

CHAIRMAN'S STATEMENT OF THE SECOND ASEM FOREIGN MINISTERS' MEETING

Introduction

1. The second ASEM Foreign Ministers' Meeting was held in Berlin on March 29, 1999, under the chairmanship of the Foreign Minister of the Federal Republic of Germany acting also as President of the Council of the European Union (list of participants is given in ANNEX).
2. Ministers recalled that their Heads of State and Government had reaffirmed at the second ASEM summit meeting in London in April 1998 the important role ASEM has been playing in reinforcing -partnership, dialogue and cooperation between Asia and Europe in the political, economic, cultural and other fields.

They further recalled the guiding principles of the ASEM process as established at the Bangkok and London Summits and set out in the Asia-Europe Cooperation Framework adopted in London.

3. Ministers affirmed that their meeting in Berlin was characterised by a spirit of continuity and trust, cooperation and partnership, and that such a constructive and forward-looking spirit should continue to guide the ASEM process into the year 2000 and beyond.
4. In reviewing global and regional developments, Ministers acknowledged that much has changed, both in Asia and Europe, since their first meeting in Singapore in February 1997. They emphasized that these changes can only strengthen their mutual commitment to the ASEM process and to stronger links between Asia and Europe, building greater understanding between the peoples and the governments of the two regions. The Foreign Ministers also recognised that their partnership will make an important contribution to global peace, stability and prosperity.
5. Ministers underlined that in a highly interdependent world, and at times of new political, financial, economic and social challenges, a fruitful dialogue and inter-regional cooperation are more than ever necessary, and are beneficial for both Asia and Europe, and for other parts of the globe. Foreign Ministers reaffirmed the continued confidence of Europe in Asia's ability to achieve economic recovery and stability. They agreed on the need for ASEM to strengthen existing cooperation in its numerous fields of activities which will constitute the basis for a strong and lasting Asia-Europe partnership.

POLITICAL DIALOGUE

6. Guided by the principles laid down by Leaders at the Bangkok and London Summits, and building on their discussions at the first Foreign Ministers' Meeting held in Singapore in February 1997, Ministers conducted an open, harmonious and comprehensive political dialogue. They further expanded common ground both on

regional developments in Europe and in Asia, as well as on matters of mutual concern reaffirming the principles laid down by Leaders in Bangkok in 1996 and reflected in paragraphs 5,6 and 7 of the Bangkok Chairman's Statement and the principles laid down by Leaders in 1998 and reflected in paragraph 9 of the London Chairman's Statement.

DEVELOPMENTS IN EUROPE AND ASIA

7. Ministers reiterated their commitment to pursue a more secure and stable international environment. In an increasingly interdependent world where regional problems can have a world-wide impact, members of the international community are required to tackle these problems jointly and with sustained effort. From this standpoint, they discussed regional and international issues of common interest.

The Ministers took note of the signs of positive developments on the Korean Peninsula and at the Four Party Talks in Geneva. They hoped that all the parties concerned would continue their dialogues and contacts with a view to solving the issues of common concern including the prevention of proliferation of the weapons of mass destruction. They supported the efforts to establish a regime of peaceful coexistence on the Peninsula for the realization of the lasting peace in the region. They also emphasized the importance of maintaining the Agreed Framework and implementing the KEDO project.

Ministers noted that nuclear tests in South Asia have affected security in the region and were a set-back to efforts towards nuclear non-proliferation and disarmament. They welcomed the positive steps taken by the countries concerned in the region such as the resumption of their bilateral dialogue, their participation in negotiations on a Fissile Material Cut-off Treaty in the Conference on Disarmament, their intention to adhere to -the Comprehensive -Nuclear -Test-Ban Treaty (CTBT) and other international non-proliferation regimes and their political commitment to strict export controls. Ministers expressed their hope that the countries concerned avoid a nuclear arms race by refraining from weaponization, and adhere to all international nuclear non-proliferation norms. They hoped that the resumed dialogue between the countries concerned will yield substantive progress thus paving the way for good neighbourly relations.

