



Asia-Pacific  
Economic Cooperation

# Key APEC Documents

2009

Advancing Free Trade for Asia-Pacific Prosperity

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## Introduction

*Key APEC Documents 2009* is the 16th in a series produced by the APEC Secretariat. The *Key Documents'* publication provides a reference set of the key policy decisions and initiatives endorsed by APEC Leaders and Ministers each year. Collectively, these documents frame the policy directions for APEC's annual work programmes.

This issue presents a compilation of the statements from each of the APEC Ministerial Meetings held during 2009 together with the APEC Economic Leaders' Declaration from their recent meeting in Singapore.

The APEC website, [www.apec.org](http://www.apec.org), offers a further source of documentation of policy and reference papers; APEC committee reports; and information relating to APEC's wide-ranging activities.

APEC Secretariat  
December 2009

# THE 17TH APEC ECONOMIC LEADERS' MEETING

Singapore  
14–15 November 2009

## "Sustaining Growth, Connecting the Region"

We, the Leaders of APEC, gathered in Singapore and marked twenty years of cooperation in promoting economic growth and prosperity for our people. In line with new trends and emerging challenges, our agenda has grown in breadth, depth, and complexity. But our common goal remains the same - to support growth and prosperity in the Asia-Pacific region, through free and open trade and investment, as embedded in the Bogor Goals.

A year ago, as the world descended into an economic crisis unprecedented in severity since the Great Depression, we resolved that we would aim to overcome the crisis within eighteen months. Today, our robust policy responses have helped to set the stage for recovery. But economic recovery is not yet on a solid footing. Our commitments to reject protectionism and keep our markets open and free have enabled trade to be part of the solution rather than the problem. We will maintain our economic stimulus policies until a durable economic recovery has clearly taken hold.

We will work together to strengthen the momentum towards strong, sustainable and balanced global economic growth, as set out at the recent G-20 Summit in Pittsburgh.

Looking beyond supporting the recovery, we recognise the necessity to develop a new growth paradigm for the changed post-crisis landscape, and an expanded trade and investment agenda that will strengthen regional economic integration (REI) in the Asia-Pacific region. We cannot go back to "growth as usual". We will put in place next year a comprehensive long-term growth strategy that supports more balanced growth within and across economies, achieves greater inclusiveness in our societies, sustains our environment, and which seeks to raise our growth potential through innovation and a knowledge-based economy.

### **Supporting Balanced Growth**

We support the goals of the G-20 Framework for Strong, Sustainable and Balanced Growth. We join in their commitment to:

- Work together to ensure that our macroeconomic, regulatory and structural policies are collectively consistent with more sustainable and balanced trajectories of growth;
- Promote current account sustainability and open trade and investment to advance global prosperity and growth sustainability;
- Undertake macro prudential and regulatory policies to help prevent credit and asset price cycles from becoming forces of destabilisation; and
- Promote development and poverty reduction as part of the rebalancing of global growth.

We look forward to a progress report from Finance Ministers next year on their efforts to achieve stronger, more balanced and sustained growth in the Asia-Pacific region.

Structural reform will be critical to strengthening long-term potential output growth and narrowing the development gap between economies, by improving economic flexibility,

fostering private demand, and developing financial markets. We agree to reenergise APEC's work on structural reform, building on the Leaders' Agenda to Implement Structural Reform towards 2010 (LAISR 2010).

We will leverage APEC's traditional strengths of voluntary cooperation, capacity building, sharing of best practices, and working with the private sector, to implement necessary reforms in infrastructure development, agriculture/food management, social security, education and workforce training, and regulatory frameworks. We will work with the International Financial Institutions and Multilateral Development Banks to facilitate these efforts. Given APEC's diversity, these reforms must take into account individual economies' stage of development, demographic trends, factor and institutional endowments, and comparative advantages.

### **Fostering Inclusive Growth**

We resolve to ensure that future economic growth is more inclusive, to broaden access to opportunities created by growth and to spread the benefits of growth more widely. This will enable our economies to better seize the opportunities created by globalisation and to respond to its challenges. Inclusive growth will strengthen the consensus for free and open trade and investment.

APEC's inclusive growth agenda will build on ongoing efforts on structural reform under LAISR 2010 and will be driven by two key thrusts. First, we will undertake structural adjustments that will enhance opportunities for all segments of our societies to benefit from growth. Emphasis will be placed on the following specific areas:

- We will support and develop our *small and medium enterprises* (SMEs), which account for more than 90 percent of all businesses in the APEC region and employ between 50 and 80 percent of the workforce. We will assist SMEs to gain better access to global markets, technology and finance as well as to improve their crisis management capabilities.
- We will put job creation at the heart of our economic strategy and enhance cooperation to address the social implications of globalisation. We will facilitate the retraining, skills upgrading and mobility of our workers so that they can secure jobs, especially in new and growing industries.
- We will focus on enhancing *women's* access to education, training, financing, technology, and infrastructure, to maximise their economic opportunities. We welcome continued outreach to women entrepreneurs to grow the positive multiplier effect that women's economic engagement can have on productivity and sustained growth.

Second, we will strengthen social resilience to help individuals overcome short-term difficulties while providing the incentive for long-term effort, with a focus on the most vulnerable in our economies.

- We will improve outcomes in education and skills-training to enhance long-term economic security.
- We will consider income supplements or earned income tax credits that encourage work and enterprise.
- We will design social safety nets that provide short-term economic security but avoid long-term dependency.

We instruct our Ministers and officials to further advance APEC's inclusive growth agenda in 2010, and develop a multi-year programme to build capacity for structural reforms and SME development, employment creation, and the development of social safety nets.

## **Promoting Sustainable Growth**

We will ensure that economic growth in our region is consistent with sustainable development. Anthropogenic climate change is one of the biggest global challenges. It will impact each of our economies. We welcome the Declaration of the Leaders of the Major Economies Forum on Energy and Climate in L'Aquila and the Leaders' Statement at the G-20 Pittsburgh Summit, and reaffirm our commitment to tackle the threat of climate change and work towards an ambitious outcome in Copenhagen, within the objective, provisions and principles of the United Nations Framework Convention on Climate Change (UNFCCC). Global action to reduce greenhouse gas emissions will need to be accompanied by measures, including financial assistance and technology transfer to developing economies for their adaptation to the adverse impact of climate change.

We recall our Declaration on Climate Change, Energy Security and Clean Development in Sydney in 2007, which set out an APEC-wide aspirational target of reducing energy intensity by at least 25 percent by 2030. We applaud the efforts made by individual APEC economies that have unilaterally undertaken measures to reduce emissions. Sustainable forest management plays an important role in mitigating global emissions. We will 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. We support efforts in the UNFCCC negotiations to agree on actions to reduce emissions from deforestation and forest degradation (REDD) in developing economies. We recognise the role of the oceans in mitigating climate change, and the impact of climate change on oceans and coastal areas, and welcome the Manado Ocean Declaration.

Responding to climate change through transition to green economies also offers opportunities. We will ensure that efforts to address climate change are consistent with our international trade obligations. A key thrust in APEC's sustainable growth agenda is the APEC Environmental Goods and Services (EGS) Work Programme, under which we will develop and implement a set of concrete actions to support sustainable growth in the region, advance work to increase utilisation and dissemination of EGS, reduce existing barriers and refrain from introducing new barriers to trade and investment in EGS, and enhance capabilities of economies to develop their EGS sectors. We also commit to rationalise and phase out over the medium term fossil fuel subsidies that encourage wasteful consumption, while recognising the importance of providing those in need with essential energy services. We will review progress on this at our meeting in 2010. We will also take steps to facilitate the diffusion of climate-friendly technologies, including through economic and technical cooperation (ECOTECH) and capacity building activities.

We will advance work on sharing best practices in energy efficiency with a view to deploying cleaner and more efficient technologies, and welcome the implementation of the voluntary APEC Peer Review on Energy Efficiency. We recognise the role of renewable energy in reducing emissions and encourage its development in the APEC region. We will encourage publication on a regular basis, timely, accurate, and complete data on oil production, consumption, refining and stock levels as appropriate.

## **Resisting Protectionism**

We firmly reject all forms of protectionism and reaffirm our commitment to keep markets open and refrain from raising new barriers to investment or to trade in goods and services, and instruct our Ministers to continue to regularly review our adherence to these commitments. These efforts reinforce the WTO's own monitoring mechanism, and act as another bulwark against protectionist pressures by ensuring transparency in the measures taken in response to the crisis.

## **Supporting the Multilateral Trading System**

We strongly reaffirm that the most effective means of dealing with protectionist pressures and delivering a global stimulus package to sustain and secure our recovery is an ambitious and

balanced conclusion to the Doha Development Agenda (DDA) in 2010, based on the progress achieved to-date, including with regard to modalities. It is important that the high-level political commitment to concluding the Doha Round translates into substantive progress in the negotiations. We are ready to exercise pragmatism and all possible flexibility and utilise all possible avenues in order to accelerate the pace of negotiations to secure convergence on a final package. We instruct our Ministers to work closely on what needs to be done to bring the DDA to a successful conclusion and to assess the situation no later than in early 2010.

### **Accelerating Regional Economic Integration**

We reaffirm our commitment to the Bogor Goals of free and open trade and investment. We direct Ministers and officials to report to us next year with a meaningful assessment of the industrialised APEC economies' achievement of the Bogor Goals.

We will continue to explore building blocks towards a possible Free Trade Area of the Asia Pacific (FTAAP) in the future. An analytical study by officials shows that there are significant economic benefits from an FTAAP, as well as the challenges of establishing such an agreement. We look forward to the progress update from Ministers and officials next year on the outcomes of the exploration of a range of possible pathways to achieve FTAAP.

We will accelerate our work to strengthen REI in the Asia-Pacific, taking a comprehensive approach that focuses our work on trade liberalisation "at the border"; improving the business environment "behind the border"; and enhancing supply chain connectivity "across the border".

- We instruct officials to intensify our work on initiatives to promote greater convergences among economies in key areas of APEC's REI agenda, including in services, the digital economy, investment, trade facilitation, rules of origin and standards/technical barriers to trade.
- We welcome the participation of Australia, Canada, Japan, Korea, New Zealand, Singapore, and the United States in a pathfinder initiative under which economies will agree to practice self-certification of origin with FTA partners. This initiative will facilitate trade by cutting the certification procedure down to a single step and reducing processing time to just one day.
- We endorse the APEC Principles for Cross-Border Trade in Services and the APEC Services Action Plan, which together will provide a foundation for APEC's future work to promote services trade and build greater convergences among APEC economies in their treatment of services.
- We aspire to achieve an APEC-wide improvement of 25 percent in five key areas of doing business by 2015: Starting a Business, Getting Credit, Enforcing Contracts, Trading Across Borders and Dealing with Permits, and a 5 percent improvement by 2011. We welcome the preparation of capacity building work programmes by champion economies - United States; New Zealand; Japan; Korea; Hong Kong, China; and Singapore - and encourage continuous and concerted efforts through the Ease of Doing Business Action Plan to make it cheaper, faster and easier to do business in the Asia-Pacific.
- We look forward to the progress stock-take in implementing the LAISR forward work programme in 2010, and instruct our Ministers and officials to strategise the next phase of the LAISR, including in the context of supporting our new growth strategies.
- We look towards the successful conclusion of APEC's second Trade Facilitation Action Plan in 2010, and are pleased to note that APEC as a whole is on track to reduce trade transaction costs by an additional 5 percent by 2010.



