

# APEC

## Outcomes & Outlook

2010 • 2011



Asia-Pacific  
Economic Cooperation

**Advancing** Free Trade for Asia-Pacific **Prosperity**

# APEC Outcomes & Outlook

2010 • 2011

- 1 Introduction
- 2 APEC Member Economies
- 4 Outcomes: APEC Japan 2010
- 8 2010 APEC Leaders' Declaration:  
"The Yokohama Vision - Bogor and Beyond"
- 14 2010 APEC Leaders' Statement on 2010 Bogor Goals Assessment
- 16 2010 APEC Leaders' Statement: Pathways to FTAAP
- 17 2010 APEC Leaders' Statement: APEC Leaders' Growth Strategy
- 24 Outlook: APEC USA 2011
- 27 Key Meetings in 2011
- 28 APEC Milestones
- 31 About APEC
- 35 Key Contacts

# INTRODUCTION

Dear Stakeholders,

APEC 2010, hosted by Japan, commenced as the Asia-Pacific region showed signs of recovering from the global financial crisis, although uncertainty remained. While the region is rising in influence and dynamism, APEC member economies face heightened challenges as a result of the crisis. The global slowdown underlined the importance of building an enduring economic recovery.

With a desire to learn lessons from the crisis, APEC developed its first ever economic growth strategy that sought to strengthen the foundations of APEC's 21 member economies to ensure strong, balanced and sustainable growth for the future. The strategy, which was endorsed by APEC Leaders in November, also aimed to build a regional community that is innovative, secure and inclusive so that all peoples have the opportunity to prosper from globalization.

Leaders also ended the year with a commitment to forsake protectionism, as part of efforts to support the recovery in a collaborative and coordinated way. And they endorsed a prompt and successful conclusion to the World Trade Organization's Doha Round.

Structural reform remained a key part of APEC's efforts towards higher quality growth, particularly in the wake of the crisis. Building on the significant success of APEC's agenda in this area over the last five years, Leaders endorsed the APEC New Strategy for Structural Reform going forward.

2010 was the deadline for industrialized economies to reach the Bogor Goals of free and open trade and investment. APEC conducted a rigorous assessment of the five economies' progress towards the Bogor Goals. Another eight developing economies volunteered for assessment ahead of their 2020 deadline.

The assessment showed that although more work needs to be done, the economies have achieved substantial progress in reducing barriers, leading to increased trade and investment flows, economic growth and a vast improvement in the welfare of its people.

APEC also continued to focus on strengthening regional economic integration through reducing barriers to trade and investment at, behind and across borders. Concrete initiatives, including those that address the chokepoints in supply chains, aim to ensure that businesses find it easier, quicker and cheaper to conduct trade in the region going forward.

Another key decision in 2010 to forge integration was a commitment by Leaders to take concrete steps towards realizing a Free Trade Area of the Asia-Pacific (FTAAP). Leaders stated in their declaration that an FTAAP should be pursued as a comprehensive free trade agreement by developing and building on current regional undertakings. APEC will define, shape and address the "next generation" of trade and investment issues that such an agreement should contain. The United States has assumed the mantle of host economy for the 2011 year with a focus on building towards a seamless regional community. This includes strengthening regional economic integration and expanding trade as well as exploring ways to increase regulatory cooperation and promote regulatory convergence.

Another USA priority is promoting green growth and helping member economies make a successful transition to a clean energy future. APEC will therefore strengthen its work in 2011 in this important area including by addressing barriers to trade in environmental goods and services.

Efforts to enhance the professionalism at the Secretariat to better serve its members will continue. This includes preparation of an annual training plan to build the capacity of the Secretariat Staff. The Secretariat also intends to develop a strategic planning template for use by APEC fora as well as gear ourselves to undertake multi-year economic and technical cooperation projects to enhance effectiveness.

I look forward to providing continued support for members, and to the Secretariat playing a successful role in implementing agreed actions that will deliver prosperity to the people of the Asia-Pacific.

Yours sincerely,



**Muhamad Noor**  
*Executive Director*  
APEC Secretariat

# APEC MEMBER

---



AUSTRALIA BRUNEI DARU  
PEOPLE'S REPUBLIC OF C  
INDONESIA JAPAN REPUB  
MEXICO NEW ZEALAND P  
THE REPUBLIC OF THE P  
FEDERATION SINGAPORE  
THE UNITED STATES C



RUSSIA  
INDONESIA  
JAPAN  
UNITED STATES OF AMERICA  
BRAZIL  
INDIA  
AUSTRALIA  
SOUTH AFRICA  
CANADA  
MEXICO  
EUROPEAN UNION  
CHINA  
HONG KONG, CHINA  
REPUBLIC OF KOREA  
MALAYSIA  
PAPUA NEW GUINEA  
PERU  
PHILIPPINES  
THE RUSSIAN  
FEDERATION  
CHINESE TAIPEI  
THAILAND  
UNITED STATES OF AMERICA  
VIET NAM



**JAPAN 2010**

## CHANGE AND ACTION

Japan, as host economy for APEC in 2010, chaired the year's meetings amidst an array of global economic challenges. In the thick of uncertainty, the APEC region continued to observe strong signs of economic recovery throughout 2010. As the global economy picked up, other challenges related to the environment, energy, food, and natural resources returned to focus.

It was under these conditions that APEC put forward its 2010 agenda with the theme "Change and Action."

The key priorities for the year were regional economic integration, development of the Growth Strategy and human security. APEC Leaders gathered in Yokohama in November and released "The Yokohama Vision - Bogor and Beyond" to articulate APEC's vision to further develop and integrate the Asia-Pacific region in the 21st century, along with paths to realize this objective.

APEC aims to move toward an economically-integrated, robust and secure APEC community.

# REALIZING THE YOKOHAMA VISION FOR APEC

## Regional Economic Integration

APEC member economies made great progress towards free trade and investment, advances in sectoral initiatives and strides towards a Free Trade Area of the Asia-Pacific.

In 2010, the target year for the industrialized economies to achieve the Bogor Goals, five industrialized economies (Australia; Canada; Japan; New Zealand; and the United States), as well as eight volunteering developing economies (Chile; Hong Kong, China; Korea; Malaysia; Mexico; Peru; Singapore and Chinese Taipei), underwent a detailed assessment of progress made towards realizing these goals of free and open trade and investment. The assessment was conducted by APEC with input from other international organizations.

Based on the analyses of the efforts and achievements made by these thirteen economies, and taking into account the various impacts of the global slowdown on these economies, APEC Leaders concluded at their meeting in Yokohama that while more work remains to be done, significant progress has been made toward achieving the Bogor Goals.

The results show that progress has been significant across a wide array of economic, trade, investment and social measures. Also, concerted action has occurred within the APEC region as a whole and has been an important factor for this outcome. APEC economies have outperformed the rest of the world in many aspects.

The evidence indicates that the development gap is narrowing among APEC members, as part of APEC's objectives of sustainable growth, equitable development and strengthening the Asia-Pacific community.

APEC explored possible pathways towards a Free Trade Area of the Asia-Pacific and concluded that it should be pursued as a comprehensive free trade agreement by developing and building on ongoing regional undertakings such as ASEAN+3, ASEAN+6 and the Trans-Pacific Partnership (TPP) among others.

Leaders agreed that APEC should also contribute to the pursuit of an FTAAP by continuing and further developing its work on sectoral initiatives in such areas as investment, services, standards and conformance, trade facilitation, ease of doing business, intellectual property rights, e-commerce and environmental goods and services.

### *Supply-Chain Connectivity*

An action plan on a supply-chain connectivity framework was endorsed to improve the flow of goods, services and business travelers within the region. It prescribes concrete

measures to address eight priority chokepoints in the supply chain with regard to logistics, transport and customs procedures, among others. APEC members committed to implementing the action plan with a view to achieving an APEC-wide target of a 10 percent improvement by 2015 in supply chain performance. This is measured in terms of reduction of time, cost and uncertainty of moving goods and services through the Asia-Pacific region, taking into consideration individual economy's circumstances.

### *Investment*

The APEC Strategy for Investment was formulated to encourage greater investment flows throughout the APEC region. It consists of three pillars: advanced principles and practices; facilitation and promotion.

### *Services*

APEC promoted cross-border trade under the APEC Services Action Plan in areas such as legal services, accounting, environmental, health, ICT-related services and ecotourism, while respecting the APEC Principles for Cross-Border Trade in Services. These principles serve as a comprehensive policy framework to support the expansion of services trade in the APEC region.

### *Standards, Conformity Assessment and Technical Regulations*

APEC promoted greater alignment on standards, labeling and conformity assessment procedures to reduce technical barriers to trade across borders. A mechanism was also established on standards and technical regulations to promote upstream cooperation among regulators and trade officials on emerging regulatory issues.

### *Trade Facilitation*

An APEC compendium was completed of Authorized Economic Operators which will promote the establishment and mutual recognition arrangements of AEO programs. Participation also expanded in the Self-Certification of Origin Pathfinder that seeks to reduce the administrative burdens and costs associated with navigating complex Rules of Origin (ROOs) documentation and procedures when using Free Trade Agreements. An APEC website on tariffs and ROOs was also completed. This "WebTR" is a gateway portal to designated public websites in individual member economies, which aims to provide up-to-date and accurate tariff and ROOs information in English.

### *Ease of Doing Business*

Successful seminars and workshops were conducted to enhance the ease of doing business in all five priority areas: starting a business, getting credit, enforcing contracts, dealing with permits and trading across borders.

**Intellectual Property Rights**

APEC reaffirmed its commitment to strengthen the protection and enforcement of intellectual property rights and reiterated the importance of comprehensive and balanced intellectual property systems. These systems provide for and protect the incentives that encourage creativity and innovation and provide the tools for successful management and utilization of intellectual property.

**Digital Economy**

APEC continued work under its digital prosperity agenda, including discussion on innovation in information and communication technologies as a primary driver of economic growth in the region. A goal was established of achieving access to next generation, high speed broadband by 2020. The Cross-Border Privacy Enforcement Arrangement also started operation, the first mechanism in the APEC region for privacy enforcement authorities to share information and provide assistance for enforcement of data privacy across borders.

**Environmental Goods and Services (EGS)**

A mapping exercise was completed of energy efficiency products to address non-tariff barriers which could arise through unnecessary divergences among APEC economies on their energy efficiency standards, labeling and testing procedures. Case studies were also completed on developing economies' EGS markets as part of APEC's capacity building programs.

**Growth Strategy**

Japan led development of the "APEC Growth Strategy," with an approach to economic development that takes into consideration new challenges and global realities, such as energy and environmental constraints, human security concerns, the necessity of constant innovation, and economic performance and opportunity disparities across and within economies.

The Growth Strategy focuses on five attributes for economic growth along with an action plan to guide APEC and its members in aligning critical work with these priorities. To ensure its implementation, APEC Senior Officials will conduct annual progress reviews to 2015. APEC Leaders will then review the progress made to date on implementing the Growth Strategy.

The five attributes articulated in the Growth Strategy are:

- Balanced growth to promote growth across and within APEC economies through macroeconomic policies and structural reforms;
- Inclusive growth to ensure the opportunity for all citizens in APEC to participate in, contribute to and benefit from economic growth;

- Sustainable growth to promote growth compatible with global efforts to protect the environment and transition to green economies;
- Innovative growth to create an economic environment that promotes innovation, use of ICT products and services, and emerging economic sectors and;
- Secure growth to protect citizens' economic and physical well-being and to provide the secure environment necessary for economic activity.

**Human Security**

An important component of the Growth Strategy, APEC's human security agenda includes food security and food safety; emergency preparedness; counter-terrorism and secures trade; anti-corruption and transparency; and health.

**Food security and food safety**

In 2010, Japan hosted the first-ever Food Security Ministerial Meeting at which APEC member economies agreed to collectively pursue shared goals of sustainable development of the agricultural sector and facilitation of investment, trade and markets. The APEC Action Plan on Food Security was endorsed. It identifies specific activities to be implemented by APEC economies to strengthen regional food security.

At the third Oceans-related Ministerial Meeting, APEC concurred to promote the sustainable management of fisheries and aquaculture resources both domestically and internationally through the application of science to



management, implementation of ecosystem approaches, and a precautionary approach to fisheries. Ministers also agreed to ensure that sufficient institutional capacity is in place.

