

OECD Southeast Asia Regional Programme (SEARP) Ministerial Conference
4th Steering Group Meeting
Welcoming Remarks by Mr. Iwao HORII
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Distinguished delegates of OECD and ASEAN countries,
international organisation representatives,
ladies and gentlemen,

It is my great pleasure to make a welcome remarks at the fourth steering group meeting of the OECD Southeast Asia Regional Programme (SEARP) on behalf of Government of Japan.

Let me begin by expressing my sincere gratitude for your participation in the Tokyo Ministerial Conference.

SEARP is now at the critical juncture because of the following three reasons.

First, it has been more than a decade since the OECD decided to strengthen its engagement with Southeast Asia as a region of “strategic priority interest”.

Second, after four years since its launch, SEARP is now concluding its first phase under the co-chairmanship of Japan and Indonesia.

And third, we will initiate “SEARP 2.0” in this steering group meeting, and hand over the co-chairmanship to the Republic of Korea and Thailand.

Yesterday, ministers and high-level representatives had fruitful discussions on policy challenges and opportunities to realize a more “Inclusive ASEAN”.

They affirmed the strategic importance of engagement with Southeast Asia through SEARP, as stated in the conference joint communiqué.

Ministers and representatives also called for SEARP to support building an inclusive, resilient, people-centered and people-oriented ASEAN community, with particular attention given to “connectivity” and “participation”.

From a “connectivity” perspective, they encouraged further promotion of trade and investment both intra-regionally and with other regions.

They also recognized the necessity to mobilize private funds to fill the existing large demand-supply gap of infrastructure investment in Asia. They also recognized the importance of promoting quality infrastructure in line with internationally shared standards and principles, benefitting from related OECD's work in this area.

From a “participatory” perspective, on the other hand, ministers and representatives recognized the importance of policies to promote greater access to quality education and training, including vocational training, on a life-long basis.

They also encouraged further efforts to foster women's empowerment, and suggested mainstreaming a gender perspective into SEARP when appropriate.

Finally, they recognized the importance of policies to create conditions that enable SMEs to benefit from globalization, open markets and technological progress.

All these ministerial outcomes feed into the discussion in and lay the necessary groundwork for this steering group.

Ladies and gentlemen,

One of the principal objectives of this steering group meeting is to wrap up the outputs and outcomes of SEARP over the first four years.

In this regard, I would like to thank the Secretariat for preparing the document summarizing the outputs and outcomes of SEARP.

I am pleased to say that OECD-Southeast Asia co-operation has been significantly enhanced through SEARP, as highlighted in the Secretariat's document.

First, Southeast Asian country adherence to OECD instruments has increased by more than 90% from the beginning of 2014.

Second, Southeast Asian countries have participated in more committees since the launch of SEARP, with 10 new engagements in OECD bodies.

Third, SEARP has contributed to an increase of publications on Southeast Asia. Around 60% of the publications on the region were published between 2014 and 2017.

International taxation is one of the areas with noteworthy progress in

co-operation with Southeast Asia.

Currently, 6 ASEAN countries have joined the global effort to fight against international tax evasion and avoidance, as members of the Inclusive Framework on BEPS, a framework for implementation of recommendations agreed upon in the final report of the OECD/G20 BEPS Project.

In this context, I am glad to say that Indonesia, Malaysia and Singapore have already signed the Multilateral Convention to Implement Tax Treaty Related Measures to Prevent BEPS. I sincerely hope that more ASEAN countries will join the convention.

Further, 7 ASEAN countries have joined the global network for increased tax transparency, as members of the Global Forum on Transparency and Exchange of Information for Tax Purposes.

Four ASEAN countries are now committed to starting the automatic exchange of non-resident financial account information by 2018, under the OECD standards. Japan hopes that the exchange of information will be implemented accordingly, and more ASEAN countries will join these global efforts to tackle tax evasion and avoidance.

Increasing co-operation in the area of international taxation is a typical example that shows how enhanced engagement with Southeast Asia can help the OECD strengthen global governance. Considering the important position that ASEAN occupies in the current global economy and its growth potential, it is obvious that the OECD needs to enhance its engagement with this region.

Ladies and gentlemen,

We have also seen significant progress in the context of bilateral co-operation.

Indonesia, for example, has been working with the OECD as a Key Partner under the Joint Work Programme. Its co-operation has also benefitted from the opening of an OECD representative office in Jakarta in 2015.

Thailand, on the other hand, is launching a Country Programme, the first of its kind for Southeast Asia. Thailand is highly anticipated to significantly advance its co-operation with the OECD in various sectors covered by the programme. Against this backdrop, the SEARP co-chairmanship is now being handed over to Thailand.

Ladies and gentlemen,

Since I took up my duties as Parliamentary Vice-Minister for Foreign Affairs in August last year, I have visited almost all of the ASEAN countries and witnessed their great potential.

I would like to emphasize that ASEAN countries can further harness this potential by benefitting from the OECD's high level of expertise and abundant knowledge through SEARP. I would also like to express my great anticipation for "SEARP 2.0" under the new co-chairs from the Republic of Korea and Thailand.

The Republic of Korea has unique experience as a member of the OECD, since its economy was hit by the Asian financial crisis soon after its accession in 1996. Under difficult circumstances, the Republic of Korea steadily implemented domestic reforms in line with OECD standards. I believe that the Republic of Korea can make valuable contributions to SEARP, providing us with useful insights based on its own reform experiences.

Thailand, on the other hand, is now firmly committed to co-operation with the OECD, as they are initiating its Country Programme. One of the critical objectives of SEARP is supporting ASEAN country domestic reform priorities, so I strongly hope that Thailand shares with us its experiences through the Country Programme.

Let me conclude my remarks by reaffirming Japan's abiding commitment to SEARP. Japan will continue to contribute to SEARP, serving as a "bridge" between the OECD and ASEAN, and supporting new co-chairs.

I sincerely hope that this Tokyo Ministerial Conference will be an important cornerstone for further development of the programme.

Thank you very much for your attention.