

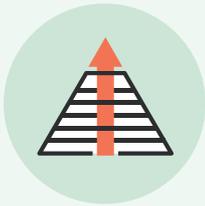
# WHAT HAVE WE ACHIEVED FOR THE SERVICES SECTOR AND TRADE SINCE 2016?

## THE APEC SERVICES COMPETITIVENESS ROADMAP

APEC Leaders have long recognized that services are critical for most economies. They provide access to necessities like water, food, and electricity; raise the quality of life through healthcare, education, and entertainment; and keep the world connected.

The APEC Services Competitiveness Roadmap (ASCR) aims to facilitate services trade and investment and enhance the competitiveness of the service sector in the region by 2025.

## ASCR's 3 OVERARCHING TARGETS



### Ensuring an open and predictable environment for access to services markets

- Certain sectors such as logistics, distribution and engineering services have become more open.
- Some sectors such as road freight transport, accounting and telecommunications are becoming more restrictive.



### Increasing the share (%) of services exports from APEC economies in the total world services exports

- APEC's share of total world services exports has declined from 38.8% in 2016 to 38.1% in 2019.



### Increasing trade in services in the APEC region

- Trade value in commercial services between 2016 and 2019 reflected an annual growth rate of 5.3%, which is lower than the target of 6.8% or more.
- The share of services value-added in the total GDP of the APEC region in 2019 exceeds the global average (65.7% vs 65.0%).

## APEC-WIDE ACTIONS

The ASCR recognized that achieving these targets requires economies to undertake actions unilaterally and cooperate closely at the regional level to address challenges such as discriminatory regulations, while enhancing enabling factors such as good regulatory practices. To date, 19 APEC-wide actions covering various services sectors and cross-cutting measures have been identified. Some examples:

### ACTIONS

### ACHIEVEMENTS

**Enhancing the critical role of trade in services in global value chains (GVCs), including through increased participation of MSMEs and women**

APEC has introduced many initiatives to support GVC development, including the APEC Strategic Blueprint for Promoting Global Value Chains 2020–2025

**Developing a set of good-practice principles on domestic regulations in the services sector**

APEC adopted the “APEC Non-binding Principles for Domestic Regulation of the Services Sector” in 2018

**Implementation of the Renewed APEC Agenda for Structural Reform (RAASR)**

With the culmination of RAASR, APEC adopted the Enhanced APEC Agenda for Structural Reform (EAASR) to sustain structural reform efforts in the services sector for the period of 2021–2025

**Collaboration when responding to rapid developments in internet-based technology, to promote a regulatory approach in an increasingly digitalized world**

APEC endorsed the “APEC Framework on Cross-border E-commerce Facilitation” in 2017

**Development of services data and statistics to measure and support implementation of the Roadmap, as well as improved and broader tracking of services trade and investment**

APEC completed the APEC Index Pilot Program involving 4 economies and up to 4 services sectors in 2020

## LESSONS FROM COVID-19 ON SERVICES SECTOR & TRADE



### **Heterogeneous impact of COVID-19 at economy and sectoral level.**

Although the region as a whole has seen a significant decline in services trade, patterns of impact vary, given the importance of personal contact for certain services, and the difficulty of those contacts in light of changed preferences and necessary public health measures.



### **A key success in responding to the crisis has been the ability to shift activity online.**

Others include exercising regulatory flexibility and instituting better health risk management.

## ECONOMY RESPONSES TO COVID-19 - INSIGHTS FROM CASE STUDIES

- Canada's higher education sector used online instruction methods, while immigration policy developed specific policy flexibilities for international students
- Chile was able to use social support measures to assist workers in its transport sector, and to work with regional partners to develop safe ways of keeping supply chains open
- The Philippines' burgeoning ICT sector was well-placed to continue providing cross-border services, albeit with a demand-side shock
- Singapore's health sector made use of its telehealth regulatory sandbox to shift activity further online
- Thailand's tourism sector was hard hit, but the government provided extensive support, which is important given the significant presence of women and vulnerable communities among potentially displaced workers

## RECOMMENDATIONS TO ADVANCE THE SERVICES SECTOR



Update set targets and outputs in each APEC-wide action and clearly associate activities with them



Deepen engagement with the private sector



Respond to COVID-19 decisively and concretely



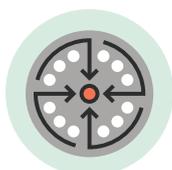
Continue to improve services data and statistics



Leverage cross-fora collaboration and capture all relevant activities



Undertake complementary, measurable, and concrete activities



Ensure better synergy between ASCR and other APEC initiatives

This is just an overview. To download the full report, go to [www.apec.org/publications](http://www.apec.org/publications) and search "APEC Services Competitiveness Roadmap Mid-term Review."