

Departamento de Asia y Pacífico

ASEAN

Joint Ministerial Statement of the ASEAN Economic Ministers – Republic of Korea Consultations for the ASEAN – Republic of Korea Summit

Cebu, Philippines, 11 January 2007

We, the Economic Ministers representing the ASEAN Member Countries and Korea, met on 9 December 2006 in Cebu, the Philippines, to discuss the economic relationship between the ASEAN Member Countries and Korea, including the progress of the on-going negotiations to establish the ASEAN-Korea Free Trade Area since the signing of the Framework Agreement on Comprehensive Economic Cooperation among the Governments of the ASEAN Member Countries and the Republic of Korea (hereinafter referred to as the “Framework Agreement”) on 13 December 2005.

We are encouraged by the successful preparations for the entry into force at the earliest time possible of the Trade in Goods Agreement (hereinafter referred to as the “TIG Agreement”) that was signed on 24 August 2006. We called on Thailand and Korea to find possible solutions to enable Thailand to join the TIG Agreement.

In particular, we welcomed the early establishment of the AKFTA Sub-Committee on Technical Barriers to Trade and Sanitary and Phytosanitary Measures which shall deal with issues relating to the implementation of Article 8 of the TIG Agreement and Article 14 of the Economic Cooperation Annex under the Framework Agreement in the areas of TBT and SPS. We also welcomed the establishment of the ASEAN-Korea Tariffs and Rules of Origin Sub-Committee which shall be responsible for handling technical issues relating to tariff concessions and rules of origin. We underscored the importance of the efficient work of these bodies in achieving the shared goal of ensuring the free flow of goods between the ASEAN Member Countries and Korea. We are confident that we are paving the way for the successful implementation of the TIG Agreement and remain committed to work toward this end.

We also noted the establishment of the Working Group on Economic Cooperation for the implementation of the Annex on Economic Cooperation under

the Framework Agreement and its agreement on the following economic cooperation projects and activities. We encourage all Parties to actively participate in these activities to ensure that maximum gains are derived there from:

Executive Training Program for ASEAN SMEs;

ASEAN-Korean Women SMEs Cooperation Network;

Study visit to ROK by ASEAN officials concerning four environmental areas: (i) Solid Waste Management, (ii) Environmentally Sound Technology and Clean Production (iii) Biodiversity and (iv) Environmental Awareness and Education;

Project on Natural Gas Vehicles;

FTA Negotiations Capacity Building for CLMV; and

ASEAN-ROK Cooperation Workshop for the Facilitation of Trade of Broadcasting Services in the Digital Economy.

We welcomed the significant progress in the negotiations on the Services Agreement, including the substantial agreement on the main text and the constructive discussion on Korea's proposals related to the annexes on financial services and telecommunication services and the reference paper on co-production of broadcasting programs.

We took note of the status of the on-going negotiations for the Investment Agreement and emphasized the need to reach a prompt agreement on the threshold issues including the modality and approach for investment liberalization and the scope of the agreement.

We recognize that, due to the significant amount of detailed technical work required to move forward the negotiations, the target date for the completion of negotiations on services and investment will have to be extended. In this regard, we agreed to recommend to the Leaders that the target date for the finalization of the Agreements be moved to November 2007. We emphasize that our agreed high level of ambition to realize substantial expansion of flows in services trade and investment to mutual benefit between the ASEAN Member Countries and Korea shall remain unchanged.

We urge our negotiators to find creative solutions and exercise flexibility in resolving the remaining issues to expedite the negotiation process and thus bring the negotiations to a successful and timely conclusion.

Finally, we took this opportunity provided by the Consultations to congratulate Viet Nam for officially becoming the 150th member of the WTO.