

# *CHAPTER 3*

# **MOVEMENT OF NATURAL PERSONS**

## ***1. OVERVIEW OF THE RULES***

(See Part II, Chapter 12 “Trade in Services” for Mode Four movement of natural persons under GATS)

Chapters on the “movement of natural persons” in EPAs/FTAs address the issue of how, within the scope of trade in services, a contracting party country can satisfy the demands of another contracting party with respect to GATS (as well as other items). A chapter in the EU-Swiss FTA addresses another issue -- immigration policy outside the scope of trade in services.

Mode Four of GATS covers a wide range of persons, from high-level engineers to unskilled workers, in its commitment to liberalization. However, many Member countries, including Japan, have only made “horizontal commitments” to date, and their Schedules of Commitments generally indicate, with regard to market access regarding specific service sectors, “unbound except for measures concerning the categories of natural persons referred to in the market access column.” In other words, such commitments made by Members under GATS are generally extremely restricted in nature. This is also the case with Japan, which has made horizontal commitments only in three areas: intra-corporate transferees, professional services and temporary stays (see Chapter 2).

The extent to which liberalization of trade in services provided for in an EPA/FTA will go beyond the market access commitments made on the movement of natural persons under GATS will generally become a point of negotiation. Each EPA/FTA can provide for a different level of commitment depending on the relationships of the contracting parties. For example, an EPA/FTA may go beyond the liberalization of GATS by including a broader range of professional services or lowering the required expertise level of covered workers. Reflecting the progress of the request-offer process in the Doha Round service negotiations, in some of the EPA/FTAs entered into by Japan, Japan made commitments in five areas (the three areas mentioned above plus contractual service suppliers and investors). Japan liberalized these areas as required by commitments made under the EPAs, but on an MFN basis rather than only in relation to the relevant EPA partners.

The immigration control system of Japan is operated according to the government policy of proactively accepting professionals and engineers, and accordingly, is vested with the discretion to allow non-Japan nationals to enter and stay in excess of its liberalization commitment under GATS. Therefore, if Japan extends preferential treatment, including at the practice level, to certain countries on a bilateral basis, the issue at negotiation would be setting the scope and conditions for entry of acceptable professionals within the extent of the aforesaid discretion (e.g. nurses and care workers), in order to improve the level of commitment and/or to work out more favourable conditions for permitted entry and stay only with certain countries. On the other hand, it is important to set flexible conditions so as to establish long-term win-win relationships between Japan and counterpart countries, while taking into consideration the future impact of the continuous proactive acceptance of professionals (e.g., degradation of services due to decrease in the number of nurses).

The commitment made on the above-mentioned movement of natural persons is restricted to such persons as intra-corporate transferees and professional engineers.

Since “Specified Skilled Worker” as a status of residence is newly established based on the “The Amendment to the Immigration Control and Refugee Recognition Act and Act for Establishment of the Ministry of Justice” proclaimed on December 14, 2018, it is scheduled to be enable for them to enter and work in Japan after April 2019. Unskilled workers are not covered by commitments due to labour market concerns of every country including Japan. It is extremely unlikely that an EPA/FTA would include a provision that would lead to a large number of unskilled workers coming into the country.

**Figure III-3-1 Main types of horizontal commitment of GATS (Excerpt from Part II, Chapter 12 “Trade in Services”)**

Main Types of Horizontal Commitments		Consumer Country	Source Country	Examples
Intra-Corporate Transferees: ICT				CEO, Manager, Professional Engineer
Business Visitors: BV				Business negotiations (no activity receiving compensation at that time)
Independent Professionals: IP				Independent lawyer who enters foreign country through contract with foreign consumer
Contractual Service Suppliers	Contract between corporations			Computer engineer employed by corporation dispatched to Japan via contract between corporations
	Contract between a corporation and an individual			Independent computer engineer who enters Japan via contract between corporation and individual

## 2. ECONOMIC ASPECTS AND SIGNIFICANCE

Today, the biggest issue concerning the liberalization of movement of natural persons is the opening up of labour markets of developed countries to developing countries. Opening up labour markets (including unskilled workers markets) often receives criticism in developed countries while it is often supported by developing countries. In particular, developed countries, which are likely to be the accepting countries of workers as a result of opening up of the labour market, will have both advantages such as labour shortage eliminating, etc. and disadvantages such as lowered wage levels and increased social costs, etc., and thus are taking cautious positions.