#### ***Disaster preparedness***

APEC officials recognized its multilateral approach to regional disaster management is effective. As such, the Emergency Preparedness Working Group was established to strengthen business and community resilience, enhance public-private partnerships, and reduce emergencies and natural disaster risks.

#### ***Counter-terrorism and secure trade***

Protecting the region's economic systems is an important component of a safer business environment. As a result of an attempted terrorist attack in 2010 using cargo onboard international flights, APEC activities focused on enhancing the security of civil aviation and pledged further efforts to protect air cargo and air passenger travel in the region. Effective capacity building programs helped development of institutions and to mobilize expertise and resources efficiently.

#### ***Anti-corruption and transparency***

Efforts were made by the Anti-Corruption and Transparency Experts' Task Force (ACT) to partner with other APEC sub-fora and the business community to fight corruption. APEC concurred on enhancing its efforts to improve transparency and eliminate corruption, including through regular reporting via ACT and other relevant fora on economies' progress in meeting APEC Leaders' commitments on anti-corruption and transparency.

#### ***Health***

The Health Working Group (HWG) worked to improve the capacity of APEC economies to respond to emerging and re-emerging infectious diseases of pandemic potential, and to control non-communicable diseases. Efforts were also carried out to strengthen the health systems of economies by improving health financing, human resources, and health information technologies which contribute to economic stability and sustainable economic growth.

### **Economic and Technical Cooperation**

ECOTECH activities were strengthened in 2010 through a strategic, goal-oriented, and multi-year approach across identified priority areas. Improvements include the *Framework to Guide ECOTECH Activities* which introduces a uniform set of criteria for all project funding.

The SOM Steering Committee on Economic and Technical Cooperation also identified ways to improve the accountability of fora and to better communicate the outcomes of their work within APEC and to the broader community.

In 2010 Australia, Japan, Russia and Chinese Taipei contributed a combined US\$ 6,998,344 to the APEC Support Fund. Their contributions will emphasize projects focused on human security; science and technology development; and energy efficiency.



# OUTCOME

8

At this year's APEC Economic Leaders' Meeting, held on 13 - 14 November in Yokohama, Leaders issued the 2010 Leaders' Declaration and the APEC Leaders' Statements on 2010 Bogor Assessment, Pathways to FTAAP, and the Growth Strategy.

## The 18th APEC ECONOMIC LEADERS' MEETING

Yokohama, Japan

13-14 November 2010

APEC Leaders' Declaration:

# THE YOKOHAMA VISION - BOGOR AND BEYOND

We, the Leaders of APEC, gathered in Yokohama under the 2010 theme of "Change and Action" to articulate our vision of further building and integrating the Asia-Pacific region in the 21st Century, and the paths to realize that vision.

## APEC's Road Thus Far

Twenty-one years ago, APEC's founders saw the need for greater consultation and cooperation to guide the increasingly interdependent economies of the Asia-Pacific toward a more closely and effectively linked regional economic system. From this new and creative approach was born the consensus, as articulated in the Bogor Goals, that achieving free and open trade and investment is the surest way to accomplish greater common prosperity and stability in the Asia-Pacific region. APEC has since followed the insight of the APEC founders and the direction provided by the Bogor Goals, and the Asia-Pacific region has become a driving force and engine of growth in the world economy.

Through our individual and collective efforts toward achieving the Bogor Goals, the Asia-Pacific region has achieved substantial reductions in barriers to trade and investment. These efforts have led to increased trade and investment flows, sustained economic growth, and a vast improvement in the welfare of people in the region. We are confident that APEC is well on track toward achieving the goal of free and open trade and investment among its economies. This year we conducted a review to assess the achievement of the Bogor Goals by five industrialized economies and eight

volunteer developing economies. We endorse the Report on APEC's 2010 Economies' Progress Towards the Bogor Goals and conclude that while more work remains to be done, these 13 economies have made significant progress toward achieving the Bogor Goals.

From 1994 to 2009, APEC economies' total trade in goods grew at 7.1 percent per year while intra-APEC trade tripled over the same period. Foreign direct investment into and out of the APEC region both grew at 13 percent per year from 1994 to 2008. The simple average applied tariff across the region fell from 10.8 percent in 1996 to 6.6 percent in 2008.

Strong progress toward the Bogor Goals of free and open trade and investment has been made possible by the decisions by APEC Leaders to liberalize their own economies, confident that others in APEC would make similar decisions. This confidence to open up domestic economies would not have been possible were it not for the formation of APEC. We reaffirm our unwavering commitment to achieving free and open trade and investment in the region.

## Current Opportunities and Challenges

The 21st century presents new promises and new challenges. The global and regional environment is being transformed by the rising influence of the Asia-Pacific region, the development of extensive supply chains, and the rapid adoption of new information and communication technologies. Driven by these changes, our region has become more integrated and



interdependent. While this historic transformation has brought about remarkable economic dynamism in the region, events of recent years have shown that crisis can rapidly spread across economies and have a dramatic impact on the entire regional and global economic system, slowing growth and employment.

The Asia-Pacific regional economy is recovering from the recent economic and financial crisis, but uncertainty still remains. We also face heightened challenges with regard to the protection of our environment and natural resources, including the necessity to jointly address climate change. We must take to heart the lessons of the recent past, recognize the increasing role we play in the global economy as the most dynamic region in the world, and seek to strengthen the foundations of each of our economies and of the multilateral trading system to ensure strong, sustainable, and balanced growth as called for by the G20 Framework.

In this regard, we welcome the outcomes of the G20 Seoul Summit. As highlighted in the APEC Finance Ministers' "Kyoto Report on Growth Strategy and Finance," we will rebalance and strengthen global demand, pursue sound fiscal management and enhance finance to key sectors such as infrastructure, small and medium enterprises, households and green investment. We should continue to take steps to build a stronger and more resilient global financial system. We remain committed to maintaining open markets and fighting protectionism. We reaffirm our common resolve to support the recovery in a collaborative and coordinated way.

We reaffirm our strong commitment to bring the Doha Development Agenda to a prompt and successful conclusion. Bearing in mind that 2011 will be a critically important "window of opportunity," we direct our Ministers to empower our representatives to engage in comprehensive negotiations with a sense of urgency in the end game, built on the progress achieved, including with regard to modalities, consistent with the Doha mandate. We affirm our commitment to win domestic support in our respective systems for a strong agreement. In our continued efforts to resist protectionism, we agree to extend our commitment on standstill made in 2008 to the end of 2013 to refrain from raising new barriers to investment or to trade in goods and services, imposing new export restrictions, or implementing World Trade Organization inconsistent measures in all areas, including those that stimulate exports. We commit to take steps to rollback trade distorting measures introduced during the crisis. Furthermore, we will continue to exercise maximum restraint in implementing measures that may be considered to be consistent with WTO provisions if they have a significant protectionist effect and promptly rectify such measures where implemented.

Addressing the threat of global climate change is an urgent priority for all nations. We reiterate our commitment to take strong and action-oriented measures and remain fully dedicated to United Nations climate change negotiations. We reaffirm the objective, provisions, and the principles of the UN Framework Convention on Climate Change, including common but differentiated responsibilities and respective capabilities. Those of us who have associated with the Copenhagen Accord reaffirm our support for it and its

implementation. We all are committed to achieving a successful, balanced result that includes the core issues of mitigation, transparency, finance, technology, adaptation, and forest preservation. We express our appreciation for Mexico's hard work in preparing for and hosting COP16.

## The Way Forward for APEC

We envision an Asia-Pacific region that can embrace and overcome challenges and make full use of opportunities to be more fully integrated, with a higher quality of growth and a safer and more secure economic environment.

We seek to develop an APEC community in which trade and investment are freer and more open; supply-chains are better connected; doing business is cheaper, faster, and easier; growth is more balanced, inclusive, sustainable, innovative, and secure; and we are better able to cope with threats to human security and economic activity.

### 1. Our vision of an APEC community

- ***Economically-integrated community: A community that promotes stronger and deeper regional economic integration***

We aim to establish a solid foundation for prosperity and well-being in the region by promoting stronger and deeper regional economic integration through furthering our work to liberalize and facilitate trade and investment - the core mission of APEC. Barriers against the movement of goods, services, and capital should be further reduced and business persons should also be able to move more smoothly. Measures that make it cheaper, faster, and easier for businesses to trade and operate in the region should be enhanced. Customs-related procedures should be further simplified and harmonized. Regulatory cooperation should be broadened and deepened. Trade costs should be minimized and bureaucratic inefficiencies removed. The multilateral trading system should be promoted and strengthened.

- ***Robust community: A community with higher quality growth***

We aim to further enhance the quality of growth so that the Asia-Pacific region can realize sustained growth and continue to be an engine of economic activity and progress in the world economy. Policies that promote balanced growth within and among APEC economies should be adopted. All sectors of society, in particular potentially disadvantaged and marginalized groups, should be provided opportunities to fully realize their potential. Both economic growth and environmental sustainability should be advanced in a holistic manner, and progress toward a green economy should be accelerated by promoting trade and investment in environmental goods and services, developing this sector in APEC economies, and enhancing energy efficiency and sustainable forest management and rehabilitation. Innovative growth should be advanced within and across our economies through the adoption of policies and regulatory environments that best enable economies to support innovation, utilize information and communication technologies, develop a skilled workforce, and increase research and development.

- ***Secure community: A community that provides a more secure economic environment***

We aim to build a regional community in which people can live without the fear of poverty, violence, crime, disease, and hunger and engage in economic activity freely and at ease, bearing in mind the need to achieve the Millennium Development Goals. Our economies' capacity to minimize natural and human risks to economic activity should be enhanced and a secure and resilient economic environment should be achieved. Poverty should be reduced to maintain the intrinsic dignity of the human condition. The region's environment for trade, finance, and travel should continue to be staunchly protected from terrorism. Economies should strengthen their resilience and capacity to manage emergencies and natural disasters. Infectious disease preparedness, non-communicable disease control, and health systems should



be enhanced. The availability of and access to reliable, nutritious, safe, and affordable food should be further ensured. Efforts to combat corruption and illicit trade and improve governance should be strengthened.

## 2. Paths toward our vision of an APEC community

We resolve to undertake concrete, practical, and measurable steps to realize the community that we envision. In this regard, we endorse in full the Joint Statement of the 22nd APEC Ministerial Meeting.

- **Path toward an economically-integrated community**  
We will further promote regional economic integration, working toward the target year of 2020 envisaged by the Bogor Goals for all APEC economies to achieve free and open trade and investment.

We will take concrete steps toward realization of a Free Trade Area of the Asia-Pacific (FTAAP), which is a major instrument to further APEC's regional economic integration agenda. An FTAAP should be pursued as a comprehensive free trade agreement by developing and building on ongoing regional undertakings, such as ASEAN+3, ASEAN+6, and the Trans-Pacific Partnership, among others. To this end, APEC will make an important and meaningful contribution as an incubator of an FTAAP by providing leadership and intellectual input into the process of its development, and by playing a critical role in defining, shaping, and addressing the "next generation" trade and investment issues that FTAAP should contain. APEC should contribute to the pursuit of an FTAAP by continuing and further developing its work on sectoral initiatives in such areas as investment; services; e-commerce; rules of origin; standards and conformance; trade facilitation; and environmental goods and services.

We will work to address non-tariff barriers to trade, including by increasing regulatory cooperation and improving the use of good regulatory practices among

APEC economies. We will take actions laid out in the APEC Strategy for Investment, such as holding the APEC Public-Private Dialogue on Investment.

We remain committed to providing effective economic and technical cooperation (ECOTECH) activities to help APEC members, in particular the developing ones, improve their capabilities for further trade and investment liberalization and facilitation.

We commit to address impediments to moving goods and services through Asia-Pacific supply-chains by implementing the APEC Supply-Chain Connectivity Framework Action Plan with a view to achieving an APEC-wide target of a ten percent improvement in supply-chain performance by 2015, in terms of reduction of time, cost, and uncertainty of moving goods and services through the Asia-Pacific region, taking into consideration individual economy's circumstances. This work will be conducive to the development of a more advanced infrastructure and logistics network, and will facilitate clearance of goods and services across and within borders. We will also continue to work on Authorized Economic Operator programs.