8. Ministers noted that the introduction of the euro provided an opportunity to intensify the efforts to achieve more exchange rate stability in the international monetary system. They also discussed progress in the European Union enlargement process, bearing in mind the EU's conviction that this will confirm and enhance the outward-looking role of Europe in the world economy and help to secure peace and prosperity across Europe.
9. Ministers welcomed the outcome of the Sixth ASEAN Summit held in Hanoi last December which fulfilled the ASEAN 10 ideals and further strengthened solidarity and cooperation not only among ASEAN members but also in its international cooperation. They welcomed the results of the Second ASEAN +3 Summit which would contribute to peace, stability and prosperity. They accordingly welcomed the continued development of the ASEAN Regional Forum (ARF) as an important channel for dialogue on regional political and security issues, and ASEAN's role as its primary driving force supported by substantial contributions of ASEAN dialogue partners represented in ASEM namely the EU, China, Japan and the Republic of Korea. They also welcomed the substantial work already accomplished in the

promotion of confidence building measures and expressed the hope that the ARF process would continue to move forward. In this context, they noted with appreciation the results of the 5th ARF meeting and the ASEAN Post Ministerial Conference which took place in Manila in July 1998 and looked forward to the upcoming ARF and PMC Ministerial meetings in Singapore in July 1999.

GLOBAL TOPICS

10. Ministers welcomed the progress already achieved in promoting effective UN institutional reform, with particular reference to the Secretary General's Track II Reform Package, and reaffirmed their continued commitment to cooperate in promoting reform and to strengthen the United Nations with a view to reinforcing its pre-eminent role of the United Nations in maintaining and promoting international peace and security, and sustainable development and sustained economic growth. In this respect, Ministers noted that the UN Millenium Assembly in the year 2000 would provide an opportunity to strengthen the role of the UN in meeting the challenges of the twenty-first century.
11. Ministers took note of recent developments in the spheres of arms control, disarmament and non-proliferation. The Ministers emphasised the importance of nuclear non-proliferation and further steps towards nuclear disarmament. They stressed the need of complete implementation of the NPT by all states parties, including the obligation related to nuclear disarmament according to Article VI of the NPT. They welcomed the progress made towards the universality of the Chemical Weapons Convention as well as the signature and ratification of the Comprehensive Test Ban Treaty by numerous states. They underlined the importance of strengthening global initiatives on arms control, disarmament and non-proliferation of weapons of mass-destruction and their determination to deepen ASEM cooperation in these fields. They especially reaffirmed their support for: the Biological and Toxin Weapons Convention Ad Hoc Group negotiations to strengthen compliance with the Biological and Toxin Weapons Convention; an early conclusion of the negotiations in the Conference on Disarmament on a Fissile Material Cut-off Treaty on the basis of the agreed mandate in the Conference on Disarmament; and the early entry into force of and progress towards the goals stated in the Comprehensive Test Ban Treaty. They emphasized the importance of convening the Conference of States according to Article XIV CTBT this year as a meaningful impetus to facilitate the early entry into force of this treaty. They will work together for a successful outcome of the review process of the Treaty on the Non-proliferation of Nuclear Weapons.

Ministers called for further efforts to deal with the suffering and casualties caused by indiscriminate use of anti-personnel landmines (APL). They noted the entry into force on March 1, 1999, of the Ottawa Convention on the prohibition of the use, stockpiling, production and transfer of anti-personnel mines and on their destruction. They encouraged countries that have not yet signed the Convention to examine the possibility of acceding to it. They endorsed the need to continue to support efforts in demining, towards the goal of "zero victims", including training, and in the removal of unexploded ordinance as well as the rehabilitation of victims.

Ministers emphasized the fact that a serious challenge to the international community is raised by the combination of internal conflicts with the uncontrolled,

excessive and destabilizing accumulation and transfer of small arms. In this context, they welcomed initiatives undertaken in this regard namely the Joint Action of the European Union on combating the destabilising accumulation and spread of small arms and light weapons, and various efforts being taken by the United Nations on the issue of small arms, especially the on-going activities of the Group of Governmental Experts on Small Arms.

