



**THE TWENTY-NINTH AEM – CLOSER ECONOMIC RELATIONS (CER)
CONSULTATION
21 September 2024, Vientiane, Lao PDR**

JOINT MEDIA STATEMENT

1. The Twenty-Ninth AEM-Closer Economic Relations (AEM-CER) Consultation was held on 21 September 2024 in Vientiane, Lao PDR. The Consultation was co-chaired by H.E. Malaithong KOMMASITH, Minister of Industry and Commerce of Lao PDR; Senator the Hon Tim Ayres, Assistant Minister for Trade, Australia; and the Hon Nicola Grigg, Minister of State for Trade, New Zealand. The Meeting also welcomed the participation of H.E. Filipus Nino Pereira, Minister of Commerce and Industry, Democratic Republic of Timor-Leste as an observer.

2. The Meeting noted that the economies of ASEAN, Australia, and New Zealand have recovered from the COVID-19 pandemic. The total two-way trade between ASEAN and Australia reached a total value of USD 121.9 billion in 2023, based on Australia's data. The Meeting also noted that the total two-way trade between New Zealand and ASEAN reached a total value of USD 16.54 billion in 2023, based on New Zealand's data. According to Australia's and New Zealand's data, Australia's foreign direct investment (FDI) flow to ASEAN in 2023 amounted at USD 243 million, while New Zealand's FDI flow to ASEAN for the same year was valued at USD 61.54 million.

3. The Meeting exchanged views on regional and global economic challenges including those that could likely impact supply chain resiliency energy and food security in the region, climate change and energy transition, inflationary pressures and heightened geopolitical tensions. The Meeting joined the call of ASEAN at the 57th ASEAN Foreign Ministers' Meeting for compliance with international law, including the UN Charter and ASEAN Charter, and reaffirmed the importance of adhering to key principles, values, and norms. The Meeting reiterated its commitments to enhance ASEAN-CER cooperation to deepen the region's economic integration and strengthen long-term resiliency, particularly on issues related to infrastructure, development, supply chains, and food and energy security.

4. The Meeting reaffirmed their commitment to further enhance economic integration and cooperation, particularly in the areas of women's economic empowerment, digital transformation and sustainability, to navigate these challenges and strengthen the supply chain resiliency. The Meeting further acknowledged the importance of mitigating the economic impact of heightened geopolitical tensions, global economic shocks, and other global shocks to the region as well as to their

bilateral trade and economic relations, particularly on issues related to food and energy security.

5. The Meeting welcomed the forthcoming entry into force of the Second Protocol to Amend the Agreement Establishing the ASEAN-Australia-New Zealand Free Trade Area (AANZFTA). The Meeting looked forward to the effective implementation of the Second Protocol which will contribute to the regional economic recovery and bring benefits to businesses, especially Micro, Small, and Medium Enterprises (MSMEs). The Meeting reaffirmed their commitment to ensure that the AANZFTA Agreement remains of a high standard, fit for purpose, future-proofed against emerging challenges, and relevant to modern trade practices.

6. The Meeting expressed appreciation to Australia and New Zealand for their support to the AANZFTA through the AANZFTA Implementation Support Program (AISP) and Australia's support for the Trade and Gender Equality Incubator (TGEI) under the Regional Trade for Development (RT4D) Initiative. The Meeting noted the approval of the AANZFTA Strategic Directions and Priorities (ASDP) and Sectoral Strategic Directions and Priorities (SSDPs) plans and looked forward to their implementation.

7. The Meeting welcomed approval of the 2024-25 AISP Economic Cooperation Work Plan with over AUD 3.4 million worth of activities that responds to the needs and priorities of ASEAN Member States on regional standards, e-commerce, competition, and sustainable agriculture and biosecurity. The AISP Economic Cooperation Work Plan also includes the *Communications Package to Socialise the Benefits of the AANZFTA Upgrade* as an accessible resource that will ensure businesses, especially MSMEs, understand the benefits of the AANZFTA Upgrade and leverage it to increase their competitiveness.

8. The Meeting recognised the transformative impact of the digital economy on our region and noted the various ongoing cooperation and rule-making efforts to advance regional economic security, prosperity and development. This includes supporting work through the ASEAN Australia Digital Trade Standards (DTS) Initiative and the Aus4ASEAN Futures Initiative. The Meeting welcomed the work of the Committee on E-Commerce under the AANZFTA Agreement in driving further regional cooperation on digital trade rules.

9. The Meeting noted the outcome of the 2024 Integration Partnership Forum (IPF) held on 29 May 2024 in Auckland, New Zealand on the pivotal role of MSMEs in contributing to inclusive and shared economic growth in the region, and tasked officials to take into account the outcomes of the Forum to better enable MSMEs to grow and trade through economic cooperation programme. The Meeting acknowledged the importance of the IPF and encouraged the AANZFTA Parties to continue utilising the IPF as a platform for sharing best practices and relevant experiences to advance ASEAN-CER integration in the areas of mutual interests. The Meeting looked forward to the next IPF in 2025.

10. The Meeting acknowledged the successful conclusion of the Thirteenth World Trade Organization (WTO) Ministerial Conference (MC13) held on 26 February – 2 March 2024 in Abu Dhabi, United Arab Emirates. The Meeting noted the outcomes of

the MC13 including WTO Members' resolve to preserve and strengthen the ability of the multilateral trading system, with the WTO at its core, to provide meaningful impetus to respond to current trade challenges, take advantage of available opportunities, and ensure the WTO's proper functioning. The Meeting noted the importance of continuing to pursue necessary reform of the WTO to improve all its functions, including to have a fully and well-functioning WTO dispute settlement system accessible to all Members this year. The Meeting, in particular, also welcomed the Ministerial Decision on the Accession of the Democratic Republic of Timor-Leste to the WTO Agreement. The Meeting acknowledged that Timor-Leste's accession to the WTO is an important stepping stone for Timor-Leste's accession to ASEAN. The Meeting was also pleased to note specific outcomes of the WTO MC13 that reiterated the centrality of the development dimension in the work of the WTO.

11. The Meeting reaffirmed its commitment to the objectives and principles of the ASEAN Outlook on the Indo-Pacific (AOIP), as well as to upholding ASEAN Centrality in the evolving regional architecture as specified in the ASEAN Outlook on the Indo-Pacific (AOIP). The Meeting underscored the importance of multilateralism, adherence to international law, and respect for sovereignty in contributing to global and regional peace, stability, and prosperity. The Meeting looked forward to promoting cooperation between ASEAN, Australia, and New Zealand, in line with the four key areas identified in the AOIP, namely connectivity, maritime cooperation, Sustainable Development Goals (SDGs), and economic and other possible areas of cooperation, to promote mutual trust, mutual respect, and shared interests through ASEAN-led mechanisms, as well as contribute to peace, stability, and prosperity in the region.

12. The Meeting noted Timor-Leste's progress in implementing the *Roadmap for Timor-Leste's Full Membership in ASEAN* adopted at the 42nd ASEAN Summit. Encouraged by Timor-Leste's commitment, the Meeting reaffirmed its support to provide capacity building and technical assistance to facilitate Timor-Leste's integration into the mainstream of ASEAN-CER economic relations. The Meeting encouraged the Government of Timor-Leste to further intensify efforts towards its accession to ASEAN.

13. The Meeting welcomed the insights proposed by the Australia-ASEAN Chamber of Commerce (AustCham ASEAN) and ASEAN-New Zealand Business Council (ANZBC), to strengthen economic integration and to enhance trade and investment opportunities in the region through the AEC, AANZFTA and RCEP.
