MB773

JOINT DECLARATION
ON COMPREHENSIVE COOPERATION PARTNERSHIP
BETWEEN
THE ASSOCIATION OF SOUTHEAST ASIAN NATIONS AND
THE REPUBLIC OF KOREA

WE, the Heads of State/Government of Member Countries of the Association of Southeast Asian Nations (ASEAN) and the Republic of Korea (ROK) gathered on 30 November 2004 in Vientiane, Lao PDR, for the ASEAN-ROK Summit;

NOTING with deep satisfaction that our countries have forged a close and beneficial relationship since the establishment of dialogue relations in 1989, which have contributed to regional peace, prosperity, and development;

ENCOURAGED by the significant progress for the last 15 years of cooperation in the areas of political and security, trade and investment, economy, information and communications technology (ICT), society and culture, and human resource development (HRD), as supported by the ASEAN-ROK Special Cooperation Fund (SCF) and the ASEAN-ROK Future Oriented Cooperation Projects (FOCP) Fund;

RECOGNISING that the multifaceted challenges of globalisation and regional integration as well as traditional and non-traditional issues affecting human security, require a more coherent and well-coordinated response at the regional level;

REAFFIRMING ASEAN's full support for the ROK's policy towards building a permanent mechanism for peace on the Korean Peninsula and the ROK's full support for the Declaration of ASEAN Concord II (Bali Concord II) adopted at the 9th ASEAN Summit held in October 2003 in Bali, Indonesia, which will lead to the formation of the ASEAN Community, comprising the ASEAN Security Community (ASC), ASEAN Economic Community (AEC), and ASEAN Socio-cultural Community (ASCC);

SHARING the belief that while ASEAN and the ROK have enjoyed a strong partnership and have developed close trade and investment linkages through many years of fruitful cooperation and dialogue, there exists much room for

CERTIFIED COPY
SECRETARY GENERAL OF ASEAN
asean

both sides to maximise the potential of the relationship;

CONVINCED that a Free Trade Area (FTA) among themselves would further promote growth and development, increase living standards of the people throughout the region and would provide further dynamic benefits to the region in the long term;

RECOGNISING the potential of cooperation in new and emerging areas of interest such as tourism, education, science and technology, non-traditional security issues, agriculture and forestry, energy, environment and regional and international issues;

ACKNOWLEDGING the contribution of the ROK to ASEAN's development in accordance with the ASEAN Vision 2020 and the Ha Noi Plan of Action, and its support for the Initiative for ASEAN Integration (IAI) to narrow development gaps among the ASEAN Member Countries;

RECALLING the Joint Statement on ASEAN-ROK Cooperation Towards the 21st Century adopted on 16 December 1997 in Kuala Lumpur, Malaysia, which laid a firm foundation for an intensified ASEAN-ROK partnership, and provided the impetus to further the relationship into the new millennium;

DETERMINED, in commemorating the 15th anniversary of the dialogue relations, to develop a strategic framework for a more comprehensive, action-oriented and forward-looking partnership through existing mechanisms within the ASEAN-ROK and the ASEAN Plus Three processes;

ALSO DETERMINED to ensure that core economic and development strategies support the overall integration plans for ASEAN, including the deepening of East Asia cooperation, which should be complementary regional processes;

HEREBY agree to the following common strategies of action for the Comprehensive Cooperation Partnership:

1. Enhancing Political and Security Cooperation

- Enhance cooperation based on the principles that have guided our relationship, which include adherence to the purposes and principles of the UN Charter and applicable international laws, respect for each other's national sovereignty, territorial integrity and independence, and the pursuit of national development and cooperation based on mutual trust, benefit and equality.
- Strengthen political and security cooperation through high-level contacts and people-to-people exchanges at the officials' level and by intensifying dialogue using existing mechanisms.

