

**JOINT STATEMENT BY
ASEAN BUSINESS ADVISORY COUNCIL AND JOINT BUSINESS COUNCILS AND
PARTNER SECTOR CHAMPIONS**

(20 MAY 2020)

**COVID-19 AND ASEAN: A CALL FOR ACTION ON DEALING WITH THE CRISIS AND
POST-PANDEMIC ECONOMIC RECOVERY**



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1. Business councils stand united with ASEAN

The ASEAN Business Advisory Council and the Joint Business Councils, as the voices for ASEAN and international businesses across the ASEAN region, and their partner institutions stand united with the governments of the region in their fight to eradicate COVID-19 and their resolve to mitigate the significant and adverse economic and social impacts of this pandemic on all of our peoples in ASEAN. Many of our members and partners are proactively working with authorities across ASEAN to assist in tackling COVID-19, and providing relief to customers, employees and the communities in which we work.

2. An opportunity for ASEAN to demonstrate cohesiveness in a pandemic

The pandemic continues to exact a huge toll on the region. The human suffering for those who have contracted the virus, and their families, has been enormous and our thoughts and prayers are with them. The effects of lockdowns and movement restrictions have also been devastating for communities, employees, and employers and could potentially take years to recover from. And yet, as in any crisis, the COVID-19 pandemic also presents an opportunity to ASEAN to demonstrate that its ten-member states can work cohesively and responsively together both to effectively contain the spread of the virus and to aim for the best possible post-pandemic economic recovery and thus ensuring that ASEAN can be greater than the sum of its constituent parts.

3. The immediate action of ASEAN is critical to its long-term prosperity

These are extraordinary and unprecedented times which we believe calls for urgent, extraordinary and unprecedented action from ASEAN. The time for ASEAN to prove its collective strength to mitigate the worst impacts of the ongoing pandemic and ensure the long-term prosperity and wellness of its people through fast action is now. Decisiveness and resolve towards swift and effective planning and execution of measures for a post-pandemic economic recovery are of utmost priority. We cannot afford to delay action when competition between countries and regions globally to attract FDIs and bolster their own economies will become more fierce, and economic nationalism will most likely be on the rise.

4. A new and transformative normal is needed to fast track ASEAN economic integration

Only through working coherently together, as a single bloc, can ASEAN effectively tackle the virus and ensure the best possible recovery from it. More



so, working within the current ASEAN set up under a “business as usual” machinery may not have the capacity to achieve what we are all aspiring for at this critical juncture. It is with deep concern that on the back of very slow progress on regional economic integration, the much-needed confidence-building towards a successful, well-coordinated approach on COVID-19 will not be delivered unless genuine transformation takes place.



5. Proposal to establish COVID-19 High-Level Special Commission (HLSC) with private sector’s involvement



We, the business community in ASEAN, therefore call for the establishment of a High-Level Special Commission which would be tasked by the ASEAN Leaders to look at ensuring and mandating better collaboration and cohesiveness across the region both in dealing with the current and raging pandemic, and also to ensure that ASEAN comes out stronger, more integrated and globally competitive from this pandemic.



- The High-Level Special Commission should involve leading political representatives from each ASEAN Member State who have the power and mandate to look at cross-ministerial cross-sector issues within their own countries.
- It should be mandated by the ASEAN Leaders to make sweeping region-wide recommendations to ensure a coherent regional response to this and any potential future pandemic and to the post-pandemic recovery.
- And the High-Level Special Commission should also take on board recommendations from a Special Business Advisory Board drawn from leading business bodies and other key institutions such as the ADB, OECD, WHO and IMF.
- In as much as it is the private sector that will ultimately lead any economic recovery it should, therefore, be closely involved in its planning.



6. Proposed swift formation of COVID-19 HLSC - in time to submit medium to long-term recommendations to ASEAN Summit by November 2020



Whilst details and recommendations would need to be worked out, we believe that if the Leaders of ASEAN are serious about stressing “the importance of a multi-stakeholder, multi-sectoral, and comprehensive approach by ASEAN to effectively respond to COVID-19” then this body could be established quickly and tasked with making medium to long-term recommendations to the Leaders at their Summit in November 2020 if not sooner, and for those recommendations to be speedily implemented.



7. Priority sectors: travel, essential goods and related supply chains, medical services, digital tools



Some concrete and practical measures that the Special Commission should immediately consider during the pandemic are:

- More effective coordination of the implementation and removal of travel restrictions in compliance with health and safety and any other requirements for travellers, including mutual recognition for testing, tracing, and other health protocols to support resumption of business travel;



- Commit to securing the continuity of international air cargo, cross-border land transportation, and logistics services, including crew and drivers, to support international supply chains and delivery;
- Prioritize trade facilitation and Customs clearance efforts for cross-border e-Commerce to enhance access to essential goods and medical supplies including personal protection equipment (PPE);
- Coordination of the definition of essential goods, and methods to ensure the continued operation of the entire supply chain that supports the manufacture and distribution of those goods;
- Provision of mutual support across the region for medical services, devices and equipment during a pandemic through harmonisation of standards and streamlining of regulatory inefficiencies;
- Taking advantage of cutting-edge technology (such as improvements to ICT infrastructure, promotion of platforms and applications to enable contract tracing, telecommuting, work-from-home, and homebased learning etc.) in reforming economies; and,
- Ensuring continued care for non COVID-19 patients.

It is also imperative to maintain inclusivity in developing the post-pandemic recovery plan to ensure the continuity of the small and medium businesses and provision of social safety nets for the vulnerable groups especially in the travel and tourism sector.

8. Deepen ASEAN Economic Integration - making ASEAN destination of choice for FDI

For post-pandemic economic recovery, it is even more important that the region work as one. Economic recovery will not be quick and simple, but there will be significant opportunities for ASEAN to take advantage of the expected rapid recalibration of supply chains globally, and position itself as a destination of choice in global markets for the production of goods and the provision of services to support manufacturing. Investment funds will be scarce going forward, and so ASEAN will need to demonstrate that it is truly open for business, has competitive advantages, and has the right policies in place to help businesses grow, export, and develop skills. In this area the Special Commission should be considering making sweeping advances on the AEC immediately, removing non-tariff barriers to trade and investment restrictions, and cutting bureaucracy. Responsible and Inclusive economic growth will benefit the people of ASEAN.

9. Business community looks to ASEAN for bold and decisive way forward

No one country can overcome this pandemic alone. Bold and decisive steps are needed if ASEAN is to make the best possible economic recovery and remain a beacon for global trade, and we, the business leaders for the region stand ready to help support ASEAN. We hope that ASEAN is ready to make those bold and decisive steps and truly demonstrate that it is a cohesive and responsive body working to achieve prosperity for all.

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Endorsed by Members and Partners



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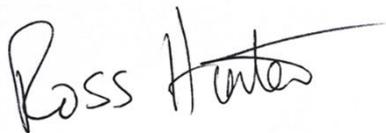
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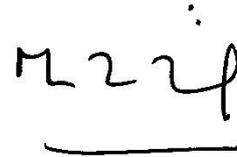
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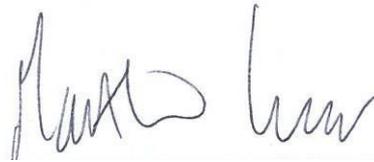
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