



**Asia-Pacific
Economic Cooperation**

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Mutual Recognition of Professional Qualifications in the Asia Pacific: Lessons from the Inventory of Mutual Recognition Agreements in APEC

APEC Group on Services

November 2021



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The views expressed and the conclusions reached in this report are those of the author.

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Executive summary

This report describes the development of an online listing of mutual recognition agreements (MRAs) on licensing, qualifications and accreditation of professionals and skilled service providers in APEC economies, and provides an overview of some of the key features of MRAs revealed by this project.

The [APEC Inventory of Mutual Recognition Agreements for Professional Qualifications](#) was developed between mid-2020 and mid-2021 by the Australian APEC Study Centre in collaboration with APEC economies. The project was sponsored and funded by the Australian Government and co-sponsored by the United States and Peru.

The key objective of the Inventory is to enhance transparency and improve access to information about the development of MRAs in APEC for individual service providers, firms, industry and governments.

The Inventory includes the following information for each agreement:

- Occupation
- Economies involved
- Agreement title
- Year the agreement entered into force
- Link to the competent authority in each economy
- Link to application details for professional seeking recognition
- Link to the agreement text, where available
- An assessment of the level of recognition afforded by the agreement

At 7 September 2021, the Inventory contains details of 194 agreements, making it the world's most comprehensive database of MRAs. Drawing on this data, this report provides a novel insight into the state of MRAs in APEC.

The five APEC members that are most active in this space are Australia; Hong Kong, China; Canada; New Zealand and the United States. Between them they have entered into nearly twice as many MRAs as the other 16 member economies combined.

There is a similar concentration among occupations. Five occupations – engineers, accountants, surveyors, actuaries and architects – account for over 80 per cent of all MRAs entered into by APEC economies. Conversely, health professions are significantly underrepresented.

The Inventory shows that the rate of development of new MRAs has been increasing. The year of commencement was able to be determined for around two-thirds of the agreements in the Inventory. Of these, just ten had been initiated in the century between the first MRA in 1898 and 2000. A further 41 were developed in the decade to 2010, and an additional 72 MRAs were initiated in the decade to 2020.

The Inventory provides governments, competent authorities, professional associations, service providers and researchers with a rich data set that has the potential to dramatically change the way we think about the possibilities for expansion of mutual recognition. In a nutshell, all can now easily visualise who has done what with whom and how.

With the rise of remote working and digitalisation of many aspects of service delivery, we expect that the next wave of MRAs will be motivated as much by the need to facilitate cross-border provision as by the movement of natural persons. And so it is fitting that we employ digital platforms such as the Inventory to facilitate our entry into this next phase.

The final section of this report makes three recommendations aimed at capitalizing on the potential of the Inventory for enhancing awareness and facilitating the future development of mutual recognition arrangements in APEC:

Review the Inventory to ensure accuracy and currency

Promote the Inventory as a means of raising awareness about existing practice and to facilitate a strategic approach to future development of MRAs

Regularly update the Inventory over time

Background

This project produced an online listing of mutual recognition agreements (MRAs) on licensing, qualifications and accreditation of professionals and skilled service providers in APEC economies.

It thereby contributes to the goal outlined in the APEC Services Competitiveness Roadmap (2016-2025) of “supporting cross-border mobility for professionals, building on initiatives such as the APEC Architects and Engineers Registers to facilitate mutual recognition arrangements”.

A key challenge for work on mutual recognition is the difficulty of understanding the current state of play. While previous APEC work has involved many people with deep expertise in relation to a particular occupation or economy, none of these participants has access to a comprehensive picture of the entire set of agreements. MRAs are negotiated and managed by a large number of competent authorities, with new agreements coming into force, and older agreements being revised or sometimes lapsing.

As far as we are aware, this is the first international database of MRAs. The Inventory is intended to improve transparency and knowledge of the types of MRAs and similar agreements, including those that provide pathways to recognition. For individuals and firms, the Inventory provides a simple means of identifying MRAs that could facilitate their work across borders. For governments and recognition bodies the Inventory provides an overview of all of the agreements in place, which can assist in the prioritisation and development of future agreements as well as aiding in benchmarking current practice.

