



EAS ECONOMIC MINISTERS' MEETING
21 August 2013, Bandar Seri Begawan, Brunei Darussalam

JOINT MEDIA STATEMENT

1. Economic Ministers from the ten ASEAN Member States, Australia, China, India, Japan, Republic of Korea, New Zealand, the Russian Federation and the United States – countries participating in the East Asia Summit (EAS) – met in Bandar Seri Begawan, Brunei Darussalam on 21 August 2013. The Hon. Pehin Dato Lim Jock Seng, Second Minister, Ministry of Foreign Affairs and Trade, Brunei Darussalam, chaired the Meeting, which was also attended by the following Ministers:

- (a) Ms Jan Adams, Deputy Secretary, Department of Foreign Affairs and Trade, Australia;
- (b) H.E. Cham Prasidh, Senior Minister and Minister of Commerce, Cambodia;
- (c) H.E. Gao Hucheng, Minister of Commerce, People's Republic of China;
- (d) H.E. Anand Sharma, Minister of Commerce and Industry, India;
- (e) H.E. Bayu Krisnamurthi, Vice Minister of Trade, Indonesia;
- (f) H.E. Toshimitsu Motegi, Minister for Economy, Trade and Industry of Japan;
- (g) H.E. Yoon Sang-jick, Minister of Trade, Industry and Energy, Republic of Korea;
- (h) H.E. Nam Vliaketh, Minister of Industry and Commerce, Lao PDR;
- (i) H.E. Dato' Sri Mustapa Mohamed, Minister of International Trade and Industry, Malaysia;
- (j) H.E. Kan Zaw, Union Minister for National Planning and Economic Development, Myanmar;
- (k) Hon. Tim Groser, Minister of Trade, New Zealand;
- (l) H.E. Gregory L. Domingo, Secretary of Trade and Industry, the Philippines;
- (m) H.E. Alexey V. Ulyukaev, Minister of Economic Development, the Russian Federation;
- (n) H.E. Lim Hng Kiang, Minister for Trade and Industry, Singapore;
- (o) H.E. Niwattumrong Boonsongpaisan, Minister of Commerce, Thailand;
- (p) H.E. Vu Huy Hoang, Minister of Industry and Trade, Viet Nam;
- (q) H.E. Michael Froman, United States Trade Representative; and
- (r) H.E. Le Luong Minh, Secretary-General of ASEAN.

2. The Ministers welcomed the formalization of the EAS Economic Ministers' Meeting and emphasized the importance of economic cooperation within the EAS framework.

3. The Ministers exchanged views on the global economic situation and noted that according to the data of ASEAN statistics, the combined GDP of the EAS participating countries grew by 5.7% from 2011- 2012 compared to the 10.6% growth registered for 2010-2011. Their combined GDP of US\$ 38,961.7 billion in 2012 still accounts for more than 50% of the global GDP.

4. The Ministers also noted that ASEAN's total trade with the non-ASEAN EAS countries expanded by only 5.2% from US\$ 1,027.10 billion in 2011 to US\$ 1,080.70 in 2012. This is in stark contrast to the 20.7% growth registered in 2011. The eight non-ASEAN EAS countries accounted for 42.3% of ASEAN's total trade.

5. The Ministers were pleased to note that foreign direct investment (FDI) flows from the non-ASEAN EAS countries performed better than in 2011 with FDI inflows reaching US\$ 58.4 billion in 2012 from US\$ 50.3 billion in 2011 and US\$ 51.0 billion in 2010. The eight non-ASEAN EAS countries accounted for 54.5% of total FDI inflows to ASEAN in 2012 compared to only 46.5% in 2011.

Enhancing Connectivity

6. The Ministers emphasized the need to focus on "business connectivity". One of the critical goals of "connectivity" is facilitation and expansion of cross-border businesses. Mere physical connectivity is not enough for this purpose. "Business connectivity" should aim to bring such impacts as upgrading of industries and development of supporting industries, leading to a broader supply chain network in ASEAN. Furthermore, the Ministers concluded that institutional connectivity including regulatory cooperation should be given further attention, as was acknowledged by Leaders at the EAS 2012.