12. The Ministers reaffirmed their strong commitment to the United Nations Charter, the Universal Declaration on Human Rights, the 1993 Declaration of Vienna and Programme of Action of the World Conference on Human Rights and the 1986 Declaration on the Right to Development. Ministers reaffirmed their commitment to promote good governance and the rule of law and to support the work of the High Commissioner for Human Rights and of the UN mechanisms in the field of Human Rights. They expressed their opposition to all forms of racism and xenophobia, and agreed to intensify their efforts to contribute to peace, stability and prosperity through cooperation between Asia and Europe.
13. Ministers reiterated the importance which they attached to enhancing the ASEM dialogue on global issues such as
 - combating illegal drug trafficking, in particular to prevent the diversion of precursor chemicals and to support and encourage action against synthetic drugs,
 - combating transnational crime, including money laundering, illegal smuggling of people and trafficking of migrants, international terrorism and piracy
 - combating violence against women and children in all its forms, including trafficking in women and children and child prostitution and pornography
 - Human Resource Development (HRD), education, and employment,
 - Poverty alleviation, food supply, improvement of community health, protection of the environment and promotion of sustainable development.
14. Recalling the critical challenge posed by the implications of climate change, Ministers welcomed the Kyoto Protocol as an important step forward in implementing the UN Framework Convention on Climate Change (FCCC). The Ministers also welcomed the Buenos Aires Action Plan which was adopted at the 4th Meeting of the Conference of Parties in November 1998. Ministers agreed that ASEM countries have an important common interest in ensuring that continuous progress is made in the implementation of the commitments under the FCCC, and the Kyoto Protocol when it enters into force, in the coming few years and decided to increase their regular exchange of views and cooperation to that effect, consistent with the principles and objectives of the FCCC and in accordance with the decisions of the Conference of the Parties to the Convention. Early progress will be welcome regarding the work program adopted at the Buenos Aires Conference, including on the modalities and procedures for the clean development mechanism.

The Ministers agreed that further constructive cooperation and mutual support among ASEM countries is needed to strengthen other environmental regimes such as the Vienna Convention and Montreal Protocol on the Ozone Layer and Convention on Biological Diversity.

Ministers emphasized the need to build towards more effective social, environmental and economic growth policies and practices, in pursuit of sustainable development. They stressed the need to reach agreement upon ways and means of

sustainable management of environmental issues such as fresh water, forestry, climate change, regional seas and oceans and land management to prevent desertification and drought.

Ministers agreed that in addition to the Conventions on Biodiversity and Climate Change, that there must be an effective follow-up and implementation of Agenda 21, the Convention on Desertification and Statement of Principle on Forests.

Ministers confirmed that commitments made on the transfer of relevant environmental technology, expertise and services and the provision of financial resources for developing countries remained a key factor if global sustainable development is to be successfully achieved.

15. Ministers recognised the continuing threat posed by natural disasters and environmental emergencies on vulnerable communities and emphasised the need for concerted approaches to disaster reduction within the framework of the International Decade for Natural Disaster Reduction (IDNDR). They welcomed the results of the IDNDR International Conference on Early Warning Systems for the Reduction of Natural Disasters, held in Potsdam, September 7-11, 1998, and the IDNDR-ESCAP Asian regional Meeting, held in Bangkok, February 1999, and supported the comprehensive review of IDNDR at the closing event of the decade, the Programme Forum to be held in Geneva 5-9 July 1999, with a view to full implementation of IDNDR objectives. They also stressed the importance of improved international cooperation, including early warning, to reduce the impacts of the El Nino Phenomenon. They likewise welcomed progress in taking forward cooperation to strengthen environmental disaster management capacities in Southeast Asia, including in particular the programmes implemented since July 1998 under the EC DIPECHO programme.

