

**2001 PRESS STATEMENT BY THE CHAIRMAN OF THE 7TH ASEAN
SUMMIT AND THE 5TH ASEAN + 3 SUMMIT**

Adopted in Bandar Seri Begawan, Brunei Darussalam on 5 November 2001

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1. ASEAN leaders held a very productive meeting this morning following a working dinner last night. It was our seventh summit since 1976 and the first working summit since we decided in Singapore last year to devote more time to important matters of substance and reduce ceremonial proceedings. We also held a very good meeting with leaders from China, Japan and Korea this afternoon. This was our fifth "ASEAN + 3" summit since 1997.

ADDRESSING IMMEDIATE CONCERNS

2. In the current climate of intense global uncertainty, Southeast Asia faces its biggest, if not the biggest, challenge since ASEAN was founded in 1967. The twofold challenge of addressing a severe world economic slowdown while contributing to international efforts to combat terrorism is without precedent. Moreover, this new challenge has emerged as many of us were just starting to recover from the financial shocks of 1997 and 1998.
3. In the shorter term, stimulating our domestic economies is an urgent priority to cushion the impact of reduced external demand. Appropriate fiscal and monetary policies are crucial. At the same time, traditional policy responses must be accompanied by a renewed commitment to structural reforms that ASEAN members have been pursuing in response to the Asian financial crisis. In some areas, these reforms can be deepened if we take a more cooperative and integrated approach.
4. Reflecting our deep concern over the formidable challenge to regional and international peace and stability as well as economic development, we issued the 2001 ASEAN Declaration on Joint Action to Counter Terrorism. To advance ASEAN's efforts to fight terrorism, we instructed ministers to take various practical measures. ASEAN is committed to countering, preventing and suppressing all terrorist acts in accordance with the Charter of the United Nations, especially taking into account all relevant UN resolutions.
5. We raised many ideas on how to address the issue. These include working on a regional operational convention or agreement to combat terrorism, holding a multilateral seminar on emergency response to terrorist threats, looking into a bilateral legal assistance agreement to enhance cooperation in combating terrorist acts and deliberating on various aspects of the issue in a comprehensive manner including its definition and root causes. Leaders instructed the Special ASEAN Ministerial Meeting on Transnational Crime which will meet next April, and officials, to study these proposals. In reiterating their condemnation of the terrorist attacks, leaders expressed their concern for the welfare of innocent people as a result of the military action on Afghanistan and considered extending humanitarian assistance
6. In responding to the strategic challenges, we emphasized the importance of strengthening security, solidarity and cooperation to promote ASEAN's competitiveness and regional influence. The ASEAN Regional Forum should continue to be strengthened, especially in view of the changing strategic situation.

7. While addressing these immediate concerns, we agreed on the need to identify new priorities and respond decisively to longer term challenges facing Southeast Asia. We should be able to say that our people are in control of regional affairs and can look to the future with confidence.

IDENTIFYING NEW PRIORITIES

8. We endorsed the Mid-Term Review of the Hanoi Plan of Action. The six-year plan we adopted in 1998 remains an important roadmap for our long-term vision for ASEAN. Adjustments reflect recent developments and the priority needs of members. New priorities include the integration initiative we launched in Singapore last year. Other priorities include information and communications technology along with human capacity building. We also endorsed a Report Card on last year's summit. This new document will become a permanent checklist to assess progress in our work.
9. We agreed to review the ASEAN secretariat's terms of reference to strengthen its function and role. We recognized the presence of the secretary general in summit meetings. In order to promote ASEAN+3 cooperation further, a proposal was made to establish an ASEAN+3 secretariat. We also considered the idea of convening 10+1 summits with our dialogue partners, in particular India.