In contrast, developing countries can gain substantial income through money transfers from workers working in developed countries, and thus take supportive positions.

### 3. OVERVIEW OF LEGAL DISCIPLINES

The provisions of EPAs/FTAs concerning the movement of natural persons can be put into two categories. The first is a labour market integration model, like the EU, which authorizes or expressly pursues intra-regional labour movement, independent of service trade liberalization rules. The second category, as represented by the Japan-Singapore EPA and the Japan-Philippines EPA, pursues deregulation of the movement of natural persons to the extent necessary for the liberalization of services (or liberalization of trade in goods or investment) provided for as a part of a particular liberalization clause. In general, the EPAs consist of the common provisions horizontally applicable to all sectors and individual commitments made for or by the counterparty country, specifically applied to certain sectors.

This section gives a summary of the provisions concerning the movement of natural persons included in the EPAs/FTAs entered into by Japan, and an overview of the level and scope of the commitments made by Japan under the EPAs/FTAs. The following section will review examples of FTA provisions of other countries, primarily those of developed countries. It will go on to explain the simplification of passport control, which is provided for in some EPAs/FTAs. This section will also discuss “mutual recognition of qualifications,” an issue which is closely related to the movement of natural persons. The arrangements on a bilateral basis were notified to the WTO as required pursuant to Article VII of GATS, and such arrangements are also included in multilateral and regional frameworks.

The EPAs explained below are those regarding which additional information has been obtained since the release of the 2017 edition of this Report. For other EPAs, see the pages of the 2017 edition indicated for the individual EPAs below.

**Figure III-3-2 Overview of the commitments made by Japan under the EPAs/FTAs\* and GATS with respect to the movement of natural persons**

	Short-term Commercial Visitors	Intra- corporate Transferees	Investors	Natural Persons Who Engage in Professional Services	Natural Persons Who Engage in Business Activities on the Basis of a Personal Contract with Public or Private Organizations	Others
GATS (UR)	○	○	-	○ Lawyer, registered foreign lawyer, chartered patent attorney, maritime procedure commission agent, certified public accountant and certified tax accountant	-	-
Singapore	○	○	○	○ Lawyer, registered foreign lawyer, chartered patent attorney, maritime procedure commission agent, certified public accountant and certified tax accountant	○ “Engineer”	-
Mexico	○	○	○	-	○ “Engineer,” “Specialist in Humanities / International Services”	-
Malaysia	○	○	○	○ Lawyer, registered foreign lawyer, chartered patent attorney, maritime procedure commission agent, certified public accountant and tax accountant	○ “Engineer,” “Specialist in Humanities / International Services”	-
Philippines	○	○	○	○ Lawyer, registered foreign lawyer, chartered patent attorney, maritime procedure commission agent, certified public accountant and tax accountant	○ “Engineer,” “Specialist in Humanities / International Services”	Nurses, care workers
Chile	○	○	○	-	○ “Engineer,” “Specialist in Humanities / International Services”	-

