



Asia-Pacific
Economic Cooperation

A P E C |

OUTCOMES
AND
OUTLOOK

December 2002

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INTRODUCTION

APEC Outcomes and Outlook presents a concise overview of the structure, work processes and important milestones of the Asia-Pacific Economic Cooperation grouping, now entering its fourteenth year of existence. Also featured are the key outcomes of the just completed 2002 APEC year hosted by Mexico and a preview of the themes and focus of activity for the coming year to be hosted by Thailand.

The start of the 2002 year presented the Asia-Pacific region with a number of tough challenges. The global economy was in the midst of an economic slowdown caused by the cyclical downturn and external shocks and the resulting fall in levels of demand of the major developed economies had led to a reduction in overall world trade volume. By the end of 2002 the world economy had shown evidence of bottoming out of the cyclical downturn. Significantly, the strong growth potential of the APEC region is now expected to lead the global recovery over the coming year.

The APEC economy as a whole is predicted to grow by 4% in 2003. It will nevertheless be necessary for APEC to remain on guard against potential short-run risk factors. Continued commitment to structural reforms together with improved transparency of corporate management and governance within APEC economies remains critical to ensuring sustained economic growth of the region over the medium term.

APEC's performance over the past twelve months highlights its ongoing commitment to provide leadership in driving regional and global economic growth and development through its unique mix of cooperation in areas of policy formulation, infrastructural development and capacity building.



The past year has been an especially active one for APEC. Over 230 APEC-funded projects were completed and over 130 meetings/events were convened, reflecting the intense level of information exchange and cooperative policy development within APEC across all sectors. In line with Mexico's theme for the year of *"Expanding the Benefits of Cooperation for Economic Growth and Development – Implementing the Vision"*, the emphasis of APEC's work during 2002 was on effecting the implementation of past commitments and further extending the direct benefits of APEC's work to the people within our communities. This goal was strengthened through the introduction of new processes promoting assessment and accountability particularly in the management and evaluation of APEC projects and through a strengthened peer review process for economies' Individual Action Plans (IAPs) for achieving APEC's liberalization goals.

The 2003 APEC year, hosted by Thailand, will have as its focus the deepening of existing partnerships between APEC's 21 member economies. Under the theme of *"A World of Differences: Partnership for the Future,"* APEC will continue to pursue the Bogor Goals of free and open trade and investment in developed economies by 2010 and developing economies by 2020, with emphasis on expanding the opportunities for cooperation and promoting complementarities between all APEC economies regardless of level of economic development. Participation in the knowledge-based economy, promoting human security through economic empowerment, financial reform and corporate governance, support for small, medium and micro enterprise development and fulfilling development pledges are some of the key APEC topics for 2003.

Further detailed information on APEC's programs and activities can be found on the APEC Secretariat website, www.apecsec.org.sg.

Alejandro de la Peña
Executive Director, 2002
APEC Secretariat

ABOUT APEC

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



APEC is the premier economic forum in the Asia-Pacific region. Comprising 21 member economies*, APEC spans four continents, represents more than one third of the world's population (2.5 billion people), over 50% of world GDP (US\$19,293 billion) and in excess of 47 % of world trade.

APEC Member Economies

Australia
Brunei Darussalam
Canada
Chile
People's Republic of China
Hong Kong, China
Indonesia
Japan
Republic of Korea
Malaysia
Mexico
New Zealand
Papua New Guinea
Peru
The Republic of the Philippines
The Russian Federation
Singapore
Chinese Taipei
Thailand
United States of America
Viet Nam

Observers

Association of South-East Asian Nations (ASEAN)
Pacific Economic Cooperation Council (PECC)
Pacific Islands Forum (PIF)

Since its inception in 1989, APEC has helped to reduce tariffs and other barriers to trade across the Asia-Pacific region. APEC has worked to create an environment to ensure the safe and efficient movement of goods, services and people across borders in the region through policy decisions and economic and technical cooperation. During this period, APEC member economies have grown and developing economies, in particular, have experienced increases in GDP and standards of living.

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 member economies carry out projects and other work to meet these goals. This work is supported by a secretariat 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 often referred to as the 'Bogor Goals'). The three areas in which APEC works are:

- **Trade and Investment Liberalization** – 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 member economies build the necessary capacities to take advantage of global trade and the New Economy.

Together, the outcomes of these three areas of work assist APEC 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.

APEC'S GUIDING PRINCIPLES AND FRAMEWORK



A set of general principles is applied to APEC's liberalization and facilitation process to assist APEC member economies to meet the free and open trade goals. These principles include:

- **Comprehensiveness** – addressing all impediments to achieving the long-term goal of free and open trade.
- **WTO-consistency** – measures undertaken in the context of the APEC Action Agenda are consistent with the principles of the World Trade Organization (WTO).
- **Comparability** – APEC economies endeavor to have comparable trade and investment liberalization and facilitation, taking into account the general levels achieved by each APEC economy.
- **Non-discrimination** – reductions in barriers to trade achieved through APEC are available to all APEC economies and non-APEC economies.

