

# ASEAN Leaders' Statement on Sustained Recovery and Development Ha Noi, 9 April 2010

We, the Heads of State/Government of the Association of South East Asian Nations (ASEAN), met in Ha Noi, Viet Nam on 8-9 April 2010 for the 16<sup>th</sup> ASEAN Summit. We discussed the situation of the global economy and were pleased to note that it is showing signs of recovery from the global financial and economic crisis although this recovery is expected to be slow. Nonetheless, we believe that ASEAN's inherent dynamism will help the region sustain its recovery and attain higher economic growth.

We are determined for ASEAN to sustain its recovery in the aftermath of the global financial crisis and economic downturn. We, therefore, re-affirm our commitment towards regional integration and building the ASEAN Community, and re-affirm our willingness and readiness to participate in coordinated efforts towards sustained global economic recovery as follows:

## **1. Ensuring Financial Stability in ASEAN and Sustained Recovery**

We will cooperate in restoring the health of financial systems and maintaining supportive macroeconomic policies. We will strengthen regional surveillance and economic monitoring capacities for an early detection of macro-financial risks and vulnerabilities.

We affirm our determination to enhance regional financial stability through such regional initiatives as the Chiang-Mai Initiative Multilateralisation (CMIM) and the Asian Bond Markets Initiative (ABMI), the Credit Guarantee Investment Facility (CGIF), and the ongoing enhancement of the ASEAN Surveillance Office. We reiterate our willingness to achieve a more balanced international financial architecture, by participating in reforms of financial regulations, prudential frameworks, and International Financial Institutions.

We will maintain monetary and fiscal support while preparing for orderly unwinding of expansionary policies until the recovery is on a firm footing. We note that as market conditions and the economic outlook are improving, we need to reconsider the continued support of monetary and fiscal policies for sustained recovery and resumption of private credit flows in our economies.

We affirm the need to start working on mechanisms to reverse the fiscal and monetary stimulus and then phase out these policy accommodations. We are fully confident that at the appropriate time we will be able to do so effectively to ensure sustained recovery and development. We welcome the inaugural Informal East Asia Summit (EAS) Finance Ministers Meeting in May 2010 in Tashkent, Uzbekistan.

## **2. Enhancing ASEAN Economic Integration**

We re-affirm our resolve to realise the ASEAN Economic Community (AEC), which will establish ASEAN as a single market and production base by 2015. We task all the AEC Council Ministers and officials concerned to ensure that the AEC Blueprint and the strategic schedules contained therein are implemented in a timely manner.

We will enhance cooperation and dialogue with our Dialogue Partners, especially in implementing fully the agreements signed and addressing regional and global challenges.

We will continue to reject protectionism, re-affirm our commitment to refrain from raising new barriers to trade and investment and keep our markets open. We remain committed to the WTO Doha Development Agenda and look forward to the early and successful conclusion of the Doha Round.

We welcome the G-20 Leaders' Statement made at the Pittsburgh Summit in September 2009 and the APEC Leaders' Declaration made in Singapore in November 2009, particularly on the importance of an ambitious and balanced conclusion of the Doha Development Agenda, the continued rejection of protectionism and delivering a global stimulus package to sustain global economic recovery. ASEAN strongly believes that it can contribute to the deliberations of the G-20 through the continued participation of the ASEAN Chair and the ASEAN Secretary-General in future G-20 Summits.

### **3. Fostering Infrastructure Development**

We re-affirm the importance of regional infrastructure development and enhancing connectivity that will play a crucial role in achieving sustainable global economic recovery through enhanced trade, investment, tourism and development. We announced the ASEAN Connectivity Initiative at our 15<sup>th</sup> ASEAN Summit in Thailand in October 2009 to focus our resources and efforts in deepening connectivity within ASEAN and its sub-regional groupings, and in the broader regional framework of East Asia. In this regard, we task the High Level Task Force on ASEAN Connectivity, to develop the Master Plan on ASEAN Connectivity, with recommended measures, targets and timelines necessary to achieve ASEAN Connectivity, for the consideration of the ASEAN Member States. We take note of several ASEAN Dialogue Partners' interest in ASEAN Connectivity during the Post Ministerial Conferences and Summits in 2009, and therefore encourage their support towards the full implementation of the Master Plan on ASEAN Connectivity.

