

# Ninth ASEM Senior Officials Meeting on Trade and Investment (SOMTI 9)

6 June 2003, Paris, France

## Chair's Statement

### I. Introduction

1. The Ninth ASEM Senior Officials Meeting on Trade and Investment (SOMTI 9) was held in Paris, France on 6 June 2003. The participants were welcomed to the various ASEM meetings being hosted in France by François Loos, Minister Delegate for Trade. The SOMTI was chaired jointly by the European Commission and the Greek Presidency of the European Union and was attended by Senior Officials from nearly all 26 ASEM partners. Senior Officials also welcomed the presence of Mr. Paul Isbell, representative of the European Secretariat for the ASEM Task Force from the Elcano Royal Institute for International and Strategic Studies.

### II. Economic Pillar Review

2. The Economic Co-ordinators (Japan, Vietnam, the European Commission, and the Greek Presidency of the EU) reported to SOMTI on the results of the review of the Economic Pillar which they had conducted this year, in accordance with the mandate provided by Economic Ministers during EMM 4 in Copenhagen.
3. This review exercise had developed a set of recommendations dealing with various aspects of the Economic Pillar, intended as initiatives which could be implemented immediately for a trial period of one year in order to evaluate their capacity to improve and facilitate activities in the short to medium term, pending possible suggestions and ideas arising from the deliberations of the ASEM Task Force which would be presented to ASEM 5 in 2004.
4. The key aspects addressed by the recommendations include the overall mandate and objectives of the Economic Pillar activities, the frequency and substance of meetings, the contribution of the Trade Facilitation Action Plan, the substance and mandate for future work on investment, and opportunities for intensifying co-operation and interaction with the business sector.
5. Senior Officials thanked the Economic Co-ordinators for their report, noting that it contained both immediate recommendations and highlighted additional challenges that ASEM must tackle in the future. They committed to continue to work, with the assistance of the Economic Co-ordinators, on the remaining challenges and suggested that the activities of the Economic Pillar may require further reorientation in the future, particularly with respect to the decisions at the next WTO Ministerial and decisions taken on the basis of the work of the Task Force.
6. In the meantime, Senior Officials agreed to submit the recommendations set out in ANNEX 1 to this Statement to Economic Ministers for approval. They tasked Economic Co-ordinators to carry out an assessment of the effectiveness of implementing these actions and to report on the results to SOMTI 10.

### III. Multilateral trade issues / DDA negotiations

7. Vietnam and the European Commission, as Chairs of the two WTO expert group meetings held in January and June 2003 respectively, informed participants of the outcome. Japan explained the main conclusions of the ASEM Symposium on Multilateral and Regional Economic Relations which they hosted on 24-25 March 2003 in Tokyo. Japan reported that the WTO issues, as well as the regional integration and economic partnership issues, which were dealt with in the Symposium, were of interest to ASEM partners and expressed its hope that these important themes be taken up on appropriate occasions during future ASEM activities as well.
8. Senior Officials welcomed the fruitful results of the Symposium as well as the constructive process of consultations and dialogue by experts on WTO issues in the ASEM context. Leaders

