

## **The Tenth AEM-Canada Consultation Joint media statement**

17 November 2021 (Video Conference Meeting)

1. ASEAN Member States and Canada virtually met on 17 November 2021 for the 10th ASEAN Economic Ministers (AEM) - Canada Consultation. The Consultation was co-chaired by H.E. Dato Dr. Amin Liew Abdullah, Minister at the Prime Minister's Office and Minister of Finance and Economy II, Brunei Darussalam, and the Honourable Mary Ng, Minister of International Trade, Export Promotion, Small Business and Economic Development, Canada.
2. The Meeting noted that despite the COVID-19 pandemic and its impact on the global economy, bilateral trade relations between ASEAN Member States and Canada remain strong. According to Canada's statistics, in 2020, total two-way merchandise trade was valued at USD 19.9 billion, reflecting a slight decrease of 2.4 per cent year-on-year. At the end of 2020, the stock of foreign direct investment (FDI) from Canada to ASEAN Member States reached USD 12.5 billion, or an increase of 11.7 per cent year-on-year, while the stock of FDI from ASEAN Member States to Canada was USD 1.2 billion, or a decrease of 0.9 per cent year-on-year.
3. The Meeting expressed deep concern over the ongoing adverse impacts of the COVID-19 pandemic on economies and people around the world. The Meeting reaffirmed the continued commitment to explore ways and means to accelerate economic recovery by keeping markets open for trade and investment and strengthening cooperation on supply chain connectivity, digital trade and sustainable development, among other areas. The Meeting underscored the importance of global cooperation, including in ensuring equitable access and distribution of safe and effective vaccines, and welcomed Canada's commitment of a further 9.5 million items of personal protective equipment (valued at approximately 39.4 million to the ASEAN Secretariat and seven ASEAN Member States and the contribution to the COVID-19 ASEAN Response Fund to expedite a stronger economic recovery from the pandemic.
4. The Meeting welcomed the progress in the implementation of cooperation activities under the 2021-2025 Work Plan to implement the ASEAN-Canada Joint Declaration on Trade and Investment (JDTI Work Plan), which showcased mutual efforts for strengthening the ASEAN-Canada relationship in various areas. The Meeting commended the success of the Canada-OECD Project on ASEAN SMEs (COPAS), a five-year project supported by Canada in providing technical support to the ASEAN Coordinating Committee on MSMEs (ACCMSME) to implement the ASEAN Strategic Action Plan on SME Development 2021 – 2025 (SAP SMED 2025). The Meeting noted that the project was granted a no-cost extension from December 2020 to December 2021 to deliver the remaining activities affected by the pandemic. Several annual priorities of ACCMSME were delivered through COPAS, including the Policy Insight - Enterprise Policy Responses to COVID-19 in ASEAN and the ASEAN SME Policy Index 2018.
5. The Meeting noted the significant progress achieved to date to advance an ASEAN-Canada Free Trade Agreement (FTA). To this end, the Meeting endorsed the Reference Paper for an ASEAN-Canada FTA and agreed to launch the negotiations for an ASEAN-Canada FTA. This represents a significant milestone in the ASEAN-Canada relationship and a meaningful step in Canada's renewed commitment to trade and

economic engagement in the region. The Meeting tasked officials to develop a Work Plan to take forward the negotiations as soon as possible.

6. The Meeting looks forward to the upcoming ASEAN-Canada Trade Policy Dialogue and notes progress achieved in delivering technical support offered to ASEAN under Canada's Expert Deployment Mechanism for Trade and Development (EDM), and encourages interested ASEAN Member States to utilize the EDM in the context of ASEAN-Canada FTA negotiations.

7. The Meeting reaffirmed its commitment to an open, inclusive, transparent, rules-based, and non-discriminatory multilateral trading system centered on the World Trade Organization (WTO). The Meeting underscored its support to uphold and abide by international rules and obligations and its commitment to keeping markets open for trade and investment; and to the application of these principles across the region.

8. The Meeting held a discussion with representatives of the Canada-ASEAN Business Council (CABC). The Meeting noted CABC's recommendation on the ASEAN-Canada FTA negotiations, reopening of borders and vaccine roll out in ASEAN and commended CABC for its continuous commitment in strengthening ASEAN-Canada business-to-business relations through its various activities-despite the challenging situation due to the COVID-19 pandemic.