COOPERATION ON FINANCIAL AND ECONOMIC ISSUES

16. Ministers recalled the high importance which the ASEM Summit in London had attached to remedying the financial and economic situation in Asia and to working together to address this global concern. In the intervening months the ongoing stabilisation and reform efforts by Asian countries, with the help of the international community, have begun to bear fruit, and Ministers noted that certain signs of recovery are already apparent, with the prospect of a resumption of steady growth in the medium term based on continued reform. Nevertheless, the social impact of the crisis is severe, with profound consequences for employment, incomes and living standards in all the affected countries, with past successes in poverty alleviation put at risk, and with potential consequences for social cohesion and stability in the most affected communities. Ministers underlined that in addition to the direct assistance already being provided through multilateral and bilateral cooperation programmes, it will be important to continue to work together to enhance understanding of the broader consequences of the crisis, to share experience in relation to social protection and social solidarity measures, and to help regenerate global confidence in Asia's dynamic future. Ministers also emphasised the importance of maintaining stable economic growth on an international level. Ministers welcomed the commitment of the G-7 countries to a domestically based growth strategy that would contribute to achieving more balanced growth among the G-7 countries, reducing external imbalances and supporting recovery in emerging market economies. While mitigating the adverse social impact of the crisis and restoring financial stability and economic growth,

Ministers also stressed the need to strengthen the architecture of the international monetary system, to strengthen cooperation, regulation and supervision in financial sectors and to improve transparency in financial and capital markets.

Ministers noted that with regard to work on reforming the international financial architecture, close collaboration and participation of both industrialised and emerging market economies is important to the success of efforts to strengthen the international financial system. In this context Ministers welcomed the positive results of the 2nd ASEM Finance Ministers' Meeting in Frankfurt in January 1999.

17. Ministers noted with satisfaction the rapid progress made since the London Summit in implementing various crisis-related initiatives decided at the Summit, including notably:

- the establishment of the ASEM Trust Fund at the World Bank, providing technical assistance and advice both on restructuring the financial sector and on finding effective ways to redress poverty. More than 40 million Euro has already been committed for this Trust Fund, and a large number of individual actions are already underway;
- the establishment of the European Financial Expertise Network (EFEX), helping identify high-level financial-sector expertise and associating Asian expertise;
- the significant number of high-level business missions which have visited individual countries in the region with a view to encouraging investment;
- the substantial and constructive ASEM dialogue on macroeconomic and financial issues (being pursued by Finance Ministers and their Deputies, most recently at their meeting in Frankfurt on 15-16 January 1999), and on trade and investment issues (being pursued by Economic Ministers and their Senior Officials, most recently at the SOMTI meeting in Singapore on 12-13 February 1999, and building forward to the Economic Ministers' Meeting in Berlin on 9-10 October 1999)

18. Recalling the discussion at the London summit on the economic and financial situation in Asia, Ministers stressed that close and growing economic ties between all ASEM Partners is an important element for recovery and lasting growth. They reiterated the critical importance of the common resolve expressed by all at the London ASEM Summit (the trade and investment pledge) to resist any protectionist pressures, and to at least maintain current levels of market access, while pursuing further multilateral liberalization. They emphasized the important contribution that increased trade and investment, based on open markets and firm adherence to applicable international rules, will make to an early restoration of broad-based economic growth in Asia.

They expressed satisfaction with the implementation of the Investment Promotion and Trade Facilitation Action Plans adopted at the London Summit and stressed the inter-relationship of trade and investment flows. They welcomed the ongoing work under IPAP and encouraged in particular the useful work of the Investment Experts' Group (IEG) which is working towards a helpful summary of the most effective investment promotion and policy initiatives. On TFAP, they welcomed the fact underlined recently at SOMTI IV that at least one Meeting/Seminar would have

been held for most of TFAP priority areas before the meeting of economic Ministers and emphasized the importance of expediting the work in progress. Ministers also underlined the importance of ongoing economic reforms in Asian countries in order to allow for sustained economic development and financial stability.

19. Ministers reaffirmed their commitment to the full and faithful implementation of the WTO Agreements and Ministerial Decisions. They also agreed to collaborate to ensure that preparations for mandated negotiations and reviews under the Built-in Agenda (BIA) and other areas for negotiations are undertaken expeditiously, so that negotiations can commence within the stipulated time frames. Ministers stressed the importance of making further progress on broad-based negotiations, including in those areas mandated under the BIA and in others as may be proposed by the WTO members. These negotiations should be sufficiently wide-ranging so as to achieve a balance of interests for all WTO members. This will ensure that future trade liberalization will improve the opportunities of market access for developing and least developed countries. They are of the opinion that negotiations to be decided at the Third WTO MC should in all aspects be conducted as expeditiously as possible.

