



THE NINTH CONSULTATION BETWEEN THE ASEAN ECONOMIC MINISTERS AND THE MINISTER OF ECONOMY, TRADE AND INDUSTRY OF JAPAN

13 September 2002, Bandar Seri Begawan, Brunei Darussalam

Joint Press Statement

1. The Ninth Consultation between the ASEAN Economic Ministers (AEM) and the Minister of Economy, Trade and Industry (METI) of Japan was held in Bandar Seri Begawan, Brunei Darussalam on 13 September 2002. The Consultation was co-chaired by H.E. Pehin Dato Abdul Rahman Taib, Minister of Industry and Primary Resources of Brunei Darussalam; and H.E. Mr. Takeo Hiranuma, Minister of Economy, Trade and Industry of Japan.

ASEAN-Japan Trade and Investment Relations

2. The Ministers exchanged views on the global economic environment and recent developments in their respective regions. The Ministers noted that ASEAN and Japan continued to be important trading partners. The trade volume between both sides totalled US\$108.4 billion in 2001. In 2001, 16% of ASEAN's exports went to Japan while ASEAN absorbed 16% of total Japanese exports. Japanese investment in 2001 accounted for 18.4% of total FDI in ASEAN.

3. ASEAN Countries welcomed the proposal of Prime Minister Junichiro Koizumi in January 2002 for an ASEAN-Japan Comprehensive Economic Partnership. The Ministers shared the view that economic relationship between ASEAN and Japan has been positive and it is important to enhance this relationship.

Joint Report of the ASEAN-Japan CEP Expert Group

4. The Ministers welcomed the joint study report of the ASEAN-Japan Closer Economic Partnership (CEP) Expert Group and were encouraged by the positive findings of the study, including the possibility of an FTA. The study estimates that AJCEP can increase ASEAN's exports to Japan by 44.2% and Japan's exports to ASEAN by 27.5%. The AJCEP is also expected to increase ASEAN's GDP by 1.99% and Japan's GDP by 0.07%. Beyond economic benefits, the AJCEP would contribute to a sense of community between the two parties and provide another important mechanism for supporting economic stability in East Asia. The Ministers noted that an AJCEP would further boost trade in goods and services, and cross-border investments which have been expanding in the last few years. The AJCEP is

expected to attract more investments from both domestic and international investors into ASEAN and Japan.

5. The Ministers agreed to recommend to the Leaders that ASEAN and Japan should commence consideration of a framework that would provide a basis for concrete plans and elements towards realizing the AJCEP in accordance with guiding principles, such as the comprehensiveness of countries and sectors. The framework should be developed and its outcome presented to the Leaders in the year 2003 for their consideration. The implementation of measures for the realization of the partnership, including elements of a possible FTA, should be completed as soon as possible within 10 years while according due consideration to the economic levels and sensitive sectors of each country. For this purpose, the Ministers agreed to recommend to the Leaders the establishment of a committee, consisting of senior economic officials of ASEAN and Japan, by the year 2003.

AEM-METI Economic and Industrial Cooperation Committee (AMEICC)

6. The meeting of AEM-METI Economic and Industrial Cooperation Committee (AMEICC) was held as part of the Ninth AEM-METI Consultations. The Ministers noted with appreciation that the projects under AMEICC have been implemented in a timely and effective manner. In particular, the Ministers noted that the strengthening of the Centers of Excellence (COEs) in ASEAN and their networking had been instrumental in promoting Human Resources Development in ASEAN. The Ministers appreciated Japan's new initiative (the COE Follow-up Program) to further strengthen and network the COEs in ASEAN through sharing best practices among them. The Ministers also noted the progress in AMEICC activities for assisting new member countries and enhancing competitiveness in ASEAN.

7. The Ministers encouraged all AMEICC Working Groups to further expedite the implementation of the respective projects under AMEICC Work Programme and to foster trade and investment facilitation and promotion activities.

Other Areas of Economic Cooperation

8. The Ministers welcomed the successful cooperation in energy matters through the SOME¹-METI Consultation and expressed the hope that the cooperation would be deepened further.

9. They also welcomed Japan's cooperation initiative on ASEAN Standards and Conformance Cooperation Programme between ASEAN and Japan. The Ministers noted that Japan is promoting cooperation initiatives and inviting ASEAN to participate in such projects like the TEDI² to advance paperless trading and the promotion of designs of industrial products in ASEAN.

¹ Senior Officials Meeting on Energy (ASEAN)

² Trade Electronic Data Interchange

LIST OF MINISTERS

- (i) H.E. Pehin Dato Abdul Rahman Taib, Minister of Industry and Primary Resources, Brunei Darussalam;
- (ii) H.E. Mr. Cham Prasidh, Minister of Commerce, Cambodia;
- (iii) H.E. Mr. Dorodjatun Kuntjoro-Jakti, Coordinating Minister for Economy, Indonesia;
- (iv) H.E. Mr. Takeo Hiranuma, Minister of Economy, Trade and Industry, Japan;
- (v) H.E. Mr. Soulivong Daravong, Minister of Industry and Handicrafts, Lao PDR;
- (vi) H.E. Dato' Seri Rafidah Aziz, Minister of International Trade and Industry, Malaysia;
- (vii) H.E. Brigadier General David O. Abel, Minister at the Office of the Chairman of the State Peace and Development Council, Myanmar;
- (viii) H.E. Mr. MAR Roxas, Secretary of Trade and Industry, the Philippines;
- (ix) H.E. B.G. (NS) George Yeo, Minister for Trade and Industry, Singapore;
- (x) H.E. Mr. Adisai Bodharamik, Minister of Commerce, Thailand;
- (xi) H.E. Mr. Luong Van Tu, Vice Minister of Trade, Viet Nam; and
- (xii) H.E. Mr. Rodolfo C. Severino, Jr., Secretary-General of ASEAN.