- We will develop common approaches towards well-functioning public-private partnership (PPP) markets. We encourage officials to explore the feasibility of utilising PPPs for the upgrading of transport infrastructure that contributes to the enhancement of supply chain connectivity in the region.
- We welcome the Supply Chain Connectivity Framework, which has identified eight chokepoints in regional supply chains and suggested actions to address these chokepoints. We welcome the commitment from Transport Ministers to achieve greater seamlessness in our multi-modal transport networks and call for officials to continue cohesive efforts towards improving supply chain connectivity.
- We welcome the work undertaken in identifying performance indicators for the Investment Facilitation Action Plan (IFAP) and look forward to the implementation of the IFAP next year.
- We reaffirm our commitment to strengthen the protection and enforcement of intellectual property (IP) rights and reiterated the importance of comprehensive and balanced intellectual property (IP) systems that provide for and protect the incentives that encourage creation and innovation and provide the tools for successful management and exploitation of IP rights. We will continue to promote greater collaboration among our IP rights experts, APEC Business Advisory Council (ABAC), and enforcement authorities across the APEC region and recognise the importance of capacity building. We welcome the progress made by economies in implementing the APEC Anti-Counterfeiting and Piracy Initiative as well as cooperation to improve patent systems in the region, and look forward to further progress next year.
- We encourage ongoing efforts towards using ICT to address socio-economic issues and realising APEC's goal of achieving universal access to broadband in all member economies by 2015.
- We support the outcomes and recommendations of the APEC Trade Recovery Programme Pilot Exercise. We reaffirm the importance for our economies to implement initiatives, such as communications mechanisms and other approaches to trade recovery, to build trusted relationships and to recognise one another's Authorised Economic Operator (AEO) programmes in alignment with the World Customs Organization (WCO) SAFE Framework of Standards.

### **Strengthening Economic and Technical Cooperation**

Building capacity for reforms aimed at facilitating inclusive growth and REI remains a key priority for APEC. We reaffirm our commitment to the Manila Framework, which serves as the basis for the implementation of the ECOTECH activities outlined in the Osaka Action Agenda. We recognise that capacity building needs evolve as priorities shift to meet new challenges. Therefore, we welcome ongoing efforts to develop a more strategic, goal-oriented and multi-year approach toward capacity building, and to strengthen the prioritisation and effective implementation of capacity building activities across APEC fora. We welcome the establishment of the US\$10 million China APEC Cooperation Fund which aims to facilitate and promote APEC ECOTECH cooperation.

### **Enhancing Human Security**

We express our deepest condolences for the loss of life and destruction caused by the devastating typhoons that hit China, Japan, the Philippines, Chinese Taipei and Viet Nam, and the earthquakes and the recent terrorist attacks in Indonesia. We reaffirm the importance of enhancing human security and reducing the threat of disruptions to business and trade in sustaining economic growth and prosperity in the Asia-Pacific region. We recognise the importance of building capacity to counter terrorism and welcome APEC's work in areas such as trade security, aviation security, anti-terrorist protection of energy infrastructure,

countering terrorism financing, fighting cyber-terrorism, protecting the food supply against terrorist contamination and emergency preparedness.

Responding to food security challenges in the region is a major priority for APEC. Food security, including access to reliable sources of nutritious, safe and affordable food, remains a concern for many in the Asia-Pacific region and around the world. We encourage continued cooperation with the private sector, academia, and civil society to address food security and safe food supply challenges, including by promoting sustainable agricultural production and rural development, and instruct officials to undertake capacity building projects and other practical initiatives to address food security, and report back to us next year on their progress. We support the L'Aquila Joint Statement on Global Food Security.

We welcome the sharing of experiences in dealing with the double global impact of the economic crisis and the Influenza Pandemic (H1N1) in 2009. We reaffirm our commitment to build regional capacity for avian and other potential human influenza pandemics and emerging and re-emerging infectious diseases such as HIV/AIDS and Tuberculosis. We will strengthen our health systems and cooperate to prevent and control emerging infectious diseases in the world.

### **Fighting Corruption, Improving Governance and Transparency**

Good governance, institutional integrity, and transparency in both the public and private sectors have a critical impact on the smooth flow of trade and economic activities and help to mitigate crime and corruption. We recognise the mutually reinforcing relationship between good governance measures and anti-corruption actions. We welcome the efforts of member economies and ABAC in these areas and encourage public-private partnerships to further APEC efforts to enhance governance, institutional integrity and combat corruption.

We welcome the efforts of ABAC and the business community to enhance governance and encourage economies to work through public-private partnership to further APEC efforts in this area.

We note the importance of international cooperation in combating and dismantling the threat of cross-border criminal networks and its linkages with corruption nodes. We encourage member economies, where applicable, to ratify the UN Convention against Corruption and UN Convention against Transnational Organised Crime and take measures to implement their provisions, in accordance with economies' legal frameworks.

### **Strengthening APEC**

A revitalised APEC is crucial to meet the challenges of sustaining recovery and to deal with the region's 21st century economic challenges. To do so, APEC economies must forge a partnership of common interests to produce strong, balanced and sustainable growth. The appointment of the Secretariat's first Executive Director for a fixed term is an important first step to strengthen the capacity of the APEC Secretariat to meet the growing demands of member economies and other key stakeholders. We direct our Ministers and officials to accelerate efforts to develop more responsive and effective mechanisms to ensure that APEC remains the premier forum for regional economic cooperation.

## STATEMENT BY APEC LEADERS

Singapore  
14–15 November 2009

### **A New Growth Paradigm for a Connected Asia-Pacific in the 21st Century**

We, the Leaders of APEC, gathered in Singapore to chart a new growth paradigm for the Asia-Pacific region that meets the needs of the 21st century global economy.

The global economy has begun to recover, with the Asia-Pacific region taking the lead. But we cannot go back to "growth as usual" or "trade as usual". The post-crisis landscape will be different. We need a new growth paradigm. We need a fresh model of economic integration.

We will pursue growth which is balanced, inclusive, and sustainable, supported by innovation and a knowledge-based economy, to ensure a durable recovery that will create jobs and benefit our people.

We will take a more comprehensive approach to regional economic integration, to meet the needs of our businesses and to keep up with new trends in cross-border trade and investment.

We will seek to conclude the Doha Round in 2010 and reject all forms of protectionism.

#### **New Growth Paradigm**

We endorse the goals of the G-20 Framework for Strong, Sustainable and Balanced Growth. Representing the economically most dynamic region in the world and accounting for half of global trade and output, APEC is well placed to provide the momentum necessary to achieve these goals.

*Balanced Growth.* Strong and sustained economic growth will require structural reforms to gradually unwind global imbalances and raise the potential output of our economies.

We will ensure that our fiscal, monetary, trade, and structural policies are consistent with a more sustainable and balanced trajectory of growth, both within and across our economies.

We will strengthen the environment for private enterprise, investment, and innovation.

We will develop our financial markets to better serve the real economy.

We will work closely with International Financial Institutions and Multilateral Development Banks to help achieve these objectives.

*Inclusive Growth.* To achieve inclusive growth, we must broaden access to economic opportunities and build the resilience of the most vulnerable against economic shocks. Inclusive growth will strengthen the consensus for free trade and open markets, which are key for continued prosperity.

We will help small and medium enterprises and women entrepreneurs gain better access to global markets and finance.

We will facilitate worker retraining, skills upgrading, and domestic labour mobility.

We will invest in education as a basis for enhancing individuals' ability to secure good jobs.

We will design social safety nets that provide short-term support but avoid long-term dependency.

*Sustainable Growth.* Future growth must be compatible with global efforts to protect the environment and mitigate climate change. At the same time, efforts to address climate change must be consistent with our international trade obligations.

We welcome the Declaration of the Leaders of the Major Economies Forum on Energy and Climate in L'Aquila and the Leaders' Statement at the G-20 Pittsburgh Summit, and reaffirm our commitment to tackle the threat of climate change and work towards an ambitious outcome in Copenhagen, within the objective, provisions and principles of the United Nations Framework Convention on Climate Change.

We will explore ways to reduce barriers to trade and investment in environmental goods and services (EGS) and will refrain from introducing new barriers to trade in EGS.

We will rationalise and phase out over the medium-term fossil fuel subsidies while providing those in need with essential energy services.

We will share best practices in energy efficiency, deploy cleaner and more energy-efficient technologies, and welcome the APEC Peer Review on Energy Efficiency.

### **A Connected Asia-Pacific in the 21st Century**

We will take a comprehensive approach to build a 21st century model of economic integration that will combine trade liberalisation "*at the border*", improve the business environment "*behind the border*", and enhance supply chain connectivity "*across the border*".

*"At the Border" Liberalisation.* We will continue to explore building blocks towards a possible Free Trade Area of the Asia-Pacific in the future.

We launched a pathfinder initiative led by Australia, Canada, Japan, Korea, New Zealand, Singapore, and the United States to practice self-certification of origin so that businesses can better take advantage of free trade agreements in the region.

We will take forward the APEC Services Initiative having agreed to an action plan as well as principles to promote cross-border trade in services.

*"Behind the Border" Structural Reforms.* A key component of our structural reform efforts to reduce regulatory impediments is the Ease of Doing Business Action Plan.

We will strive to achieve by 2015 a collective 25% reduction in the cost, time, and number of procedures that our businesses face when starting a business, getting credit, enforcing contracts, dealing with permits, and trading across borders.

We will reduce business transaction costs by 5% by 2010, having already achieved a cost reduction of 3.2% between 2006 and 2008 through the Trade Facilitation Action Plan II.

*"Across the Border" Connectivity.* APEC's Supply Chain Connectivity Initiative has identified eight key chokepoints in regional supply chains and actions to address them.

We will explore how to enhance multi-modal connectivity by air, sea, and land, to facilitate a more seamless flow of goods and services, and business travellers throughout the Asia-Pacific.

# THE 21st APEC MINISTERIAL MEETING

Singapore  
11–12 November, 2009

## Joint Statement

We, the Asia-Pacific Economic Cooperation (APEC) Ministers, met on 11–12 November in Singapore. The meeting was co-chaired by H.E. George Yeo, Minister for Foreign Affairs, Singapore, and H.E. Lim Hng Kiang, Minister for Trade and Industry, Singapore.

We welcomed the participation in the meeting of the Director-General of the World Trade Organisation (WTO) Mr Pascal Lamy, the APEC Business Advisory Council (ABAC), the Association of South-East Asian Nations (ASEAN), and the Pacific Economic Cooperation Council (PECC).

Our discussions centred on "Sustaining Growth, Connecting the Region", the theme for APEC 2009. We reviewed global and regional economic developments, welcomed the progress made towards strengthening regional economic integration (REI), and discussed strategies to sustain economic growth.