We will make our respective domestic policies and procedures more transparent, and reaffirm our aspirational target of a 25 percent improvement by 2015 in the five priority areas of: starting a business; getting credit; trading across borders; enforcing contracts; and dealing with permits. This will make it cheaper, faster, and easier to do business in the Asia-Pacific region.

- **Path toward a robust community**  
We set forth the APEC Leaders' Growth Strategy as APEC's first substantial effort to provide a comprehensive long-term framework for promoting high-quality growth in the region. We will implement the Growth Strategy out to 2015, focusing on the five desired attributes of balanced, inclusive, sustainable, innovative, and secure growth.



Our Growth Strategy includes an Action Plan that encompasses work elements on structural reform; human resource and entrepreneurship development; green growth; a knowledge-based economy; and human security. The Action Plan will be supported and promoted through specific work programs that draw in all aspects of APEC's work, including sectoral Ministerial meetings, committees, APEC sub-fora, extensive regional networks of experts, and APEC's close cooperation with the business community. We will work with other international fora, including the G20, to realize the Growth Strategy. We will review our progress toward implementing the Growth Strategy in 2015.

We recognize that our first priority is to ensure a durable recovery in private sector demand. We must take steps to build a foundation for stronger, more sustainable, and more balanced growth in the future. We note the importance of strengthening multilateral cooperation to promote external sustainability and pursuing the full range of policies conducive to reducing excessive imbalances and maintaining current account imbalances at sustainable levels.

We will move toward more market-determined exchange rate systems and enhance exchange rate flexibility to reflect underlying economic fundamentals and will refrain from competitive devaluation of currencies. Advanced economies, including those with reserve currencies, will be vigilant against excess volatility and disorderly movements in exchange rates. These actions will help mitigate the risk of excessive volatility in capital flows facing some emerging market economies.

Structural reform is an integral part of our efforts toward higher quality growth. In support of the Growth Strategy, and building upon significant progress made since 2005 on the Leaders' Agenda to Implement Structural Reform (LAISR), we pledge to continue such efforts and undertake demonstrable and significant structural reform in our economies, consistent with the objective of achieving strong, inclusive, and balanced growth. We endorse the APEC New Strategy for Structural Reform (ANSSR) and instruct our officials to steadily implement it, encouraging the use of quantitative and qualitative indicators as appropriate, toward 2015. We agree that capacity building and technical assistance will be critically important to ensure developing economies are able to meet their structural reform objectives.

Under our human resource and entrepreneurship development agenda, we will implement policies that will enable us to create more and better jobs, enhance education and training with equal opportunities for women,

youth, the elderly, and all other sectors and improve social safety nets. We will create more business opportunities for small and medium sized enterprises and encourage measures to enhance their participation in high-growth sectors and access to global markets. We recognize that the full potential of women to contribute to the regional economy remains untapped, and we will improve women's access to finance, education, training, technology, and health systems by promoting entrepreneurship and greater leadership for women in business and government.

Under our green growth agenda, we will assess the potential for reducing the energy intensity of economic output in APEC economies further than called for in our Sydney Declaration in 2007, enhance work on meeting the aspirational goal in the Sydney Declaration of increasing forest cover in the region by at least 20 million hectares of all types of forests by 2020, and instruct our officials to take concrete steps toward this goal. We will also enhance our cooperation to address concerns with illegal logging and associated trade and to promote sustainable forest management and rehabilitation. We will implement policies to create new green jobs, technologies, and industries to enhance regional energy security, decrease environmental degradation and the effects of climate change, and promote sustainable growth. We will promote energy-efficient transport. We will increase the dissemination and utilization of environmental goods and services, reduce existing barriers and refrain from introducing new barriers to trade and investment in such goods and services, and enhance our capabilities to develop this sector, by prioritizing work related to addressing non-tariff measures on environmental goods, technology, and services. We will rationalize and phase out inefficient fossil fuel subsidies that encourage wasteful consumption, while recognizing the importance of providing those in need with essential energy services, and review progress toward this goal on a voluntary basis. We will promote deployment of low-emission power sources - renewable, nuclear, and fossil fuels with carbon capture and storage - to make our energy supply cleaner. We will create low-carbon communities in the region. We will facilitate the diffusion of climate-friendly technologies, including through ECOTECH and capacity building activities. We will ensure the sustainable development of our oceans, seas, and coasts, including their resources, and the conservation of the marine environment.

Under our knowledge-based economy agenda, we will accelerate our innovative growth by promoting broadband infrastructure development, enhancing information and communication technologies (ICTs) utilization, and adopting policies and regulations to foster innovation and use of ICTs. We will encourage the adoption of globally accepted

standards, and promote cooperation on standards and conformance issues. We will take steps to develop a skilled, adaptable, and professional workforce. We reaffirm our commitment to strengthen the protection and enforcement of intellectual property rights (IPR) and reiterate the importance of comprehensive and balanced intellectual property systems that provide for and protect the incentives that encourage creativity and innovation and provide the tools for successful management and utilization of intellectual property. We will further science and technology cooperation. We will enhance the investment environment and regulatory cooperation for innovation in life sciences. By taking concrete measures in these areas, we will generate more innovation and develop new economic sectors.

- ***Path toward a secure community***

We will safeguard the fundamental tenets of human security throughout the region, and call upon all member economies to continue to work to improve our collective ability to provide for this security by taking concrete steps to minimize, prepare against, and respond to serious threats that could derail the regional economy.

We will fight poverty and hunger by taking concrete steps to help all peoples in the region maintain a reasonable standard of living. We will identify and implement initiatives to secure the region's economic systems from terrorist attack, disruption, and misuse, counter terrorism financing, facilitate trade recovery, and enhance cyber security. We will continue our efforts to fight corruption and promote transparency, and call for improved and regular reporting by APEC on its efforts to meet our commitments in this area. We will further develop practical disaster risk management mechanisms to strengthen the ability of our economies to manage emergencies and natural disasters. We will improve the capacity of economies for responses to infectious diseases, control of non-communicable diseases, and strengthening of health systems. We will facilitate sustainable agricultural production, trade and investment in agricultural products, technical cooperation, development and use of science-based regulations, and other initiatives to strengthen regional and global food security, bearing in mind the exceptional role of food as an absolute necessity for all human societies. We will encourage all economies to strengthen international and regional cooperation to achieve the goal of safer food.

- ***Economic and technical cooperation for progress in all paths***

In light of the diversity of member economies, we will ensure that ECOTECH will play a key role on our way toward our vision of an APEC community and help narrow development gaps. We will integrate ECOTECH into the

paths that we have identified and further leverage ECOTECH activities, including capacity-building, human resources development, and technology dissemination, using a strategic, demand-driven, goal-oriented, and focused approach, and emphasizing multi-year plans to reach maximum results. We reaffirm our commitment to the Manila Framework and will enhance ECOTECH to help our member economies, especially the developing ones, in their pursuit of the Bogor Goals, to strengthen their capacity to further liberalize and facilitate trade and investment and implement the Growth Strategy, as well as to better respond to the needs and challenges of the new era.

## APEC Membership

Keeping in mind the benefits of APEC membership as well as the need for efficiency to achieve results, we will continue to review the question of APEC new membership going forward.

## Conclusion

As APEC enters its third decade, it has become an engine for progress in the world's most economically dynamic region, whose growth has driven rising prosperity for all across the globe. Through the dedicated efforts of our member economies, APEC has taken great strides toward realizing the ideals of its founders. Building on this progress, we reiterate our commitment to pursue an even more closely integrated regional economy and strong, sustainable, and balanced growth in the region, including by taking concrete steps toward realization of an FTAAP that should include next generation trade and investment issues, and to meet new opportunities and challenges in the 21st Century through implementation of the APEC Leaders' Growth Strategy. We commit to take necessary and concrete steps toward making this vision a reality, which we are confident will bring about greater prosperity and well-being for all peoples in the Asia-Pacific region and beyond. We instruct our Ministers and Senior Officials to accelerate our work to strengthen and deepen regional economic integration in the coming year, and consistent with the vision articulated in this document, to design and implement specific initiatives to address barriers to trade and investment, and to ensure high-quality, sustainable growth in the future. We look forward to ambitious progress on APEC's agenda in 2011 under the leadership of the United States.

# OUTCOME

14

## The 18th APEC ECONOMIC LEADERS' MEETING

Yokohama, Japan

14 November 2010

# APEC Leaders' Statements on 2010 BOGOR GOALS ASSESSMENT

In 1994, APEC Leaders gathered in Bogor, Indonesia to announce their shared commitment to achieve free and open trade and investment by 2010 for industrialized economies and by 2020 for developing economies. These targets became known as the "Bogor Goals," an ambitious manifestation of our common belief that free and open trade and investment are essential to realize the growth potential of the region and enhance economic and social outcomes for all APEC economies.

In 2010, we assessed progress toward achieving the Bogor Goals by the five APEC industrialized economies (Australia, Canada, Japan, New Zealand, and the United States), as well as eight volunteer developing economies (Chile; Hong Kong, China; Korea; Malaysia; Mexico; Peru; Singapore and Chinese Taipei). The Report on APEC's 2010 Economies' Progress Towards the Bogor Goals indicates that while more work remains to be done, these thirteen economies (hereinafter referred to as the "2010 economies") have made significant progress toward achieving the Bogor Goals.

Since the Bogor Declaration in 1994, APEC economies' pursuit of the Bogor Goals has delivered substantial benefits to the region. The overall growth in trade for all APEC economies has outstripped the rest of the world. From 1994 to 2009, APEC's trade in goods with the world increased at an annualized rate of 7.1%, reaching US\$11.4 trillion in 2009. The nominal value of trade in commercial services of the APEC region also increased at an annualized rate of about 7%, reaching a total of US\$2.4 trillion in 2009. Inflows of foreign direct investment (FDI) in the APEC region have increased by 13.0% per year since 1994 and outflows have grown by 12.7% annually.

In setting the Bogor Goals, APEC economies resolved to go further than WTO Uruguay Round commitments, reflecting their shared belief that open regionalism was the key to long-

term growth. Since 1994, the 2010 economies have reduced their tariffs significantly with the simple average applied tariff rate falling from 8.2% in 1996 to 5.4% by 2008, well below the world average of 10.4%. In 2008, 50% of imports by the 2010 economies entered duty free. While the multilateral trading system remains the key priority for APEC economies and the conclusion of the Doha Development Agenda negotiation round will provide the best opportunity for comprehensive liberalization, we note the increasing impact of regional and bilateral free trade agreements (RTAs/FTAs) in reducing barriers in the region. Moreover, we recognize the great contribution of APEC economies' concerted efforts taken to unilaterally reduce tariffs and other barriers.

Since the Bogor Declaration, trade in services has become a much more significant component of regional and global trade. The 2010 economies also continue to make important progress to liberalize trade in services, opening up new services markets through unilateral reform of domestic policy, the implementation of international sectoral agreements and RTAs/FTAs with services chapters that go beyond the General Agreement on Trade in Services (GATS) commitments.

APEC's strong collective commitment to maintain liberalized investment regimes has been a key driver of growth in foreign direct investment. The number of bilateral investment treaties and/or RTAs/FTAs in which the 2010 economies have ensured MFN and national treatment to foreign investment has increased from 160 in 1996 to 340 in 2009.

APEC economies have also taken significant steps on trade facilitation to streamline customs procedures and align standards and conformance procedures. Under the Trade Facilitation Action Plan (TFAP), they reduced trade transaction costs in the region by 5% from 2002 to 2006. APEC is also heading toward achieving an additional 5% reduction under the second TFAP to be completed this year. APEC has started collaborating with multilateral development banks in capacity



building to promote trade facilitation, and their further contribution is welcomed

The significant progress made by the 2010 economies does not mean their work is complete - more work remains to be done. For APEC, the great value of the Bogor Goals came from establishing an ambitious target that encouraged continuous individual and collective efforts to liberalize and facilitate trade and investment. The assessment of the 2010 economies' progress toward achievement of the Bogor Goals has not only shown that progress has been significant, but it has also highlighted the areas where barriers to trade and investment remain and accordingly, where more concerted progress can be made by APEC.

