



THE TWENTY-FIRST AEM-MOFCOM CONSULTATION

Joint Statement on

Cooperation for Post-COVID Economic Recovery

The global economic recovery continues to be fragile as COVID-19 remains to be an ongoing concern. With the joint efforts of ASEAN and China, trade and economic cooperation between the two sides maintained good momentum, showing strong resilience and potential. Merchandise trade and investment further expanded. According to ASEAN's statistics, in 2021, trade volume between ASEAN and China reached a new record of USD 669 billion, making China ASEAN's largest trading partner for the 13th consecutive year; foreign direct investment (FDI) flows from China to ASEAN amounted to USD 13.6 billion in 2021, almost double the USD 7.0 billion in 2020. According to China's statistics, ASEAN-China trade volume has increased to USD 878.2 billion in 2021 and ASEAN has been China's largest trading partner for two consecutive years. FDI flows from ASEAN to China was USD 10.6 billion, a significant increase from USD 7.95 billion in 2020. Regional economic integration was also accelerated with both sides working together on the entry into force of the Regional Comprehensive Economic Partnership (RCEP) Agreement on 1 January 2022 and advance preparations for the further enhancement of the ASEAN-China Free Trade Area (ACFTA 3.0). At the Special Summit to Commemorate the 30th Anniversary of ASEAN-China Dialogue Relations, held in November 2021, Leaders of the two sides jointly announced the establishment of a meaningful, substantive, and mutually beneficial ASEAN-China Comprehensive Strategic Partnership and agreed to advance ASEAN-China cooperation in all fields which contributes to the building of an open, inclusive, and sustainable region conducive to peace, security, and prosperity. Economic Ministers from both sides also issued the *Joint Statement on Further Enhancing Trade and Economic Cooperation at the 30th Anniversary of ASEAN-China Dialogue Relations*, in September 2021, to reaffirm their commitment to further (i) expand ASEAN-China trade and investment cooperation, (ii) deepen post-pandemic cooperation in trade and economic fields, (iii) enhance the level of ASEAN-China economic integration, and (iv) strengthen

cooperation on RCEP. Noting the positive momentum in the region's post-pandemic economic recovery, ASEAN and China further committed to deepen cooperation through the following measures:

I. Enhance the synergy of development strategies

ASEAN and China will continue to promote synergy between the Master Plan on ASEAN Connectivity (MPAC) 2025 and the Belt and Road Initiative, in carrying out mutually beneficial and high-quality cooperation while noting the principles of openness, transparency, inclusiveness and ASEAN Centrality. ASEAN and China will also continue to implement the *ASEAN-China Joint Statement on Cooperation in Support of the ASEAN Comprehensive Recovery Framework* and support ASEAN Economic Community building and post-COVID recovery and development. China also encourages ASEAN Member States' participation in the Global Development Initiative (GDI) and explore practical cooperation on GDI priority areas.

II. Deepen regional economic integration

ASEAN and China will jointly ensure the full and effective implementation of the RCEP Agreement and will work towards ensuring that resources are made available to implement relevant Economic and Technical Cooperation (ECOTECH) projects under the RCEP. Building on these existing commitments, ASEAN and China will also accelerate the process of upgrading the ACFTA, which would include expanding cooperation in new areas, including digital economy and green economy; addressing non-tariff measures; and creating opportunities for Micro, Small and Medium Enterprises (MSMEs) to take advantage of ASEAN-China trade, with the aim of building a more inclusive, modern, comprehensive, and mutually beneficial ACFTA.

III. Strengthen trade and investment cooperation

ASEAN and China will work towards strengthening trade and investment cooperation by facilitating logistics and customs clearance of key products to further promote the free and smooth flow of trade and investment and also restore connectivity through the orderly post-pandemic resumption of business and related travel on both sides, as soon as possible, according to each country's laws and regulations. ASEAN and China will also enhance collaboration to ensure the

flow of essential supplies strengthen food security and energy security, as well as to facilitate exports of agricultural products from ASEAN Member States to China. Both sides will deepen investment cooperation on the production of vaccines and medical supplies as part of efforts to facilitate the fair access and allocation of affordable, safe, effective, and high-quality COVID-19 vaccines and other medicines and medical supplies. ASEAN and China will also consider investment cooperation in a number of strategic areas such as semiconductor chip production, high-tech industry businesses of digital advancement, and clean energy product manufacturing, amongst others, to promote economic development in the post-COVID-19 period.

IV. Support the multilateral trading system

ASEAN and China will maintain their support for an open, free, fair, inclusive, non-discriminatory, transparent and rules-based multilateral trading system with the World Trade Organization (WTO) at its core. This would include support for the necessary WTO reform to improve its proper functions and ensure that its vision and operation remain relevant and forward looking. ASEAN and China will also remain committed to commitments under the WTO and other relevant trade agreements, and the implementation of the 12th WTO Ministerial Conference outcomes.

V. Strengthen the connections of supply chains

ASEAN and China will maximise the use of existing platforms, such as the China International Import Expo (CIIE) and the China-ASEAN Expo (CAEXPO) to promote business-to-business exchanges and enhance trade and investment ties. ASEAN and China will cooperate to strengthen the connectivity and resilience of the supply chain, especially in areas such as food products, healthcare, green and high-tech industry, semiconductor chip manufacturing, clean energy product manufacturing, amongst others to contribute to economic development and industrialization of the economy of ASEAN Member States and China. The Chinese side encourages the participation of interested ASEAN Member States in the development of the China-Singapore (Chongqing) - New International Land-Sea Trade Corridor (CCI-ILSTC), and welcomes ASEAN Member States to jointly build demonstration zones for economic innovative development with China.