The global economic situation has eased considerably. The IMF estimates that world GDP will rise by nearly 3 percent in 2010, and that all APEC economies will shift to positive GDP growth next year. But the recovery remains fragile; the growth profile over the next few quarters is likely to be uneven. Unemployment remains unacceptably high in many of our economies. We will work together, and with other international fora, to ensure that the recovery does not stall and to lay a foundation for growth that is inclusive, balanced and sustainable, supported by innovation and a knowledge-based economy, and anchored on APEC's core agenda to promote free and open trade and investment. Our confidence in the medium and long-term growth prospects for the Asia-Pacific region remains unwavering.

### ***Addressing the Crisis, Positioning for Recovery***

#### *Fostering Inclusive Growth*

We are committed to pursuing economic growth that is inclusive and broad-based, so as to create opportunities for all of our people to enjoy the benefits arising from REI. We endorse our officials' report on inclusive growth, which recognised structural reform as an important approach towards inclusive growth, mapped existing APEC activities that support inclusive growth, and set out possible areas for APEC to focus on. We note that APEC economies and some APEC work streams are already focusing on human capital development through education and worker retraining, and fostering innovation and entrepreneurship through improved business environments that benefit companies of all sizes, especially SMEs. We will direct our efforts to foster inclusive growth in APEC along two broad dimensions. First, we will facilitate structural adjustments that enhance opportunities for all to benefit from growth, focusing on facilitating SME development and enhancing the functioning of labour markets, while ensuring that these support enhanced opportunities for women workers and entrepreneurs. Second, we will strengthen social resilience, focusing on enhancing individual economic security and designing incentive-compatible social safety net programmes.

We instruct officials to make further progress on existing inclusive growth work streams, better crystallise the key issues and identify existing gaps of the inclusive growth agenda for APEC, develop a multi-year capacity building programme on inclusive growth, and report on the progress at AMM in 2010. They should do so in close consultation with relevant bodies including the Committee on Trade and Investment (CTI), the Economic Committee (EC), the Senior Officials' Meeting Steering Committee on ECOTECH (SCE) and its subfora, such as

the Human Resources Development Working Group (HRDWG), and the SME Working Group (SMEWG).

We look forward to China's hosting of the 5th APEC Human Resources Development Ministerial Meeting in 2010, which will provide a good platform to discuss the design and implementation of inclusive growth programmes, including labour market and skills development policies that result in long-term improvements in labour productivity, and enhance cooperation to address the social dimensions of economic downturns. We also look forward to contributions to the inclusive growth agenda by the EC High Level Policy Roundtable and the 17th SME Ministerial Meeting, which will both be hosted by Japan in 2010.

### *Promoting Sustainable Growth*

We will seek to ensure that economic growth is consistent with sustainable development. Anthropogenic climate change is one of the biggest challenges facing the world. As APEC's key response to addressing this challenge, our sustainable growth agenda will include improved access for Environmental Goods and Services (EGS), development of EGS sectors of APEC economies, enhancing energy efficiency and sustainable forest management and rehabilitation.

The EGS market has a key role to play in fostering sustainable growth and advancing efforts to combat climate change. The Intergovernmental Panel on Climate Change has highlighted that many climate-friendly technologies and goods are already commercially available and that more are expected to be commercialised soon. These technologies will benefit from trade liberalisation. The World Bank has estimated that the removal of barriers for trade in four basic clean energy technologies (i.e. wind, solar, clean coal, and efficient lighting) alone could boost their trade by as much as 13 percent. We welcome APEC's efforts to enhance understanding of remanufactured products, which reuses inputs and uses less energy than manufacturing new goods.

We will explore ways to reduce existing barriers to trade and investment, and refrain from introducing new barriers in EGS. We will also take steps to facilitate the diffusion of climate-friendly and other EGS technologies, including through economic and technical cooperation (ECOTECH) and capacity building activities. We welcome the launch of the APEC EGS Information Exchange to promote greater transparency, information sharing, collaboration, and dissemination of EGS in APEC and globally. We endorse APEC's EGS work programme which has helped to raise awareness of what needs to be done to facilitate trade, investment and development in EGS, and instruct officials to report progress on this work at AMM 2010. We reaffirm that an open global trade and investment system is central to our clean development objectives and market opening in the WTO would advance our climate and energy security goals. We recognise that joint research, development, deployment and transfer of low and zero emission technologies will be crucial in our shared efforts to address climate change.

Energy efficiency improvements have resulted in reductions in energy consumption of more than 50 percent over the last 30 years. We will advance work on sharing best practices in energy efficiency, with a view to deploy cleaner and more efficient technologies in power generation, industry, transportation, and residential and commercial buildings. We welcome the implementation of the voluntary APEC Peer Review on Energy Efficiency, and encourage our economies to participate in this Review. We note that Japan will host the 9th APEC Energy Ministers Meeting in 2010, which is an opportunity to explore diversified approaches to clean energy production and use.

### *Supporting Trade Finance*

We welcome the efforts made by APEC economies over the past year in response to the trade finance situation. These include the progress in expanding the Asia-Pacific Trade Insurance Network (APTIN) through the establishment of additional bilateral re-insurance

agreements among some APEC member economies, as well as discussions to take stock of the situation and to exchange experiences and best practices. APEC has continued to monitor the trade finance situation in the region by conducting a follow-up APEC Trade Finance Survey. We are heartened that the situation in the APEC region has improved since the last survey in July 2009, and that economies expect the situation to ease further over the next 6 months. Recognising the importance of facilitating trade finance to supporting the recovery of the global economy, we encourage officials to sustain efforts to strengthen capabilities in the area of trade finance. We call upon APEC members to continue the implementation of necessary policies and measures to support trade finance and to continue their collaboration with their Finance counterparts.

### ***Supporting the Multilateral Trading System***

#### *Resisting Protectionism*

We remain concerned over the threat of protectionism to our economic recovery. We reaffirm the concrete commitments undertaken at the Singapore Meeting of Ministers Responsible for Trade (MRT) in July 2009 to keep our markets open and resist all forms of protectionism, including the extension of our commitment to refrain from raising new barriers to investments or to trade in goods and services to the end of 2010, and beyond if necessary. We have promptly notified the WTO of any measures that fall short of these commitments. We will continue to do so and urge our trading partners to do the same. Furthermore, we will continue to exercise maximum restraint in implementing measures that may be considered to be WTO consistent if they have a significant protectionist effect and promptly rectify such measures where implemented.

#### *Reviewing Commitments to Open Markets*

We considered the Trade Review report compiled by the APEC Secretariat with inputs from the WTO, ABAC and other relevant bodies, and reviewed the trade, fiscal and monetary measures undertaken by APEC economies since the July 2009 MRT. We note that a pick up in trade and investment were contributing to the recent rebound in global economic activity, but evidence of an increasing use of trade remedies indicates that risks relating to protectionism and recovery remain. We stand by our commitment at the MRT that such reviews will continue in 2010 and instruct the APEC Secretariat to work closely with the said institutions for the reviews. We are pleased that the APEC region as a whole has remained relatively open to trade throughout the global crisis. We recognise the need to calibrate overall policy settings, including temporary support measures, to the pace of recovery and improvement in the global economy. We will continue to undertake regular review of our policies that impact on trade and investment, and reiterate our pledge to maintain free and open markets.

#### *Advancing the DDA*

We remain determined to ensure an ambitious and balanced conclusion to the Doha Round in 2010, based on the progress already made, including with regard to modalities. To this end, we must translate recent political commitments into tangible progress in the negotiations. The Seventh Session of the WTO Ministerial Conference in Geneva from 30 November to 2 December 2009 will be an important opportunity to take stock of progress. We support further intensification of work to reach the 2010 target. In order to do so, we will accelerate efforts to advance into the endgame negotiations in Agriculture and NAMA, and advance in parallel Services, Rules, Trade Facilitation and all other remaining issues in the DDA in accordance with agreed Geneva workplans. We urge greater substantive engagement at all levels utilising all possible avenues, including text-based negotiations under the Geneva Chair led process and direct engagement between Members to evaluate and close the remaining gaps. We note the importance of continued involvement and stand ready to engage directly to ensure momentum is maintained. We agree to direct our officials to exercise pragmatism and

maximum flexibility on all issues to narrow gaps and secure convergence on a final package. This will pave the way for Ministers to assess the situation no later than early 2010.

### *Supporting the WTO*

APEC economies will step up our cooperation with the WTO. We endorse the recommendations by the APEC Secretariat on specific areas for cooperation with the WTO, including greater collaboration in the Aid for Trade agenda. We have instructed the APEC Secretariat to update us on progress in these cooperative efforts. We pledge our support for the 7th Session of the WTO Ministerial Conference and the basic principles of full participation, inclusiveness and transparency that will guide its deliberations.

We reiterate our support for the early accession of the Russian Federation to the WTO and underline the importance of efforts to expedite these negotiations.

### **Reaffirming Commitment to Bogor Goals**

We reaffirm APEC's commitment to the Bogor Goals of free and open trade and investment. APEC will work towards reducing barriers not only within APEC, but also with other non-APEC economies. Noting that the industrialised economies in APEC are targeted to achieve the Bogor Goals by 2010, we agree to the establishment of a credible and meaningful mechanism by which to assess their achievement of the Bogor Goals as set out in the *Work Plan of the Assessment on Achievement of the Bogor Goals by the APEC Industrialised Economies*. We commend officials for their preparatory work in this regard, and instruct them to report on the final result of this assessment at AMM 2010.

We reaffirm the importance of APEC's Individual Action Plans (IAPs) and IAP Peer Reviews as a means to drive progress towards the Bogor Goals. We endorse the 2009 IAPs. We welcome the successful conclusion of the 2009 IAP Peer Reviews of Brunei Darussalam, Indonesia, Malaysia, Papua New Guinea, the Philippines, the Russian Federation, Thailand and Viet Nam, and the successful completion of the third cycle of IAP Peer Reviews which commenced in 2007.

### **Exploring Building Blocks towards a Free Trade Area of the Asia-Pacific**

We welcome work in 2009 to continue to explore building blocks towards a possible Free Trade Area of the Asia-Pacific (FTAAP) in the future. These include the *Further Analytical Study on the Likely Impact of FTAAP* which illustrated the possible economic benefits and challenges of establishing an FTAAP; the updated inventory of issues that would need to be addressed as part of a preparatory process for a possible FTAAP including, inter-alia, the possible pathways to an FTAAP; and the expansion of the study on identifying convergences and divergences in APEC's regional and bilateral trade agreements to cover additional agreements and chapters. We instruct officials to take forward this work by exploring a range of possible pathways to achieve FTAAP and provide a progress update to AMM 2010.

### **Accelerating Regional Economic Integration**

We reaffirm our commitment to accelerating work on APEC's core agenda of strengthening REI. We have taken a comprehensive approach to REI in 2009, focusing our work on trade liberalisation "at the border"; improving the business environment "behind the border"; and enhancing supply chain connectivity "across the border". We welcome the updated matrix of steps to accelerate REI on a multi-year basis. We also welcome the steps taken by officials to promote greater convergence in the areas of Rules of Origin (ROOs) and services. We instruct officials to widen their work to promote convergence on other core FTA chapters, including investment, trade facilitation, and standards.

