

**Key Outcomes of
the 49th ASEAN Economic Ministers' Meeting and Related Meetings
7-11 September 2017, Pasay City, Philippines**

The 49th ASEAN Economic Ministers' (AEM) Meeting was held on 7 September 2017 in Pasay City, Philippines. The AEM also held joint meetings with the 31st ASEAN Free Trade Area Council and the 20th ASEAN Investment Area Council. The AEM also held consultations with its dialogue partners including 16th AEM-MOFCOM Consultations; 23rd AEM-METI Consultations; 14th AEM-ROK Consultations; 20th ASEAN Plus Three Consultations; 22nd AEM-CER Consultations; 14th AEM-India Consultations; AEM-USTR Consultations; 6th AEM-Russia Consultations; , 6th AEM-Canada Consultations; 5th EAS Economic Ministers Meeting; 5th Regional Comprehensive Economic Partnership Ministerial Meeting; 2nd AEM-Hong Kong, China Consultations; and 15th AEM-ASEAN Business Advisory Council Consultations. The 9th CLMV Economic Ministers Meeting was also held back-to-back with the 49th AEM.

49th AEM Meeting, AEM-31st AFTA Council Meeting, AEM-20th AIA Council Meeting

1. **Economic Performance.** ASEAN is projected to maintain a robust GDP growth rate of 4.8% in 2017, the same rate for 2016, with positive trends observed across all ASEAN Member States. ASEAN's total merchandise trade remained resilient at US\$2.22 trillion in 2016, of which 23.1% was intra-ASEAN. China, the EU and the US ranked as the region's top three (3) trading partners. ASEAN's total services trade stood at US\$643.4 billion, of which 16.6% was intra-ASEAN. Inflows of foreign direct investment (FDI) to ASEAN reached US\$96.72 billion in 2016, of which 24.8% was intra-ASEAN. The top three (3) sources of FDI inflows are the EU, Japan, and the US.

2. **Priority Deliverables for the Philippine Chairmanship of ASEAN.** The Ministers reviewed progress and achievements of the 11 priority economic deliverables under the Philippines Chairmanship on the overall theme of "Inclusive, Innovation-led Growth"; which was supported by three strategic measures namely (i) increasing trade and investment, (ii) integrating micro, small and medium enterprises (MSMEs) into the global value chains, and (iii) developing an innovation-driven economy. To this end, the Ministers:

- (a) **ADOPTED** the ASEAN Seamless Trade Facilitation Indicators;
- (b) **TASKED** Officials to accelerate the necessary work to resolve the outstanding key areas to finalise the ASEAN-wide Self-Certification Scheme for implementation by 2018;
- (c) **TASKED** Officials to progress the drafting of the ASEAN Trade in Services Agreement for substantial conclusion by end 2017;
- (d) **WELCOMED** substantial progress made towards the completion of the "Focused and Strategic Action Agenda on Investment", in support of the ASEAN Comprehensive Investment Agreement's (ACIA's)

