



**CONSULTATIONS BETWEEN THE ASEAN ECONOMIC MINISTERS
AND THE UNITED STATES TRADE REPRESENTATIVE
(AEM-USTR)**

25 August 2006, Kuala Lumpur, Malaysia

Joint Media Statement

1. The ASEAN Economic Ministers (AEM) and the United States Trade Representative met on 25 August 2006 in Kuala Lumpur, Malaysia and held productive discussions on a wide range of regional and global trade issues. The consultations were co-chaired by H.E. Dato' Seri Rafidah Aziz, Minister of International Trade and Industry of Malaysia and Ambassador Susan C. Schwab, the United States Trade Representative.

ASEAN-US Trade and Investment Framework Arrangement (TIFA)

2. The Ministers reaffirmed the importance attached to bringing the ASEAN region and the United States closer by signing a Trade and Investment Framework Arrangement (TIFA), which will serve as the platform for further deepening and broadening their trade and investment relations. Under the TIFA, they will establish a formal dialogue to address issues between them, to coordinate on regional and multilateral trade issues, and to undertake a Work Plan that will support regional integration and help build on the already strong trade and investment ties between them. Trade between ASEAN and the United States, grew from US\$ 136 billion in 2004 to US\$ 152.9 billion in 2005, an increase of 12.4 percent. Foreign direct investment also continued to rise.

3. The Ministers agreed that at the initial stage the Work Plan will include initiatives to support the development of the ASEAN Single Window, which will facilitate the flow of goods within ASEAN and between ASEAN and the United States. It also will include cooperation on sanitary and phytosanitary (SPS) issues to foster additional trade in specific agricultural goods as well as cooperation on pharmaceutical regulatory issues aimed at speeding the delivery of innovative medicines to ASEAN countries.

4. A Joint Council on Trade and Investment will be formed under the TIFA to provide direction on the implementation of the TIFA and the Work Plan. The TIFA supports the objectives laid down in the Enterprise for ASEAN Initiative (EAI)

announced by U.S. President George W. Bush in October 2002 and the ASEAN-U.S. Enhanced Partnership, signed by the Foreign Ministers of ASEAN and the U.S. Secretary of State in Kuala Lumpur on 27 July 2006.

World Trade Organisation (WTO)

5. The United States and ASEAN Members expressed regret on the suspension of the Doha Development Agenda negotiations following the failure of WTO Members to demonstrate the necessary flexibility to provide momentum for the final push to conclude the negotiations.

6. They pledged to continue their close cooperation on all WTO issues, from the accession of Vietnam and Laos to putting the Doha Development Round back on track before the end of 2006. As close partners and members of APEC, they reaffirmed their longstanding commitment to the success of the Doha Round and agreed to work together to see how to best restart the negotiations and achieve the necessary breakthroughs in agriculture and non-agricultural market access. They noted that the solutions are complex and require contributions from all WTO Members. They declared their readiness to make tangible contributions because a successful conclusion of the Round will be critical to the continuing economic growth of their economies. Improved market access and creating new trade flows whilst ensuring the development dimension are effectively addressed will be the litmus test for success.

7. They agreed to work to put the negotiations back on track and to ensure that the flexibility provided for in NAMA and agriculture do not undermine substantially improved market access. ASEAN and the United States have a history of working together and the ASEAN and U.S. Economic Ministers will instruct their officials in Geneva to intensify their efforts and report to them on their progress before the APEC meeting in Ha Noi in November. ASEAN called on the major players in the WTO to provide the leadership and political will to push the momentum in the negotiations.

8. They noted the work they have done together to bring Viet Nam into the WTO this year and expressed their support for the early accession of Lao PDR to the WTO.

Asia Pacific Economic Cooperation (APEC)

9. The Ministers welcomed and reiterated their continuing support for Viet Nam's successful hosting of APEC 2006.

ASEAN-US Technical Assistance and Training Facility

10. The Ministers welcomed the progress achieved and outputs of the ASEAN-U.S. Technical Assistance and Training Facility since its inception in October 2004. They also acknowledged that the facility reaffirmed the U.S. commitment to engage ASEAN in constructive ways and assist in the integration process in the region. The

ASEAN Ministers expressed appreciation for the \$4.5 million regional capacity building assistance and nearly \$40 million bilateral trade capacity building the United States has provided to ASEAN members countries in 2005.

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LIST OF MINISTERS

1. **H.E. Dato' Seri Rafidah Aziz**, Minister of International Trade and Industry, Malaysia, Chairperson
- 2.. **H.E. Ms. Susan Schwab**, United States Trade Representative, Co-chairperson
3. **H.E. Pehin Dato Lim Jock Seng**, Second Minister of Foreign Affairs and Trade, Brunei Darussalam
4. **H.E. Dr. Cham Prasidh**, Senior Minister and Minister of Commerce, Cambodia
5. **H.E. Dr. Mari Elka Pangestu**, Minister of Trade, Indonesia
6. **H.E. Dr. Nam Viyaketh**, Minister of Industry and Commerce, Lao PDR
7. **H.E. U Soe Tha**, Minister for National Planning and Economic Development, Myanmar
8. **H.E. Mr. Elmer C. Hernandez**, Undersecretary, Department of Trade and Industry, the Philippines
9. **H.E. Mr. Lim Hng Kiang**, Minister for Trade and Industry, Singapore
10. **H.E. Mr. Somkid Jatusripitak**, Deputy Prime Minister and Minister of Commerce, Thailand
11. **H.E. Mr. Truong Dinh Tuyen**, Minister of Trade, Viet Nam
12. **H.E. Mr. Ong Keng Yong**, Secretary-General of ASEAN

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