- **Transparency** – the laws, regulations and administrative procedures in all APEC economies which affect the flow of goods, services and capital among APEC economies are transparent.
- **Standstill** – APEC economies do not take measures which have the effect of increasing levels of protection.
- **Simultaneous start, continuous process and differentiated timetables** – APEC economies began simultaneously the process of liberalization, facilitation and cooperation and continuously contribute to the long-term goal of free and open trade and investment.
- **Flexibility** – APEC economies deal with the liberalization and facilitation process in a flexible manner, taking into account differing levels of economic development.
- **Cooperation** – Economic and technical cooperation contributing to liberalization and facilitation is actively pursued.

APEC member economies also work within a 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.



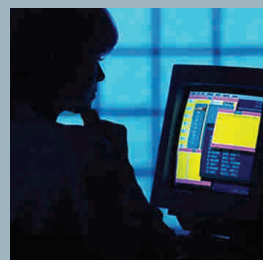
APEC STAKEHOLDER PARTICIPATION

APEC actively involves the business and private sector, academic and research institutions in its work.

APEC member economies recognize that business drives the economies of the region and 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 economies.

Through the APEC Study Centers (ASC) Consortium, APEC member economies actively engage academic and research institutions in the APEC process. Amongst a range of key activities, 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 19 member economies, comprising 100 universities, research centers and centers of academic excellence across the APEC region.

At the working level, representatives from the business and private sector, as well as academic and research institutions are invited to join APEC working groups and expert groups.



This process provides an important opportunity for these stakeholders to provide input into various areas of APEC's day to day work.

KEY APEC MILESTONES

- 1989** **Canberra, Australia** APEC begins as an informal Ministerial-level dialogue group with 12 members.
- 1993** **Blake Island, United States** APEC Economic Leaders meet for the first time and outline APEC's vision, *"stability, security and prosperity for our peoples."*
- 1994** **Bogor, Indonesia** APEC sets the Bogor Goals of, *"free and open trade and investment in the Asia-Pacific by 2010 for developed economies and 2020 for developing economies."*
- 1995** **Osaka, Japan** APEC adopts the Osaka Action Agenda (OAA) which provides a framework for meeting the Bogor Goals through trade and investment liberalization, business facilitation and sectoral activities, underpinned by policy dialogues, economic and technical cooperation.
- 1996** **Manila, The Philippines** The Manila Action Plan for APEC (MAPA) is adopted, outlining the trade and investment liberalization and facilitation measures to reach the Bogor Goals and the first Collective and Individual Action Plans are compiled, outlining how economies will achieve the free trade goals.
- 1997** **Vancouver, Canada** APEC endorses a proposal for early voluntary sectoral liberalization (EVSL) in 15 sectors and decides that Individual Action Plans should be updated annually.
- 1998** **Kuala Lumpur, Malaysia** APEC agrees on the first nine sectors for EVSL and seeks an EVSL agreement with non-APEC members at the World Trade Organization.



1999 **Auckland, New Zealand** APEC commits to paperless trading by 2005 in developed economies and 2010 in developing economies. 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 is endorsed.

2000 **Bandar Seri Begawan, Brunei Darussalam** APEC establishes an electronic Individual Action Plan (e-IAP) system, providing IAPs online and commits to the Action Plan for the New Economy, which, amongst other objectives, aims to triple Internet access throughout the APEC region by 2005.

2001 **Shanghai, People's Republic of China** APEC adopts the Shanghai Accord, which focuses on Broadening the APEC Vision, Clarifying the Roadmap to Bogor and Strengthening the Implementation Mechanism. The e-APEC Strategy is adopted, which sets out an agenda to strengthen market structures and institutions, facilitate infrastructure investment and technology for on-line transactions and promote entrepreneurship and human capacity building. APEC's first Counter-Terrorism Statement is issued.

2002 **Los Cabos, Mexico** APEC adopts a Trade Facilitation Action Plan, Policies on Trade and the Digital Economy and Transparency Standards. APEC's second Counter-Terrorism Statement is delivered, along with the adoption of the Secure Trade in the APEC Region (STAR) Initiative.



APEC Economic Leaders' Meeting, Los Cabos, Mexico, October 2002

HOW APEC WORKS

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 Centers Consortium. The Executive Director post at the APEC Secretariat is also filled by the host economy for that year.

APEC works at the policy and working level -

i. Policy Level

Policy Development

Economic Leaders' Meeting

Economic Leaders' Meetings are held once a year in the APEC host economy. Declarations from these meetings set the policy agenda for APEC.

APEC Ministerial Meeting

Annual APEC Ministerial Meetings of foreign and economic/trade ministers are held immediately prior to Economic Leaders' Meetings. Ministers take stock of the year's activities and provide recommendations for Economic Leaders' consideration.

