(Translation)

**Speech by H.E. Li Keqiang**

**Premier of the State Council of**

**The People’s Republic of China**

**At the 23rd ASEAN Plus China, Japan and ROK Summit**

14 November 2020

Prime Minister Nguyen Xuan Phuc,

Colleagues,

It gives me great pleasure to see all of you again via video link. I wish to thank the government of Vietnam and Prime Minister Nguyen Xuan Phuc for your thoughtful arrangements.

In April, we held a Special ASEAN Plus Three (APT) Summit on COVID-19. Since then, all parties have been actively implementing its outcomes, which has bolstered both our response against the virus and economic recovery in the region. Such progress has highlighted APT’s important role as the main channel of East Asian cooperation.

APT cooperation was initiated in the aftermath of the Asian financial crisis. Over the years, countries in the region have followed the trend of economic globalization and regional economic integration, and deepened practical cooperation in various fields. Today, APT cooperation is underpinned by a multi-tiered framework covering wide-ranging areas. A number of crisis response mechanisms including the Chiang Mai Initiative Multilateralization (CMIM) and the ASEAN Plus Three Emergency Rice Reserve (APTERR) have been established. A broad vision has been outlined for an East Asian Community. All this has contributed to stability and prosperity in East Asia, fostered a regional culture of unity, coordination, inclusiveness and openness, and brought benefits and hope to our peoples.

With COVID-19 raging unabated and economic globalization facing headwinds, economic integration in East Asia is confronted with new challenges. Meanwhile, it remains our shared aspiration to pursue enduring prosperity and stability in the region, and it serves our common interests to pursue interconnected development and shared opportunities. APT countries’ COVID-19 response has produced initial results. Business activities as well as industrial and supply chains are coming back gradually. Existing mechanisms and channels for regional cooperation are functioning smoothly. As relevant international agencies projected, East Asia is expected to be the only region to post positive growth in 2020. The resilience of East Asian countries has enhanced our confidence and capacity to overcome challenges.

Colleagues,

APT countries are a vital force for the economic development of the East Asian region. We need to enhance communication and coordination, and promote greater harmonization of policies and rules. More resilient and vibrant APT cooperation will boost the economic recovery of our region, and lay a solid foundation for its development in the long run. In this connection, I would like to make the following proposals:

First, we need to work more closely on COVID-19 response and strengthen public health capacity building. Facing a second wave of infections worldwide, vaccines are a powerful weapon for us all. Four Chinese vaccines are currently in Phase III clinical trials, and China is collaborating with a number of countries on R&D, production and procurement. China has joined COVAX and is ready to advance international vaccine cooperation. We will take into account the needs of countries in the region, and work for the accessibility and affordability of vaccines.

China welcomes the official launch of the ASEAN Regional Reserve of Medical Supplies (RRMS). We will work with other parties for the setting-up of an APT Reserve of Medical Supplies for Public Health Emergencies and enhance its coordination with the RRMS.

Next year, China will host the APT Tabletop Exercises for Public Health Emergencies. We look forward to your participation. We will also encourage the Asian Infrastructure Investment Bank and other international financial institutions to support COVID-19 response efforts of regional countries.

Second, we need to accelerate the building of FTAs and deepen integrated development of East Asia. Accounting for nearly a third of the global GDP, APT countries are important engines of the world economy. Highly integrated and complementary, we all have a stake in each other’s success. In the first three quarters, even under COVID-19, China’s trade with ASEAN, Japan and the ROK have all held basically steady. It is especially worth noting that, after eight years of hard work, the Regional Comprehensive Economic Partnership (RCEP) will be officially signed by the relevant parties. As the most promising FTA covering the largest population and most diverse membership, the RCEP will be yet another important milestone in regional economic integration following the establishment of the ASEAN Economic Community. It accommodates the broadest possible interests, conditions and priorities of different countries. Embodying the spirit of multilateralism, the RCEP sends a clear message of East Asian countries working together for shared prosperity and will make important contributions to regional development and global recovery.

China will, as always, support ASEAN centrality and work for early entry into force of this FTA to facilitate the flow of goods, technologies, services, people and capital in this region and foster a unified regional system of economic and trade rules. China will work vigorously with all parties to ensure sound implementation of the RCEP and enable businesses and people of the region to benefit as early as possible from this successful outcome.

Third, we need to facilitate the smooth functioning of the industrial and supply chains of the region and make East Asia’s industrial system more competitive. Over the past 50 years and more, a well-connected and sophisticated industrial system that draws on the strengths of different parties has gradually taken shape in East Asia, playing an important role in spurring economic growth of regional countries and enhancing regional competitiveness. Under the current circumstances, all parties must step up coordination for early restoration and smooth functioning of the region’s industrial and supply chains.

China proposes that, with effective containment measures in place, a regional network of “fast tracks” and “green lanes” be established in a phased manner to facilitate the flow of people and goods.

Micro, small and medium-sized enterprises (MSMEs) are an indispensable link in the industrial chain. The Secretariat of APT SME Service Alliance is now officially operational in China, and the Executive Board of the APT Inter-Bank Cooperation Mechanism has successfully met for the first time to further support MSMEs.

