
DOCUMENTATION

Joint Statement

Issued by the Co-Chairmen
ASEAN/EC Ministerial Meeting on Economic Matters
Bangkok, 17–18 October 1985

1. The first ever Ministerial meeting on Economic Matters between Ministers from ASEAN countries and the European Economic Community, including the future members Portugal and Spain took place in Bangkok from 17–18 October 1985.
2. This special and unique meeting was agreed at the Fifth ASEAN/EEC Ministerial meeting in Dublin in November 1984 and was designed to provide an opportunity to take stock of cooperation on the completion of the first 5 years of the ASEAN/EEC Cooperation Agreement and to consider how relations between the two regions could be further strengthened.
3. The EC Ministers acknowledged ASEAN as an economic grouping of vast potential with growing importance to the EC in terms of economic, trade and investment cooperation. The ASEAN Ministers acknowledged the increasingly important role of the European Community in global economic affairs and in the economic progress of the ASEAN region. Both sides recognised that close collaboration between them would benefit not only their respective countries but could also assist in the resolution of many economic problems of global concern.

International Economic Issues

4. Ministers discussed a series of major international economic issues on which they found they were in substantial agreement. They recognised that although there were certain encouraging signs a number of major problems remain in the fields of trade, money and finance. In particular they expressed concern at trade and budgetary imbalances affecting the international economy, continuing problems of indebtedness in developing countries and mounting protectionist pressures. Ministers recognised the inter-relationship of these problems and the need for concerted and complementary action in the appropriate international fora.

They recognised the need for concerted action to improve the functioning of the international monetary system. In this connection and especially with a view to easing the problems of indebted developing countries, they welcomed the conclusions of the Development Committee Meeting in Seoul/on 7 October 1985 aimed at restoring sustained economic growth and the mobilisation of the necessary public and private financial resources.

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5. Ministers stressed that a free international trade system is vital to the interests of all countries. In particular they reaffirmed the need to resist protectionism and they reiterated their commitment in relation to Standstill and Rollback as well as the necessity of continuing to implement the work programme of GATT.
 6. Ministers undertook to work urgently towards the establishment of a consensus in favour of launching a New Round of multilateral trade negotiations in the GATT on a balanced range of subjects of interest to developing and developed countries.

Multifibre Arrangement (MFA)

7. The Ministers, while confirming their attachment to the objective of liberalizing trade in textiles, noted that the existing arrangement had contributed to the development of the textile supplier countries' exports and acknowledged that, in the present circumstances, maintenance of an adequate multilateral framework permitting an orderly development of trade was still necessary. This should make it possible to work towards greater flexibility through parallel efforts by all textile-trading countries to open up their markets. They agreed that close contacts should be maintained in the course of future negotiations for the renewal of the Multifibre Arrangement.

Commodities

8. The Ministers acknowledged the importance of commodities to the ASEAN countries, the need for a stable market and the need for fair and economically viable international prices. They confirmed their attachment to the UNCTAD integrated programme and agreed to further the continuation of cooperation between producing and consuming countries.

ASEAN/EEC Cooperation

9. Ministers welcomed the continuation of the Cooperation Agreement for a further period beginning in October 1985. They were unanimously of the view that the Agreement which establishes a unique form of region to region economic cooperation would continue to provide the foundation and framework for a further strengthening of economic relations.
10. In taking stock of achievements during the first 5 years of cooperation Ministers were able to confirm the considerable development and diversification of trade which had taken place. In this context, Ministers agreed that the EEC's Generalized System of Preferences is an effective instrument in expanding trade between ASEAN and the EEC. ASEAN Ministers welcomed the announcement of improvements in the Community's cumulative rules of origin applicable to the ASEAN region and emphasized the importance of making further improvements of the EEC Generalized System of Preferences particularly in terms of product coverage, preferential margin and quantitative limitation of preferential imports.
11. Ministers also noted the increase in development aid provided by the European Community during the first five years of the cooperation agreement. This aid has been provided in addition to the bilateral assistance of Member States.

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12. Ministers further noted that in the field of economic cooperation worthwhile actions, especially in training, science and technology and investment promotion have taken place.

