

2011 JOINT MEDIA STATEMENT OF THE 43RD ASEAN ECONOMIC MINISTERS' MEETING

Issued in Manado, Indonesia on 10-11 August 2011

ECONOMIC PERFORMANCE	2
ASEAN ECONOMIC COMMUNITY (AEC)	2
TRADE IN GOODS	2
TARIFF LIBERALIZATION	3
ELIMINATION OF NON-TARIFF BARRIERS	3
SELF-CERTIFICATION	3
TRADE FACILITATION	3
ASEAN SINGLE WINDOW (ASW).....	3
STANDARDS AND CONFORMANCE	4
TRADE IN SERVICES	4
INVESTMENT	4
SMALL AND MEDIUM ENTERPRISES (SMES)	4
EQUITABLE ECONOMIC DEVELOPMENT	5
INTELLECTUAL PROPERTY	5
ASEAN COMMUNITY STATISTICAL SYSTEM (ACSS).....	5
PUBLIC-PRIVATE SECTOR ENGAGEMENT	5
ASEAN EXTERNAL ECONOMIC RELATIONS.....	6
TECHNICAL ASSISTANCE AND CAPACITY-BUILDING	6
LIST OF MINISTERS	7

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1. The 43rd Meeting of the ASEAN Economic Ministers (AEM) was held on 10-11 August 2011 in Manado, Indonesia. H.E. Dr. Mari Elka Pangestu, Minister of Trade of Indonesia, chaired the Meeting, which was preceded by a preparatory meeting of the Senior Economic Officials (SEOM). The AEM also had joint meetings with the 25th ASEAN Free Trade Area (AFTA) Council and the 14th ASEAN Investment Area (AIA) Council.

ECONOMIC PERFORMANCE

2. The Ministers welcomed the robust performance and continued resilience of ASEAN in 2010. Ministers noted that ASEAN's recovery as a whole has matured as both export and domestic demand fueled growth to expand by 7.5 per cent in 2010. Intra-regional trade and investment flows also showed upward momentum and are likely to support domestic growth this year, which is projected between 5.7 per cent and 6.4 per cent.
3. The Ministers were pleased to note that ASEAN's merchandise trade grew at 32.9 per cent in 2010, as trade value jumped from US\$ 1.54 trillion in 2009 to US\$ 2.04 trillion in 2010 after the 19 per cent decline in 2009.
4. The Ministers were also pleased that ASEAN has remained one of the most attractive destinations for foreign direct investment (FDI), which reached US\$ 75.8 billion in 2010, doubling the 2009 level, and surpassing the pre-global crisis peak in 2007 at US\$75.7 billion. Over the last decade, FDI flows in ASEAN grew at an annual average rate of 19 per cent.
5. The Ministers noted that there are continuing challenges and downside risks including the sovereign debt crisis and fiscal problems in some developed markets, rising food and commodity prices, continued financial market stresses. The Ministers agreed that ASEAN should remain vigilant in the face of these risks and stressed that the region should continue to harness its competitive strength through deeper integration and implement its economic integration initiatives in a timely manner.

ASEAN ECONOMIC COMMUNITY (AEC)

6. The Ministers reaffirmed their resolve to prioritise the coordination process of AEC in each Member State including the important role of National AEC Coordinating Body; and to ensure enforcement of the implementation of ASEAN obligations.

TRADE IN GOODS

7. The Ministers were pleased with the progress of the implementation of the ASEAN Trade in Goods Agreement (ATIGA).

TARIFF LIBERALIZATION

8. The Ministers were pleased to note that the ATIGA Tariff Reduction Schedules of Member States, which form an integral part of the ATIGA, have been completed and are publicly available.

ELIMINATION OF NON-TARIFF BARRIERS

9. The Ministers stressed the need for transparency, proper notification and consultation prior to the implementation of measures that are not trade facilitative.
10. Recognising that the identification of Non-Tariff Measures (NTMs) that have an impact on ASEAN could be facilitated by dialogues with regulators and the private sector, the Ministers encouraged engagement/dialogues with industry associations, starting with three priority sectors, i.e. automotive, electronics and textile, to discuss NTMs that may carry barrier elements applied to products in the respective sectors in the immediate future.
11. The Ministers endorsed the ASEAN import licensing procedures (ILPs) guidelines that aim to eliminate the barrier component of ILPs applied by Member States.

SELF-CERTIFICATION

12. The Ministers welcomed the implementation of the ASEAN Self-Certification Pilot Project on 1 November 2010 in three Member States, namely: Brunei Darussalam, Malaysia and Singapore following the signing of the "Memorandum of Understanding (MOU) between the Governments of ASEAN Member States Participating in the Pilot Project for the Implementation of a Regional Self-Certification System". Thailand informed her readiness to join the Self-Certification Pilot Project on 1 October 2011.
13. The Ministers agreed to extend the implementation of the Self-Certification Pilot Project to 31 October 2012 and encouraged other ASEAN Member States to participate in the Self-Certification Pilot Project for confidence building.

