



**THE TWELFTH AEM-CER CONSULTATIONS
26 August 2007, Makati City, The Philippines**

Joint Media Statement

1. The ASEAN Economic Ministers (AEM) and the Ministers from Australia and New Zealand (Closer Economic Relations - CER) held their Twelfth Consultations on 26 August 2007 in Makati City, The Philippines. The Consultations was co-chaired by H.E. Peter B. Favila, Secretary of the Department of Trade and Industry, The Philippines; the Hon. Warren Truss, Minister for Trade of Australia; and the Hon. Phil Goff, Minister of Trade of New Zealand.

ASEAN-CER Trade and Investment Relations

2. The Ministers noted that Australia and New Zealand are jointly one of ASEAN's major trading partners, and trade between them continue to post significant gains over the years. In 2006, ASEAN's total merchandise trade with Australia and New Zealand was US\$46 billion, registering a 21 percent increase over 2005, which had also seen a 23 percent increase over the 2004 level of trade.

3. The Ministers welcomed this continuing growth in trade flows, and noted that it provided a strong basis for taking the trade relationship to a new, deeper level, through the ASEAN-Australia and New Zealand FTA (AANZFTA).

The ASEAN-Australia and New Zealand FTA

4. The Ministers noted the progress made in the FTA negotiations between ASEAN, Australia and New Zealand since the last AEM-CER Consultations in Kuala Lumpur in 2006. They recognized that considerable progress had been made by the Trade Negotiating Committee (TNC) in negotiating, as a single undertaking, a

comprehensive FTA, including the finalization of the Customs Procedures and the Economic Cooperation chapters and the near finalization of several other chapters. They also noted the good progress made on market access negotiations, but recognized that considerable work will still be required to complete the FTA.

5. The Ministers acknowledged that the next phase of the negotiations would be critical and intense. Given the amount of detailed work remaining, the Ministers agreed that it would not be possible to complete the negotiations by the end of this year. But they agreed that in the light of the guidance they had provided to officials, and with a continuance of the cooperative efforts that had marked the negotiations, it should be possible to complete the negotiations by mid-2008.

6. The Ministers agreed on the importance of countries being as forthcoming as possible in the market access negotiations while addressing areas of sensitivity. The Ministers noted the importance of satisfactory outcomes to the market access negotiations to ASEAN and Australia and New Zealand.

7. The Ministers observed the achievements that have been made possible with their collective endeavour. They tasked the TNC to continue its work on finalizing the text and progressing the market access negotiations, exerting greater flexibilities and through use of creative solutions, consistent with the agreed Guiding Principles, to address difficult issues, with the aim of concluding substantive negotiations by May 2008 and Ministers being able to sign the Agreement at the 13th AEM-CER Consultations in August 2008.

AFTA-CER Framework for Economic Cooperation

8. The ASEAN Ministers thanked Australia and New Zealand for their continuing assistance and support to ASEAN and its Member Countries in key areas, including capacity building. They noted that the programmes initiated under the AFTA-CER framework for economic cooperation are attuned to ASEAN's development needs, and have been responsive and flexible to ASEAN evolving priorities and requirements. The Ministers stressed the need for more involvement from the private sector in the ASEAN-CER cooperation projects.

AFTA-CER Business Council

9. The Ministers have considered ways of revitalizing the AFTA-CER Business Council including its reconfiguration into an annual meeting of CEOs or relevant members of the executive committees of peak business and industry associations in the region. They viewed such a meeting or similar meetings as important channels to generate inputs about business sector needs, concerns, and interests. In the light of the expected outcome of the AANZFTA negotiations, they tasked their Senior Economic Officials to consider the role of the business sector in the implementation and monitoring of the Agreement.

World Trade Organisation (WTO)

10. The Ministers expressed their full support for the Doha Round multilateral negotiating process under the leadership of the Chairs of the Negotiating Groups, especially Agriculture and NAMA and the WTO Director-General, to build consensus on an ambitious and balanced outcome.

11. The Ministers were hopeful that all WTO Members have had the time needed following initial reactions to the Chairs' draft modalities texts in Agriculture and NAMA to clarify and reflect on the issues, and the choices now facing the WTO, and are now prepared for intensive negotiations.

12. The Ministers shared a sense of urgency with regard to accelerating the multilateral negotiation process in Geneva beginning 3 September 2007, in order to conclude the Doha Round negotiations this year.

13. On our part, the ASEAN-CER Ministers remain prepared to make our own contribution to ensure a meaningful and successful outcome of the negotiations.

14. The Ministers continued to reaffirm their support to Lao PDR in its effort to accede to the WTO.

Asia Pacific Economic Cooperation (APEC)

15. The Ministers expressed their appreciation for Australia's work through 2007 as host in coordinating efforts to further deepen economic cooperation among APEC economies, and their full support to its hosting of the APEC Economic Leaders' Meeting and related meetings in September 2007 in Sydney.

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LIST OF MINISTERS

The 12th AEM-CER Consultations was attended by:

- **H.E. Mr. Warren Truss**, Minister for Trade, Australia
- **H.E. Pehin Dato Lim Jock Seng**, Second Minister of Foreign Affairs and Trade, Brunei Darussalam
- **H.E. Dr. Cham Prasidh**, Senior Minister and Minister of Commerce, Cambodia
- **H.E. Dr. Mari Elka Pangestu**, Minister of Trade, Indonesia
- **H.E. Dr. Nam Viyaketh**, Minister of Industry and Commerce, Lao PDR
- **H.E. Dato' Seri Rafidah Aziz**, Minister of International Trade and Industry, Malaysia
- **H.E. U Soe Tha**, Minister for National Planning and Economic Development, Myanmar
- **H.E. Mr. Phil Goff**, Minister of Trade, New Zealand
- **H.E. Mr. Peter B. Favila**, Secretary of Trade and Industry, the Philippines
- **H.E. Mr. Lim Hng Kiang**, Minister for Trade and Industry, Singapore
- **H.E. Mr. Krirk-Krai Jirapaet**, Minister of Commerce, Thailand
- **H.E. Dr. Vu Huy Hoang**, Minister of Industry and Trade, Viet Nam
- **H.E. Mr. Ong Keng Yong**, Secretary-General of ASEAN

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