



# **ASEAN COMPREHENSIVE INVESTMENT AGREEMENT**

## **AN INTRODUCTION**



one vision  
one identity  
one community

The Association of Southeast Asian Nations (ASEAN) was established on 8 August 1967. The Member States of the Association are Brunei Darussalam, Cambodia, Indonesia, Lao PDR, Malaysia, Myanmar, Philippines, Singapore, Thailand and Viet Nam. The ASEAN Secretariat is based in Jakarta, Indonesia.

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ASEAN AUSTRALIA DEVELOPMENT COOPERATION PROGRAM

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## Rationale for ACIA

- The ASEAN Comprehensive Investment Agreement (ACIA) is ASEAN's new investment agreement.\*
- It is ASEAN's instrument to create a free and open investment regime/environment in the context of an integrated economic community.
- It is ASEAN's response to increasing global competition. With its comprehensive, balanced and improved features, it aims to enhance the attractiveness of ASEAN as a single investment destination.

*\*Note: ACIA replaces the ASEAN Investment Area (AIA) and the ASEAN Investment Guarantee (IGA) Agreements (precursor agreements)*



## Economic Benefits

- ACIA is expected to:
  - Create a more conducive business/investment environment
  - Provide greater confidence to investors to invest and maintain their investment in ASEAN
  - Increase intra-ASEAN investment and encourage greater industrial complementation and specialisation among the Member States of ASEAN



## Key Features

- ACIA is based on international best practices
  - It has comparable provisions on liberalisation and protection
  - Adopts a single negative list approach on reservations with provision for further progressive liberalisation
- Has a balanced-focused
  - Covers the four pillars of liberalisation, protection, promotion and facilitation
- Re-affirms provisions of precursor agreements
  - Re-affirms the national treatment and most-favored-nation treatment obligations
- Builds upon and improves on precursor agreements



## Improved Provisions

- Clearer interaction of relevant provisions on liberalisation and protection
- Clearer and transparent provisions for obtaining approval and transfers
- Comprehensive and clearer definitions in line with international investment agreements
- More comprehensive provision on investor-state dispute mechanism
- Expanded scope and application





## Coverage

- Scope covers both direct and portfolio investment\*
- Immediate benefit applies to both ASEAN and ASEAN-based investors
  - ASEAN-based investors can now enjoy the benefit of non-discriminatory treatment
- Sectoral coverage in terms of liberalisation cover manufacturing, agriculture, fishery, forestry, mining and quarrying and services incidental to these sectors

*Note: Services sectors liberalisation is covered in by the ASEAN Framework Agreement on Services (AFAS)*

- The protection provisions of ACIA applies to all sectors.

*\* Note: Reservations can be made in the Schedule*



## Entry Into Force

- ACIA together with its Schedule (Reservation Lists) took effect on 29 March 2012
  - Following the notification or deposit of instruments of ratification by the ten ASEAN Member States with the ASEAN Secretary-General
  - Endorsement by the ASEAN Investment Area (AIA) Council of the Schedule of the ACIA consisting of the individual reservation lists of the ten ASEAN Member States



## **Relation with Precursor Agreements**

- ACIA supersedes the ASEAN IGA and AIA Agreement and its subsequent Protocols
- Upon ACIA's entry into force, the ASEAN IGA and AIA Agreement are terminated
- Transition period and options applies to investors whose investment fall within the ambit of the ASEAN IGA and AIA Agreement

# ASEAN Investment Promotion Agencies/ Board of Investments

## **Brunei Darussalam**

Ministry of Industry and Primary Resources  
([www.industry.gov.bn](http://www.industry.gov.bn)),  
Brunei Economic Development Board ([www.bedb.com.bn](http://www.bedb.com.bn)),  
Brunei International Financial Centre ([www.finance.gov.bn](http://www.finance.gov.bn))

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## **Singapore**

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