

ASEAN – ROK CEO SUMMIT

**Oleh : YAB. DATO' SRI MOHD NAJIB BIN TUN HAJI ABDUL RAZAK, PERDANA
MENTERI MALAYSIA**

Tempat : Bexco, Busan - Korea

Tarikh : 11/12/2014

H.E. Yoon Sangjick;

Minister of Trade, Industry and Energy of Korea,

H.E. Le Luong Minh;

Secretary-General of ASEAN,

Mr. Park Yongmaan;

Chairman of Korea Chamber of Commerce & Industry,

Excellencies, Distinguished Guests

Ladies and Gentlemen,

1. Let me begin by expressing my gratitude to the Korea Chamber of Commerce and Industry for inviting me to address such distinguished representatives from the business community of Korea and ASEAN.

2. Five years ago, I spoke to a similar audience, as we commemorated the 20th anniversary of ASEAN-Korea relations. I focused then on the prospects for our developing economic relationship. With the ASEAN-Korea FTA just beginning, the future seemed bright.

3. As we gather today to celebrate the 25th Anniversary of ASEAN-Korea relations, I think we can agree that we have delivered on that promise. The Republic of Korea is now ASEAN's 7th largest trading partner, with total trade of USD135 billion. Collectively, ASEAN is Korea's second largest trading partner.

4. Over the last three years, Korean investment in the region reached USD7 billion. Korea is now ASEAN's 5th largest source of foreign direct investment, and ASEAN is Korea's third largest investment destination.

Ladies and Gentlemen,

5. Our economies are deeply intertwined. Korean enterprises continue to contribute to the economic advancement of ASEAN; driving development by supporting our fast-growing businesses, and investing in the future of our dynamic region.

6. We have lived up to the spirit of ambition which inspired the free trade agreement. Now we must set the direction of ASEAN-Korea relations for the next decade. And I am sure the distinguished speakers and panellists here today have shared their perspectives on what we can do - including fostering more strategic public-private sector collaboration.

7. So as the ASEAN-Korea CEO Summit comes to a close, let me leave you with three key messages.

8. First, the Republic of Korea and ASEAN are increasingly strategic partners in deepening regional economic integration. By working together with its ASEAN peers, Korea can help ensure the regional economy becomes as inclusive as it is dynamic.

9. Korea and ASEAN are engaged in at least four frameworks: the Framework Agreement on Comprehensive Economic Cooperation, ASEAN plus Three Cooperation, East Asia Summit, and the Regional Comprehensive Economic Partnership, or RCEP.

10. Korea's role in the latter tends to be understated. The RCEP brings life to the concept of the "pivot towards Asia". The 10 ASEAN Member States, together with the six partners, contribute almost 30 per cent of world trade. By the middle of this century, that figure could rise to 50 per cent.

11. Deeper economic integration through the RCEP will bring significant opportunities for our national economies. So I call on you to actively work with us as we make RCEP a reality.

12. The value of RCEP is in its inclusive growth, which brings me to my second point. Korea has shown the world how economic transformation is a continuing journey. You have moved from a growth model driven by the chaebols to one that also encourages the participation of small and medium enterprises.

Ladies and Gentlemen,

13. One of the major concerns in ASEAN member states is the impact of liberalization on our SMEs, which make up more than 95 per cent of our enterprises. As such we must ensure that these entities are plugged into the global supply and value chains; that they too benefit from deepening economic integration.

14. Here, the Republic of Korea can show us the way, leading by example and providing invaluable support to the region's SMEs. This must be driven by businesses themselves, so I welcome proposals for the establishment of an ASEAN-Korea industrial cooperation network to promote innovation and link ASEAN SMEs with Korean technology suppliers. Technical and capacity building programmes under the ASEAN-Korea Cooperation Fund and the ASEAN-Korea Centre in Seoul will also help SMEs to form stronger connections.

15. On 1 January 2015, Malaysia will formally take over the reins of the ASEAN Chairmanship. This brings me to my third key point. 2015, as you are all aware, holds a special significance for ASEAN, as we establish the ASEAN community. It is a bold and challenging move that paves the way for a new era in ASEAN co-operation, with deeper regional economic integration, and stronger connections between ASEAN's 600-million people.

Ladies and Gentlemen,

16. Building the ASEAN Community is a huge endeavour. And although we are guided by the ASEAN Economic Blueprint, we know there remains some scepticism about the project.

17. An integrated ASEAN is good for business. But for the ASEAN Community to have meaning, the peoples of the 10 member states must feel and think ASEAN. It is for this reason that we have chosen the theme - OUR PEOPLE, OUR COMMUNITY, OUR VISION - during our Chairmanship. We have to make ASEAN relevant for all of our citizens. The initiatives and activities in the coming year - involving youth, women entrepreneurs, SMEs and the business community - are designed to do just that.

18. Although there will be a number of milestones met, 2015 does not mark the end of the integration project. Instead, it signals the completion of one phase in our collective

journey towards an integrated community. The work of engaging the people of ASEAN will continue for years to come.

19. During Malaysia's Chairmanship, ASEAN states will work together to craft our post-2015 agenda. As we plan our next course of action, our priority must be to ensure that integration leads to equitable wealth creation and distribution. We must deepen financial integration and inclusion. And we must ensure all sectors of our economies are fully engaged in the ASEAN Economic Community.

20. Our ambitions are clear: to drive broad social and economic development and growth, and to ensure ASEAN becomes increasingly competitive. Improved governance, more transparency, and a stronger regional focus on sustainable development - with a high sense of business ethics - can ensure regional integration brings benefits for the many, not just the few.

21. We have much to do, and we value the partnership of our friends and allies as we seek to build a more connected ASEAN.

22. With that in mind, let me end where I started, and ask that Korea remains our strategic partner as we chart a course towards deeper economic integration. A dynamic ASEAN is a rising tide - for Asia, and for the world.

Thank you.