CERTIFIED COPY SECRETARY GENERAL OF ASEAN asean

- Promote closer cooperation at regional and multilateral levels through fora such as the ASEAN Regional Forum (ARF) and ASEAN Plus Three process, among others, to enhance regional security, mutual cooperation and confidence-building measures.
- Strengthen cooperation in disarmament and non-proliferation of weapons of mass destruction and their means of delivery, and related materials.
- Enhance cooperation in combating transnational crimes such as terrorism, trafficking in drugs and human trafficking through existing mechanisms.
- ASEAN supports the efforts of the ROK and concerned parties towards the maintenance of peace and security on the Korean Peninsula and the region, and hopes for the early resumption of the Six-Party Talks to achieve denuclearisation on the Korean Peninsula peacefully through dialogue.
- The ROK, in support of the purposes, principles and spirit of the Treaty of Amity and Cooperation in Southeast Asia, had acceded to the Treaty with a view to strengthening the existing trust and friendship between ASEAN and the ROK, thereby contributing to regional peace and stability.

2. Enhancing Closer Economic Relations

- With evolving developments in the multilateral trading environment and other growing global challenges, there is a need for both sides to forge a comprehensive economic partnership to provide impetus for even stronger dialogue relations and trading partnership. Not only would this bring substantial economic benefits to the peoples of ASEAN and the ROK, this partnership would also provide an important mechanism for continued mutual cooperation and understanding.
- The Leaders of ASEAN Member Countries and the ROK welcome the recommendations of the ASEAN-ROK Experts Group Joint Study of Comprehensive Closer Economic Relations between ASEAN and the ROK which, among others, contain measures to enhance the economic relations, the expansion of two-way trade and investment and the enhancement of economic cooperation, especially capacity building in various fields such as tourism, agriculture, fisheries and forestry, energy, information technology, and science and technology.
- The establishment of the AKFTA would be a natural extension of the existing relations between ASEAN and the ROK, as well as a stepping stone to elevating the ASEAN-ROK relationship to a higher and more comprehensive level. Further liberalisation and integration of their markets through the elimination of tariffs and non tariff barriers would create a more business-friendly environment that would be mutually beneficial.
- The AKFTA will be comprehensive in scope, covering trade in goods, services and investment. The objective of the AKFTA is to move towards deeper economic integration between the two regions through progressive elimination of all forms of barriers to trade in goods, services and



investment; and through trade and investment facilitation and economic cooperation measures. The AKFTA will include provision for flexibility, including special and differential treatment, such as technical assistance and capacity building programmes, especially for the newer ASEAN Members to address the different levels of development among the Member Countries and enable them to participate fully and to obtain full benefits from the AKFTA.

- The negotiations on the AKFTA shall commence in early 2005 and be completed within two years. The AKFTA will be realised at an earlier date, with a goal of achieving as high a level of liberalisation as possible, whereby at least 80% of products will have zero tariffs in 2009, and with consideration for special and differential treatment and additional flexibility for new ASEAN Member Countries. The AKFTA will have differentiated timelines for the ROK and ASEAN-6 on the one hand, and the Cambodia, Laos, Myanmar and Viet Nam (CLMV Countries) on the other.
- Negotiations on ASEAN-ROK FTA will be on the basis of the timeframe and key elements of the ASEAN-Korea Experts Group Joint Study endorsed by the Economic Ministers attached to this Declaration as an Annex.

3. Narrowing the Development Gaps within ASEAN and between ASEAN and the ROK

- Strengthen cooperation and support for the realisation of ASEAN integration objectives by implementing projects furthering the Bali Concord II, IAI as well as the Vientiane Action Programme (VAP), including providing technical assistance and capacity building for the least developed countries (LDC) of ASEAN based on the experience and expertise of the ROK in development.
- Strengthen ASEAN's integration efforts in narrowing the development gaps within ASEAN and between ASEAN and the ROK by enhancing regional and sub-regional development, including through the Mekong Sub-region, Ayeyawady-Chao Phraya-Mekong Economic Cooperation Strategy (ACMECS), the Brunei Darussalam-Indonesia-Malaysia-Philippines East ASEAN Growth Area (BIMP-EAGA), the Greater Mekong Sub-region (GMS) programme, the Second East-West Economic Corridor, the Singapore-Kunming Rail Link (SKRL) project as well as sharing experiences with the Mekong River Commission (MRC) in formulating and implementing priority programmes in the Mekong River Basin.
- Pursue and enhance cooperation in the areas of energy and resources, finance, transportation, labour, science and technology, ICT, to narrow the digital divide and develop human resources.
- Reduce disparities and poverty by creating a supportive environment for intra-regional trade and by promoting human resources development and enhancing institutional capacity building.

