



## **OPENING REMARKS**

**BY**

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**31<sup>ST</sup> ASEAN ECONOMIC MINISTERS' RETREAT  
(BEGINNING OF CLOSED SESSION)**

**28 FEBRUARY 2025 (FRIDAY)**

**ONE & ONLY  
DESARU, JOHOR**

Your Excellencies

Esteemed AEM colleagues

Timor-Leste

Dr. Kao Kim Hourn – Secretary-General of ASEAN

The ASEAN Secretariat

Distinguished Delegates

Ladies and Gentlemen,

We will now commence with the Closed Session of the AEM Retreat.

- Once again, it is my utmost pleasure to welcome Your Excellencies and delegation to the 31<sup>st</sup> AEM Retreat in Desaru, a coastal resort area located in the southeastern region of the State of Johor.

### ***Lao PDR's ASEAN Chairmanship in 2024***

- First and foremost, I would like to express my heartiest congratulations to Lao PDR for its successful ASEAN Chairmanship in 2024. Under Lao's stewardship, ASEAN has made significant gains in various initiatives and goals that accentuated our commitment towards inclusivity, sustainability, and regional integration, with a collective vision for regional peace, prosperity, and progress.

- On this note, Malaysia greatly appreciates and looks forward to the strong support among our ASEAN brothers and sisters in realising this vision for our region in deepening ASEAN's unity and centrality, economic integration and people-centered development throughout 2025.

### ***Desaru, Johor as Venue of 31<sup>st</sup> AEM Retreat***

- Desaru is renowned for its long stretches of beautiful, sandy beaches that face the South China Sea. The area has seen significant development in recent years, particularly with the creation of Desaru Coast, an integrated tourism destination offering a mix of experiences, from relaxing beaches, adventure water sports, world class golf courses, nature tours as well as agro-tourism, catering to a wide range of travelers.

### ***ASEAN 2025 Theme: Inclusivity and Sustainability***

- For Your Excellencies' information, Desaru is one of the many wonderful locations all around the country that Malaysia will be hosting our meetings under the ASEAN Economic Community (AEC) in 2025. The past two (2) meetings at the Senior Economic Officials' level were organised in the state of Sabah and Sarawak located in Borneo. Embracing Malaysia's Chairmanship theme of "Inclusivity and Sustainability", we have included several locations in East and West Malaysia encompassing a wide spectrum of collaboration with Federal Government, State and Local Governments, businesses, individuals as well as international organisations in our line-up of AEC related meetings and side events.

- Inclusivity and sustainability have been a mantra for ASEAN for the past decade under the ASEAN Community Vision (ACV) 2025. While we are seeing the fruition of the ACV 2025 aspiration thus far, we also need to acknowledge that more needs to be done to further integrate economies between AMS. This is clearly reflected in our works under the newly developed ACV 2045 which will continue to steer ASEAN's narrative of fostering a more integrated, resilient, and people-centered ASEAN, with an emphasis on sustainability, inclusivity, and prosperity for all member states.
- From the Malaysian perspective, the year 2025 is where ASEAN goes back to our core spirit in establishing this regional pact, in humble terms as mentioned by The Right Honorable Prime Minister of Malaysia, Datuk Seri Anwar Ibrahim, 2025 is about "embracing the future with a clear vision focused on inclusivity and sustainability, ensuring that every voice matters and leaving no one behind".

### ***ASEAN's Overall Progress***

- In our pursuit of common goals for the region, let us also reflect on the milestones that ASEAN has achieved in recent years. Collectively, ASEAN has showcased impressive economic resilience and has continued efforts to recover post 2020 and 2021 global pandemic. While some fluctuations were experienced in Trade in Goods which decreased by 8.3 per cent in 2023, ASEAN total trade still recorded a total of US\$3.5 trillion (with US\$1.8 trillion of exports and US\$1.7 trillion of imports). Despite the overall trade slowdown, ASEAN maintained a trade surplus of US\$96.7 billion in 2023, which potentially contributes to the region's economic growth.

- Foreign direct investment flows into ASEAN had shown steady growth over the past decade, rising from US\$129.9 billion in 2014 to US\$229.8 billion in 2023 underscoring ASEAN's continued attractiveness to foreign investors.
- Further, our region's economic outlook remains optimistic with a projection of growth reaching 4.6 per cent in 2024 and further increasing to 4.7 per cent in 2025. While seemingly modest at this juncture, this viewpoint is seen as promising and a good indication of our region's evolving state of economy.

### ***Global Challenges and Paradigm Shift for ASEAN***

- In the face of global economic headwinds, mainly stemming from geopolitical influences and shifts, it is prudent for ASEAN to assess the dynamics of these situations and possess the ability to understand the eventualities that may significantly impact our regional economic landscape.
- In response to these challenges, it is vital for us to enhance internal cohesion and diversify our external partnerships. Strengthening economic integration within the region, accelerating initiatives like the Regional Comprehensive Economic Partnership (RCEP), and engaging with other global partners could mitigate the adverse effects of policy shifts by major economies. One of them is the proposed 2nd ASEAN-Gulf Cooperation Council (GCC) Summit and the ASEAN-GCC-China Summit which will be presented by Malaysia during this Retreat.

Your Excellencies,

- As we gather here today, let us be reminded of the values that bind us together as ASEAN: peace, stability, mutual respect, and the determination to ensure a better future for all. The spirit of ASEAN solidarity has been, and will continue to be, the foundation of our progress. I encourage all of us to approach our discussions with an open mind, a spirit of collaboration, and a commitment to advancing our common interests. I look forward to our fruitful discussions and to the positive outcomes that will emerge from this AEM Retreat.
- Thank you again for your presence and participation.