

**Joint Media Statement of the Tenth AEM-CER Consultation
Vientiane, 29 September 2005**

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1. The ASEAN Economic Ministers (AEM) and the Ministers from Australia and New Zealand (Closer Economic Relations - CER) held their Tenth Consultation on 29 September 2005 in Vientiane, Lao PDR. The Consultation was co-chaired by H.E. Mr. Soulivong Daravong, Minister of Commerce of Lao PDR; the Hon. Mark Vaile, Deputy Prime Minister and Minister for Trade of Australia; and H.E. Mr. Peter Rider representing the Hon. Jim Sutton, Minister for Trade Negotiations of New Zealand.

ASEAN-CER TRADE AND INVESTMENT RELATIONS

2. The Ministers exchanged views on the current global economic environment and recent developments in ASEAN and CER. The Ministers were pleased to note the outcome of the ASEAN-Australia and New Zealand Commemorative Summit in November 2004 where the Leaders agreed to further economic integration by launching negotiations on a Free Trade Agreement building on the substantial trade and investment linkages already established between the two regions. They renewed their call for continuing regional economic integration as a means to promote trade and investment flows.

3. The Ministers noted that ASEAN-CER (Australia and New Zealand combined) bilateral trade continue to post significant gains which provides good momentum for the establishment of the ASEAN, Australia and New Zealand Free Trade Area. ASEAN-CER bilateral goods trade expanded by 31.2% in 2004, i.e. from US\$ 21.8 billion in 2003 to US\$ 28.6 billion in 2004. The outlook for 2005 is equally positive as first quarter trade figures already showed an increase of 16.9% compared to the first quarter figures of 2004.

ASEAN, AUSTRALIA AND NEW ZEALAND FREE TRADE AREA (AANZFTA)

4. The Ministers reviewed the progress of negotiations for a Free Trade Agreement between ASEAN, Australia and New Zealand, which officially commenced in March 2005. The Ministers noted the negotiations were progressing in accordance with the Guiding Principles on the ASEAN-Australia and New Zealand FTA endorsed by Leaders. They noted the focus on tackling impediments to trade and investment raised a number of difficult issues, particularly regarding the coverage and scope of the FTA. The broad range of interests and the diverse economic circumstances of the twelve participating countries present particular challenges for the negotiations. At the same time, Ministers recognised the negotiations do present an important opportunity to deliver economic benefits to each participating country and to enhance the region's economic integration.

5. The Ministers commended the ASEAN, Australia and New Zealand Trade Negotiating Committee (TNC) for its practical negotiating approach of using initial negotiating sessions for confidence-building and understanding of each other's perspectives and expectations for the negotiations. The Ministers also noted that significant information has already been exchanged, including information on trade regimes and trade and tariff data. The Ministers underscored the importance of continuing the exchange of information and embedding this as an important element of the negotiation process to build a shared understanding of issues among the parties.

6. The Ministers also noted that, consistent with the Guiding Principles capacity-building has become an important component of the FTA negotiations. For this, the ASEAN Ministers expressed their appreciation to Australia and New Zealand for their contribution to enhancing the understanding of ASEAN negotiators on key FTA issues, notably through workshops on trade in services, rules of origin and investment, as well as the assistance programmes provided by AusAID and NZaid.

7. The Ministers, encouraged by the progress of the FTA negotiations, urged the TNC to develop creative solutions and explore feasible options, where necessary, to ensure that the negotiations move forward consistent with the agreed Guiding Principles and with a view to making steady progress and completing the negotiations within two years as agreed by Leaders.

AFTA-CER CLOSER ECONOMIC PARTNERSHIP

8. The Ministers were pleased with the economic cooperation initiatives implemented under the AFTA-CER Closer Economic Partnership Work Programme. The ASEAN Ministers expressed their appreciation for the long-standing support and cooperation extended by Australia and New Zealand to the region, which Ministers noted to be flexible and responsive to the development requirements and evolving priorities of ASEAN.

9. The Ministers noted the latest report of the AFTA-CER Business Council (ACBC) on current issues relevant to the AFTA-CER CEP. The Ministers underscored the importance of having regular consultation and interaction between officials and the ACBC to get a sense of their interests and priorities so that these can be adequately reflected in the economic integration process whether in the CEP or in the AANZFTA.

WORLD TRADE ORGANISATION (WTO)

10. The Ministers stressed the critical importance of a successful outcome from the Sixth WTO Ministerial Conference scheduled in Hong Kong this December. Towards this end, they called on all Members to intensify their efforts to achieve substantial results in this Conference and work their way toward the successful conclusion of the Doha Round by 2006. They also encouraged all Members to have a meaningful

engagement to allow real progress in the negotiations, particularly on agriculture, which is crucial to the realization of the development dimension of the Doha Round.

11. The Ministers reaffirmed their continuing support to the early accession of Lao PDR and Vietnam into the WTO.

ASIA-PACIFIC ECONOMIC COOPERATION (APEC)

12. The Ministers committed to work together with the Republic of Korea to ensure the success of the 2005 APEC Summit in Busan.

13. The Ministers also expressed their strong support for and assistance to Viet Nam to successfully host the APEC Meetings in Viet Nam in 2006.

LIST OF MINISTERS

The Meeting was attended by:

- (i) Hon. Mr. Mark Vaile, Deputy Prime Minister and Minister for Trade, Australia;
- (ii) H.E. Pehin Dato Lim Jock Seng, Second Minister of Foreign Affairs and Trade, Brunei Darussalam;
- (iii) H.E. Mr. Cham Prasidh, Senior Minister and Minister of Commerce, Cambodia;
- (iv) Mr. Herry Soetanto, Director-General of International Trade Cooperation, Ministry of Trade, Indonesia;
- (v) H.E. Mr. Soulivong Daravong, Minister of Commerce, Lao PDR;
- (vi) Mr. Ooi Say Chuan, Deputy Secretary-General, Ministry of International Trade and Industry, Malaysia;
- (vii) H.E. U Soe Tha, Minister for National Planning and Economic Development, Myanmar;
- (viii) H.E. Mr. Peter Rider, representing the Hon. Jim Sutton, Minister for Trade Negotiations, New Zealand;
- (ix) H.E. Mr. Elmer C. Hernandez, Undersecretary for Trade and Industry, Philippines;

- (x) H.E. Mr. Lim Hng Kiang, Minister for Trade and Industry, Singapore;
- (xi) H.E. Mr. Suvit Maesincee, Vice-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.