



THE TWENTY-EIGHTH AEM – METI CONSULTATION

18 September 2022, Siem Reap, Cambodia

JOINT MEDIA STATEMENT

1. ASEAN Member States (AMS) and Japan met on 18 September 2022 for the 28th ASEAN Economic Ministers – Ministry of Economy, Trade and Industry (AEM-METI) Consultation. The Consultation was co-chaired by H.E. PAN Sorasak, Minister of Commerce, Kingdom of Cambodia and H.E. Nishimura Yasutoshi, Minister of Economy, Trade and Industry, Japan.
2. The Meeting noted that, as the global economy is starting to recover from the impact of the COVID-19 pandemic, the economies of ASEAN and Japan are firmly on their path to recovery. According to ASEAN data for 2021, two-way trade between ASEAN and Japan reached USD 240.2 billion, increasing by 17.2 per cent year-on-year, surpassing the pre-pandemic levels. Total foreign direct investment (FDI) inflows from Japan in 2021 amounted to USD 12.0 billion, or an increase of 3.5 per cent year-on-year. This placed Japan as ASEAN’s third largest trading partner and fourth largest external source of FDI among ASEAN’s Dialogue Partners in 2021. The Meeting noted the importance of identifying strategic actions for the regions to rebound stronger, more inclusive, more sustainable, and more resilient to future crises.
3. The Meeting noted that the post-COVID-19 economic recovery remains vulnerable to global economic challenges. The Meeting expressed its deep concerns on geopolitical tensions and continued risks to global food and energy security, and rising inflationary pressure.
4. The Meeting welcomed Japan’s support to ASEAN’s post pandemic recovery efforts, including Japan’s contribution to the COVID-19 ASEAN Response Fund and for the establishment of the ASEAN Centre for Public Health Emergencies and Emerging Diseases Centre. The Meeting reaffirmed the commitment to continue working closely to address and mitigate the impacts of the COVID-19 post-pandemic as well as to advance the regional economic recovery. The Meeting expressed appreciation to Japan’s contribution of over 16 million doses of COVID-19 vaccines to ASEAN countries as well as over USD 320 million of grant assistance for medical supplies and equipment. The Meeting also appreciated Japan’s contribution of USD 1 million to the COVID-19 ASEAN Response Fund and looked forward to Japan’s continued support for ASEAN’s efforts and initiatives in accelerating economic recovery.

5. The Meeting welcomed the entry into force of the First Protocol to Amend the ASEAN-Japan Comprehensive Economic Partnership (AJCEP) for all Parties on 1 February 2022, following Indonesia's ratification on 2 December 2021 and notified to WTO Committee of Regional Trade Agreement by Japan and the Philippines as Country Coordinator in ASEAN. The Meeting welcomed the full implementation of AJCEP tariff commitments in HS 2017 and looked forward to the full implementation of those commitments in HS 2022 by all Parties. The Meeting also welcomed the transposition of the AJCEP Product Specific Rules (PSRs) from HS 2002 to HS 2017 to be implemented from 1 March 2023. The Meeting noted that the 20th AJCEP Joint Committee (JC) was convened on 24 August 2022 to discuss implementation issues and economic cooperation under the AJCEP Agreement.

6. The Meeting recognised the progress of various initiatives and action plans carried out in the context of ASEAN – Japan economic cooperation in their almost 50 years of dialogue relations. The Meeting noted the review of the ASEAN-Japan Economic Resilience Action Plan (“Action Plan”) in promoting cooperation towards comprehensive recovery in areas such as supply chain resilience, digital innovation, and trade facilitation, including the discussion towards introducing the electronic certificate of origin (CO) data exchange scheme for the AJCEP.

7. The Meeting further noted the progress of ASEAN-Japan 10-year Strategic Economic Partnership Cooperation Roadmap, to promote strategic partnerships in the areas of business environment, trade and investment facilitation and liberalisation, infrastructure development, SME development, connectivity, energy, and human resources development, among others. The Meeting reiterated the importance to align the Action Plan with ASEAN's priorities and welcomed efforts to streamline it with the overall ASEAN-Japan Economic Cooperation. The Meeting also appreciated the successful implementation and the outcomes of the “Dialogue for Innovative and Sustainable Growth” and the “ASEAN-Japan Business Week” that was held in May 2022.