We endorse the 2009 Committee on Trade and Investment (CTI) Annual Report to Ministers, which provides an overview of APEC's work in advancing the Bogor Goals and strengthening REI.



## INTEGRATION "AT THE BORDER"

### *Making Rules of Origins More Business Friendly*

We welcome the work to make ROOs more business-friendly, to address the high level of divergences among regional and bilateral free trade agreements and the resulting compliance costs faced by businesses. We applaud the participation of Australia, Canada, Japan, Korea, New Zealand, Singapore and the United States in the Self-Certification of Origin Pathfinder. This adds to APEC's ongoing work to simplify ROOs documentation and procedures, such as the existing Electronic Certificate of Origin Pathfinder. We also note the agreement to collect information on other elements related to this agenda, including reasonably long validity periods and waivers of certificates of origin or declarations for low value shipments. We instruct officials to continue with their work in this area and provide a progress update at MRT 2010.

### *Facilitating Trade in Products and Services*

We welcome progress under the APEC Services Initiative (ASI), which seeks to facilitate services trade in the Asia-Pacific. We endorse the APEC Principles for Cross-Border Trade in Services, which will build greater convergences among APEC economies with respect to their policy frameworks relating to trade in services. We also endorse the Services Action Plan which will provide direction to APEC's work to promote trade in sectors which are in the interest of member economies. Taken together, the Services Principles and the Services Action Plan will provide a strong foundation for APEC's future work to promote services trade.

We note the 2004 *Statement to Implement APEC Policies on Trade and the Digital Economy*, and instruct officials to continue work to promote the digital economy.

## INTEGRATION "BEHIND THE BORDER"

### *Improving Ease of Doing Business and Implementing Structural Reform*

We have launched an APEC Ease of Doing Business (EoDB) Action Plan that identifies priority areas for reform, sets targets to measure improvements in these areas, and includes capacity building work programmes to achieve the targets.

We have set an APEC-wide aspirational target to make it 25 percent cheaper, faster and easier to do business within APEC economies by 2015 in the five priority areas, determined with reference to the World Bank's EoDB indicators. The five areas are: Starting a Business, Getting Credit, Enforcing Contracts, Trading Across Borders, and Dealing with Permits. These targets represent tangible potential gains for businesses, for example: this could potentially reduce on average the cost of importing and exporting a container of goods by up to US\$450; reduce on average the time taken to start a business by one week; and remove on average five procedures to obtain a construction permit. As an interim target, we aim to achieve a 5 percent improvement by 2011. We task officials to monitor and regularly review progress towards these targets, and urge officials to work closely with ABAC to identify ways in which the private sector can contribute towards the achievement of these aspirational targets. We also welcome the capacity building work programmes led by "champion economies" and designed to assist APEC in achieving the targets collectively. The champion economies are New Zealand and the United States for Starting a Business, Japan for Getting Credit, the Republic of Korea for Enforcing Contracts, Hong Kong, China and Singapore for Trading Across Borders and Singapore for Dealing with Permits.

We endorse the EC's 2009 APEC Economic Policy Report (AEPR), with its timely coverage of regulatory reform. As the Leaders' Agenda to Implement Structural Reform (LAISR) will end in 2010, we instruct officials and the EC to conduct a stocktake of achievements under the LAISR Forward Work Programme (FWP) in 2010 and explore the possible scope of a post-LAISR agenda to respond to medium-term challenges, such as the need to foster more inclusive growth. Structural reform is essential to strengthen long-term growth, ensure

inclusive growth and narrow the development gap between economies. It complements trade and investment liberalisation and contributes to promoting deeper REI. Progress on structural reform will be critical for ensuring a sustained recovery in APEC economies from the global economic crisis. We will strengthen APEC's focus on its structural reform agenda.

We welcome the completion of various training courses, workshops, seminars, roundtables and studies in 2009 under the LAISR FWP and the report on prioritisation of capacity building programmes in EC as a response to the request by the APEC Ministerial Meeting on Structural Reform (SRMM) held in August 2008, and look forward to the commencement of the process of voluntary review of economies' institutional frameworks and processes supporting structural reform, a seminar on the sidelines of EC1 discussing the economic impact and benefits of structural reform in key infrastructure sectors, and ABAC's proposal to hold a roundtable on procedural fairness in competition cases at the Competition Policy and Law Group (CPLG) meeting.

#### *Facilitating Investment*

We welcome the work undertaken, with the help of the Policy Support Unit (PSU), to identify a set of key performance indicators and establish a methodology to measure progress in the implementation of APEC's Investment Facilitation Action Plan (IFAP). We look forward to this work being finalised by MRT 2010. We note the completion of the second phase of the study on core elements of investment agreements and encourage further capacity building activities to improve member economies' abilities to formulate high quality investment agreements.

#### *Strengthening Intellectual Property Rights*

We reaffirm the importance of effective, comprehensive and balanced intellectual property systems for the sustainability and promotion of knowledge-based activities and investments. We recognise the desirability of taking comprehensive and strategic approaches to building a global IP infrastructure for the promotion of innovation, including human resource development, cooperation in patent examination, and development of IT-based networks among IP agencies. We also recognise the importance of building capacities in this area. We welcome the *Report on Copyright Limitations and Exceptions*, as well as the progress achieved in patent cooperation, including the work done on the APEC Cooperation Initiative on Patent Acquisition Procedures. We will take concrete steps to stop the proliferation of counterfeit and pirated goods through cooperative efforts such as the APEC Anti-Counterfeiting and Piracy Initiative and related capacity building activities, and information sharing between IPR authorities and stakeholders. We note the efforts to advance work on exploring ways to address satellite and cable signal theft.

We reaffirm the importance of ongoing international discussions, especially in the WTO, including the relationship between the TRIPS Agreement and the UN Convention on Biological Diversity, regarding genetic resources, and the protection of traditional knowledge and folklore, and encourage continued work on awareness raising and advancing shared objectives regarding these issues.

#### *Aligning Standards and Improving Conformance*

We will reinforce our engagement in international standardisation activities and promote greater alignment with relevant international standards where appropriate, particularly in areas that would contribute to innovation, safety, security, and solutions to energy and environmental issues. Recognising the importance of the involvement of all stakeholders in standardisation activities, we instruct officials to develop a long-term strategy on business engagement in standards and conformity development in 2010. We encourage continued discussions on improving and better aligning toy safety requirements.

We welcome the study on models and practices deployed by APEC economies in helping their businesses, particularly SMEs, to gain access to information on technical regulatory

requirements and overcome technical barriers to trade. We look forward to the outcomes of these efforts at SOM1 in 2010, and the development of a best practices model. We also welcome efforts to promote awareness and understanding of the APEC Pathfinder initiative on the APEC Electrical and Electronic Equipment Mutual Recognition Arrangement (APEC EE MRA), and the commitment by regulators implementing the APEC EE MRA to facilitate trade of these products through greater dialogue and cooperation.

## INTEGRATION "ACROSS THE BORDER"

### *Enhancing Transport, Logistics and Digital Connectivity*

We welcome progress made on trade logistics reform through enhanced supply-chain connectivity and endorse the Supply-chain Connectivity (SC) Framework which has identified eight chokepoints in regional supply chains and suggested actions to address these chokepoints. We welcome in particular the *Transparency for Ease of Doing Logistics Business* initiative and APEC's efforts to make available online contact points and websites on the full range of issues affecting door-to-door delivery. We also welcome work to study the economic impact of enhanced multi-modal connectivity to improve the flow of goods and services across land, air, and sea. We commend the strong collaboration among the CTI, EC and Transportation Working Group (TPTWG) in developing the SC Framework.

We welcome the PSU's report on developing measurable performance targets for the SC Framework. We task officials to further develop the SC Framework in 2010, in close cooperation with relevant APEC fora and ABAC, and look forward to outcomes of the first phase of its development by end 2013.

Beyond physical connectivity, we recognise the importance of connectivity in the digital realm in advancing REI, and instruct officials to continue work on enhancing digital connectivity by building upon work carried out on the Digital Prosperity Checklist.

Public-Private Partnerships (PPP) has emerged as a useful approach to infrastructure development in the APEC region. In this regard, we encourage officials to explore the feasibility of utilising PPPs for the upgrading of transport infrastructure that contributes to the enhancement of supply chain connectivity in the region.

### *Enhancing Trade Facilitation*

We commend the good progress made by officials in the implementation of the Second Trade Facilitation Action Plan (TFAP II). We welcome the TFAP II progress report which sets out the approach and methodology to be used for quantifying the impact of TFAP II. We are pleased with the assessment that APEC is overall on track to reduce trade transaction costs by an additional 5 percent by 2010, having already reduced transaction costs by 3.2 percent between 2006 and 2008. We note that several recommendations to improve upon TFAP II have been made in the progress report, and instruct officials to consider and report on this at MRT 2010. We look forward to the final assessment of the TFAP II outcomes in 2011.

We note the progress made towards the implementation of international trade "Single Windows" by member economies, and encourage continued experience sharing and discussion of implementation issues in this area.

### *Securing Regional Trade*

We support the findings and recommendations of the APEC Trade Recovery Programme (TRP) Pilot Exercise. The pilot exercise demonstrated the actions that would help economies minimise the economic impact of a disruption to the supply chain and facilitate the quick recovery of trade in the event of a terrorist attack. We recognise the need to build communication mechanisms to activate and execute the APEC TRP and the importance for economies to establish Authorised Economic Operator (AEO) programmes, as advocated by the World Customs Organisation (WCO). We also note the value of having trusted

relationships based on existing international concepts that the APEC TRP embraces, and of recognising AEO programmes to gain mutual benefits to facilitate trade and trade recovery. The findings and recommendations of the APEC TRP Pilot Exercise will provide economies with useful insights into processes to facilitate the resumption of trade expeditiously and smoothen processes such as customs and border controls.

We further welcome the creation of an AEO working group at the Sub-Committee on Customs Procedures (SCCP), and instruct SCCP to address the development of AEO programmes among APEC economies in alignment with the WCO SAFE Framework of Standards.

#### *Strengthening the Digital Economy and Information Networks*

We welcome the work to examine how elements of the Digital Prosperity Checklist can contribute to increasing trade flows and achieving broad-based economic growth. To this end, we instruct officials to expand on this work by facilitating implementation of the Checklist among APEC economies, including by completing a gap analysis of current APEC work on elements in the Checklist and a survey of APEC economies' practices in relation to the policy goals outlined in the Checklist. We look forward to receiving a progress report at MRT 2010.

We encourage efforts towards sustaining ICT-enabled economic growth, using ICT to address socio-economic issues, and realising the goal of achieving universal access to broadband in all APEC economies by 2015 as set out at the 7th APEC Ministerial Meeting on the Telecommunication and Information Industry. We recognise the progress made during the second phase of the APEC Digital Opportunity Center (ADOC 2.0) Initiative.

We endorse the APEC Cooperation Arrangement for Cross-Border Privacy Enforcement and associated documents, a key step in establishing a voluntary system of cross-border privacy rules based on the APEC Privacy Framework. We encourage all economies to continue the development of this system to allow for effective privacy protections while avoiding barriers to information flow and the promotion of trade, investment and economic growth.