TRADE FACILITATION

14. The Ministers confirmed the step-by-step approach towards establishing the ASEAN Trade Repository (ATR). The ATR will contain trade-related information, e.g. tariffs, rules of origin, NTMs, etc. of all Member States and be made accessible to the public through the internet.
15. The Ministers endorsed the Work Program of the ASEAN Committee on Sanitary and Phyto-Sanitary Measures (AC-SPS), which focuses on intra-ASEAN facilitation, cooperation and coordination of SPS matters.

ASEAN SINGLE WINDOW (ASW)

16. The Ministers noted the significant progress and achievements in the development and implementation of the ASW and National Single Windows (NSWs), and welcomed the completion of the ad-referendum signing by all Member States of the "Memorandum of Understanding for the implementation of the ASW Pilot Project", where Brunei Darussalam, Indonesia, Malaysia, the

Philippines, Singapore, Thailand and Viet Nam will participate in the pilot project. The Ministers looked forward to the implementation of the ASW pilot project in the 3rd quarter of 2011.

17. The Ministers reaffirmed their commitment to continue the work on the ASW and in operationalising the NSWs of all Member States in accordance with the ASW Agreement and its Protocol.

STANDARDS AND CONFORMANCE

18. To support the free flow of safe and quality cosmetic products in the region, the Ministers urged Member States to fully implement the ASEAN Harmonised Cosmetic Regulatory Regime.

TRADE IN SERVICES

19. The Ministers shared the view for a more pro-active, dynamic and strategic approach to services integration and looked forward to the completion of the 8th Package of AFAS Commitments before the end of the year. They also agreed to explore the possibility of enhancing the ASEAN Framework Agreement on Services (AFAS) to make it more relevant to today's business dynamism and to lay a stronger foundation for ASEAN's competitiveness.
20. The Ministers tasked officials to expedite the work towards substantive outcome of the ASEAN Agreement on Movement of Natural Persons by the end of 2011. They underscored the importance of a solid framework to facilitate movement of people involved in trade in goods, trade in services, and investment as mandated in the AEC Blueprint.
21. The Ministers welcomed the conclusion and signing of the Protocol to Implement the 5th Package on Financial Services under AFAS by the ASEAN Finance Ministers on 4 May 2011 and the launching of the 6th round of negotiations on financial services liberalisation, which will be completed in 2014.

INVESTMENT

22. The Ministers noted the continued leading role of Asia, particularly ASEAN in the global economic recovery. To sustain this momentum on investment and for ASEAN to continue being a relevant segment of the global supply chain, the Ministers agreed to further propel the implementation of its programmes toward 2015 giving focus to investment promotion and facilitation enhancing initiatives.
23. The Ministers welcomed the progress on finalisation of the ASEAN Comprehensive Investment Agreement Reservation Lists and looked forward to the entry into force of the Agreement in 2011.

SMALL AND MEDIUM ENTERPRISES (SMES)

24. The Ministers reiterated the strategic role of SMEs in deepening economic integration through contribution towards greater intra-ASEAN trade and investment flows. The Ministers called upon the timely implementation of activities in the ASEAN Strategic Plan of Action for SME Development (2010-2015).

25. The Ministers looked forward to the convening of the first ASEAN SME Ministerial Meeting in 2012 to enhance regional effort in SME development. The Ministers welcomed the joint collaboration between the ASEAN SME Working Group and the ASEAN Business Advisory Council to enhance SMEs participation at the ASEAN Business Awards 2012; and the Launching of the "Directory of Outstanding ASEAN SMEs 2011".
26. The Ministers welcomed the formal establishment and the First Meeting of the ASEAN SME Advisory Board, and the Expert Panel on SME Access to Finance. The Ministers looked forward to the possibility of convening regular consultations with the ASEAN SME Advisory Board beginning 2012.

EQUITABLE ECONOMIC DEVELOPMENT

27. The Ministers recognised the importance of equitable economic development to ensure that the benefits from the ASEAN Economic Integration are shared among the SMEs, as well as the less developed countries in ASEAN. The Ministers welcomed the initiative to draft the Framework/Guiding Principle for Equitable Economic Development to be submitted to the 19th ASEAN Summit, which will provide the guidelines for the work of various concerned ASEAN bodies in empowering SMEs and narrowing the development gaps within and between ASEAN Member States.

INTELLECTUAL PROPERTY

28. The Ministers endorsed the ASEAN Intellectual Property Rights (IPR) Action Plan 2011-2015 and welcomed the ASEAN IP DIRECT, a comprehensive "one-stop shop" resource, accessible on the website of all ASEAN IP Offices.

