

## **CSO RECOMMENDATIONS TO EFFECTIVELY ADDRESS THE IMPACT OF THE GLOBAL FINANCIAL CRISIS ON THE VULNERABLE SECTORS IN THE ASEAN REGION**

**(August 6, 2009)**

We, representatives from civil society organizations of women and men migrant workers from the formal, informal and labor sectors, small-scale farmers, fishers, indigenous peoples, agricultural workers, consumers, academe and non-government organizations from the ASEAN region, gathered at the “Regional Conference on the Impact of Financial and Economic Crisis on Vulnerable Sectors of the Region: Civil Society Voices and ASEAN” held in Jakarta, Indonesia on July 28-29, 2009 wish to register the following recommendations to ASEAN and other intergovernmental bodies:

1. We acknowledge that the global economic and financial crisis is a recurrent event that creates havoc on the livelihoods and welfare of many communities, especially the most vulnerable sectors. The crisis has been addressed through partial reforms, stimulus packages and bail outs. To prevent or mitigate future crises, we need a thorough re-examination of the global financial system and the formulation of the corresponding systemic, institutional reforms. We need to put in place a new global financial architecture that is fair and transparent, that has a development agenda and that is responsive to shocks. Reforms will include sound regulation of capital and financial markets including the need to control excessive flows and high risk leverage and regulate various financial products( e.g. sub-prime loans and credit cards). There, too, should be proper and timely disclosure of information on the advantages/disadvantages of financial products. A charter for the responsible sale of financial products should be developed.

2. We acknowledge ASEAN’s effort to seek solutions to the financial crisis alongside the rest of the world through participation in the UN system and other multilateral mechanisms. We encourage ASEAN to take a more active positioning as a regional block in defining an integrated and sustainable global solution to systemic crisis and in its commitment to achieving the Millennium Development Goals (MDGs). We also encourage ASEAN to make use of the Outcome Document of the UN World Conference on Financial and Economic Crisis and Its Impact to Development.

3. We take note of the Roadmap for an ASEAN Community 2009-2015, particularly the ASEAN Socio-Cultural Community (ASCC) Blueprint, and the need for it to be reviewed in the context of the financial crisis and other systemic crisis with meaningful participation of all stakeholders including CSOs and social movements. Moreover, we ask ASEAN to strengthen the organizational set-up and communication systems between and among the three pillars of ASEAN for greater coordination.

4. We recognize the Chiang Mai Initiative Multilateralisation as a necessary instrument to tackle the crisis. We call on ASEAN and the ASEAN Member States to advance the process further with wider and meaningful participation of CSOs.

5. We recognize the need to strengthen regional cooperation on finance. Towards this we encourage ASEAN to, among others:

a. Discuss fiscal cooperation measures so as to avoid unhealthy competition or “beggar thy neighbor” practices such as tax competition (granting of over generous fiscal incentives and lowering of marginal income tax rates) and exchange rate competition among member countries (even as we uphold the need for ASEAN Member States to have competitive exchange rates).

b. Given the uneven development of ASEAN Member States, provide national space for each

member to manage its macro-economy and devise its own instruments for monetary, trade and industrial policies. Furthermore, ASEAN should assist its member states in protecting this national policy space amidst various threats from unfair trade and loan agreements.

c. ASEAN needs to formulate its own payment and settlement system for intra-regional trade.

6. Realizing that the global financial crisis has seriously affected the poor and vulnerable sectors, we call on ASEAN and its member states to act in a more solid and integrated approach in responding to their concrete concerns. Towards this end, we propose the following recommendations:

a. Uphold and strengthen the rights of women, labor, migrant workers, farmers, fishers, indigenous peoples, and consumers in accordance with UN and ILO standards and help them gain full access to natural and productive resources (mainly land, waters, seas, and seeds), as well as financial, credit, physical and technical resources aimed to eventually uplift their socio-economic conditions.

b. Promote social dialogue to develop practical strategy based on true social partnership between employers and trade unions giving full respect and dignity befitting a partner.

c. Initiate a social dialogue among the labor movements to introduce decent minimum wage to avoid the widening of income gap.

d. Implement the economic / fiscal stimulus packages in a coordinated approach that will promote the development agenda of vulnerable sectors, save and create decent and stable jobs, and give a comprehensive social protection program and safety net measures such as cash transfer programs, emergency relief, crop insurance, free basic education and reproductive health care, irrigation, farm to market roads, access to affordable food, generic medicines and basic necessities. The stimulus fund should be sufficient, well-timed, well-targeted and insulated from corruption and partisan politics. In this regard, transparency and accountability mechanisms must be put in place.

e. Strengthen the ASEAN Integrated Framework for Food Security-Strategic Plan of Action (AIFFS-SPA) which puts small scale men and women farmers, fishers and indigenous peoples at the center and focus the investments to supporting sustainable agriculture and fisheries.

f. Enhance the rights of migrant workers to ensure their freedom of movement and include the protective clause in MOU/MOA part of the contract for migrant workers

g. Fast track the ASEAN commitment on generic medicine.

