

**OPENING REMARKS BY MINISTER CHAN CHUN SING AT THE 23<sup>rd</sup> AEM-CER CONSULTATIONS ON SATURDAY 1 SEP 2018, 10.30AM AT SHANGRI-LA HOTEL SINGAPORE**

Your Excellencies,  
Distinguished Delegates,  
Ladies and Gentlemen,

1. On behalf of my delegation, I would like to extend a very warm welcome to all of you for the last few meetings of the week.
  - a. I would like to express my appreciation to Mr Mark Coulton, Assistant Minister for Trade, Tourism and Investment, and Mr Damien O'Connor, Minister of State for Trade and Export Growth, and the delegations from Australia and New Zealand.
2. ASEAN, Australia and New Zealand have maintained strong economic relations over the years, which continue to grow from strength-to-strength.
  - a. From 2016 to 2017, total merchandise trade between ASEAN and Australia increased by 11.7 per cent, and total trade between ASEAN and New Zealand increased by 20.4 per cent.
  - b. Within the same period, Foreign Direct Investment (FDI) from Australia into ASEAN increased by 33.4 per cent, and FDI from New Zealand into ASEAN rose significantly by 84.5 per cent.
3. Since the entry into force of the ASEAN-Australia-New Zealand Free Trade Agreement (AANZFTA) on 1 Jan 2010, the AANZFTA has been a key vehicle in driving ASEAN, Australia and New Zealand's economic integration.
  - a. The AANZFTA has brought many benefits to our businesses and people, creating a free trade area of over 600 million people with a combined GDP of more than USD3 trillion.
4. Since then, we have continued efforts to upgrade the AANZFTA, to ensure that the Agreement remains modern, high-quality and relevant to business needs.
  - a. In 2014, ASEAN, Australia and New Zealand signed the First Protocol to Amend the AANZFTA, which facilitated trade and improved the efficiency in implementing the AANZFTA. We hope to witness the full ratification of the First Protocol to Amend the AANZFTA by all Parties, by this year.
  - b. Work on the General Review of the AANZFTA has been making steady progress.
    - i. At the 21<sup>st</sup> AEM-CER Consultations in 2016, we endorsed the Terms of Reference for Conducting the General Review of the AANZFTA.

- ii. At the 22<sup>nd</sup> AEM-CER Consultations in 2017 last year, we welcomed the Stage One Report on the assessment of the implementation of the AANZFTA, including the gaps and areas for improvement under the Agreement.
  - iii. I am pleased to note that under Stage Two of the AANZFTA General Review this year, the AANZFTA FTA Joint Committee (FJC) has developed the recommendations to guide the negotiations to upgrade the AANZFTA, scheduled to be launched at the 11<sup>th</sup> FJC Meeting & Related Meetings, in the first half of 2019.
  - iv. When finalised and implemented, these recommendations have the potential to add significant value and benefits for Parties under the AANZFTA.
  - v. Notably, the recommendations cover a wide range of areas, not only upgrades for existing AANZFTA commitments, but also new areas such as Government Procurement, and business engagement strategies to enhance awareness and outreach for the AANZFTA.
- c. I look forward to our discussions on the Stage Two recommendations at this AEM-CER Consultations.
- i. And our positive consideration and endorsement of the recommendations would follow the FJC to sustain its momentum, and to proceed with its negotiations to upgrade the AANZFTA next year, to realise benefits for businesses.

5. Achievements have also been made under the AANZFTA Economic Cooperation Support Programme (AECSP), which has been invaluable in supporting the implementation of the AANZFTA.

- a. Here, I would like to express appreciation to Australia and New Zealand for the ongoing support towards the AECSP, including its extension by an additional two years.

6. In addition to the AANZFTA, Australia and New Zealand are also constructive partners in the Regional Comprehensive Economic Partnership (RCEP) negotiations, as we work towards substantively concluding this agreement by end of this year.

7. I look forward to our discussions today on enhancing economic engagement and cooperation between ASEAN, Australia and New Zealand.

8. I would now like to invite Minister Coulton, followed by Minister O'Connor, to deliver their opening remarks.

Thank you.