POLICIES MATTER AS THE ECONOMY RECOVERS AMID COVID-19

APEC GDP started to rebound in Q4 2020 following three consecutive quarters of contraction. It continues to strengthen so far in 2021. Based on the November 2021 APEC Regional Trends Analysis by the APEC Policy Support Unit, rapid vaccination rollout in many economies combined with strong consumption and investment boosted economic activity. But, economic growth diverged among member economies: some were able to rebound faster while recovery for others remains fragile.

Growth is projected to settle at 4.9% in 2022, with the anticipated winding down of fiscal and monetary support measures, moderating to 3.2% in the medium-term. Scaling back or withdrawing fiscal support is inevitable, considering rising government debt. The tightening of monetary, financial, and fiscal conditions could dampen consumption and investment activity.

Trade in APEC surged, with the volume and value of merchandise trade recording double-digit growth rates.

In the near-term, APEC GDP is expected to expand by 6.0% in 2021, after declining by 1.8% in 2020. Substantial uncertainty surrounds growth projections, with the Delta variant already slowing down economic momentum.

Recommendations for Future Growth

We are all in uncharted territory, where recovery is underway amid ongoing pandemics. There are opportunities to build back better and more inclusively.

At the center of these efforts are policies – good policies matter!

Facilitating trade in the movement of essential goods and services, COVID-19 vaccines, food products and people across borders

Sharing knowledge and expertise on measures tackling COVID-19

Building resilience and inclusion among APEC communities

Utilizing digital technology to support COVID-19 response and recovery efforts

POLICIES AND JOINT COMMITMENTS WILL BE VITAL

APEC's membership is committed to a broad range of initiatives that reinforce each other:

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