- agreed to recommend to EMM 5 to continue the meetings of WTO experts during the coming year. Following the agricultural seminar to be hosted by China in the autumn of 2003, WTO experts could meet together again early in 2004.
9. Senior Officials recalled the commitment of EMM 4 to a strong, open, transparent and fair multilateral trading system under the WTO, and the need for all WTO Members to take a proactive approach in order to make substantial progress in the ongoing DDA negotiations, so as to successfully conclude this round by the end of 2004. This commitment remains undiminished. Officials stressed that, given the current global economic situation, the round remained more important than ever, as a unique opportunity to further liberalise trade and strengthen multilateral rules and the development dimension of trade.
  10. Officials highlighted their continued strong political will to engage constructively in all the elements of the Doha work programme and to pursue these negotiations in good faith. They agreed that this was of key interest to all ASEM partners. The major factor contributing to the success of this round was to maintain the spirit and concept of the Single Undertaking throughout the negotiation process. Officials furthermore identified the ongoing multilateral negotiations as the current priority in the trade field, underlining the complementarity of multilateral and regional trade liberalisation and emphasising the important contribution a successful round would have on the bilateral economic relationship between Europe and Asia.
  11. Building on the in-depth discussions which took place in the ASEM WTO expert group, Officials stressed that in the coming weeks, absolute priority must be given to the forthcoming 5<sup>th</sup> Ministerial Conference in September at Cancun, the success of which would be a key element for the smooth continuation of the negotiation process. Officials recognised that some good progress had been made on the substance of the negotiations, but acknowledged that certain deadlines had been missed. They confirmed that intensified efforts were needed now on all issues and underlined their will to closely cooperate to achieve this in a mutually supportive manner. In this respect, Officials welcomed the useful debate among ASEM WTO experts that allowed for a better understanding of each other's positions which paved the way for further convergence of views. In order to obtain a satisfactory, comprehensive and balanced outcome at Cancun and the round as a whole, Officials saw the need for all WTO partners to go beyond individual priorities.
  12. SOMTI leaders emphasised the important role of the forthcoming EMM 5 in Dalian in July to promote a common forward looking message for Ministers at Cancun. Officials expected a Cancun package that would represent the interests of developed and developing countries in a balanced manner and provide WTO members with the necessary guidance and effective tools to continue and successfully conclude this negotiating round in time.
  13. Officials reiterated their full support for universal membership of the WTO and welcomed the progress made in the ongoing accession negotiations with Vietnam. They called for Vietnam's negotiations to be accelerated, aiming at mutually acceptable market access commitments and adherence to WTO rules, fully taking into account specific needs of Vietnam. In light of the complexity of the ongoing DDA negotiations, they also expressed their willingness to facilitate the accession negotiations of Vietnam so that it could join the WTO by the conclusion of the DDA round.

#### **IV. Regional Integration**

14. SOMTI leaders held an informal discussion during a working lunch on the topic of regional integration. Asian partners highlighted the recent developments relating to trade agreements in East Asia.
15. Japan explained about its Free Trade Agreement/Economic Partnership Agreement with Singapore. Japan also provided an overview of recent developments including the ASEAN-Japan Committee on a comprehensive Economic Partnership, and working groups with Thailand, the Philippines, and Malaysia based upon the concept of an ASEAN-Japan Comprehensive Economic Partnership.
16. China informed the meeting of the development of the negotiation for a China-ASEAN Free Trade Area, as well as their progress in forging a Closer Economic Relationship between mainland China

- and Hong Kong, China. China emphasised that as a complement to the multilateral trading system, regional trade agreements not only contribute to common regional prosperity by tapping fully into the complementary advantages of the different economies involved, but also help to promote trade liberalisation in a global context.
17. Brunei Darussalam briefed the meeting on current ASEAN economic co-operation, particularly on the latest developments in its internal and external regional integration efforts.
  18. Korea provided a briefing its FTA policy and the progress of its FTA negotiations with ASEM partners and other countries. Korea concluded an FTA with Chile in February 2003, and is undertaking joint studies with Japan and Singapore. Korea plans to expand its FTA networks.
  19. SOMTI Leaders shared a common view that the increasing trend of FTAs and EPAs in East Asia have been, and should continue to complement and strengthen the multilateral trade negotiations pursued under the WTO.
  20. The European Commission explained the current status of the enlargement process of the European Union. In particular, the Commission provided an overview of the impact of enlargement on the economic relationship with Asian partners, describing the potential opportunities for expanded trade and investment created by the 10 new countries and how they will implement the EU's existing Common Commercial Policy from the date of their accession. A number of potential concerns of ASEM trading partners were addressed, particularly how candidate countries will carry out a review of any existing trade and investments agreements with Asian ASEM partners in order to ensure that there are no incompatibilities with EU legislation, as well as the anticipated impact on tariffs and quotas, trade defense instruments, and the EU's Generalised System of Preferences.
  21. The European Commission also presented their strategy for improving economic relations with ASEAN, through the *Trans-Regional EU-ASEAN Trade Initiative (TREATI)*. While the precise details and timetable for implementation of this initiative are still in the process of being developed between the EU and ASEAN, this initiative will establish a mutually agreed framework for enhanced co-operation and dialogue in various areas relevant to the economic interests of both sides. The key principles will be to support ASEAN's own efforts towards greater economic integration and to build upon the experiences of the EU through a region-to-region approach, accommodating differing priorities and varying levels of development by allowing the flexibility for each ASEAN country to choose from a menu of activities in certain sectors as and when they feel ready, thus gradually developing the foundations for eventually entering into more substantial commitments between the two regions in the future.

