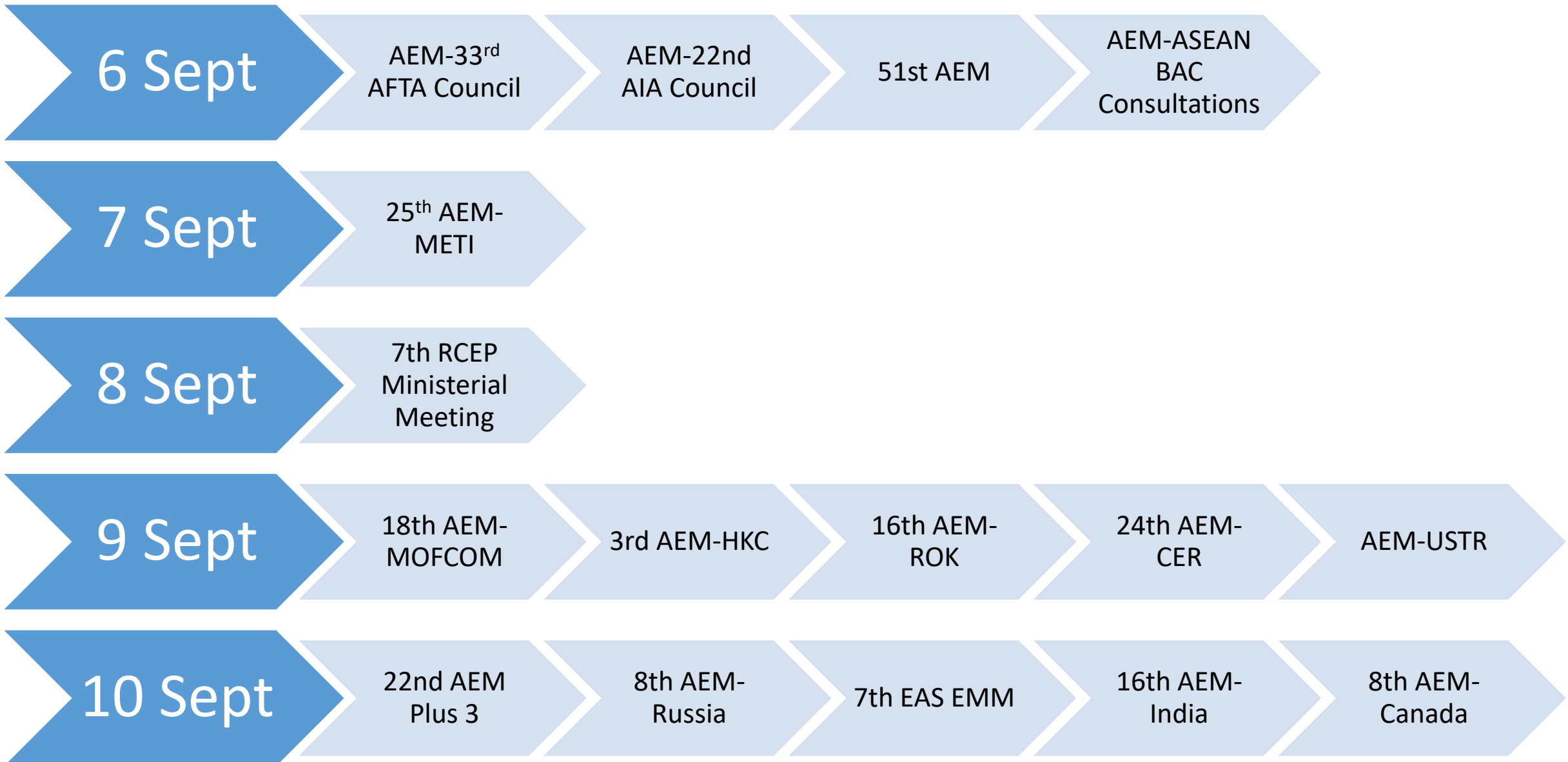




Briefing on the Outcomes of the 51st ASEAN Economic Ministers' Meeting and Related Meetings



Ministerial Meetings





Topics

Priority Economic Deliverables under Thailand's ASEAN Chairmanship

Fourth Industrial Revolution

Global Developments: *regional outlook, WTO Reform, ASEAN Outlook on the Indo-Pacific*

