

# 2020 ASEAN PLUS THREE LEADERS' STATEMENT ON STRENGTHENING ASEAN PLUS THREE COOPERATION FOR ECONOMIC AND FINANCIAL RESILIENCE IN THE FACE OF EMERGING CHALLENGES

*Adopted on 14 November 2020*

**WE**, the Heads of State/Government of the Member States of the Association of Southeast Asian Nations (ASEAN), the People's Republic of China, Japan, and the Republic of Korea, held the 23<sup>rd</sup> ASEAN Plus Three Summit via videoconference on 14 November 2020. The Summit was chaired by H.E. Nguyen Xuan Phuc, Prime Minister of Viet Nam, in his capacity as the Chair of ASEAN;

**RECOGNISING** that the Coronavirus Disease-2019 (COVID-19) pandemic has significantly affected the well-being, livelihood, and safety of our peoples and exerted severe pressure on the world and regional economy, bringing about serious challenges to societies and economies around the world;

**UNDERLINING** that complex uncertainties and challenges in the global and regional economic landscapes in recent years, coupled with the adverse impacts of the COVID-19 pandemic, have posed greater risks to the multilateral trading system and regional economic and financial stability as well as reaffirming the importance of making the supply chain more resilient and sustainable in order to maintain sustainable economic activities;

**EMPHASISING** that robust, inclusive, and sustainable economic growth in the region serves the interests of all countries and is crucial for regional peace and stability;

**ACKNOWLEDGING** the urgent need for intensified and concerted efforts to address the adverse impact of the COVID-19 pandemic on economies, regional supply chains, financial markets, and human capital, and to enhance regional capacities and responsiveness to future economic and financial shocks and crises in East Asia and sustain the momentum for regional economic integration;

**RECALLING** the Joint Statement of the Special ASEAN Plus Three Summit on Coronavirus Disease 2019 (COVID-19) on 14 April 2020, which reaffirmed the shared commitment to strengthen solidarity, enhance cooperation and mutual support among the APT countries to control and contain the spread of the pandemic, addressing the adverse impact of the pandemic on our societies and economies;

**WELCOMING** the APT Plan of Action on Mitigating the Economic Impact of the COVID-19 Pandemic which was endorsed at the 23<sup>rd</sup> AEM Plus Three Consultations on 28 August 2020;

**REITERATING OUR SUPPORT** for the Hanoi Plan of Action on Strengthening ASEAN Economic Cooperation and Supply Chain Connectivity in Response to the COVID-19 Pandemic adopted by ASEAN Leaders on 19 June 2020;

**UNDERLINING** the significant role of APT cooperation for peace, security, and prosperity in the East Asian region;

**ENCOURAGED** by the APT's inherent strengths and past achievements in economic and financial cooperation and the significant contribution of the ASEAN+3 Finance Process to enhancing regional economic and financial stability over more than two decades; and

**DETERMINED** to further strengthen APT cooperation for economic and financial resilience in order to better respond to future shocks and crisis situations and contribute to strong, sustainable, balanced and inclusive regional growth;

**DO HEREBY DECIDE TO:**

1. Strengthen joint efforts to restore economic growth in the region by enhancing regional trade and economic cooperation through, among others, addressing trade barriers, promotion of trade and investment and expansion of the fields of cooperation, and to safeguard financial stability in the region;
2. Encourage APT economic ministers, finance ministers and central bank governors and their officials to further promote cooperation, including through strengthening policy dialogue, coordination and collaboration on economic, trade and investment issues and on financial, monetary and fiscal issues of common interest;
3. Reaffirm the importance of stable energy supply for socio-economic resilience and recovery from the COVID-19 pandemic, and encourage cooperative efforts towards various solutions that will facilitate access to affordable, reliable, sustainable and modern energy;
4. Promote human resource development and capacity building in banking and financial sectors including through the ASEAN Plus Three Inter-Bank cooperation mechanism;
5. Continue efforts on economic and financial reforms and agree to continue working together to further enhance sustainable macroeconomic and financial policies;
6. Reaffirm commitments to further strengthening macroeconomic surveillance capacity and early warning capabilities and fostering closer regional financial cooperation and policy coordination including through strengthening the operational readiness of the Chiang Mai Initiative Multilateralisation (CMIM), the Regional Financing Arrangement (RFA), as an effective and timely self-help mechanism and reliable layer in the Global Financial Safety Net, enhancing the capability of the ASEAN+3 Macroeconomic Research Office (AMRO) and promoting the important role of the Asian Bond Markets Initiative (ABMI), in the development of local currency bond markets, strengthening financial resilience against climate and disaster risks through supporting efforts, such as efforts of the Southeast Asia Disaster Risk Insurance Facility (SEADRIF), and further discussions to explore new initiatives in potential financial cooperation areas;
7. Keep our markets open for trade and investment and ensure smooth flow of goods and services particularly for essential goods and services such as vital medical supplies, equipment, medicines and vaccines, food and agricultural products in compliance with existing WTO rules, and ensure that critical infrastructure for trade and trading routes via air, land and sea ports remain open, for continued supply chain connectivity and resilience;
8. Task officials to ensure the full, effective, and timely implementation of the APT Plan of Action on Mitigating the Economic Impact of the COVID-19 Pandemic and align efforts with the Hanoi Plan of Action on Strengthening ASEAN Economic Cooperation and Supply Chain Connectivity in Response to COVID-19 Pandemic as well as the ASEAN Comprehensive Recovery Framework;