Progress in lowering and eliminating tariffs has not been uniform across sectors. Tariffs on clothing, agricultural products, and textiles remain higher than the overall average tariff across the APEC economies. As for services, restrictions remain in some sectors, including, but not limited to, financial services, telecommunications services, transportation services, and audiovisual services. Also, the movement of business people is the least liberalized among the four modes of service supply. Almost all 2010 economies still maintain, to varying degrees, sectoral investment restrictions in the form of prohibitions or capital ceilings in certain sectors, and some economies continue to apply a general screening system for FDI. Given the significant impact of non-tariff measures on trade and investment flows, it is evident that further progress will need to be made in this area. Therefore, areas for further work will include standards and conformance, customs procedures, intellectual property rights, and government procurement, along with other issues. APEC will also further address "behind-the-border" issues by facilitating structural reform.

With the above in mind, it is a fair statement to say that the 2010 economies have some way to go to achieve free and open trade in the region. APEC's challenge in pursuing free and open trade and investment continues. APEC will continue to review economies' progress towards the Bogor Goals of

free and open trade and investment. We recognized that all APEC economies must maintain their individual and collective commitment to further liberalize and facilitate trade and investment by reducing or eliminating tariffs, restrictions on trade in services, and restrictions on investment, and promoting improvement in other areas, including non-tariff measures and "behind-the-border" issues.

APEC fosters a supportive environment that encourages economies to progressively liberalize their trade and investment regimes. In furtherance of this goal, we recognize the importance of APEC's progress in the area of economic and technical cooperation (ECOTECH), which has helped to reduce technological gaps among its members, foster sustainable development, build institutional and human resource capacity, and achieve greater common prosperity. We look forward to the continuation of demand-driven activities to bridge the development gap and assist developing economies to achieve the Bogor Goals by 2020.

Since 1994, APEC's regional economic landscape has undergone a profound transformation. Economies in our region, and across the world, are now more tightly interconnected than ever before. Businesses have become larger and multinational in scope, tapping into supply chains that transcend traditional economic and geographic boundaries. The rise of the "digital economy" has also had a dramatic impact on international trade, as companies of all sizes have improved access to global markets as a result of the significant innovations in information and communication technologies that have occurred over the past 15 years.

APEC has achieved much since its inception, evolving to become the pre-eminent economic forum in the Asia-Pacific, the world's most dynamic and open economic region. Looking back over the past 15 years, the progress made by APEC in pursuit of the goal of free and open trade and investment has reinforced the fact that the full achievement of the Bogor Goals for all economies should continue to provide direction for APEC's work on trade and investment liberalization and facilitation.

# OUTCOME

16

## The 18th APEC ECONOMIC LEADERS' MEETING

Yokohama, Japan

14 November 2010

# PATHWAYS TO FTAAP

We, the APEC Leaders, having agreed at our meeting in November of 2009 in Singapore to explore a range of possible pathways to achieve a Free Trade Area of the Asia-Pacific (FTAAP) and having been informed by APEC Ministers on the work undertaken this year toward this goal, share the following view:

Trade and investment liberalization and facilitation will continue to be APEC's core objective. APEC's work to strengthen and deepen regional economic integration will be critical to the achievement of this goal.

APEC announced in 2006 that it would examine the long-term prospect of an FTAAP. Over the past several years, APEC has discussed the full range of issues relevant to the prospect of an FTAAP, including those outlined in the inventory of issues, and has conducted a significant body of analytic work related to an FTAAP, including the multi-year study on convergences and divergences in APEC FTAs.

Based on the results of this work, we have agreed that now is the time for APEC to translate FTAAP from an aspirational to a more concrete vision. To that end, we instruct APEC to take concrete steps toward realization of an FTAAP, which is a major instrument to further APEC's Regional Economic Integration (REI) agenda. Further, an FTAAP should do more than achieve liberalization in its narrow sense; it should be comprehensive, high quality and incorporate and address "next generation" trade and investment issues.

We believe that an FTAAP should be pursued as a comprehensive free trade agreement by developing and building on ongoing regional undertakings, such as ASEAN+3, ASEAN+6, and the Trans-Pacific Partnership, among others. To this end, APEC will make an important and meaningful contribution as an incubator of an FTAAP by providing leadership and intellectual input into the process of its development, and by playing a critical role in defining, shaping and addressing the "next generation" trade and investment issues that an FTAAP should contain.

APEC should contribute to the pursuit of an FTAAP by continuing and further developing its work on sectoral initiatives

in such areas as investment, services, e-commerce, rules of origin, trade facilitation including supply chain connectivity and Authorized Economic Operator (AEO) programs, and environmental goods and services (EGS).

In implementing the above, the following considerations should be taken into account:

- the changing contours of the global economic and trade architecture, particularly the proliferation of Free Trade Agreements and Regional Trade Agreements in the Asia Pacific region;
- the progress toward achieving the Bogor Goals of free and open regional trade and investment within APEC economies by 2020;
- the non-binding nature and voluntarism of APEC;
  - the importance of advancing conventional "at the border" trade and investment issues, and at the same time more actively working toward addressing non-tariff or "behind the border" barriers and other "next generation" trade and investment issues to further deepen economic integration in the region; and
- APEC's longstanding support for the multilateral trading system.

Given the strong role that the business community plays in APEC, and our ability to obtain timely input from business on trade and investment issues in the region, APEC is uniquely positioned to drive an REI agenda.

At the same time, accounting for the different stages of development of member economies, APEC will remain committed to providing effective economic and technical cooperation activities to help APEC members, in particular APEC's developing economies, improve their capacity for further trade and investment liberalization and facilitation and meet new challenges.

Through furtherance of the REI agenda, APEC will seek to create a community that is more economically integrated, in which goods, services, and business people move seamlessly across and within borders, and a dynamic business environment is further enabled.

## The 18th APEC ECONOMIC LEADERS' MEETING

Yokohama, Japan

14 November 2010

# THE APEC LEADERS' GROWTH STRATEGY

We, the APEC Leaders, have agreed on a growth strategy (the "APEC Growth Strategy") as follows:

## 1. Formulating a Growth Strategy to Match a Changing Economic Environment

The Asia-Pacific Economic Cooperation (APEC) economies' collective efforts have greatly contributed to unrivaled growth and rapid economic development in the Asia-Pacific region, by promoting free and open trade and investment and strengthening regional economic integration (REI). The APEC economies are now more connected and integrated than ever before. Trade and investment liberalization and facilitation will continue to be a principal driver for creating growth in the Asia-Pacific region.

At the same time, the region has changed significantly since APEC was established in 1989, and economic integration has highlighted difficult new challenges, along with tremendous new opportunities.

Constant innovation and increased use of information and communications technologies (ICTs) have contributed to dramatically expanded trade, enhanced productivity, and wider and faster financial and information flows. Consequently, economic conditions in one economy now have greater potential to impact other economies, affecting employment, stability, and growth throughout the region and beyond. The rapid expansion of cross-border activities has changed the economic landscape, in some cases revealing imbalances and disparities between and within economies. These conditions also highlight the importance of promoting the broadest possible participation in the global economy to help ensure that the benefits of economic integration are widely shared. It is critical to establish patterns of growth that are more balanced, can be sustained, and produce strong regional and global growth as well as continued development and

rapid reduction in poverty. In this context, we applaud the outcomes of the United Nations High-level Plenary Meeting on the Millennium Development Goals (MDGs), which reaffirmed our shared resolve to work together to promote the economic and social advancement of all peoples.

Collective recognition of the need to protect our environment and natural resources has increased, but we face heightened challenges, including addressing climate change jointly in accordance with the principle of common but differentiated responsibilities and respective capabilities. Our economies continue to be threatened by possible disruptions caused by natural disasters, pandemic diseases, terrorism, and food insecurity.

Therefore, it is clear that APEC members cannot continue with "growth as usual" and "the quality of growth" needs to be improved, so that it will be more balanced, inclusive, sustainable, innovative, and secure. This is essential even as we pursue APEC's core objective of a vigorous trade and investment agenda aimed at strengthening economic integration in the Asia-Pacific region. In 2009, we outlined our vision for a New Growth Paradigm, and agreed to formulate a comprehensive long-term growth strategy to complement and mutually reinforce our trade and investment agenda. This year, in Yokohama, reiterating our support for efforts to achieve strong, sustainable and balanced growth of the world economy as called for by the G20 Framework, we have agreed on an APEC Growth Strategy for the Asia-Pacific region that can help ensure that regional growth and economic integration are sustainable and widely shared among all our populations. The APEC Growth Strategy is focused on five desired attributes for economic growth, along with an Action Plan to guide APEC and its members in aligning critical work with these priorities.

## 2. Five Growth Attributes

APEC aims to achieve Balanced, Inclusive, Sustainable, Innovative, and Secure Growth. These desired regional growth attributes are deeply interconnected.

### Balanced Growth: We seek growth across and within our economies through macroeconomic policies and structural reforms that will gradually unwind imbalances and raise potential output.

APEC economies have played a critical role in stabilizing the global financial and economic crisis by implementing extraordinary fiscal measures and rapidly easing monetary policies. APEC supports the G20's global coordination role, and recognizes the importance of maintaining growth-oriented policies that support increases in aggregate demand that will sustain the economic recovery.

Going forward, APEC will focus on achieving a strong, sustainable, and balanced macroeconomic environment. APEC's size and dynamism, coupled with its strength in consensus-building and implementing multi-year programs, make APEC particularly well-placed to reinforce, where appropriate, the G20 agenda on balanced growth.

- Encourage balanced growth across economies. Economies with current account deficits will need to take steps to boost domestic saving, including through medium-term fiscal consolidation, while ensuring that consolidation is carefully sequenced with attention to local economic conditions, so as not to derail nascent recoveries. Economies with current account surpluses need to reduce their reliance on external demand and undertake structural reforms that catalyze stronger domestic demand-led growth. Measures to raise household income, strengthen social safety nets to reduce the need for precautionary saving, and improve financial services to households can sustainably boost domestic consumption and raise welfare.

APEC economies will strengthen multilateral cooperation to promote external sustainability and pursue the full range of policies conducive to reducing excessive imbalances and maintaining current account imbalances at sustainable levels. We will move toward more market-determined exchange rate systems that reflect underlying economic fundamentals and will refrain from competitive

devaluation of currencies. Advanced economies, including those with reserve currencies, will be vigilant against excess volatility and disorderly movements in exchange rates. These actions will help mitigate the risk of excessive volatility in capital flows facing some emerging economies.

- Encourage balanced growth within economies. All APEC economies will pursue structural reforms to boost and sustain global demand, foster job creation, and increase growth potential. APEC economies should establish open, well-functioning, transparent, better-regulated and competitive markets, develop financial markets, increase domestic demand, strengthen social safety nets, promote a competitive environment, and enhance public sector and corporate governance. This will contribute to stronger, more inclusive growth, narrower development imbalances, poverty reduction, and higher overall economic efficiency.
- Facilitate growth through infrastructure development. APEC can use its convening power to help create a platform to develop innovative solutions, and provide technical assistance and advisory services to help member economies in need that have different abilities in raising private and public financing for infrastructure-related projects. APEC can also provide an exchange of views on best practices in public-private partnerships in infrastructure development.

### Inclusive Growth: We seek to ensure that all our citizens have the opportunity to participate in, contribute to, and benefit from global economic growth.

Inclusive growth creates opportunities for everyone to enjoy the benefits of economic growth. Promoting policies and programs that broaden access to opportunities and enable people to realize their full potential will lead to greater economic growth, more productive employment opportunities, and greater well-being, which in turn will increase public support for free and open trade and investment, thereby creating more new demand and more jobs.

To this end, structural adjustments need to be implemented and APEC should support policies that increase opportunities for workers to benefit from regional economic integration. Re-employment programs, training, skill upgrading, education, and strengthened social safety nets will enhance employability, help create high-quality jobs, and ensure long-term economic security.



It is also crucial to improve the business environment for our small and medium-sized enterprises (SMEs), increase access to finance for the most vulnerable sectors such as microenterprises (MEs), and create sufficient opportunities for potentially disadvantaged and marginalized groups, including youth, elderly and women, through better education, training, and employment programs.