## **V. Investment Promotion Action Plan**

22. The Chairman of the 7<sup>th</sup> meeting of the Investment Experts Working Group (IEG 7) briefed Senior Officials on the results of their meeting held prior to the SOMTI 9. The IEG 7 Chairman's Statement is included as [ANNEX 2](#). Senior Officials welcomed the useful interactive session where various ASEM partners exchanged information on their national experiences in promoting investment.
23. Senior Officials noted that the IEG had held extensive discussions regarding the future mandate for ASEM Economic Pillar activities relating to the topic of investment and endorsed the mandate agreed in Annex 1.

## **VI. Trade Facilitation Action Plan**

24. The Co-Facilitators of the TFAP working groups reported on the activities in their respective areas of concern which had taken place during the past year, as well as highlighting their future plans. It was noted that the war in Iraq, as well as the outbreak of the SARS virus, had in some cases led to the postponement of several planned activities, thus progress on implementing the TFAP had been slower than originally anticipated.

25. Regarding the Working Group on **Intellectual Property Rights**, France briefed ASEM Partners about the ASEM programme of activities on IPR, including a possible meeting on geographical indications and the organisation by the European Commission of a seminar on the enforcement of well known trademarks in November 2003.
26. Japan, as a facilitator of the **Customs Procedures** area of TFAP, presented PWG (Customs Procedures Working Group)'s approach to the recommendations of the 8<sup>th</sup> SOMTI meeting. To improve the transparency of Customs procedures among ASEM partners, the PWG has updated its Website providing information on TFAP activities as well as Customs procedures in ASEM partners. As for the Customs Procedures area of TFAP 2002-2004, the implementation status of 13 deliverables in the ASEM partners was presented in the form of matrices.
27. Thailand and the European Commission presented the results of the meeting of the 8<sup>th</sup> Working Group on **Standards and Conformity Assessment (SCA)** which took place from 10-12 December 2002 in Brussels. This meeting supported the continuing work on maintaining a central inventory of standardisation systems, reporting on alignment with international standards in the areas of electrical and electronic equipment and telecommunication equipment; and developing guidelines on best regulatory practice and technical cooperation. Participants exchanged information regarding developing standards for the environment. A workshop was also held to provide an opportunity to present partners' experiences on implementing Mutual Recognition Agreements. The European Commission organised an information session for ASEM partners on the status of legislative initiatives on the environmental impact of electrical and electronic equipment and chemical products. The meeting also suggested that SOMTI should recommend to each ASEM partner that they should participate more actively in the ASEM TFAP SCA activities. The next meeting scheduled to be held in Ho Chi Minh City in April 2003 has been postponed. It is expected to be held by the end of 2003 in Asia.
28. Thailand presented the activities of the **Working Group on Sanitary and Phytosanitary Measures**. Two ASEM TFAP SPS workshops were organised from 9-10 and 11-12 July 2002. Another informal meeting on SPS was held back-to-back with the 26<sup>th</sup> meeting of the SPS Committee in Geneva on 3 April 2003. The European Commission suggested that SPS notifications and issues relating to implementation should be included in future meetings. They agreed to take greater advantage of international meetings to organise ASEM SPS meetings, such as food safety meetings in conjunction with Codex meetings, phytosanitary meetings back-to-back with the ICPM in Rome, veterinary meetings with annual OIE meetings, and SPS meetings together with WTO SPS Committee meetings.
29. Korea and Finland outlined the progress made in the **Working Group on Electronic Commerce**. The 2nd ASEM Seminar and TFAP Meeting on E-Commerce were successfully held on 23-24 September 2002 in Helsinki, Finland. More than 150 e-commerce experts participated in the seminar, which examined international approaches to promoting e-commerce, and particularly addressed the previously selected key themes of 1) user confidence, 2) cyber security and 3) intellectual property rights. The participants of the TFAP Meeting agreed on a set of common recommendations to policy-makers on e-commerce objectives. These recommendations contain general principles intended to create a favourable environment for the growth of e-commerce, focusing on the three above mentioned areas. A web-based inventory was developed to allow for follow-up on e-commerce-related legislation in ASEM partner countries.
30. Pilot projects on paperless trade and the launching of an ASEM e-commerce internet portal were also discussed in the 2nd TFAP Meeting on E-Commerce in Helsinki. The ASEM e-commerce portal site ([www.asemec.org](http://www.asemec.org)) was constructed in December 2002 by Korea and the UK. The portal has functioned as the main information platform for ASEM member economies to post and browse documents and information related to e-commerce.
31. The pilot project for ASEM paperless trade in the automobile industry proposed as a co-operation programme in the first and second ASEM TFAP e-commerce meetings has been advanced by Korea and Germany.
32. In the **distribution** priority area, Belgium and Singapore agreed to continue to promote dialogue between public and business sectors. To this end, they have developed a draft questionnaire on "Non-Tariff Barriers encountered in Retail Distribution". This questionnaire, once refined, will be disseminated through Retail Business Associations, embassies, and various other channels.

