JOINT COMMUNIQUÉ

of

the OECD SEARP Ministerial Conference

Seoul, 9-10 February 2022

A human-centred future
Partnership for a smarter, greener and more inclusive ASEAN



We, Ministers and Representatives of Southeast Asia and OECD Member countries, gathered at the OECD Southeast Asia Regional Programme (OECD SEARP) Ministerial Conference held in Seoul, Korea on 9-10 February 2022, under the leadership of the Republic of Korea and the Kingdom of Thailand as Co-chairs of the Programme.

- 1. We thanked Korea and Thailand for their active engagement and leadership as the Co-chairs of the OECD SEARP since March 2018. We also expressed appreciation to the OECD Secretariat for its analytical and substantive support to Southeast Asian countries and ASEAN.
- 2. We acknowledged that since its establishment in 2014, the Programme has evolved into a visible platform among OECD and Southeast Asian countries for sharing standards, policies and good practices in priority areas of mutual interest. The Programme will continue to support ASEAN, encourage country-specific economic reforms and enhance alignment of OECD and Southeast Asian countries.
- 3. We highlighted that the OECD has reaffirmed Southeast Asia as a region of strategic priority. Southeast Asian partners have also expressed their wish to advance strategic co-operation with the OECD in support of ASEAN regional integration, namely in the Chair's statement of 2021 ASEAN Summit highlighting the benefits of enhanced collaboration in the areas of mutual interests through conclusion of an ASEAN-OECD Memorandum of Understanding (MoU).¹
- 4. We commended the substantive achievements made under the leadership of the Co-chairs, Korea and Thailand, building upon the progress of the first phase of the Programme led by Japan and Indonesia. These are highlighted in the report *Key Achievements in the Second Phase of the OECD Southeast Asia Regional Programme* and *Activity Report of OECD Southeast Asia Regional Programme*. The Programme mainstreamed horizontal themes such as connectivity in 2019, post-pandemic recovery in 2020 and human capital development in 2021. This enabled the Programme to take a more focused and horizontal approach.
- 5. We applauded Co-chairs and experts of the 13 OECD SEARP work streams Investment, Sustainable Infrastructure, SMEs, Education and Skills, Tax, Good Regulatory Practices, Competition, Trade, Innovation, Gender, Tourism, Green Recovery and the Regional Economic Outlook for their achievements during the second phase of the Programme. We also welcomed the Co-chair's initiative to start discussions on consolidating work streams under three pillars Business Climate and Competitiveness, Good Governance and Transparency, and Inclusive Growth in order to strengthen the effective implementation of the Programme.
- 6. We highlighted that the COVID-19 pandemic continues to have profound impact on the health, well-being and economic prosperity of our region as well as the world. We reaffirmed that economic recovery cannot be achieved without pandemic recovery. Recognising the role of extensive COVID-19 vaccines as a global public good, we underscore the need to accelerate efforts to fully vaccinate 70% of Southeast Asia's population by mid-2022. It is therefore imperative for OECD SEARP to facilitate and strengthen international co-operation on COVID-19 and to ensure equitable and timely access to safe,effective, quality-assured and affordable vaccines, diagnostics, therapeutics, and related goods and services by working to

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¹ Chairman's Statement of the 38th and 39th ASEAN Summits, 26 October 2021.