#### ***Strengthening Economic and Technical Cooperation***

We reaffirm our commitment to a strategic, goal-oriented and multi-year approach to capacity building programmes that assist member economies in achieving the Bogor Goals and common prosperity. We also reaffirm our commitment to the Manila Framework, which serves as the basis for the implementation of the ECOTECH activities outlined in the Osaka Action Agenda. We note the progress made in strengthening the policy agenda of the SCE, including towards the development of a comprehensive framework to guide ECOTECH activities and a reform plan of SCE's operations. We welcome the contributions made by Japan, the United States and Chinese Taipei to the APEC Support Fund (ASF) to promote energy efficiency activities in the region, the contribution of Russia to the ASF to enhance cooperation in strengthening human security and promoting science and technology development, as well as Australia's contributions to both the ASF General Fund and the Subfund on Human Security which will increase capacity building initiatives focused on developing economies. We also welcome the contributions made by China and Korea to the ASF.

We welcome Singapore's launch of a series of capacity building programmes aimed at specific priority areas such as trade facilitation and services over the next three years. We also welcome the activities of the APEC Climate Centre to promote capacity building on climate science and research. We note the SCE's efforts to strengthen APEC's engagement with other multilateral organisations and ABAC, and welcome the Programme of Independent Assessments of all SCE Fora.

## ***Enhancing Human Security***

### ***Countering Terrorism***

The recent terrorist attacks in the region remind us of the international imperative to fight against terrorism. We commend the active role that the Counter Terrorism Task Force (CTTF) has continued to play to improve the environment for safer trade and investment in the APEC region. We reaffirm the importance of our initiatives in areas such as trade security, port and aviation security, anti-terrorist protection of energy and information infrastructure, countering terrorism financing, and protecting the food supply from terrorist contamination, and in this regard encourage all economies to update their Counter Terrorism Action Plans (CTAPs), which will provide useful information for identifying capacity building needs and prioritising actions accordingly.

We recognise the need for aviation security within the APEC region. We look forward to the upcoming *APEC Air Cargo Security Workshop*, which will be held in Singapore during the summer of 2010. We commend APEC's efforts to promote further exchange of best practices and lessons learned in the area of air cargo security, and to explore available technological solutions to the unique challenges of air cargo security.

### ***Preparing for Emergencies***

Recent catastrophes in the region - such as the devastating typhoons that hit China, Japan, the Philippines, Chinese Taipei and Viet Nam, and the earthquakes in Indonesia - remind us of the importance of APEC's work in disaster management, relief and recovery. We welcome the renewed mandate and work of the Taskforce on Emergency Preparedness (TFEP) this year on strengthening business and community resilience, enhancing PPPs, and reducing disaster risks. We welcome the outcomes of the 3rd APEC Emergency Management CEOs' Forum held in Hanoi in September, and the APEC principles on disaster damage and loss assessment and the APEC principles on integrating disaster education into school curricula. We also welcome the upcoming *Workshop on the Framework of Long-Term Capacity Building for Disaster Risk Reduction* hosted by Chinese Taipei from 30 November to 1 December 2009 to encourage collaboration between regional institutes and strengthen regional emergency management capacity, as well as Japan's offer to host the 4th APEC Emergency Management CEOs' Forum in January 2010. We encourage the establishment of the APEC SME Crisis Management Center proposed by Chinese Taipei as a mechanism to help APEC SMEs enhance their capacity to overcome the impact of crises.

### ***Improving Food Security***

Responding to food security challenges in the region remains a major priority for APEC. Building on the *APEC Senior Officials' Work Plan on Food Security*, we instruct relevant APEC sub-fora to undertake capacity building projects and other practical initiatives, review best policies and best practices, and report back to APEC Leaders in 2010. We welcome Japan's offer to lead a review of APEC food security activities. We recognise the importance of promoting technologies that make food storage, transportation and distribution systems more efficient. We encourage the adoption of WTO consistent and science-based regulation of new advanced technologies, including biotechnology, to promote utilisation of such technologies. We recognise the importance of promoting efficient and well-functioning markets in agricultural products and avoiding trade policies that impede the international trade of these products. We will ensure that we use our fresh water, marine and terrestrial resources efficiently and sustainably. We express support for the L'Aquila Joint Statement on Global Food Security.

### ***Strengthening Food Safety***

We commend the considerable progress made to improve information sharing and the coordination of APEC food safety capacity building efforts, including the successful meeting

of the Food Safety Cooperation Forum (FSCF) held in July 2009. We also note the successful inaugural workshop by the FSCF Partnership Training Institute Network (PTIN) on *Examination of Hot Issues in Risk Analysis* held in August 2009 in Singapore. The network seeks to build capacity in the use of international standards and best practices in food safety for regulators, manufacturers and producers. We strongly support activities planned for the FSCF and the FSCF PTIN in 2010, including the launch of the first reproducible training modules in 2010. We note APEC's collaboration with the World Bank on food safety and encourage future collaboration with international organisations on future APEC food safety activities.

### *Ensuring Health*

We reaffirm the strong relationship between health, economic development and security. The emergence of the 2009 H1N1 pandemic underscores the need for international cooperation to prepare for and respond to public health threats. We commend APEC for facilitating regional dialogue on H1N1 and other pandemic response and encourage continued work to strengthen pandemic preparedness, including the leveraging of health innovations such as health information technology, to strengthen health systems, treatments, and disease surveillance. We further support APEC expert collaboration to address the possible health impacts of environmental change and the impact of the global financial crisis on health systems. We urge economies to recognise that investing in health systems and health innovations have significant economic benefits due to the increased productivity of a larger and healthier workforce. In this regard, we also recognise the Health Working Group (HWG)'s recommendations regarding HIV/AIDS prevention and management in the workplace.

### **Improving Governance and Transparency**

We recognise that corruption is a complex economic, political and social challenge that threatens democracy, sustainable development, the rule of law, the welfare and health of our citizens, our environment, and global security across our economies. We welcome the Anti-Corruption and Transparency Experts' Task Force's Singapore Declaration on Combating Corruption, Strengthening Governance and Enhancing Institutional Integrity, as well as the APEC Guidelines on Enhancing Governance and Anti-Corruption. We encourage economies to implement measures to give practical effect to the Declaration and Guidelines. We also welcome the outcomes of the *Workshop on Applying APEC Anti-Corruption Principles, Preventing Conflicts of Interest*, co-hosted by China and the United States in October 2009 in Beijing.

We commend the comprehensive capacity building efforts with regard to enforcement of laws and regulations, setting of strategies, systems of compliance and promoting standards of governance and ethical behaviour. In view of the threat of cross-border illicit criminal networks and its linkages with corruption nodes, we encourage member economies, where applicable, to ratify the UN Conventions against Corruption and Transnational Organised Crime, and take measures to implement their provisions, in accordance with economies' legal frameworks.

### **Welcoming Sectoral Initiatives**

#### *Small and Medium Enterprises*

We welcome the outcomes of the 16th APEC SME Ministerial Meeting held in Singapore on 8-9 October 2009, which discussed policies and initiatives to help SMEs overcome the global economic crisis and access global markets. We note the progress made in the implementation of the four-year SMEWG Strategic Plan 2009-2012 and welcome various projects and initiatives under the strategic plan's six priority areas. In this regard, we encourage the training of SMEs in good business practices that will ensure their sustainability as suppliers to overseas markets.

### *Transport*

We welcome the outcomes of the 6th APEC Transportation Ministerial Meeting held in the Philippines from 27-29 April 2009. We support the call by Transport Ministers for APEC to recognise the long-term benefits of open markets and economic integration, and to continue to work towards agreements or other means to achieve air services liberalisation in the region. We also support the activities undertaken by member economies to enhance maritime trade, including the APEC Port Services Network (APSN) Conference on Port Development held 2-3 November 2009 in China to facilitate communication and cooperation among ports and related sectors, and promote greener, safer and more secure development of ports and shipping industries in the Asia-Pacific region. We also support the call by the Transport Ministers to encourage further concerted efforts to fight against piracy and welcome the activities undertaken by TPTWG, including the piracy workshop held on 29 July 2009 in Singapore. We encourage the TPTWG to continue their work to promote sustainable transportation, including the sustainable expansion of air transport services through the work of the APEC Aviation Emissions Task Force, cooperation with the Energy Working Group to identify and adopt energy efficient policies, practices, and technologies, and with the Agricultural Technical Cooperation Working Group to promote the development of next-generation biofuels.

### *Women*

We welcome the recommendations arising from both the 7th Gender Focal Point Network Meeting (GFPN) and the 14th Women Leaders Network (WLN) Meeting held in Singapore, in particular, that to maximise economic opportunities for women by investing in targeted policies and programmes that promote gender equality and women's economic security in the current economic climate. These include facilitating women's access to capacity building programmes, technology and infrastructure; and supporting measures to promote safe employment for women in informal and vulnerable sectors, access to financing, growth in women-led SMEs, and support for social enterprises for women. We welcome the efforts of the Human Resources Development Working Group (HRDWG) to provide new information on promising practices in ensuring gender equity in mathematics education during the 2010 mathematics education conference supporting essential skills of the 21st Century workplace.

### *Tourism*

We welcome the efforts of the Tourism Working Group (TWG) in facilitating the development of the tourism industry in the Asia-Pacific region. We recognise the valuable contribution that tourism makes during all stages of the economic cycle, and that tourism is vulnerable but responds quickly to changed economic circumstances. As we recover from the crisis, tourism will be a key driver for sustained economic growth, increasing business activity and integration across the region.

### *Marine Resources and Fisheries*

We note that Peru will host the 3rd APEC Oceans-related Ministerial Meeting (AOMM3) in 2010, which will build on the Bali Plan of Action and the recent review of its implementation. We welcome the ongoing work of the Fisheries Working Group and Marine Resource Conservation Working Group which will support the AOMM3. We also welcome the holding of the World Ocean Conference and support the resulting Manado Ocean Declaration. We underline the importance of the role of the ocean in climate change, and an integrated coastal and ocean management approach to prepare for and adapt to the effects of climate change as well as other threats on the coasts and oceans. We welcome the discussion of climate change, ecosystem based management and food security at the AOMM3.

## **Engaging the Business Community**

We support continued public-private dialogues and interactions to improve the business environment in our region. In this regard, we welcome the enhanced engagement between ABAC and APEC officials this year, particularly in the areas of resisting protectionism, accelerating REI, and improving the ease of doing business in APEC. We express our appreciation to ABAC for their continued work to provide views, proposals and recommendations to help ensure tangible benefits in the pursuit of APEC goals.

APEC's established dialogues with the automotive, chemical and life sciences industries have also helped APEC move forward our trade and investment liberalisation and facilitation agenda. In this regard, we welcome and support the continuation of the work by the Life Sciences Innovation Forum (LSIF) to assess returns to the economy of investment in health innovations, and create an enabling environment for private sector investment in these innovations. We commit to further deepening work streams to support health innovation in 2010. We commend Singapore for being the first economy to complete the LSIF Enablers of Investment Checklist and encourage other APEC economies to complete the checklist in order to identify capacity building needs. We welcome the development of a multi-year strategic plan and projects for achieving regulatory harmonisation, where appropriate, for both medicines and medical devices. We welcome the report and recommendations of the 11th APEC Automotive Dialogue (AD) and in particular, the AD's strong support for the commitment made by APEC Leaders in November 2008 to refrain from raising new barriers to investment or trade in goods and services, or implementing WTO inconsistent measures, particularly in the automotive sector.