	Short-term Commercial Visitors	Intra- corporate Transferees	Investors	Natural Persons Who Engage in Professional Services	Natural Persons Who Engage in Business Activities on the Basis of a Personal Contract with Public or Private Organizations	Others
Thailand	○	○	○	○ Lawyer, registered foreign lawyer, chartered patent attorney, maritime procedure commission agent, certified public accountant and tax accountant	○ “Engineer,” “Specialist in Humanities / International Services,” “Skilled Labour (Thai cook)”	Instructors
Brunei	○	○	-	○ Lawyer, registered foreign lawyer, chartered patent attorney, maritime procedure commission agent, certified public accountant and tax accountant	○ “Engineer,” “Specialist in Humanities / International Services”	-
Indonesia	○	○	○	○ Lawyer, registered foreign lawyer, chartered patent attorney, maritime procedure commission agent, certified public accountant, judicial scrivener, administrative scrivener, social insurance and labour consultant, tax accountant, land and house surveyor	○ “Engineer,” “Specialist in Humanities / International Services”	Nurses, care workers
Viet Nam	○	○	-	○ Lawyer, registered foreign lawyer, chartered patent attorney, maritime procedure commission agent, certified public accountant and tax accountant	○ “Engineer,” “Specialist in Humanities / International Services”	Nurses (limited to the status of residence of “Medical Services”), Candidates of nurses and care workers (regulated by memorandum based on the EPA)
Switzerland	○	○	○	○ Lawyer, registered foreign lawyer, chartered patent attorney, maritime procedure commission agent, certified public accountant and tax accountant	○ “Engineer,” “Specialist in Humanities / International Services”	-
India	○	○	○	○ Lawyer, registered foreign lawyer, judicial scrivener, administrative scrivener, social insurance and labour consultant, chartered patent attorney, maritime procedure commission agent, certified public accountant, tax accountant, land and house surveyor	○ “Engineer,” “Specialist in Humanities / International Services,” “Skilled Labour (Indian cook)”	Instructors, Accompanying spouse and children
Peru	○	○	○	○ Lawyer, registered foreign lawyer, chartered patent attorney, maritime procedure commission agent, certified public accountant and tax accountant	○ “Engineer,” “Specialist in Humanities/ International Services,” “Skilled Labour (Peruvian cook)”	-
Australia	○	○	○	○ Lawyer, registered foreign lawyer, chartered patent attorney, maritime procedure commission agent, certified public accountant, judicial scrivener, administrative scrivener, social insurance and labour consultant, tax accountant, land and house surveyor	○ “Engineer,” “Specialist in Humanities/ International Services”	Accompanying spouse and children
Mongolia	○	○	○	○ Lawyer, registered foreign lawyer, chartered patent attorney, maritime procedure commission agent, certified public accountant, judicial scrivener, administrative scrivener, social insurance and labour consultant, tax accountant, land and house surveyor	“Engineer,” “Specialist in Humanities/ International Services” (natural persons of Mongolia who have not completed college education or higher education, passed the examinations on information processing technology, and engage in activities based on the status of residence of “Engineer” or “Specialist in Humanities/ International Services” are also included)	Accompanying spouse and children
TPP Agreement	○	○	○	○ Lawyer, registered foreign lawyer, chartered patent attorney, maritime procedure commission agent, certified public accountant, judicial scrivener, administrative scrivener, social insurance and labour consultant, tax accountant, land and house surveyor	○ “Engineer,” “Specialist in Humanities / International Services,” “Professor”	Accompanying spouse and children

	Short-term Commercial Visitors	Intra- corporate Transferees	Investors	Natural Persons Who Engage in Professional Services	Natural Persons Who Engage in Business Activities on the Basis of a Personal Contract with Public or Private Organizations	Others
EU	○	○	○	○ Lawyer, registered foreign lawyer, chartered patent attorney, maritime procedure commission agent, certified public accountant, judicial scrivener, administrative scrivener, social insurance and labour consultant, tax accountant, land and house surveyor	○ “Engineer,” “Specialist in Humanities / International Services,” “Professor”	Accompanying spouse and children

**\*EPAs/FTAs referred to in this table are limited to those signed and approved by the Diet.**

## (1) JAPAN-PHILIPPINES EPA

The Japan-Philippines EPA, which became effective in December 2008, includes a chapter on “Movement of Natural Persons,” which grants temporary entry and stays to short-term business visitors, intra-corporate transferees, investors, natural persons engaged in professional services, and natural persons engaged in rendering services based on personal contracts with public or private organizations. In addition to this, it also approves the acceptance of nurse and care worker candidates. This EPA includes provisions to grant entry into Japan to nurses and care workers. (Similarly, it also includes provisions to grant entry to Japanese nurses and care workers in Philippines.) It is the first EPA entered into by Japan that allows foreign workers in new occupations to qualify for resident status. The grant of entry to nurses and care workers is not implemented by lowering entry permission standards, but rather by including nurses and care workers in the category of professionals and engineers eligible for entry. Thus, this does not represent any policy change of the Japanese government concerning foreign workers’ entry, nor does the EPA extend mutual recognition in order to enable foreign workers to obtain qualifications required under Japanese law.

The details of the framework for entry under the EPA are shown in Figure III-3-4 below. Entry is permitted for Philippines nurse and care worker candidates who fulfill certain criteria and conditions (such as completion of Japanese language training). Permission to work will be granted as a part of preparation to obtain qualifications required under Japanese law (maximum length of stay is three years for nurses and four years for care workers). Those who pass the Japanese national exams will be permitted to continue working as nurses and care workers. After Japanese language training, they have an option to enroll in Japanese care facilities nationwide (facility training course for care workers). Graduates from such facilities will be granted qualifications as care workers. Those with a certain level of Japanese language skills will be exempted from the training.