It is hoped that increasing transparency will help fast-track the international practice of professional and skilled service providers post-COVID-19, who will be important in facilitating trade, investment and economic recovery. The rapid adoption of online modes of service delivery during the pandemic will further accelerate cross-border provision of services, adding a new impetus to qualifications recognition work which has been until now focused on the movement of natural persons across borders.

The project was sponsored and funded by the Australian Government and co-sponsored by the United States and Peru. The Inventory was developed and compiled between mid-2020 and mid-2021 by the Australian APEC Study Centre in collaboration with APEC economies.

Approach

The process of developing the Inventory involved initial decisions about the technical design of the online database, followed by an extensive search for existing MRAS and review. The project was undertaken by a team at the Australian APEC Study Centre at RMIT University in Melbourne. It was overseen by the Australian Department of Foreign Affairs and Trade, with feedback and guidance provided by an Informal Working Group made up of representatives of APEC economies¹.

Platform

After reviewing several platforms, Knack was chosen based on its flexibility, simple interface, and ability to allow users to easily search and filter data. Once the Inventory structure was created, multiple users could input data and a link to the Inventory could be shared so that the site could be constantly reviewed by team members and other stakeholders during data collection. Feedback from the project team and the Informal Working Group led to many refinements during this phase. The Inventory site can be found at <https://aasc.knack.com/mra-inventory>.

Types of agreements included

All international Mutual Recognition Agreements related to professional practice licensure/registration that involve at least one APEC economy were included. The Inventory therefore includes a wide variety of types of agreements, with varied effects.

International agreements that relate primarily to recognition of educational qualifications are only included where they confer a right to professional practice. For example, in the case of Latin America we include the 1909 Convention on the Practice of Learned Professions but not the 1974 Regional Convention on the Recognition of Studies, Diplomas and Degrees in Higher Education in Latin America and the Caribbean.

The Inventory does not include unilateral recognition of foreign qualifications by APEC economies where there is no international agreement in place.

Economies included

The Inventory includes all agreements that have been entered into by at least one of APEC's 21 member economies. The intention of the Inventory is to provide a complete list of MRAs that each APEC economy has entered into. For non-APEC economies, the Inventory only includes those agreements that also involve an APEC economy.

Some agreements are between a sub-national jurisdiction in one economy, especially in the case of the United States and Canada, and another economy. Intra-national agreements between states or provinces in the same economy are not included.

Occupations included

All occupations that are covered by MRAs have been included in the Inventory. Broad occupational categories have been used to identify the focus of each agreement, even though agreements may be limited to narrower occupational groupings.

Year of commencement of agreement

This refers to the year that the agreement initially came into effect. In the case of multilateral agreements, some economies may have joined subsequently.

Competent authorities

The Inventory includes the organisation in each economy that has responsibility for overseeing professional licensure/registration according to the MRA. In most cases, the Inventory includes a link to the organisation's home page, and a link to 'application details', ie the information provided by that organisation for foreign professionals seeking to have their professional qualifications recognised.

¹ APEC Economies that self-nominated to participate in the Informal Working Group were: Australia; Hong Kong, China; Mexico; New Zealand; Peru; United States.

Meaning of 'level of recognition'

The Inventory includes an assessment of the impact of each agreement on the recognition process, drawing on a classification used by the Migration Policy Institute (Sumption, Papademetriou & Flamm, 2013, pp.4-9):

Automatic Recognition – where “a licence in one jurisdiction is directly accepted in another, with no additional assessment or training requirement. Professionals must generally apply for a license but only need to demonstrate that they hold the necessary license or qualification in their own country”.

Partial Recognition – where agreements “give credit for their home-country qualifications but require additional testing, training or supervised work experience”. Such MRAs “reduce, but do not eliminate, the steps required to qualify for licensure”.

Limited-Scope Recognition – where agreements “limit the activities that a regulated professional can perform, allowing individuals to practice the parts of the occupation for which their home-country training qualifies them, but not the parts for which it does not”.

Temporary Access – where agreements “provide relatively open access to practice but only for a limited period”.

The level of recognition was determined by the research team based on the agreement text or in some cases where agreement text was not available, based on instructions for applications on the websites of competent authorities. In some cases competent authorities recommended changes to our initial classification, typically recommending a change from Automatic to Partial due to additional requirements that may not have been clear in the documentation.

Inclusion of agreement text

Where agreements are publicly available, a link is provided.

