# Mutual Recognition of Surveying Qualifications within the ASEAN Framework Agreement on Services<sup>1</sup>

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### **Key words:**

#### 1. PREAMBLE

The surveying profession in Malaysia encompasses the profession of

- Land Surveying and Geomatics (including photogrammetry and remote sensing, hydrographic surveying, land administration and geo -informatics);
- Property Consultancy and Valuation Surveying (including property management and estate agency);
- Quantity Surveying (including cost engineering and construction economy); and
- Building Surveying (including building control).

#### 2. INTRODUCTION

The Association represents the collective will of the nations of to bind themselves together in friendship and cooperation and, through joint efforts and sacrifices, secure for their peoples and for posterity the blessings of peace, freedom, and prosperity. (The ASEAN Declaration, Bangkok, 8 August 1967)

The Association of Southeast Asian Nations or ASEAN was established on 8<sup>th</sup> August 1967 in Bangkok, Thailand by five original Member Countries, namely, Indonesia, Malaysia, Philippines, Singapore and Thailand.

Negara Brunei Darussalam joined the Association on 8<sup>th</sup> January 1984, Socialist Republic of Vietnam followed on 28<sup>th</sup> July 1995. Lao Peoples Democratic Republic and Union of Myanmar joined on 23<sup>rd</sup> July 1997 with the Kingdom of Cambodia joining the Association on 30<sup>th</sup> April 1999.

The ASEAN region has a population of about 500 million, a total land mass of approximately 4.5 million square kilometers with a combined gross domestic product of US\$ 737 billion and a total trade of US\$720 billion. The ASEAN region is significant both in terms of population and as an economic entity.

At the fifth ASEAN Summit in December 1995 in Bangkok, Thailand, the ASEAN Framework Agreement on Services (AFAS) was signed by the ASEAN Economic Ministers. The objectives of AFAS include:

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3<sup>rd</sup> FIG Regional Conference Jakarta, Indonesia, October 3-7, 2004

<sup>&</sup>lt;sup>1</sup> This paper does not necessarily represent the position and views of the Ministry of International Trade and Industry Malaysia, the Land Surveyors Board Peninsular Malaysia, The Institution of Surveyors Malaysia nor the Association of Authorised Land Surveyors Malaysia.

- To enhance cooperation in services amongst member countries in order to improve the efficiency and competitiveness, diversify production capacity, supply and distribution of services of ASEAN's services providers within and outside ASEAN;
- To eliminate substantially restrictions to trade in services amongst member countries;
- To liberalise trade in services by expanding the depth and scope of liberalization beyond those undertaking by Member Countries under the General Agreement on Trade in Services (GATS) on a GATS-plus basis;
- Commitment to fully implement the ASEAN Free Trade Area; and
- Accelerate liberalization of trade in services.

On 15<sup>th</sup> December 1997 in Kuala Lumpur, Malaysia, the ASEAN Heads of Government signed the ASEAN Vision 2020. ASEAN Vision 2020 which called for ASEAN Partnership in Dynamic Development aimed at forging closer economic integration within the region. The vision statement also resolved to create a stable, prosperous and highly competitive ASEAN Economic Region, in which there is a free flow of goods, services, investments, capital, and equitable economic development and reduced poverty and socio -economic disparities.

"Today, ASEAN is not only a well-functioning, indispensable reality in the region. It is a real force to be reckoned with far beyond the region. It is also a trusted partner of the United Nations in the field of development"<sup>2</sup>

The ASEAN Concord II (also known as the Bali Concord II) was adopted at the ninth ASEAN Summit by the ten Heads of Government on 7th October 2003 to reaffirm ASEAN as a concert of Southeast Asian Nations, bonded together in partnership, in dynamic development and in a community of caring societies. The Bali Concord II called for the establishment of an ASEAN Community that would be supported by the three pillars of:

- Political and security cooperation;
- Economic cooperation; and
- Socio-cultural cooperation.

Theses three pillars are closed intertwined and mutually reinforcing in the effort to achieve peace, stability and prosperity. The ASEAN Economic Community (AEC) will enhance ASEAN competitiveness, improve ASEAN's investment environment and narrow the development gap between ASEAN Member Countries. The ASEAN Economic Community:

- Emphasized that the AEC would be the realization of the end-goal of the economic integration stipulated in ASEAN Vision 2020;
- Envisioned a single market and production base, with free flow of goods, services, investment and labour, and freer flow of capital; and
- Recognized that the realization of a fully integrated economic community requires implementation of both liberalization and cooperation measures including the need for the recognition of educational qualification.