FTAs and other economic cooperation

RCEP

Engagement with the Business Sector

Priority Economic Deliverables for Thailand's ASEAN Chairmanship

Theme:
Advancing Partnership for Sustainability



Equip ASEAN in preparation for the 4IR

3 drivers;
13 deliverables

1. ASEAN Digital Integration Framework Action Plan (DIFAP) 2019-2025	Adopted at the 51 st AEM; for AEC Council's endorsement
2. ASEAN Innovation Roadmap 2019-2025	
3. Guideline on Skilled Labour/Professional Services Development in Response to the 4IR	Adopted at the 51 st AEM; for Leaders' notation
4. ASEAN Declaration on Industrial Transformation To Industry 4.0	Adopted at the 51 st AEM; for Leaders' Issuance
5. Digitalization of ASEAN Micro Enterprises	Adopted at the 51 st AEM; for Leaders' notation

Priority Economic Deliverables for Thailand's ASEAN Chairmanship

Theme:
Advancing Partnership for Sustainability



Enhance ASEAN's connectivity through Trade, Investment, and Tourism

6. ASEAN Single Window (ASW)	
7. Local Currency Settlement Framework	
8. ASEAN Infrastructure Financing Mechanisms	Completed
9. ASEAN Gastronomy Tourism Master Plan	
10. The Conclusion of Regional Comprehensive Economic Partnership (RCEP) in 2019	

3 drivers;
13 deliverables

Priority Economic Deliverables for Thailand's ASEAN Chairmanship

Theme:
Advancing Partnership for Sustainability



Enable Sustainable Economic Development in ASEAN

11. Promoting Sustainable Fisheries through ASEAN Cooperation

12. Roadmap for ASEAN Sustainable Capital Markets

Completed

13. Conclude the MOU between the ASEAN Center for Energy and an ASEAN partner university/institution to support the work towards the establishment of an ASEAN Biofuels and Bioenergy R&D Network Center

Completed

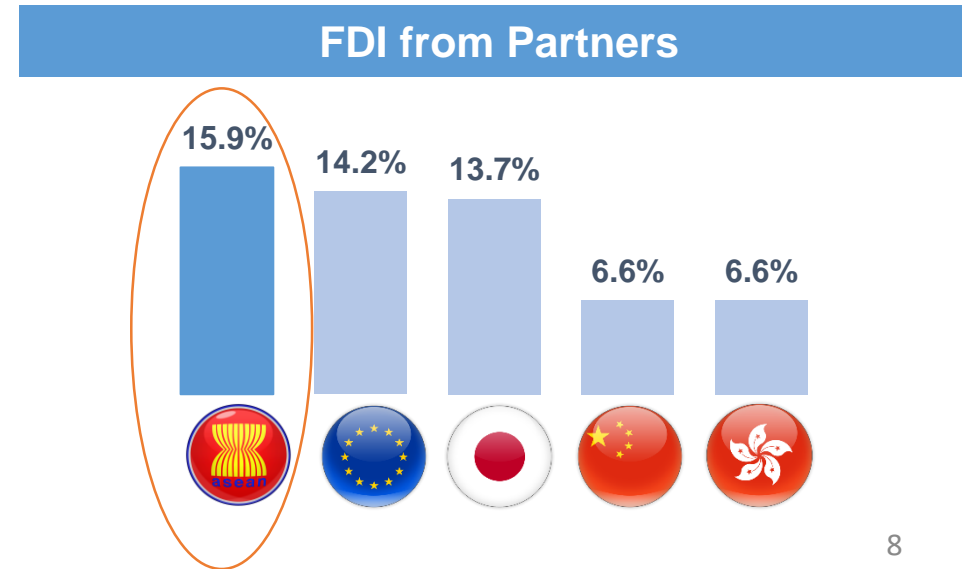
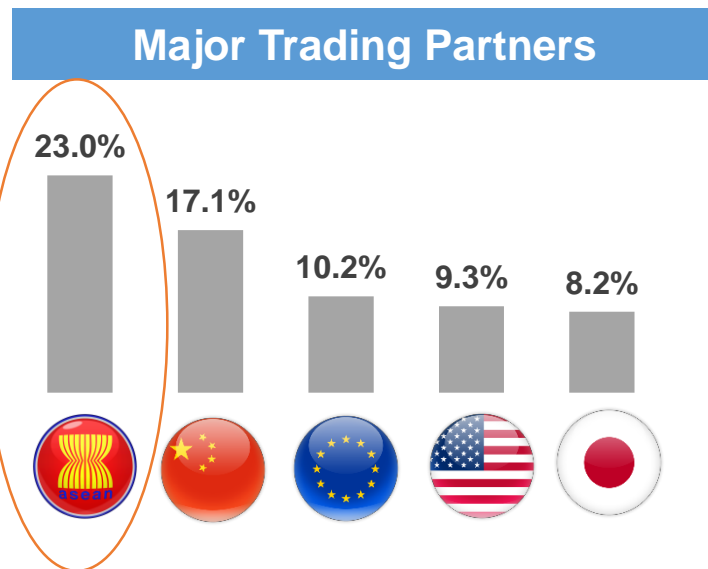
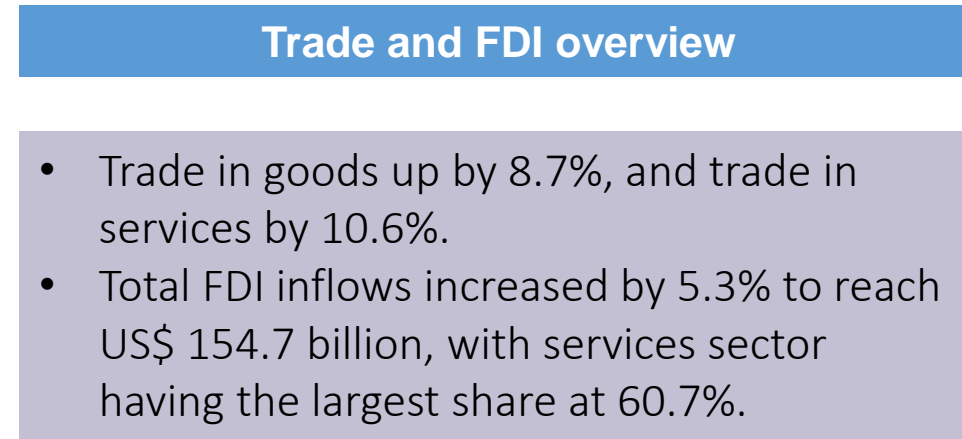
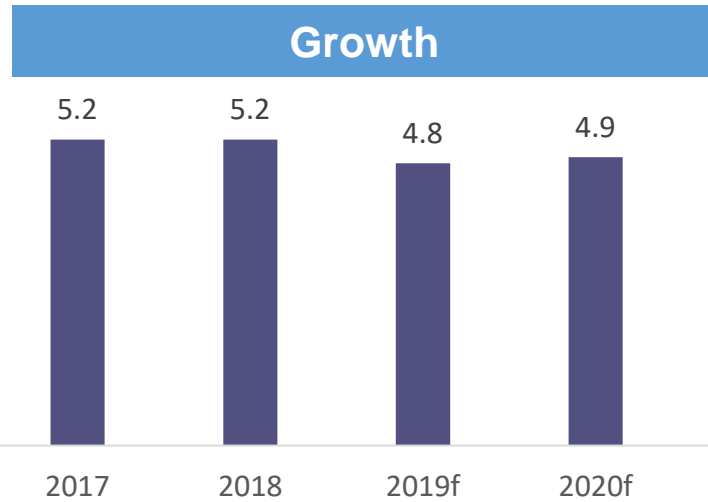
3 drivers;
13 deliverables