We re-affirm the importance of mobilising the region's savings to finance the huge infrastructure needs in the region. In this regard, we are encouraged by the progress made under the ASEAN Infrastructure Financing Mechanism (AIFM). We urge Member States to continue to explore effective financing instruments and policies, including a possible ASEAN Infrastructure Fund, for viable regional infrastructure investments.

We agree to enhance efforts to pursue physical infrastructure development and the policy and institutional development in transport, ICT and energy sectors in facilitation of transport and logistics necessary to realise effective connectivity, which would reinforce ASEAN's position as a hub of the East Asian region for transport, information technology, tourism, energy and logistics. We task the relevant Ministers, particularly the ASEAN Transport Ministers (ATM), the ASEAN Telecommunications and ICT Ministers (TELMIN) and the ASEAN Ministers on Energy (AMEM) to expedite the completion of the vital physical road, rail, air, inland waterways, sea, gas and power linkages within ASEAN as well as the implementation of the multilateral agreements phasing in ASEAN Open Skies and the ASEAN framework agreements on inter-state transport, multimodal transport, facilitation of goods in transit, regional gas pipeline connections and power grid. We look forward to the completion and adoption of the ASEAN Strategic Transport Plan (ASTP) 2011-2015 and the ASEAN ICT Master Plan 2011-2015, as well as the implementation of the ASEAN Plan of Action for Energy Cooperation (APAEC) 2010-2015, by the relevant ASEAN Ministers in 2010 to further enhance coherence in the regional connectivity agenda and the priority measures for intraregional transport, energy and information and communication linkages.

We recognise that sub-regional cooperation arrangements, such as the Brunei-Indonesia-Malaysia-Philippines East ASEAN Growth Area (BIMP-EAGA), Indonesia-Malaysia-Thailand Growth Triangle (IMT-GT), Greater Mekong Sub-Region (GMS), Cambodia – Laos – Viet Nam (CLV) Development Triangle, and Ayeyawady – Chao Phraya – Mekong Economic Cooperation Strategy (ACMECS), are effective mechanisms to accelerate the implementation of the regional initiatives. In this regard, we welcome the work that has been done by these sub-regions, and look forward to consolidating and prioritising existing work plans on connectivity into the Master Plan, taking into account related existing sub-regional cooperation frameworks. We also look forward to the implementation of more projects in the sub-regions to contribute to the narrowing of the development divide and enabling the sub-regions to link with the rest of ASEAN region and beyond.

### **4. Promoting Sustainable Development**

We recognise the need to support more balanced growth within and across economies, achieve greater inclusiveness in our societies, sustain our environment, and raise our growth potential through good governance, innovation and a knowledge-based economy.

We reiterate our commitment to address global environmental issues such as climate change, through mitigation and adaptation actions, on the basis of equity and in accordance with the principle of common but differentiated responsibilities and respective capabilities, and the principles of equity, flexibility and effectiveness. We call upon developed countries to fulfil their commitment to provide substantial support to developing countries in terms of financial support, technology transfer and capacity building. We emphasise that all countries should refrain from imposing conditionalities or barriers to trade, investment and socio-economic development on developing countries in addressing global environmental issues.

We are committed to ensuring trade and environmental policies which are complementary, mutually supportive, in accordance with the principles embodied in the Rio Declaration on Environment and Development. We call upon developed countries to ensure that non tariff measures or technical barriers are not imposed on trade and investment under the pretext of environmental sustainability.

We are determined to promote green growth, investments in long term environmental sustainability, and sustainable use of natural resources in order to diversify and ensure resilience of our economy. In this respect, we reiterate our commitment to ensure that economic development in our region is consistent with the long term sustainability of our natural resources.

