



**SOCDEM Asia & GPF-PES-S&D Politicians Meeting
Developing Progressive Agenda and Forging Partnerships toward the ASEM Summit
29 September 2014, Manila, Philippines**

STATEMENT

A cooperation between Asia and EU for more decent jobs, increased equality and a better climate.

In the last two decades, the vast regions of Asia and Europe have moved closer to each other, resulting in the establishment of a number of cooperation and coordination mechanisms, including the Asia-Europe Meeting (ASEM). Bringing together the 28 members of the European Union (EU), the 10 members of the Association for Southeast Asian Nations (ASEAN), China, Japan, and the South Korea, India, Mongolia, Nepal, Pakistan, Australia, New Zealand, Russia, Switzerland, Norway and Bangladesh, the ASEM represents one of the biggest and most consequential global platforms for inter-regional dialogue. **Put together, Asia and Europe represent 52% of global Gross Domestic Product (GDP), 68% of global trade, and 60 % of the world population.**

The increased mutual interest between Asia and Europe has also brought progressive forces from both regions closer together. The upcoming ASEM Summit in Milan 16-17 October has created the momentum to unite SOCDEM Asia and the Global Progressive Forum (a cooperation between the Party of European Socialist and the Socialists and Democrats Group in the European Parliament) to discuss a common progressive agenda.

ASEM cooperation, up until today, had a very strong focus on economic recovery, trade liberalization and sustained growth. Social protection and decent work is mentioned only in the fringes of the ASEM Chair's conclusions, and marginal attention is given to the plethora of measures that can be implemented to promote equality.

The upcoming 2014 ASEM Summit is set to focus on appropriate set of policy actions and agreements to enable greater cooperation between Europe and Asia. Beyond the conventional focus on deepening trade and investment relations, both regions should engage in a serious dialogue on how to (a) reform existing economic institutions in order to ensure more inclusive growth, (b) undertake appropriate policy initiatives to establish a sustainable energy paradigm amid climate change, and (c) secure human rights and democratic gains.

The Global Progressive Forum and SOCDEM Asia would like to make the following recommendations to ASEM:

- 1. Create decent jobs and take measures to ensure qualitative and inclusive growth and reduce inequality**

Asia's rapid economic growth has led to poverty reduction, but also prompted a rise in inequality. The proportion of people living below the poverty line dropped from 53.9% in 1990 to 21.5% in 2008, lifting 716 million out of poverty. Unfortunately this has also led to a rise of inequality. 28 Asian countries, accounting for 82% of the population, have seen rising inequality in their income and expenditure¹. Meanwhile economic stagnation in Europe has also led to a substantial rise in inequality, which is mainly driven by large income gains among the top 10% earners².

- We need to act together to correct the flaws of our economic and financial system. A job is the number one remedy against poverty. **We call for active and inclusive economic and education policies tailored to tackle unemployment. In this regard, special attention should be paid to youth unemployment, youth underemployment, informal labour and migrant workers.** Among these groups, women are often the most vulnerable. We need a shift in our economic mindset and policy-making paradigm in order to correctly see how growth and distribution are mutually supportive, and that distribution is indeed indispensable to -- and the most effective driver of -- growth on a sustainable basis.
- Social protection increases capacities and chances of employment. It enhances productivity, and works as a macroeconomic stabilizer in times of economic crisis. **Governments need to establish social protection schemes, treating trade unions as legitimate stakeholders and partners in the determination of labour policy, ensuring decent working conditions regardless of gender, ethnicity, religion, and socio-economic background.** The ASEAN Ministers work programme for 2010-2015 includes the enhancement of social security and protection as a priority action, in particular to extend social protection to self- or informally employed; this also needs to be prioritized across the line by all ASEM member countries.
- Transfers and income taxes have been able to reduce inequality by about a third among advanced economies. **We need fiscal policies that are fair and that focus on redistribution.** We need a fair, socialized taxation policy, ensuring an egalitarian economic environment for the protection and enhancement of public welfare. Big capital needs to contribute its fair share by paying a capital tax. A strong fiscal policy can also create a strong welfare state; if everyone has access to health care and education, social mobility will increase. The financial transaction tax, now being pushed by a number of European countries, should be expanded. **Together, we call for greater and more effective regulation, transparency and accountability, a fair taxation policy and an elimination of tax havens. Growth should be encouraged only if it is qualitative, inclusive and creates more equal societies.**

