Welcoming Remarks by
Deputy Secretary-General Masamichi Kono,
SEARP Ministerial Forum
Thursday, 8 March 2018, Tokyo, Japan

Excellencies, Ministers, Ambassadors, Distinguished guests, Ladies and Gentlemen,

I am delighted to welcome you to the first Ministerial Conference of the OECD Southeast Asia Regional Programme.

Let me first thank the Minister of Foreign Affairs, Mr. Taro Kono, and the government of Japan for co-hosting this milestone event on “Inclusive ASEAN” together with OECD.

1- Strategic Importance of Southeast Asia

We are here today because of the strategic importance of Southeast Asia’s growth and development, for both the region and the global economy.

Countries in Southeast Asia have achieved impressive economic growth over the past several years. Growth in the ASEAN region was 5.1 percent in 2017 and is projected to grow on average 5.2 percent from 2018 to 2022.1

ASEAN is a major global hub of manufacturing and trade, as well as one of the fastest growing consumer markets in the world.

Some estimates project that ASEAN will be the fourth largest economy by 2050.

The growing economic and political importance of Southeast Asia has made the region a strategic priority for OECD members.

OECD Ministers called for a more strategic approach to our engagement, and in May 2014, our Secretary-General Angel Gurría and Japanese Prime Minister Shinzo Abe were proud to launch the Southeast Asia Regional Programme at the OECD Ministerial Council Meeting.

We are here to listen to your priorities, learn from your experiences, and outline what we have accomplished together through our strengthened engagement and collaboration.

2- Objective of this Ministerial Meeting

Our meeting today is an important occasion, as it is the first time since our launch that we meet at Ministerial level, and under the leadership of the Programme’s first co-chairs – Japan and Indonesia.

However, the world has also seen major developments on the global stage as well as in national governments since our launch.

The multilateralism system is being questioned, and there has been a backlash against globalisation.

Despite the impressive growth in the ASEAN region and the welcome acceleration of global economic growth more recently – from 3.1% in 2016 to a projected 3.6% in 2017, and 3.7% this year2 – we should not be complacent, even ten years after the crisis.

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1 Economic Outlook for Southeast Asia, China and India 2018
We need to promote a new type of growth, one that is more resilient, more inclusive and more sustainable.

This time, we need to make globalisation work for the many, not only for a privileged few.

This is why the OECD has chosen “Bolstering multilateralism for more responsible, effective and inclusive global outcomes” as the theme of its Ministerial Council Meeting this year, and why it is especially important that we will address the theme of “Inclusive ASEAN” over the next two days.

The OECD is working on many fronts, at the multilateral, the national, the regional and the local levels, to help governments achieve more inclusive and sustainable growth.

And policy makers in both Southeast Asia and OECD countries have recognised the growing importance of inclusive development for all our citizens.

The 2015 ASEAN Economic Community Blueprint aims to develop an “inclusive, resilient, people-oriented and people-centered community.”

And the OECD’s Inclusive Growth Initiative underlines the need to put people’s well-being centre-stage in addressing the challenge of fostering productivity growth while reducing inequalities at the same time.

Countries themselves across Southeast Asia and the OECD have already taken important steps to be more inclusive.

And on this International Women’s Day, we are reminded that inclusiveness is more important than ever.

The discussions today will help guide the deliberations in the Programme’s Steering Group meeting tomorrow.

Your invaluable input will help determine the focus and direction of the Next Phase or “SEARP 2.0”.

3- Challenges

Ladies and Gentlemen, I want to leave you with some final thoughts on the challenges around inclusiveness.

Despite their dynamic economic growth, the ASEAN countries are facing their greatest challenge in filling the development gap within ASEAN.

Regional policymakers will have to find ways to leverage growth opportunities, and strengthen competitive advantages to move their economies further up the value chain.

At the same time, they need to demonstrate that deepening regional integration through the ASEAN Economic Community will be truly beneficial to all.

The Southeast Asia Regional Programme has already identified many ways of reconciling these objectives through enhanced competitiveness, digitalization, and productivity.

Domestic institutional capacities also need to be reinforced to harness competitive advantages for sustainable growth and development.

The Programme’s work on a range of issues including: investment and innovation policies; small- and medium-sized enterprises; and education contribute to strengthening the competitive advantages of each ASEAN country.

Further work on good regulatory practices, and transparent governance, could make a further impact on enhancing domestic capacities for growth and inclusiveness.

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2 OECD Economic Outlook, November 2017, p13
In addition, the Initiative for ASEAN Integration (IAI-ASEAN) supports policymakers as they shift the paradigm towards equitable growth based on social and economic inclusion.

The selections of themes for SEARP also align with the themes and priorities of ASEAN Integration. This includes our work on infrastructure; education and skills; innovation and the digitalization challenge; trade policies and good regulatory practices. Going forward, SEARP could consider strengthening this work.

This approach also supports countries as they work to achieve the Sustainable Development Goals, and live up to the imperative of the 2030 Agenda for Sustainable Development: leaving no one behind.

4- Conclusion

Let me close with a few important highlights and commitments going forward. Over the last three years, many of our work-streams within the Programme would not have been relevant without the private sector’s support.

This includes through a total of three Business Statements, as well as private sector participation in our Regional Policy Networks and Initiatives.

We would also like to re-affirm the need to further collaborate with regional and international fora and organisations.

This includes partners such as APEC, ADB, AMRO, ERIA, and UNESCAP, among others.

Finally, we want to again stress our appreciation to Japan and Indonesia for their active engagements, and impressive leadership as the SEARP Co-chairs.

We welcome and are looking forward to having Thailand and Korea as the new Co-chairs for the 2018 to 2021 period.

Today is an opportunity to reflect on our experiences during the first three years of the Programme, and look forward.

In the defense of multilateralism, and a commitment to work together, this is a chance to share our ideas, and chart an innovative path towards more resilient economies and inclusive societies in the ASEAN region, the OECD, and in the world.

I thank you all for being here, and look forward to working together to achieve a more “inclusive ASEAN.”