Going forward, APEC will focus its efforts to promote inclusive growth in the following actions:

- Promote job creation, human resource development, and active labor market policies. APEC economies will exchange ideas to improve the quality of education and to increase employment opportunities for women, youth, elderly workers, and vulnerable groups. This includes helping students and workers adapt to changing economic circumstances through education and training focused on skills and competencies they need to remain competitive in the 21st century workplace.
- Promote SMEs, MEs, and entrepreneurship development. APEC economies will work to encourage a wider range of SME participation in high-growth sectors and strengthen comprehensive support for SMEs with a coordinated approach between SME agencies and other related agencies. They will also increase SME access to global markets by providing support for SMEs to develop high value-added products, promote SMEs' business opportunities in global markets, and address barriers that impact the ability of SMEs to trade. APEC will also improve the business environment, increase management capacity, and expand access to relevant technologies.
- Promote more inclusive access to finance and financial services. APEC economies will work to facilitate access to finance for SMEs, MEs, women entrepreneurs, and vulnerable groups.
- Enhance social resilience and social welfare through means such as improving social safety nets and supporting vulnerable groups. APEC will work to support the individual's economic security by sharing experience and capacity building of economies' efforts in strengthening and establishing well-functioning social safety net programs that enhance social insurance coverage and encourage participation in the labor market.
- Create new economic opportunities for women, elderly, and vulnerable groups. APEC economies will work to increase economic opportunities for women, elderly, and vulnerable populations through focused employment, enhanced business opportunities, training, skill development, and life-long learning opportunities, as well as full participation in quality education, particularly in math, science, learning other languages, career, technical, and vocational education and other educational fields essential to developing 21st century skills.
- Promote tourism. APEC will also promote tourism, which is a driving force for business, employment, entrepreneurship, and SME development.

APEC's forward agenda in this area will make a practical contribution to achieving the MDGs. This will help to achieve full and productive employment and decent work for all, including women and youth.

### **Sustainable Growth: We seek growth compatible with global efforts for protection of the environment and transition to green economies.**

Moving toward a more sustainable and green growth model provides both significant challenges and opportunities for APEC economies. It will be critical for our region to develop more resource-efficient economies in order to address the world's biggest challenges, including addressing climate change and its adverse effects. This will enable us to continue to prosper as a low-carbon society.

APEC economies face significant challenges meeting growing energy demands while minimizing negative environmental consequences. We share the understanding that it will be difficult to ensure strong and environmentally sustainable economic growth without policy solutions that address issues in this sector.

APEC economies should encourage new green industries and jobs, including by introducing market-based mechanisms as an important tool to achieve sustainable growth and address climate change. APEC should help to establish a low-carbon society in which we maintain economic growth while protecting the environment. It can do so by taking steps to facilitate the diffusion of clean energy technologies and systems, including by reducing barriers to trade and investment in energy efficient products, conducting international joint research, building capacity, promoting public-private partnerships, and providing appropriate incentives for investment in energy efficient and low-carbon energy supply, buildings, industry, and transport.

Adaptation to climate change impacts is also critical. Water stress, including water-related risks such as flooding and droughts, is likely to increase as a result of climate change, which may negatively impact food security, human health, and freshwater resources. Different situations in different economies will likely require different sets of adaptation measures. All relevant parties, including scientists, policy makers, and other stakeholders in APEC economies should therefore be engaged to develop the integrated approach needed to resolve this problem.

Going forward, APEC will focus its efforts to promote sustainable growth in the following actions:

- Enhance energy security and promote energy-efficiency and low-carbon policies. APEC will employ approaches such as sharing best practices, conducting voluntary peer reviews, and rationalizing and phasing out inefficient fossil fuel subsidies that encourage wasteful consumption over the medium term, while recognizing the importance of providing those in need with essential energy services. APEC will also improve the efficiency of fossil fuels and promote the use of ICTs that increase the efficiency of

socioeconomic activity. APEC will assess the potential for reducing the energy intensity of economic output in APEC economies between 2005 and 2030, beyond the 25 percent aspirational goal already agreed to by the APEC Leaders in 2007.

- Develop a low-carbon energy sector. APEC will explore mechanisms to encourage economies to set individual plans to introduce low-emission power sources and assess the potential of renewable energy options, nuclear power plants, advanced clean coal technologies, and carbon capture and storage (CCS) to reduce carbon emissions.
- Improve access for environmental goods and services (EGS) and develop EGS sectors. APEC will implement the APEC EGS Work Program, including by taking steps to address non-tariff barriers to environmental goods, explore greater alignment of energy efficiency standards, promote trade and investment in EGS, and facilitate the diffusion of climate friendly and other EGS technologies.
- Promote green jobs education and training. APEC will identify relevant skills and competencies, sharing best practices, supporting education for sustainable development (ESD), and expanding ecotourism.
- Promote private investment in green industries and production processes. APEC will promote private investment in green industries and production processes, including through market-based financing.
- Promote conservation and more sustainable management of agriculture and natural resources. APEC will focus in particular on forest management, soil conservation, marine resources conservation, watershed management, sustainable agriculture, and adaptation measures for water-related risks such as fresh water supplies and flood control.

Cooperation and partnership are essential to address environmental challenges that extend beyond any single economy or APEC economies as a whole.

### **Innovative Growth: We seek to create an economic environment that promotes innovation and emerging economic sectors.**

The adoption of policies that foster an enabling environment for innovative growth will be increasingly crucial for future prosperity. Technology breakthroughs and ICTs play a significant role as a primary driver of economic growth, and innovation in new products and services can enhance progress on critical global issues, including the environment, energy, transportation, agriculture, health care, logistics, emergency response, administrative services, and education.

Going forward, APEC will focus its efforts to promote innovative growth in the following actions:

- Realize smart socioeconomic activity through ICT applications. APEC will promote smart socioeconomic activity through enhanced ICT use in various fields, by working toward solutions to economic, technical, and systemic challenges, as well as by sharing best practices.
- Promote Digital Prosperity. APEC economies are encouraged to adopt policies and regulations to foster innovation and use of ICTs, including by promoting trade and investment in ICT products and services; adopting globally accepted standards and international practices; promoting investment in next generation high speed broadband infrastructure; creating a competitive environment conducive to emerging technologies and innovative services, such as cloud computing; promoting effective privacy protection, while avoiding unnecessary barriers to information flows; and ensuring information and communication flows. This will help economies to reduce the digital divide and allow all segments of the population to reap the benefits of innovative growth.
- Develop a skilled, adaptable, and professional APEC work-force. APEC will promote the development of technical and vocational education and training to nurture more skilled personnel and promote new skills and human resource development to drive growth in strategically desirable directions, particularly in equipping individuals with necessary skills, including those prerequisite to utilizing ICTs to contribute to the 21st century economy. APEC will help nurture energy efficiency experts, for example, to facilitate green economy development. Recognizing differences in economies' education and training systems, APEC will share information on licensing and qualifications, which can facilitate the mobility of skilled professionals to enhance the range of professional services available in the region.
- Enhance dialogues and information sharing on innovation policy. Innovation policy requires multi-dimensional approaches, including human resource and entrepreneurship development, R&D investment, tax incentives, financial measures, public-private partnership, and international cooperation. APEC will strengthen innovation policies by sharing best practices for more effective policy making and implementation.
- Promote innovation and creativity through effective, comprehensive, and balanced intellectual property (IP) systems. APEC economies will improve their intellectual property rights protection and enforcement capabilities, and the IP utilization and commercialization environment in the region, which in turn will contribute to the development and dissemination of technology. To this end, APEC economies will strengthen efforts to develop a global IP infrastructure for the promotion of innovation

consisting of improved legal/administrative, human resource, and ICT components. Cooperative efforts in this context will include those under ] APEC's Anti-Counterfeiting and Piracy Initiative and the Cooperation Initiative on Patent Acquisition Procedures. APEC will continue dialogues, information exchange, experience sharing, technical cooperation, and capacity building across all stakeholder groups in member economies.

- Promote cooperation on standards. APEC will promote cooperation on standards in coordination with the Specialist Regional Bodies and promote greater alignment of domestic standards with international standards, as well as cooperation on standardization in advanced technologies.
- Promote innovation in Life Sciences. APEC will take concrete actions in the medical and life sciences areas where further efforts could help stimulate innovation and application of medical and related ICT innovations in health systems, including by encouraging investment, assisting sustainable development in the pharmaceutical and biologics industries, accelerating regulatory harmonization work on medical products, and enhancing cooperation to prevent trade in counterfeit medicines/medical products.

### **Secure Growth: We seek to protect the region's citizens' economic and physical well-being and to provide the secure environment necessary for economic activity.**

Disease, disasters, terrorism, and corruption all impact our citizens' economic and physical well-being by reducing economic productivity and disrupting commerce and trade. APEC is uniquely positioned to enhance member economies' capacity to minimize natural and human risks to growth. Going forward, APEC will focus its efforts to improve secure growth in the following actions:

- Counter terrorism and secure trade. Protecting the region's economic systems from attack, disruption, and misuse is an important component of a safer business environment. APEC will continue to identify and implement initiatives to counter terrorism and to promote a secure trade agenda. This includes building on current efforts in such areas as transportation security (including port, maritime, and aviation security), anti-money laundering and counter-terrorism finance, supply chain security and trade recovery, cyber-security, and protecting infrastructure. APEC will seek to mitigate risks without compromising legitimate economic activity, in cooperation with relevant organizations and the private sector.
- Prepare for emergencies and natural disasters. APEC will help economies to better understand disasters' economic

and social costs. APEC will identify gaps in disaster risk reduction approaches in the region and develop practical mechanisms to maximize business and community resilience, bearing in mind the Hyogo Framework for Action while encouraging the use of ICTs.

- Enhance infectious diseases preparedness and control of non-communicable diseases, and strengthen health systems. APEC will continue to enhance preparedness for and effective management of emerging and re-emerging infectious diseases, including tuberculosis, vector-borne diseases, HIV/AIDS and other pandemics; build capacity for the prevention of non-communicable diseases, including injuries; and strengthen health systems of economies, including health financing, human resources, and health information technologies, which would contribute to inclusive and secure growth.
- Strengthen food security and food safety. Availability of and access to reliable, nutritious, safe, and affordable food supplies is a concern for many in the Asia-Pacific region and around the world. The need for food crops that can adjust to and help mitigate the impact of climate change has become urgent. APEC will continue to cooperate with the private sector, academia, and civil society to address food security and food safety challenges by promoting sustainable development of the agricultural sector through means such as increasing production and productivity and reducing post-harvest losses, and by facilitating investment, trade, and markets through means such as promoting responsible agricultural investment and using science and risk-based food safety systems. APEC economies will continue to engage in capacity building on food safety issues to protect public health and facilitate trade.
- Combat corruption and promote transparency. Cooperation in anti-corruption and transparency is critical to improving the overall environment for doing business and promoting good governance that is a prerequisite for growth. APEC efforts on anti-corruption and transparency will support and be aligned with structural reforms in public sector and corporate governance, and complement existing activities on anti-money laundering.

## **3. Action Plan for the APEC Growth Strategy**

### **(1) Development of Integrated Work Elements to Implement the APEC Growth Strategy**

This Action Plan to implement this Growth Strategy encompasses the following critical integrated work elements. All relevant programs under this Action Plan should leverage APEC's comparative advantages and proven successful approaches, such as Economic and Technical Cooperation (ECOTECH) and public-private partnerships. APEC Senior

Officials should play a central, coordinating, and guiding role in this process.

#### a. Structural Reform

Structural reform, along with appropriate macroeconomic policies, is essential in achieving strong, sustained, and balanced economic growth. The region has made progress in this regard over the past five years, including through our Leaders' Agenda to Implement Structural Reform (LAISR). In order to achieve more balanced and inclusive growth, APEC economies, under Senior Officials' guidance and monitoring, should implement the APEC New Strategy for Structural Reform (ANSSR), which sets forth extended priority areas for structural reform, including promoting quality education, increasing labor market opportunities, promoting SME development, enhancing opportunities for the vulnerable and women, and promoting effective social safety net programs and financial market development, in addition to continued efforts to improve market efficiencies, as pursued under the prior LAISR program.