Search

Several search strategies were used to identify MRAs, including reviewing:

Previous publications on mutual recognition

Notifications to the WTO by APEC economies about new MRAs

Websites of competent authorities of known agreements, which typically list all their other agreements, thereby identifying new competent authorities, and creating a snowball effect

In addition, the research team reached out to each economy through the APEC Group on Services.

Reviewing and updating the Inventory

During the data collection phase details of all agreements were reviewed by multiple members of the team.

In June 2021 the research team contacted all competent authorities for which contact details are available, requesting that they review the Inventory for completeness and accuracy. We will continue to make changes where advised, so the data reported on here is expected to change slightly over time.

It is envisaged that competent authorities will be contacted annually with a request to provide any updates on new, modified or discontinued agreements. Users of the Inventory are able to use a simple online form to submit feedback or details of MRAs for inclusion.

The data included in this report was accurate on 3 September 2021.

Overview of APEC MRAs

As at 7 September 2021 the Inventory lists 194 MRAs. The primary purpose of the Inventory is to enhance transparency and, to that end, the ability to filter for economy and occupation allows us to see trends in MRA development in the Asia Pacific clearly for the first time. In this section we present some initial analysis of what the Inventory data shows us about economies, occupations, and the historical development of MRAs by APEC members. Table 1 provides an overview of all economies and all agreements.

Table 1. Economies and Occupations

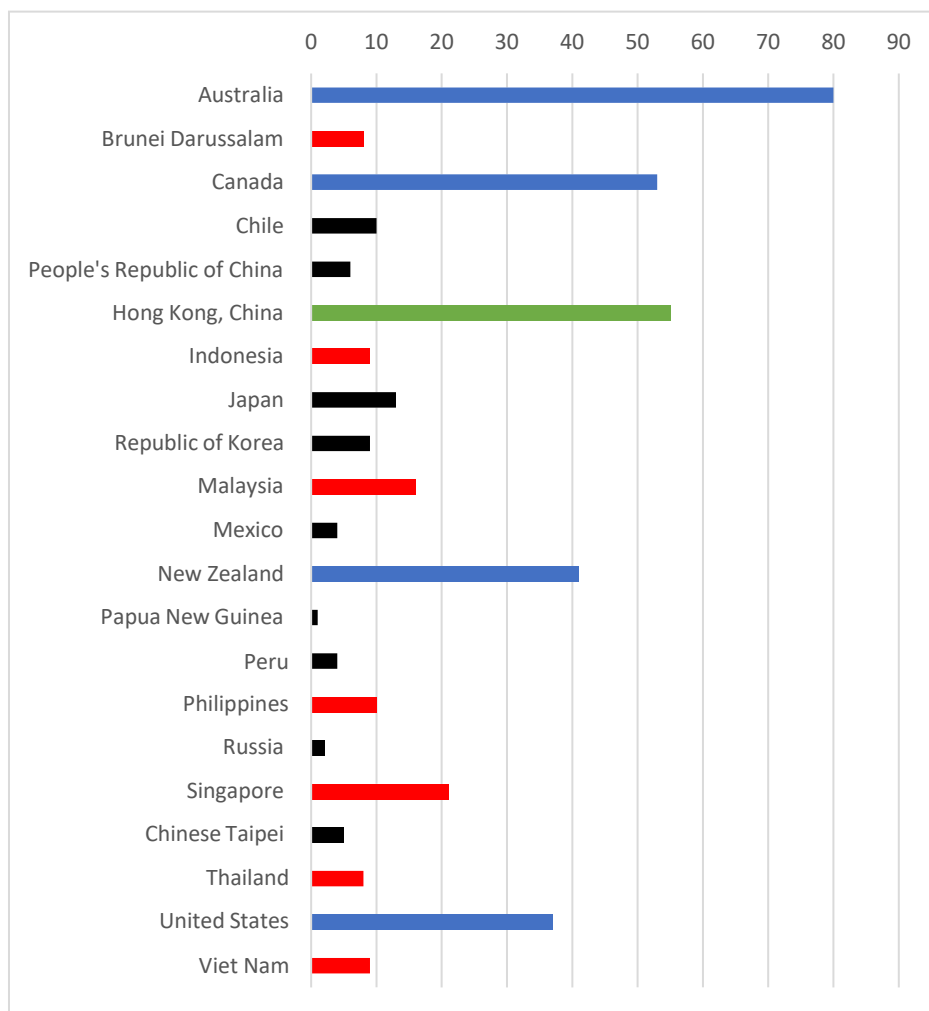
	ACCOUNTANTS	ACTUARIES	ARCHITECTS	BUILDERS AND CONSTRUCTION MANAGERS	DENTAL PRACTITIONERS	ENGINEERS	GEOLOGISTS	LANGUAGE PATHOLOGISTS AND AUDIOLOGISTS	MEDICAL PRACTITIONERS	NURSES	SOCIAL WORKERS	SURVEYORS	VETERINARIANS	MULTIPLE OCCUPATIONS	AGREEMENTS
AUSTRALIA	23	8	5	2	1	29		1			1	7	2	1	80
BRUNEI DARUSSALAM	1		1		1	1			1	1		1		1	8
CANADA	13	1	5	1	4	14	1	1	1	1		9		2	53
CHILE														10	10
PEOPLE'S REPUBLIC OF CHINA			1			2						3			6
HONG KONG, CHINA	9		1	1		29						15			55
INDONESIA	1		1		1	2			1	1		1		1	9
JAPAN	1	1	3			6						2			13
REPUBLIC OF KOREA			1			8									9
MALAYSIA	2		1		1	6			1	1		3		1	16
MEXICO	1		2			1									4
NEW ZEALAND	13		5	1	1	13		1			1	3	2	1	41
PAPUA NEW GUINEA	1														1
PERU						2								2	4
PHILIPPINES			2		1	2			1	1		2		1	10
RUSSIA						2									2
SINGAPORE	6		2		1	5			1	1		4		1	21
CHINESE TAIPEI			1			4									5
THAILAND	1		1		1	1			1	1		1		1	8
UNITED STATES	9	7	4		1	14		1		1					37
VIET NAM	2		1		1	1			1	1		1		1	9
ECONOMIES	14	4	17	4	11	19	1	4	8	9	2	13	2	12	

