

# 'ASEAN, CHINA MUST TAP INTO DIGITAL ECONOMY'

This will build a stronger economic region post-Covid-19, says prime minister

KUALA LUMPUR

**A**SEAN and China must fully tap the potential of the digital economy to build a stronger economic region post-Covid-19, said Prime Minister Tan Sri Muhyiddin Yassin.

In calling for this at the 23rd Asean-China Summit yesterday, Muhyiddin said the rise in online transactions during the pandemic had shown that the digital economy could play a vital role in reviving economies in the region as it would create new jobs and encourage growth and business sustainability, especially for the micro, small and medium enterprises sector.

He said with the global growth rate expected to slow roughly 3.5 per cent between next year and 2025, Asean and China must redouble efforts to ensure the sustainability of economic activities, with a focus on promoting trade and investment and maintaining regional and global supply chains.

"In this regard, Malaysia welcomes the signing of the Regional Comprehensive Economic Partnership (RCEP), which we trust will reflect our unwavering support for the multilateral trading system and regional integration.

"Malaysia trusts that RCEP will be a game-changer in our efforts to increase the flow of investments and to encourage intra-trade within the region," he said.

The 23rd Asean-China Summit was held as part of the 37th Asean Summit, which was hosted by Vietnam via video conference due to the Covid-19 pandemic.

It was also attended by China's Premier Li Keqiang, who is country coordinator of Asean-China dialogue relations, and Philippine President Rodrigo Duterte.

Muhyiddin called on Asean and China to continue regular discussions and cooperation at multiple levels, as well as explore new opportunities for practical cooperation and comprehensive recovery post-Covid-19.

On the Covid-19 vaccine and development, he thanked Chi-



Prime Minister Tan Sri Muhyiddin Yassin and the Malaysian delegation attending the virtual 37th Asean Summit in Kuala Lumpur yesterday. BERNAMA PIC

na's contribution and support of Asean's initiatives on public health emergencies.

"We look forward to the swift completion of clinical trials of the vaccine and appreciate President Xi Jinping's pledge to make the vaccine a 'global public good'.

"On that note, Malaysia is appreciative of China's commitment to prioritise Malaysia as a recipient, and we are now ready to receive successfully developed Covid-19 vaccines," he said.

The prime minister also emphasised that for economies to continue to grow, certainty and stability in the political-security realm was even more vital in these unprecedented times.

As such, he reiterated that the South China Sea issue must be managed in a peaceful and rational manner through dialogue and consultations, using the appropriate fora and diplomatic channels, as well as in accordance with the universally recognised principles of international law, including the United Nations Convention on the Law of the Sea 1982.

He said all parties needed to work together to ensure it remains a sea of peace, stability and trade.

"We must avoid unintended and accidental incidents in the South China Sea. While international law guarantees the freedom of navigation, the presence of warships and vessels in the South China Sea has the potential to increase tensions that in turn may result in miscalculations which may affect peace, security and stability in the region."

He reaffirmed Malaysia's commitment to the full and effective implementation of the Declara-

tion on the Conduct of Parties in the South China Sea in its entirety and the early conclusion of an effective and substantive Code of Conduct for the South China Sea, adding that it remained supportive of efforts to continue the discussion on the Code of Conduct in spite of the Covid-19 pandemic.

He called on Asean and China to continue to work closely in the years ahead and strive to maintain close engagements in all areas of cooperation.

He said relations and cooperation between both sides had much potential that should not be compromised and that whatever obstacles that Asean and China have must be resolved amicably in the spirit of the Treaty of Amity and Cooperation.

"Trust is the essence of constructive, mutually beneficial relations.

"With trust, all problems that we have can always be addressed in the most sensible manner.

Muhyiddin is leading Malaysia's delegation at the biannual summit held virtually from here. It will end on Sunday.

The summit is chaired by Vietnam Prime Minister Nguyen Xuan Phuc in his capacity as Asean Chair 2020 under the theme "Cohesive and Responsive Asean".

The delegation includes Foreign Minister Datuk Seri Hishammuddin Hussein and Senior International Trade and Industry Minister Datuk Seri Azmin Ali.

Asean, established in 1967, comprises Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Vietnam. **Bernama**