Fourth Industrial Revolution

- 2017: Leaders recognised the need for ASEAN to be well prepared and to maximise the opportunities from the 4IR
- 2018: Assessment of ASEAN's Readiness for the 4IR, signing of the ASEAN Agreement on Electronic Commerce, endorsement of the ASEAN Digital Integration Framework and the ASEAN Framework on Digital Governance
- 2019: 4IR-related Priority Economic Deliverables under Thailand's Chairmanship, Special Committee of the Whole for the AEC (CoW) Meeting on 4IR
- Next step: development of a consolidated strategy on the 4IR for ASEAN
 - articulate clearly and holistically ASEAN's 4IR agenda and direction
 - owned at the ASEAN Community-wide level
 - will need to prioritise areas where the regional platform would best deliver impactful outcomes, and take into account existing initiatives

Regional Outlook

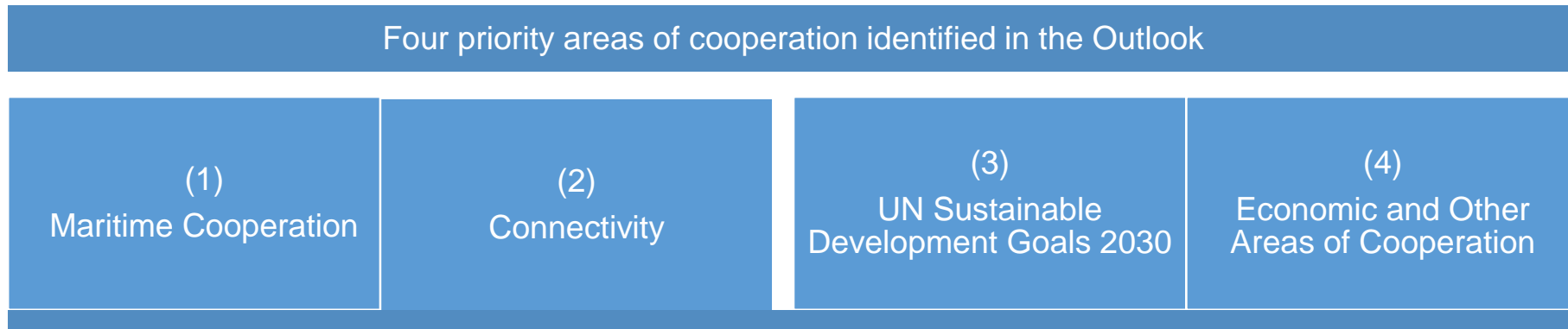




Global Developments

- In light of the changing global economic environment, protectionist sentiments and unilateral trade actions, the issue of the **WTO reform** has been discussed, including in various ASEAN platforms and fora
- AEM recognised the urgency to ensure the continued **relevance** of the WTO taking into account changing global trade realities, through appropriate reforms to ensure that the system is more **inclusive**, and its functions remain **effective** and are strengthened
- ASEAN's stand on this matter is also shared by the Dialogue Partners as reflected in the various joint statements issued during the meetings.
- **ASEAN Outlook on the Indo-Pacific**: adopted at the 34th ASEAN Summit in June 2019
 - guides cooperation in the region, promotes an enabling environment in addressing common challenges, enhances and strengthens ASEAN-led mechanisms such as the EAS, and implements other ASEAN priority areas of cooperation

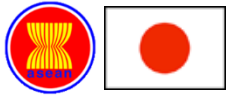
Four priority areas of cooperation identified in the Outlook



ASEAN's FTAs



- **Revised ACFTA Rules of Origins** is now being implemented by all Parties.
- Discussion is underway to implement **the Future Work Programme** of the ACFTA Upgrading Protocol



- **First Protocol to Amend the AJCEP** was signed in April 2019
- Progress of **the implementation of the 10-year ASEAN-Japan Strategic Economic Cooperation Roadmap**



- **Finalisation of the negotiations** on the further liberalisation of Sensitive Track Products under the AKTIGA is expected by end of this year



- Celebrated the **10th Anniversary of AANZFTA** and Issued a Ministerial Statement which includes WTO Reform
- **AANZFTA JC Work Plan** for the Upgrade Negotiations was endorsed

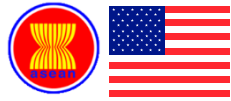


- Agreed to initiate the **review of ASEAN-India Trade in Goods Agreement** to make the AIFTA more user-friendly, simple, and trade facilitative for businesses



- Entered into force of **the ASEAN-Hong Kong, China FTA** and **ASEAN-Hong Kong, China Investment Agreement** on 11 June and 17 June 2019, respectively, for some AMS and HKC.

Economic cooperation with non-FTA partners



Progress in the implementation of **2018-2019 ASEAN-US Trade and Investment Framework and the Expanded Economic Engagement (E3) Initiatives Work Plan, and the US- ASEAN Connect**



Completion of **ASEAN-Canada FTA Exploratory Discussions** and task officials to discuss the next steps with the view to provide recommendations to Ministers next year



Program of Cooperation between ASEAN and the Eurasian Economic Commission (EEC) was endorsed



Active exchange of views on recent economic developments as well as trade and investment performance in the EAS region, including digital revolution , ASEAN Outlook on Indo-Pacific, and support for the WTO reform

Appreciated supports from ASEAN's external partners provided to various economic cooperation programs.



RCEP Negotiations

- Negotiations have reached a critical milestone, as deadline for conclusion draws near.
- To date, 7 chapters and 3 annexes concluded. 2 chapters technically concluded. Continued traction on remaining text and MA negotiations.
- Growing urgency and imperative given continued uncertainties.
- Ministers reaffirmed the targeted deadline for conclusion this year, as mandated by Leaders at the 2nd RCEP Summit in November 2018.
- Ministers are committed to work on the remaining challenges that are fundamental to conclude the agreement, avail negotiators with the necessary mandate and resources.
- The next (28th) Round would be in Da Nang, 19 – 27 September 2019.

Engagement with the Private Sector

The key issues raised by the ASEAN Business Advisory Council (ASEAN BAC) and 9 regional business councils are:



Simplifying Customs Procedure for Improving Cross-Border E-Commerce Activities

- ASEAN Low Value Shipment Program (ALVSP)



Elimination of Non-Tariff Barriers

- Immediate implementation of the NTM Guidelines



Enhancing the Growth of Digital Economy in ASEAN

- Seamless cross border data flow
- Human capital development to embrace digital economy and 4IR