

## 1982 JOINT PRESS RELEASE OF THE 13<sup>TH</sup> ASEAN ECONOMIC MINISTERS' MEETING

*Signed in Manila, the Philippines on 20-22 May 1982*

1. The Thirteenth Meeting of the ASEAN Economic Ministers was held in Manila on 20-22 May 1982. The Meeting was officially opened by His Excellency Ferdinand E. Marcos, President of the Republic of the Philippines. The Meeting was preceded by a Preparatory Meeting of ASEAN Senior Officials held on 17-18 May 1982.
2. The Meeting was attended by H.E. Mr. Widjojo Nitisastro, Minister Coordinator for Economic, Financial and Industrial Affairs of Indonesia; H.E. Mr. Radius Prawiro, Minister of Trade and Cooperatives of Indonesia; H.E. A.R. Soehoed, Minister of Industry of Indonesia; H.E. Tengku Ahmad Rithauddeen, Minister of Trade and Industry of Malaysia; H.E. Dato Paul Leong Khee Seong, Minister of Primary Industries of Malaysia; H.E. Roberto V. Ongpin, Minister of Trade and Industry of the Philippines; H.E. Placido L. Mapa, Jr., Minister of Economic Planning and Director General of the National Economic and Development Authority of the Philippines; H.E. Edgardo L. Tordesillas, Deputy Minister of Trade and Industry of the Philippines; H.E. Vicente B. Valdepenas, Jr., Deputy Minister of Trade and Industry of the Philippines; H.E. Alfredo Pio de Roda, Deputy Minister of the Ministry of Finance of the Philippines; H.E. Victor Macalincag, Deputy Minister of Finance of the Philippines; H.E. Orlando J. Sacay, Deputy Minister of the Ministry of Agriculture of the Philippines; H.E. Dr. Tony Tan Keng Yam, Minister for Trade and Industry of Singapore; H.E. Prof. S. Jayakumar, Minister of State for Law and Home Affairs of Singapore; H.E. Sidek Saniff, Parliamentary Secretary of the Ministry of Trade and Industry of Singapore; H.E. Dr. Chirayu Isarangkun Na Ayuthaya, Deputy Minister of Industry of Thailand.
3. His Excellency Narciso G. Reyes, Secretary-General of the ASEAN Secretariat, and members of his staff were also present.
4. The President of the Republic of the Philippines, His Excellency Ferdinand E. Marcos, in his opening remarks welcomed their Excellencies the ASEAN Ministers and their distinguished delegates.
5. In his opening address, H.E. Ferdinand E. Marcos, expressed the view that the ASEAN Preferential Trading Arrangement is a way to what is ultimately, ASEAN's real goal - ASEAN Free Trade regime. He stated that although the establishment of a free trade regime is an enormous task, requiring a great deal of preparation and lead time, ASEAN should lose no time in resolving to establish it.
6. He explained that the statement would assist the private sectors in making their suitable corporate plans and help the preferential trade negotiators to decide when, where and how deeply to cut tariffs in preparation for a free trade regime.
7. The President also stressed the importance of the ASEAN Industrial Joint Venture Scheme. He said that the basic idea of a joint venture scheme is to provide a stable and predictable framework for ASEAN private investors to undertake industrial cooperation. He reiterated that each member country should conciliate their respective interest and collectively pursue the common good of ASEAN without resorting to the idea of an ASEAN five-minus-one.

