

**The Medical Association of  
South-East Asian Nations  
(MASEAN)**

**Position Paper  
On**

**ASEAN Free Trade Area 2003  
(AFTA)**

**Prepared By:**

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**For**

**MASEAN-AFTA Task-Force**

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## **MASEAN-AFTA Task-Force 2000-2001 (Kuala Lumpur-Singapore)**

Work-Group Chairman:      Datuk Dr. P. Krishnan (MAS)

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The Objectives of the Work-Group were:

1. To study the perceived implications of AFTA on healthcare in the ASEAN region in 2003
2. To recommend strategies for action at MASEAN level in preparation for the implementation of AFTA in healthcare services in ASEAN

The Recommendations of the Work-Group are discussed under the following headings:

1. Main Points of Consideration
2. MFN Exemptions in ASEAN Spirit of Cooperation
3. Schedule of Commitments for MASEAN members
4. Studying the European Union's proposals on healthcare in the ASEAN-AFTA context

### **1. Main Points of Consideration**

#### **a. Balance in Demand and Supply of Services**

A balance in supply and demand of professional services should be created within ASEAN so as not to jeopardize delivery of existing services at the expense of fulfilling demand elsewhere

#### **b. Policy of non-disruption and/or interference**

Provision of healthcare services and products should not adversely affect the distributive justice of existing national healthcare services

#### **c. Definition of entry requirements and standards**

Acceptable Control of standards, numbers and professional behaviour of healthcare providers that relate to manpower, area of practice, quality and efficacy must be defined and implemented in stages

#### **d. Establishment of National Health Financing Schemes**

Comprehensive National Health Financing mechanisms must be put in operation before the entry and implementation of service agreements that could cause unwanted exploitation or disparity in the existing system of healthcare delivery

- e. **Relevance of new technology and alternative remedies to local needs**  
Trade in such services and products should be considered on evidence-based justification.

## **2. MFN Exemptions in ASEAN Spirit of Cooperation**

MFN Exemptions should be considered for fellow ASEAN Member Nations for preferential and favorable access of each others' surplus and/or complementary resources in terms of:

- a. Manpower needs
- b. Technology
- c. Infrastructure development
- d. Funding

## **3. Schedule of Commitments for MASEAN members**

MASEAN Member Nations must identify and propose their commitments covering:

- a. Sectors and Sub-sectors of medical services
- b. Market access
- c. National treatment
- d. Additional commitments to their ASEAN partners

## **4. Studying the European Union's proposals on healthcare and its parallel application in the AFTA context**

## **MASEAN-AFTA Regional Action Plan**

### **Proposal 1**

To create a MASEAN working group to

- (i) conduct on-going studies and monitor the impact of AFTA, Globalisation and Liberalisation of Trade & Services within ASEAN beyond 2003
- (ii) Advise on safeguards for MASEAN members on areas concerning healthcare

### **Proposal 2**

MASEAN member medical associations should appoint a committee to formulate a National Health Plan to:

- (i) Study the future healthcare needs of the nation
- (ii) Identify problems in the existing systems of healthcare

### **Proposal 3**

MASEAN member medical associations could review the following areas of importance within their own present healthcare systems:

- (i) Health Administration and Financing
- (ii) Public health
- (iii) Role of Pharmaceutical industry
- (iv) New medical technology
- (v) Human resources

### **Proposal 4**

Having made reviews of their respective healthcare systems, member medical associations could recommend to their respective Governments measures to:

- (i) Overcome existing weaknesses in the healthcare delivery system
- (ii) Use AFTA to strengthen their own healthcare system
- (iii) Safeguard areas of national interest and concern from possible disruption

### **Proposal 5**

MASEAN should then:

- (i) Forge a consensus on AFTA and Healthcare for the region
- (ii) Make its representation to and meet the ASEAN Ministerial-level meeting in 2002 to deliver its proposals