#### b. Human Resource and Entrepreneurship Development

Senior Officials should guide and monitor the implementation of the "Action Plan for Developing Human Resources, Vigorously Promoting Employment, and Achieving Inclusive Growth" adopted at the APEC Human Resources Development Ministerial Meeting in Beijing in September 2010, which calls for laying the foundation for the human resources and businesses that will lead to new growth in our region by adopting employment-oriented macroeconomic policies, improving education, and developing human capacity. Senior Officials should also guide and monitor the implementation of the "Strategy for Reinvigorating Economic Growth with Dual Engine: SME and Asia-Pacific Economy," adopted at the APEC SME Ministerial Meeting in Gifu in October 2010, including the Gifu Initiative, which aims to enhance SMEs' access to global markets in order to ultimately ensure SMEs' further growth and development. In all these activities, entrepreneurship, venture finance and financial inclusion, as well as better economic opportunities for women, should be encouraged.

#### c. Green Growth

Senior Officials should design and implement an APEC Green Growth Plan. This will enhance and facilitate coordination of APEC activities to address climate change by promoting climate-friendly, low-carbon and energy-efficient technologies through upgraded policy initiatives, expanded capacity-building, and public-private efforts to foster green industries through finance, trade promotion, green jobs education and training, and facilitating technology development and diffusion. The Green Growth Plan should also outline enhanced efforts to build APEC economies' capacity to assess their own greenhouse gas emissions, energy efficiency, and water conservation, promote trade and investment in EGS, and design and

implement plans to rationalize and phase out inefficient fossil fuel subsidies that encourage wasteful consumption over the medium term.

#### d. Knowledge-Based Economy

Senior Officials should continue strong APEC-wide efforts to create a regional business environment that fosters innovation and entrepreneurship, protects and enforces IPR through effective, comprehensive, and balanced IP systems, promotes innovation and use of ICTs, and thereby promotes increased economic growth. Senior Officials should seek to further promote innovation in the Asia-Pacific by addressing issues related to standards and conformance, business and professional mobility, ICT innovation and utilization, and furthering science and technology cooperation.

#### e. Human Security

In order to realize human security in the Asia-Pacific region, Senior Officials should foster enhanced cooperation and coordination within APEC to reduce threats and disruptions to business and trade, including directing relevant sub-fora to cooperate in developing a consolidated strategy on counter-terrorism and secure trade. They should also monitor the implementation of the APEC Action Plan on Food Security, which was endorsed by the first APEC Ministerial Meeting on Food Security in Niigata in October 2010, and report the progress annually. APEC should continue to collaborate with industry, academia, and international organizations to enhance food safety and preparedness against emergencies, natural disasters, and pandemics through public-private partnerships and networking among experts. Senior Officials should also explore and implement appropriate procedures for public reporting by member economies on their progress in implementing APEC commitments on anti-corruption and transparency.

### (2) Multi-year Follow-up and Implementation

To ensure multi-year follow-up and the Strategy's implementation, APEC Senior Officials should:

- a. Implement this Action Plan for the APEC Growth Strategy, conducting annual progress reviews on APEC's relevant work programs while finding ways to take stock of progress, and making any needed adjustments in the work programs to maximize APEC's efforts to promote the Five Growth Attributes, working with and providing leadership to relevant APEC sub-fora.
- b. Pursue continuing cooperation with relevant international fora and multilateral institutions to ensure the APEC Growth Strategy remains aligned with global efforts.
- c. Report to Leaders in 2015, for their review, on APEC's progress in promoting the APEC Growth Strategy. At that point, Leaders may consider the future direction of the Strategy.





# APEC

---

## USA 2011

In 2010, APEC Leaders set forth a comprehensive, forward-looking framework for achieving growth and prosperity in the Asia-Pacific region in the 21st century. The Yokohama Vision called on APEC to promote stronger and deeper regional economic integration, including by taking concrete steps towards achieving a Free Trade Area of the Asia-Pacific. The Leaders also outlined an APEC Growth Strategy for achieving high quality growth in the region that is balanced, inclusive, sustainable, innovative, and secure.

APEC 2011 will focus on realizing this vision, in pursuit of APEC's central mission of promoting trade and investment in order to increase economic growth and employment in the Asia-Pacific.

APEC 2011 will build towards a seamless regional economy that will ensure long-term prosperity in the region by achieving practical, concrete, and ambitious results.

## Toward a Seamless Regional Economy

In 2011, APEC will build towards a “seamless regional economy” by achieving concrete outcomes, particularly in three specific priority areas: (1) strengthening regional economic integration and expanding trade; (2) promoting green growth; and (3) expanding regulatory cooperation and advancing regulatory convergence. These efforts will advance the Yokohama Vision and the APEC Growth Strategy.

### *Strengthening Regional Economic Integration and Expanding Trade*

As directed by the Yokohama Vision, APEC will seek to strengthen economic integration by working to define, shape, and address the next generation trade and investment issues that should be included in 21st century trade agreements in the region, including a Free Trade Area of the Asia-Pacific (FTAAP). This will include work to eliminate non-tariff barriers to trade and prevent new barriers from emerging, agreeing to adopt policies and regulations that foster innovation and

promote trade in technology, and advancing structural reform in APEC economies.

APEC will also continue to work to make it cheaper, easier, and faster for businesses - particularly small and medium-sized businesses - to trade in the region, including by taking steps to reduce the time, cost, and uncertainty of moving goods and services through the supply chain.

### *Promoting Green Growth*

APEC will actively promote environmentally sustainable economic growth and development (“Green Growth”), and help our economies successfully transition to a clean energy future. For example, APEC will accelerate efforts to address barriers to trade in environmental goods. It will also seek to remove tariffs and non-tariff barriers related to advanced technology demonstration products (such as vehicles) and remanufactured/recycled goods. Additionally, APEC will explore ways to contribute to global efforts to eliminate inefficient fossil fuel subsidies and to combat trade in illegal forestry products.





### *Expanding Regulatory Cooperation and Advancing Regulatory Convergence*

APEC will work to improve the quality of the regulatory environment in the Asia-Pacific in order to prevent unnecessary barriers to trade and to enable businesses to more easily navigate emerging requirements. Specifically, it will look to increase transparency in the rule-making process, improve the quality of regulations, and increase alignment of APEC economies technical regulations and standards, especially related to new green technologies by expanding cooperation on regulatory issues.

### **Achieving Results**

To fulfill the Yokohama Vision and the APEC Growth Strategy, APEC will intensify efforts to streamline and strengthen the way APEC does business. All activities, from high-level to

technical-level events, will focus on solving problems and achieving clear, meaningful progress towards APEC goals.

To this end, APEC will seek to increase opportunities for the private sector to provide input into APEC's work during 2011.

APEC plans to hold multiple private sector-led activities throughout the year on topics ranging from energy and transportation to innovation and trade, food security, and women's entrepreneurship that will allow APEC officials to draw upon recommendations from industry and other stakeholders when developing initiatives and outcomes.

APEC 2011 will also structure initiatives and organizational procedures to better foster cross-cutting cooperation among the various APEC working groups, and to ensure their activities are fully aligned and integrated with APEC's core mission. Additionally, APEC will aim to tie funding to top priorities, while increasing capacity-building activities for developing member economies.



# KEY MEETINGS IN 2011



<b>Meeting</b>	<b>Date</b>
Senior Officials' Meeting 1 (SOM1) and related meetings	27 Feb - 12 Mar
Senior Officials' Meeting 2 (SOM2) and related meetings	07 - 21 May
Meeting of Ministers Responsible for Trade (MRT)	19 - 20 May
Joint Trade-Small and Medium Enterprises' Ministers Meeting	20 May
Small and Medium Sized Enterprises Ministerial Meeting	21 May
Senior Officials' Meeting 3 (SOM3) and related meetings	12 - 26 Sep
Concluding Senior Officials' Meeting	08 - 09 Nov
Finance Ministers' Meeting	10 Nov
23rd APEC Ministerial Meeting	11 Nov
19th APEC Economic Leaders' Meeting	12 - 13 Nov

Further details can be found at [www.apec.org](http://www.apec.org)

**2010 • Yokohama, Japan**

APEC Leaders issued the Yokohama Vision to provide a roadmap for members to realize an economically-integrated, robust and secure APEC community. This includes the formulation of a comprehensive, long-term growth strategy. APEC completes an assessment of the progress towards the Bogor Goals and finds significant gains in the areas of liberalizing trade in goods, services and investment, as well as trade facilitation. APEC formulates the APEC Strategy for Investment and endorses the APEC New Strategy for Structural Reform. APEC holds its first-ever APEC Ministerial Meeting on Food Security.

**2009 • Singapore**

APEC resolves to pursue balanced, inclusive and sustainable growth, while Leaders agree to extend their standstill commitment on protectionism until 2010. The first-ever joint meetings of APEC senior trade and finance officials are held to address the economic crisis. APEC launches the Supply-Chain Connectivity Framework and the Ease of Doing Business Action Plan to make doing business in the region 25 percent cheaper, faster and easier by 2015. Member economies also commence work on an APEC Services Action Plan and an Environmental Goods and Services Work.

**2008 • Lima, Peru**

APEC Economic Leaders address the global financial crisis in the Lima Statement on the Global Economy, in which they commit to take all necessary economic and financial measures to restore stability and growth, to reject protectionism and to intensify efforts to advance the WTO's Doha Development Agenda negotiations. APEC focuses on the social dimensions of trade, reducing the gap between developing and developed members and Corporate Social Responsibility. Leaders welcome the APEC Investment Facilitation Action Plan aimed at improving the investment environment in the region.

**2007 • Sydney, Australia**

For the first time, APEC member economies issue a Declaration on Climate Change, Energy Security and Clean Development outlining future action in support of a new international climate change arrangement and announcing a forward program of practical, cooperative actions and initiatives. Leaders also adopt a major report on closer regional economic integration, including structural reform initiatives, and welcome the second APEC Trade Facilitation Action Plan which aims to reduce trade transaction costs by a further five per cent by 2010.

**2006 • Ha Noi, Viet Nam**

APEC Economic Leaders endorse the Ha Noi Action Plan which identifies specific actions and milestones to implement the Bogor Goals. Leaders conclude that the APEC Trade Facilitation Action Plan has achieved its target of a five percent reduction in trade transaction costs in the region between 2002 and 2006. APEC takes a strategic approach to reform fora and strengthen the Secretariat.

**2005 • Busan, Korea**

APEC completes the Mid-Term Stock-take of Progress Towards the Bogor Goals. The stock-take finds that average tariffs in the APEC region have been reduced to 5.5 percent, down from 16.9 percent when APEC was established in 1989, and that APEC is on schedule to meet the Bogor Goals. It also outlines the Busan Roadmap to the Bogor Goals. The APEC Privacy Framework is launched.

**2004 • Santiago, Chile**

APEC adopts Best Practices for RTAs and FTAs, a reference guide for APEC members undertaking RTA/FTA negotiations. The Leaders' Agenda to Implement Structural Reform (LAISR) is launched. It addresses five priority areas: regulatory reform; corporate governance; public governance; competition policy; and strengthening economic legal infrastructure. Leaders endorse the Santiago Commitment To Fight Corruption And Ensure Transparency.

**2003 • Bangkok, Thailand**

Members undertake to implement the APEC Action Plan on SARS and the Health Security Initiative to help the region prevent and respond to health threats. Leaders pledge to strengthen regional efforts to promote sound and efficient financial systems and encourage the development of domestic and regional bond markets.

**2002 • Los Cabos, Mexico**

APEC adopts a Trade Facilitation Action Plan and the Statement to Implement APEC Policies on Trade and the Digital Economy. The Secure Trade in the APEC Region (STAR) initiative is launched and a Statement to Implement APEC Transparency Standards is endorsed.

## **2001 • Shanghai, People's Republic of China**

Leaders issue APEC's first Statement on Counter-Terrorism and pledge to enhance counter-terrorism cooperation. Leaders also adopt the Shanghai Accord which focuses on: broadening the APEC vision to reflect the changes wrought by the digital economy; clarifying the roadmap to reach the Bogor Goals; and strengthening the IAP Peer Review Process and capacity building activities.. An e-APEC Strategy identifying the necessary policy environment and specifying appropriate goals and actions to maximise the benefits of the digital economy is also endorsed.