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<sup>&</sup>lt;sup>2</sup> Kofi Annan, Secretary General of The United Nations (16<sup>th</sup> February 2000)

The highest decision-making organ of ASEAN is the Meeting of the ASEAN Heads of State and Government. The ASEAN Summit is convened every year. The ASEAN Ministerial Meeting (Foreign Ministers) is held on an annual basis. Ministerial meetings on several other sectors are also held: agriculture and forestry, economics, energy, environment, finance, information, investment, labour, law, regional haze, rural development and poverty alleviation, science and technology, social welfare, transnational crime, transportation, tourism, youth, the AIA Council and, the AFTA Council. Supporting these ministerial bodies are 29 committees of senior officials and 122 technical working groups. The ASEAN Coordinating Committee on Services (CCS) is one such committee.

The ASEAN CCS is the negotiating forum mandated to progressively liberalise services within ASEAN and currently negotiates, primarily along the "offer-and-request" negotiating regime, the following sectors:

- Business Services (including Professional Services);
- Construction Services;
- Healthcare Services:
- Maritime Transport Services:
- Telecommunications and Information Technology Services;
- Tourism Services: and
- Education Services.

Within the ASEAN CCS was established the Ad Hoc Expert Group on Mutual Recognition Arrangements with the sole objective of realizing framework agreements on mutual recognition for the identified priority professional services within the ASEAN Framework Agreement on Services.

## 3. MUTUAL RECOGNITION - BASIC UNDERSTANDING

Article VII of GATS (Recognition) among the provisions, categorically states that:

- For the purposes of the fulfillment of its standard or criteria for the authorization, licensing or certification of services provider, a member country may recognize the education or experience obtained, requirements met, or licenses or certifications granted in a particular member country. Such agreement may be based upon an agreement or arrangement with the country concerned or may be accorded autonomously;
- A member country shall not accord recognition in a manner which would constitute a means of discrimination between countries in the application of its standards or criteria for the authorization, licensing or certification of services providers or a disguised restriction on trade in services;
- Wherever appropriate, recognition would be based on multilaterally agreed criteria; and
- Member countries shall work in cooperation with relevant intergovernmental and nongovernmental organizations towards the establishment and adoption of common

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international standards and criteria for re cognition and common international standards for the practice of relevant services, trades and professions.

# AFAS Article V (Mutual Recognition) states that:

Member State may recognize the education or experience obtained, requirements met, or licenses or certifications granted in another Member State, for the purpose of licensing or certification of service providers.

It has been observed that Mutual Recognition Arrangements, amongst others, can be:

- Binding treaties between Governments;
- Established as a framework that enables certain procedures required in the host country to be undertaken at the home country;
- Limited, confined to specific scope; and
- Between non-governmental institutions, regulatory authorities.

# 4. MUTUAL RECOGNITION OF PROFESSIONAL QUALIFICATIONS

The International Federation of Surveyors Publication No. 27 (Mutual Recognition of Professional Qualification) (2002) states that mutual recognition is an arrangement that allows a qualified surveyor who seeks mobility to another country to acquire the same recognition as that held by surveyors who have qualified in that country, without having to re-qualify.

To understand the nature of mutual recognition it is useful to look at the different working situations.

- Recognition does not relate to the situation of "getting a job". In general, employment is a matter between the employer and the employee. Getting a work permit in another country may be subject to domestic regulations including that of immigration, but that has nothing to do with recognition of professional qualifications.
- Recognition may, however, relate to the situation where a foreign employee wants to become a member of the professional institution in the host country, and thereby enjoy the benefits of being recognized as an equal professional and sharing the same rights.
- Recognition becomes even more important when a professional wants to practise in the host country. Recognition of professional competence conferred through mutual recognition arrangement may then represent a competitive element in terms of marketing services to clients. Recognition becomes crucial when a professional seeks to qualify to practice within a licensed area (typically for cadastral surveys).

Mutual recognition of professional qualification is thus a device for facilitating an efficient mobility of surveying professionals within the global working place for surveying services. It is thus important that information is available to understand, firstly, how surveyors in different countries acquire their professional qualifications and secondly, the process by which their professional competence is assessed.

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It is thus a process that allows the qualifications attained in one country (the home country) to be recognized in another country (the host country). It allows each country to retain its own kind of professional education and training.

#### 5. ASEAN'S MUTUAL RECOGNITION ARRANGEMENT

The 30<sup>th</sup> ASEAN Coordinating Committee on Services (CCS) meeting held on 10<sup>th</sup> to 12<sup>th</sup> July 2002 in Surabaya, Indonesia agreed to:

- Adopt a sectoral approach to develop mutual recognition arrangements for the identified professional services; and
- To draw up broad guidelines to assist the sectoral working groups in developing the MRAs for the respective professional services including the timeframe.

