ASEM13 - PHNOM PENH - CAMBODIA

Phnom Penh Statement on the Post-COVID-19 Socio-Economic Recovery

Introduction

1. The Heads of State and Government of the Asia-Europe Meeting (ASEM), were deeply saddened by the tragic loss of lives and suffering faced by millions of peoples around the world due to the COVID-19 pandemic. This pandemic has not only posed unprecedented threats and challenges to public health systems, sustainable development and exacerbated inequality, but also disrupted the global economy, global and regional supply chains and networks of production, tourism, and the very way of life of people.

2. Recalling the **ASEM Host and Regional Coordinators' Ministerial Statement on COVID-19** of 7 September 2020, Leaders reaffirmed their commitment to enhance multilateral platforms and international cooperation among all ASEM Partners and relevant stakeholders and to strengthen the existing regional mechanisms in fighting against the pandemic, minimizing its adverse impacts, following science-based policies, and ensuring coordinated and systematic response, recognizing the links between human, animal and environmental health.

3. Leaders were deeply concerned that the COVID-19 pandemic is having a severe impact on sustainable development, including livelihood and efforts to eradicate poverty, reduce inequality and end hunger. Therefore, they reaffirmed their full commitment to the 2030 Agenda for Sustainable Development, the Paris Agreement and the Addis Ababa Action Agenda.

4. Leaders reiterated the importance of working collaboratively with relevant international and regional organizations, financial institutions as well as other stakeholders in implementing practical and effective measures to curb this global pandemic, address the socio-economic impacts and enhance their preparedness, resilience and response for future pandemics or shocks, including the resilience of financial markets. Leaders noted that transparency needs to underpin global actions of international and regional financial institutions as well as governments and the private sector in the fight against the pandemic.

Addressing the Challenges to Ensure the Health of Our Citizens

5. Leaders emphasized that everyone, regardless of their social or economic status, race, religion, and political beliefs has the right to enjoy the highest attainable standard of not only physical, but also mental health conducive to living a life in dignity. This includes testing and specialized care, especially for people in vulnerable situations. To this end, they resolved to further steer their regions towards recovery along the path of strong, balanced, inclusive, sustainable, innovative and secure economic growth, with full respect for human rights and fundamental freedoms. In this regard, they expressed their gratitude and support to

all medical professionals, healthcare workers, and other frontline personnel as they are at a higher risk to get infected by the COVID-19 virus.

6. Leaders commended the work of World Health Organization (WHO) in containing, mitigating and responding to the pandemic, and acknowledged the key leadership role of WHO within the United Nations (UN) System in preparing for and in catalysing and coordinating a comprehensive, early, effective, transparent, sustainable response to health emergencies. Leaders supported the outcomes of the 74th World Health Assembly that took place on 24-31 May 2021, including consensus reached to strengthen WHO's role as mandated under its Constitution in preparedness for and response to health emergencies.

7. Leaders emphasized the need for all countries to have equitable and timely access to quality, safe, effective, affordable and efficacious diagnostics, therapeutics, medicines and vaccines for the COVID-19 response. In this regard, they called for the strengthening of national and multilateral approaches and international cooperation, such as the COVAX Facility created within the ACT-A and other relevant initiatives as appropriate. They also affirmed their commitment to promote continued investment in scientific research and development, technological transfer, and manufacturing and distribution of COVID-19 vaccines as well as other relevant medical supplies, and emphasized the role of widespread COVID-19 immunization as a global public good. They also encouraged more investment and cooperation in strengthening health systems as an indispensable means for economic resilience and growth.

8. Leaders reiterated their concerted efforts to promote global health security as agreed by the WHA Resolutions with affordable and inclusive health services through the full implementation of the Political Declaration for the UN High-Level Meeting on Universal Health Coverage (UHC) and adherence to the WHO guidelines and other relevant international and regional documents, such as ASEAN Comprehensive Recovery Framework, to minimize threats to public health and reduce the risk of future health crises as agreed in the UN Resolution A/RES/75/27 on International Day of Epidemic Preparedness. They recognized the central role of UHC in health emergencies and that access to all health services is essential. They stood ready to share best practices and join efforts to ease the burden on national health structures and institutions, based on people-centered approach. In this regard, they noted the outcomes of the Global Health Summit on 21 May 2021. They recognized the value of the One Health approach as agreed by UNGA Resolution.

