



## **THE TWENTIETH AEM-MOFCOM CONSULTATIONS**

**13 September 2021, Video Conference Meeting**

### **JOINT MEDIA STATEMENT**

1. ASEAN Member States (AMS) and China met virtually on 13 September 2021 for the Twentieth AEM-MOFCOM Consultations. The Consultations were co-chaired by H.E. Dato Dr. Amin Liew Abdullah, Minister at the Prime Minister's Office and Minister of Finance and Economy II, Brunei Darussalam and H.E. Mr. Wang Wentao, Minister of Commerce of China.
2. The Meeting noted that total merchandise trade between ASEAN and China reached US\$ 516.9 billion in 2020, registering an increase of 1.8% year-on-year despite the challenging trade environment brought by the COVID-19 pandemic. For 2020, China maintained the pole position as ASEAN's largest trading partner. Meanwhile, Foreign Direct Investment (FDI) flows from China to ASEAN amounted to US\$ 7.6 billion in 2020, amounting to 5.5 per cent of ASEAN's total FDI, placing China as the fourth largest source of FDI among ASEAN's Dialogue Partners.
3. The Meeting highlighted that 2021 marks the 30<sup>th</sup> Anniversary of ASEAN-China Dialogue Relations. The Meeting underscored the strong economic ties, business linkages, and people-to-people exchange that underpin the enduring relationship between ASEAN and China. The Meeting welcomed the Joint Statement on Further Enhancing Trade and Economic Cooperation at the 30<sup>th</sup> Anniversary of ASEAN-China Dialogue Relations and various activities that have been planned to celebrate the 30<sup>th</sup> Anniversary of ASEAN-China relations including ASEAN-China Trade and Economic Cooperation Achievement Exhibition and ASEAN-China Trade and Economic Cooperation Forum. The Meeting reaffirmed its commitment to strengthen trade and economic cooperation and looked forward to stronger cooperation between ASEAN and China for the next decades.
4. The Meeting reiterated its commitment to the full and effective implementation of the Agreements under the ASEAN-China Free Trade Area (ACFTA), including the Upgrading Protocol of the ACFTA. The Meeting also looked forward to progress in the implementation of the remaining elements in the Future Work Programme under the ACFTA Upgrading Protocol: on (i) further liberalisation of trade in goods, and (ii)

investment liberalisation and protection, taking into account existing agreements among the Parties. The Meeting also underscored the importance of deepening and strengthening ASEAN-China economic cooperation and reaffirmed by further enhancing the ACFTA to include other areas. Towards this end, the Meeting agreed for both sides to consider conducting a joint feasibility study to identify other areas for possible inclusion in further enhancing the ACFTA.

5. The Meeting expressed concern on the adverse impacts of the COVID-19 pandemic to lives and livelihoods across the region. As the world forges its path towards post-pandemic recovery, the Meeting underscored the importance of closer cooperation and coordinated global response to promote equitable access and global distribution of affordable, safe, effective and quality medicines including COVID-19 vaccines, and medical supplies and equipment. The Meeting reiterated its commitment to implement the ASEAN-China Economic Ministers' Joint Statement on Combating the Coronavirus Disease (COVID-19) and Enhancing ACFTA Cooperation as well as the Joint Ministerial Statement Affirming Commitment to Ensuring Supply Chain Connectivity Amid the COVID-19 Situation in mitigating the impacts of COVID-19 and paving the way for economic recovery. The Meeting also underscored the importance of leveraging digitalisation and sustainable development in promoting economic resilience in the region.

6. The Meeting welcomed the signing of the Regional Comprehensive Economic Partnership (RCEP) Agreement and looked forward to its entry into force on 1 January 2022, as targeted. The Meeting noted that the timely implementation of RCEP is an important post-pandemic recovery strategy of keeping markets open and reducing trade friction in the region.

7. The Meeting also reaffirmed its commitment to an open, free, inclusive, transparent, rules-based, and non-discriminatory multilateral trading system. The Meeting underscored its support to uphold and abide by rules and obligations under the World Trade Organization (WTO) and its commitment to keeping markets open for trade and investment. The Meeting supported necessary reform of the WTO and emphasized the urgency of the restoration of the two-tier dispute settlement system. The Meeting called for meaningful outcomes in MC12 to strengthen the multilateral trading system.

8. The Meeting appreciated the continuous assistance from China through its grant to support the implementation of the ACFTA. The Meeting noted the positive progress on two ongoing projects namely "Outreach Program on Revised ROO under ACFTA Upgrading Protocol" and "Enhancing the ASEAN Digital Tourism Platform". The Meeting encouraged the timely implementation of the ongoing projects as well as the review of the approval process of project proposals with the goal of streamlining the process. The Meeting also looked forward to the submission of more project proposals from ASEAN to fully utilize the grant that would further facilitate the implementation of the ACFTA.

9. The Meeting acknowledged the importance of both regional and sub-regional cooperation mechanism including the BIMP EAGA-China Cooperation (BECC) and Lancang-Mekong Cooperation (LMC) to help narrow the development gaps among the ASEAN Member States.

10. The Meeting noted the successful conduct of the 17<sup>th</sup> China-ASEAN Expo on 27 – 30 November 2020 and welcomed the organization of the 18<sup>th</sup> China-ASEAN Expo on 10-13 September 2021 in Nanning, China. The Meeting further noted the important role the China-ASEAN Expo plays in encouraging greater business exchange and expanding business opportunities in the region.

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