At the 31<sup>st</sup> ASEAN CCS meeting in Siemreap, Cambodia on 25<sup>th</sup> and 26<sup>th</sup> February 2003, the Committee requested all Member Countries to consult their respective professional bodies in their capitals to come up with the appropriate approach for concluding MRAs in their respective areas.

Surveyors in Malaysia had already decided that the appropriate approach for the surveying profession would be that of mutual recognition of surveying qualifications along the lines as was deliberated within the International Federation of Surveyors.

A workshop on Mutual Recognition Arrangement was hosted by Malaysia on the sideline of the 32<sup>nd</sup> ASEAN CCS meeting in Kuala Lumpur between 30<sup>th</sup> June and 2<sup>nd</sup> July 2003. At the workshop, mutual recognition of surveying qualifications was proposed together with an outline concept. The 32nd ASEAN CCS meeting agreed that efforts must begin in earnest to develop framework agreement for mutual recognition to facilitate the free movement of professional within ASEAN.

The 33<sup>rd</sup> meeting of the ASEAN CCS on 5<sup>th</sup> – 7<sup>th</sup> November 2003 in Bali, Indonesia called for the completion of MRAs for qualifications in major (priority) professional services by 2008. The major professional services identified are Architecture, Engineering, Surveying and Accountancy. This decision was re-visited and re -affirmed at the 34th meeting of the ASEAN CCS in Vientiane, Lao PDR on 10th – 12th March 2004. The same meeting called for the completion of the Engineering MRA by late 2004. The final draft of the ASEAN Engineering MRA was completed in September 2004.

The "Roadmap for the Integration of ASEAN" called for, among others, the free flow of professional services in the region by 2020. In this regard, the critical success factor being the ability of ASEAN professional services providers to move freely in the region to provide their services. The "Roadmap" identified that the conclusion of ASEAN MRAs for each professional services as an essential step towards achieving this goal.

# 6. ASEAN'S FRAMEWORK AGREEMENT ON MUTUAL RECOGNITION OF SURVEYING QUALIFICATION

Mutual recognition arrangement for surveying qualification is essential in the mobility of surveyors and the precursor of the free flow of professional surveying services. The recognition of surveying qualification must follow an agreed pre-determined and published methodology. The creation and agreement of the recognition methodology is essential to:

- Ensure the standardization of requirements and expectations;
- Transparency; and
- Provide guidance in according recognition.

The development of the ASEAN Framework Agreement on Mutual Recognition of Surveying Oualification will:

- Provide guidelines for the ASEAN wide recognition/accreditation process;
- Ensure completeness of information provided;
- Standardize the format of information and documentation required; and
- Expedite the process of assessment for recognition.

The proposed ASEAN Framework Agreement on Mutual Recognition of Surveying Qualification can comprise five primary components, basically:

- Definition (e.g. A Surveyor is a professional person with academic qualifications and technical expertise [post-graduate training]);
- Recognition provisions;
- Recognition mechanisms;
- Dispute settlement provisions; and
- Capacity building (and technical assistance) provisions.

The last component is essential in the ASEAN context as it must be recognized that there exist varying levels of development in the field of surveying within each Member Countries.

The recognition component of the Framework Agreement can comprise five primary requirements for information and documentation, namely:

- General information of the Surveying programme;
- Management structure at the teaching institution;
- Management system and examination procedures in the programme;
- Lecturing capacity; and
- Facilities.

Working towards an ASEAN Framework Agreement on Mutual Recognition of Surveying Qualification also allows for the:

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- Understanding of practices for assuring professional competence;
- Understanding the governing domestic requirements for registration and licensing of surveyors; and
- Understanding the governing domestic requirement to qualify as a practicing professional.

#### 7. ISSUES AND CHALLENGES

It must be recognized that professional services are very wide ranging and heterogeneous but form an important component of services. The decision to develop sectoral MRAs is a positive development for professional services within ASEAN. Surveying services is an equally important component of services and contributes significantly towards national development, nation building as well as ensuring security and sustainability. The following can be observed, generally, of the surveying industry within the ASEAN context:

- Demand for surveying services has not grown significantly over the past five years particularly in the a ftermath of the Asian financial crises;
- The rapid advancement and adoption of ICT has significantly altered the surveying processes. The increasing and widespread development of ICT is opening up new prospects for the profession and is expected to lead to strong growth in cross-border trade (under Mode 1<sup>3</sup>)
- The profession has yet to become internationalized unlike the legal profession (the legal profession in the past decade has been observed to have become internationalized and more and more frequently, lawyers are having to conduct transactions extending across *national borders and involving several jurisdictions*)
- The surveying market is not dominated by any large regional or multinational firms except, possibly, for the offshore hydrographic surveying for the hydrocarbon industry. Surveying firms tend, traditionally, to be local/provincial and very often owned and operated by a sole professional.
- The industry does not engage in research and development. As a consequence, it relies on methodologies and technologies developed by the more advance countries thus constantly requiring capital and training.