RESPONDING TO LONG-TERM CHALLENGES

10. ASEAN must improve its credibility as a regional organization and respond decisively to challenges. Among recent worrying developments are a decline in foreign investment in ASEAN countries and the erosion of our competitiveness resulting from the emergence of new markets. These concerns have been compounded by the global economic downturn and further uncertainty arising from the terrorist attacks in the United States in September. Another risk is a widening of the development gap in ASEAN which could undermine regional solidarity.
11. Accelerating regional integration
12. These challenges offer a unique opportunity for ASEAN to work even closer together. We are determined to strengthen our competitiveness and accelerate regional integration. In this regard, we welcomed a decision by our economic ministers in Hanoi in September to commission an ASEAN Competitiveness Study. The study will be undertaken by a well-known international consulting firm and we look forward to reviewing their assessment next year.
13. We also discussed pushing the frontiers of our economic cooperation beyond existing commitments for free-trade and investment areas. We agreed to go beyond the ASEAN Free Trade Area and the ASEAN Investment Area by deepening market liberalization for both trade and investment. We specifically agreed to speed up negotiations on liberalising intra-ASEAN trade in services and to start negotiations on mutual recognition arrangements for professional services. We decided to encourage interested countries to form a critical mass to accelerate the liberalization of services such as transport and tourism. We also agreed on the need to work harder to harmonise and coordinate our rules and regulations.

14. Under our vision for ASEAN in 2020, we agreed on the need for a Roadmap for Integration of ASEAN (RIA) charting milestones along the way including specific steps and timetables. The competitiveness study will be an integral part of the road map. We agreed to instruct all ministers and senior officials to start work on the roadmap and submit their final proposals to our meeting in Cambodia next year.
15. To bring our business people into the mainstream of our economic activities, we encourage the private sector to convene a regular ASEAN Business Summit in conjunction with our meetings, starting in Cambodia next year. We also agreed to set up an ASEAN Business Advisory Council. We also encouraged the holding of trade fairs.

EMBARKING ON FAR-REACHING ECONOMIC COOPERATION

16. In working even closer together, we agreed to embark on activities for far-reaching economic cooperation in many areas. To strengthen cooperation in industry sectors, we decided to ask our ministers to develop concrete plans in the fields of energy, tourism, agriculture and telecommunications. We considered a suggestion for an ASEAN tourism agreement. We recognized the need to take advantage of increased trade between ASEAN members to generate growth. We therefore emphasized the importance of further developing regional transport and communications infrastructure while exploring the potential for barter trade.
17. We also discussed exciting flagship projects from pan-ASEAN open skies to regional highway networks, power grids and gas pipelines. We agreed to ask our ministers to come up with more concrete plans in these fields, and report back to us next year. We reaffirmed the Singapore-Kunming rail link as a priority project, and endorsed the routes agreed to by our ministers.

BRIDGING THE DEVELOPMENT GAP

18. Bridging the development gap is crucial for regional integration and part of our confidence-building efforts to help members cope with challenges. Our priorities are developing human resources, infrastructure and information technology, especially with the private sector and our dialogue partners. In this regard, we noted the decision by our foreign ministers in Hanoi in July to initiate ASEAN projects in these areas and agreed to focus on self-help programs for human resources development.
19. We reaffirmed the importance of our sub-regional growth areas in ASEAN development and integration. We also discussed ways to revitalize these growth areas, including those centered on Brunei, Indonesia Malaysia and the Philippines as well as the Mekong River basin. We reaffirmed our support for the important role of growth triangles in the integration of ASEAN and we supported the idea of strengthening our security cooperation. This is important to restore investor confidence and improve the sub-regional business climate. We welcomed the Asian Development Bank as a regional development advisor and we agreed to encourage greater private-sector involvement in these sub-regional growth areas. We decided to ask our ministers to convene a high-level meeting to explore how these areas can make a stronger contribution to regional growth. We welcomed the participation of dialogue partners and noted that it would be useful to have the ASEAN secretariat provide technical and administrative support. We instructed our officials to report to us next year on progress in this area. We also welcomed the convening of summit of the Greater Mekong Sub-region in Cambodia next year,

20. Other efforts to narrow the development gap include an ASEAN Integration System of Preferences for our newer members. This will allow Cambodia, Laos, Myanmar and Viet Nam to gain tariff-free access to the more developed ASEAN markets earlier than the agreed target date of 2010 for all members. We agreed to implement this by the beginning of January next year.
21. We agreed that other significant issues such as promoting greater community spirit within ASEAN and strengthening our institutional capacity could be examined in more detail in Cambodia next year.