- goals and pillars covering investment protection, liberalisation, promotion and facilitation;
- (e) **URGED** Officials to continue to work towards achieving substantial conclusion of the RCEP by end 2017;
 - (f) **NOTED** the conduct of review mechanism for AEC through a Country Visit, a technical verification tool for compliance monitoring under the AEC 2025 Monitoring and Evaluation (M&E) Framework, in Philippines in October 2017;
 - (g) **COMMENDED** the launch of the Maiden Voyage of the ASEAN Roll-on Roll-off (Davao–General Santos–Bitung route) by Philippine President Rodrigo Duterte and Indonesian President Joko Widodo on 30 April 2017;
 - (h) **ENDORSED** the ASEAN Inclusive Business Framework;
 - (i) **AGREED** to submit the Action Agenda on Mainstreaming Women’s Economic Empowerment in ASEAN for Leaders’ adoption by November 2017;
 - (j) **ADOPTED** the ASEAN Work Programme on Electronic Commerce (AWPEC) 2017-2025; and
 - (k) **WELCOMED** the endorsement of the ASEAN Declaration on Innovation by the ASEAN Science and Technology Ministers for the Leaders’ adoption.
3. The Ministers also **ENDORSED** the following ASEAN documents:
- (a) ASEAN Self-Assessment Toolkit on Competition Enforcement and Advocacy
 - (b) ASEAN Regional Capacity Building Roadmap for Competition (2017-2020)
 - (c) ASEAN High-Level Principles on Consumer Protection (AHLPCP)
 - (d) ASEAN Regional Principles for Good Business Registration Practices
4. **AEC 2025.** On the AEC 2025 sectoral work plans to operationalise the AEC Blueprint 2025, in addition to the AWPEC 2017-2025, the Ministers also adopted the AEC 2025 Trade Facilitation Strategic Action Plan marking the adoption of all AEC 2025 sectoral work plans. The Ministers noted the continued operationalisation of the AEC 2025 M&E Framework, including through the endorsement and publication of the AEC 2025 Consolidated Strategic Action Plan, a single public reference document comprising key action lines from across AEC sectoral work plans which would be periodically reviewed, as well as the development of two databases to support compliance monitoring and outcomes monitoring, respectively.
5. **Business Council Consultations.** Dialogues were held with the ASEAN Business Advisory Council as well as regional business councils namely: Canada-ASEAN Business Council, ASEAN-Korea Business Council; ASEAN-US Business Council; Australia-ASEAN Chambers of Commerce and ASEAN-New Zealand Business Council; Federation of Japan Chambers of Commerce and Industry in ASEAN; East Asia Business Council; and ASEAN-India Business Council. These

consultations demonstrate the value placed on private sector input and partnership arrangements with the private sector and industry associations in ensuring an inclusive and participatory approach to the regional integration process.

AEM-Dialogue Partner Consultations, CLMV Economic Ministers' Meeting, and other meetings

6. **16th AEM- Ministry of Commerce (MOFCOM) Consultations.** The Ministers **CONSIDERED** progress in the implementation of the Protocol to Amend the Framework Agreement on Comprehensive Economic Co-operation and Certain Agreements thereunder between ASEAN and the People's Republic of China. The Ministers **EMPHASISED** the importance of a mutually beneficial balance in ASEAN-China trade relations, and **WELCOMED** efforts to address the issue of Iron and Steel trade through the first consultation meeting between the industry associations, with the participation of government representatives from ASEAN and China, to be held in March 2018.

7. **23rd AEM-Ministry of Economy, Trade and Industry (METI) Consultations.** The Ministers **NOTED** the on-going negotiations to finalise the Protocol to Amend the ASEAN-Japan Comprehensive Economic Partnership (AJCEP) Agreement to incorporate the Chapters on Trade in Services, Movement of Natural Persons (MNP), and Investment. The Ministers **WELCOMED** progress in the implementation of the ASEAN-Japan 10-year Strategic Economic Cooperation Roadmap in various sectors, including activities in promoting human resources development, MSME development, infrastructure, innovation and transfer of technology.

8. **14th AEM-ROK Consultations.** The Ministers **WELCOMED** the 10th Anniversary of the ASEAN-Korea Free Trade Area (AKFTA) and expressed appreciation for the progress made towards the implementation of the Third Protocol to Amend the ASEAN-Korea Trade in Goods Agreement (AKTIGA), including the finalisation of the transposition of AKFTA PSR into HS 2017. The Ministers **EXPRESSED** appreciation for the good progress made in economic cooperation activities between ASEAN and Korea, including capacity building under the Technical Advice and Solutions from Korea programme and other projects funded under the ASEAN-Korea Economic Cooperation Fund.

9. **20th AEM Plus Three Consultations.** The Ministers **NOTED** progress in the implementation of projects and activities under the ASEAN Plus Three economic cooperation framework, including China's proposal to improve supply chain connectivity, and **TASKED** officials to look into these proposals as possible deliverables, and come up, by the 20th ASEAN Plus Three Summit in November 2017, with an economic cooperation work programme that will set broader goals for stronger ASEAN Plus Three cooperation.