8. He reiterated the importance of transportation and shipping in the program of economic cooperation. The President stated that the proposal to establish an ASEAN Liner Service and its early implementation is a prior condition for giving practical effect to the program of trade liberalisation.
9. The President expressed the need for ASEAN to adopt long-term industrial planning. He stated that it is necessary for ASEAN member countries to take a more serious look at each other's development plans with the view to making them complementary rather than competitive.
10. He also stressed that the ASEAN should remain ever vigilant against the continuing inroads that protectionism has made in the international marketplace and against certain economic policies contrived by developed countries tending to cause the collapse of commodity prices in the world market place. He also believed that ASEAN should maintain the strongest anti-protectionist posture in forthcoming international meetings like the GATT Ministerial Meeting in November 1982 and the Global Negotiations in the U.N. General Assembly.
11. The President also proposed that it may be timely to look at the possibility of developing a comprehensive framework for cooperation that will link the specific undertakings in each sector with those of the other sectors with a view to unifying all the initiatives under one single ASEAN purpose.
12. The President also noted that ASEAN has not had a summit conference since 1977. In view of the fresh impetus that perhaps only another summit conference can provide as well, as the positive role the past summit conferences have played in the development of ASEAN solidarity, he suggested that it is now time to hold another ASEAN Summit Meeting.
13. The Meeting reviewed the current international economic situation, and noted with alarm the tendency of developed countries to adopt domestic policies that have harmful effects on the world economy and, in particular, on developing countries. The ASEAN Economic Ministers stressed the need for the developed market economies to take more positive measures toward a swift recovery of the world economy.
14. The Meeting further noted the rising tide of protectionist tendencies among certain developed market economies unable to cope effectively with the twin incidence of recession and inflation. In this regard, the ASEAN Economic Ministers emphasized the need for liberating the international marketplace of protectionist practices.
15. The Meeting considered and adopted the reports of the Committees of the ASEAN Economic Ministers.
16. The Meeting agreed in principle to the commitment to support off-taking of AIP products by member countries according to their requirements as envisioned in the project feasibility study approved by the ASEAN Economic Ministers, provided that prices are comparable to the prevailing world market prices generally applicable to ASEAN before taking into account tariff preferences enjoyed by AIPs.

17. The Meeting approved in principle the granting of a substantial margin of preference to products of AIPs within a specific period, subject to a review thereafter.
18. In view of the desire of the ASEAN Economic Ministers to give impetus to private sector efforts on industrial cooperation, the Meeting agreed to finalize the Basic Agreement on ASEAN Industrial Joint Venture as soon as possible and has therefore set 10 June 1982 for each country to indicate its final position on this Agreement. It is expected that this Basic Agreement will be ready for final signing at the Annual Ministerial Meeting in Singapore in 14-16 June 1982.
19. The Meeting took note of the efforts of Indonesia, Philippines, Singapore and Thailand in implementing the 20-25 percent margin of preference on import items valued between US\$50,000 to US\$500,000 as of 1 February 1982 and of similar implementation by Malaysia as of 15 April 1982.
20. The Meeting agreed that in order to further expand intra-ASEAN trade, new approaches to trade expansion should be adopted. The Meeting further agreed that COTT conduct an in-depth study on the possibility and desirability of establishing an ASEAN free trade regime. The Meeting also agreed to the need of improving existing approaches to ASEAN trade expansion which may include among other things, an extension of across-the-board approach, improvements of the matrix approach, deeper tariff cuts as well as reduction of non-tariff barriers.
21. The Meeting also noted the positive efforts toward a 50-percent margin of preference on food items already under the Preferential Tariff Arrangements.
22. The Meeting noted that measures have been initiated for the conduct of a feasibility study for the establishment of an ASEAN Liner Service and looks forward to its early completion.
23. The Meeting endorsed the following COFAF projects for third country funding:
  - i. Project on Upgrading of National Animal Quarantine Centers; and
  - ii. Program for Eradication of Foot and Mouth Disease in ASEAN.
24. The Meeting agreed on the value of the ASEAN Economic Ministers updating each other on industrial development plans in their respective countries, as a regular item in the course of their regular meetings in the effort to achieve greater coherence in overall ASEAN economic industrial growth. Indonesia was requested to take the initiative of scheduling a meeting of representatives from each member country for the purpose of getting an overview of the industrial development plans, particularly basic industries, of ASEAN countries.
25. The Meeting agreed that member countries participate in a system of exchanging information on unfair business practices of suppliers and contractors, disputes on contract and equipment performance and other related disputes.
26. The Meeting further agreed that specific cases as enumerated on the foregoing paragraph will be brought to the ASEAN Economic Ministers in order for them take a common stand on these disputes.