7. We recognize the need for a collaborative response among various stakeholders through a platform of continuing dialogue between and among CSO representatives, ASEAN leaders, and development stakeholders. We call on ASEAN and its member states to uphold the voices of the people by democratizing the space for CSO participation both at the regional and national levels. We ask ASEAN to establish mechanisms for more inclusive and participatory consultative and decision-making processes such as tripartite agreements for labor standards, an ASEAN Small Rural Producers Council, among others. We urge ASEAN to support existing mechanisms such as the ASEAN Social Forum and the ASEAN Civil Society Conference to be more effective as platforms for meaningful dialogue and cooperation.

## **Our Commitments**

We, the civil society participants in this Conference, are committed to working together with various international agencies, donor partners and relevant ASEAN bodies to make our governments, ASEAN and other intergovernmental bodies to be responsive to the needs of the poor and marginalised. Along this, we have agreed to work on priority targets and action plans in the next five months and immediate future, as contained in **Annex 1 (Consolidated Conference Action Plans)**.

We will continue our efforts to make ASEAN and the ASEAN Member States --our governments-- accountable to the needs of the region's peoples through constructive and principled engagement in various ASEAN processes and monitoring of ASEAN's work.

We will intensify our efforts in empowering local communities to contribute towards and benefit from sustainable development efforts in the region.

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## **Registered Participating Organizations (Participating Individuals, see Annex 2)**

Farmer Sector:	Asian Farmers Association For Sustainable Rural Development (AFA)
Fisherfolk Sector:	Southeast Asia Fisherfolks for Justice (SEAFISH)
Indigenous People:	Asian Indigenous Peoples Pact (AIPP)
Trade Union:	Union Network International – Asia Pacific Regional Organizations (UNI-APRO) ASEAN Service Employees Trade Union Council (ASETUC) Building and Woodworker International (BWI) Public Service International (PSI)
Women:	Development Alternatives with Women for a New Era (DAWN)
Consumer:	YKLI
Business / SME:	BINASWADAYA
Academe/ Research:	Trade Knowledge Network (TKN)
Regional CSOs:	Agribusiness Accountability Initiative (AAI) Affiliated Network for Social Accountability in East Asia Pacific (ANSA-EAP) ASEAN Peoples Center/ Human Rights Working Group (APC/HRWG) Asian Partnership for the Development of Human Resources in Rural Areas (AsiaDHRRA) Focus on the Global South Southeast Asian Council for Food Security and Fair Trade (SEACON) Third World Network (TWN)
National-based CSOs:	
Indonesia	: Binadesa KIARA VECO
Laos	: Community Development and Environment Asso (CDEA)
Myanmar:	: Food Security Working Group-Ever Green Group
Philippines:	: Action for Economic Reform (AER)
Vietnam:	: VietDHRRA-Center for Agricultural Extension Volunteers
Donor Community:	AusAid FES - Indonesia

GTZ - Thailand; GTZ - Indonesia  
OXFAM Hongkong; OXFAM Great Britain; OXFAM Australia

Intergovernmental

Bodies /Bank           FAO Jakarta  
                                  UNDP Indonesia  
                                  WB Indonesia

ASEAN Member States

**SLOM Focal Point representatives** (Senior Officers for Labor and Migration)

Cambodia       : Ministry of Labor and Vocational Training (MLVT); International  
                                  Cooperation Department  
Lao PDR         : Ministry of Labour and Social Welfare  
                                  : Ministry of Foreign Affairs  
Malaysia        : Ministry of Human Resources; Employment Services Division,  
                                  Labour Dept of Peninsular Malaysia; Labour Policy Division  
Thailand         : Ministry of Labour; Planning & Information Division, Department of  
                                  Employment  
Vietnam         : Ministry of Labour and Social Affairs

**SOMRDPE representatives:** (Senior Officers Meeting for Rural Development and Poverty  
                                  Eradication)

Cambodia       : Ministry of Rural Development  
Lao PDR         : The Prime Minister Office  
                                  Division of Administration and Finance, The Committee For Rural  
                                  Development and Poverty Eradication

ASEAN Secretariat:

                                  : Finance Cooperation Division  
                                  : Social Welfare, Women, Labour and Migrant Workers Division, ASEAN  
                                  Socio-Cultural Community (ASCC) Department

ASEAN Foundation