Economies

The Inventory data reveals major differences in the number of MRAs entered into by each economy. The five most active economies have between them entered into twice as many agreements as the other 16 economies combined. We can see some distinct features that help to explain these differences:

- Four of the five APEC economies with the largest numbers of agreements – Australia, Canada, New Zealand and the United States (coloured blue in Figure 1 opposite) – have a history of significant immigration inflows, so have routinely needed to assess foreign qualifications. Also, as major destinations for internationally mobile students, they have an interest in ensuring that international graduates’ professional qualifications are recognized upon return to their home economy.
- The other economy in the top five is Hong Kong, China (coloured green), which has sought to establish itself as a regional services hub with a large number of agreements in engineering and surveying, including 26 bilateral agreements with the United Kingdom reflecting historical connections.
- The other bilateral relationship that has spawned many MRAs is Australia – New Zealand, which have five bilateral MRAs and 17 trilateral agreements between the two economies and one other.
- ASEAN economies in APEC (coloured red) are nearly all signatories of the eight ASEAN agreements, but have entered into very few other agreements. The exception is Singapore, which also has bilateral MRAs, in line with its role as a regional services hub.

Figure 1. Number of agreements and economy groupings



Occupations

Five occupations – engineers, accountants, surveyors, actuaries and architects – account for over 80 per cent of all MRAs entered into by APEC economies.

Engineering accounts for over one third of all MRAs in the Inventory, with nearly all economies having engineering agreements. This is testament to decades of collaboration between engineering accreditation and licensing bodies. Four APEC economies – Australia, Canada, New Zealand and the United States – were foundation members of the 1989 Washington Accord, with Hong Kong, China; Japan; Singapore; Korea; Chinese Taipei and Malaysia joining in the following decade (IEA, 2014). This and other multilateral agreements have resulted in a harmonisation of standards, and in turn a large number of more comprehensive bilateral agreements have been developed to streamline recognition of engineers moving between these systems.

