

OPENING REMARKS BY AEM CHAIR

H.E. TENGKU DATUK SERI UTAMA TENGKU DATUK SERI ZAFRUL TENGKU ABDUL AZIZ

Thank you, Excellency, for giving me the floor.

- First and foremost, I would like to extend a warm welcome to all AEM and AMM colleagues to Kuala Lumpur, Malaysia. I would also like to take this opportunity to express my sincere appreciation to my esteemed colleague, H.E. Dato' Seri Utama Haji Mohamad bin Haji Hasan, Foreign Minister of Malaysia and AMM Chair, for graciously hosting this Joint AEM–AMM Meeting.

Excellencies Ministers,

Strengthening Cross-Pillar Coordination

- As rightly mentioned by the AMM Chair, this Joint Meeting comes at a pivotal moment, providing an important platform for ASEAN to address economic and political-security issues in a more integrated and strategic manner. While the mechanism itself is not new, its urgency has never been greater. We all recognise that every economic policy carries political weight, just as every political decision has significant economic consequences. Strengthening the synergy between these two pillars is therefore essential as ASEAN navigates an increasingly complex and uncertain global landscape.

Confronting Global Economic Fragmentation

- For decades, open trade and regional integration have powered ASEAN's growth — lifting millions out of poverty, driving industrialisation, and positioning our region as a key hub in global value chains. Yet today, this progress is at risk. Rising protectionism, technological decoupling, and unilateral measures threaten to undermine the hard-earned gains of openness and cooperation.

- Global economic fragmentation has now emerged as one of the defining challenges of our time — and it is expected to deepen further. The ongoing strategic rivalry between major powers is unlikely to subside soon. What began as trade disputes has now expanded to encompass logistics, technology, and critical supply chains — reshaping the global trade landscape and testing the resilience of interconnected economies like ours.

Anchoring ASEAN's Response: Economic Security and Resilience

- To confront these growing challenges, ASEAN must anchor its response on two key pillars — economic security and economic resilience.
- While some equate economic security with isolation or protectionism — a path regrettably pursued by several major powers — ASEAN's approach should focus on remaining open yet secure.
- Our focus should be on protecting the stability of regional and global supply chains, securing access to critical goods, energy, and technologies, and reducing overdependence on any single market or production source. It also entails strengthening food, energy, and digital security, while building institutional capacity to anticipate and mitigate risks before they escalate into crises.
- Economic resilience, meanwhile, requires diversifying markets and supply networks, deepening intra-ASEAN trade and investment, and enhancing cooperation with trusted and like-minded partners to build a more stable and predictable environment. Together, these two pillars will enable ASEAN to safeguard strategic autonomy, preserve regional stability, and maintain its position as a trusted and competitive hub amid global uncertainty.

Excellencies, Ministers,

Reinvigorating Multilateralism and Regional Cooperation

- As one of the world's major regional blocks, ASEAN must remain steadfast in upholding a rules-based multilateral trading system that underpins global stability and shared prosperity.
- ASEAN should advocate for more focused and high-impact reforms at the WTO — particularly in areas such as enhancing subsidy transparency, establishing digital trade governance, and restoring trust in dispute settlement mechanisms, to rebuild trust and confidence in global trade rules.
- In parallel, I also view that it is timely for us to strengthen our regional economic security to enhance our ability to anticipate, manage, and respond to emerging risks, across both economic and political spheres.
- On that note, I hope the ASEAN Geoeconomics Task Force (AGTF), established earlier this year, will provide valuable inputs to help shape our region's future. The AGTF has already presented its preliminary findings and recommendations to the AMM in July 2025 and to the AEM last month. I look forward to its presentation today, offering clear, practical, and forward-looking recommendations to guide ASEAN's strategic direction in this new era.

Thank you.