

THE EIGHTH CONSULTATION BETWEEN THE ASEAN ECONOMIC MINISTERS AND MINISTERS OF THE CER

4 September 2003, Phnom Penh, Cambodia

Joint Media Statement

1. The ASEAN Economic Ministers (AEM) and the Ministers from Australia and New Zealand (Closer Economic Relations - CER) held their Eighth Consultation on 4 September 2003 in Phnom Penh, Cambodia. The Consultation was co-chaired by H.E. Mr. Cham Prasidh, Minister of Commerce, Cambodia; the Hon. Mr. Mark Vaile, Minister for Trade of Australia; and the Hon. Mr. Jim Sutton, Minister for Trade Negotiations of New Zealand.

ASEAN-CER Trade and Investment Relations

2. The Ministers exchanged views on recent international economic developments, noting there were signs of a stronger outlook for regional and global economic growth following the negative impact of factors such as terrorism, geopolitical uncertainty and Severe Acute Respiratory Syndrome (SARS) on business and consumer confidence. The Ministers reaffirmed their commitment to promoting regional growth, through domestic and international trade and economic reform, among others.

3. The Ministers noted that amidst a weak global trading environment, the ASEAN-CER bilateral trade grew by 6 percent from US\$ 19.4 billion in 2001 to US\$ 20.7 billion in 2002.

4. The ASEAN Ministers congratulated the CER Ministers on their 20th anniversary of CER this year, lauding the significant economic integration of Australia and New Zealand. CER has created a single market for goods and services, as well as an open and competitive environment for trade and investment. Since the agreement was signed, two-way trade between Australia and New Zealand has increased fivefold, and there have been substantial benefits in terms of wealth creation and employment on both sides of the Tasman.

Closer Economic Partnership (CEP)

5. The Ministers noted that since the signing of the AFTA-CER CEP Joint Ministerial Declaration in 2002, ASEAN and CER sectoral working groups had consulted regularly, including the newly established AFTA-CER CEP Implementation and Coordination Group (ACCICG). The Ministers commended the ACCICG which has been successful with their efforts to direct the ASEAN and CER sectoral working groups

and give the necessary policy guidance so that the CEP Work Programme could be effectively implemented. Ministers agreed that to maintain momentum and focus, the ACCICG should meet again as soon as feasible.

6. Ministers welcomed the growing range of activities and areas of collaboration noting that these would have a practical focus on increasing trade and investment for the benefit of both sides. Ministers highlighted the completion of projects and capacity building activities in the areas of trade promotion, trade facilitation, environment and commercial law, and e-commerce and paperless trading for SMEs. They also welcomed the completion of studies on reforming trade in services negotiations and financial services liberalisation in the ASEAN region, which aim to assist policy makers in addressing economic integration issues in the region.

7. Ministers welcomed the commencement of major new projects in 2003 which would address identified needs in the areas of legal infrastructure for e-commerce, mutual recognition of skills, quality assurance systems for fruit and vegetables, and quality assurance and safety of fish and fishery products, processing and packaging. Ministers also welcomed ongoing capacity building work on sanitary and phytosanitary (SPS), legal metrology, and customs harmonisation projects.

8. The Ministers endorsed the Interim Report of the Joint AFTA-CER Study on NTMs, which would be finalized by the end of this year, stressing that activities to address issues flowing from the study could significantly contribute to the doubling of trade flows between the two regions. To follow-up on the recommendations that would be contained in the study, the Ministers agreed that the senior officials of both sides meet back-to-back with the regular ASEAN Senior Economic Officials Meetings and report back to the Ministers at the Ninth AEM-CER Consultations in 2004 on actions taken.

AFTA-CER Business Council

9. The Ministers welcomed the opportunity to meet again with the AFTA-CER Business Council (ACBC), and encouraged business involvement in the work of the CEP through annual meetings with Ministers at the margins of the AEM-CER and through ongoing interaction with relevant officials. The Ministers welcomed ACBC's priorities for further developing the CEP, including promoting synergies and complementarities between ASEAN and CER business communities.

