

APEC Professional Services and Mutual Recognition Community of Practice

Session 2 – Friday, 16 September 2022 – 10:00AM to 11:30AM (AEST)

Key principles and lessons in negotiating Mutual Recognition Agreements

Session 2 Discussion Summary

Overview of themes

Session 1 was led and opened by the Australian Government Department of Foreign Affairs and Trade (DFAT). A round of introductions was called so participants could learn more about each other's respective roles and interest in the Community of Practice.

The following themes were then covered:

Theme 1 – Recalling why MRAs are important

Mr Arjuna Nadaraja, Director, Professional Services and Mutual Recognition Unit, Australian Department of Foreign Affairs and Trade provided some remarks about why mutual recognition agreements (MRAs) are important given the overarching goals for trade in services in the APEC region.

There was a brief follow-on discussion about this theme, to further explore and emphasise the key points raised by Mr Nadaraja.

Theme 2 – Negotiating MRAs: experiences and lessons from Community of Practice members

Dr Pawel Sajewicz, Manager, Agreements, Professional Standards, Engineering Business Group, Engineers Australia and **Mr David Benton**, CEO, National Council of State Boards of Nursing (NCSBN), United States of America made presentations about their respective experiences with negotiating MRAs

A Q&A discussion with the presenters then allowed participants to further explore the insights shared by Dr Sajewicz and Mr Benton

A link to the presentations made at Session 2 can be found [here](#).

Summary of key discussion points

The following key points emerged from the facilitated discussions of the above themes:

Theme 1 – Recalling why MRAs are important

- Five key reasons why MRAs are important:
 - By liberalizing the movement of professional services across borders, MRAs are a critical enabler of trade generally
 - Professional services unlock and underpin trade value chains, and competitiveness improves when they are delivered efficiently, as supported by MRAs
 - MRAs continue to play a critical role in ensuring the maintenance of standards and consumer protections as cross-border trade in professional services grows
 - How professional services move across borders is evolving rapidly as the digital economy expands, and MRAs are a key tool for responding appropriately to this evolution
 - MRAs support the implementation of other key areas of trade policy such as the APEC Services Competitiveness Roadmap, services domestic regulation disciplines and other structural reforms
- In his remarks, Mr Nadaraja emphasised the first three of the above reasons to elevate the critical place of professional services and the standards that apply to these in trade generally, and how MRAs support this. In particular, he noted the value of MRAs to:
 - Individual professionals and professional services firms - streamlined processes reduce costs and time spent on licensing
 - Host economy - adds efficiency and underpins all economic activity, including facilitating foreign direct investment; and
 - Consumers - protects consumers and guarantees quality through maintenance of standards and genuine/practical consumer protection measures
- The session facilitator invited Mr Nadaraja to expand on how MRAs can support the implementation of other key areas of trade in services policy, and Mr Nadaraja emphasised the 'two-way' trade benefits of efficient and effective mutual recognition, particularly for competitiveness, and how this is a vital complement to other areas of trade policy.

Theme 2 – Negotiating MRAs: experiences and lessons from Community of Practice members

- Dr Sajewicz presented first and provided an excellent overview of why MRAs are important to Engineers Australia, their purpose and focus, and the MRA making, and implementation process they use.
- To anchor this overview, Dr Sajewicz provided an example MRA process for an MRA

between the engineering professional bodies of Australia and Japan.

- He concluded his presentation with some observations, opportunities and suggestions for MRA practice. Some key concluding remarks included:
 - Making/renewing bi-lateral MRAs is a time-consuming process so standardise the process wherever possible
 - It's also advisable to streamline processes and increase mobility by utilizing multi-lateral agreements wherever possible as well,
 - Thinking beyond an MRA as a one-off bilateral agreement and thinking about ongoing relationships, and how these can unlock other areas of mutual benefit
 - Digital databases can support efficient implementation, such as online records of accredited programs and professional registers
- Mr Benton presented next, providing participants with an insightful exploration of how the National Council of State Nursing Boards has worked to enable mutual recognition of nursing qualifications and experience within the federated domestic context of the United States
- His presentation centred upon the Nurse Licensure Compact process, looking at the drivers of change, the inspiration for the Compact approach, the public policy goals, benefits for patients, telehealth, nursing boards and nurses. Mr Benton overviewed how the Compact works, including the role of Uniform Licensure Requirements, and the progress made so far, which shows 39 states participating in the Compact system so far
- Mr Benton finished by pointing to factors for success and challenges to progress. Some key concluding points made were:
 - A focus on educating the ecosystem about the Compact and working up Uniform Licensure Requirements were key factors in what has made the Compact an effective approach,
 - Building coalitions around legislative changes at the State level was critical to support implementation,
 - Building, adopting and using technology infrastructure to support the Compact has helped enormously to unlock the benefits of adopting the approach,
 - Privacy matters related to the use of data is a major challenge that all technology-enabled approaches to mutual recognition will have to face
 - The Compact model could be extended beyond national borders but this will require international collaboration around the same process – this work is underway but will take time.
 - Several further key insights and observations about approaches to MRAs and mutual recognition emerged from the facilitated Q&A discussion that followed the presentations. These include:
 - The presentations have provided some very practical ideas about how to make

MRAs and implement mutual recognition within the APEC region across different contexts.

- There would be a lot of work involved in working towards uniform licensure requirements within each services sector, but this shouldn't prevent licensure bodies from being able to at least establish regionally recognised minimum standards, which could then be assessed in various ways at the economy level
- Differences between economies in the regulation of and access to / use of information technology is a major challenge around adopting digital approaches and managing the use of data – overcoming this challenge should be a regional focus.

The terms of reference for the Community of Practice are available on the [APEC Projects Database](#).