Sectoral Ministerial Meetings

Sectoral Ministerial Meetings are held regularly covering areas such as education, energy, environment

and sustainable development, finance, human resource development, regional science and technology cooperation, small and medium enterprises, telecommunications and information industry, tourism, trade, transportation and women's affairs.

APEC Business Advisory Council (ABAC)

ABAC provides APEC Economic Leaders with a business perspective on APEC issues through an annual meeting and report to Leaders. The annual report contains recommendations to improve the business and investment environment in the APEC region. ABAC also meets four times per year and a representative attends Ministerial Meetings.

ii. Working Level

Senior Officials' Meeting (SOM)

Working under direction from Ministers, the Senior Officials guide the activities of the committees, working groups and task forces. Senior Officials develop recommendations for Ministers and Economic Leaders. SOM meetings are held three to four times a year with the chair from the host economy.



Committee on Trade and Investment (CTI)

The CTI coordinates APEC's work on the liberalization and facilitation of trade and investment. CTI also works to reduce impediments to business activity through its Sub-Committees and Experts' Groups:

- Market Access Group;
- Group on Services;
- Investment Experts' Group;
- Sub-committee on Standards and Conformance;
- Sub-committee on Customs Procedures;
- Intellectual Property Rights Experts' Group;
- Competition Policy and Deregulation Group;
- Government Procurement Experts' Group;
- Informal Experts' Group on Mobility of Business People; and
- WTO Capacity Building Group.

SOM Committee on ECOTECH

The SOM Committee on ECOTECH assists APEC Senior Officials in coordinating and managing APEC's ECOTECH agenda, as well as identifying value-added initiatives for cooperative action.

Economic Committee (EC)

The EC conducts research on economic trends and issues in the APEC region in support of APEC's trade and investment liberalization and facilitation and economic and technical cooperation agendas. It also serves as a forum for members to exchange information and views on economic trends and issues.

Budget and Management Committee (BMC)

The BMC advises the SOM on budgetary, administrative and managerial issues. It also monitors and evaluates project management aspects of the operations of working groups/committees and makes recommendations to SOM for improved efficiency and effectiveness.

Working Groups

Working Groups carry out APEC's work in specific sectors as directed by Leaders, Ministers, Sectoral Ministers and Senior Officials. These groups include:

- Agricultural Technical Cooperation;
- Energy;
- Fisheries;
- Human Resources Development;
- Industrial Science and Technology;
- Marine Resources Conservation;
- Small and Medium Enterprises
- Telecommunications and Information;
- Tourism;
- Trade Promotion; and
- Transportation.



SOM Special Task Groups

The SOM has set up two Special Task Groups to identify issues and make recommendations about important areas for APEC's consideration. These groups are:

- Gender Focal Point Network; and
- Electronic Commerce Steering Group.

- □ 2002 Executive Director,
Ambassador Alejandro de la Peña
- □ 2003 Executive Director,
Ambassador Piamsak Milintachinda



iii. APEC Secretariat

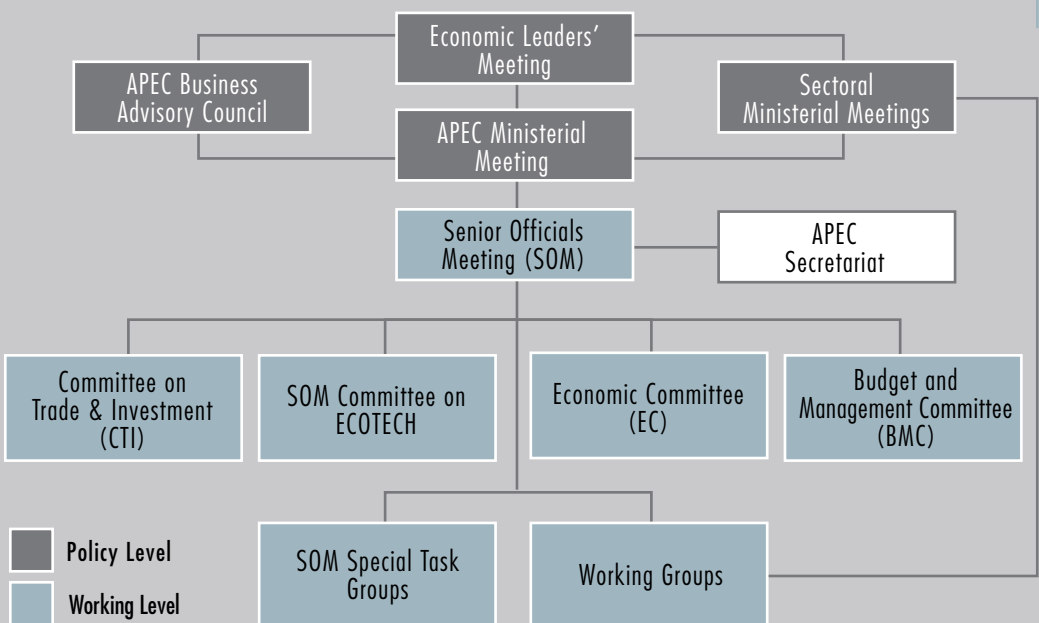
The APEC Secretariat is based in Singapore and operates as the core support mechanism for the APEC process, providing coordination, technical and advisory support as well as information management, communications and public outreach services. The APEC Secretariat also performs a centralized project management role, assisting economies and fora with oversight of over 230 APEC-funded projects. APEC's annual budget is also administered by the APEC Secretariat.