MAKING HIV/AIDS A NATIONAL AND REGIONAL PRIORITY

22. In response to an initiative in Singapore last year, we convened a session on HIV/AIDS to send a strong signal that this battle is now a national and regional priority across Southeast Asia. HIV/AIDS is not just a health problem but can have devastating socio-economic consequences.
23. As a reflection of our new political will, we adopted the Seventh ASEAN Summit Declaration on HIV/AIDS to express our strongest support for national, regional and international efforts in this area. We also endorsed the second phase of an ASEAN Work Program for the period from 2001 to 2004. We thanked UNAIDS for helping us to prepare for the summit session and look forward to their continued support in implementing the program. We agreed to invite our dialogue partners and other international agencies to support the work program. We also thanked the ASEAN Task Force on AIDS and the contributions from non-government organizations including those representing people living with HIV/AIDS.
24. By acknowledging this new priority, we are determined to commit the necessary resources to deal with prevention, care, support and alleviating the impact of HIV/AIDS. ASEAN must lobby for issues of common concern such as access to cheaper drugs for the millions of people who cannot afford such treatment. At the same time, we must strengthen exchanges and adapt technical expertise while gaining experience and learning from successful strategies within the region.

BUILDING A CLOSER EAST ASIAN PARTNERSHIP

25. With our colleagues from China, Japan and Korea, we exchanged views on terrorism and strongly condemned the recent attacks in the United States. We affirmed that terrorism is an attack on humanity and that the United Nations should play a major role in combating terrorism. We also reaffirmed our commitment to enhance international and regional cooperation against terrorism and called for the early signing and ratification of all 12 counter-terrorism conventions. We confirmed that political stability, economic wellbeing and development in the region is a crucial foundation in our fight against international terrorism.
26. We are determined to strengthen consultation, cooperation and coordination between relevant authorities to fight terrorism. Effective counter-terrorism measures could include regular exchanges of information and intelligence as well as enhanced regional capacity building. The Northeast Asian partners supported the thrust of the ASEAN declaration, especially additional practical measures to be taken. The leaders agreed to minimize the adverse effects of the terrorist attacks on the regional economy through close cooperation among economic policy and financial authorities.

27. We considered the Report of the East Asia Vision Group and once again warmly thanked President Kim for launching the initiative in 1999. The report contains key proposals and concrete measures to broaden East Asia cooperation. Some are bold yet feasible such as establishing an East Asia Free Trade Area and liberalizing trade well ahead of APEC's goals. President Kim also highlighted proposals to set up an East Asia forum and the possibility of an East Asian summit. The study group we agreed to set up last year is now assessing the proposals. We look forward to their final report in Cambodia next year.
28. China, Japan and Korea supported our efforts to accelerate ASEAN integration, especially in the areas of human resource development, infrastructure and information technology. We welcomed the various offers by our Northeast Asian neighbours to undertake programmes of activities to promote people-to-people exchanges and human resource development including a seminar on energy security. To help narrow the digital divide between ASEAN members, our Northeast Asian partners announced plans to contribute new computers to Cambodia, Laos, Myanmar and Viet Nam.
29. As a follow-up to our initiative in Manila in 1999, Brunei Darussalam offered to continue support to the ASEAN + 3 Young Leaders Forum. Inaugurated in Bandar Seri Begawan in August last year, the forum brought together youth leaders, academics and government officials from 13 countries to exchange ideas on strategic and political issues in the region and promote better understanding among our people.