New Priorities and Directions for ASEAN-EEC Cooperation

13. The Ministers held an extensive discussion of economic relations between the two regions. Ministers noted that although the EEC remained an important economic partner its share of ASEAN's market and of foreign investment in the region was not increasing as fast as that of other major industrialised countries.
14. EEC Ministers recognised the opportunities which the fast growing ASEAN region represented for the Community. They agreed to make a major effort to strengthen the European presence in the ASEAN region through a comprehensive and concerted approach.

Investments

15. The Ministers recognised that increased European investment in the ASEAN region would be a key element in a long-term strategy to strengthen economic links between the two regions, to promote the transfer of technology and to promote mutually beneficial trade and stressed the need to ensure a favourable climate of investment.
16. The Ministers agreed to set up a high level working party including representatives of business circles, particularly banks, to examine investment conditions in the two regions, with a view to identifying any difficulties and to study ways and means of facilitating European investment in the ASEAN countries, especially by small and medium-sized enterprises. The working party should draw up its final report as soon as possible with at least a preliminary report at the next Joint Cooperation Committee.

The European Investment Bank would be requested to play a positive and constructive role on the basis of its financial expertise.
17. EEC Ministers stated their intention of organising a series of European events in the capitals of the ASEAN countries with the participation of the private sector on the theme of "the city in the year 2000", which would demonstrate the potential of European technology to respond to ASEAN's future needs and at the same time would promote increased economic cooperation between the two regions and increased European investment in ASEAN countries. ASEAN Ministers welcomed this initiative.
18. Ministers discussed several proposals to expand cooperation between the two regions and agreed to recommend the following for implementation within the framework of the Cooperation Agreement.

Human Resource Development

Ministers recognised the special importance of cooperation in this area and EEC Ministers affirmed the great potential which exists in the Community for human resource development cooperation with ASEAN and the desirability of strengthening the capacity of ASEAN's own

training institutes. They underlined the importance of the following proposals:

- establishment of a computerised data bank on post-graduate and specialist courses available in the Community in Advanced Engineering, Information Technology and Business Management;
- a new two-way ASEAN/EEC Executive Exchange Programme providing in-service training for management and supervisory personnel organised in collaboration with the ASEAN-EEC Business Council;
- cooperation between Business Management Institutes and continuation of training of ASEAN teachers of business management and the promotion of new courses of business management in ASEAN institutes;
- to organise training for ground staff in the field of civil aviation — air traffic control, airport management — using the Community's own advanced training facilities at Eurocontrol and international airports in the Community;
- using the special experience of the European Institute for Public Administration, to organise a series of courses in subjects of inter-governmental cooperation for senior officials in ASEAN countries.

Science and Technology

In the field of Science and Technology — where micro-electronics, bio-technology and marine science attracted special interest — Ministers saw considerable potential for linking research activities in existing institutes in the two regions with a view to exchanging research information and research personnel, sharing facilities and cooperating on research projects. Networks of linked research institutes could be set up in fields of mutual interest. As well as continuing its direct support of regional research projects in ASEAN, the Community would promote as a pilot project a network of research institutes in the field of bio-technology.

Energy Cooperation

Ministers agreed to increase cooperation in this area of mutual interest. To this end they agreed to study the creation of an ASEAN/EEC Centre for Energy Management Training and Research which would facilitate improved information, training and exchange of experts, and joint research on energy management.

Tourism

Following a suggestion by ASEAN Ministers it was agreed that cooperation in the field of tourism should be included as a new activity in the framework of the Cooperation Agreement, particularly in order to promote ASEAN as a tourist region.

Drugs

Ministers discussed the serious problems caused by drug abuse and agreed that relevant experience in the Community in particular regarding treatment and rehabilitation could be made available to ASEAN via training programmes and meetings between experts and that actions in other fields, such as crop substitution, could also be considered.

Conclusion

19. It was agreed that this first-ever Ministerial meeting on Economic Matters had proved to be a valuable contribution to the promotion of closer relations between the two regions. The meeting had discussed a wide range of policies which would serve to relaunch and strengthen cooperation in a number of key areas during the next phase of the Cooperation Agreement.
20. Ministers from the two regions expressed their gratitude to the Government of Thailand for the arrangements made for the meeting and which had greatly contributed to the friendly atmosphere of the discussions.

Bangkok

18 October 1985