10. The Ministers expressed their appreciation to the ACBC for its inputs and contribution to the CEP Work Program. They acknowledged that ACBC's proposals to enhance enterprise linkages between ASEAN and CER closely relate to the CEP work program in the areas of information and communications technology, small and medium enterprises, human resource development, and e-commerce. The Ministers also endorsed further interaction between ACBC and officials to reflect business recommendations in the CEP work programme.

11. The Ministers tasked the ACCICG to take into account the comments and views of the ACBC in the implementation of the CEP Work Programme, in particular on the efforts to double trade and investments by 2010.

World Trade Organisation

12. The Ministers exchanged views on future trade policy directions and affirmed the importance of ongoing dialogue on both regional and multilateral trade policy issues.

13. The Ministers reaffirmed their commitment to the WTO Doha Development Agenda and to the overall goal of reinforcing an open, rules-based multilateral system for trade promoted by the WTO. They renewed their engagement to securing the high level of ambition agreed at Doha, particularly with regard to the needs of developing countries, the focus of this Round. To this end, the Ministers expressed their determination to work towards a meaningful outcome on key outstanding issues that are vital to developing countries, notably the agriculture negotiations.

14. Given the proximity of the Fifth WTO Ministerial Conference, which begins next week in Cancun, Mexico, discussions focussed on how best to ensure a successful Conference and keep the Doha Round negotiations on track. The Ministers reiterated the potential for real benefits for developing countries that could be gained through improved market access, both into developed and developing countries, and fairer trading conditions. Ministers welcomed the breakthrough achieved in Geneva enabling developing countries to gain greater access to affordable medicines. In particular, they reaffirmed the central importance for the Doha Round of moving forward on the agriculture negotiations by substantially improving market access, substantially reducing trade distorting subsidies and eliminating export subsidies and called on WTO Members to continue working towards achieving such an outcome. Ministers also noted the need to retain the delicate balance of interests in the Doha mandate and not to overload the reform agenda.

15. The Ministers welcomed the upcoming accession of Cambodia to the WTO and expressed continuing support for the early accession of Lao PDR and Viet Nam to the WTO.

Asia Pacific Economic Cooperation

16. The Ministers stressed the need for concrete outcomes for APEC Leaders and Ministers in October. They highlighted the importance of continuing APEC's strong support for the WTO Doha Round and in delivering its counter-terrorism agenda including the Secure Trade in the APEC Region initiative. They also affirmed the link between regional prosperity, security and open markets.

LIST OF MINISTERS

The Meeting was attended by:

- (i) H.E. Pehin Dato Abdul Rahman Taib, Minister of Industry and Primary Resources, Brunei Darussalam;
- (ii) Hon. Mr. Mark Vaile, Minister of Trade, Australia;
- (iii) H.E. Mr. Cham Prasidh, Minister of Commerce, Cambodia;
- (iv) H.E. Mrs. Rini M.S. Soewandi, Ministry of Industry and Trade, Indonesia;
- (v) H.E. Mr. Soulivong Daravong, Minister of Commerce, Lao PDR;
- (vi) H.E. Dato' Seri Rafidah Aziz, Minister of International Trade and Industry, Malaysia;
- (vii) H.E. U Khin Maung Win, Deputy Minister of Foreign Affairs, Myanmar;
- (viii) Hon. Mr. Jim Sutton, Minister for Trade Negotiations, New Zealand;
- (ix) H.E. Dr. Thomas G. Aquino, Undersecretary of Trade and Industry, the Philippines;
- (x) H.E. B.G. (NS) George Yeo, Minister for Trade and Industry, Singapore;
- (xi) H.E. Dr. Adisai Bodharamik, Minister of Commerce, Thailand;
- (xii) H.E. Mr. Truong Dinh Tuyen, Minister of Trade, Viet Nam; and
- (xiii) H.E. Mr. Ong Keng Yong, Secretary-General of ASEAN.