



MINISTRY OF
INTERNATIONAL TRADE AND INDUSTRY

MEDIA RELEASE

MALAYSIA CALLS FOR COHESIVE ECONOMIC MEASURES AMONG ASEAN MEMBER STATES TO BUILD SOCIO-ECONOMIC RESILIENCE

Yesterday, YB Dato' Seri Mohamed Azmin Ali, Senior Minister and Minister of International Trade and Industry attended the 36th ASEAN Summit via virtual conference hosted by Viet Nam. The Malaysian delegation was led by Prime Minister YAB Tan Sri Dato' Hj. Muhyiddin Yassin.

The ASEAN Summit is the supreme policy-making body of ASEAN which deliberates and provides policy guidance, including taking decisions on key issues pertaining to the realisation of the objectives of ASEAN among which are the acceleration of the economic growth, social progress and cultural development in the region through joint endeavors in the spirit of equality and partnership. ASEAN leaders stress the centrality and importance of unity, cooperation and solidarity, economic integration, and the importance of promoting ASEAN pro-activeness and capacity in addressing the challenges in the global landscape. The summit also discusses important matters of interest to Member States and all issues referred to it by the ASEAN Secretariat from the various councils and bodies.

At the summit, ASEAN Leaders took note of the Hanoi Plan of Action on Strengthening ASEAN Economic Cooperation and Supply Chain Connectivity in Response to the COVID-19 Pandemic which was adopted by the ASEAN Economic Ministers at the Special ASEAN Economic Ministers' Virtual Conference Meeting on COVID-19 Response held on 4 June 2020. The Hanoi Plan of Action demonstrates ASEAN unity and determination in mitigating the impact of the COVID-19 pandemic through strengthening regional economic resilience, in line with the key priorities of Viet Nam's ASEAN Chairmanship 2020.

The Prime Minister, in his intervention, emphasised that in moving beyond efforts to contain the COVID-19 pandemic in the region, leaders must inculcate a similar sense of urgency to also push for economic recovery. The public health crisis has had a



profound impact on economies and rebooting the regional economy must be our utmost priority to mitigate disruptions to trade and strengthen the resilience of the regional supply chains.

The Prime Minister made a strong case for Governments to implement measures to establish “travel bubbles” between ‘green’ ASEAN Member States to shore up investments and create job opportunities. Malaysia also broached the idea of opening up borders for intra-ASEAN tourism to flourish and provide financial boost into the region’s economies. Further, promoting intra-ASEAN travel and tourism will in turn generate the commercial and business spin-offs that are key to restarting the economy.

On that note, Malaysia shared the view by His Majesty the Sultan of Brunei Darussalam and the President of Indonesia that ASEAN officials should begin work on the establishment of an ASEAN travel bubble and to explore the possibility of sectoral exemptions for travel restrictions such as medical tourism, or high-value economic visits.

In 2019, ASEAN trade reached USD 2.8 trillion, of which USD 619.6 billion was intra-regional. China (18.0% share of total ASEAN trade), the US (10.4%), the EU (8.7%) and Japan (8.0%) remain as ASEAN’s largest trade partners. The main investors to ASEAN are the United States with 15.2% followed by Japan (12.7%), Hong Kong (7.0%) and China (5.7%). Despite the challenges and uncertainty faced in 2019, and notwithstanding the decline in global FDI flows by 1.4%, FDI inflows to ASEAN recorded an increase of 4.9% in 2019, to USD 160.6 billion.

Dato’ Seri Azmin also participated in the ASEAN Leaders Interface Session with representatives of the ASEAN Business Advisory Council (ASEAN-BAC) to discuss private sector recommendations and feedback on the implementation of ASEAN economic cooperation.



The Senior Minister stressed that support from the business community is crucial in bolstering government initiatives in dealing with COVID-19 and called for ASEAN to take the lead in pressing for greater global battle and enhanced collaborative efforts to fight the pandemic, together with a concerted Regional Economic Recovery Plan. As time is of the essence, Dato' Seri Azmin reiterated the Prime Minister's call for the expeditious formulation of the recovery plan as this is crucial to achieve ASEAN's objective of greater economic integration.

Malaysia believes that acting in a cohesive and responsive manner is not an option, but indeed an utmost necessity for ASEAN economic revitalisation. Malaysia together with ASEAN colleagues and FTA partners, will continue working towards the conclusion and signing of the Regional Comprehensive Economic Partnership (RCEP) this year which Malaysia believes would contribute to the deepening of regional economic integration and prosperity.

The Senior Minister also underscored the imperative of enhancing ASEAN competitiveness in global trade and commerce through consistent capacity-building including the full adoption of digitalization in all crucial areas of economic activity towards the realization of a knowledge economy.

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**MINISTRY OF INTERNATIONAL TRADE & INDUSTRY (MITI)
SATURDAY, 27 JUNE 2020**

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