Belgium and Singapore will then collate and analyse the responses and prepare a final report. The final report will consist of the consolidated feedback from retail distributors, as well as also identifying and recommending best practices for the retail distribution sector.

33. Senior Officials expressed their appreciation and satisfaction with the results of the various TFAP working groups and called for increased attention to be paid to TFAP activities once all ASEM partners are able to travel to meetings.
34. **Generic Barriers to Trade:** Senior Officials noted the updated reports made by some ASEM partners on the reduction of the **Generic Trade Barriers**, which were based on the consolidated and prioritised list of major generic trade barriers adopted by SOMTI. In view of the gradual progress of such developments, it was agreed that a longer reporting timeframe might be more appropriate for future updates and partners were requested to report more comprehensively on a biannual basis in the future, starting during SOMTI 11.

## **VII. ASEM Task Force for a Closer Economic Partnership**

35. Spain, as host for the first meeting of the Task Force which was held on 6 May in Madrid, informed the participants about the progress of the Task Force work, summarising the ideas which were raised and the results of the first meeting, as well as future plans. A Task Force member will be present during EMM 5 in order to present an interim report to Economic Ministers.

## **VIII. Interaction with the Asia Europe Business Forum (AEBF)**

36. The Chairman of the AEBF sent his regrets that he was unable to be present to report on the preparations and planned activities for the next AEBF meeting on 27-29 October in Seoul. Preparations have been delayed by the recent outbreak of SARS.
37. The European Commission provided initial feedback from a discussion with the European business community on how to improve business involvement in the ASEM process in the future. This consultation had identified a need to mobilise CEOs and not only professional people, to reduce excessive public sector expectations of what business is willing/able to commit to ASEM, to focus on market access problems and investment and avoid tackling too wide a range of issues, creating confusion and a lack of understanding regarding how everything fits together, as well as on providing networking opportunities between the public and private sectors. They also highlighted a requirement for much greater follow-up/continuity between meetings through some form of structure without institutionalisation. Business suggested having some form of scoreboard, to demonstrate that ASEM was achieving progress in addressing their priorities and suggested having some form of regional Steering Committee/Board for AEBF that would involve public/private sectors.
38. Senior Officials considered the various ASEM partner contributions to the recommendations of AEBF 7, and agreed that all partners would send their national responses at the latest by the end of June to the European Commission, in order to finalise a consolidated report for endorsement by SOMTI when it meets on the eve of EMM 5.

## **IX. Preparations for future meetings**

39. China briefed the Senior Officials on the current status of the preparations for the EMM 5, which will take place from 22-24 July 2003 in Dalian, China. SOMTI agreed that the meeting should go ahead as planned, and requested the Economic Co-ordinators to maintain close contact with the Chinese organisers.
40. All ASEM partners are keen to ensure the highest level possible attendance at EMM, and also for the Business Symposium planned by China which will take place in conjunction with EMM. ASEM partners were encouraged to give prompt and definitive information to China and the Economic Co-ordinators regarding the leadership of EMM delegations, as well as concerning the attendance

by their business communities at the business symposium.