In 2002, the APEC Secretariat obtained ISO 9001:2000 Quality Management Certification. This recognizes the continuous efforts made by the APEC Secretariat to provide improved administrative and support activities. The APEC Secretariat is the first international trade-related secretariat to attain ISO certification.



The APEC Secretariat is staffed by a small team of approximately 20 program directors seconded from APEC member economies with a similar number of permanent administrative staff. The Executive Director and Deputy Executive Director positions both rotate annually and are filled by officers of Ambassador rank from the current and next incoming host economy, respectively.

APEC STRUCTURE



Theme

The theme for APEC 2002 is *“Expanding the Benefits of Economic Cooperation for Growth and Development. Implementing the Vision”*, with the following priorities:

- *Promote the implementation of appropriate trade, investment and financial policies that foster growth and take advantage of the new economy;*
- *Continue building capacities to reap the benefits of development, placing special emphasis on the promotion of small and medium enterprises and micro-enterprises; and*
- *Continue making APEC a relevant forum for people by fostering greater participation from youth and women, by stepping up our efforts in communicating the benefits of globalization and by continuing the improvement of the functioning of APEC.*

Achievements

Policies for Sustained Growth and the New Economy

Policies on Trade and the Digital Economy

The New Economy which is based on knowledge, associated with non-inflationary sustained growth, and investment in information and communications technology, is central to economic growth and development.

To help member economies benefit from the New Economy, APEC agreed to implement APEC Policies on Trade and the Digital Economy. These policies draw together a set of objectives and target actions that most APEC economies agreed to implement to liberalize trade in information and communications technology goods and services, produce an effective environment for services delivered through digital means and protect intellectual property rights in cyberspace.

APEC’s policies and measures in the areas of trade and the digital economy will assist the market to provide consumers with cheaper goods such as computers and digital cameras. It should also result in cheaper digital services, particularly telecommunications services.

Trade Facilitation Action Plan

Trade facilitation is an essential component of APEC’s goals to create free and open trade and investment in the Asia-Pacific region.

APEC developed the Trade Facilitation Action Plan which aims to meet the trade facilitation objective of reducing transaction costs by five percent across the APEC region over the next five years. This will result in reducing the costs to businesses of bringing goods to market and will benefit consumers by providing greater choices in the marketplace, lower prices and better quality goods and services. The economies of the region will also benefit from an increase in trade of US\$280 billion.

Transparency Standards

Transparency is an important element in promoting economic growth and financial stability. APEC agreed to implement APEC Transparency Standards, which will provide business and investors comprehensive and clear information on the rules and regulations of each member economy. Greater certainty to conduct business across borders and more investment confidence will be the outcome of this initiative.

Pathfinder Initiatives

APEC uses an approach known as Pathfinder to allow groups of member economies to pilot the implementation of cooperative initiatives prior to their application by all member economies. Member economies which are not ready to participate in the Pathfinder initiatives can participate in initiatives when they are ready.

APEC endorsed Pathfinder initiatives on: Advance Passenger Information Systems; the revised Kyoto Convention on the Simplification and Harmonization of Customs Procedures; Electronic Sanitary and Phytosanitary Certification; Electronic Certificates of Origin; Mutual Recognition of Arrangement of Conformity Assessment on Electrical and Electronic Equipment parts II and III; and Corporate Governance.

Amongst other benefits to travelers, the Advance Passenger Information System will enable information about passengers to be sent in advance to destinations to facilitate faster entry into economies on arrival. The revised Kyoto Convention Pathfinder initiative will also assist in making trade in the APEC region more efficient.



A central focus of the APEC Mexico Year 2002 has been turning ideas into actions and implementing the vision of the APEC community.

Individual Action Plans

To report their progress towards achieving APEC's free trade and investment goals, member economies annually update and submit Individual Action Plans (IAPs). IAPs were strengthened this year through the introduction of an objective peer review process. The new process involves formal teams for peer review exercises, experts conducting independent on-site research and analysis and the involvement of the APEC Business Advisory Council (ABAC).

IAPs are very useful documents to the public because they provide an effective annual report of each economy's actions to promote free trade and investment.