They noted that the Economic Ministers' Meeting in Germany in October 1999 would provide a good opportunity to build an influential consensus among ASEM partners on a wide range of issues relevant to the future trade negotiations. Ministers also noted that it was essential in a highly integrated world economy that all trading nations were members of the WTO and stressed that full participation in the WTO by ASEM partners will strengthen the Organisation.

20. Ministers expressed their conviction that a further strengthening of cooperation between the private business and financial sectors of both regions is highly desirable, and that these should play an active part in the restoration of economic confidence and growth in the affected Asian countries, and in maintaining and extending productive investment activities in both regions. They welcomed all transparent and non discriminatory measures and initiatives designed to stimulate and facilitate two-way trade and investment flows. They acknowledged, in particular, the contributions made to this process by the Asia-Europe Business Forum/AEBF through its Meetings in Paris, Bangkok and London as well as the upcoming fora in Korea and Austria, which have given momentum of business-to-business exchanges, as well as to dialogue with the ASEM governments. Ministers welcomed the recent discussions on this issue during SOMTI IV and the decision taken to establish concrete links and contact points as well as mechanisms allowing ASEM bodies to acknowledge business contacts and recommendations. Ministers expressed the need for a better involvement of the private sector to identify obstacles regarding trade and investment.
21. Ministers acknowledged also the special needs of small and medium sized enterprises (SMEs), and the importance of reflecting this fully in the ASEM process. In this context, they welcomed the results of the Asia-Europe Small and Medium-sized Enterprise Conference which was held in Italy in May 1998, as well as the project establishing the ASEMConnect electronic resource network for Small and Medium-sized Enterprises (SMEs), led by Singapore, and noted the proposal from the Bangkok Business Forum for the establishment where appropriate of SME centres.

22. Building on the conclusions of the London Summit, Ministers emphasised the importance of continued work to develop dialogue and cooperation in other important economic fields, such as infrastructure development, energy and the environmental sector, with the objective of promoting sustainable economic growth. They noted with satisfaction the extensive range of such activities underway or foreseen within ASEM's agreed work programme.

COOPERATION IN THE FIELDS OF CULTURE, EDUCATION, ENVIRONMENT, SCIENCE AND TECHNOLOGY

23. Ministers emphasised that Asia-Europe cooperation in the cultural and other fields should continue to be multi-faceted and encompass all fields of human endeavour. This human dimension of ASEM should reflect the shared interest of the two regions in such fields as culture, education, environment, science and technology.
24. Ministers welcomed the success of the First ASEM Experts' Meeting on Protection and Promotion of Cultural Heritage held in Hanoi on 21-22 January 1999. They endorsed the Action Plan elaborated by the Meeting and looked forward to its successful implementation.
25. Ministers called for further efforts to strengthen scientific and technological cooperation between Asia and Europe, since these sectors have increasingly become the key factors and chief engines both for economic growth and prosperity and for the preservation of our natural resources and environments. In this connection, they welcomed the upcoming Ministers' Conference on Science and Technology in China, and the preparatory work already underway.
26. Ministers commended the activities of the Asia-Europe Foundation (ASEF) which was established 1997 in Singapore. They noted with interest the three fields of intervention of ASEF: people-to-people contacts, intellectual exchanges and culture for greater understanding and closer cooperation, and pledged their full support for the work of ASEF. They welcomed recent ASEF initiatives such as the Young Parliamentarians' Conference and the PEARL network of research institutes.
27. Ministers also noted with satisfaction the progress made in operationalising the Asia Europe Environmental Technology Centre in Thailand and the formal opening of AEETC in Bangkok on 29 March 1999. They reaffirmed their support for the work of the AEETC and looked forward to the Centre's active contribution to cooperation in the field of the environment between the two regions. The priority areas already decided for AEETC's work - megacities, public involvement in environmental issues, bio-remediation, and the anticipation and remediation of environmental disasters amply illustrate the common challenges facing Asia and Europe.
28. Ministers expressed appreciation for the success of the second Asia-Europe Young Leaders' Symposium held in Austria in May 1998, and looked forward to the continuing development of these valuable contacts, through the third symposium to be held in Korea in May 1999.
29. Ministers reaffirmed their strong determination to extend ASEM cooperation in the field of child welfare such as poverty alleviation, education and health services and the fight against sexual exploitation of children. In this context, Ministers welcomed the outcome of the ASEM Child Welfare Experts' Meeting held in London in October

1998 as well as the follow-up action of the Seminar, in the three key areas identified by the Seminar, namely contacts among law enforcement agents, the establishment of an ASEM resource-centre website, and a possible exchange programme for social workers.

