



ASIA-EUROPE MEETING

**The 11<sup>th</sup> ASEM Senior Officials Meeting on Trade and Investment**

**15-16 April 2008  
Maribor, Slovenia**

**Chair's Statement**

## **I. Introduction**

1. The Eleventh ASEM Senior Officials Meeting on Trade and Investment (SOMTI 11) was held in Maribor, Slovenia on 15-16 April 2008. The SOMTI was chaired jointly by the Slovenian Presidency of the European Union and the European Commission. Senior Officials from nearly all 45 ASEM partners attended the meeting.

## **II. WTO-DDA Negotiations**

2. SOMTI Leaders agreed on the importance for the world economy of achieving a successful conclusion of the WTO Doha negotiations as soon as possible. In the light of the need for substantial progress in the core areas of the negotiations, it was agreed that it is essential to exert efforts on achieving a balanced and ambitious outcome in all negotiating areas that will be important to effectively deliver on the development dimension of the negotiations.

3. SOMTI Leaders reaffirmed their full support for ASEM Members' universal membership to the WTO and thus for the early accession of Lao PDR into the WTO.

## **III. Regional developments**

4. SOMTI Leaders exchanged latest information on regional developments in both Asia and Europe and stressed the consequences on the multilateral negotiations induced from the increasing regional economic integration.

5. Brunei Darussalam, on behalf of ASEAN, elaborated on the role of the ASEAN Charter in providing guiding principles for ASEAN's regional economic integration policies. The ASEAN Economic Community, within the Charter, is focused on creating a single market and production base for the free movement of goods, services, skilled labour and a freer flow of capital within the region by 2015. ASEAN's regional economic integration is further served by engaging its Dialogue Partners to form comprehensive free trade areas.

6. China informed the SOMTI of the development of its negotiations on FTAs and its performance in regional and sub-regional economic cooperation. China believes that accelerating the Asian economic integration is in conformity with the common interest of Asia and the world and a more integrated Asia will contribute a lot to the global liberalization and trade facilitation.

7. India informed the SOMTI that it attaches importance to the regional and bilateral economic cooperation on trade and investment. These regional economic initiatives where regional sensitivities are handled with better appreciation are the building blocks for larger multilateral agreements. India, during East Asia Summit 2005, proposed for a Pan-Asia Agreement for Comprehensive Economic Partnership in East Asia (CEPEA) and supported setting up of an Economic Research Institute for ASEAN and East Asia.

8. Japan briefed SOMTI on the developments of regional cooperation in East Asia, including those of CMI, ERIA, ASEAN+3 FTA, ASEAN+6 EPA, FTAAP. Japan also briefed about Japan's efforts on RTA, that Japan has signed EPAs with 8 countries, out of which 5 EPAs have already taken effect, and that Japan concluded negotiations for AJCEP which expands bilateral EPAs into a regional dimension. Japan promotes comprehensive EPAs consistent with WTO that include some areas that are not covered by WTO rules, such as investment, competition, business environment, and cooperation, to supplement multi-lateral trading system.

9. Slovenia briefed the SOMTI partners on the state of play of the Lisbon Treaty, especially as regards its impact on trade policy. Slovenia stressed that a successful ratification process of the Lisbon Treaty is the priority of the European Union and also of the Slovenian presidency in order to lay new foundations for the Union before the next elections to the European Parliament in 2009.

10. Slovenia highlighted that the new arrangements of the Treaty will strengthen the ability of the EU to speak with a single voice in the international arena. It was indicated that the Treaty carries a single legal personality for the Union with a clearer relationship between Member States and the Union. The Treaty will also create a High Representative of the Union for Foreign Affairs and Security Policy supported by a new European External Action Service. Moreover the role of the European Parliament in the trade policy will be strengthened.

11. Slovenia briefed the SOMTI Partners on its experience as a new EU Member State, and as the first new Member State to hold the Presidency of the Council of the European Union. Slovenia stated that membership to the EU brought significant advantages in the trade area, notably improved market access and the availability of institutional frameworks for co-operation. These benefits induced additional increase of its trade flows with other EU Members, as well as with third countries.

12. Slovenia stressed the opportunities created for the 12 new European Member States to further develop trade and investment flows between Asia and Europe. Improved grounds of economic co-operation would namely bring mutual benefits to economies of Asia and Europe.

13. The European Commission informed the SOMTI of the development of its free trade agreements negotiations with ASEM Partners. It explained the rationale of Global Europe Communication and emphasizes its willingness to conclude comprehensive and high quality agreements with the world's fastest growing economies.

14. Korea briefed development of its negotiations with the EU for a comprehensive and high-level FTA which Korea hopes may help to contribute to cooperation between Europe and Korea.

15. SOMTI Leaders shared the view that the WTO is the most effective means of expanding trade for the benefit of all. The proliferation of regional trade agreements (RTAs) represents both a challenge and an opportunity for the multilateral trading system, with the possible risk of making non-discrimination the exception.

16. Comprehensive RTAs can complement the WTO and promote further openness of world trade by ensuring that the outcomes of these agreements result in further substantial liberalization of trade between Partners.

17. Therefore, SOMTI Leaders agreed on the need to ensure that all RTAs have a broad and comprehensive scope. It was noted that the positive interaction between RTAs and multilateral trading system is likely to be enhanced when WTO compatible RTAs are comprehensive, WTO-plus and stepping stones towards further multilateral rule-making and liberalization.