- facilitate the flow of these goods and services and minimise disruptions to the global supply chains.
- 7. We recognised that prior to the COVID-19 pandemic, Southeast Asia had achieved remarkable progress in raising income, reducing poverty and advancing economic growth. Its geographic location, vast natural resources, rapidly diversifying economies, expanding middle class and a young, educated, skilled and dynamic population offer the region vast opportunities for socioeconomic development.
- 8. We noted that, despite such progress, the COVID-19 pandemic has increased the social divide and has affected the ways people live, work and interact. It has deepened inequalities, accelerated digital transformation, underscored the importance of environmental resilience for effective crisis management, and highlighted unequal vaccine access. In this respect, the ASEAN Comprehensive Recovery Framework (ACRF) and its implementation plan serve as a crucial roadmap for facilitating a fast and sustainable recovery in the region, based on its five broad strategies. We also noted that enhanced development co-operation among SEARP and OECD countries can support a sustainable COVID-19 recovery in synergy with the ACRF.
- 9. We recognised that trade and investment liberalisation are at the heart of an inclusive economic recovery. Open markets, underpinned by a rules-based multilateral trading system, will facilitate strong and resilient post-COVID-19 economic growth. Strengthening supply chain efficiency, co-ordination, robustness, resilience and security is needed in order to restore the trade and investment links that have been disrupted by the pandemic. We will continue to address trade distortions, enhance openness to investors, promote free and fair trade competition as well as competitive and contestable markets, boost trade in services, and strengthen the integration of MSMEs into global value chains. We reaffirm ASEAN and OECD's shared commitment to build a more sustainable and resilient future which promotes economic growth and leaves no one behind.
- 10. We also recognised that the COVID-19 pandemic has a disproportionate impact on the most vulnerable groups including women, youth, persons with disabilities, the elderly, migrant workers among others. We noted the importance of promoting the welfare of vulnerable groups in policy making. We underlined that it is imperative to ensure gender equality, in particular by facilitating women's empowerment, practicing gender mainstreaming and addressing violence against women.
- 11. Under the theme "A human-centred future: Partnership for a smarter, greener and more inclusive ASEAN", we discussed challenges and opportunities in achieving resilient, sustainable and inclusive recovery in Southeast Asia, with a focus on harnessing digital transformation and addressing environmental challenges.
 - Building a smarter ASEAN for an inclusive future
- 12. We noted that COVID-19 has accelerated the transition to the digital economy, embracing 4IR technologies such as artificial intelligence, big data analytics, 5G networks, block chains and the Internet of Things. This has prompted the development of relevant institutional frameworks to foster better understanding of the rapid digital transformation.

- 13. We reaffirmed that it is critical to enhance the quality and coverage of digital infrastructure, deliver services to connect businesses and cross-border trade, equip people with appropriate digital skills, and support them in using these skills effectively in workplaces and society in order to bridge the existing digital divide among people, regions and businesses for a more inclusive future.
- 14. We recognised the OECD's efforts to harness digital transformation in the OECD Going Digital project and the OECD AI Policy Observatory. ASEAN has also launched the ASEAN Digital Masterplan (ADM) 2025 with the objective of turning ASEAN into a leading digital community and economic bloc, powered by secure and transformative digital services, technologies and ecosystem. We further noted the ACRF and its implementation plan identifying the acceleration of inclusive digital transformation as an integral part of its recovery strategy, whose implementation SEARP is working to support.
- 15. We also noted the OECD's effort through AI principles and Data Free Flow with Trust (DFFT) in realising an inclusive digital trust, which is essential to fully harness the digital economy while addressing continuously the challenges, related to privacy, data protection, intellectual property rights and security. We welcome positive steps towards SEA digital certification systems involving the ASEAN Framework on Digital Data Governance and the APEC Cross Border Privacy Rules. We support efforts to share information, cooperate and identify synergies, as we develop policies, plans and programmes that support new technologies and their ecosystems
- 16. Taking into account the importance of the digital transformation, we called for OECD SEARP to deepen its collaboration with Southeast Asia. It should support the region's adaptation through the exchange of good practices, standards and policies in the areas of skills development, regulatory practices, smart cities development, finance, trade and investment, consumer protection and empowerment in e-commerce, taxation, SMEs, competition, tourism and digital governance.
- 17. We reaffirmed that human resources development is a key to achieving inclusive and sustainable recovery. We placed special emphasis on education and skills policies, which contribute to strengthening 'Human Security' as one of the broad strategies in the ACRF. In this regard, we recognised the importance of policies to promote greater access to quality education and training for all members of the society.
- 18. We emphasised the importance of coherent policies on responsible business conduct in Southeast Asia, in particular, to enable sustainable investment and resilient supply chains. We appreciate the concrete steps taken by governments in the region so far and we welcome their increasing efforts and continued collaboration with the OECD in this area in line with the strategy set out in the ACRF.

Ensuring a green recovery towards a more resilient ASEAN

19. We noted that the COVID-19 pandemic has further emphasised the interrelationship between environmental risks and human well-being, including the challenges brought about by climate change, air and water pollution, biodiversity loss, and more.

