



JANUARY 2022

# Expert Deployment Mechanism for Trade and Development (EDM) support to ASEAN

The EDM is a global multi-year (2018-2025) project designed to maximize the positive development impacts of trade and investment agreements that developing countries have with Canada. EDM is designed to contribute to poverty reduction by providing independent Canadian and international technical expertise to assist developing countries negotiate, implement, adapt to and benefit from their trade and investment agreements with Canada.

Technical assistance can include but is not limited to advisory support, training/workshops, policy research and stakeholder engagement.

Through its technical assistance, EDM will help deepen the Association of Southeast Asian Nations (ASEAN) Member States' understanding of negotiating issues, strengthen ASEAN trade policymaking capacity; and advance gender equality and social inclusion through trade.

## EDM in the context of Canada – ASEAN Relations

Canada and the ASEAN Economic Ministers agreed on November 16, 2021, to proceed with negotiations toward a comprehensive Free Trade Agreement (FTA). The negotiation is a milestone in the Canada-ASEAN relationship, and the FTA is intended to strengthen bilateral relations between Canada and ASEAN Member States (Brunei Darussalam, Cambodia, Indonesia, Lao PDR, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Viet Nam). As a group, ASEAN is Canada's sixth largest trading partner, with bilateral merchandise trade of approximately \$26B (CAD) and Canadian investment of over \$16B (CAD) in 2020. With average GDP growth of 5.3% over the past two decades, ASEAN Member States have grown to become the 5th largest economy in the world, the 4th largest trader and the 3rd largest destination for FDI.

### EDM OBJECTIVES

Improve the economic well-being of women and men in developing countries where Canada engages in trade or investment.



Increase access by small and medium-sized enterprises (SMEs) and women, indigenous peoples and other underrepresented groups to the benefits of trade.



Advance Canada's trade diversification strategy.



### ASEAN'S DEVELOPMENT PRIORITIES

ASEAN Economy Community (AEC) Blueprint 2025 aims to create a highly integrated and cohesive ASEAN economy that supports economic growth and resilience. The AEC also aims to enhance connectivity and sectoral cooperation and integrate ASEAN into the global economy. Cross-cutting areas include environmental sustainability, strengthening MSMEs and growing the private sector, expanding economic opportunities for women and youth, supporting digital innovation, and narrowing the development gap.

## EDM in ASEAN

Working in close collaboration with the ASEAN Secretariat, EDM's first set of TA Activities will be to deepen knowledge and build consensus among ASEAN Member States in the following areas:

- Methods of socioeconomic impact assessment of trade policy measures and management of trade statistics
- Canadian trade policy and negotiating positions related to trade in services

- Canadian regulatory system and how the regulatory cooperation commitments in Canada's FTAs are implemented
- Canadian policies, programs and negotiating positions designed to promote the participation of MSMEs in trade
- Canadian government procurement policies, programmes, procedures and negotiating positions
- Digital economy issues and the linkage to Canadian trade policy

## Anticipated results include:



Increased capacity to engage in FTA negotiations with Canada.



Increased capacity to measure the impact of trade agreements.



Increased capacity to support greater participation in trade.