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Department of Environment and Natural Resources
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MEMORANDUM

FOR : **The Undersecretary** for Special Concerns, and **Director, in concurrent capacity**, Biodiversity Management Bureau
The Assistant Secretary for Policy, Planning, and Foreign-Assisted and Special Projects, and **Director, in concurrent capacity**, Forest Management Bureau
The Directors
Environmental Management Bureau
Mines and Geosciences Bureau
Ecosystems Research and Development Bureau

FROM : **The OIC Director**, Policy and Planning Service

SUBJECT : **REQUEST FOR COMMENTS ON THE DRAFT ASEAN AND UK ECONOMIC MINISTERS' JOINT STATEMENT ON FUTURE ECONOMIC COOPERATION**

DATE : **04 AUG 2021**

This pertains to the letter dated 19 July 2021 from Assistant Secretary Allan B. Gepty of Industry Development and Trade Policy Group of the Department of Trade and Industry (DTI), requesting for comments/ inputs on the attached draft ASEAN and UK Economic Ministers' Joint Statement on Future Economic Cooperation, which will be adopted by the Ministers at the planned ASEAN-UK Economic Dialogue in September 2021. The Department is especially requested to provide inputs on the section "Clean Growth" (item no. 22 to 25).

The Joint Statement is intended to demonstrate ASEAN and UK's shared principles and priorities for economic cooperation following the ASEAN Leaders' decision to accept the United Kingdom's application for Dialogue Partnership.

In view of the foregoing, we would like to refer DTI's request to your respective Offices for comments/ inputs. We would appreciate receiving an advance copy of your inputs **on or before 06 August 2021**, through this email address: psddivision@gmail.com, copy furnished policy@denr.gov.ph, to facilitate consolidation and immediate submission to DTI.

For your preferential and appropriate action, please.


MELINDA C. CAPISTRANO

19 July 2021

(Please refer to the attached Distribution List)

Subject: Request for comments on the draft ASEAN and UK Economic Ministers' Joint Statement on Future Economic Cooperation

Dear Sirs/Mesdames

This is to respectfully request agencies' assistance in reviewing the attached draft ASEAN and UK Economic Ministers' Joint Statement on Future Economic Cooperation, which will be adopted by the Ministers at the planned ASEAN-UK Economic Dialogue in September 2021.

In particular, may we request agencies to provide inputs and/or comments on the sections that fall under their purview:

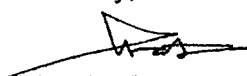
Sections	Relevant Agencies
Introduction	All agencies
Economic Recovery from COVID-19	All agencies
UK-ASEAN Supply Chains and Market Liberalisation	All agencies
Regulatory Excellence	NEDA, ARTA
Digital Innovation	BTIPR, E-CO
Financial Services	DOF, BSP
Clean Growth	NEDA, DOE, DENR
Infrastructure	NEDA, DOTr, DICT
Skills and Education	TESDA
Women's Economic Empowerment	PCW

The Joint Statement is intended to demonstrate ASEAN and UK's shared principles and priorities for economic cooperation following the ASEAN Leaders' decision to accept the United Kingdom's application for Dialogue Partnership.

We would appreciate receiving feedback on our request by 26 July 2021 (Monday). Should you have any further queries or clarifications, please directly communicate with Ms. Ma. Monica A. Mamoyac (MaMonicaMamoyac@dti.gov.ph).

Thank you.

Sincerely,



Allan B. Gepty
Assistant Secretary

*Copy: Undersecretary Ceferino S. Rodolfo, DTI-IDTPG
Commercial Attaché Jeremiah C. Reyes, PTIC-Jakarta*

Attachments: a/s

OFFICE OF THE ASSISTANT SECRETARY FOR INDUSTRY DEVELOPMENT AND TRADE POLICY GROUP

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ASEAN-UK Economic Dialogue, September 2021

JOINT DECLARATION

This is the first draft of text to make up the joint declaration to issue out of the ASEAN - UK- Economic Dialogue.

The purpose of this declaration is to demonstrate the UK and ASEAN's shared principles and priorities regarding economic collaboration and celebrate our close relationship on economic and trade matters. It sets out our recent successes and planned UK-ASEAN activity beyond the Dialogue.

