



THE TWENTY FIRST AEM – MOFCOM CONSULTATION

17 September 2022, Siem Reap, Cambodia

JOINT MEDIA STATEMENT

1. ASEAN Member States (AMS) and China met on 17 September 2022 for the Twenty First AEM – Ministry of Commerce (MOFCOM) Consultation. The Consultation was co-chaired by H.E. PAN Sorasak, Minister of Commerce, Kingdom of Cambodia, and H.E. Mr. Li Fei, Assistant Minister of Commerce of China.
2. The Meeting noted that total merchandise trade between ASEAN and China reached USD 669 billion in 2021, registering an increase of 29 per cent year-on-year showing gradual improvement after the COVID-19 pandemic. In 2021, China maintained its position as ASEAN's largest trading partner. 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, and equivalent to 7.8 percent of total FDI flows to ASEAN.
3. The Meeting noted that the post-COVID-19 economic recovery remains vulnerable to adverse global economic developments. The Meeting expressed its deep concerns on continued risks to global food and energy security, and rising inflationary pressure.
4. The Meeting also commended China's support for the region's recovery efforts to the COVID-19 ASEAN Response Fund. The Meeting reiterated its commitment to implement the ASEAN-China Joint Statement on Cooperation in Support of the ASEAN Comprehensive Recovery Framework (ACRF) as well as *the ASEAN-China Economic Ministers' Joint Statement on Combating the Coronavirus Disease (COVID-19) and Enhancing ACFTA Cooperation*. Underscoring the need for further collaboration to overcome the pandemic and to prepare a post-COVID-19 economic recovery, the Meeting endorsed the *Joint Ministerial Statement by ASEAN and China on Cooperation for Post-COVID 19 Economic Recovery*. The Statement reflects ASEAN's and China's strong commitment to a closer and coordinated response to the recovery from the pandemic.
5. 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 noted the progress report on implementation of the ACFTA. In addition, the Meeting endorsed the *Joint Feasibility Study Report to Further Enhance the ACFTA (ACFTA3.0)*. Upgrading the ACFTA on mutual areas of interest, including the digital economy, green economy, non-tariff

measures, competition, consumer protection, and MSMEs, among others, along with transitioning it to modern chapter-based structure, will further Parties' existing commitments and help ensure that the ACFTA remains relevant to our businesses, future-ready, and responsive to global challenges. The Report will be submitted to the 25th ASEAN-China Summit Meeting for further consideration.

6. The Meeting appreciated the continuous assistance from China through its RMB 50 million grant to support the implementation of the ACFTA. The Meeting acknowledged the importance of streamlining and rationalising the various technical assistance and cooperation mechanism between ASEAN and China to ensure economic cooperation between China and ASEAN remains mutually beneficial and implemented in a timely manner. The Meeting welcomed the Work Programme on Further Deepening ASEAN – China Trade and Economic Cooperation and looked forward to its timely implementation [to be updated]. The Meeting also looked forward to the submission of more project proposals from ASEAN to fully utilise the grant that would further facilitate the implementation of the ACFTA.

7. The Meeting noted the importance of both regional and sub-regional cooperation such as BIMP EAGA-China Cooperation (BECC) and Lancang-Mekong Cooperation (LMC) to bridge the development gaps among the AMS and to build stronger ASEAN community.

8. The Meeting noted with appreciation the successful conduct of the 18th China-ASEAN Expo on 10-13 September 2021 and looked forward on the organisation of the 19th China-ASEAN Expo on 16-19 September 2022 in Nanning, China. The Meeting noted the important role of the China-ASEAN Expo and other similar fora including the China International Import Expo (CIIE) in boosting business opportunities between ASEAN and China and to accelerate the region's post-pandemic recovery. In addition, the Meeting expressed its appreciation to the trade promotion agencies and business associations from ASEAN as well as the China Council for the Promotion of International Trade for their efforts to deepen business cooperation and dialogue including through the hosting of a series of webinars introducing the Regional Comprehensive Economic Partnership (RCEP) Agreement to the wider business community.

9. The Meeting welcomed the successful outcomes of the Twelfth World Trade Organization (WTO) Ministerial Conference (MC12) held on 12-17 June 2022 in Geneva, Switzerland. The Meeting expressed its optimism that the series of decisions made at the MC12, namely the "Geneva Package" would significantly help reinvigorate the WTO and improve the trust of the global community in the multilateral trading system. Whilst highlighting the necessary reform of the WTO to improve all its proper functions and to ensure that it remains fit-for-purpose and forward looking, the Meeting also reiterated its support for a rules-based, non-discriminatory, open, free, inclusive, equitable, and transparent multilateral trading system, with the WTO at its core.

10. The Meeting expressed their support for Indonesia's G20 Presidency under the theme "Recover Together, Recover Stronger" and Thailand as host of Asia-Pacific Economic Cooperation (APEC) under the theme "Open. Connect. Balance.". The Meeting noted that these processes provide a unique opportunity for all participating countries/economies to jointly advance the collective global and regional agenda and efforts to bring peace, prosperity and sustainable and inclusive development to all our peoples.