We welcome the active role of the Mining Task Force (MTF) in fostering cooperation in mining, particularly its constructive contribution to efforts to enhance sustainable development in the sector. We encourage relevant APEC fora to initiate a productive dialogue with the European Commission towards establishing a science-based methodology for the classification of nickel alloys as dangerous substances.

We encourage the Chemical Dialogue (CD) to continue promoting best practices and information exchange in chemicals regulation and management in the APEC region, and welcome its contributions to the global Strategic Approach to International Chemicals Management (SAICM). We further encourage the CD to share information to assist members with implementation questions on chemicals management regulations, including the European Union's Registration, Evaluation, and Authorization of Chemicals (REACH), and move forward work that contributes to sustainable growth. We note the work of the CD on a common approach to simplify ROOs in the chemicals sector, including the completion of a comparative study on ROOs in the 32 FTAs in the region, and consideration of exploratory work on the development of business friendly guidance on ROOs.

## ***Strengthening the APEC Secretariat***

We will continue to strengthen the operational and institutional capacities of the APEC Secretariat. We welcome the successful selection and appointment of the Secretariat's first Executive Director for a fixed term (FT-ED). The establishment of the FT-ED post constitutes a huge step forward in our ongoing efforts to professionalise the Secretariat and to ensure that it is well-equipped to meet the growing demands of member economies.

We commend the Secretariat's efforts to improve the fiscal sustainability of the Secretariat and in supporting the efforts of the Budget and Management Committee to introduce project management reforms to make APEC's project assessment and monitoring processes more transparent and aligned with our strategic goals. We approve the recommendation that APEC maintain three project approval sessions per year. We welcome the new branding strategy, together with the mission statement and tagline, and commend the Secretariat's efforts in implementing the revitalised APEC Communications and Outreach strategy. We encourage the APEC Secretariat to seek collaborative technology solutions similar to the



HRDWG wiki website, which can serve as a model for collaborative communications and the dissemination of Open Education Resources.

We are encouraged by the PSU's performance since it commenced operation in August 2008. Since its establishment, the PSU has grown to ten staff members and completed thirteen research projects. The PSU has provided useful contributions to APEC's policy deliberations on logistics and effective responses to the global economic crisis as well as the assessment of APEC's progress towards the implementation of our trade and investment facilitation action plans. Studies on *Improving Food Markets in APEC Economies and Good Regulatory Practices for Goods and Services Necessary or Desirable for Climate Change Mitigation and Adaptation* will inform the development of APEC work in these areas. We are pleased with the PSU's creation of the APEC economic indicators database, which for the first time provides members with a single source of comprehensive data relating to APEC economies, including bilateral trade and investment linkages. We are also pleased with the PSU's paper on *Trade Creation in the APEC Region*. We remain committed to supporting the PSU post-2010. We further welcome any voluntary contributions from member economies in this regard.

We welcome the contribution to the APEC Secretariat by the US-APEC Technical Assistance and Training Facility (TATF) in helping to strengthen the Secretariat and its operations, train staff to improve project quality and the project management process, upgrade the Secretariat's information technology, and promote cooperation with the ASEAN Secretariat. We also welcome Australia's Effectiveness Grant.

We endorse the 2009 SOM Report on APEC's work programme including the recommendations contained therein, note the 2009 Annual Report of the APEC Secretariat Executive Director, and approve the 2010 APEC Budget and member contributions. We welcome the preparations underway for APEC 2010 in Japan.

# 16th APEC FINANCE MINISTERS' MEETING

Singapore  
12 November 2009

## Joint Ministerial Statement

### Introduction

1. We, the finance ministers of the APEC economies, convened our 16th annual meeting in Singapore on 12 November 2009 under the chairmanship of Mr Tharman Shanmugaratnam, Minister for Finance of Singapore. The meeting was also attended by the Managing Director of the International Monetary Fund, the President of the World Bank, the President of the Asian Development Bank and the Chair of the APEC Business Advisory Council (ABAC).

2. We gathered in the aftermath of the worst financial crisis and global recession since the Second World War. Just a year ago, the collapse of several large financial institutions led to global credit seizures, which then evolved into a macroeconomic crisis with a plunge in global trade and output, significant job losses and simultaneous recessions around the world.

3. We welcomed the vigorous response of APEC members in stabilising their economies by implementing extraordinary supportive fiscal measures, rapidly easing monetary policy, encouraging the flow of credit and supporting their financial sectors in an unprecedented manner. We commended the G-20's role in coordinating these measures at the global level and pledged to maintain policies strongly supportive of growth until a durable recovery in private demand is secured.

4. We strongly welcomed the expansion of the G-20 agenda from addressing the global crisis to achieving a more balanced and sustainable pattern of growth. We are also committed to pursuing economic growth that is inclusive and broad-based. Inclusive growth creates opportunities for all of our people to enjoy the benefits of regional economic integration. This will support domestic demand in the region. The efforts of APEC members will play a critical role in achieving balanced and sustainable growth, given the size and dynamism of APEC economies. We also recognised that APEC, with its strength in consensus-building and implementing multi-year initiatives, is well-placed to reinforce the momentum of the G-20 agenda.

5. We agreed that in the post-crisis period, key challenges facing the world economy include restoring growth potential; successfully exiting the extraordinary fiscal, financial and monetary policy measures; implementing credible medium-term fiscal consolidation strategies; and meeting the region's massive infrastructure needs.

6. We noted the important contribution that free and open trade and investment regimes have made to the growth and dynamism of the APEC region. We are committed to supporting free and open trade and investment to advance Asia-Pacific and global prosperity and growth sustainability, and will actively resist protectionist measures. Despite the challenges of the crisis, we reaffirmed our strong commitment to achieve the Bogor Goals.

### Fiscal Stimulus and Exit Strategies

7. We agreed on the crucial role that supportive fiscal measures in the APEC region had played in avoiding an even deeper global recession and resolved to remain vigilant until the economic recovery gains traction. We recognised the need to reduce and stabilise public sector debt burdens at a low and prudent level. In many economies, this will require, beyond the mere phasing out of stimulus measures, a comprehensive strategy of sustained budget

consolidation, growth-enhancing reforms, and measures to address long-term demographic challenges.

8. We agreed that the pace of implementing exit strategies should take into account different stages in the economic recovery of member economies, the type of policy measures to be phased out, and any spillovers caused by our strategies. However, actions that would strengthen fiscal credibility without negatively affecting demand--such as measures to strengthen fiscal frameworks and some pension and health sector reforms, including those that will be phased in gradually--should start to be implemented as soon as possible.

### **Reforms to Support Strong, Sustainable and Balanced Growth**

9. We welcomed the launch of the Framework for Strong, Sustainable and Balanced Growth at the G-20 Meeting of Finance Ministers and Central Bank Governors in St Andrews. We noted their agreement on a detailed timetable for a new consultative mutual assessment process. We will, as appropriate, support the work of international organisations, including the International Monetary Fund (IMF) and the World Bank (WB), to evaluate the collective consistency of policies of individual economies and regional groupings with the shared objective of achieving strong, sustainable and balanced global growth, by providing information on our policies and forecasts.

10. We are committed to maintaining and increasing the dynamism of our domestic economies. We agreed that, depending on individual economies' circumstances, a combination of macro-economic policy adjustments and structural reforms was needed to achieve this, whilst supporting balanced and sustainable global growth. We discussed how structural reforms to improve economic flexibility, raise productive potential, develop financial markets and increase private demand can contribute to raising potential output growth over the medium- to long-term and narrowing development imbalances and reducing poverty.

11. In this regard:

- APEC members with sustained, significant external deficits pledge to undertake policies to support private savings and undertake fiscal consolidation while maintaining open markets and strengthening export sectors.
- APEC members with sustained, significant external surpluses pledge to strengthen domestic sources of growth. According to circumstances in individual economies, this could include increasing investment, reducing financial markets distortions, boosting productivity in service sectors, improving social safety nets, and lifting constraints on demand growth.

12. We will undertake monetary policies consistent with price stability in the context of market oriented exchange rates that reflect underlying economic fundamentals.

13. We called upon APEC economies to leverage on each others' expertise in structural reforms in specific areas. Recognising the diversity within APEC, however, there can be no single approach. Rather, structural reforms need to take into account individual economies' stage of development, demographic trends, factor and institutional endowments and comparative advantages. We discussed the important roles that the IMF and Multilateral Development Banks (MDBs) play in helping APEC economies design and implement growth reform measures as these institutions have a good contextual understanding of the region and individual APEC economies. We encouraged the Economic Committee to intensify its efforts to promote structural reform, particularly noting the importance of its work on competition policy and regulatory reform.

14. We directed officials to, on a pathfinder basis and in partnership with the IMF and MDBs, to identify priority areas for structural reform in economies and the region, and develop modalities to share best practices and expertise, and connect reform needs with expertise and resources from member economies, the IMF, MDBs and the private sector. This should

be developed in close consultation with the APEC Economic Committee and trade officials, in order to better deliver initiatives that help drive structural reform in APEC.

15. We will prepare a report to our Leaders in a year's time on our efforts to achieve stronger, more balanced, and sustained growth in the Asia-Pacific region.

### **Strengthening Financial Systems and Facilitating Finance for Sustained Growth**

16. We committed to strengthen financial supervision to prevent the re-emergence in the financial system of excess credit growth and excess leverage and undertake macro prudential and regulatory policies to help prevent credit and asset price cycles from becoming forces of destabilisation.

17. At the same time, we recognised the importance of efficient and innovative financial systems in assuring development and continued income growth. We are committed to financial sector development and reforms oriented to improve the competitiveness and efficient operation of markets.

18. We agreed that it was critical to encourage the revival of cross-border investment flows. In this regard, we recognised the importance of ensuring that finance continues to flow into areas of development such as infrastructure and green growth. We also welcome ABAC's report and recognise its contribution to strengthening financial systems in the region.

### **Infrastructure Financing Development**

19. The infrastructure needs of the Asia-Pacific region over the next decade are expected to be some US\$750 billion a year, as economies replace aging infrastructure and build new infrastructure to keep pace with rapid economic development. The global recession vastly complicated the challenges facing APEC economies in financing infrastructure requirements, with the post-crisis investment climate characterised by strain on public balance sheets and reduced private sector risk appetite. In this regard, we noted the important role of the MDBs in helping economies upgrade necessary infrastructure in the region, thereby contributing to enhanced development capacity, poverty reduction and improved living standards. To this end, we agreed to work towards adopting sustainable and viable financing policies, and supporting technical assistance, capacity-building and knowledge-sharing initiatives to make infrastructure markets operate more effectively.