ASEAN and UK Economic Ministers' Joint Statement on Future Economic Cooperation

1. We, the Economic Ministers of the Association of Southeast Asian Nations (ASEAN) Member States, and of the United Kingdom of Great Britain and Northern Ireland reaffirm our shared commitment to the principles of sustainability, transparency, ^{ASEC:} free fair trade, the rule of law and a rules-based multilateral trading system, anti-corruption, and to embracing digital innovation and boosting skills.
2. The UK and ASEAN share a diverse economic and commercial relationship that continues to flourish. Brunei's theme as ASEAN Chair 2021 'We care, we prepare, we prosper', resonates with the UK.

Economic Recovery from COVID-19

3. We recognise that the COVID-19 pandemic continues to dominate lives and livelihoods. Our thoughts are with those who have lost loved ones. We recognise the heroic efforts of healthcare and essential workers around the world. We are optimistic that through working together, we will see our economies flourish.
4. The UK and ASEAN will continue to work together to control and contain the spread of the COVID-19 virus. Along with the international community, we will secure a resilient, sustainable and inclusive global economic recovery. We encourage all nations to work together to address the linked challenges of public health, climate change and biodiversity.
5. We welcome knowledge sharing and exchanging best practice on policies and programmes to mitigate the economic impact of the pandemic. We commit to regular engagement, including at Ministerial and Senior Economic Official levels, thereby securing a swift economic recovery for our nations.
6. The COVID-19 ASEAN Response Fund continues to support ASEAN in the detection, control and prevention of COVID-19 transmission. ASEAN Member States appreciate the UK's £1 million commitment to the COVID-19 ASEAN Response Fund, and its £4.8 million commitment to support the COVID-19 response in Cambodia, Laos, Vietnam and Myanmar.

UK-ASEAN Supply Chains and Market Liberalisation

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7. From 2010 to 2019, the total value of trade between ASEAN and the UK grew by 45% (£27.9bn in 2010 to £40.5bn in 2019). Whilst our two-way trade was no doubt been impacted by COVID-19 in 2020, our historic upward trend of growth provides the strong foundation to drive prosperity and support job creation, especially in the Micro, Small and Medium-sized Enterprises (MSMEs) that form the backbone of our economies. We are committed to strengthening trade links through the opening of our markets and removal of market access barriers.
8. The COVID-19 pandemic has underlined the importance of diverse, resilient, and sustainable supply chains, ensuring the continued flow of goods and services, especially in essential goods such as food, commodities, medicines and medical supplies. As President of the G7 this year, the UK established an Economic Resilience Panel, working with the OECD to formulate recommendations on how the international community can address economic crises. These recommendations cover areas with a mutual interest between ASEAN and the UK, including supply chain resilience for global public goods and championing an investment-focused recovery to build trust in open global markets. The UK would welcome sharing this work with ASEAN in a future dialogue.
9. In line with our World Trade Organisation (WTO) commitments and obligations, we commit to refrain from any unnecessary measures which may affect the exchange of goods, services and/or investment. We will notify all trade-related measures, in compliance with applicable WTO rules. We will work together to address the challenges faced by the WTO to strengthen and reform the organisation so it can deliver for businesses and consumers around the world.
10. This year, the UK and ASEAN worked together to better understand supply chains between our respective economies through the Economic Research Institute for ASEAN and East Asia (ERIA) report on UK-ASEAN Supply Chains and the Accelerated COVID-19 Economic Support (ACES) programme, both funded by the UK.
11. Looking ahead, the UK and ASEAN will continue to work together to strengthen supply chains in sectors of mutual interest using trade policy tools, including, but not limited to, implementation of regulations on competition, ^[ASEC: consumer protection.] intellectual property, and standards on testing, inspections and certifications. We commit to working together to share expertise and think innovatively to increase the adoption of digital solutions to address these shared challenges.

Regulatory Excellence

12. We recognise the importance of using international standards within our regulatory frameworks to facilitate trade, improve product safety and quality, and meet consumer expectations. We encourage the use of international standards as the basis for regulation wherever appropriate.
13. ^[ASEC: The ASEAN Masterplan of Connectivity 2025 identifies seamless logistics and regulatory excellence as key to a connected and integrated ASEAN.] In support of this, this year the UK funded a range of activity, including through the

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£19 million Economic Reform Programme. Using this UK funding, ^[ASEC: ASEAN and] the OECD delivered competition assessments and competitive neutrality reports on the logistics sector, presenting its findings at the ASEAN Economic Ministers Meeting in September.