8. Reaffirming the need for ASEAN and Japan to further enhance cooperation for an inclusive, resilient, and sustainable future, the Meeting welcomed the study by the Economic Research Institute for ASEAN and East Asia (ERIA) on advancing a comprehensive ASEAN-Japan economic partnership in the light of structural reforms, emerging new issues, and the post-COVID-19 growth agenda in ASEAN and Japan. The Meeting acknowledged the contribution of Japan to ERIA, which continued to support ASEAN economic integration agenda and promote effective policy making in the region. and expressed appreciation for Japan's continuous support in strengthening bilateral trade and investment flows and looked forward to stronger cooperation between ASEAN and Japan for the next decades.

9. The Meeting welcomed the proposal on “Strengthening ASEAN-Japan Economic Relationship toward ASEAN-Japan 50th Anniversary in 2023” which will include elements of existing cooperation from the “Renewed ASEAN – Japan 10-year Strategic Economic Cooperation Roadmap (2016 – 2025)” and the “ASEAN-Japan Economic Resilience Action Plan. In this regard, the Meeting welcomed the Work Plan toward Creating the "Future Design and Action Plan of an Innovative Sustainable ASEAN-Japan Economic Partnership". The Meeting noted that the future cooperation

may comprise of supply chain resilience, digitalisation, human resources development, and connectivity, amongst others. The Meeting also welcomed the proposal of creating the private-sector-led “ASEAN-Japan Economic Co-Creation Vision” in 2023.

10. The Meeting noted Japan’s initiatives “Asia – Japan Investing for the Future Initiative (AJIF)” and “Asia Energy Transition Initiative (AETI)” which includes a wide range of bilateral support for energy transitions in Asia, and looked forward to their implementation. The Meeting noted that the initiatives need to be aligned with ASEAN’s priorities in contributing to the post-pandemic recovery, strengthening the capacity of ASEAN-Japan stakeholders, as well as in achieving sustainable economic growth.

11. The Meeting welcomed the activities supported by the AEM-METI Economic and Industrial Cooperation Committee (AMEICC) across various sectors such as industrial development, micro, small and medium enterprises (MSMEs) cooperation, chemical and automobile industries, supply chain investment, and ASEAN-Japan joint pilot projects using digital solution. The Meeting looked forward to future projects supported by AMEICC that would enhance cooperation between ASEAN and Japanese companies that support post-pandemic recovery. The Meeting noted the adoption of the revised AMEICC Secretariat Terms of Reference at the SEOM-METI.

12. The Meeting appreciated the active role of ASEAN and Japanese business communities which includes the Dialogue among the Federation of Japanese Chambers of Commerce and Industry in ASEAN (FJCCIA), Japan External Trade Organisation (JETRO), and ASEAN-Japan Business Council (AJBC). The Meeting looked forward to further collaboration with the private sector in supporting the implementation of the ASEAN Comprehensive Recovery Framework, with particular focus on economic integration, inclusive digital transformation, and sustainable growth. In that regard, the Meeting welcomed its cooperation and the steady progress made by JETRO, such as the Japan Innovation Bridge (J-Bridge), where 5 business alliance cases in green and digital fields had been materialised by August 2022. The Meeting also welcomed recommendations by ASEAN and Japanese business organisations and councils on areas to improve trade and investment linkages between ASEAN and Japan. The Meeting further welcomed the contribution and efforts of the Japan Chamber of Commerce and Industry (JCCI/AJBC) and JETRO in creating the ASEAN-Japan Economic Co-Creation Vision 2023.

13. 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 need to reform the WTO to improve all its functions, in particular, restoring a fully and well-functioning two-tier dispute settlement system, accessible to all members by 2024 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, fair inclusive, equitable, and transparent multilateral trading system, with the WTO at its core.

14. The Meeting expressed its 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.