41. China shared their ideas for a preliminary agenda and programme. Senior Officials agreed on the agenda for EMM 5 and discussed how to improve the relationship with business during EMM 5 through a policy dialogue on the topics of the DDA and regional integration, in line with the recommendations made by the Economic Co-ordinators.
42. Vietnam briefed the Senior Officials regarding their plans to host the ASEM 5 Summit. They noted that in this Summit, the closer economic partnership between Asia and Europe will be an important focus.
43. Vietnam also informed officials of their plan to host the AEBF 9 in conjunction with the ASEM 5 to foster the interaction between Heads of State, Ministers, and Business Leaders. Senior Officials welcomed Vietnam's efforts and expressed their support for the success of events in Hanoi.
44. Senior Officials welcomed the offer by Europe to host the following meeting of Economic Ministers in 2004.

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### **ANNEX 1 - SOMTI 9 Recommendations to EMM 5 on**

Senior Officials thanked the Economic Co-ordinators for their report, noting that it contained both immediate recommendations and highlighted additional challenges that ASEM must tackle in the future. They committed to continue to work, with the assistance of the Economic Co-ordinators, on the remaining challenges and suggested that the activities of the Economic Pillar may require further reorientation in the future, particularly with respect to the decisions at the next WTO Ministerial and decisions taken on the basis of the work of the Task Force.

Senior Officials noted that the existing dialogue continues to be an important and valuable tool. Nevertheless, the current situation is such that ASEM has no overall co-ordinating capacity, no institutional memory and no dedicated resources, whether to help the poorest among us to participate fully or to generate independent or novel contributions to inter-government debate. Greater policy focus, and better processes as proposed below will certainly help, but are unlikely to be sufficient on their own. Senior Officials agreed to submit the recommendations below to Economic Ministers for approval. They tasked Economic Co-ordinators to carry out an assessment of the effectiveness of implementing these actions and to report on the results to SOMTI 10.

1. The broad mandate and objectives of the Economic Pillar remain appropriate. The current activities and co-operation are designed to foster mutual WTO interests and facilitate trade and investment, with the aim of reducing business transaction costs and increasing trade and investment flows between the regions. These goals remain relevant and the dialogue-based approach upon which ASEM is based continues to produce useful results, while not precluding more intensive co-operation where this could meet specific needs in a particular area.
2. The mandate and objectives of the Economic Pillar will nevertheless remain the subject of continued reflection, in conjunction with the work of the Task Force. The Task Force established by the 2002 ASEM Summit will provide suggestions to undertake fresh initiatives or reorganise existing priorities under the ASEM Economic Pillar. The reflections of this review process have been shared with the Task Force. All involved in the Economic Pillar continue to assess, in the run-up to ASEM V, whether further input or feedback is needed to assist the Task Force in their deliberations. In particular, all ASEM participants are engaged in a process of intense debate and reflection on the objectives and strategies to achieve greater integration throughout and between both regions. It is against this background that there will need to be a collective decision during the coming year on ASEM's role.
3. EMM should continue to meet on an annual basis when there is a substantive agenda for Ministers. SOMTI recommends that, given the importance of the WTO negotiations during next year and the continuing dynamism of the process of regional integration in the two regions, EMM decide to meet in 2004. SOMTI notes the value of having informal exchanges between Ministers, in particular through working lunches or dinners, while also retaining the possibility of having retreat-style exchanges on a chosen policy issue, where this may be appropriate.
4. SOMTI should meet annually, regardless of the EMM timetable, and devote the essential part of such meetings to policy debate, while fulfilling its essential tasks of preparing for EMM and

overseeing the progress and implementation of all activities under the ASEM Economic Pillar.

5. SOMTI has charged the Economic Co-ordinators with an enhanced co-ordinating role to confer with ASEM partners and consolidate their views on the implementation of Economic Pillar activities and identify issues for SOMTI policy debate or procedural decision. Economic Co-ordinators will establish a list of such issues and appropriate recommendations well ahead of SOMTI 10 2004.
6. To facilitate the work of the Economic Co-ordinators, SOMTI has commissioned for May 2004 conclusive reports from facilitators responsible for current TFAP activities on IPR, SPS, standards, customs, distribution, and electronic commerce. These should take the form of short, non-technical summaries of what each activity has delivered, which policy recommendations have emerged, what facilitators feel should happen next, and what SOMTI guidance is needed. A template for these reports is annexed.
7. SOMTI endorses the proposal by the Economic Co-ordinators to carry out a review within the same timeframe of the various suggestions which have been made by the ASEM partners for additional or more specific and intensive co-operation in certain sectors relating to trade and investment facilitation, as well as other potential areas of economic co-operation which have yet to be explored in the context of ASEM. During this review exercise, Economic Co-ordinators will also consider potential forms of result-oriented co-operation in these areas. The key criteria for this review should be the availability of ASEM partners to take responsibility for each project and the possibility to fill potential gaps in our current activities.
8. The current priority which is given to Trade and Investment Facilitation and Promotion issues in the expert working groups and during meetings of senior officials and economic ministers should be maintained. Furthermore:

8.1. SOMTI 10 in 2004 will evaluate the results of the various ASEM WTO activities, including the meetings of WTO experts and, based upon this assessment, make any recommendations to EMM 6.

8.2. SOMTI congratulated the IEG on its achievements, which include the establishment of a forum of investment promotion and policy experts, two websites on investment issues, and comprehensive reference material on the status of investment regimes and policies of the ASEM partners. Investment remains a crucial focus for ASEM. Accordingly, SOMTI shall continue to discuss investment matters and will incorporate the substance of past investment expert meetings in SOMTI's agenda.

8.3. At expert level, the IEG mandate has now expired. SOMTI recommends that it should be replaced by a more focused ambitious framework. The basis for this future work will be as follows:-

- i. *The focus of ASEM investment expert activities should be related primarily to strategies for increasing investment flows among ASEM partners. The relevant AEBF Working Groups should be closely associated with this work.*
- ii. *Work will be demand-driven, based on sponsorship by ASEM partners and AEBF support. Topics for discussion could include the developments of the WTO Working Group on Trade and Investment, corporate governance, best practices in investment promotion, facilitation, and protection, sectoral development, and public-private partnership, amongst others.*
- iii. *In order to implement this work effectively, each ASEM partner shall appoint one, or a maximum of 2, named individual(s) as official Contact Point(s) to deal with investment issues (investment contact points - ICPs). The activities of ICPs will be co-ordinated by the ICP Shepherds, who will report progress on their activities to SOMTI.*
- iv. *These activities will include seminars, normally held at least on an annual basis. SOMTI meetings will identify the themes for seminars, based upon the recommendations of the ICP Shepherds.*

- v. *On these occasions, and in any case at least on an annual basis, ICPs and other experts may also meet to discuss relevant investment matters, both among themselves and with interested business representatives.*
- vi. *ICPs will share information on investment issues on the basis of the IPAP, which they may decide to amend to support their future investment activities as appropriate. They will also closely co-operate with the business sector to help to identify priorities and implement their initiatives. Contact points will consult on priority areas and carry out concrete activities on a continuous basis through means of e-mail and virtual meetings.*

In order to begin work on this basis, Japan, Indonesia, the EU Presidency and the European Commission will initially take on the role of Shepherds, subject to future rotation as appropriate. Regarding seminars during the coming year, it is proposed that a seminar on Public-Private Partnerships (PPP), should be organised by Japan and France in co-operation with the AEBF. A seminar on investment promotion opportunities arising in the context of sustainable investment policies will also be organised.

8.4. At the end of one year, SOMTI will evaluate the progress and results of the implementation of these guidelines for improved co-operation on investment activities. At this time, SOMTI will issue any additional instructions for ASEM investment activities.

9. SOMTI Leaders agree that the achievements of the Economic Pillar, especially the Trade Facilitation Action Plan, in creating opportunities for sustained dialogue among experts in particular fields is of lasting value. SOMTI recommends that EMM endorse the maintenance of such dialogues, subject to the reporting process set out above and the principles set out below. SOMTI recommends that, henceforth, work should in all areas be focused on carefully defined, time-limited projects. Those volunteering to facilitate such projects should report in writing to SOMTI members immediately following each meeting, and at least one month in advance of SOMTI meetings, and should keep Economic Co-ordinators fully informed of progress at all times. An outline of current best practice for TFAP expert working groups is annexed.
10. Business should be involved more consistently in ASEM work at all levels, and that business views as to ASEM priority objectives be given full weight in selecting Economic Pillar projects. At present, it remains unclear how best to achieve a sustainable level of resources and structure which would maximise the contribution of business to ASEM.