Taking a long view, we need to leverage the unique strengths of East Asia, including its many emerging economies, full-fledged industrial chains covering low, medium and high ends of production, sufficient population dividends, and enormous markets. By working together, we will build an open, smooth, safe and stable regional production system in East Asia, which will serve to raise its overall competitiveness and resilience, foster regional economic circulation and contribute to the steady growth of the world economy. China is ready to discuss with all parties cooperation on supply chain finance and enhance the use of local currencies in trade and investment. The Joint Study on 10+3 Cooperation for Improvement of Supply Chain Connectivity has been completed and will provide useful policy guidance for the regional production system.

Fourth, we need to seize the opportunities of the digital economy and make East Asia the land of innovation. COVID-19 has given rise to the contactless economy, online economy and low-carbon economy. We need to embrace the trends of digital, Internet-based and smart development, harness the extensive scale of East Asian markets, promote cooperation in Internet-plus, big data, 5G, artificial intelligence, e-commerce, smart cities and other fields, and pursue integrated growth of “online” and “offline” economies in order to share development opportunities and expand space for growth. We hope all parties will uphold market principles and create a fair, equitable, non-discriminatory and predictable business environment for cooperation among enterprises.

China has put forward the Global Initiative on Data Security in the hope of enhancing data governance cooperation with all parties and jointly forging a cyberspace featuring peace, security, openness, cooperation and order. We may also explore greater financial innovation by harnessing financial technologies such as big data and artificial intelligence, which will make the financial sector better able to serve the real economy and the general public. We need to explore the design of diversified supporting facilities for the regional financial safety net and make the CMIM more effective and readily available. The role of the ASEAN+3 Macroeconomic Research Office will be further enhanced, and the Credit Guarantee and Investment Facility better utilized.

Fifth, we need to focus on cooperation in social and livelihood areas to realize sustainable development in East Asia. COVID-19 has disrupted our efforts and eroded the gains in poverty alleviation. For China, this year is the year for winning a decisive victory against extreme poverty. While relieving poverty in our country, we will continue to do our best to help meet the poverty reduction needs in ASEAN countries.

China will implement the projects under the East Asian Cooperation Initiative on Poverty Reduction (phase II),including building small-scale infrastructure and public service facilities in poverty-stricken areas and demonstration and capacity building programs for livelihood improvement. We will continue to hold the APT Village Leaders Exchange Program and facilitate the implementation of the Initiative for ASEAN Integration. All these will contribute to realizing balanced development in the region.

Parties need to work together to promote post-COVID green recovery. China proposes conducting climate change cooperation among coastal cities and developing an APT platform for exchanges between coastal cities. Communication and dialogue will be stepped up on the prevention and treatment of marine plastic debris, and China will continue to host the APT Clean Energy Roundtable Dialogue. To increase our region’s capability for disaster management and emergency response, China proposes holding the APT Ministerial Meeting on Disaster Management at an early date. China is also ready to carry out more cooperation programs on health, environmental protection and disaster relief under the “China-Japan-ROK plus X” model.

East Asia cannot achieve greater prosperity and progress without a peaceful and stable international environment. As a close neighbor of the Korean Peninsula and a responsible major country, China supports the positive efforts by the ROK to improve inter-Korean relations. China is ready to work with other regional countries and play a positive role in realizing lasting peace in the region.

Colleagues,

The sudden onslaught of COVID-19 has seriously impacted China’s economy. GDP dropped by 6.8 percent year on year in the first quarter of this year, and the unemployment rate rose notably. In response, China has adopted a coordinated approach to control the virus and promote economic and social development. A host of measures were promptly taken to reopen the economy, support businesses, sustain jobs and protect people’s livelihood to minimize the impact of COVID-19.

Starting from April, China’s economy has been recovering month by month. GDP grew by 0.7 percent year on year for the first three quarters. It is worth noting that the employment situation has been basically stable, with 8.98 million new urban jobs created, close to fulfilling this year’s projected target, and the surveyed urban unemployment rate fell to 5.4 percent in September. On the whole, China’s employment and economic fundamentals have remained stable, which is a testament to the strong resilience and tremendous potential of China’s economy, and the timely, strong and well-calibrated macro policies we have implemented.

This year is the final year for the implementation of China’s 13th Five-Year Plan. All the goals laid out in the Plan are expected to be met on schedule, and the task of building a moderately prosperous society will soon be completed.

Last month, the Fifth Plenary Session of the 19th CPC Central Committee was successfully held. The plenum adopted the *Recommendations of the CPC Central Committee for Formulating the 14th Five-Year Plan for Economic and Social Development and the Long-Range Goals for 2035*, drawing up a new blueprint for China’s development in the coming years. From next year on, China will begin a new journey toward fully building a modern socialist country and enter a new stage of development.

China has set out to foster a new development paradigm that aims to promote both domestic and international circulations. We will give greater importance to boosting domestic demand and energizing the domestic market, and place greater emphasis on international cooperation and opening-up.

With a 1.4 billion population and a middle-income group of over 400 million, China is the world’s most promising market. Going forward, China will pursue a higher level of opening-up across the board, promote trade and investment liberalization and facilitation, and improve the management system combining pre-establishment national treatment and the negative list for the access of foreign investment.

We will protect the lawful rights and interests of foreign businesses in accordance with the law and foster a level playing field where all businesses, domestic or foreign, are treated as equals. China, a big market open to the whole world, will provide more development opportunities for its neighbors and for all in the world.

East Asia is our shared home; we must all take care of it and build it into a better place. I am confident that with our concerted efforts, East Asia will emerge from the pandemic at an early date and embrace an even brighter future.

Thank you.