

# 2020 ASEAN-JAPAN ECONOMIC MINISTERS' JOINT STATEMENT ON INITIATIVES ON ECONOMIC RESILIENCE IN RESPONSE TO THE CORONAVIRUS DISEASE (COVID-19) OUTBREAK

*Adopted on 22 April 2020*

1. The ASEAN Economic Ministers (AEM) and the Minister of Economy, Trade and Industry of Japan express serious concern over the outbreak of the Coronavirus Disease (COVID-19) and extend their deepest sympathies to the people all over the world who have been affected by the disease. They also commend the tireless efforts and significant contribution of organizations and individuals in controlling the spread of the virus and in dealing with the impact of the COVID-19 outbreak.
2. The Ministers reaffirm the commitments to the Joint Statement of the Special ASEAN Plus Three Summit on Coronavirus Disease 2019 (COVID-19) adopted on 14 April 2020 via videoconference.
3. The Ministers welcome the Declaration of the Special ASEAN Summit on Coronavirus Disease 2019 (COVID-19) and the AEM Statement on "*Strengthening ASEAN's Economic Resilience in Response to the outbreak of the COVID-19*" ("AEM Statement") adopted at the 26th AEM Retreat held in Da Nang, Viet Nam on 10 March 2020.
4. Aligned with the abovementioned Leaders and Ministerial Statement, the Ministers call for united and concrete efforts between ASEAN and Japan aimed at achieving these three objectives: (i) sustaining the close economic ties developed by ASEAN and Japan; (ii) mitigating the adverse impact of COVID-19 on the economy; and (iii) strengthening economic resilience.
5. The Ministers note that ASEAN and Japan economic relations have continually strengthened since 1977 and that ASEAN and Japan have enhanced their trade and investment for the prosperity of both sides for almost a half-century. They further note that, based on the ASEAN Secretariat's latest data, Japan remains to be ASEAN's second largest external source of Foreign Direct Investment (FDI) and fourth largest trading partner. ASEAN, on other hand, is the second largest trading partner for Japan.
6. Over the years, ASEAN and Japan have, on the basis of friendship and mutual trust, worked very closely on various crises from natural disasters in the region to the Asian financial crisis and global financial crisis. The Ministers believe that ASEAN and Japan will overcome the economic challenges brought about by the COVID-19 outbreak through continued and closer collaboration.
7. The Ministers acknowledge that ASEAN and Japan have developed strong economic ties through a wide range of business activities and investments as well as industrial cooperation under the AEM-METI framework such as AEM-METI Economic and Industrial Cooperation Committee (AMEICC), in collaboration with the ASEAN-Japan Business Council (AJBC), ASEAN Business Advisory Council, the ASEAN-Japan Centre, and the Japan External Trade Organization (JETRO).
8. In order to mitigate the adverse impact of the COVID-19 outbreak on the economy, the Ministers express their commitment to make utmost efforts to keep markets open and prevent stagnation of economic activities in order to maintain the regional and global supply chain, for the smooth flow of essential goods, including food, commodities, medicine, medical and health supplies and equipment, in accordance with the rights and obligations under the World Trade Organization (WTO) covered agreements.
9. While recognizing the necessary measures adopted by ASEAN and Japan to respond to a public health emergency, the Ministers emphasize the need to explore creative solutions with industrial stakeholders, including micro, small and medium enterprises (MSMEs), to minimize disruptions in the conduct of trade and investment between ASEAN and Japan. These would include encouraging the use of digital technologies in business activities to overcome constraints caused by recent travel restrictions and measures adopted to contain the further spread of COVID-19.

10. Furthermore, the Ministers emphasize that ASEAN and Japan, as pivotal suppliers in global supply chains, will make their best efforts to provide various materials and products to the global market in order to mitigate the adverse impact not only on the regional but also the global economy to maintain market stability, and support protecting health and well-being of all people.

11. Recognizing that the outbreak of COVID-19 has highlighted the importance of risk management and business continuity plans in order to

avoid supply chain disruptions, the Ministers affirm their commitment to strengthen cooperation on building resilient supply chains to enhance the region's position as a global trade and investment hub. In this regard, noting that ASEAN and Japan are making collaborative efforts to successfully implement MPAC 2025, it is therefore necessary to take into account multifaceted perspectives such as diversification, complementarity, transparency, redundancy and sustainability to realize resilient supply chains, which will enable businesses to achieve a better balance between risk management and cost competitiveness.

***Preparing an "ASEAN-Japan Economic Resilience Action Plan"***

12. The Ministers task officials to explore, in a timely manner, concrete actions to accomplish the objectives mentioned in paragraph 4 through an *"ASEAN-Japan Economic Resilience Action Plan"* by mobilizing the collective wisdom of ASEAN and Japan, with the view to contributing to both economies overall efforts to strengthen economic resilience in response to the COVID-19 pandemic.