

Joint Statement between ASEAN and China On Production Capacity Cooperation

We, the Heads of State/Government of the Member States of the Association of Southeast Asian Nations (ASEAN) and the People's Republic of China, gathered on the 19th ASEAN-China Summit and the Commemorative Summit of the 25th Anniversary of ASEAN-China Dialogue Relations in Vientiane, Lao PDR:

REITERATING the importance of strong economic relations between ASEAN and China towards achieving greater regional economic integration as stated in the Chairman's Statement of the 18th ASEAN-China Summit in Kuala Lumpur, Malaysia on 21 November 2015.

ACKNOWLEDGING the rapid, comprehensive, and significant progress achieved in ASEAN-China economic relations, and ASEAN Member States and China have become important partners for economic cooperation, laying a solid foundation for promoting cooperation on production capacity;

RECOGNISING the vital need for infrastructure development, and accelerating industrialisation in ASEAN and China, which provide opportunities to further strengthen economic and trade relations through the cooperation on production capacity that will further boost confidence and engagement of businesses from ASEAN Member States and China;

RECOGNISING that ASEAN and China both face challenges in achieving sustainable economic and social development, the two sides enjoy great potential for enhancing exchanges and cooperation, given their complementary comparative advantages. The two sides would continue to improve and expand their respective industrial capacities, at both national and regional levels.

On the basis of equality and mutual benefit, WE:

I. ENCOURAGE a business -led cooperation on production capacity to promote economic development through industrial upgrading to complement the production and consumption needs of

ASEAN Member States and China, so as to achieve sustainable development and shared prosperity;

II. EMPHASISE cooperation on highly-complementary sectors based on ASEAN Member States' and China's respective priorities, comparative advantages, and levels of development;

III. RECOGNISE the importance of capacity building, taking into account the different needs of ASEAN Member States on production capacity practices and providing the necessary support for ASEAN Member States and China;

IV. AFFIRM the business' leading role in undertaking the cooperation. Such cooperation will be guided by market conditions, and could be conducted through various ways and means, including trade, investment, projects as well as economic and trade zone in accordance with internationally accepted business principles and practices as well as domestic laws and regulations;

V. SUPPORT the cooperation by facilitating exchange of information on relevant policies, towards creating a favourable business and investment environment for production capacity cooperation;

VI. ENCOURAGE the active role of research institutions, including think-tanks, and other knowledge partners through, among others, joint research on production capacity cooperation and offer policy recommendations that meet the national interests of ASEAN Member States and China.