10. **22nd AEM-Closer Economic Relations (CER) Consultations.** The Ministers **CONSIDERED** progress in the two-stage General Review of the AANZFTA, including the finalisation of the Stage One report. The Ministers **EMPHASISED** the importance of enhanced engagement with business to ensure that the AANZFTA is business friendly, with particular attention to the interests and concerns of SMEs, and encouraging good regulatory practice.

11. **14th AEM-India Consultations.** The Ministers **COMMENDED** the outcomes of the ASEAN-India Expo and Forum 2017 organised on 2–5 August 2017 in Bangkok, Thailand, and the ASEAN-India Biztech Expo and Conference organised by the ASEAN-India Business Council (AIBC) on 24–25 May 2017 in Kuala Lumpur, Malaysia. The Ministers **WELCOMED** similar events to promote brand awareness of ASEAN and India products and services to further broaden and deepen economic linkages.

12. **AEM-US Trade Representative (USTR) Consultations.** The Ministers **WELCOMED** the launch of the U.S.-ASEAN Connect framework in September 2016 through the four areas of energy, innovation, policy and business, and the establishment of the U.S.-ASEAN Connect Center in Jakarta. U.S.-ASEAN Connect has been providing opportunities for ASEAN and the United States to stay connected through better access to expertise, information and resources of the U.S. government and private sector.

13. **6th AEM-Russia Consultations.** The Ministers **ENDORSED** the revised ASEAN-Russia Trade and Investment Cooperation Roadmap, along with its Post-2017 ASEAN-Russia Trade and Investment Cooperation Work Programme with a view to enhance and widen cooperation. The Ministers **LOOKED FORWARD** to the signing of the Memorandum of Understanding between ASEAN and the Eurasian Economic Commission (EEC), which is aimed at promoting economic cooperation and collaboration between ASEAN and EAEU.

14. **6th ASEAN-Canada Consultations.** The Ministers **ENDORSED** the Terms of Reference for a Joint Feasibility Study Toward an ASEAN-Canada Free Trade Agreement. The Ministers **TASKED** ASEAN and Canadian officials to complete the Joint ASEAN-Canada FTA Feasibility Study and conduct exploratory discussions to examine the potential for an ASEAN-Canada FTA.

15. **5th EAS Economic Ministers' Meeting.** The Ministers **REITERATED** the necessity to further strengthen trade and investment linkages among EAS economies to shore up growth and reduce vulnerabilities to external shocks. The Ministers **COMMITTED** to work with all World Trade Organization (WTO) members for a successful 11th WTO Ministerial Conference, and continue to fight protectionism, including all unfair trade practices while recognising the role of legitimate trade defence instruments in this regard.

16. **5th RCEP Ministerial Meeting.** The Ministers **UNDERScoreD** that successful RCEP negotiations would require arriving at a landing zone that is mutually agreeable to and doable by all RCEP Participating Countries (RPCs), while ensuring that any final agreement is consistent with the Guiding Principles and Objectives for Negotiating the RCEP. The Ministers **WELCOMED** the RCEP Key Elements for Significant Outcomes by End of 2017, agreed by the TNC at the 19th round, and **INSTRUCTED** officials to focus all efforts to achieve these outcomes for reporting to Leaders in November 2017.

17. **2nd AEM-Hong Kong, China, Consultations.** The Ministers **ANNOUNCED** the conclusion of the ASEAN-HKC Free Trade Agreement and the ASEAN-HKC Investment Agreement, scheduled for signing at the margins of the 31st ASEAN Summit in November 2017.

18. **9th CLMV Economic Ministers' Meeting.** The Ministers **COMMENDED** the progress in the implementation of the Cambodia, Lao PDR, Myanmar, and Viet Nam (CLMV) Action Plan 2017-2018 that aims to enhance economic cooperation among CLMV countries as well as provide capacity building and technical assistance to narrow the development gap among CLMV countries and with the remaining ASEAN Member States. The Ministers **WELCOMED** progress made to-date in formulating the Framework for CLMV Development which aims to provide a unifying strategy for the CLMV countries to advance their economic development and strengthen coordination of CLMV sub-regional initiatives