In the efforts to develop an ASEAN Framework Agreement on Mutual Recognition of Surveying Qualification, key challenges included:

- No common ASEAN-wide understanding (definition) of surveying services and its scope of responsibilities; and
- No specific Central Product Classification coding except for Surface and Sub surface Surveying and Map Making.

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<sup>&</sup>lt;sup>3</sup> GATS Modes of Supply: 1) Cross-border supply 2) Consumption abroad...3) Commercial presence 4) Presence of Natural Persons

This lack of understanding and the absence of a specific CPC code for Surveying Services have somewhat dampened the enthusiasm and interest in working towards and expediting such an agreement. It has also somehow relegated Surveying Services to non-professional status in the context of trade-in-services. There has been an instance where a WTO member country refers surveying as non-professional services.

The task before ASEAN Surveying Fraternity is to develop capacity and confidence within the Industry, especially among the younger generation of surveying professionals able to:

- Embrace the rapid pace of technological advancement and innovations and employ these advancement and innovations judiciously and ethically in support of their respective national goals and aspirations;
- Effectively practice the science that is surveying within a liberalized marketplace; and
- Establishing world-class practices that can efficiently serve the needs of and contribute towards the betterment of society, the environment and nation building.

At the national level, it is important that there should be a consensus-building process involving government, industry and the public-at-large primarily aimed at:

- Enhancing the role, relevance and recognition for surveying professionals;
- Domestic capacity building; and
- Reviewing and revising domestic regulations to ensure an appropriate level of domestic competence, competitiveness and capacity.

It must be appreciated that the process of liberalization would involve adjustments which can give rise to concerns or even risks to the social and environmental fabric of a society and thus, there should be learned analyses and studies on the impacts of such liberalization on the domestic surveying industry.

#### 8. THE QUEST FOR RECOGNITION

There must be concerted effort from within the Surveying Fraternity, not just nationally nor regionally, but globally to:

- Gain recognition for its role and relevance as Surveyors;
- Ensure the relevance and enhance the pivotal role of surveying in Nation Building, National Development and Global Sustainability;
- Emerge from its often self-imposed "shell" and work at raising the profile and prestige of the profession; and
- Work towards the creation of a separate classification for Surveying Services as the current CPC coding is grossly inadequate. (The current CPC coding does not recognize the key role of surveying).

Regionally, it is the humble opinion of the authors that ASEAN Surveyor's immediate need is that of recognition, basically:

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- Recognition from Government Planners and Leaders for its significant and substantial role and contribution;
- Recognized and be engaged in consensus-building processes involving government, industry and public-at-large to further enhance the role, relevance and recognition for surveying professionals; and
- Recognition conferred with a specific Central Product Classification code.

This quest for recognition may in some way restore the glamour and prestige of the surveying profession. It may not prevent the dismal enrolment and closure of surveying schools around the world but may arrest the decline or prevent further decline in interest towards the surveying profession. The surveying profession must remain as a profession of choice!

#### 9. CONCLUSION

ASEAN's visionary Heads of Government have collectively recognized that the realization of a fully integrated economic community requires the implementation of both liberalization and cooperation measures including the need for the recognition of educational qualification.

The development of the ASEAN Framework Agreement on Mutual Recognition of Surveying Qualification is an important effort and contribution by the ASEAN Surveying Fraternity to realize an ASEAN Economic Community (AEC) that will enhance ASEAN competitiveness, improve ASEAN's investment environment and narrow the development gap between ASEAN Member Countries.

Whilst the Surveying Fraternity works on getting the requisite recognition and emphasizing its role and significance, it is important that there be recognition from within the various trade -in-services processes and mechanism including the World Trade Organization through the creation of a separate Central Production Classification coding for Surveying Services. This must be a global effort.

"If globalization is indeed inevitable, it is critically important to ensure that it is immensely productive . . . . . . . . We must make sure that it does that greatest good for the greatest number of the children of Adam".

#### **BIOGRAPHICAL NOTES**

Teo Chee Hai is an Executive Council Member, Association of Authorised Land Surveyors Malaysia; Past President, The Institution of Surveyors Malaysia; and Member, Land Surveyors Board Peninsular Malaysia.

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<sup>&</sup>lt;sup>4</sup> Dr. Mahathir Mohammed, former Prime Minister of Malaysia, on globalization (South Review, Vol. 1 No. 1, April 2000)

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