CERTIFIED COPY
SECRETARY GENERAL OF ASEAN
asean

- Develop the ASEAN grass-root economies by promoting commerce and retail activities at the local community level, improving indigenous knowledge, and developing and strengthening Small and Medium Enterprises (SMEs) to enhance self-sufficiency and viability of the domestic economy.

4. Enhancing Competitiveness and Promoting Knowledge-based Economy/Society, and Cooperation in the Fields of Education and Science and Technology

- Exchange information and share experiences on competitiveness and development, such as through establishing an ASEAN-ROK competitiveness forum.
- Build a Knowledge-based Economy (KBE) by strengthening human and information capital and technology through knowledge-sharing by linking learning institutes and promoting a cooperation mechanism for an information society. The ROK will assist ASEAN in securing the necessary physical and knowledge-based infrastructure to harness information, knowledge and technology to improve the welfare, education and competitiveness of the local communities.
- Strengthen financial cooperation, regional capital market development, two-way investment, SMEs, energy security, cooperation in research and development, and HRD in enhancing ASEAN's competitiveness.
- Set up a framework for tourism cooperation, such as joint promotion, marketing, investment, and manpower development.
- Promote socio-culture cooperation by commencing the promotion of small and medium-size culture enterprises (SMCE) and exploring future fields of cooperation such as development of competitive products for ASEAN local communities and Cultural Mapping.

5. Enhancing Mutual Understanding

- Promote educational and cultural cooperation through programmes and activities such as scholarships, scientific research, speech contests in the ASEAN and Korean languages and exchange of cultural performances.
- Promote people-to-people exchanges among the academia, youth, media practitioners, artists, diplomats and cultural experts to deepen mutual understanding and friendship.
- Expand mass-media exchanges through television, cinema and print media, and promote ASEAN and Korean sports through exchanges between various cultural and sports institutions.

6. Promoting Cooperation in Coping with Emerging Global Challenges

- Pursue cooperative activities in food security, food safety and sustainable agricultural development focusing on HRD and capacity building in

CERTIFIED COPY
SECRETARY GENERAL OF ASEAN
asean

sanitary and phyto-sanitary measures and agricultural standards.

- Cooperate on international and regional environmental issues such as environmental management, climate change, biodiversity, and chemicals and hazardous waste in line with commitments made under the various multilateral environmental agreements.
- Mobilise global community partnerships to strengthen the surveillance system for containing communicable diseases, develop programmes for the prevention and control of such diseases and enhance the competencies of domestic health agencies in supporting domestic and regional health efforts.

7. Cooperation in Regional and International Arena

- Cooperate in international fora, such as the UN, World Trade Organisation (WTO) and Bretton Woods Institutions to promote and maintain regional and international peace, stability and development, and to ensure greater benefits for all from globalisation.
- Cooperate closely to further common interest in intra-regional and inter-regional cooperation in ASEAN led fora such as ARF, the ASEAN Plus Three process and other fora such as the Asia Cooperation Dialogue (ACD), Asia-Europe Meeting (ASEM), Asia-Pacific Economic Cooperation (APEC), and Forum for East Asia and Latin America Cooperation (FEALAC).

8. Deepening East Asia Cooperation

- Work towards the strengthening of East Asia cooperation through the active implementation of the East Asia Study Group (EASG) measures adopted by the ASEAN Plus Three Summit in Phnom Penh, Cambodia in 2002.
- Strengthen functional cooperation in the various agreed fields within the ASEAN Plus Three framework to consolidate cooperation.
- Cooperate closely to further common interest in scrutinising the prospects and challenges of an East Asia community, through fora such as the East Asia Forum, ASEAN Plus Three Summit, and other related meetings, including the proposed East Asia Summit.

Implementation and Funding Arrangements

In order to realise the purposes of this Declaration, we agreed to the following:

- A detailed Plan of Action will be developed by our Ministers for consideration and adoption at the ASEAN-ROK Summit in 2005 in Malaysia.
- Existing funding mechanisms will be augmented and strengthened, including the SCF and the FOCP Fund, for effective implementation of

CERTIFIED COPY
SECRETARY GENERAL OF ASEAN

activities in line with this Declaration.