APEC and the Multilateral Trading System

APEC supports an open, rules-based multilateral trading system, which benefits both developing and developed economies, enabling them to trade more effectively. APEC has worked hard to assist in the successful launch and timely conclusion of the negotiations on the World Trade Organization (WTO) Doha Development Agenda (DDA). Key achievements in 2002 include:

- *Implementation of APEC's Strategic Plan on WTO-Related Capacity Building, which includes funding of 19 projects to assist APEC economies to be prepared for participation in the WTO process.*
- *Delivery of the WTO Capacity Building Website which provides information about all projects under the plan.*
- *Delivery of a series of Trade Policy Dialogues to build the confidence of member economies by developing a deeper understanding of the issues involved with the DDA.*
- *A call by Economic Leaders for progress across all DDA areas in the lead-up to the 2003 WTO Fifth Ministerial Conference in Cancun, Mexico.*

Counter Terrorism and Economic Growth

Terrorism is a threat to economic stability, regional peace and security, and is a direct challenge to APEC's vision of free, open and prosperous trade. To achieve APEC's twin goals of enhanced security against terrorist threats and continued facilitation of the movement of goods, capital and people, this year APEC economies:

- Took action to enhance air and maritime security, strengthen energy security, strengthen critical sector protection and enhance security-related cooperation on customs and border security.
- Adopted the Secure Trade in the APEC Region (STAR) Initiative, designed to assure the security of trade and travel, while improving the efficient flow of legitimate goods and travelers.
- Approved the APEC Action Plan on Combating and Financing Terrorism which aims to deny terrorists access to the world's financial system, by improving international cooperation and monitoring of alternative remittance systems more effectively.
- Approved the APEC Cybersecurity Strategy, to protect the integrity of APEC's communications and information systems while allowing the free flow of information.

Building Capacities to Reap the Benefits of Globalization

Economic and Technical Cooperation (ECOTECH)

ECOTECH is the pursuit of APEC's common objectives and goals through cooperative activities to attain sustainable growth and equitable development, while reducing economic disparities among APEC economies and improving economic and social well being. A key component of APEC's ECOTECH agenda is capacity building to help economies and their people compete more effectively in the global marketplace. APEC delivered a number of outcomes in 2002 as part of its ECOTECH capacity building agenda, including:

- Continued implementation of the Human Capacity Building Promotion Program designed to assist IT professionals and the public to enhance IT skills through free online training, a virtual classroom and a cyber forum.
- Progression of the implementation of the Infectious Disease Strategy, broadened the current APEC "infectious disease" priority to "health and sustainable development" and approved the establishment of a Life-Science Innovation Forum.
- Conduct of a Workshop on ECOTECH and Capacity-Building: Assisting Integration into the Global Economy, which raised important issues for APEC including the need to develop measurable capacity building results which provide benefits to people in real time.
- Continuation of the Financial Regulators' Training Initiative, which included a training seminar in credit risk analysis for APEC bank supervisors. This training is one of a number of initiatives developed in the wake of the Asian Financial Crisis.

Micro, Small and Medium- Size Enterprises

A report on Small Business and Trade in APEC demonstrated that small and micro businesses make up over 98% of all enterprises, account for 30% of direct exports, 10 % of foreign direct investment by value and 60% of private employment.

This year, APEC updated and expanded the Integrated Plan of Action for SME Development (SPAN). The updated SPAN incorporates relevant issues for micro enterprises development and provides an evaluation framework to assess progress. APEC also agreed to strengthen the policy environment and foster entrepreneurship through closer cooperation and exchange of information among economies on the appropriate policy environment conducive to the development of micro, small and medium size enterprises in the region.

In order to assist SMEs function effectively in an environment of trade and investment liberalization, APEC began implementing the APEC Training and Certification Program for Small Business Counselors this year. The program aims to train and certify small business counselors to help improve their capacity to support and provide guidance to SMEs.

APEC also launched an SME portal on www.bizapec.com, providing essential information through the Internet about member economies to SMEs which export goods and services.

By providing tools and eliminating obstacles to micro, small and medium size enterprises, APEC is providing the foundations for these enterprises to flourish, thereby creating jobs and business opportunities.



Making APEC More Relevant to Our Communities

Dialogue on Globalization and Shared Prosperity

It is important to consider the social aspects of globalization and to develop strategies to help people adjust to the changes that can sometimes result. The Dialogue on Globalization and Shared Prosperity focused on the importance of the social dimension of globalization and on the need for appropriate measures to help people adjust to new circumstances and acquire the learning and skills needed to thrive in the New Economy. The need for social safety nets to cushion the impact on those displaced by economic change and that facilitate resumption of employment, were also stressed.

Youth

Young people make a very important contribution to sustainable economic growth and development. In recognition of this, APEC conducted a Young Leaders and Entrepreneurs Forum this year. Outcomes from the meeting included networking and sharing information and best practices, which enhanced the skills and knowledge of the young people involved. The forum also made a series of proposals on business incubation, financing young businesses and education, development and business culture.

