



**THE 17<sup>th</sup> AEM-CER CONSULTATIONS**

31 August 2012, Siem Reap, Cambodia

**JOINT MEDIA STATEMENT**

1. The 17th Consultations between the ASEAN Economic Ministers (AEM) and the Ministers of Australia and New Zealand (Closer Economic Relations – CER) was held in Siem Reap, Cambodia on 31 August 2012. The Consultations were co-chaired by H.E. Cham Prasidh, Senior Minister and Minister of Commerce, Cambodia; the Honorable Mr. Tim Groser, Minister for Trade of New Zealand; and Mr. Bruce Gosper, Deputy Secretary, Department of Foreign Affairs and Trade, Australia.
2. The Ministers welcomed the positive growth of trade and investment between ASEAN, Australia and New Zealand noting that total merchandise trade in 2011 now stood at US\$67.7 billion.
3. Against the backdrop of continued uncertainties in the global economy, the Ministers underlined the importance of trade as a key driver in fostering growth and development in our region. The Ministers agreed that the ASEAN-Australia-New Zealand Free Trade Area provided a valuable springboard for trade growth and encouraged Parties to actively promote awareness of the opportunities under AANZFTA so that business is able to take fuller advantage of the benefits on offer.

**ASEAN-Australia-New Zealand FTA Implementation**

4. The Ministers welcomed the entry into force of the Agreement Establishing AANZFTA for Indonesia on 10 January 2012, making all 12 signatories Parties to the FTA and establishing AANZFTA as one of the key building blocks to achieving economic integration in the Asia-Pacific region.
5. The Ministers acknowledged the quantum step up in the breadth and substance of the FTA work programme where the focus is on delivering concrete outcomes and benefits to business through improved implementation of AANZFTA. These efforts and practical innovative mechanisms have encouraged businesses to take advantage of the FTA opportunities. The Ministers were pleased to note the increasing use of AANZFTA's tariff preferences citing an analysis of Australia's import clearance data for 2011, which shows an overall 65% utilization rate for imports from 9 ASEAN countries with the potential to use AANZFTA.

6. The Ministers underscored the need to sustain business confidence through greater transparency and predictability by completing the transposition of Parties' AANZFTA tariff schedules from the 2007 version of the Harmonized System (HS 2007) into the 2012 version (HS 2012) by early 2013. The Ministers also urged Parties to expedite finalization of the transposition of the product specific rules and amendments to the AANZFTA, which, among others, would provide for administrative solutions to implement the Ministers' earlier decision on the removal of FOB value in the Certificate of Origin in certain circumstances.

### **Moving Forward the FTA's Built-in Agenda**

7. The Ministers noted the substantial work being undertaken at various FTA committee levels in moving forward the FTA's built-in agenda, including on:

- a. *Trade in Goods*: approach for the review of Non-Tariff Measures, involving business outreach and the collection of information while developing a substantive work program that selects some areas for initial focus; design and implementation of a pilot project on self-certification on a voluntary basis; and exchanges on the review of Product Specific Rules and cumulation;
- b. *Trade in Services*: confidence-building initiatives and information exchange in preparation for the discussions on the review of services commitments;
- c. *Investment*: information exchange and preliminary discussions on threshold issues (such as the MFN treatment and non-Mode 3 investment in services) under the AANZFTA's Investment Work Programme; and
- d. *Intellectual Property*: progress towards meeting international IP obligations and standards and to strengthen and expand ASEAN IP systems, and development of a strategic approach to managing major multi-year projects.

### **Economic Cooperation**

8. The Ministers were pleased with the good progress achieved in economic cooperation among the Parties, particularly in implementation of the FTA in goods-related, intellectual property and competition policy areas. The AANZFTA Economic Cooperation Support Programme (AECSP), established in 2010, has now reached its halfway mark with actual and committed expenditure to date of AUD 8 million and a further AUD 4.3 million estimated to be spent in 2012-2013.

9. The Ministers noted the breadth and depth of the economic cooperation projects and their increasing focus on achieving inclusive regional economic

integration to complement the building of an ASEAN Economic Community as well as narrowing the development gap among the Parties.

10. The Ministers urged the Parties to identify targeted initiatives in Services and Investment to meet the specific needs of ASEAN or individual ASEAN Member States. Furthermore and mindful of the human resource constraints in the design and delivery of ECWP activities, Parties' officials and the ASEAN Secretariat are encouraged to continue to assist with their technical expertise and coordination in the implementation of these economic cooperation initiatives. The Ministers also welcomed the proposal to establish a Committee on Competition to provide a more strategic direction for economic cooperation in the area of Competition.

11. The ASEAN Economic Ministers expressed their appreciation to Australia and New Zealand for the continued technical and financial support given to ASEAN through the AECSP.

### **Business Outreach**

12. The Ministers recognized the adoption of broad initiatives to enhance business outreach and advocacy and develop stronger links between government and businesses including the conduct of business forum or private sector engagement back-to-back with FTA meetings or ECWP activity, creation of business-friendly FTA websites and translation of AANZFTA publications, namely, "*A Guide for ASEAN Business*" and "*AANZFTA: Primer on Rules of Origin*" into Cambodia, Lao PDR, Myanmar and Viet Nam national languages to reach out to the small and medium enterprises from the newer ASEAN members.

### **ASEAN-CER INTEGRATION PARTNERSHIP FORUM**

13. Ministers noted the outcome of the 2nd ASEAN-CER Integration Partnership Forum (IPF) held on 19 May 2012 in Makati City which aims to continue to provide the opportunity to share insights and lessons learnt from nearly thirty years of the Australia - New Zealand CER journey.

**LIST OF MINISTERS**

1. **Mr. Bruce Gosper**, Deputy Secretary, Department of Foreign Affairs and Trade, Australia
2. **Dato Lim Jock Hoi**, Permanent Secretary, Ministry of Foreign Affairs and Trade, Brunei Darussalam
3. **H.E. Cham Prasidh**, Senior Minister and Minister of Commerce, Cambodia
4. **Mr. Iman Pambagyo**, Director-General of International Trade Cooperation, Ministry of Trade, Indonesia
5. **Mr. Bounsom Phommavihane**, Director General, Ministry of Industry and Commerce, Lao PDR
6. **Datuk Rebecca Fatima Sta. Maria**, Secretary-General, Ministry of International Trade and Industry, Malaysia
7. **H.E. U Tin Naing Thein**, Union Minister for National Planning and Economic Development, Myanmar
8. **Hon. Tim Groser**, Minister for Trade, New Zealand
9. **Mr. Angelo Salvador M. Benedictos**, Assistant Secretary, Department of Trade and Industry, the Philippines
10. **H.E. Lim Hng Kiang**, Minister for Trade and Industry, Singapore
11. **Mr. Somkiat Triratpan**, Deputy Director General, Department of Trade Negotiations, Ministry of Commerce, Thailand
12. **H.E. Nguyen Cam Tu**, Deputy Minister of Industry and Trade, Viet Nam
13. **H.E. Surin Pitsuwan**, Secretary-General of ASEAN