ASEAN COMMUNITY STATISTICAL SYSTEM (ACSS)

29. In line with the establishment of the ACSS Committee, the Ministers endorsed the Terms of Reference of the ACSS Committee and the inclusion of the ACSS Committee in the Updated Annex 1 of the ASEAN Charter under the AEM. The Ministers underscored the importance of having clearer mandate of the ACSS Committee to expedite the development and provision of timely, relevant and comparable statistics in support of all pillars of the ASEAN Community.

PUBLIC-PRIVATE SECTOR ENGAGEMENT

30. The Ministers underscored the importance of regular consultations and dialogues with private sector entities in assisting ASEAN in its integration process. In this regard, the Ministers endorsed the Rules of Procedures for Private Sector Engagement to ensure more effective public-private sector engagement.

ASEAN EXTERNAL ECONOMIC RELATIONS

31. The Ministers reviewed the progress of the implementation of the ASEAN Free Trade Agreements (FTAs) and were pleased to note the initiatives to simplify the procedures and enhance the utilisation of the preferential tariffs under the various FTAs. The Ministers also noted the on-going negotiations of the Trade in Services and Investment Chapters/Agreements under the ASEAN-Japan Comprehensive Partnership Agreement and ASEAN-India Free Trade Agreement. The Ministers underlined the importance of a meaningful conclusion to these agreements.
32. The Ministers noted the progress in the work of the four ASEAN Plus Working Groups (APWGs), which were tasked to look into the recommendations in the studies on the East Asia Free Trade Agreement (EAFTA) and the Comprehensive Economic Partnership in East Asia (CEPEA), in parallel, and to identify possible convergence in the ASEAN Plus One FTAs. The Ministers, recognising the valuable inputs of the APWGs in the template for the ASEAN Plus FTAs that is being developed, looked forward to receiving their final reports and recommendations before the 19th ASEAN Summit in November 2011.
33. The Ministers noted the emerging consensus on the broad principles for the ASEAN ++ FTAs and tasked the Senior Economic Officials to recommend an appropriate approach and template for the ASEAN ++ FTAs by the November 2011 ASEAN Summit.
34. The Ministers were pleased with the progress in the strengthening of economic relations with other dialogue partners, namely the initiatives carried out under the ASEAN-US Trade and Investment Arrangement and the finalisation of the ASEAN-Canada Trade and Investment Framework Joint Declaration. The Ministers noted the outcomes of the First ASEAN-GCC Senior Economic Officials Meeting held in Salalah, Sultanate of Oman on 11-12 July 2011 and tasked officials to explore economic activities with the GCC, including a framework arrangement on trade, investment and economic cooperation. The Ministers looked forward to the finalisation of the ASEAN-Russia Roadmap on Trade and Investment.

TECHNICAL ASSISTANCE AND CAPACITY-BUILDING

35. The Ministers expressed appreciation to ASEAN's dialogue and development partners for the facilities established in ASEAN, i.e. ASEAN-Australia Development Cooperation Programme II (AADCP II), the ASEAN-US Technical Assistance and Training Facility (AU-TATF) and the ADB Regional Technical Assistance (RETA) Phase II. The Ministers looked forward to the implementation of the new programme ASEAN Regional Integration Support from the EU (ARISE) in early 2012 following the completion of the ASEAN-EU Programme for Regional Integration Support Phase II (APRIS II). These technical assistance facilities provide support to ASEAN's community-building efforts and institutional strengthening, particularly of the ASEAN Secretariat.

LIST OF MINISTERS

1. **H.E. Pehin Dato Lim Jock Seng**, Second Minister of Foreign Affairs and Trade, Brunei Darussalam
2. **H.E. Cham Prasidh**, Senior Minister and Minister of Commerce, Cambodia
3. **H.E. Kong Vibol**, Secretary of State, Ministry of Economy and Finance, Cambodia.
4. **H.E. Mari Elka Pangestu**, Minister of Trade, Indonesia
5. **H.E. Mahendra Siregar**, Vice Minister of Trade, Indonesia
6. **H.E. Gita Irawan Wirjawan**, Chairman of Investment Coordinating Board, Indonesia
7. **H.E. Nam Viyaketh**, Minister of Industry and Commerce, Lao PDR
8. **H.E. Dato' Sri Mustapa Mohamed**, Minister of International Trade and Industry, Malaysia
9. **H.E. U Tin Naing Thein**, Minister for National Planning and Economic Development, Myanmar
10. **H.E. Gregory L. Domingo**, Secretary of Trade and Industry, the Philippines
11. **H.E. Lim Hng Kiang**, Minister for Trade and Industry, Singapore
12. **Mr. Yanyong Phuangrath**, Permanent Secretary of the Ministry of Commerce, Thailand
13. **H.E. Nguyen Cam Tu**, Vice-Minister of Industry and Trade, Viet Nam
14. **H.E. Dang Huy Dong**, Vice-Minister of Planning and Investment, Viet Nam
15. **H.E. Surin Pitsuwan**, Secretary-General of ASEAN