



MINISTRY OF
INTERNATIONAL TRADE AND INDUSTRY

MEDIA RELEASE

THE TWENTY-NINTH ASEAN ECONOMIC MINISTERS' RETREAT (AEM)

The Twenty-Ninth ASEAN Economic Ministers' Retreat (AEM) held on 22 March 2023 in Magelang, Indonesia set the tone for speeding up various key economic, trade and investment priorities in ASEAN. The team from the Ministry of International Trade & Industry (MITI) was led by its Minister, Tengku Datuk Seri Utama Zafrul Aziz.

The first AEM Retreat for the year discussed the priorities and deliverables under Indonesia's Chairmanship, with the theme ASEAN Matters: Epicentrum of Growth. Apart from following up on items from the 40th and 41st ASEAN Summits and Related Summits held under Cambodia's Chairmanship last year, the Ministers also discussed various emerging issues that are vital to ASEAN's regional socio-economic development.

The AEM endorsed Indonesia's seven (7) Priority Economic Deliverables (PEDs) under their purview, which focuses on three (3) Strategic Thrusts namely Recovery and Rebuilding, Digital Economy and Sustainability. Malaysia believes these PEDs will drive ASEAN towards a highly integrated, cohesive, competitive, and dynamic economic region whilst becoming digitally adaptable and sustainable, for the well-being and prosperity of its people.

Digital economy continued to be an important agenda that supports the Bandar Seri Begawan Roadmap (BSBR) which aims to accelerate ASEAN's vision of becoming a leading digital community and economic bloc.

The AEM envisages this to be enabled by secure and transformative digital services, technologies and ecosystem. The Ministers took note of the progress of the study of the Digital Economy Framework Agreement (DEFA) that focuses on the fundamentals, impact and inclusivity of the digital economy on key stakeholders within the region. The study is expected to be endorsed at the 55th AEM Meeting in August 2023, while the negotiations on DEFA are expected to be launched at the 43rd ASEAN Summit in September 2023.

Taking into account the importance of the sustainability agenda, ASEAN is also working on a Strategy for Carbon Neutrality to enable the region to mitigate the effects of climate change and promote sustainable development. The Ministers took note on the progress of a study to develop a strategy (“the Strategy”) that will focus on, among others, the development of a nature- and market-based solutions, as well as a sustainable and inclusive ecosystem. The Strategy is also aligned with Malaysia’s commitment to achieve a net-zero carbon emission status by 2050 as well as MITI’s initiative to develop an Environmental, Social and Governance (ESG) framework for the manufacturing sector.

The AEM also supported and commended the work undertaken by the ASEAN Business Advisory Council (ASEAN-BAC), focusing on five (5) priority areas of Digital Transformation; Sustainable Development; Trade Facilitation; Health Resilience; and Food Security, that support Indonesia’s PEDs and the implementation of the AEC Blueprint 2025. The AEM stressed on the importance of a close cooperation between the private and public sectors to address the region’s challenges and to enable the realisation of a more competitive, integrated, and sustainable ASEAN.

Further, ASEAN-BAC will also focus on supporting ASEAN's sustainable development initiatives, as well as strengthen connectivity, innovation and digital adoption across industries to boost businesses' competitiveness, particularly for the MSMEs.

Malaysia looks forward to working closely with all ASEAN Economic Ministers to ensure the effective implementation of the AEC Blueprint 2025 and its accompanying priorities for the socio-economic prosperity of both Malaysia and ASEAN.

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About MITI:

MITI is the key driver in making Malaysia the preferred destination for quality investments and enhancing the nation's rising status as a globally competitive trading nation. Its objectives and roles are oriented towards ensuring Malaysia's rapid economic development and help achieve the country's stated goal of becoming a developed nation.

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