20. We welcomed the progress in implementing commercially viable infrastructure projects and practical PPP models to attract funding from private investors. In this regard, we encouraged economies to work with MDBs to develop and implement simple and replicable models to facilitate private investments into infrastructure. We welcomed progress towards developing common approaches towards private infrastructure investment across APEC economies, and noted the scope for further progress as demonstrated in the expert report *Meeting APEC's Post Crisis Infrastructure Challenge: Towards Commonality in PPP Infrastructure Markets*. We welcomed the pathfinder initiative on developing a harmonised road map for private infrastructure provision. We also called upon MDBs to conduct studies and provide recommendations to help facilitate, catalyse and channel private sector financing into these sectors.

21. We affirmed the importance of incorporating the expertise and resources of the MDBs, economies and the private sector to facilitate increased private sector investment in infrastructure projects in the region. In this regard, we welcome the launch of the inaugural World Bank-Singapore Infrastructure Finance Summit, which serves as a valuable platform for the exchange of views on infrastructure financing developments, innovations in infrastructure financing and urban development, and showcase regional infrastructure initiatives and projects.

## Capital Market Development

22. We supported the need for further capital market development and integration and to broaden and diversify the investor base. We resolved to intensify our efforts to promote capital market development efforts as these are integral to efficient intermediation of savings and capital flows, therefore contributing to enhanced long-term sustainable growth. To this end, we welcomed the ongoing capacity building initiatives to assist economies in strengthening their technical skills and knowledge base to develop and deepen their financial markets. In delivering such capacity-building, we are contributing to the broader implementation of G-20 financial sector reform priorities and the Financial Stability Board.

23. We reaffirmed our commitment for greater participation of financial institutions, pension funds, insurance companies and fund managers to provide depth and innovation in capital markets. We noted the successful outcomes of the 3rd APEC Public-Private Sector Forum on bond market development, and we welcomed ABAC's proposal to organise the fourth installment of the forum in Japan in 2010.

## Trade Finance

24. We noted the Report of the APEC 2009 Trade Finance Follow-Up Survey, which showed that the trade finance situation in APEC economies had improved since the first survey in June 2009, and that most APEC economies expect the trade finance situation to further improve over the next six months. Nevertheless, we agreed that APEC needs to remain vigilant.

## Green Economy

25. We recognised the need to take action to tackle the threat of climate change and working towards an ambitious outcome in Copenhagen, within the objective, provisions and principles of the United Nations Framework Convention on Climate Change (UNFCCC).

26. We agreed on the importance of rationalising and phasing out over the medium term, inefficient fossil fuel subsidies that encourage wasteful consumption. We recognised the importance of providing those in need with essential energy services, including through the use of targeted cash transfers and other appropriate mechanisms. We will work with our Ministers responsible for energy policies to develop implementation strategies and timeframes that reflect our individual circumstances. We ask the IMF and MDBs to offer support to economies in this process.

27. We also agreed on the importance of simultaneously pursuing growth and improvement of the environment through research and development in clean energy and green technology, energy conservation and efficiency, as well as mitigating and adapting to climate change and environmental degradation.

28. In this regard, we requested our officials to study the status of green growth in APEC and public and private financing for green industries, including roles of market-based financing.

## **Other Matters and the Venue for the Next Meeting**

29. We noted the recommendations of APEC Policy Support Unit's (PSU) study on food security.

30. We are committed to fighting corruption, money laundering, terrorist financing, and other criminal abuse of the financial system. In this regard, we will continue to aggressively work to implement international anti-money laundering and counter-financing of terrorism standards and to comply with relevant United Nations Security Council Resolutions. We support the Financial Action Task Force's mandate to include responding to new threats which affect the integrity of the financial system, such as proliferation finance. We welcome APEC's work on

securing remittances and cross border payments, detecting cash couriers and bulk cash smugglers, and preventing the terrorist abuse of non-profit organisations.

31. We thanked Singapore for hosting the APEC Finance Ministers' Process this year. We will meet again for our 17th meeting in Kyoto, Japan in November 2010.

# 16TH APEC SMALL AND MEDIUM ENTERPRISES MINISTERIAL MEETING

Singapore  
8–9 October 2009

## Joint Ministerial Statement

### "HELPING SMEs ACCESS GLOBAL MARKETS AND OVERCOME TRADE BARRIERS"

1. APEC Ministers and their representatives responsible for SMEs across our 20 member economies met in Singapore on 8–9 October 2009 for the 16th APEC SMEs Ministerial Meeting<sup>1</sup>.

2. The policy theme of the meeting was "Helping SMEs Access Global Markets and Overcome Trade Barriers", which is in line with Singapore's APEC 2009 theme of "Sustaining Growth, Connecting the Region".

### Developing Market Research and Market Access Capabilities

3. In line with the policy theme, Ministers discussed policies and initiatives to help SMEs access global markets, highlighting a number of valuable programmes implemented across APEC to assist SMEs in acquiring vital market information. Ministers endorsed Singapore's proposal to carry out a feasibility study on the establishment of an "APEC SME Market Research and Capability Development Centre (SMRC)". The Centre could serve as a regional enabler for APEC economies to assist SMEs in accessing global market opportunities in an integrated effort. If established, the Centre could bring together APEC initiatives and programmes; provide a platform for joint business collaborations; provide regional market research and market intelligence; and develop core market access capabilities that could be adopted by APEC economies. Ministers agreed with the formation of a study group consisting of Brunei Darussalam, Chile, Indonesia, Malaysia, Singapore and Chinese Taipei, requesting that the study take into account economies' existing expertise and experience to ensure the Centre (if established) adds value and to involve private sector partners where possible to ensure viability and sustainability. Ministers requested for an update at the next SMEWG meeting in Hong Kong, China.

4. Ministers commended Singapore for the development of the APEC Business Fellowship (ABF) framework. Such in-market executive training programmes which expose APEC SMEs to practical business practices in their respective markets would promote enterprise-level business collaborations among APEC SMEs. Ministers looked forward to the first run of the ABF in 2010.

5. Ministers also noted the "Workshop on Developing Trading Houses for Strengthening SMEs Global Market Network" which will be held in Indonesia later this month and Singapore's study on Export Technical Assistance Models. Ministers encouraged SMEWG members to support these initiatives, which ultimately will improve APEC SMEs' access to global markets.

### Helping our SMEs Position for Growth after the Crisis

6. At the APEC Economic Leaders Meeting in Lima in 2008, Leaders requested that member economies make every effort to assist SMEs during this period of global financial crisis and ensure their survival. SMEs Ministers expressed their appreciation for the efforts that member economies had made and reiterated the call for members to continue prioritising initiatives that resist protectionism while supporting capacity building and access to financing

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<sup>1</sup> The meeting was also attended by the Executive Director of the APEC Secretariat and the APEC Business Advisory Council (ABAC) and guest observers: the GFPN and the WLN.

for our SMEs. At the APEC Ministers Responsible for Trade meeting held in Singapore in July 2009, Trade Ministers had unanimously called for the fostering of inclusive and sustainable growth strategies, facilitation of trade and investment flows, resisting of protectionism, keeping markets open and to give a new push to conclude the Doha Round. In particular, SMEs Ministers welcomed the commitments by their Trade counterparts to make it easier, faster and cheaper to do business in the region by focusing these efforts to reduce or remove regulatory impediments "behind the border", as well as to promote inclusive growth through facilitating structural adjustments to make the region more resilient, adaptable and attractive to business. SMEs Ministers expressed their support for APEC's initiatives that have a direct impact on SMEs; such as ease of doing business; supply chain connectivity; making rules of origin business friendly; and inclusive growth.

7. To complement this work, Ministers discussed policies and initiatives which have helped SMEs become more resilient in overcoming the effects of the financial crisis and best position them to seize new growth opportunities in its aftermath.

8. Ministers recognised the efforts by Chinese Taipei to organise the "Symposium on SME Strategies to Manage the Impacts of the Global Financial Crisis" on the margins of the 28th SMEWG meeting held in Chinese Taipei. Ministers acknowledged the urgent need for SMEs to have professional guidance when faced with such crisis. They commended the efforts by Chinese Taipei in formulating the "Principles and Checklist of Financial Crisis Management for APEC SMEs" and encouraged member economies to distribute the principles and the checklist to SMEs in their respective economies to assist them in crisis preparedness and business continuity management.

9. Ministers recognised the need for SMEs to be aware and informed of potential crises, and encouraged the establishment of the "APEC SME Crisis Management Center" proposed by Chinese Taipei as a mechanism to help APEC SMEs manage a variety of economic crises in the future. The Centre will coordinate expertise from member economies to provide SMEs with the value-added services of crisis monitoring, consultation, training and analysis to enable SMEs to conduct early preparedness and enhance their capacity to overcome the impact of crises.

10. Ministers noted the impact of external events on our SMEs, such as the global financial crisis and the outbreak of the H1N1 influenza pandemic. Ministers commended the actions taken by the United States in hosting the fourth "APEC Pandemic Preparedness for SMEs Train the Trainer Workshop" which has helped SMEs better prepare in the area of business continuity. Ministers thanked the United States for plans to replicate the series of workshops in 2010.

### **Supporting the Implementation of the APEC SMEWG Strategic Plan**

11. At a practical level, Ministers reaffirmed that SMEs' growth would best be stimulated by actions taken under the six priority areas in the SMEWG Strategic Plan to:

- i. Continue to enhance the business environment to promote stable regulatory frameworks;
- ii. Build management capability and promote entrepreneurship by SMEs;
- iii. Enhance SMEs' access to markets through information and capability development;
- iv. Accelerate and promote innovation as a key competitive advantage of SMEs;
- v. Increase awareness and availability of financing to SMEs; and
- vi. Encourage sustainable business practices by SMEs.



12. Ministers encouraged the alignment of all SMEWG projects to the priority areas of the Strategic Plan. Ministers endorsed the list of Key Performance Indicators (KPIs) developed and supported their adaptation to track the progress of the Strategic Plan, and noted their usage in measuring the outcomes of APEC SMEWG projects. Ministers noted the value of working closely with the APEC Secretariat Policy Strategic Unit (PSU). Ministers requested for regular updates on the progress of the current Strategic Plan through 2012.

13. Ministers supported the proposal of having Champion Economies in each priority area to drive implementation of the initiatives undertaken by various economies. Ministers endorsed the following Champion Economies in five priority areas and encouraged SMEWG members to fully support the efforts and plans put forth by these Champions :-

	<b>Priority Areas</b>	<b>Champion Economies</b>
(i)	Business environment;	Malaysia, Mexico
(ii)	Build management capability and promote entrepreneurship;	Chinese Taipei, Thailand
(iii)	Market Access and Internationalisation;	China, Singapore
(iv)	Innovation;	Korea, Peru, United States
(v)	Financing;	Indonesia, Japan

14. Ministers commended Korea for the initiatives undertaken by the APEC SME Innovation Center in facilitating SME innovation in the APEC region. Ministers recognised the importance of the Daegu Initiative and supported the need for self-assessment of members' innovation activities to provide best-practice examples for the Daegu Initiative. This will serve as a basis for determining whether to pursue the second cycle of the initiative. Ministers noted the relevance of the Daegu initiative to the Innovation priority area of the Strategic Plan. Ministers acknowledged that co-champions Korea, Peru and the United States, in working jointly to review and plan for future initiatives, would be able to show more effective outcomes for SMEs in member economies.