27. The Meeting agreed that the forthcoming 1982 GATT Ministerial Meeting is an exceptional opportunity for Contracting Parties to restore the basic job of the GATT in ensuring that the principles of free trade are consistently practised in the world market. In this regard, the ASEAN Economic Ministers identified the topics of protectionism and structural adjustment, tropical products, agriculture, commodities, quantitative restrictions, and non-tariff measures, safeguards, dispute settlement, framework for the conduct of international trade, and export credits for developing countries as the ASEAN priorities in the November 1982 GATT Ministerial. They further agreed that these ASEAN priorities be conveyed to the Director-General of the GATT by 24 May 1982 for the use of the GATT Preparatory Committee which meets on the same date for the purpose of drawing up an agreed list of topics to be addressed at the GATT Ministerial Meeting.
28. The Ministers exchanged views on the impact of the worldwide recession on commodities and discussed other commodity issues within the overall context of the North-South Dialogue. It was noted that in recent months, the widespread recession had taken a turn for the worse and prospects for an early recovery remain dim. Prevailing high rates of interest were an aggravating factor. The consequent negative impact on markets for ASEAN commodities like tin, copper, rubber, timber, coffee, cocoa, sugar, bananas, and other tropical products was causing severe socio-economic hardship to producers, including ASEAN countries.
29. The Meeting expressed disappointment over the continuing stalemate in the North-South Dialogue and other multilateral fora for dealing with commodities. The Ministers pointed to the many negative developments in the commodities field and the continuing lack of political will on the part of certain major developed countries to seek adequate remedial measures to the worsening problems of commodity producers. It was felt necessary to catalyse effective and urgent solutions to the grave problems confronting ASEAN Economies, and was consistent with the principles of self-reliance, self-help and North-South Cooperation.
30. The Meeting discussed tin issues, including the prospects for the entry into force of the Sixth International Tin Agreement (ITA). The Meeting endorsed the decision of the Ministerial Meeting of ASEAN Tin Producing Countries in Kuala Lumpur on 14-15 May 1982, that in the event that the Sixth ITA does not come into being, the Meeting agreed the producing countries would resort to the establishment of a Tin Producers' Association in order to protect their legitimate interest.
31. The Meeting also expressed its dismay that, despite the continued weakness of the tin market and the imposition of export control by the ITC, the US GSA continues with its disruptive and indiscriminate dumping of tin from its stockpile.
32. The Meeting noted that the Association of Natural Rubber Producing Countries (ANRPC) had met on 20-21 May 1982 in Kuala Lumpur, Malaysia to discuss effective measures to prevent the erosion of the rubber market.
33. The Meeting expressed serious concerns over the destabilising effect of domestic sugar policies of certain developed countries on the sugar exports of ASEAN member countries.
34. The Meeting also noted with great concern the U.S. Caribbean Basin Initiative which when implemented, would clearly discriminate against ASEAN exports of sugar to the U.S. in view of the resulting disparity in tariff treatment.

35. The Meeting agreed to request Japan for deeper tariff cuts on tropical fruits and for the elimination of differential tariff treatment of bananas and other tropical fruits packed in Japanese cartons relative to those packed in ASEAN cartons.
36. The Meeting agreed that in the renegotiation of their bilateral textile agreements, ASEAN member countries stress the need for greater market access and work together in ensuring that their bilateral textile agreements are in conformity with 22 December 1981 Multi-Fiber Arrangement under the GATT.
37. The Meeting also agreed on the need to take definitive measures to strengthen the overall capability of the ASEAN Secretariat to service subsequent programs of ASEAN economic cooperation. The Meeting requested the Chairman of the ASEAN Economic Ministers, to undertake a review of the terms of reference of the ASEAN Secretariat with the end in view of making it more effective and that a report on this will be submitted at the Fourteenth Meeting.
38. The Meeting agreed that ASEAN-CCI representatives be invited to participate in the meetings of ASEAN economic bodies on relevant items of their agenda.
39. The Meeting noted the progress of ASEAN Economic Cooperation projects with third countries and international organizations.
40. The Fourteenth ASEAN Economic Ministers Meeting will be held in Singapore on 11-13 November 1982.
41. The delegates of Indonesia, Malaysia, Singapore and Thailand expressed their sincere appreciation to the Government and people of the Philippines for the warm hospitality accorded to them and the excellent arrangements made for the Meeting.
42. The Meeting was held in the traditional spirit of ASEAN cordiality and solidarity.