10.1. SOMTI will invite the AEBF to recommend improvements to the organisation of business input that would allow these goals to be achieved. SOMTI will request AEBF contact points, as well as other interested business representatives, to identify appropriate business participants who would be available to exchange views on this issue and to take part in a business policy dialogue with Ministers focusing largely on the DDA and regional integration during the EMM this year.

10.2. Regional, as well as national business organisations and networks, including Chambers of Commerce, Employers' Federations and eminent individual business people, should be involved in ASEM Economic Pillar activities to the greatest extent possible. These organisations, as well as other business representatives, including locally organised business, are encouraged to participate wherever trade or investment expert discussions or working groups are being held.

10.3. Taking into account the interest expressed by some business communities for enhanced dialogue with Economic Ministers, the hosts of EMM or ASEM Summits should consider, where practical and desirable, to organise AEBF in conjunction with Economic Ministers' or Leaders' meetings. Past experiences of organising AEBF in conjunction with ASEM Summits, respectively in London in 1998 and in Copenhagen in 2002, has demonstrated the lasting value of the interaction between Heads of State, Ministers and Business Leaders.



10.4. Further consideration should continue to be given to identifying ways to improve the co-operation between AEBF and ASEM. The Economic Co-ordinators should be tasked to focus in particular on this issue, in consultation with the current Chair of AEBF.

#### **Conclusion**

SOMTI believes that EMM endorsement of these 10 propositions would enable the Economic Pillar to gain focus and dynamism over the coming year. SOMTI 10 will review progress in 2004.

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#### **Annex A: Template for TFAP Reporting**

**ASEM  
Trade Facilitation Action Plan  
Working Group on  
[Name of the Working Group]  
Report for the period [time span covered]**

**1. Activities**

*List of meetings held during the reporting period*

*List of reports submitted by ASEM partners in the context of the working group*

**2. Synthesis of results of meetings and progress achieved**

*A short overview of new developments and the main issues which were discussed, as well as the conclusions/action points arising from meetings*

**3. Outlook over the next reporting period**

*A list of meetings planned to be organised during the next reporting period and the main issues which each meeting will focus on/results expected. Emphasis should be placed on the expected concrete results.*

**4. Policy implications and recommendations**

*Identification of significant issues or problems which should be addressed or endorsed by SOMTI, including requests for guidance and suggestions for revising or addressing new priorities, recommendations and proposals for activities which should receive greater or less emphasis in future*

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#### **Annex B: Best Practice Guidelines for TFAP groups**

**1. Activities**

With regard to the types of activities carried out in the TFAP experts groups, seminars and workshops are important mechanisms to share experiences, inform partners of new developments, improve mutual understanding, and exchange views on issues covered by the relevant working groups. Groups should seek to identify areas where more concrete joint projects can be developed for a deeper collaboration, such as the work on geographical indications in the IPR group, food testing in the SPS group, best regulatory practice in the standards group, and cyber security in the e-commerce group.

**2. Dissemination of results**

In order to promote greater availability of TFAP results to a wide audience, TFAP materials should be made available through electronic means, which may include eventually setting up a common website.

### **3. Interaction with the Business Community**

TFAP activities benefit from a close 2-way interaction between experts and the business community. As well as ensuring that AEBF is systematically informed and invited to participate in expert group meetings, representatives from the TFAP working groups should present their activities to the relevant groups in AEBF meetings. Joint meetings between the TFAP working groups and their AEBF counterparts may also be considered.

### **4. Facilitating involvement of experts**

Involvement of knowledgeable experts is essential to promote meaningful dialogue in TFAP meetings. To foster a wider participation of experts in the working group meetings, efforts should be made to schedule working group meetings back-to-back with international meetings, where appropriate, also taking into account the importance of having a balance between meeting taking place in Asia and Europe and the additional benefits of holding meetings in developing countries.

### **5. Encouraging networking**

The TFAP process benefits from improved networking and co-ordination by making available and maintaining the contact details of all TFAP co-facilitators. Consideration should be given to exploring the possibilities for future TFAP activities to become more effective and efficient through the establishment of a central system for networking and co-ordination.

### **6. Technical Co-operation**

TFAP activities should consider the potential benefits of addressing the co-ordination of technical co-operation and capacity building exercises between ASEM partners.