14. ^[ASEC: The Master Plan on ASEAN Connectivity (MPAC) 2025 identifies seamless logistics and regulatory excellence as strategic areas to achieve a connected and integrated ASEAN, in which ASEAN and the UK will explore potential cooperation.] The UK is supporting ASEAN in its efforts to improve regulatory efficiency, transparency, predictability and harmonisation, strengthening the business environment for domestic and foreign firms. ^[ASEC: At a regional level, support has been provided to the OECD-ASEAN Good Regulatory Practice Network through technical assistance and advice regarding the regional policy agenda and good regulatory practice.] We look forward to working with ASEAN to develop its regulatory standards and systems development. Both sides welcome the participation of each other's businesses and interested parties in standardisation activities in ASEAN and the UK.

Comment [RHE1]: ASEC: Moved from paragraph 13.

Comment [RHE2]: ASEC: ASEC propose to have this deleted. Although ASEC regularly participates in the Forum's events, not all AMS involved in the OECD-ASEAN GRPN initiative. The GRPN's Bureau only consists of 3 AMS – Malaysia, Indonesia, and the Philippines.

Digital Innovation

15. This year marked a step-change in ASEAN-UK collaboration on digital, with the UK's Asia Pacific Digital Trade Network now fully operational and the ASEAN-UK Digital Innovation Partnership. This Partnership will deliver our shared economic and technological ambitions. Running until 2025, in line with the ASEAN Digital Masterplan, the activity will fall into the following three thematic categories: Digital Government; Digital Economy; and Trusted Digital Services. The UK-ASEAN Digital Innovation Symposium, brought together the public and private sectors to share learning spanning digital technical standards, digital transformation, data governance, and e-commerce.
16. The UK and ASEAN believe in harnessing digital tools to improve access to information for our business community. We will work together to design and implement a Digital Marketplace in an ASEAN Member State which will enable more inclusive public procurement for Micro, Small, and Medium ^[ASEC: -sized] Enterprises; increase procurement process efficiencies; increase transparency and accountability; and accelerate digital transformation. [The UK can support ASEAN's vision of a single government platform ^[ASEC: in each for all] Member States which will seek to provide a single and trusted point of access to all government services and information, improving citizens' access to vital public services and information].
17. Recognising the importance of engaging the private sector, the UK and ASEAN will expand the UK-ASEAN Digital Business Challenge from two to six ASEAN member states. This activity will broaden the reach of ASEAN entities, ^[ASEC: especially Micro, Small and Medium Enterprises.] looking to collaborate with UK partners on solving organisational challenges ^[ASEC: through digital solutions]. In doing so, this activity will deepen UK-ASEAN economic ties whilst growing a network of rich international partnerships.

Comment [UK3]: This section references programming the UK is planning through the Digital Innovation Partnership: designing a Digital Marketplace; expanding the Digital Business Challenge, and; expanding cyber security cooperation. UK officials are happy to talk ASEAN officials through these ideas when sharing the Digital Innovation Partnership concept note with the ICT and Tourism Division.

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18. The UK and ASEAN will build on existing cyber security cooperation, pursuing secure and resilient digital services and infrastructure through ^[ASEC: capacity building] activities and knowledge exchanges ~~on digital~~.

Financial Services

19. We recognise the importance of FinTech to financial inclusion for all citizens. The UK has both regulatory and commercial expertise across the FinTech ecosystem and is committed to sharing this with ASEAN.

Comment [UK4]: This section references planned work between ASEAN and the UK which we wish to share with ASEAN officials and discuss whilst preparing this declaration. The UK is happy to meet with ASEAN officials to discuss these proposals in more detail.

20. Working together, and involving the private sector, the UK and ASEAN will collaborate to gather information on barriers for FinTech in ASEAN, hosting in depth masterclasses across the region to support trade and investment. Recognising this, we look forward to upcoming capacity building in FinTech regulation and policy for ASEAN officials, focussing on priority areas for ASEAN.

21. We wish to highlight the importance of green finance, and the UK will conduct research and present findings to ASEAN to explore how to best scale the availability of green finance in ASEAN.

Clean Growth

22. We reaffirm our commitment to tackling climate change, one of the most serious threats facing our world. There is a clear need for all countries to do more. We look forward to capacity building between the UK and ASEAN under the framework of the ASEAN-UK Cooperation on COP26 and longer-term dialogue cooperation. Sustainability will continue to be a key focus for the UK and ASEAN in its economic cooperation.

23. The current economic climate presents an opportunity to build a greener and more sustainable global economy, in line with the objectives of the 2030 Agenda for Sustainable Development, the United Nations Framework Convention on Climate Change (UNFCCC) and its Paris Agreement, and the recent G7 Joint Statement. We reaffirm our strong and steadfast commitment to strengthening implementation of the Paris Agreement, unleashing its full potential.