2. Take urgent and immediate action to tackle climate change and enhance cooperation to increase energy security

¹ <http://www.rrojasdatabank.info/ado2012p2.pdf>

² <http://www.oecd->

library.org/docserver/download/5k9bdt47q5zt.pdf?expires=1410773294&id=id&accname=guest&checksum=AC32507E35FFDFC48F76EFAF1F3F00A8

Asia and Europe face significant challenges when it comes to climate change and energy security. The EU currently imports 53% of the energy it consumes and member countries are highly dependent on a few single suppliers. Gas supply shortages and the ongoing crisis in Ukraine have demonstrated a clear need for a more diversified energy package³. In Asia, continuous growth has led to an exponential rise in energy demands. While Asia's GDP is expected to grow by 6.7%, it needs to secure a supply of clean and affordable energy⁴.

In its report *Climate Change 2014: Impacts, Adaptation and Vulnerability* the UN has stated that Asia, and particularly coastal Asian cities, will be hit the hardest by global warming. Two of the three countries most affected by climate change are ASEM members. Hundreds of millions of people are likely to lose their homes due to flooding, famine and rising sea levels. Europe will suffer from droughts and floods, changing the ecosystem and affecting the agricultural sector.

- While the effects and consequences of climate change are becoming increasingly evident, momentum has started to falter due to the dramatic fall-out of the economic and financial crisis. The issue of climate change remains imminent and calls for immediate and concrete measures. **The two sides should step up their cooperation in the ongoing global climate negotiations. We need to collectively ensure the adoption, at the United Nations Framework Conventions on Climate Change (UNFCCC) in Paris in 2015, of an ambitious, legally binding protocol limiting the emission of global greenhouse gases to below 2 degrees Celsius above pre-industrial level. Also, Europe and Asia should encourage actions beyond inter-governmental negotiations, incorporating views from and cooperating with relevant non-state actors, who also share a common (and increasingly direct) stake in mitigating and adapting to climate change.**
- **To enhance energy security we encourage ASEM members to maximize cooperation in the field of renewable energy supply and sustainable energy diversification.** Technology transfers, R&D and capacity building need to be enhanced on both sides. Many Asian and European countries have proven to be real innovators when dealing with the challenges posed by climate change. **The knowledge and expertise they developed should be used to jumpstart joint initiatives to deal with global warming and secure a sustainable supply of energy. Trade and cooperation agreements should promote the interests of people from Europe and Asia. They should include green benchmarks, encouraging stakeholders to make a genuine and measurable effort to support the green economy.**

3. Secure human rights and democracy

A lot of progress has been made in the field of democracy building. However, democracies are not uniquely defined by the right to free elections. Democratic states often do not guarantee human rights, while corruption remains a persistent problem. According to transparency international, many Asian countries still suffer from a corruption epidemic caused by opaque public institutions, lack of protection for anti-corruption actors and

³ http://ec.europa.eu/energy/doc/20140528_energy_security_communication.pdf

⁴ <http://www.adb.org/publications/asian-development-outlook-2013-asias-energy-challenge>

widespread government interference in the work of anti-corruption watchdogs. Meanwhile a number of EU member countries have shown a declining commitment to the EU's human rights agenda enshrined in the *acquis communautaire*, prompting discussions about post-accession human rights monitoring. Populism and right wing extremism have been on the rise, with a number of xenophobic parties knowing significant electoral successes over the last couple of years. The rise of various expressions of xenophobia urgently demands a deeper analysis and an appropriate political response in Asia and Europe.

Human rights and freedoms, including social, economic and cultural participation rights, are at the core of our democratic progressive agenda, and concrete efforts need to be made to increase accountability of states that ostensibly ignore these principles. ASEM members need to continuously renew efforts to ensure the basic rights and freedoms of their citizens are being respected. **We call for a continuous and unrelenting commitment to the implementation and enforcement of human rights as formulated in the UN Charter, the Universal Declaration on Human Rights and international human rights standards. Human rights also include workers' rights. It is time for the implementation of the ILO core Conventions and labour standards.**

Both the Global Progressive Forum and SOCDEM Asia want the ASEM to serve as a result-oriented mechanism for dialogue between our parts of the world. Decision makers from Asia and Europe should support a number of concrete measures to handle our common challenges in the coming years. An action plan with concrete targets should ensure an adequate implementation of the ASEM conclusions. As progressives, we will push forward the recommendations above through the diverse channels at our disposal at the national, regional and international level.