7. For this purpose, the Ministers agreed, in cooperation with EAS Foreign Ministers' Meeting to take stock of current regional business connectivity programs and activities, and consider what unique contributions EAS countries might be able to provide in advancing connectivity including in line with the 2011 EAS Declaration on Connectivity.

8. The Ministers welcomed the recent Regulatory Roundtable in Bangkok, co-chaired by Thailand and New Zealand, and encouraged further collaboration within the EAS on this issue, including work to gain a better understanding of regulatory practice and regulatory cooperation amongst EAS members, and related capacity building needs. **The role of ERIA in assisting EAS members in better understanding and advancing regulatory connectivity was acknowledged.**

Trade Liberalization

9. The Ministers agreed on the importance of trade liberalization in East Asia and therefore welcomed EAS countries' proactive efforts to further develop a trade framework that facilitates further trade liberalization in this region including bilateral FTAs, the ASEAN plus FTAs, RCEP and TPP. The Ministers instructed negotiators to continue best efforts to achieve ambitious outcomes that facilitate regional economic integration.

10. Given continuing global economic uncertainties, the Ministers emphasized that a strong, rules-based multilateral trading system, continues to be essential in sustaining international trade flows and ensuring the growth of the global economy. The Ministers reaffirmed their commitment to a successful outcome at the 9th WTO Ministerial Conference in Bali on trade facilitation, some elements of agriculture and a set of development issues, which would be a stepping stone towards seeking to successfully conclude the Doha Development Agenda (DDA) Round and providing renewed confidence in the multilateral trading system.

11. The Ministers called for the swift conclusion of the negotiations to expand product coverage of the WTO Information Technology Agreement (ITA), to enable a commercially significant outcome by 9th WTO Ministerial Conference in December this year.

12. The Ministers also recalled the Leader's commitment at Phnom Penh against protectionist measures.

ASEAN Economic Integration Internally, and with the Wider Region

13. The Ministers recognized the importance of prioritizing cooperative efforts between ASEAN and EAS partners in facilitating the realization of the ASEAN Economic Community goals and further integration of ASEAN with the wider region. To this end, the Ministers decided to identify areas for prioritized cooperation with focus towards 2015 and beyond, and wider regional economic integration, by both ASEAN and EAS partners.

14. The Ministers also emphasized the importance of green technology for sustainable growth, and welcomed the outcome of the Second East Asia Low Carbon Growth Partnership Dialogue held on 18 May 2013 in Tokyo, Japan and co-chaired by Cambodia and Japan.

Updates on ERIA Activities

15. The Ministers commended the updates provided by ERIA in various fields such as SME, AEC Scorecard, connectivity, energy, and Myanmar Comprehensive Development Vision (MCDV), and agreed on the important role of ERIA in ASEAN's efforts to develop a blueprint for the AEC beyond 2015. The Ministers also welcomed ERIA's presentation on the new development and integration model for East Asia, in which deepening economic integration and narrowing the development gaps would be attained simultaneously. The Ministers looked forward to ERIA's continued support and contribution for integration and prosperity of the region as a whole.

16. The Ministers welcomed the ERIA's 6th Governing Board Meeting Statement, which expresses ERIA's strong will to formulate effective region-wide policy recommendations to achieve greater connectivity and to address the global issues, and anticipates closer communication with policy makers.

17. The Ministers agreed to provide guidance and continue their oversight of ERIA's activities. Specifically, based on their discussion of connectivity enhancement and ASEAN Economic Integration, they instructed ERIA to research and propose industry cluster policy

which will attain an optimal production network to further promote growth in ASEAN from a medium- and long-term prospective.

18. The Ministers appreciated contributions from ASEAN Member States, India, Japan and New Zealand to ERIA.

Regional and Global Developments

19. The Ministers discussed the regional and global developments affecting the EAS countries individually and collectively. The Ministers underscored the need to sustain the gains from their economic integration efforts especially in the light of a volatile global economy. They agreed on the importance of collaborating in areas necessary to ensure that East Asia remains strong and resilient. The Ministers reiterated their commitment to promote broader economic integration in the East Asia/Asia Pacific region and to continue working closely within the EAS framework not only to achieve their respective economic integration objectives but also for EAS to contribute to global stability and prosperity.

20. The Ministers welcomed the accession of Lao PDR to the WTO on 2 February 2013. Lao PDR became the 158th member of the WTO.