## **2000 • Bandar Seri Begawan, Brunei Darussalam**

APEC commits to the Action Agenda for the New Economy. Leaders set the goals of tripling internet access throughout the APEC region by 2005, and achieving universal access by 2010.

## **1999 • Auckland, New Zealand**

APEC Leaders endorse the APEC Principles to Enhance Competition and Regulatory Reform aimed at addressing the structural and regulatory weaknesses that contributed to the Asian financial crisis. APEC commits to paperless trading by 2005 in developed economies and 2010 in developing economies. The APEC Business Travel Card scheme is approved and a Mutual Recognition Arrangement on Electrical Equipment and a Framework for the Integration of Women in APEC are endorsed.

## **1998 • Kuala Lumpur, Malaysia**

APEC Ministers agree on a Blueprint for Action on Electronic Commerce, including a commitment to paperless trading by 2005 in developed economies and by 2010 in developing economies.

## **1997 • Vancouver, Canada**

APEC endorses a proposal for early voluntary sectoral liberalisation in 15 sectors and decides that Individual Action Plans should be updated annually.

## **1996 • Manila, The Philippines**

The Manila Action Plan for APEC is adopted, outlining the trade and investment liberalisation and facilitation measures required to reach the Bogor Goals. The first Collective and Individual Action Plans are compiled, outlining how economies will achieve the free trade goals.

## **1995 • Osaka, Japan**

APEC adopts the Osaka Action Agenda which provides a framework for meeting the Bogor Goals through trade and investment liberalisation, business facilitation and sectoral activities, underpinned by policy dialogues and economic and technical cooperation. The APEC Business Advisory Council is established to inject a business perspective into APEC deliberations and to give advice on business sector priorities.

## **1994 • Bogor, Indonesia**

APEC sets the Bogor Goals of, "free and open trade and investment in the Asia-Pacific by 2010 for industrialised economies and 2020 for developing economies." The Uruguay Round of multilateral trade negotiations conducted under the General Agreement on Tariffs and Trade is concluded. APEC is widely considered to have been a significant force in bring the Round to a conclusion.

## **1993 • Blake Island, United States**

APEC Economic Leaders meet for the first time and outline APEC's vision of "stability, security and prosperity for our peoples."

## **1989 • Canberra, Australia**

APEC begins as an informal Ministerial-level dialogue group with 12 founding members.

The Asia-Pacific Economic Cooperation (APEC) forum was established to take advantage of the growing interdependence among Asia-Pacific economies, to facilitate economic growth for all participants and to enhance a sense of community. It aims to improve regional trade and economic performance and linkages for the prosperity of the people in the region.

Since its inception in 1989, APEC has helped to reduce tariffs and other barriers to trade across the Asia-Pacific region. Business transaction costs were reduced by 5 percent between 2002 and 2006 and are scheduled to be cut by a further 5 percent by the end of 2010. APEC has worked to create an environment to ensure the safe and efficient movement of goods, services and people across borders through policy decisions and economic and technical cooperation. During this period, APEC member economies have grown, and developing economies in particular have experienced substantial increases in GDP and standards of living.

# ABOUT APEC

## ECONOMIC DATA

Member Economy and Year Joined	Population (thousands)	GDP (US\$m)	GDP per capita (US\$)	Imports of Merchandise Goods and Commercial Services (US\$m)	Exports of Merchandise Goods and Commercial Services (US\$m)
Australia (1989)	21874.9	924,843.1	4,2278.7	206,804.3	195,439.3
Brunei Darussalam (1989)	399.6	*10.4	*25386	2540	6900
Canada (1989)	33,739.9	1,336,066.8	39,599	407,458.3	372,552.8
Chile (1994)	16,970.2	163,669.7	9,644.5	51,856.8	61,953.2
China (1991)	1,331,460	4,984,731.3	3,743.8	1,163,187.9	1,330,233.8
Hong Kong, China (1991)	7,003.7	215,354.5	30,863.2	396,935.1	416,102.3
Indonesia (1989)	229,964.7	540,276.6	2,349.3	116,703.4	132,658.7
Japan (1989)	127,560	5,067,525.8	39,726.6	696,337	705,159.8
Korea (1989)	48,747	832,511.6	17,078.2	397,234.2	419,441.5
Malaysia (1989)	27,467.8	191,600.5	6,975.4	150,297.9	185,365.6
Mexico (1993)	107,431.2	874,901.8	8,143.8	263,899.2	244,809.1
New Zealand (1989)	4,315.8	125,159.5	29,000.3	33,578.7	32,109.3
Papua New Guinea (1993)	6,732.1	7,892.7	1,172.3	5,137.3	4,678.2
Peru (1998)	29,164.8	126,733.9	4,345.4	26,213.1	30,292.8
Philippines (1989)	91,983.1	160,475.9	1,744.6	53,687.2	47,718.1
Russian (1998)	141,850	1,230,725.8	8,676.2	251,993.7	345,878.7
Singapore (1989)	4,987.6	182,231.7	36,536.9	319,711.2	343,485.4
Chinese Taipei (1991)	23,078.4	378952	16,420.2	203,956.2	234,618.2
Thailand (1989)	67,764	263,856.2	3,893.7	171,823.6	182,969
United States (1989)	307,007	1,4256,300	46,436.4	1,934,526.8	1,527,111.5
Viet Nam (1998)	87,279.7	91,854.4	1,052.4	75,310.2	62,386.7

Source: StatsAPEC <http://statistics.apec.org/>

\* Data from Economic Fact Sheets - <http://www.dfat.gov.au/geo/fs/brun.pdf> - GDP (US\$bn) (current prices) and GDP per capita (US\$)

Extracted 6 Jan 2011

## APEC Process

APEC is a unique forum operating on the basis of open dialogue and equal respect for the views of all participants. Decision making within APEC is reached by consensus. There are no binding commitments; compliance is promoted through peer pressure and, when appropriate, supported by economic and technical cooperation. Through APEC, developing economies have as much say in setting APEC's agenda as some of the largest economies in the world.

APEC's priorities and goals are set at annual meetings of APEC Economic Leaders and Ministers. Officials and experts in APEC member economies carry out projects and other work to meet these goals. This work is supported by the APEC Secretariat which is based in Singapore.

\* The word 'economies' is used to describe APEC members because the APEC cooperative process is predominantly concerned with trade and economic issues, with members engaging with one another as economic entities.

## APEC's Scope of Work

APEC works in three broad areas to meet its goals of free and open trade and investment in the Asia-Pacific by 2010 for developed economies and 2020 for developing economies. These goals are referred to as the 'Bogor Goals'. The three areas in which APEC works are:

- Trade and Investment Liberalisation - reducing and eliminating tariff and non-tariff barriers to trade and investment, and opening markets.
- Business Facilitation - reducing the costs of business transactions, improving access to trade information and bringing into line policy and business strategies to facilitate growth, and free and open trade.
- Economic and Technical Cooperation (ECOTECH) - assisting APEC member economies to build the necessary capacities to take advantage of global trade.

Together, the outcomes assist APEC member economies to continue to grow and prosper. Tangible benefits are also delivered to the people of the region, through increased choices in the marketplace, cheaper goods and services and improved access to international markets.

Over the last few years new threats to the economic well-being of the region have emerged. The commercial impact of terrorist attacks, regional epidemics and devastating natural disasters reinforces the nexus between trade and human security. APEC is meeting these new challenges through cooperative activities aimed at ensuring that trade and economic development continues, while safeguarding the people and economies of the region.

## Action Plans

### *Osaka Action Agenda*

The Osaka Action Agenda mapped out a path to meet the Bogor Goals. It provides a framework through a mix of individual and collective steps in liberalisation, facilitation and economic-technical cooperation. As part of this framework, General Principles have been defined for member economies as they proceed through the APEC liberalisation and facilitation process:

- Comprehensiveness
- Standstill
- WTO-consistency
- Simultaneous start, continuous process and differentiated timetables
- Comparability
- Flexibility
- Non-discrimination
- Cooperation
- Transparency

### *Individual and Collective Action Plans*

APEC member economies report progress towards achieving free and open trade and investment goals through Individual and Collective Action Plans, submitted to APEC on an annual basis. Individual Action Plans (IAPs) contain a chapter for each specified policy area and report the steps that each member is taking to fulfil the objectives set out in the Osaka Action Agenda for each action area.

As specified in the Osaka Action Agenda, reporting is based on the following issue areas:

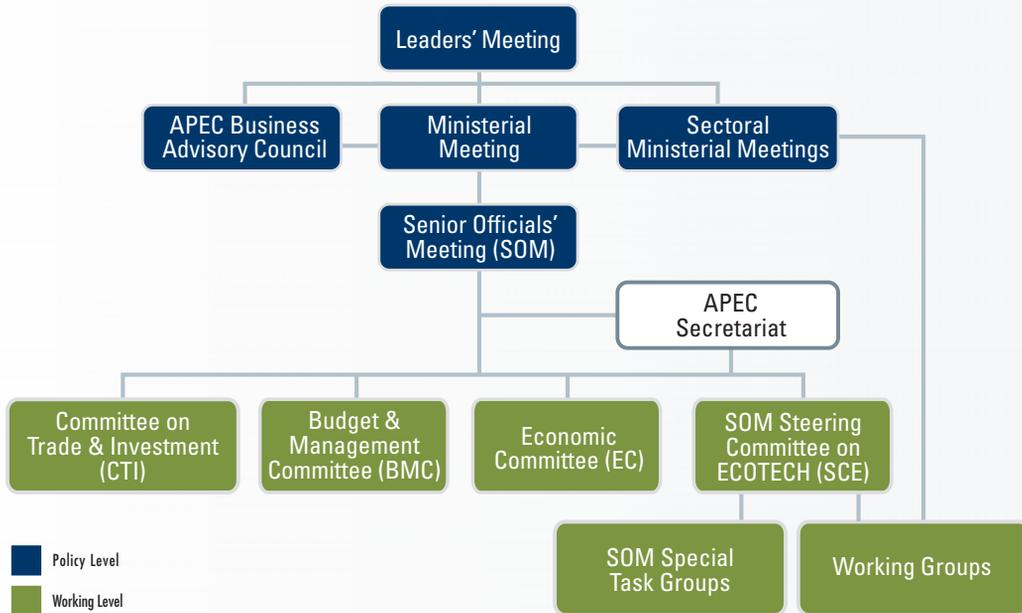
- Tariffs and Competition Policy
- Non-tariff measures
- Government Procurement
- Services
- Deregulation/Regulatory Review
- Investment
- WTO Obligations (including Rules of Origin)
- Standards and Conformance
- Dispute Mediation
- Customs Procedures
- Mobility of Business People
- Intellectual Property
- Information Gathering and Analysis
- Strengthening Economic Legal Infrastructure

Collective Action Plans (CAPs) detail the joint actions of all APEC member economies in the same issue areas. CAPs are the compass by which APEC charts its course towards the ultimate objective of free trade and investment.

APEC member economies also work within a broader framework to meet the free and open trade goals. This framework comprises:

- Actions by individual APEC economies;
- Actions by APEC fora; and
- APEC actions related to multilateral fora.

## APEC Organisational Chart



Every year one of the 21 Member Economies plays host to APEC meetings and serves as the APEC Chair. The APEC host economy is responsible for chairing the annual Economic Leaders' Meeting, Ministerial Meetings, Senior Officials' Meetings, the APEC Business Advisory Council and the APEC Study Centres Consortium.

## The APEC Secretariat

The APEC Secretariat is staffed with a team of diplomats seconded from APEC member economies as well as by professional, specialist and administrative staff. The Secretariat is headed by an Executive Director.



The APEC Secretariat holds ISO 9001:2000 Quality Management Certification. This recognises the continuous efforts made by the APEC Secretariat to provide high quality administrative and support activities. The APEC Secretariat is the first international trade-related secretariat to attain ISO certification.



## The APEC Policy Support Unit

In 2008, the APEC Policy Support Unit (PSU) was established to provide research, analysis and evaluation capabilities to assist in the implementation of APEC's agenda. The PSU is guided and overseen by a Board that comprises representatives from the current, immediate past and next APEC host economy, and from each major donor.