Women

APEC is working to eliminate gender inequalities in social and economic life. Recognizing the significant contribution women make to economies, this year APEC continued its proactive agenda for the integration of women into APEC by completing a study on gender specific economic data and established the Gender Focal Point Network (GFPN). The GFPN will act as a mechanism for the integration and participation by women in the APEC process and in economic and social life in the Asia-Pacific region as a whole.

APEC Thailand Year, 2003

Theme

The Theme for the APEC 2003 year is “*A World of Differences: Partnership for the Future*”.

Bringing together the greatest potential of all APEC economies to confront the challenges of the future is the overarching goal of the 2003 APEC Year hosted by Thailand.

Regardless of cultural diversity and levels of economic development, individual APEC economies possess different strengths that can contribute to the APEC cooperative process. Harmonious partnership is critical to APEC achieving its Bogor Goals.



This central theme is further explained and supported by a series of five sub-themes that are designed to guide APEC’s Working Groups and Forums in achieving their goals for the year:

Knowledge-Based Economy (KBE) for All

KBE is the foundation of economic growth in the APEC region. Thailand is calling for APEC to redouble implementation of its KBE Strategy in support of the knowledge-based economy, maximizing the combined potential of information and communications technology, human resource development and a conducive legal and regulatory framework. APEC’s work in this area will enhance economies’ abilities to engage in broader trade and investment liberalization towards the Bogor Goals.

Promoting Human Security

Empowering people to become active and self-reliant in the regional economy is the essence of promoting Human Security. Through capacity building programs and providing opportunities for human resource development, the strengths and potential of all people in the APEC region can be better realized. As the region moves towards the Bogor Goals, the process of economic change must be properly coordinated and social safety nets strengthened to ensure that economic and social opportunities are accessible to all stakeholders.

Financial Architecture for a World of Differences

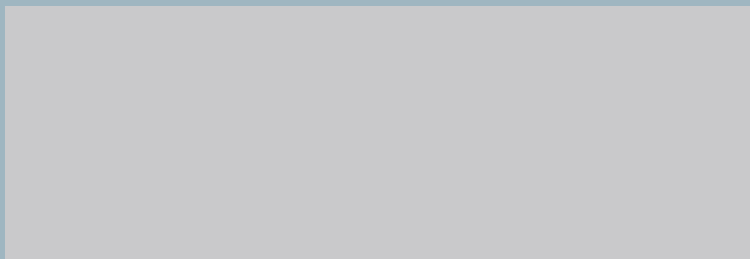
Reducing vulnerabilities while enhancing investment and trade between the differing social systems and economies requires sound international financial infrastructure. APEC is in a position to play a substantial role in reforming the global financial system. Attention to best practices of financial regulations and corporate governance is applicable to all economies regardless of the level of economic development. A financial infrastructure that recognizes the differences between APEC's members will also generate more options for investment and trade. An option Thailand would like APEC to focus on is the creation of an Asian bond market.

New Growth Enterprises: SMEs and Micro-Businesses

There is an abundance of untapped entrepreneurial capacity in the APEC region. Reducing red-tape to make it less complicated and less costly for small to medium businesses to trade across borders will make local economies stronger and create jobs. Extending resources for the creation of micro-businesses in both developed and developing economies strengthens the foundations for a broader distribution of income, enhanced economic stability and greater community development. Thailand will build upon the work initiated in the 2002 APEC Year.

Act on Development Pledge

The future prosperity of the APEC region depends on the dedication of APEC economies to set strategy and implement plans of action to meet regional and global pledges. It is crucial for economies to implement commitments made to the global economy through forums such as the United Nations, World Trade Organization and the United Nations Conference on Trade and Development.



ECONOMIC DATA

Member Economy	Area ('000 sq km)	Population (million)	Current Price GDP (US\$bn)	Current GDP per capita (US\$)	Exports, fob (US\$bn)	Imports, cif (US\$bn)
Australia	7,682	19.1	380	18,421	64	67
Brunei Darussalam	6	0.3	4	12,344	3	1
Canada	9,971	30.8	717	22,691	262	248
Chile	757	15.2	76	4,315	18	17
People's Republic of China	9,561	1,275.1	1,080	919	267	244
Hong Kong, China	1	6.9	162	24,080	177	205
Indonesia	1,904	212.1	152	676	66	37
Japan	378	127.1	4,765	37,299	403	349
Republic of Korea	99	46.7	462	8,918	150	141
Malaysia	333	22.2	90	3,891	90	76
Mexico	1,973	98.9	581	6,072	158	168
New Zealand	271	3.8	51	13,111	13	13
Papua New Guinea	463	4.8	4	620	3	1
Peru	1,285	25.7	54	2,051	7	7
Republic of the Philippines	300	75.7	75	926	35	36
Russia	17,075	145.5	260	2,147	95	44
Singapore	1	4.0	93	20,738	122	116
Chinese Taipei	36	22.2	309	12,599	122	107
Thailand	513	62.8	122	1,825	65	62
United States of America	9,373	283.2	9,825	35,401	731	1,180
Viet Nam	331	78.1	31	418	14	17



Area; Population

Source: *The Economist: Pocket World in Figures: 2003 Edition*

Current Price GDP; Current GDP per capita; Exports, fob; Imports, cif

Source: *The APEC Region Trade and Investment 2002*

On the Web

The APEC Secretariat – www.apecsec.org.sg contains information about APEC developments, issues and work programs and an APEC event calendar and links to key APEC websites.