- 20. We also noted that it is essential to adopt a whole-of-society approach to designing and implementing measures that significantly reduce greenhouse gas emissions in the transition to a net-zero future, including the promotion of clean energy technologies. We further noted that it is crucial to facilitate a just and inclusive transition to low-carbon societies without compromising the competitiveness of the economies at the expense of the most vulnerable, in order to shape a more resilient Southeast Asia.
- 21. We noted that the OECD is actively supporting Southeast Asian countries in developing more resilient economies and achieving net-zero greenhouse gas emissions including in critical industries by or around mid-century, taking into account different national circumstances and in line with the Paris Agreement and the United Nations Framework Convention on Climate Change. In this regard, we called on the OECD Members of the SEARP to further intensify efforts in providing financial, technological, and capacity support to ASEAN in fighting climate change in a co-ordinated, strategic and long-term sustainable manner.
- 22. We also recognised that the ASEAN Socio-Cultural Community Blueprint 2025 highlights the significance of finding solutions to adapt to and to mitigate climate change, noting the region's vulnerability to natural and human-induced disasters. We further noted that the ACRF renews ASEAN's commitment to achieving resilient, sustainable and inclusive recovery by facilitating transition to a green and circular economy and sustainable energy; building green and resilient infrastructure; promoting development and diffusion of environmentally sound technologies; fostering climate-resilient and sustainable agriculture; establishing and promoting sustainable and responsible investment mechanisms; promoting green and sustainable financing; advancing sustainable and green tourism; strengthening disaster management; and developing relevant skills for the transition to a low-carbon society, among others.
- 23. We reaffirmed the significance of quality infrastructure investment, consistent with internationally shared standards and principles such as openness, transparency, economic efficiency in view of life-cycle cost and debt sustainability, in order to achieve resilient, inclusive and sustainable development in Southeast Asia.
- 24. We highlighted the importance of a co-ordinated and multilateral approach in order to tackle the aforementioned environmental challenges and commended the addition of green recovery as a new work stream of the OECD SEARP.
- 25. Recognising that environmental challenges span across all work streams, we called for the OECD SEARP to further strengthen co-operation with ASEAN's efforts to build a more sustainable and resilient future, by considering green recovery aspects across the Programme where relevant.
- 26. Acknowledging the potential of innovation and the digital transformation as key enablers for the green transition and for reaching climate objectives, we also underscored the importance of further dialogue and exchange of information and expertise on technology solutions in the OECD SEARP to help policy makers tackle the twin green and digital transitions.

Way forward

27. We reaffirmed that the OECD SEARP has contributed to strengthening regional integration and supporting domestic reform priorities in Southeast Asia, as well as bringing the OECD and

- ASEAN closer to each other. We also recognised the role of the OECD SEARP in enhancing the visibility of the OECD in Southeast Asia. Over the period to 2025, we commit to further intensifying our relationship with a view to bringing greater prosperity to the region. A stronger Southeast Asia will help build a robust and more resilient global economy.
- 28. We welcomed the conclusion of the Memorandum of Understanding (MoU) between ASEAN and the OECD and its implementation plan, which will provide a framework for collaboration in the areas of mutual interest.
- 29. We acknowledged the need for post-pandemic recovery for all countries in the region and agreed that sustainable economic recovery be the SEARP priority for the next three years. We reaffirmed the importance of further advancing our support for the ACRF as well as contributing to the economic recovery strategies of individual Southeast Asian countries. Our commitment to open markets, trade and investment liberalisation, and supply chain resilience will be central to this effort. We noted the current profound changes that put the region at a historic turning point in its development path and agreed to also strengthen co-operation to promote green growth, digital connectivity and human capital development to attract quality investment. This co-operation will lay the necessary foundation for economically resilient, socially inclusive, and environmentally sound development. We welcomed active engagement of the business community, including through public private partnerships as a key driver for comprehensive recovery and sustainable, resilient and innovation-driven growth.
- 30. We recognised the importance of making use of the knowledge and experience of the regional partner organisations such as the ADB, UNESCAP, APEC, AMRO, ERIA and development agencies as well as the OECD Tokyo Centre in facilitating an effective and sustainable implementation of the OECD SEARP. We will continue to strengthen our collaboration building upon recently concluded or renewed MoUs with most of these regional partners. We called for the SEARP Steering Group to examine ways to collaborate with development partners active in Southeast Asia and report back on progress in implementation at the next Steering Group Meeting in 2022.
- 31. We reaffirmed that it is essential to ensure the participation of all Steering Group members in order to enhance the relevance and impact of the Programme. In this regard, we urged all members of the Steering Group to further strengthen their engagement with the work of the Programme going forward.
- 32. We would like to express our gratitude to the Bureau member countries, namely Australia, Canada, Germany, Indonesia, Japan, United Kingdom and Viet Nam, for their invaluable advice and support for the successful implementation of the OECD SEARP. We welcomed Viet Nam and Australia as the new Co-chairs of the SEARP for 2022-2025.