



MINISTRY OF
INVESTMENT, TRADE AND INDUSTRY



MEDIA STATEMENT



**ASEAN ECONOMIC MINISTERS STAND UNITED ON ‘NEGOTIATE, NOT RETALIATE’ APPROACH
DURING SPECIAL ASEAN ECONOMIC MINISTERS MEETING ON 10 APRIL 2025**

A **Special ASEAN Economic Ministers (AEM) Meeting** was convened on **10 April 2025** to discuss the impact of the recent Announcement of Reciprocal Tariffs by the United States (US) on 2 April 2025. The Special AEM was attended by the Economic Ministers of all ASEAN Member States and Timor-Leste, and the Secretary General of ASEAN.

ASEAN Member States and Timor-Leste unanimously refute the basis used in calculations by the US and agreed that the Reciprocal Tariffs by the US – ranging from 10% to 49% – will have a profound impact on ASEAN’s economic growth and development trajectories. These tariffs will be regressive to ASEAN’s regional economic integration efforts built on a rules-based system, since its establishment in 1967. It was also agreed that Trump’s announcement on 9 April 2025 for a 90-day pause on Reciprocal Tariffs, while applying the baseline tariff of 10%, provides a window of opportunity to find a pragmatic and mutually advantageous solution for ASEAN in a strategic and tactful manner.

The ASEAN Member States were **united in the opinion that retaliation is not an option**, where the Special AEM also underscored **the importance of maintaining constructive, non-retaliatory, and forward-looking engagements with the US** to address the emerging challenges while continuing to enhance ASEAN and US economic relations based on mutual interests and shared priorities.

The Special AEM reflected on the recent statement made by the Director General of WTO, who cautioned that **escalating trade tensions between the US and China pose a significant risk, and that division of the two main blocs of global economy could lead to a long-term reduction in global real GDP by nearly 7%.**

In reaffirming ASEAN’s commitment to open and inclusive economic cooperation, **the Ministers underscored the region’s support for a predictable, transparent, non-discriminatory, free, fair, inclusive, sustainable, and rules-based multilateral trading system, with the WTO at its core.** The recent Liberation Day tariffs announced by the U.S. run counter to these very principles, introducing

uncertainty and undermining trust in the global trade system. **Such actions risk eroding the foundation of fair competition and mutual benefit that multilateralism is built upon.** ASEAN believes that adherence to these principles remains critical to ensuring stability, fostering trust, and safeguarding long-term economic prosperity for ASEAN and its partners.

In principle, **the Special AEM agreed on the establishment of the ASEAN Geoeconomics Task Force,** which will serve as a platform involving experts, for ASEAN to discuss and formulate a coherent forward-looking regional policy response to emerging economic and geopolitical challenges by **identifying key risks and opportunities to strengthen the region's strategic positioning, resilience, and relevance in an increasingly complex global landscape.**

The position stated in the AEM Joint Media Statement will be further presented at the Special ASEAN Leaders' Meeting that will be convened **to discuss the ASEAN Member States' way forward,** and to **address and mitigate potential disruptions** to regional trade, supply chain networks, and cross-border investments. This is to **ensure that ASEAN continues to be a stable, competitive, and attractive hub for global trade and investment.**

The Malaysian Government will also continue engaging with the US to find an amicable and fair solution to the reciprocal tariff issue.

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10 APRIL 2025

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MITI is the key driver in making Malaysia the preferred destination for quality investments and in 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 helping to achieve the country's stated goal of becoming a developed nation.

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