

Statement by H.E. Mr. SAIKHANBILEG CHIMED,
Prime Minister of Mongolia
at the opening of ASEM Finance Ministers' Meeting

10 June 2016

Ulaanbaatar, Mongolia

Esteemed Ministers of Finance,

Distinguished Guests,

Ladies and Gentlemen,

First of all, I would like to welcome you all to Mongolia and wish you a very productive, pleasant and memorable stay. I hope that you will find time to get acquainted, though briefly, with my country, its people as well as with the rich nomadic culture and customs of Mongolia.

Mongolia is honored and proud to host the 11th ASEM summit on 15-16 July. As the host, Mongolia has organized a number of meetings and events in preparation for the summit, including the 9th Asia-Europe Parliamentary Partnership (ASEP) meeting, an Asia-Europe think tank dialogue and ASEM Senior Officials meeting that not only have taken stock of and have reviewed the overall ASEM process and the progress made during the past 20 years, but also have laid out a vision for ASEM's next decade. Mongolia will also be hosting, besides this ministerial meeting, the Asia-Europe People's Forum, Asia-Europe Business Forum, Model ASEM for the young people, Asia-Europe Editors round table leading to the summit which will undoubtedly contribute in charting the future direction of the ASEM process.

This Ministerial meeting (FinMM-12) is expected to contribute its own fair share to defining future concrete actions of ASEM in strengthening Asia-Europe connectivity areas and making the ASEM process more relevant in meeting the expectations and desires of the people of Asia and Europe.

The past twenty years of ASEM have proved its relevance and resilience. The mere fact that its ranks have expanded from 20 plus partners to 53 today, with more applicants wishing to join the process, is a powerful witness to the ASEM's vitality which speaks for itself. Today, thanks to ASEM efforts Asia and Europe enjoy much higher degree of partnership and connectivity than 20 years ago.

As Chair of Mongolia's National Council for the ASEM summit preparations, I am pleased to inform that the preparations for the summit are in full swing and well underway. The Summit is expected to adopt two documents: "Ulaanbaatar Declaration" and the "Chair's Statement."

With the input of ASEM Partners, experts, and scholars the hosts hope to produce a document that would reflect on the ASEM's achievements and challenges, on the initiatives, programs, and projects of the past two decades and lay out a vision for the next decade. The declaration will not only support the informal dialogue format but also strive to propose some ideas for achieving tangible results. It is expected to be a short, yet concise document.

The second document – the "Chair's Statement" – will be a standard document that would serve as an executive summary of the proceedings of the Summit and the related fora on issues of common interest and concern.

Following up on the previous Summit, a meeting in retreat is being planned for the leaders so as to provide them with opportunities to openly exchange views on some issues of mutual interest or common concern.

Today the world needs to address multiple economic and financial challenges, including fragile state of world economy, slowing of the growth, higher costs of capital, volatility of financial and commodity markets, etc. The financial uncertainties are hampering economic growth and sustainable development. The persistence of poverty, high unemployment, increasing social inequalities and development gaps hinder successful

economic cooperation and partnership between the two continents. Sound national policies and strategies, including financial policies and their thorough coordination at regional and international levels are needed more than ever.

This ministerial meeting, being held under the theme “Partnership for Prosperous Connectivity between Asia and Europe” needs to review the recent developments and prospects in the world economic and financial environment and their impact on Asia and Europe as well as the role of international and regional financial arrangements. The newly established Asian Infrastructure Investment Bank, together with ADB, EIB and other multilateral development banks, can contribute to achieving ASEM objectives. Connectivity and cooperation among regional financial arrangements (RFAs) such as European Stability Mechanism (ESM) and its precursor, the European Financial Stability Facility (EFSF) and the Chiang Mai Initiative Multilateralization (CMIM) can and need to play an important role in maintaining financial stability in the ASEM region and the world in general.

Going beyond financial cooperation and connectivity, inter-regional integration between ASEM economies and more proactive role of ASEM partners in addressing the macroeconomic challenges in mitigating the impact of future crises need greater degree of cooperation and coordination.

Mongolia supports both hard and soft connectivity. With respect to the former, sound financial approach would allow building a regional infrastructure hub that would include highways, railroads and gas and oil pipelines to maximize both regions’ gains resulting from increased connectivity. Mongolia has been striving to make its own contribution to increased connectivity between Asia and Europe.

Mongolia is of the view that ASEM should stay as a platform for informal dialogues based on its three pillars of political, economic and socio-cultural partnership of equal importance, as reflected in its guiding principles. Therefore, we stand for revitalization of ASEM’s economic pillar and in particular for resumption of ASEM’s Economic Ministers’

meetings. Trade, investment and finance should be an important integral part of Asia-Europe connectivity.

Creating more jobs and employment opportunities, for young people in particular, exploring avenues for increased trade and investment flows between the two regions, just to name a few, should be the focus of ASEM's economic dimension. I am confident that these and other issues of the day will find reflection in your discussions.

As we all know ASEM is a process initiated and driven by Governments. The process is supported by various other stakeholders and participants, with new emerging ones as well. While preserving the nature of the ASEM process as informal, we believe that enhanced coordination will serve even better the purpose and mission of ASEM.

I wish fruitful, candid and successful results for your meeting on the eve of ASEM's 20th anniversary summit next month here in Ulaanbaatar.

Thank you