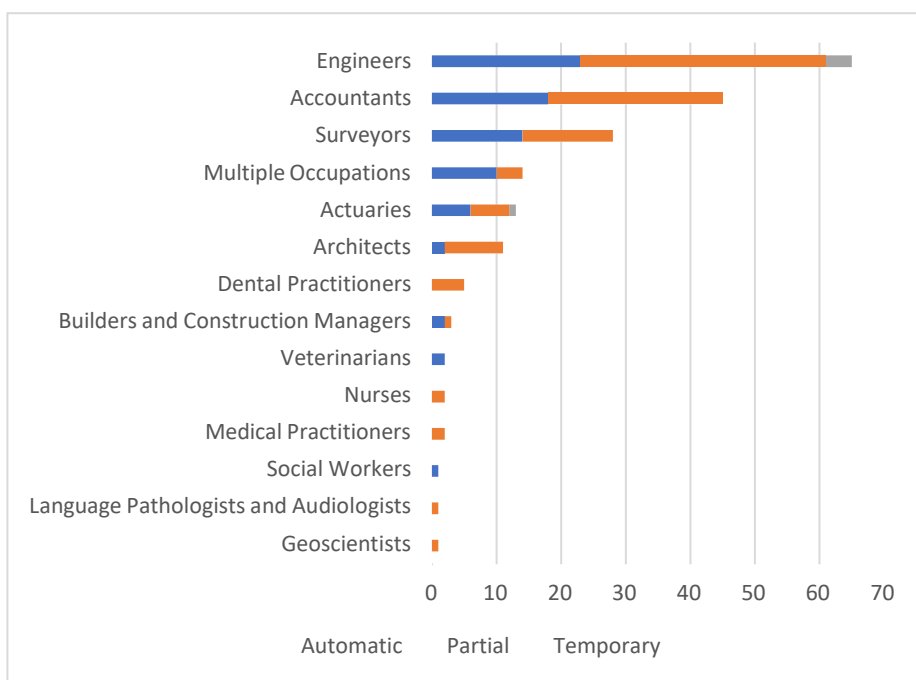
The other prominent occupations in the Inventory represent key technical roles in financial services (accountants, actuaries) and construction (surveyors, architects). It is notable how few agreements cover the health sector, despite the significant international mobility of health professionals, and especially nurses.

It is important to note the agreements covering multiple occupations, which are quite diverse, ranging from regional agreements such as the ASEAN Mutual Recognition Arrangement on Tourism Services, to bilateral agreements such as the 1997 Trans-Tasman Mutual Recognition Arrangement between Australia and New Zealand.

Level of recognition

For most occupations, partial recognition is more common than automatic recognition. While just under half of the agreements were classified as automatic recognition, mobile professionals invariably also must contend with other types of restrictions on practice that havenot been considered here.