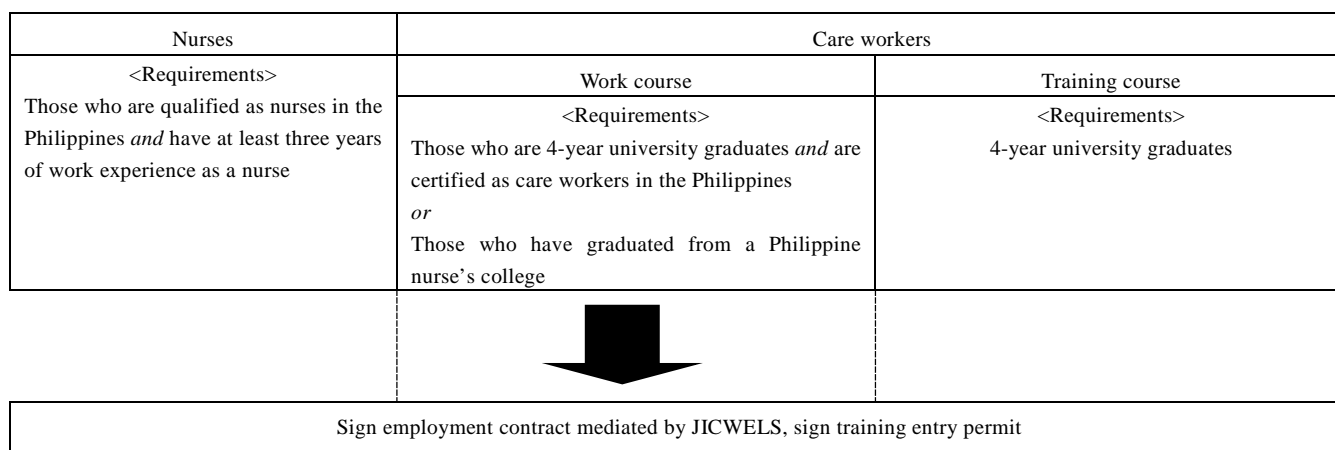
Japan notified the Philippines that the number of persons to be granted entry was 1,000 (400 nurses and 600 care workers) for the first two years, and the Philippines gave its consent. For subsequent periods, the maximum number of persons to be granted entry was set at 500 each year (200 nurses and 300 care workers). This EPA goes beyond what is permitted by the Japanese immigration control system by: (i) permitting nurses and care workers to work as such (only those who acquire Japanese qualifications); and (ii) permitting such candidates to work in that sector for a limited time as a preparation period for acquiring Japanese qualifications. It should be noted that foreign nurses who acquired Japanese qualifications were permitted a maximum seven-year stay as a training period before this EPA, but were not officially permitted to work. In November 2010, the 7-year limitation on the period of stay was lifted after partial revision of “Ministerial Ordinance to Provide for Criteria Pursuant to Article 7, paragraph (i), item (ii) of the Immigration Control and Refugee Recognition Act” (Criteria Ministerial Ordinance). Under this EPA, a total of 310 nurse and care worker candidates entered into Japan in the fiscal year of 2009, and a total of 128 in