30. Ministers welcomed the outcome of the conference on States and Markets in Copenhagen in March 1999 which underlined, amongst others, the importance of furthering political, social and economic implications of the changing roles of private and public actors in a world characterised by growing interdependence.
31. Ministers likewise welcomed the results of other important ASEM conferences and seminars which had taken place since the London Summit, including inter alia the seminar on Labour Relations (the Hague, October 1998) and the seminar on the Combination of Traditional and Modern Medicine for Public Health Care (Hanoi, March 1999). Ministers expressed their satisfaction with the wide range of social and cultural activities ongoing or foreseen in the ASEM Work Programme.

FUTURE COURSE OF THE ASEM PROCESS

32. Ministers reaffirmed their determination to keep the ASEM process open and evolutionary. They asked Senior Officials to prepare recommendations on timing and modalities concerning expansion of membership to be submitted in time for ASEM 3.
33. Ministers welcomed the presence of Dr II Sakong, Chairman of the Asia-Europe Vision Group launched at the London Summit, and took note of the Group's final report addressing a medium to long-term vision to guide the ASEM process into the 21st century. In expressing their appreciation for the skill and speed with which the Group had executed its mandate, Ministers looked forward to the presentation of the report, together with their recommendations, to Leaders at the third ASEM Summit in Seoul in 2000. Ministers will, in preparing for this Summit, study the conclusions and recommendations contained in the report.
34. Recalling that the Asia-Europe Cooperation Framework adopted at the London Summit had set out the key objectives of the ASEM process, the key priorities and major areas of Asia-Europe cooperation for the near future, and a framework mechanism for the coordination and management of ASEM activities, Ministers reaffirmed the essential value of this framework in guiding the overall ASEM process. In this regard, they reaffirmed that ASEM activities must follow the guidelines set forth by leaders and the criteria subsequently agreed upon by the ASEM Senior Officials at the Bangkok SOM in October 1998, and of a Thai Paper on Strengthening the Coordination Mechanism within AECF. They requested senior officials to examine the recommendations made in the Paper with a view to strengthening coordination within ASEM. As called for under the AECF, Ministers also reviewed and updated the current two-year work programme, taking account of the decisions taken in London, and of subsequent progress in implementing ongoing activities and in preparing new proposals. Ministers reaffirmed their commitment to the maintenance of the momentum of ongoing ASEM activities.
35. Reflecting the discussions at the Senior Officials' Meeting held in Bangkok in October 1998, Ministers confirmed the recommendation of Senior Officials that the following new activities proposed in London be endorsed as official ASEM activities:



- ASEM Expert Meeting on the Protection and Promotion of Cultural Heritage;
- conference "Role of State & Market: roles of public authorities and private actors in promotion of economic and social progress";
- seminar on Combination of Traditional and Modern Medicine for Public Health Care;
- ASEM Education Hubs;
- seminar on Labour Relations

With regard to certain other proposed activities noted in London, Ministers encouraged their further development and review by Senior Officials as provided under the Asia-Europe Cooperation Framework.

TOWARDS ASEM III AND BEYOND

36. Ministers noted that the third ASEM summit would be held in Seoul on 20-21 October 2000. In recognising that this meeting would be crucial in providing a vision for ASEM into the next millennium, Foreign Ministers agreed to work closely in preparing for the Seoul Leaders' Meeting in order to ensure a substantive outcome that would maintain the momentum of the ASEM process and build on the strong foundation established at Bangkok and London. They agreed that the third meeting of the ASEM Foreign Ministers would be held in Beijing, China in the first half of the year 2001.

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OF THE SECOND ASEM FOREIGN MINISTERS' MEETING
BERLIN, MARCH 29, 1999