9. Welcome initiatives, such as the Joint Study on 10 + 3 Cooperation for Improvement of Supply Chain Connectivity (SCC), under the existing APT framework, to strengthen efforts to stabilise manufacturing and supply chains of goods and services, and to enhance supply chain connectivity more broadly within the region and beyond, making supply chains more resilient, sustainable, and less vulnerable to future internal and external crises;
10. Encourage close coordination, especially among the Customs agencies, to continue promoting trade facilitation measures, including exploring the possibility of exchanging trade-related information among APT countries in order to facilitate customs clearances and relevant procedures at the border and reduce trade transaction costs, thus enhancing trade efficiency and competitiveness in the region;
11. Encourage close coordination in the implementation of the APT Leaders' Statement on Connecting the Connectivities Initiative adopted in 2019, including enhancing synergies between the Master Plan on ASEAN Connectivity 2025 and key connectivity initiatives respectively promoted by China, Japan, and the ROK, through concrete actions including but not limited to the Initial Rolling Priority Pipeline of Potential ASEAN Infrastructure Projects, through extensive consultations and joint efforts, while reaffirming the need to promote sustainable, high quality infrastructure in accordance with broadly accepted international principles in order to strengthen regional connectivity for supply chain resilience and sustainability;
12. Enhance efforts to effectively utilise the ASEAN Plus Three Emergency Rice Reserve (APTERR) to overcome possible food shortages and help ensure food security in the region during emergencies, and mitigate the impact of COVID-19 pandemic;
13. Encourage exchange of information on production and trade of essential medical supplies to facilitate the implementation of the ASEAN Regional Reserve of Medical Supplies for Public Health Emergencies and expedite efforts towards setting up an APT reserve of essential medical supplies;
14. Continue to strengthen engagement with stakeholders such as the private sector by having them as significant partners in strengthening regional supply chains, to instill investment confidence, promote business opportunities, and strengthen supply chain connectivity;
15. Encourage close cooperation to support the private sector and facilitate the development of micro, small and medium enterprises (MSMEs), vulnerable groups, business start-ups and economic sectors, adversely affected by the COVID-19 pandemic, including through leveraging technologies and digital innovations, which can collectively contribute to the efforts to achieve the Sustainable Development Goals;
16. Encourage the maintenance of necessary interconnectedness in the region by facilitating to the extent possible the essential movement of people, including business travels, while ensuring the safeguarding of public health in line with our efforts to combat the pandemic;

17. Embrace the opportunities brought about by the Fourth Industrial Revolution and digital transformation to mitigate productivity loss amid travel and movement restrictions during and after the pandemic, and promote the development of the digital economy, that is secure, sustainable, open and transformative, including through (i) addressing the digital divide; (ii) introducing smart working solutions; (iii) strengthening cooperation on smart cities, e-commerce, health care, and intelligent manufacturing; (iv) facilitating cross-border transfer of information and data by electronic means, as well as strengthening consumer and business trust while respecting both domestic and international legal frameworks; and (v) stimulating innovation as a new driving force for economic development and competitiveness, along with strengthened cooperation to mitigate cyber threats, prevent and counter malicious cyber activities, towards a safe, secure and resilient rules-based cyberspace;
18. Reaffirm strong commitment to uphold an open, inclusive, transparent and rules-based multilateral trading system, as embodied in the World Trade Organisation (WTO), including supporting the necessary reform of the WTO, and underscore the importance of multilateralism and further promote greater intra-regional trade and investment, the full utilisation of ASEAN Plus One FTA with China, and the Republic of Korea as well as the ASEAN-Japan Comprehensive Economic Partnership;
19. Welcome the signing of the Regional Comprehensive Economic Partnership (RCEP) Agreement in 2020 as part of efforts to achieve a higher level of regional economic integration and cooperation, and reiterate that the RCEP remains open for India;
20. Further strengthen the roles and maximise the potentials of the ASEAN-China Centre, the ASEAN-Japan Centre and the ASEAN-Korea Centre in promoting business, tourism, trade and investment cooperation among the APT countries; and
21. Leverage the expertise and support offered by international organisations, multilateral and regional development banks and research institutions in addressing the socio-economic impact of the COVID-19 pandemic, including through the promotion of more resilient and connected supply chains as well as a robust, sustainable, comprehensive, and resilient economic recovery.

**ADOPTED** on the Fourteenth of November in the Year Two Thousand and Twenty.