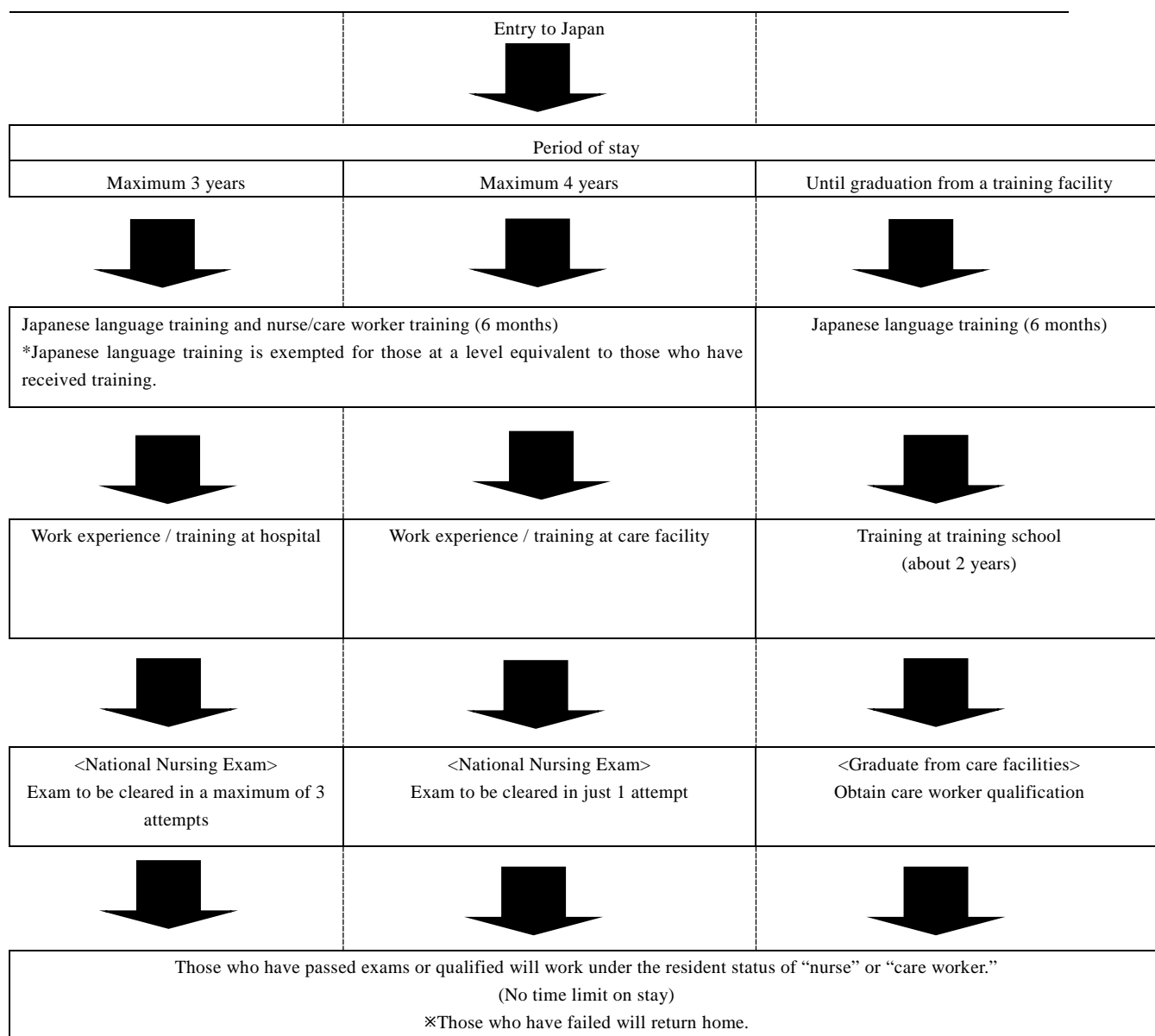
FY 2010, 131 in FY 2011, 101 in FY 2012, 150 in FY 2013, 183 in FY 2014, 293 in FY 2015, 336 in FY2016, 310 in FY2017, and 322 in FY2018. They are taking training courses on the Japanese language, nursing, and care working.

Furthermore, due to the low national exam pass rates of Filipino nurse candidates for various reasons such as lack of Japanese linguistic ability, the Japanese government officially commenced from fiscal year 2010 additional study assistance for nurse and care worker candidates. It is administered by the receiving facilities after the candidates commence their employment. This surpasses the obligations stipulated in the Japan-Philippines EPA (six months of training including Japanese language training). Moreover, based on the Economic Partnership Agreement (EPA), the Cabinet approved in March 2011 extending the length of stay for Indonesian and Filipino nurse and care worker candidates. The Cabinet decided to allow Filipino nurse and care worker candidates who entered Japan during fiscal year 2011, prior to the commencement of this official assistance and failed their national exam during their stay, an additional one-year extension to their stay, provided that they fulfill certain conditions. In June 2011, the Group for Movement of Natural Persons (set up under the Minister of National Policy) put together the Basic Guidelines for Accepting Nurse and Care Worker Candidates Based on the Economic Partnership Agreement (EPA), and decided upon policies such as acceleration of initiatives for the improvement of Japanese linguistic abilities and implementation of the re-challenge support program in order to improve the framework for the acceptance of nurse and care worker candidates under the EPA.