## APEC Stakeholder Participation

APEC recognises that strong and vibrant economies are not built by governments alone, but by partnerships between governments and key stakeholders, including the business sector, industry, academia, policy and research institutions, and interest groups within the community.

APEC member economies recognise that business drives the economies of the region and therefore involves business at all levels of the APEC process. At the highest level, APEC Economic Leaders communicate through annual meetings with the APEC Business Advisory Council (ABAC). ABAC comprises high-level business people from all 21 APEC member economies.

Through the APEC Study Centres (ASC) Consortium, APEC member economies actively engage academic and research institutions in the APEC process. The ASC Consortium facilitates cultural and intellectual exchanges in the Asia-Pacific region and assists the APEC process by undertaking advanced, collaborative interdisciplinary and policy-relevant research from an independent and long-term perspective. There are ASCs in 20 APEC member economies.

## On The Web

**The APEC Secretariat** - [www.apec.org](http://www.apec.org) contains information about APEC developments, issues and work programs, an APEC event calendar and links to key APEC websites.

### Publications

[publications.apec.org](http://publications.apec.org)

#### Key APEC Documents 2010

A reference set of the key policy decisions and initiatives endorsed by Leaders and Ministers in 2010. It includes the 2010 APEC Leaders' Declaration and Statements from Ministerial Meetings.

#### 2010 APEC Economic Policy Report

With a focus on regulatory reform this report reviews individual economies' corporate governance reforms and identifies key priorities and challenges for future years.

#### 2010 Annual Report to Ministers - APEC Committee on Trade and Investment (CTI)

The report contains an overview of the CTI's work on trade and investment liberalisation and regional economic integration in 2010; and provides a series of recommendations to advance the Committee's continued work program.

#### 2010 APEC SOM Report on Economic and Technical Cooperation (ECOTECH)

The Committee's key achievements, including the development of a framework to guide ECOTECH activities, are outlined. The report also highlights some of the projects undertaken by APEC fora in 2010 to advance ECOTECH and the outcomes achieved by various APEC working groups and task forces.

### Ordering Publications

APEC publications can be downloaded free of charge or hard copy publications can be purchased from APEC. Please visit the APEC Secretariat Publications Database, [publications.apec.org](http://publications.apec.org) to order.

# KEY CONTACTS

Inquiries about APEC may be directed to the Secretariat or to the following officials in APEC member economies:

## Australia

Director  
APEC Trade and Investment Section (ATI)  
APEC Branch  
Trade and Economic Policy Division (TED)  
R G Casey Building  
John-McEwen Crescent  
Barton ACT 0221  
Tel: (61-2) 6261 1246  
Fax: (61-2) 6261 3009  
E-mail: [australiaapec@dfat.gov.au](mailto:australiaapec@dfat.gov.au)

## Brunei Darussalam

Director  
Department of Economic Cooperation  
Ministry of Foreign Affairs and Trade  
International Convention Centre  
Jalan Pulaie BSB 3910  
Tel: (673-2) 383 200  
Fax: (673-2) 383 227  
E-mail: [vincent.kong@mfa.gov.bn](mailto:vincent.kong@mfa.gov.bn)

## Canada

Director  
International Economic Relations (MER)  
Department of Foreign Affairs and International Trade  
Lester B Pearson Building  
125 Sussex Drive  
Ottawa, Ontario K1A 0G2  
Tel: (1-613) 992 9289  
Fax: (1-613) 943 2158  
E-mail: [apec.canada@international.gc.ca](mailto:apec.canada@international.gc.ca);  
[ron.garson@international.gc.ca](mailto:ron.garson@international.gc.ca);  
[jean-louis.wallace@international.gc.ca](mailto:jean-louis.wallace@international.gc.ca)

## Chile

Head, APEC Department  
General Directorate for International Economic Affairs  
Ministry of Foreign Affairs  
Teatinos 180, piso 11  
Santiago  
Tel: (56-2) 827 5550  
Fax: (56-2) 827 5459  
E-mail: [motero@direcon.cl](mailto:motero@direcon.cl)

## People's Republic of China

Director  
APEC Division  
Department of International Organizations & Conferences  
Ministry of Foreign Affairs  
No 2 Chao Yang Men Nan Da Jie, Chaoyang District  
Beijing 100701  
Tel: (86-10) 6596 3141  
Fax: (86-10) 6596 3144  
E-mail: [apec-china@mfa.gov.cn](mailto:apec-china@mfa.gov.cn)

## Hong Kong, China

Assistant Director-General (Regional Cooperation)  
Trade & Industry Department  
Hong Kong Special Administrative Region  
17/F, Trade & Industry Department Tower  
700 Nathan Road, Kowloon  
Tel: (852) 2398 5305  
Fax: (852) 2787 7799  
E-mail: [hkcapec@tid.gov.hk](mailto:hkcapec@tid.gov.hk)

## Indonesia

Director for Intra-Regional Cooperation  
Asia, Pacific & Africa  
Ministry of Foreign Affairs  
Jalan Taman Pejambon No. 6  
Jakarta Pusat Jakarta10110  
Tel: (62-21) 381 1083  
Fax: (62-21) 384 4867  
E-mail: [apecindonesia@gmail.com](mailto:apecindonesia@gmail.com)

**Japan**

Director  
 APEC Office  
 Trade Policy Bureau  
 Ministry of Economy, Trade and Industry  
 1-3-1 Kasumigaseki, Chiyoda-ku  
 Tokyo 100-8901  
 Tel: (81-3) 3501 1407  
 Fax: (81-3) 3501 5909  
 E-mail: [apec-meti@meti.go.jp](mailto:apec-meti@meti.go.jp)

APEC Division  
 Economic Affairs Bureau  
 Ministry of Foreign Affairs  
 2-2-1 Kasumigaseki, Chiyoda-ku  
 Tokyo 100-8919  
 Tel: (81-3) 5501 8342  
 Fax: (81-3) 5501 8340  
 E-mail: [apec.japan@oregano.ocn.ne.jp](mailto:apec.japan@oregano.ocn.ne.jp)

**Republic of Korea**

Director for APEC  
 Ministry of Foreign Affairs & Trade  
 95-1 Doryum-dong  
 Jongno-gu, Seoul 110-760  
 Tel: (82-2) 2100 7652  
 Fax: (82-2) 2100 7980  
 E-mail: [apeco@mofat.go.kr](mailto:apeco@mofat.go.kr)

**Malaysia**

Senior Director  
 APEC Division  
 Ministry of International Trade & Industry Malaysia (MITI)  
 11th Floor, Block 8,  
 Government Offices Complex  
 Jalan Duta  
 50622 Kuala Lumpur, Malaysia  
 Tel: (60-3) 6203 4794/ 6203 1294  
 Fax: (60-3) 6203 1305  
 E-mail: [apecmiti@miti.gov.my](mailto:apecmiti@miti.gov.my)

**Mexico**

Director General  
 Multilateral and Regional Negotiations and  
 Mexico Senior Official to APEC  
 Ministry of Economy  
 Alfonso Reyes #30, 1st floor  
 Mexico 06140 D.F.  
 Tel: (52-55) 5729 9162  
 Fax: (52-55) 5729 9100 ext. 15397  
 E-mail: [apecmex@yahoo.com.mx](mailto:apecmex@yahoo.com.mx)

**New Zealand**

Director  
 Asia Regional Division  
 Ministry of Foreign Affairs and Trade  
 Private Bag 18901, Wellington  
 Tel: (64 4) 439 7907  
 Fax: (64 4) 439 8511  
 E-mail: [nzapec@gmail.com](mailto:nzapec@gmail.com)

**Papua New Guinea**

Director  
 Multilateral Economic Affairs Branch  
 Department of Foreign Affairs and Trade  
 P. O. Box 422, Waigani 131 N.C.D  
 Tel: (675) 301 4231  
 Fax: (675) 323 1713  
 E-mail: [dfadepsec@datec.net.pg](mailto:dfadepsec@datec.net.pg)

**Peru**

APEC Director  
 Director General of Asia-Pacific Affairs  
 Ministry of Foreign Affairs  
 Lampa 545, Lima 1  
 Tel: 51-1-204 3022  
 Fax: 51-1-204 3009  
 E-mail: [rcasildo@rree.gob.pe](mailto:rcasildo@rree.gob.pe);  
[apecperu@rree.gob.pe](mailto:apecperu@rree.gob.pe);  
[preategui@rree.gob.pe](mailto:preategui@rree.gob.pe)

**Republic of the Philippines**

APEC National Secretariat  
 Office of the Undersecretary for  
 International Economic Relations  
 Department of Foreign Affairs  
 14/F, DFA Bldg.  
 2330 Roxas Boulevard, Pasay City 1300  
 Tel: (63-2) 834 3019  
 Fax: (63-2) 834 1451  
 E-mail: [ouier@dfa.gov.ph](mailto:ouier@dfa.gov.ph);  
[apecphil@yahoo.com](mailto:apecphil@yahoo.com)

**The Russian Federation**

APEC Senior Official  
 Ministry of Foreign Affairs  
 32/43 Smolenskaya-Sennaya  
 119200 Moscow  
 Tel: (7-499) 244 4128  
 Fax: (7-499) 244 3917  
 E-mail: [apec.russia@mid.ru](mailto:apec.russia@mid.ru)

**Singapore**

Director (APEC)  
 International Trade Cluster  
 Ministry of Trade and Industry  
 100 High Street #09-01  
 The Treasury  
 Singapore 179434  
 Tel: (65) 6332 7244  
 Fax: (65) 6334 5848  
 E-mail: mti\_apec@mti.gov.sg

**Chinese Taipei**

Director General  
 Department of International Organizations and  
 APEC Senior Official  
 Ministry of Foreign Affairs  
 2 Kaitakelan Blvd, Taipei  
 Tel: (886-2) 2348 2550  
 Fax: (886-2) 2382 1174  
 E-mail: apecct@mofa.gov.tw

**Thailand**

Director-General  
 Department of International Economic Affairs  
 Ministry of Foreign Affairs  
 Sri Ayudhya Road  
 Bangkok 10400  
 Tel: (66-2) 643 5255  
 Fax: (66-2) 643 5247  
 E-mail: apecdesk@mfa.go.th

**United States of America**

U.S. Senior Official for APEC  
 East Asian and Pacific Affairs Bureau, Room 6205  
 2201 C Street, NW  
 U.S. Department of State  
 Washington, D.C. 20520  
 Tel: (1-202) 647 7266  
 Fax: (1-202) 647 7350  
 E-mail: dosapec@state.gov

**Viet Nam**

APEC Division  
 Department of Multilateral Economic Cooperation  
 Ministry of Foreign Affairs of Vietnam  
 8 Khuc Hao Street, Ba Dinh district  
 Tel: (84-4) 3799 3700  
 Fax: (84-4) 3799 3618  
 E-mail: apec@mofa.gov.vn

**APEC OFFICIAL OBSERVERS****Association of Southeast Asian Nations  
(ASEAN) Secretariat**

ASEAN Coordinator for APEC  
 Office of the Secretary General of ASEAN  
 The ASEAN Secretariat  
 70A Jalan Sisingamangaraja  
 Jakarta 12110  
 Tel: (62-21) 726 2991  
 Fax: (62-21) 739 8234  
 E-mail: raulcordenillo@aseansec.org

**Pacific Economic Cooperation Council (PECC)**

Secretary General  
 PECC International Secretariat  
 29 Heng Mui Keng Terrace  
 7<sup>th</sup> Floor Building A  
 Singapore 119620  
 Tel: (65) 6737 9822/ 6737 9823  
 Fax: (65) 6737 9824  
 E-mail: peccsec@pecc.org

**Pacific Islands Forum (PIF)**

Director  
 Economic Governance  
 Pacific Islands Forum Secretariat  
 Ratu Sukuna Road  
 Private Mail Bag GPO Box 856  
 Suva, Fiji  
 Tel: (679) 3312 600  
 Fax: (679) 3320 230  
 E-mail: neronis@forumsec.org.fj



**Asia-Pacific  
Economic Cooperation**

**APEC Secretariat**, 35 Heng Mui Keng Terrace, Singapore 119616  
Telephone Number: (65) 6891 9600 • Facsimile Number: (65) 6891 9690  
Website: [www.apec.org](http://www.apec.org)