24. We commit to use this opportunity to focus medium-term spending on infrastructure and wider recovery plans on clean and resilient growth. We reaffirm our commitment to working together towards a science-led, clean recovery that will create employment in the industries of the future while addressing public health challenges.

25. We commit to accelerate the clean energy transition, efforts towards ensuring sustainable supply chains, mainstreaming nature, biodiversity and climate into economic decision-making, and improving resource efficiency and promotion of a circular economic approach by reducing food loss and waste. We will explore opportunities on the use of international standards to facilitate this.

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Infrastructure

~~26.~~ We recognise the importance of ~~[ASEC: developing and investing in sustainable]~~ infrastructure to ~~[ASEC: support stimulating]~~ post-pandemic recovery ~~[ASEC: to].~~ We also recognise the importance of investing in infrastructure which meets the needs of future generations ~~[ASEC: and is environmentally sustainable].~~

~~27.~~

~~28-26.~~ To this end, we commit to deepening our collaboration on sustainable infrastructure [ASEC: connectivity, including through partnerships in advancing the Initial Rolling Priority Pipeline of ASEAN Infrastructure Projects, and implementing the Framework for Improving ASEAN Infrastructure Productivity and ASEAN Sustainable Urbanisation Strategy (ASUS) under MPAC] working together to deliver the Sustainable Infrastructure pillar of the Masterplan on ASEAN Connectivity 2025. We commit to working together to establish improved ways of planning, preparation, procurement and appraisal of infrastructure projects, establishing sustainability as a key part of the national infrastructure life cycle].

~~29-27.~~ We welcome the UK-ASEAN Sustainable Infrastructure Course delivered in April 2021. Looking ahead, we commit to ~~[ASEC: share~~ing best practices through information and experience exchanges; harnessing ~~[ASEC: both our~~ public and private sector expertise. To this end, we welcome the recent progress in designing an educational course for our officials together, ~~[ASEC: towards strengthening our infrastructure planning, preparation, delivery and operations, as well as establishing sustainability as a key part of infrastructure project lifecycle focussing on best practice].~~

Comment [UK5]: Following engagement between the UK and the ASEAN Connectivity Division, the UK is working on a new version of our concept note, which will include the UK proposals on a Sustainable Infrastructure Course.

Skills and Education

~~30-28.~~ We recognise the challenges the pandemic has introduced for young people and wide-scale disruption to education it has caused. Improving the use of and access to digital education platforms to develop skills for our citizens is critical to our long-term recovery from COVID-19. Access to quality education is critical for students and professionals to develop their careers, gain qualifications and realise their potential.

~~31-29.~~ We will continue our close relationship in skills-based education and welcome the UK support to ASEAN as an advisor on the South East Asian Ministers of Education Organisation (SEAMEO), which has established the SEAMEO Technical and Vocational Education and Training Council. We will contribute to the ASEAN Business Advisory Council 2021 legacy programme, the Harnessing Impact with Resilient Employability Digitally (HIRED) programme, bringing together employers from the UK and ASEAN to trial virtual learning and internships. We will also chair a Wilton Park dialogue in March 2022 focussed on green skills and entrepreneurship.

Women's Economic Empowerment

~~32-30.~~ We recognise the need to ensure our economic and trade policies are inclusive and do not leave anyone behind, especially women and girls. We note the existing attitudes and social norms which mean women and girls carry out

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disproportionately more unpaid care work which reduces time for paid work and education.

33-31. To address this, we look to work together to address the systemic barriers that may exist for women in trade, with an aim to increasing women's access to ^{ASEC} technology, markets, skills, financing and business networks. We will collaborate to support women to benefit equitably from global supply chains to improve their job opportunities and working conditions and will encourage gender-responsive investment by the public and private sector.

Comment [RHE6]: ASEC:
Aligned with the strategic goals of the ASEAN Strategic Action Plan for SME Development 2016 – 2025. While the Action Plan itself is gender-agnostic, the recent mid-term review of the SAP SMED 2025 emphasised the need to mainstream gender components in its implementation.

34-32. As members of the WTO, we support the wider WTO membership to deliver an ambitious outcome at the 12th Ministerial Conference (MC12) to bolster women's participation in trade and their economic empowerment.

35-33. We will share identified policy interventions and mechanisms to expand women's choices and opportunities, as workers, business owners, and consumers, so they can participate in and benefit from trade.

36-34. It is important to have a strong evidence base. We welcome the collection and analysis of gender-disaggregated data and the development of tools, such as, for instance, the SheTrades Outlook.

DRAFT