As part of the program, the National Ministry of Health, Labour and Welfare issued “the report on the national examination considering the candidate of the care workers under the Economic Partnership Agreement (EPA)” in June 2012. The report included recommendations such as improving the examination with less difficult Japanese, attaching Japanese kana (phonetic symbols), alongside the Chinese characters and extending the time for the examination. In August 2012, as a special measure for the candidates to be foreign nurses, they decided to attach Japanese kana to all the Chinese characters and to extend the time for the examination to 1.3 times longer than the Japanese national license examination scheduled in fiscal 2013; they informed the appropriate authorities of these changes. Based on the Economic Partnership Agreement (EPA), in February 2017 the Cabinet continued to approve extending the length of stay for Indonesian, Filipino and Vietnamese nurse and care worker candidates. The Cabinet decided to allow Filipino nurse and care worker candidates who entered Japan in accordance with the EPA during fiscal year 2014 or 2015, and failed the last national exam during their stay, an additional one-year extension to their stay, provided that they fulfill certain conditions.

**Figure III-3-4 Framework for acceptance of nurses and care workers in the Japan-Philippines EPA**





## (2) JAPAN-INDONESIA EPA

The Japan-Indonesia EPA, which became effective in July 2008, includes a chapter on the movement of natural persons, granting entry and temporary stays to instructors, in addition to short-term business visitors, intra-corporate transferees, investors, natural persons engaged in professional services, and natural persons engaged in work based on personal contracts with public or private organizations. “Judicial scriveners,” “administrative scriveners”, “certified social insurance and labour consultants” and “land and house surveyor” are included among natural persons engaged in professional services, in addition to activities committed under GATS. The EPA also approves the acceptance of nurses and care workers, with a content and acceptance framework nearly identical to the commitment under the Japan-Philippines EPA, with the exception that it does not include a facility training course for care workers. Under the EPA, a total of 1235 Indonesian nurse and care worker candidates have entered Japan (208 candidates in fiscal year 2008, 362 in 2009, 116 in 2010, 105 in 2011, 101 in 2012, 156 in 2013, 187 in 2014, 278 in FY 2015, 279 in FY2016, 324 in FY2017, and 329 in FY2018; 2,445 in total), and are currently taking training courses on the Japanese language, nursing, and care working. Furthermore, due to the low national exam pass rates of Indonesian nurse candidates for various reasons such as a lack of Japanese linguistic ability, the Japanese government officially commenced from fiscal year 2010 additional

study assistance for nurse and care worker candidates. It is administered by the receiving facilities after the candidates commence their employment. This surpasses the obligations stipulated in the Japan-Indonesia EPA (six months of training including Japanese language training). Moreover, based on the Economic Partnership Agreement (EPA), the Cabinet approved in March 2011 extending the length of stay for Indonesian and Filipino nurse and care worker candidates. The Cabinet decided to allow Indonesian nurse and care worker candidates who entered Japan during fiscal years 2008 and 2009 prior to the commencement of this official assistance and failed their national exam during their stay, an additional one-year extension to their stay, provided that the candidates have an employment contract with a receiving organization during the additional length of stay and that their national exam's score is above a certain level. In June 2011, the Group for Movement of Natural Persons (set up under the Minister of National Policy) put together the Basic Guidelines for Accepting Nurse and Care Worker Candidates Based on the Economic Partnership Agreement (EPA), and decided upon policies such as acceleration of initiatives for the improvement of Japanese linguistic abilities and implementation of the re-challenge support program in order to improve the framework for the acceptance of nurse and care worker candidates under the EPA.

As part of the program, the National Ministry of Health, Labour and Welfare issued “the report on the national examination considering the candidate of the care workers under the Economic Partnership Agreement (EPA)” in June 2012. The report included recommendations such as improving the examination with less difficult Japanese, attaching Japanese kana (phonetic symbols), alongside the Chinese characters and extending the time for the examination. In August 2012, as a special measure for the candidates to be a foreign nurse, they decided to attach Japanese kana to all the Chinese characters and to extend the time for the examination to 1.3 times longer than the Japanese national license examination scheduled in fiscal 2013; they informed the appropriate authorities of these changes. Based on the Economic Partnership Agreement (EPA), in February 2017 the Cabinet continued to approve extending the length of stay for Indonesian, Filipino and Vietnamese nurse and care worker candidates. The Cabinet decided to allow Indonesian nurse and care worker candidates who entered Japan in accordance with the EPA during fiscal year 2014 or 2015, and failed the last national exam during their stay, an additional one-year extension to their stay, provided that they fulfill certain conditions.

