



**THE 20th ASEAN ECONOMIC MINISTERS' (AEM) RETREAT
26-27 February 2014, Singapore**

JOINT MEDIA STATEMENT

1. The 20th ASEAN Economic Ministers' (AEM) Retreat was held on 26-27 February 2014 in Singapore. H.E. Dr. Kan Zaw, Myanmar's Union Minister for National Planning and Economic Development, chaired the Retreat.

Economic Outlook for ASEAN

2. ASEAN economic growth performance in the past two years has been quite resilient due to strong domestic demand and investment. In the medium term, ASEAN's economic outlook remains robust, anchored by rising domestic demand particularly private consumption and infrastructure investment. With world trade expected to gain momentum in 2014-2015, ASEAN exports are also expected to contribute more to the region's growth performance. Prospects for FDI flows to ASEAN remain promising as more FDI is expected in a wide range of sectors such as infrastructure, finance and manufacturing.

3. However there are some downside risks, including capital outflows, sharp currency depreciations, emerging inflationary pressures and tightening financial conditions, which could dampen economic growth. Maintaining ASEAN's resilient macroeconomic fundamentals is key to managing these risks. Deeper economic integration will also further enhance investment and trade, and support growth in the region.

Priorities for 2014

4. The Ministers discussed and agreed on the priorities of the ASEAN Economic Community (AEC) in 2014, which include raising awareness on the AEC; operationalising the ASEAN Framework for Equitable Economic Development; strengthening regional cooperation for SME development; and developing a regional framework for public-private partnership. Several agreements and protocols which would further deepen market integration, particularly in easing the flow of services, as well as services and investment agreements with Japan and India, are also targeted to be signed within this year.

5. The Ministers discussed the current progress in the implementation of the AEC Blueprint, including the pilot case studies on nontariff barriers. The Ministers requested the officials to draw lessons from the cases resolved, institutionalise the mechanism, publicise the successful cases, continue the exercise and increase the engagement with the private sector. The Ministers reaffirmed the intention to continue working towards achieving the targets of the AEC 2015 as set out in the AEC Blueprint.

6. The Ministers conveyed their strong support and cooperation to Myanmar, which is taking on the ASEAN Chairmanship for the first time since joining the regional grouping in 1997.

RCEP

7. The Ministers noted the good progress made in the ongoing negotiations of the Regional Comprehensive Economic Partnership (RCEP). Since the negotiations on the RCEP commenced in May 2013, three rounds of negotiations have been completed. Participating countries continued to deepen their detailed and technical work on trade in goods, trade in services and investment in the relevant Working Groups. Work has also begun in other areas with the recent creation of Working Groups on intellectual property, competition, economic and technical cooperation, and dispute settlement. The Ministers agreed on the importance of maintaining the negotiating momentum to ensure the successful negotiation of the RCEP by the end of 2015.

Trade Facilitation

8. The Ministers welcomed the Bali Package achieved in the World Trade Organisation's Ninth Ministerial Conference in December 2013, and recognised that the package was a set of balanced outcomes that address the needs of all Members. In particular, the Ministers acknowledge the value of the meaningful implementation of the Trade Facilitation Agreement, which will advance initiatives being undertaken in the region to simplify customs procedures, ease the flow of goods across borders and provide certainty for business. ASEAN is committed to the expeditious implementation of this multilateral binding agreement, which also provides capacity building support to developing countries and LDCs to help them implement the agreement.

AEC Post-2015 Vision

9. The Ministers highlighted that the 2015 target is not an end-date to conclude the initiatives of realising the ASEAN Economic Community. Rather, the pursuit of expanding and deepening market integration will need to continue beyond 2015, in order to sustain regional economic development and resilience as well as enhance ASEAN's role in East Asia and the global economy.

10. Recalling the Bandar Seri Begawan Declaration on the ASEAN Community's Post-2015 Vision which was adopted by Leaders at the 23rd ASEAN Summit on 9 October 2013, the Ministers supported the High Level Task Force on ASEAN Economic Integration (HLTF-EI)'s decision to form a Working Group to develop a draft framework for enhanced ASEAN economic integration for the next ten years (AEC 2016-2025).

LIST OF MINISTERS

1. **The Hon. Pehin Dato Lim Jock Seng**, Second Minister, Ministry of Foreign Affairs and Trade, Brunei Darussalam
2. **H.E. Sun Chanthol**, Senior Minister and Minister of Commerce, Cambodia
3. **H.E. Muhammad Lutfi**, Minister of Trade, Indonesia
4. **H.E. Nam Viyaketh**, Minister of Industry and Commerce, Lao PDR
5. **H.E. Dato' Sri Mustapa Mohamed**, Minister of International Trade and Industry, Malaysia
6. **H.E. Kan Zaw**, Union Minister for National Planning and Economic Development, Myanmar
7. **H.E. Gregory L. Domingo**, Secretary of Trade and Industry, the Philippines
8. **H.E. Lim Hng Kiang**, Minister for Trade and Industry, Singapore
9. **Ms. Srirat Rastapana**, Permanent Secretary, Ministry of Commerce, Thailand
10. **H.E. Vu Huy Hoang**, Minister of Industry and Trade, Viet Nam
11. **H.E. Le Luong Minh**, Secretary-General of ASEAN