

Japan-Australia Ministerial Economic Dialogue

15 July 2021

Joint Statement

The Australian Minister for Trade, Tourism and Investment, the Hon Dan Tehan MP, and the Japanese Minister of Economy, Trade and Industry, HE Mr Kajiyama Hiroshi co-chaired the third Japan-Australia Ministerial Economic Dialogue on 15 July 2021 in Tokyo. The meeting demonstrated the growing strength of the Special Strategic Partnership between the two countries; a Partnership characterised by shared values and a commitment to a free, open, inclusive, and resilient Indo-Pacific to meet evolving challenges, including recovery from the devastating impacts of COVID-19.

Ministers were joined by the Australian Minister for Energy and Emissions Reduction, the Hon Angus Taylor MP, to progress initiatives to drive the transition to net zero emissions and achieve the goals of the Paris Agreement. All measures should be based on enhancing international cooperation and incentivising countries in their efforts to reduce global emissions.

Ministers were united in their commitment to free and fair trade as foundational principles and to the objectives and strengthening of the rules-based multilateral trading system.

Ministers recognised that the Comprehensive and Progressive Agreement for Trans Pacific Partnership (CPTPP) and Regional Comprehensive Economic Partnership (RCEP) Agreement are critical to post COVID-19 economic recovery for the region.

Ministers committed to continuing close cooperation to advance the CPTPP's high standard rules in the Indo-Pacific and beyond, including the accession process of the United Kingdom, and continuing support for those Signatories for which the CPTPP has yet to enter into force to ratify the CPTPP.

Ministers looked forward to the RCEP Agreement's early entry into force and full implementation by all Parties, noting Japan's recent deposit of its instrument of acceptance of the Agreement.

Ministers highlighted the success of the Japan-Australia Economic Partnership Agreement (JAEPA) in deepening bilateral economic relations, and the importance of its full implementation.

Ministers agreed on the need to strengthen a rules-based multilateral trading system, with a modernised rulebook and reformed World Trade Organization (WTO) at its centre. They agreed to support efforts to improve the functioning of the WTO's negotiating and dispute settlement functions, and work collaboratively on negotiating areas such as electronic commerce, health and environment. Towards the 12th WTO Ministerial Conference in November 2021, both Ministers will work closely together to deliver tangible results.

Ministers committed to working together and with other partners to address non-market practices and unfair and coercive use of economic measures in order to achieve free and fair economic architecture to address economic challenges in the region.

Ministers reaffirmed the importance of enhancing supply chain resilience with a view to attaining strong, sustainable, balanced and inclusive growth in the region. They committed to

proceed with works such as best practice sharing and matching events as initial projects of the trilateral Supply Chain Resilience Initiative with India. They acknowledged that open markets and rules-based trade are essential tools for ensuring supply chain resilience.

Ministers reaffirmed the importance of working together as co-convenors of the ongoing E-commerce Joint Statement Initiative negotiations towards achieving substantial progress by the 12th WTO Ministerial Conference. They discussed the need to work with regional partners to unite in opposition to digital protectionism and facilitate Data Free Flow with Trust, which will harness the opportunities of the digital economy.

Ministers confirmed the importance of the development of quality infrastructure to ensure the significant infrastructure needs of the Indo-Pacific region are met in a manner consistent with the G20 Principles for Quality Infrastructure Investment and other international principles.

Ministers confirmed the importance of strengthened cooperation and coordination on economic security, including building enhanced information exchange, to address challenges in digital and critical technologies, and infrastructure fields. Ministers reiterated that the mutual prosperity of both countries depends on secure and reliable supply chains for critical goods and services. They committed to strengthening cooperation on critical minerals.

Receiving the instruction of Leaders, the Ministers acknowledged they will work to develop joint initiatives under the Japan-Australia Partnership on Decarbonisation through Technology. They shared the view that a technology-led response is critical to reducing greenhouse gas emissions while also ensuring economic growth. To rapidly accelerate global emissions reduction and reach net zero emissions, the Ministers reiterated Japan and Australia's determination to make low and zero emissions technologies globally scalable and commercially viable, through collaboration on technology research and development. They also reaffirmed that Ministerial follow-up would take place through this Dialogue.

Ministers recognised the importance of supporting ASEAN countries to explore the full range of energy options available to meet their energy needs. They discussed practical ways to cooperate in the region to assist ASEAN Member States with their energy transitions, including through the Economic Research Institute for ASEAN and East Asia, which Australia and Japan both fund. In addition, they recognised the importance of their active engagement in the Asia Green Growth Partnership Ministerial Meeting on 4 October to deepen discussions on pragmatic energy transitions.

Under the Japan-Australia Partnership on Decarbonisation, the Ministers confirmed they are committed to making substantial development towards concrete projects. They agreed to prioritise efforts to collaborate and advance initiatives on carbon capture and storage, clean hydrogen, and clean fuel ammonia, ahead of COP26. Those endeavours include advancing existing joint projects such as the Hydrogen Energy Supply Chain (HESC) project. They recognised the importance of developing hydrogen and fuel ammonia markets for domestic and international demand. The Ministers welcomed the launch of the Asia CCUS Network in June 2021, and committed to close cooperation through the Network to promote carbon capture, utilisation, and storage (CCUS) throughout the region. They acknowledged Australia's status as a stable, reliable supplier of energy and resources, such as LNG. They confirmed that LNG is playing an important role for various and pragmatic energy transitions, especially in ASEAN.

Ministers welcomed the warm and productive discussions at the Ministerial Economic Dialogue, and looked forward to opportunities to further deepen the bilateral economic relationship, and tackle global and regional issues together based on their close friendship.