Mexico 2002 Website – www.apec2002.org provides information about the meetings and outcomes of Mexico year as well as the schedule of meetings for 2002.

Thailand 2003 Website – www.apec2003.org provides information about the themes and objectives of Thailand year as well and a schedule of meetings in 2003.

BizAPEC – www.bizapec.com is specifically designed for business and contains information, advice and tools to assist business to identify opportunities and uncover the rules, regulations and requirements needed to get goods and services to market in the Asia-Pacific region.

Economic and Technical Cooperation (ECOTECH) Clearing Housing – www.apec-ecotech.org supplies information about APEC's ECOTECH work through publications, projects and websites, and provides an information exchange on economic and technical cooperation issues.

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35 Heng Mui Keng Terrace
Singapore 119616



KEY CONTACTS

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

Australia

Director

E-APEC, Business, Economic & Ecotech Issues Section

APEC and Regional Trade Policy Branch

Trade Development Division

R G Casey Building

John-McEwen Crescent

Barton ACT 0221

Tel: (61-2) 6261 2727

Fax: (61-2) 6261 3009

E-mail: apec@dfat.gov.au

Brunei Darussalam

Head of International Relations and Trade Development Division

Ministry of Industry & Primary Resources

Jln Menteri Besar BB 3910

Tel: (673-2) 381 601/382-822

Fax: (673-2) 382 846

E-mail: irt@brunet.bn

Dept of Multilateral Economics

Ministry of Foreign Affairs

Bandar Seri Begawan BD2710

Tel: (673-2) 262 483

Fax: (673-2) 262 480

E-mail: fadilahahmad@brumfa.gov.bn

Canada

Director

International Economic Relations & Summit Division (EER)

Department of Foreign Affairs & International Trade

Lester B. Pearson Building

125 Sussex Drive, Ottawa

Ontario K1A 0G2

Tel: (1-613) 992 9289

Fax: (1-613) 944 2732

E-mail: apec.canada@dfait-maeci.gc.ca

Chile

Head, Trade Policy/WTO Department

General Directorate of International Economic Affairs

Ministry of Foreign Affairs

Alameda B O'Higgins 20

1315, 2nd Floor, Piso 2, Santiago

Tel: (56-2) 565 9304

Fax: (56-2) 696 0639

E-mail: rlagos@direcon.cl

Head, APEC Department

See address details above

Tel: (56-2) 565 9350

Fax: (56-2) 696 0639

E-mail: gking@direcon.cl

People's Republic of China

Director

Asia-Pacific Division

Department of International Organizations

Ministry of Foreign Affairs

No 2 Chao Yang Men Nan Da Jie

Beijing 100701

Tel: (86-10) 6596 3162

Fax: (86-10) 6596 3160

E-mail: apec-china@fmprc.gov.cn

Hong Kong, China

APEC Liaison Office

Trade & Industry Department

Hong Kong Special Administrative Region

17/F, Trade & Industry Department Tower

700 Nathan Road, Kowloon

Tel: (852) 2398 5482

Fax: (852) 2787 7799

E-mail: hkcapec@tid.gcn.gov.hk

Website: www.gov.hk/tid

Indonesia

Director for Intra Regional Cooperation of Asia Pacific & Africa Region

Department of Foreign Affairs

Jalan Taman Pejambon No. 6

Jakarta Pusat 10110

Tel: (62-21) 381 1083

Fax: (62-21) 384 4867

E-mail: diithenb@dfa-deplu.go.id

Japan

Director

Developing Economies & APEC Division

Ministry of Foreign Affairs
Sumitomo Fudosan Shiba-koen Tower
2-11-1 Shiba-koen, Minato-ku
Tokyo 105-8519
Tel: (81-3) 6402 2229
Fax: (81-3) 6402 2221
E-mail: ritsuko.maruse@mofa.go.jp
cc: keito-mofa@m2.people.or.jp

Director

APEC Office

Trade Policy Bureau
Ministry of Economy, Trade & Industry
1-3-1, Kasumigaseki, Chiyoda-ku
Tokyo 100-8901
Tel: (81-3) 3501 1655
Fax: (81-3) 3501 1592
E-mail: ikemori-akio@meti.go.jp
cc: endo-kentaro@meti.go.jp

