



Nature of Connectivity

- Complex and dynamic, depending a great deal on technology changes.
- Continues to rise in importance over times. Humans are increasingly connected rather than the other way around.
- Weakest leg determines overall performance
- Physical: Infrastructure, government Capex, PPP, policy coordination vertically and laterally, technical standards
- Institutional: public service standards
- People-to-people: professional standards, health standards
- Human-to-nature: reconnect (water, clean air, GHG emission, biodiversity, distance from liofestyle of abundance toward one of homeostatism).

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APEC's Recent Record

- 2014 World Bank LPI Eleven economies in the upper 80% of best (Germany).
- Only Thailand and Chile in the range of 70%.
- Five economies in the range of less than 60-70%.
- Five economies in the range of less than 60%.
- Connectivity is sticky. Ten economies improved rank in 2007-2014, eight deteriorated, three stayed the same. Gap remains wide.
- APEC Interim Assessment of SCFAP: Progress in addressing chokepoints, raising speed, and reducing costs

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Capacity Building

- Goal: convergence or elevation of lagging economies toward mastery of best practices through diffusion and acquisition.
- Rising importance in regional partnership architecture as liberalization in goods nears completion and deepening integration depends more strongly on cooperation in which capacity building is conditio-sine-quanon.
- Increasingly needed to sustain global production network (supply chain) with its ceaselessly rising need for seamless connectivity.
- Probably the only entry point for lagging economies to reap fair benefits from regional partnership.
- It was made an integral part of European integration from the outset in form of structural funds.
- APEC did similarly but at less coherence and less resources.

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Future Challenges

- Complexification of hyper-connectivity in its entire manifestations as technology changes accelerates and globalize at higher pace: IPITA (Integrated proactive intermodal travel assistant), TATLO (Tracking-and-transparencybased logistics optimizer), holographic communication platform, integrated intermodal mobility provider, logistics drones, ACIS (Fully-automated checkin, security and border control/smart visa), universal digitability of humanmade things, including intangibles (3-D printing, synthetic rhibosom).
- Connectivity gap more likely to widen than otherwise even under the most forthcoming cross-border capacity building.
- Extension of Ecotech to diversity-based functional Science and Technology (S&T) cooperation consortia as a way of advancement and sharing of technologies particularly the ones that relate to global/regional commons: atmospheric, cyber, air space, maritime, biodiversity, water security, food security, pandemics, energy security.
- Access to best-practice education and training, consolidating and amplifying the myriad of existing programs and projects under a better-resourced institution.

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Matrix of Capacity Building

- Concerted unilateral requests and offers of connectivity-related capacity building programs and projects to be consolidated into APEC Connectivity Capacity Building.
- Diversity-based pooling of competencies rather than a traditional transfer-oriented cooperation (positive impacts of heterozigocity and heteromemecity).
- Connectivity with other governance mechanisms such as G20, ADB, EAS, emerging Asia Infrastructure Development Bank (AIDB).

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