Figure 4. Occupations and Levels of recognition



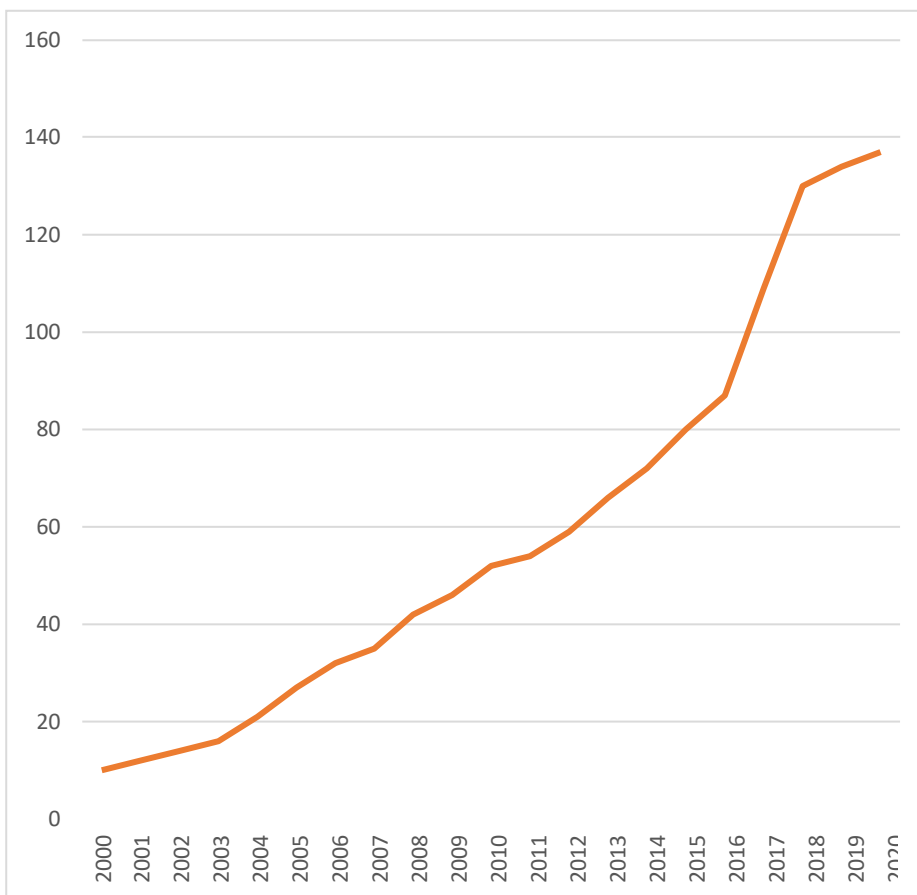
Year in which agreements commenced

Some of the earliest agreements in the Inventory were developed in Latin America over a century ago, beginning with the 1898 *Convention about the Exercise of Liberal Professions between the Government of Chile and the Government of Brazil*. However, only ten or so agreements currently in force were commenced prior to 2000.

We were able to identify start year of around 70 per cent of agreements.

Figure 5 shows a steady rate of development of new agreements over the past two decades. There was a notable burst of activity in 2017 and 2018, with over 20 agreements signed in each year, including a number of ASEAN agreements. However, activity slowed in 2019 and 2020, with fewer new agreements in each of these years. This is likely due in part to COVID-19 disruptions and as economies focused on a response to the pandemic.

Figure 5. Cumulative number of MRAs in force



Conclusion

The development of the Inventory has succeeded in significantly improving the transparency of mutual recognition practices across APEC economies.

The simple online platform is highly accessible, and the search and filtering functionality allows for any user drill down into the data to identify those agreements that are of interest to them. This allows for a much more systematic analysis of mutual recognition practices across APEC.

Professionals and commercial services providers are now able to identify which agreements exist in the economy that they are considering entering, and the extent to which those agreements facilitate market entry.

Governments in APEC economies are able to see a complete list of international MRAs that competent authorities in their jurisdiction have entered into, and access the specific details of those agreements. For comparative purposes, they will be able to benchmark against other economies quite simply. When considering bilateral relationships, by filtering for the two economies, governments are able to identify what MRAs are already in place, and may be able to identify opportunities for future development by assessing which other MRAs each economy already has in place.

Competent authorities and professional associations across APEC are able to easily locate MRAs covering their occupation. The task of identifying opportunities for development of new MRAs is made much easier by being able to see which agreements their counterparts already have in place, and the details of each of those agreements.

The Inventory has limitations, of course. One shortcoming of the approach we have adopted is that very different types of agreements are listed alongside each other. For example, the Washington Accord, a 30 year old multilateral agreement that has transformed engineering education, accreditation and licensing around the world has the same status in the Inventory as the Reciprocal Recognition Agreement between The Hong Kong Institution of Engineers and The British Computer Society. Still, by compiling basic information about all those MRAs that do exist, the Inventory does dramatically simplify the task of any future projects that seek to develop such qualitative distinctions between different types of agreements.

A second shortcoming is that the Inventory tells us nothing about the number of professionals who have benefited from the existence of such agreements. But by providing a simple list of MRAs and competent authorities, such investigations are now much more feasible.

Recommendations

The inventory provides significant opportunities for enhancing awareness and facilitating the future development of mutual recognition arrangements in APEC.

1. **Review the Inventory to ensure accuracy and currency.** Economies and competent authorities are encouraged to review the Inventory to ensure accuracy and currency. The online form can be used to provide further information or corrections for existing MRAs, or details of additional MRAs that should also be included.
2. **Promote the Inventory as a means of raising awareness about existing practice and to facilitate a strategic approach to future development of MRAs.** Economies are encouraged to promote the Inventory to competent authorities, professional associations, and relevant agencies. The Inventory provides an unprecedented ability to enhance awareness and understanding of current practice MRAs, which can support educational initiatives, research, and the development of future MRAs.
3. **Regularly update the Inventory over time.** In order to remain accurate, the Inventory will need to be updated as and when new information is received from users. In addition, it would be very beneficial to reach out to economies and competent authorities with a request to check that existing information remains accurate and that new MRAs are included.

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