Republic of Korea

Director

Regional Cooperations Division

Ministry of Foreign Affairs & Trade
Government Complex-Sejongro
77 Sejong-Ro, Chongno-gu
Seoul 110-755
Tel: (82-2) 738 4380
Fax: (82-2) 733 7588
E-mail: apeco@mofat.go.kr

Malaysia

Director, Asia Pacific Economic Cooperation

Ministry of International Trade & Industry
3rd Floor, Block 10, Government Offices Complex
Jalan Duta, 50622 Kuala Lumpur
Tel: (60-3) 6203 1294
Fax: (60-3) 6203 1293
E-mail: jayasiri@miti.gov.my

Mexico

Director General for Multilateral Trade Policy

Ministry of the Economy
Alfonso Reyes #30 - 1er. Piso
Col. Hipodromo Condesa
Delg. Cuauhtemoc
C.P. 06140 Mexico D.F.
Tel: (52-55) 5729 9172
Fax: (52-55) 5729 9313
E-mail: eramos@economia.gob.mx

New Zealand

Director

Economic Division

Ministry of Foreign Affairs & Trade
Private Bag 18901, Wellington
Tel: (64 4) 439 8046
Fax: (64 4) 439 8545
E-mail: nzapec@mfat.govt.nz

Papua New Guinea

Director-General

(Economic & Development Cooperation)

Department of Foreign Affairs and Trade
P. O. Box 422
Waigani N.C.D.
Tel: (675) 301 4179/4180
Fax: (675) 325 4886/323 1011
E-mail: dfat.pom@dg.com.pg

Peru

Senior Official of Peru to APEC

Ministry of Foreign Affairs
Jr Lampa No 545, 4th Floor
Lima 1
Tel: (51-1) 311 2573
Fax: (51-1) 311 2564
E-mail: eescala@rree.gob.pe

Republic of the Philippines

Office of the Undersecretary for International Economic Relations

Department of Foreign Affairs
14th Floor, DFA Bldg.
2330 Roxas Blvd., Pasay City
Metro Manila
Tel: (63-2) 834 3004 / 832 3312 / 834 3013
Fax: (63-2) 834 1451
E-mail: albertdd@dfa.gov.ph
hqs@dfa.gov.ph

The Russian Federation

Head of APEC Division

Ministry of Foreign Affairs
32/43 Smolenskaya-Sennaya
121200 Moscow
Tel: (7-095) 244 9033
Fax: (7-095) 241 8823
E-mail: apec.des@mid.ru

APEC OFFICIAL OBSERVERS (3)

Singapore

Director, Trade Division

Ministry of Trade & Industry
100 High Street #09-01
The Treasury
Singapore 179434
Tel: (65) 6332 7207
Fax: (65) 6334 8252
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 Economic Affairs

Ministry of Foreign Affairs
443 Sri Ayudhya Road, Ratchatewee
Phayathai Bangkok 10400
Tel: (66-2) 643 5123
Fax: (66-2) 643 5247
E-mail: apecdesk@mfa.go.th

United States of America

Director

Office of Economic Policy

Bureau of East Asian & Pacific Affairs
U.S. Department of State
EAP/EP Room 5317
Washington, D.C. 20520-6310
Tel: (1-202) 647 4835
Fax: (1-202) 647 0136
E-mail: dosapec@state.gov

Viet Nam

Deputy Director General

Department of Multilateral Economic Cooperation

Ministry of Foreign Affairs
8 Khuc Hao Street
Ba Dinh, Ha Noi
Viet Nam
Tel: (84-4) 199 3817
Fax: (84-4) 199 3618
E-mail: apec@mofa.gov.vn

Association of South East Asian Nations (ASEAN)

Secretary General
The ASEAN Secretariat
70A Jalan Sisingamangaraja
P O Box 2072, Kebayoran Baru
Jakarta, Indonesia
Tel: (62-21) 726 2991
Fax: (62-21) 739 8234
E-mail: noordin@aseansec.org

Pacific Economic Cooperation Council (PECC)

Director General

PECC International Secretariat
4 Nassim Road
Singapore 258372
Tel: (65) 6737 9823
Fax: (65) 6737 9824
E-mail: peccsec@pacific.net.sg

Pacific Islands Forum (PIF)

Director, Trade and Investment Division

Pacific Islands Forum Secretariat
Ratu Sukuna Road
GPO Box 856
Suva, Fiji
Tel: (679) 331 2600
Fax: (679) 331 2226
E-mail: jaindrak@forumsec.org.fj



Asia-Pacific
Economic Cooperation

Published By

APEC Secretariat, 35 Heng Mui Keng Terrace Singapore 119616

Tel: (65) 6775 6012 Fax: (65) 6775 6013

Email: info@mail.apecsec.org.sg

Website: <http://www.apecsec.org.sg>

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APEC #202-EC-04.1

ISBN 981-04-8023-7