Indonesia committed to granting entry and temporary stays in Indonesia to short-term business visitors, intra-corporate transferees, investors, as well as natural persons engaged in professional services based on personal contracts with public or private organizations, in addition to nurses and care workers from Japan.

### **(3) JAPAN-VIET NAM EPA**

The Japan-Viet Nam EPA, which became effective in October 2009, also includes a chapter on “Movement of Natural Persons” (Chapter 8) as well as Annex 7, which is related to the chapter. The Japan-Viet Nam EPA grants entry and a temporary stay to short-term business visitors, intra-corporate transferees, natural persons who engage in professional services and natural persons who engage in work on the basis of a personal contract with public or private organizations. Vietnamese who have been qualified as nurses under the laws and regulations of Japan are granted entry and a temporary stay under the resident status of “nurse” for practicing purposes, and such a temporary stay may be extended up to seven years from the date of obtaining a Japanese license. A natural person who has passed the national examination on information processing technology of Viet Nam is granted entry and a temporary stay under the status of residence of “Engineer,” but it is not necessary to complete college education or equivalent higher education. These commitments are made in accordance with the existing practices of the immigration control system of Japan, and



do not amend the application of the relevant Japanese laws and regulations. As mentioned above, the limitation on the period of stay has been abolished as a result of partial revision of the Standard Ministerial Ordinance (see 4) above Japan-Philippines Economic Partnership Agreement). Also, Viet Nam has committed to granting entry and temporary stay in Viet Nam to short-term business visitors, intra-corporate transferees, natural persons who engage in work on the basis of a personal contract with public or private organizations, persons responsible for setting up business locations, and nurses.

In addition, on October 31, 2011, during the Japan-Viet Nam summit, Prime Minister Noda and Prime Minister Dung signed a memorandum related to the entry of Vietnamese nurse and care worker candidates into Japan (it entered into force in June 17, 2012). Unlike the prior cases of the acceptance from Indonesia and the Philippines, level N3 of the Japanese Language Aptitude Test (the ability to understand Japanese used in everyday situations to a certain degree) is required to be a candidate upon arrival. In November 2012, for the Vietnamese nurse and care worker candidates accepted by Japan under the EPA, pre-arrival Japanese-language training (twelve months) has started in Viet Nam. There were 152, 180, 203 and 219 nurse and care-worker candidates entered Japan in 2015, 2016, 2017 and 2018, respectively. They take training courses on nursing and care working in Japanese language after their arrival. Based on the Economic Partnership Agreement (EPA), in February 2017 the Cabinet continued to approve extending the length of stay for Indonesian, Filipino and Vietnamese nurse and care worker candidates. The Cabinet decided to allow Vietnamese nurse and care worker candidates who entered Japan in accordance with the EPA during fiscal year 2014 or 2015, and failed the last national exam during their stay, an additional one-year extension to their stay, provided that they fulfilled certain conditions.

#### **(4) TRANS-PACIFIC PARTNERSHIP (TPP) AGREEMENT**

The TPP Agreement, which was signed in February 2016, includes a chapter on “temporary entry for business persons” (Chapter 12 and its related Annex 12-A, and Japan committed to grant entry and temporary stay to citizens of respective contracting parties who are classified as short-term business visitors, intra-corporate transferees, investors, natural persons with Japanese qualifications engaged in professional services (lawyers, certified public accountants, etc.), natural persons engaged in independent professional services, natural persons engaged in supply of services under a contract, and their accompanying spouse and children (excluding those who accompany temporary visitors).

#### **(5) COMPREHENSIVE AND PROGRESSIVE AGREEMENT FOR TRANS-PACIFIC PARTNERSHIP (CPTPP)**

Same as the TPP explained above. (It entered into force in December 2018.)

#### **(6) JAPAN-EU EPA**

The Japan-EU EPA, which came into force in February 2019, includes a chapter on “Trade in Services, Investment Liberalization and Electronic Commerce” (Chapter 8), a section on “Entry and Temporary Stay of Natural Persons” (Section D) and its related Annex 8-B Annex III and IV. Both Japan and the EU committed to grant entry and temporary stay to business visitors for establishment purposes, intra-corporate transferees, investors, contractual service suppliers, independent professionals, short-term business visitors, and their accompanying spouse and children.

