



**THE TWENTIETH AEM-ROK CONSULTATION
22 August 2023, Semarang, Indonesia**

JOINT MEDIA STATEMENT

1. The Twentieth AEM-ROK Consultation was held on 22 August 2023. The Consultation was co-chaired by H.E. Dr. Jerry Sambuaga, Vice Minister of Trade, Republic of Indonesia and H.E. Dukgeun Ahn, Minister for Trade, Republic of Korea. The Meeting welcomed H.E. Filipus Nino Pereira, Minister of Commerce and Industry, Democratic Republic of Timor-Leste to the Meeting as an observer.

2. The Meeting noted that two-way merchandise trade between ASEAN and ROK in 2022 has tripled since the ASEAN-Korea Trade in Goods Agreement (AKTIGA) entered into force in 2007. According to ASEAN preliminary statistics in 2022, two-way merchandise trade between ASEAN and ROK reached USD 222.8 billion, increasing by 17.4 per cent year-on-year from 2021. Foreign Direct Investment (FDI) from ROK to ASEAN in 2022 amounted to USD 12.7 billion or an increase of 25.5 per cent year-on-year from 2021. The Meeting also noted that ROK is ASEAN's fifth-largest trade partner and sixth-largest source of FDI among ASEAN Dialogue Partners in 2022.

3. The Meeting exchanged views on the regional and global challenges, such as the multidimensional impacts of the COVID-19 pandemic, climate change, heightened volatility in the global financial market, inflationary pressures, and geopolitical tensions that impact global food and energy security, all of which could potentially affect economic and trade relations between ASEAN and Korea. The Meeting emphasised that, in order to navigate the challenging global environment, a stronger and impactful cooperation is essential. The Meeting therefore tasked officials to explore ways to embed practical activities of mutual interest that will mitigate the effects of these global challenges on ASEAN-Korea economic relationship, especially in the areas of sustainable development, digital transformation, and supply chain resilience.

4. The Meeting welcomed the outcomes of the *Joint Review Study of the ASEAN-Korea Free Trade Area (AKFTA)* which, among others, suggested the need to upgrade the AKFTA to ensure it remains relevant to businesses, modern, forward-looking, and responsive to regional and global developments. The Meeting also welcomed the outcomes of the *ASEAN-Korea Digital Trade Research* conducted by the Korea Institute for International Economic Policy. The Meeting tasked officials to discuss the follow-ups to both studies and report the progress at the next AEM-ROK Consultation.

5. The Meeting welcomed the launch of the Korea-ASEAN Solidarity Initiative at the 23rd ASEAN-Korea Summit in November 2022 which aims to foster a more comprehensive partnership with ASEAN spanning political-security, economic, and socio-cultural cooperation. The Meeting expressed its commitment to support the

initiative's eight core lines of effort in particular to enhance ASEAN-ROK cooperation within ASEAN-led mechanisms and expand cooperation in future and emerging areas for shared prosperity and development, which are complementary to ASEAN's undertaking in achieving its regional economic integration agenda. The Meeting looked forward to more practical cooperation in realising the initiative to further strengthen substantive and strategic ties that are mutually beneficial.

6. The Meeting noted the progress of activities under the Technology Advice and Solutions from Korea (TASK programme) supported by ROK. The Meeting noted that six (6) ASEAN Member States will participate in eight (8) TASK programmes for four (4) sectors such as agricultural machinery, food processing, textile, and auto parts sector.

7. The Meeting noted the progress of the ASEAN-Korea standard cooperation related to the 4th industrial revolution, especially in the areas of smart-manufacturing, smart-city, and green construction. The Meeting encouraged officials to explore ways to promote standard cooperation including the follow-up discussion on the ASEAN-Korea Standards Cooperation Network (AKSCN).

8. The Meeting noted the proposed ASEAN-ROK Electrical Safety Cooperation Network which aims to promote electrical safety management systems in ASEAN and Korea. The Network will serve as a platform for policymakers to share their best practices on electrical safety management policies and to develop capacity-building activities, including on-site technologies transfer by the expert from ROK.

9. The Meeting noted the proposed ASEAN-Korea Joint Study on Development Cooperation which aims to identify areas of cooperation that align with ASEAN Strategies and industry demand as a joint effort to respond to the global emerging challenges such as digitalisation, green economy and supply chain.

10. The Meeting reaffirmed its commitment to a rules-based, non-discriminatory, open, free, inclusive, equitable, and transparent multilateral trading system on the World Trade Organization (WTO). The Meeting highlighted its support to reform the WTO to ensure that it remains fit-for-purpose and forward looking. The Meeting expressed determination to cooperate and coordinate on mutually beneficial areas to contribute to the success of the 13th WTO Ministerial Conference (MC13), to be held in Abu Dhabi, United Arab Emirates, in 2024.

11. The Meeting affirmed its commitment to support Timor-Leste to be an ASEAN Member State by providing technical assistance, capacity building and other support to facilitate Timor-Leste's integration into the mainstream of ASEAN-ROK economic relations. The Meeting also encouraged the Timor-Leste government to intensify efforts towards the preparations for ASEAN membership.
