Committee") shall be established on the date of entry into force of this Agreement.