- (7) **JAPAN-SINGAPORE EPA**
- (8) **JAPAN-MEXICO EPA**
- (9) **JAPAN-MALAYSIA EPA**
- (10) **JAPAN-CHILE EPA**
- (11) **JAPAN-THAILAND EPA**
- (12) **JAPAN-BRUNEI EPA**
- (13) **JAPAN-SWITZERLAND EPA**
- (14) **JAPAN-INDIA EPA**
- (15) **JAPAN-PERU EPA**
- (16) **JAPAN-AUSTRALIA EPA**
- (17) **JAPAN-MONGOLIA EPA**

For commitments under these EPAs, see pages 744-752 of the 2017 Report on Compliance by Major Trading Partners with Trade Agreements - WTO, EPA/FTA and IIA -.

#### ***4. EXAMPLES OF MEASURES TAKEN ON MOVEMENT OF NATURAL PERSONS IN OTHER FTAS***

- (1) **U.S.-SINGAPORE FREE TRADE AGREEMENT**
- (2) **EU-ALGERIA FREE TRADE AGREEMENT**
- (3) **EU-SWITZERLAND FREE TRADE AGREEMENT**
- (4) **THAILAND-AUSTRALIA FREE TRADE AGREEMENT**
- (5) **INDIA-SINGAPORE FREE TRADE AGREEMENT**

For examples of measures taken under these EPAs, see 752-757 of the 2017 Report on Compliance by Major Trading Partners with Trade Agreements - WTO, EPA/FTA and IIA -.

#### ***5. OTHER EXAMPLES OF FACILITATION OF IMMIGRATION CONTROL SYSTEMS (APEC)***

##### **APEC BUSINESS TRAVEL CARD**

See page 757 of the 2017 Report on Compliance by Major Trading Partners with Trade Agreements - WTO, EPA/FTA and IIA -.

#### ***6. OTHER EXAMPLES OF MUTUAL RECOGNITION OF QUALIFICATIONS***

##### **(1) THE WASHINGTON ACCORD**

The Washington Accord between Australia, Canada, Ireland, New Zealand, England and the

United States was concluded in November 1989. It provides for the mutual recognition that bodies responsible for registering or licensing professional engineers in the Member countries are equivalent in substance in respect of their qualification standards and examination procedures. Since then, the following countries have joined the Accord: Hong Kong (1995), South Africa (1999), Japan (2005), Singapore (2006), Korea (2007), Chinese Taipei (2007), Malaysia (2009), Turkey (2011), Russia (2012), India (2014), Sri Lanka (2014), China (2016) and Pakistan (2017). As of 2017, Bangladesh, Mexico, Costa Rica, Peru, and the Philippines have provisional signatory status. This Accord has been notified to the WTO under GATS.

The Washington Accord is an international agreement concerning the substantial equivalence of qualifications, which is the precondition for one country granting the same licenses or registration benefits to persons who completed the engineering education programs in another country. This represents an attempt to secure the equivalence of qualifications and admissions, and thus does not automatically lead to the grant of a residence permit.

## **(2) APEC ENGINEER**

This method of mutual recognition of engineer qualifications was created in response to the resolution made in the APEC Summit held in Osaka in November 1995, to the effect that “in order to promote regional development in APEC, technology transfer is necessary, and to such end cross border movement of engineers is indispensable”. On November 1, 2000, the requirements for APEC Engineers were established. As of February 2019, there are 13 official Member economies: Japan, Australia, Canada, Chinese Taipei, Hong Kong, Indonesia, Korea, Malaysia, New Zealand, Philippines, Singapore, Thailand and the United States.

Once registered as an APEC engineer, a person will be granted the status equivalent to that in his/her home economy as an engineer in 16 designated sectors in the other participating economies. The designated sectors include mechanics, electrical engineering and electronics, and information and communications technology. An APEC Engineer, similar to the Washington Accord, secures equivalence of qualifications and admissions only, and thus is not automatically granted a residence permit.

## **(3) MUTUAL RECOGNITION IN INTRA-ASEAN TRADE IN SERVICES**

See 758 of the 2017 Report on Compliance by Major Trading Partners with Trade Agreements - WTO, EPA/FTA and IIA -.

## **(4) MUTUAL RECOGNITION OF INFORMATION TECHNOLOGY ENGINEER EXAMINATIONS**

See 759 of the 2017 Report on Compliance by Major Trading Partners with Trade Agreements - WTO, EPA/FTA and IIA -.