Ensuring Socio-Economic Well-Being: Leaving No One Behind

9. Leaders acknowledged the pervasive and disproportionate impacts of COVID-19 on their societies, including on women, girls, families and those in vulnerable situation, underlined the need for all relevant international and regional organizations and financial institutions to work together to ensure that the adverse impacts of COVID-19 are addressed in a timely, holistic, equitable and integrated manner. They also recognized that the ongoing COVID-19 pandemic has mounting negative impacts on the enjoyment of all human rights, civil and political rights, economic, social and cultural rights, and the right to development. The pandemic should not be used as a pretext to limit democratic and civic space, compliance with international human

rights law and respect for fundamental freedoms, and rule of law. They also devoted a particular attention to the trends of increase of inequality, discrimination, xenophobia, or racism. In this connection, they acknowledged the ongoing whole-of-government and whole-of-community response and stood ready to ensure a full, equal and meaningful participation of all relevant stakeholders, including public and private sector, and civil society, in realizing a more resilient, sustainable and inclusive world that provides a better socio-economic protection and more employment opportunities without discrimination for all, including women and youth.

10. Leaders acknowledged that the COVID-19 pandemic is strongly affecting the global economy, livelihoods and well-being of millions of people in Europe and Asia. The necessary containment measures have been disrupting global demand, labor supply, industrial output, supply chains, international trade and capital flows, and affected food security. In this regard, they stressed the importance of ensuring human security as defined by the UNGA Resolution 66/290 as well as sustainable development as defined in 2030 Agenda for Sustainable Development in order to effectively respond to various challenges, and reaffirmed their determination to continue using all available policy tools to protect people's life, livelihood, quality jobs and incomes, facilitate essential repatriation caused by the COVID-19 pandemic, support inclusive and sustainable growth as well as global economic recovery, and enhance the resilience of the global value chain and trade and financial system, while safeguarding against downside risks.

11. Leaders underscored the need to support most vulnerable segments of the economy, and businesses, including micro-, small-, and medium-sized enterprises (MSMEs), particularly in the area of creative economy, start-ups and other affected sectors. There is a need to support sustainable MSMEs, including increasing their participation in global value chain, strengthening Science, Technology and Innovation capacity, implementing direct action to reach women-owned and -led MSMEs, and promoting sustainable entrepreneurship, access to market, finance, technologies and acquisition of future-proof, including sustainability-linked skills, digital skills and other relevant skills among the worst hit.

12. Leaders reiterated the importance of ensuring equitable access to and leveraging digital technologies, Information, Communication, Technologies (ICT) and innovation to ensure sustainable, inclusive and resilient economic growth and as a response to COVID-19 and its socio-economic impacts since digital technologies have the potential to help contain the pandemic, in full respect to the protection of personal data while protecting human rights and freedoms online. Our economies can only thrive in a global, open, secure, stable, accessible, and peaceful ICT environment. As such, Leaders pledged to enhance cooperation, aiming for data free flow with trust across border, including respect for applicable domestic and international legal frameworks for privacy and data protection. Therefore, they were committed to ensuring an equal and transparent access to information, while countering the spread of disinformation online and offline, including through the dissemination of accurate, clear, factual, science- and evidence-based information.

13. In response to COVID-19, Leaders were committed to pursuing their current efforts to invigorate sustainable and resilient transport connectivity, safeguard the mobility

and well-being of essential transport workers, and secure distribution of vaccines worldwide, as well as improve global coordinated measures of restoring and facilitating cross-border flow of people and goods in a safe and secure manner. In this context, Leaders noted with appreciation the ongoing discussion on the use and interoperability of the COVID-19 vaccination certificates matter.

14. Leaders noted that there are **significant financing needs** and debt vulnerabilities in many low- and middle-income countries, whose economies were deeply affected by COVID-19, and stressed the important role of international financial institutions in the post-pandemic recovery. They also welcomed the efforts of international financial institutions to strengthen debt sustainability for low-income countries, taking into account of specific macroeconomic conditions of each country and credit enhancement for medium-income countries. They also supported the Debt Service Suspension Initiative (DSSI) as well as the Common Framework for debt treatment beyond the DSSI agreed by the G20 to support low-income countries. They welcomed all international supports and pledged commitments from all ASEM Partners and other international organizations. They also concurred to leverage public funds to mobilize private investments, recognizing the vital role of private sector.