#### **IV. Follow-up of the Hanoi Declaration**

##### **a) Business participation in ASEM.**

18. SOMTI leaders commented on the recommendations submitted by AEBF at the Sixth Asia-Europe Meeting (ASEM6) held in Helsinki in 2006. They discussed how to deepen the links between private and public sectors within ASEM. SOMTI Leaders emphasized that the interaction with business would be underpinned if the recommendations were more practical, focusing on a small number of priorities with clear indications on how officials could put these

recommendations into practice. They also highlighted a requirement for continuity between meetings through some form of structure. Business suggested having a virtual secretariat.

19. They welcomed the AEBF representative from the China Council for the Promotion of International Trade, representing the Chair of AEBF11, and briefed him on the concrete measures that have been taken following these recommendations. The AEBF representative reported on the preparation of the next AEBF, which will take place in China on 21/24 October 2008.

**b) ASEM Seminar on tourism**

20. Portugal shared the outcome of the first ASEM seminar on tourism, held in Lisbon in May 2006.

**c) SMEs Ministerial Meeting**

21. China briefed the SOMTI on the outcome of the SMEs Ministerial meeting in Beijing in November 2007.

**d) ASEM Business Summit on trade in services**

22. SOMTI Leaders welcomed the initiative from China to hold an ASEM Business Summit on Trade in Services and recognised the importance of business involvement in the ASEM process.

**V. Trade Facilitation Action Plan (TFAP)**

23. The Co-Facilitators of the TFAP working groups reported on the activities in their respective areas.

24. As to the activities by the Working Group on Customs Procedures, Japan, as co-facilitator, reported on the progress in the 13 deliverables agreed for the period 2004-2006. The group also agreed on new deliverables for 2006-2008: implementation of WCO SAFE Framework, as well as the development and implementation of new strategies/methodologies, such as Time Release Survey, to identify and address trade facilitation issues. Sweden reported on its joint project with Singapore on a Customs-Business Partnership Model and a seminar held in Vietnam in February 2008.

25. As to the activities by the Working Group on Standards and Conformity Assessment, the European Commission, as co-facilitator, reported on progress on the 3 deliverables agreed for the period 2005-2006. The group also agreed on new deliverables for 2008-2009, as follows: (i) more closely associate stakeholders; (ii) promote SME's effective access to standardization; (iii) further promote best regulatory practices and update the SCA WG guidelines adopted in 2000; (iv) complete the survey on national / regional policies on alignment with international standards and lack of international standards in priority areas; (v) enhance mutual understanding on environmental technical regulations and standards, taking eco-labelling as a case-study; (vi) enhance member's mutual understanding of market surveillance policies and practices in support of product safety legislation. The Group also agreed with the proposal that the SCA WG should maintain the benefits of the existing horizontal cooperation while seeking to combine it with more focused ad-hoc experts' meetings on a more narrow set of issues.

26. As to the activities by the Working Group on Electronic Commerce, Finland, as co-facilitator, briefed the SOMTI Leaders on the high level of activities achieved in the working group for the last period of time. Notably, two conferences on e-commerce were held, the ASEM e-Commerce website was updated and complemented, and initiatives related to eHealth and Guidelines on Paperless trade were launched. For the period 2008-2009, Finland underlined the need to finalize the ongoing initiatives, and to organize a continuation to the successful ASEM conferences on e-Commerce, in the form of focused workshops on themes such as RFIDs and IPR issues related to digital content.

27. SOMTI leaders welcomed the achievements made in the different working groups' areas, which represent an important contribution to the enhancement of trade relations between Europe and Asia. They called for a higher level of activity in some working groups, notably on Intellectual Property Rights, in order to accelerate the achievement of deliverables and remove generic barriers to trade. They emphasized the need to disseminate the results of activities through the ASEM "Infoboard", and to enhance close interaction between experts and the business community.

28. They examined the deliverables proposed by the Facilitators for the period 2006-2008 for submission to the Seventh Economic Ministers' Meeting (EMM7).

## **VI. Investment Promotion Action Plan (IPAP)**

29. SOMTI leaders discussed the next steps for the implementation of IPAP. They called for more activity to be put into place under the IPAP to generate greater investment flows between Asia and Europe.

30. In this respect, China presented new initiatives related to investment: the ASEM Investment Promotion Agencies Roundtable Meeting and the ASEM Trade and Investment Forum on Ocean and Marine Fishery. Leaders welcomed these initiatives and thanked China for its contribution to the ASEM dialogue creating an investment promotion network and promoting a dialogue on marine fishery investment.

## **VII. Preparation for EMM7**

31. Indonesia briefed the SOMTI Leaders on progress in the preparation for the EMM7 to be held in Bali, 10-11 July 2008. They requested the Economic Co-ordinators to maintain close contact with the organizers in Indonesia to facilitate the preparation for the EMM7.

32. SOMTI leaders reaffirmed the importance for all ASEM Economic Ministers to participate in the discussion at EMM7.

## **VIII. Other Items**

33. Korea briefed SOMTI Leaders on the progress in the preparations for the 8th Finance Ministerial Meeting to be held in Jeju, Korea on 15-16 June 2008; and distributed related materials to participants.

34. SOMTI leaders welcomed the offer by Asia to host the next SOMTI in 2010.