We stress the importance of the promotion of creative economy in paving the way for future growth based on creativity, innovation, and protection of intellectual property rights. We believe that the creative economy, which draws on ASEAN's rich cultural heritage combined with creative inputs from people in ASEAN, will add substantial value to its goods and services, and will help promote sustainable growth in the region.

We affirm ASEAN's commitment to fully address socio-economic disparities and poverty that persist across ASEAN Member States by developing and implementing an ASEAN Roadmap towards realising the Millennium Development Goals (MDG). To this end, we renew our commitment in the Joint Declaration on the Attainment of the Millennium Development Goals in ASEAN underscoring the importance of better coordination and participation of all key stakeholders including public and private sector, civil societies and UN specialised agencies in implementing the MDGs. We call upon ASEAN Member States to continue supporting the initiatives for poverty reduction towards narrowing the development gap within ASEAN and promoting self-reliance of families living under poverty.

Understanding that sustainable development is closely linked with reasonable and equitable utilisation of resources, we welcome further cooperation among ASEAN Member States and regional institutions, such as, inter-alia, the Greater Mekong Sub-region, the Mekong River Commission, and encourage the contribution of ASEAN's partners to such cooperation in order to promote sustainable development of each Member State and the region.

## **5. Strengthening the Network of Social Security Systems**

We will work towards strengthening the network of social security systems in the region. We attach great importance to social security and the role it plays in the process of development and integration. We look forward to the development of strategic initiatives and implementation of projects to assist Member States in improving the quality, standards, coverage and sustainability of their social protection and increasing their capacity to manage social risks. We call on the relevant ASEAN sectoral bodies to promote exchange of views and best practices in social security systems, support for information exchange and researches on the development of viable social security measures for vulnerable groups. We will

cooperate in reviewing the existing social protection regimes for formal and informal sectors in ASEAN to promote the well-being and living conditions of the poor.

We call for ASEAN Member States' continuous effort to provide adequate employment opportunities for all workers, safety and health at work place to achieve good working conditions and productive employment for all workers and provide adequate incomes to keep them and their families out of poverty and be economically secure in times of adversity.

## **6. Enhancing Educational Cooperation**

We recall the Cha-am Hua Hin Declaration on Strengthening Cooperation on Education to Achieve an ASEAN Caring and Sharing Community and reiterate our conviction on the core role of education to sustainable development and regional competitiveness. We will allocate substantial amount of resources for the promotion and enhancement of educational cooperation in the region. Recognising that the country's human resource is its best asset, we pledge to continuously support and carry out human resource development initiatives in accordance with the requirements of our domestic and global labour market.

## **7. Intensifying Dialogues with Private Sector**

We believe that an effective public-private sector engagement would be mutually reinforcing. Towards this end, we will foster a more active and efficient participation of the private sector in the realisation of ASEAN Community, especially the ASEAN Economic Community, in ensuring ASEAN sustained recovery.

We renew our commitment to support and develop small and medium enterprises for them to gain better access to regional and global markets and for them to also benefit from ASEAN integration in order to address the development divide and accelerate the economic integration.

We recognise the importance of capacity-building programmes for ASEAN's small and medium enterprises to assist in the development of export-oriented industries.

## **8. Narrowing Development Gap in ASEAN**

We are confident that the Initiative for ASEAN Integration (IAI) has supported and will continue to support the narrowing of the development gap within ASEAN. We call on relevant sectors to promote the implementation of this Initiative, in particular the Second Work Plan of the IAI. We acknowledge the contribution of the ASEAN-6 in providing technical assistance and capacity-building measures to address the needs of the CLMV countries. We encourage the continued contribution of our dialogue and development partners to the IAI in the implementation of the Second IAI Work Plan.

Adopted in Ha Noi, Viet Nam, this 9 of April in the Year Two Thousand and Ten.