- Requisite resources will be provided by ASEAN and the ROK to implement the activities in accordance with their respective capacities, including by mutually exploring creative resource mobilisation strategies.
- Progress made in realising the objectives of this Declaration will be reviewed by our Ministers and other mechanisms within the dialogue framework.

SIGNED in Vientiane, Lao PDR, this Thirtieth Day of November in the Year Two Thousand and Four in two originals in the English language.

For Brunei Darussalam

HAJI HASSANAL BOLKIAH
Sultan of Brunei Darussalam

For the Republic of Korea

ROH MOO-HYUN
President

For the Kingdom of Cambodia

SAMDECH HUN SEN
Prime Minister

For the Republic of Indonesia

DR. SUSILO BAMBANG YUDHOYONO
President

CERTIFIED COPY
SECRETARY GENERAL OF ASEAN
asean

For the Lao People's Democratic Republic

BOUNNHANG VORACHITH
Prime Minister

For Malaysia

DATO' SERI ABDULLAH AHMAD BADAWI
Prime Minister

For the Union of Myanmar

LIEUTENANT GENERAL SOE WIN
Prime Minister

For the Republic of the Philippines

GLORIA MACAPAGAL-ARROYO
President

CERTIFIED COPY
SECRETARY-GENERAL OF ASEAN
asean

For the Republic of Singapore

LEE HSIEN LOONG
Prime Minister

For the Kingdom of Thailand

DR. THAKSIN SHINAWATRA
Prime Minister

For the Socialist Republic of Viet Nam

PHAN VAN KHAI
Prime Minister

CERTIFIED COPY
SECRETARY GENERAL OF ASEAN
asean

ANNEX

CORE ELEMENTS OF THE FRAMEWORK AGREEMENT FOR ASEAN-KOREA FREE TRADE AREA

ASEAN and Korea shall develop a Framework Agreement which provides basic rules and principles for future cooperation including negotiations for establishment of an ASEAN-Korea FTA (AKFTA) at an early date. The core elements for the Framework Agreement are as follows:

Coverage:

(i) Comprehensive liberalisation and facilitation of economic relations between ASEAN and Korea inter alia, trade in goods, trade in services, and investment;

(ii) Identification and abolition of NTBs, and introduction of disciplines to ensure that the NTMs do not impede trade;

(iii) Comprehensive range of economic cooperation including, but not limited to: SMEs, customs procedures, tourism, trade and investment promotion, capacity building etc.;

(iv) Consultation and dispute settlement mechanisms on issues arising from the interpretation and application of the measures for implementing the agreement; and

(v) Development of infrastructure especially for the CLMV countries.

Level of Liberalisation:

(i) Substantive liberalisation in all sectors, with the provision of flexibility where appropriate; and

(ii) Consideration of sensitivities in particular sectors and the different stages of economic development of each participating country.

Negotiation modalities:

(i) Negotiation between ASEAN and Korea as a whole; taking into account sensitivities in particular sectors and the different stages of economic development of each participating country, in particular, provision of S&D treatment to ASEAN and additional flexibility for the CLMV countries in the implementation of measures in the Framework Agreement; and

(ii) Negotiation sequencing matters: comprehensive negotiations for all three pillars; trade in goods, services and investment, as well as economic cooperation activities.



Others:

(i) Conclusion of a Framework Agreement to facilitate negotiations and draw out concrete commitments from 11 participating countries; and

(ii) Making efforts on the early realisation of a FTA, taking into account, inter alia:

(a) The accordance of MFN treatment, consistent with WTO rules and principles, for ASEAN countries who are non-WTO members;

(b) The importance of economic cooperation; and

(c) The possibility of achieving Early Results prior to the establishment of a free trade area, through the immediate implementation of measures mutually agreed upon in the Framework Agreement, by commencing such tariff elimination for products which are not sensitive to either side, and economic cooperation projects yielding mutual benefits.

The negotiations on the AKFTA shall commence in early 2005 and be completed within two years. The AKFTA will be realised at an earlier date, with a goal of achieving as high a level of liberalisation as possible, whereby at least 80% of products will have zero tariffs in 2009, and with consideration for special and differential treatment and additional flexibility for new ASEAN Member Countries. The AKFTA will have differentiated timelines for the ROK and ASEAN-6 on the one hand, and the Cambodia, Laos, Myanmar and Viet Nam (CLMV Countries) on the other.

*****