Rebuilding Our Economies Sustainably for a Better Future

15. Leaders recognized that recovery from the pandemic provides an important opportunity to accelerate their transitions towards a resilient, digital, low carbon, sustainable and inclusive socio-economic recovery as well as promote orderly and just transitions towards green, circular and more sustainable economies. They also took note of the recent net zero commitments of some ASEM Partners, including enhancing Nationally Determined Contributions that represent the respective country's highest possible ambition, in line with the objectives of the United Nations Framework Convention on Climate Change (UNFCCC), the Paris Agreement, reflecting its common but differentiated responsibilities and respective capabilities in the light of different national circumstances, and 2030 Agenda for Sustainable Development. They reaffirmed the Paris Agreement temperature goal of holding the increase in the global average temperature to well below 2°C above pre-industrial levels and pursing efforts to limit the temperature increase to 1.5^{o}C above pre-industrial levels. Leaders emphasized the importance of protecting, conserving and restoring nature and ecosystems, including through forests and other terrestrial and marine ecosystems acting as sinks and reservoirs of greenhouse gases and by protecting biodiversity, while ensuring social and environmental safeguards. Leaders welcomed the outcomes of the first part of the 15th Conference of the Parties to the Convention on Biological Diversity (COP15) in Kunming and the 26th Conference of the Parties to the United Nations Framework Convention on Climate Change (UNFCCC COP26) in Glasgow. They stressed the importance of providing finance and technology to facilitate the transition and were committed to enhancing international cooperation for this purpose. Leaders welcomed the request to revisit and strengthen the 2030 targets in their nationally determined contributions as necessary to align with the Paris Agreement temperature goal by the end of 2022, taking into account different national circumstances. Leaders noted the need to further integrate adaptation into local, national, and regional planning. They also

urged countries that have not yet done so to submit their adaptation communications.

16. Leaders called for the acceleration of the development, deployment and dissemination of technologies, and the adoption of policies, to transition towards low-emission energy systems, including by rapidly scaling up the deployment of clean power generation and energy efficiency measures, including accelerating efforts towards the phase down of unabated coal power and phase-out of inefficient fossil fuel subsidies, while providing targeted support to the poorest and most vulnerable in line with national circumstances and recognizing the need for support towards a just transition.

17. Leaders acknowledged that multimodality and the transition to sustainable, secure, efficient and smart mobility, including the maritime sector, railways, and aviation, technical and digital innovation, as well as use of alternative and renewable fuels, are necessary for a successful transition to a better future transportation industry.

18. Leaders recognized that trade policies are vital to recover from the COVID-19 crisis to achieve the SDGs targets and to ensure future resilience. In this regard, they reaffirmed their strong support in preserving and strengthening the open, transparent, inclusive, non-discriminatory rules-based multilateral trading system with the World Trade Organization (WTO) at its core. They were committed to continue working together to facilitate and boost inter-regional trade and quality investment and enhancing its efforts to achieve trade-specific targets in the SDGs. They also supported the ongoing reform of the WTO.

19. Leaders were aware that the COVID-19 crisis is driving rapid digitalization across all sectors. In this regard, they urged governments to speed up the planning of digitalization in response to the people's needs. They also agreed to enhance cooperation in bridging the digital divide, particularly in digital infrastructure development, provision of digital skills as well as digital literacy and capacity building. They recognized that global digital financial governance must be strengthened through a balanced and more inclusive dialogue, particularly with least developed and developing countries.

20. Leaders recognized the importance of equipping people with the knowledge and skills to be more competitive and resilient, while providing access to equitable quality education at all levels. They were committed to strengthening cooperation and expanding access to technical vocational education and training institutions as a means in increasing the capabilities, productivity, and adaptability of workers.

21. Leaders were committed to reducing trade barriers or disruption to global supply chains caused by the COVID-19 pandemic. They recognized the importance of keeping markets and global supply chains open, stable and accessible. They were committed to stepping up efforts in order to ensure the flow of essential goods and services remain as unimpeded as possible to accelerate the socio-economic recovery and enhance the well-being and livelihood of their peoples. Emergency measures designed to tackle COVID-19 must be targeted, proportionate, transparent, temporary, and consistent with WTO rules. Any respective trade-restrictive or distorting measures should be wound-back when they are no longer necessary to

tackle the pandemic. In parallel, Leaders would continue their cooperation for an agreed globally fair, sustainable, and modern international tax system.

22. Leaders agreed to strengthen the implementation of the UN Guiding Principles on Business and Human Rights and promote responsible business conduct, where appropriate, along global value chains, exploiting the opportunities offered by just global transitions towards a circular economy for improving resource efficiency and achieving sustainable consumption and production. They stressed the need to step up their joint efforts for ensuring that consumers worldwide are entitled to the same rights, both on online and offline markets, and for ensuring products safety.

23. Leaders welcomed the work of Asia-Europe Foundation (ASEF) to tackle the current pandemic by providing a platform for the exchange of public health priorities through webinars such as "the Pandemic and the Economy" as well as dispatching the Personal Protective Equipment to ASEM Partners via its stockpile project, which was financially reinforced in 2021.

24. Leaders reaffirmed their commitment to helping each other through cooperation and collaboration in order to emerge from this pandemic stronger and more resilient. Their Asia-Europe partnership is the source of strength and inspiration in the global COVID-19 recovery.

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