

PRESS RELEASE



26th
MEETING
OF THE ASEAN
ECONOMIC
MINISTERS
19-25 September 1994
Chiangmai, Thailand

JOINT PRESS STATEMENT

THIRD AEM-MITI MEETING

24 September 1994
Chiangmai, Thailand

THIRD AEM-MITI MEETING

JOINT PRESS STATEMENT

1. On September 24, 1994, a meeting was held in Thailand between H.E. Mr. Ryutaro Hashimoto, Minister of International Trade and Industry, Japan, and the ASEAN Economic Ministers: H.E. Pehin Dato Abdul Rahman Taib, Minister of Industry and Primary Resources, Brunei Darussalam; H.E. Hartarto, Coordinating Minister for Industry and Trade, Indonesia; H.E. Prof. Dr. S.B. Joedono, Minister of Trade, Indonesia; H.E. Dato Seri Rafidah Aziz, Minister of International Trade and Industry, Malaysia; H.E. Rizalino S. Navarro, Secretary of Trade and Industry, Philippines; H.E. Mr. Yeo Cheow Tong, Minister for Trade and Industry, Singapore; H.E. Dr. Supachai Panitchpakdi, Deputy Prime Minister, Thailand; H.E. Mr. Uthai Pimchaichon, Minister of Commerce, Thailand; and Mr. Mahadi bin Haji Wasli, Deputy Secretary-General of ASEAN.

2. The Third Meeting of the ASEAN Economic Ministers and the Japanese Minister of International Trade and Industry was chaired jointly by H.E. Dr. Supachai Panitchpakdi, Deputy Prime Minister of Thailand and Chairman of the AEM, and H.E. Mr. Ryutaro Hashimoto, Minister of International Trade and Industry of Japan.

3. The Ministers shared the view that regular discussions between ASEAN and Japan are important for a better appreciation of the developments in the region. The Ministers agreed on the importance of cooperating to resolve issues facing the region in order to promote stable growth in East Asia. They discussed the economic prospects for Japan and ASEAN, impact of yen appreciation, developments of AFTA, Post-Uruguay Round issues, market access, ASEAN-Japan economic cooperation and APEC matters.

Appreciation of the Yen and its Impact on ASEAN

4. The Ministers discussed the prospects of continued direct investments from Japan and the impact of the appreciation of the yen on ASEAN trade and debt servicing. The ASEAN Ministers urged Japan to encourage further direct investment in ASEAN, and to increase local sourcing by Japanese firms operating in ASEAN.

ASEAN Free Trade Area

5. The Japanese Minister of International Trade and Industry welcomed ASEAN's recent decision to accelerate the implementation of CEPT for AFTA. In view of this development, the Ministers encouraged Japanese companies to take advantage of these opportunities to further increase investments in ASEAN.

6. The Japanese Minister proposed to hold the second AFTA seminar in Japan in 1995. The ASEAN Ministers welcomed this proposal, recalling the success of the first seminar in 1993.

Post-Uruguay Round

7. The Ministers reaffirmed their commitments to undertake maximum possible efforts for the ratification of the Uruguay Round Agreement by December 31, 1994 for the timely establishment of the WTO.

Asia-Pacific Economic Cooperation (APEC)

8. The Ministers exchanged views on the Second Report of the EPG.

9. The Ministers noted that the APEC Trade Ministers Meeting scheduled at Jakarta on October 6 1994, is an important occasion to encourage full implementation of the Uruguay Round by the economies in the region, exchange views on further regional and global trade liberalization and the rapid actualisation of trade and investment facilitation programmes.

10. The Ministers emphasized the necessity of efforts by all member countries to ensure the success of the Ministerial Meeting and Informal Economic Leaders' Meeting to be held in Indonesia in November.

Market Access

11. The ASEAN Ministers stressed the importance of improved access to the Japanese market especially for manufactured goods, and the need to address the growing trade deficit with Japan especially in the context of trade liberalisation and deregulation, to which both Japan and ASEAN subscribe. The Japanese Minister stated that the trade deficit is a reflection of increasing imports of capital goods and industrial inputs from Japan which is contributing to ASEAN economic growth. He also pointed out the recent marked increase of ASEAN manufactured exports to Japan. The Japanese Minister reaffirmed their commitment to further their import expansion programmes and implementation of the deregulation measures.

ASEAN-Japan Bilateral Economic Cooperation

12. The Japanese Minister reported on the cooperation programmes between Japan and ASEAN countries in the areas of (1) fostering supporting industries, (2) protection of intellectual property rights, (3) industrial standardization and quality control, and (4) industrial and technological research, all of which were started at the second AEM-MITI Meeting. He explained the progress in coordinating Japanese support measures with ASEAN industrial policies for fostering supporting industries. The Ministers noted the status of the bilateral cooperation in these areas and urged that the implementation of these programmes be accelerated.

13. The Japanese Minister announced that Japan was prepared to make active use of Japanese foreign investment insurance programme in promoting the investment of Japanese enterprises in ASEAN countries and joint investment projects by Japanese and ASEAN enterprises in other countries. He said Japan was furthermore willing to assist the creation of investment insurance systems in the ASEAN countries through extending the re-insurance coverage and providing professional training.

Working Group on Economic Cooperation in Indochina

14. The Ministers agreed to establish, under the auspices of AEM-MITI, a working group on Economic Cooperation in Indochina comprising two persons from each ASEAN Member Country, Indochina and from Japan to work on possible programmes to Cambodia, Laos and Vietnam. The chairmanship will be rotated among ASEAN Member Countries beginning with Thailand. The secretariat shall comprise MITI and one ASEAN Member Country corresponding to the chairmanship.

Conclusion

15. The Ministers expressed their shared commitment to maintain close economic cooperation. The Ministers agreed to hold the next AEM-MITI Meeting in Brunei Darussalam next year.