

OPENING REMARKS BY MINISTER CHAN CHUN SING AT THE 17th AEM-MOFCOM CONSULTATIONS ON THURSDAY 30 AUG 2018, 9.00AM AT SHANGRI-LA HOTEL SINGAPORE

Your Excellencies,
Distinguished Delegates,
Ladies and Gentlemen,

1. On behalf of my delegation, let me extend a very warm welcome to you and our Chinese delegation.

a. I would like to express my appreciation to Vice Minister of Commerce, Gao Yan, and the Chinese delegation, who have made the trip from Beijing to join us today

2. This year marks a significant milestone for ASEAN-China relations, as we commemorate the 15th Anniversary of our Strategic Partnership.

a. ASEAN and China have always enjoyed a strong economic relationship, and we will continue to grow together from strength to strength.

b. China has remained ASEAN's top trading partner for eight consecutive years, accounting for 17.1 per cent of ASEAN's total trade in 2017.¹

c. China also moved up to become ASEAN's third largest source of Foreign Direct Investment (FDI) in 2017, compared to 2016 where it was the fourth largest source of FDI.²

3. In 2002, ASEAN and China signed the ASEAN-China Free Trade Area (ACFTA) as a signal of our commitment towards regional integration and free trade.

a. Since then, we have upgraded the ACFTA in 2015.

b. However, our work is not over. We are continuing work under the Future Work Programme (FWP) of the ACFTA Upgrading Protocol, to bring further benefits to ASEAN and China businesses.

4. I am pleased to announce that we have successfully concluded the negotiations to enhance the ACFTA's Product Specific Rules (PSRs).

a. This will provide more flexible, trade facilitative and business friendly rules for businesses to qualify for benefits under the ACFTA.

b. We are now working to implement these PSRs by 1 Jan 2019.

¹ **Source:** ASEANStats.

² **Source:** ASEANStats.

- c. At the same time, I encourage both sides to keep up the momentum and intensify discussions on further tariff liberalisation and investment liberalisation and protection as set out under the Upgrading Protocol.

5. In addition, this year is also designated as the ASEAN-China Year of Innovation. There is strong potential for ASEAN-China cooperation in innovation, including the areas of Fintech and E-Commerce.

6. China has also been a constructive partner in the Regional Comprehensive Economic Partnership (RCEP) negotiations as we work toward substantively concluding the agreement by end 2018.

7. ASEAN-China economic relations hold great potential.

- a. And we believe more work can be done and we look forward to deeper cooperation between the parties, including through exploring synergies between China's Belt and Road Initiative (BRI) and ASEAN's Master Plan on ASEAN Connectivity 2025 (MPAC 2025), to deepen regional connectivity between our two regions.

- b. These incremental steps will help us realise the joint target of USD1 trillion trade and investment of USD150 billion by 2020 that our Leaders have set for us in 2014.

8. Today I look forward to constructive discussions between China and our ASEAN partners for the mutual benefit of both ASEAN and China.

9. I would now like to invite Vice Minister Gao Yan to deliver her opening remarks.

Thank you.