15. Ministers instructed the SMEWG to continue to develop initiatives aimed at enhancing the capabilities of SMEs in the priority areas of the Strategic Plan and noted this year's efforts such as the "Ease of Doing Business series on Trading Across Borders and Access to Credit" by New Zealand and "SME Innovation Seminar on Innovation in SME Financing and Marketing" by Korea are commendable. These initiatives would, as a whole, help to position SMEs for growth after the crisis.

16. Ministers acknowledged the value of the "APEC SME Technology Entrepreneur Seminar" organised by the United States and co-sponsored by Malaysia. Ministers encouraged SMEWG members to use the recommendations of the seminar as a basis to develop future projects (irrespective of whether APEC-funded or not), in the areas of access to technology, innovation and entrepreneurship.

17. The development of women, youth and indigenous people is a cross-cutting priority of the Strategic Plan. Ministers recognised that developing micro-enterprises and investing in women will help with the overall economic recovery and reduce poverty and inequalities in our region. Ministers welcomed the work on women's empowerment underway in the APEC SMEWG, including the pilot program being implemented by the United States in Peru to "Empower Women in the APEC Region through Trade". Ministers supported the new APEC SME public-private partnership programme, led by the United States, to provide "Global Solutions for Women's Economic Empowerment" as a way to further support women-owned micro and small businesses. Ministers also noted the ten-year anniversary of the "APEC SME Consumer Education and Protection Initiative" and its many successes via tailored programs for micro-enterprises in partner APEC economies.

## **Cooperation and Collaboration with Related Organisations**

18. Ministers welcomed the collaborations developed by the SMEWG with other APEC fora during 2009, and affirmed their commitment to continue to lead coordination efforts on SME-related work within APEC.

19. Ministers thanked participants from ABAC, the GFPN and the WLN for their contributions to the work of the SMEWG.

20. Ministers are pleased to note that ABAC has endorsed a non-binding commitment to host an APEC SME Summit each year, and look forward to a closer working relationship between APEC SMEWG and ABAC on this ongoing initiative. Ministers also welcomed the various recommendations raised by ABAC such as the study on SME relief programs, APEC Financial Inclusion Initiative, Innovation Supply Chain, addressing barriers to ICT utilisation, and better access to finance by SMEs which could be explored further with ABAC.

21. Ministers noted the recommendations of the 14th Women's Leaders' Network (WLN) Meeting and agreed with the APEC Gender Focal Point Network (GFPN) that the inclusion of measures to promote employment generation for women in informal and vulnerable sectors, access to financing for women-led SMEs and support for social enterprises for women is relevant to furthering the purposes of the SMEWG. Ministers noted the "Good Practices to Promote Women-Owned Micro-Enterprises," a set of solid recommendations from the APEC GFPN-WLN Micro-Credit Workshop led by the United States and held in August 2009 in Singapore. Ministers welcomed the second APEC GFPN Micro-Credit Workshop to be held in early December 2009 in Indonesia.

## **APEC 2010 SME Theme and Sub-Themes**

22. Ministers noted that the APEC 2010 SMEs theme is to be "Strategy for Reinvigorating Economic Growth with Dual Engine: SME and Asia-Pacific Economy" with the sub-themes:

- a. Improving business environment of SMEs;
- b. Enhancing business support programs for SMEs; and
- c. Facilitating SMEs innovation and access to global markets.

23. Ministers recognised the importance of continuity in driving the SMEWG Strategic Plan, and noted Singapore's commitment to work closely over the next two years with Japan and the United States to progress the development of our SMEs in alignment to the priority areas of the plan.

24. Given the importance of SMEs in our member economies, and the continued volatility in and uncertainty of the global economy, Ministers agreed that the SMEs Ministerial Meeting continue to be held annually, so that issues and challenges affecting SMEs' growth can be discussed and addressed by APEC SMEs Ministers responsively.

25. Ministers thanked Japan for hosting the next SMEs Ministerial Meeting scheduled for 2–3 October 2010 in the City of Gifu, Japan.

26. Ministers agreed to present this Joint Ministerial Statement to the APEC Economic Leaders' and Ministers' Meetings in November 2009.

## **MEETING OF APEC MINISTERS RESPONSIBLE FOR TRADE**

Singapore  
21–22 July 2009

### **Statement of the Chair**

We, APEC Ministers Responsible for Trade (MRT), met in Singapore from 21 to 22 July under the chairmanship of H.E. Lim Hng Kiang, Minister for Trade and Industry, Singapore.

We welcomed the participation in the meeting of the Director General of the World Trade Organisation (WTO) Mr Pascal Lamy, the APEC Business Advisory Council (ABAC), the Pacific Economic Cooperation Council, the Association of South-East Asian Nations, the Pacific Islands Forum, and the APEC Secretariat.

We condemn in the strongest possible terms the terrorist attacks in Indonesia on 17 July and express our deepest condolences and solidarity to the victims and their families and to the people and Government of Indonesia.

We consider terrorist acts in all forms and manifestations a profound threat to the peace and security of APEC, as well as a challenge to APEC's goals of free and open trade and investment. We express our full confidence in Indonesia's ability to weather any possible adverse effects of these attacks.

The world is experiencing its worst recession since the Great Depression. For 2009, the IMF has forecast that the world economy will contract by 1.4% and that half of the 21 APEC economies will experience GDP contraction. Although there have been some recent signs of the global economy stabilising, the situation remains uncertain, and significant risks to economic and financial stability persist. We remain committed to working together to overcome the current economic crisis and to prepare for recovery in a manner that is consistent with APEC's vision of free and open trade and investment. We will seek to ensure that the benefits of globalisation are spread more widely across our societies and that our growth strategies are consistent with sustainable development.

#### **Addressing the Economic Crisis: Facilitating Trade Finance**

Earlier this year, the World Bank estimated that 10-15% of the decline in world trade was due to difficulties related to trade financing. Facilitating trade finance is therefore an important policy measure to support the recovery of global trade and the global economy. Recognising that trade finance is an issue that spans both the trading and financial sectors of the economy, our senior officials have been meeting their counterparts from Finance Ministries from early this year to take stock of the trade finance situation and to ensure that APEC has an effective response.

We note that the trade finance situation has generally improved since then but bears watching as global credit conditions remain tighter than usual. We welcome the progress of the Asia-Pacific Trade Insurance Network, including the establishment of additional bilateral re-insurance agreements among some APEC member economies since our Leaders' meeting in Lima. We encourage Multilateral Development Banks (MDBs) to accelerate the implementation of their trade finance programmes in the region. We welcome the sharing of experience among APEC economies to help strengthen their capabilities in this area.

## **Positioning for Recovery**

### *Fostering Inclusive Growth*

Trade and investment liberalisation has led to a significant expansion of prosperity and reduction in poverty in the APEC economies over the last few decades. We therefore reaffirm our commitment to achieving the Bogor Goals of free and open trade and investment in the region, despite the challenges posed by the economic crisis. We recognise, however, that not all segments of our societies have benefited from economic integration and that trade and investment liberalisation can impose a considerable adjustment burden on our economies. The economic crisis has amplified these effects, translating into increased protectionist pressures.

To address the negative effects of the crisis, APEC economies have committed a total of US\$1.78 trillion in stimulus packages since September 2008. Going forward, while continuing to harness the benefits of globalisation and innovation, we will give greater focus to ensuring that economic growth is more inclusive and that its benefits are spread more widely. We will use the economic crisis as an opportunity to restructure our economies to make them more resilient and adaptable to the challenges posed by globalisation and to strengthen social resilience so that our people and businesses can better ride economic downturns. Flexible labour markets, adaptable workforces, well-designed social safety nets, investment in education and training, and an environment where innovation and entrepreneurship can flourish will help deter calls for protectionism and strengthen the consensus for trade and investment liberalisation.

With this in mind, we will seek to ensure that our measures to address the crisis will not contain protectionist elements or have negative effects on trade and investment, but instead aim to accelerate economic restructuring that will position our economies for recovery and to strengthen social resilience in a way that provides security while rewarding effort. To that end, we welcome APEC's ongoing work in these areas, including the Human Resources Development Working Group's initiative to boost the effectiveness of economies' social safety nets and labour market systems to ameliorate the impact of the global economic crisis on their people. We have instructed our senior officials to explore the concept of "inclusive growth" in close consultation with relevant bodies including the Economic Committee (EC), to map existing APEC activities that support inclusive growth, highlight areas where APEC can do more, and report to us at the 2009 APEC Ministerial Meeting (AMM) with priority areas for a strategy to be developed in 2010.

### *Promoting Sustainable Growth*

Climate change induced by human activities is one of the biggest challenges confronting the world. Taking into account different domestic circumstances and in accordance with the principle of common but differentiated responsibilities and respective capabilities, we support the ongoing United Nations Framework Convention on Climate Change (UNFCCC) negotiations to reach an agreed outcome for full, effective and sustained implementation of the UNFCCC through long-term cooperative action, now, up to and beyond 2012. We will seek to ensure that economic growth is consistent with environmental sustainability. At the same time, efforts to address climate change must be consistent with keeping global trade and investment open and free, without raising new barriers to trade and investment. We note the upcoming APEC Conference on Sustainable Development in Mining, which will contribute to efforts to achieve sustainable growth in the region.

APEC can make an important contribution to the success of the Copenhagen Conference by exploring ways to reduce barriers to trade and investment in environmental goods and services (EGS), in particular those goods and services that contribute to the success of our climate change efforts. We welcome the progress made in the EGS Work programme. This includes the EGS Information Exchange (EGSIE); the Survey of Major Impediments and Market Drivers to the Development of Trade in Environmental Goods in the Region; a study

on Good Regulatory Practices for Goods and Services Necessary for Climate Change Mitigation and Adaptation; and capacity-building workshops on EGS.

We instruct officials to finalise the EGS work programme for consideration by AMM 2009 in order to: promote the awareness of EGS; enhance the capacities of APEC economies, especially developing economies, to develop the EGS sector; and contribute towards the negotiations in the WTO Doha Round on EGS.

### **Supporting the Multilateral Trading System**

We reaffirm our determination to uphold and strengthen the rules-based multilateral trading system. To this end, we reject all forms of protectionism and commit to take the necessary steps to keep our markets open for trade and investment and sustain economic recovery.

#### *Resisting Protectionism*

We welcome the latest initiatives to resist protectionism, such as the Declaration by the leaders of the Group of Twenty in London (2 April 2009) reaffirmed by the G8 Leaders' Declaration (8 July 2009) as well as actions taken in the WTO on "Possible further action by WTO Members in response to the Financial Crisis" (WT/GC/W/604; 22 May 2009). We agree to extend until 2010, and beyond if necessary, the commitment made by APEC Leaders in November 2008 to refrain from raising new barriers to investment or to trade in goods and services, imposing new export restrictions, or implementing WTO inconsistent measures in all areas, including those that stimulate exports. We will minimise any negative impact on trade and investment of our domestic policy actions, including fiscal policy and action in support of the financial sector. We will not retreat into financial protectionism, particularly measures that constrain worldwide capital flows, especially to developing countries. We reiterate the need to resist other forms of protectionism that impede competition and market efficiency. We will promptly notify the WTO of any measures that fall short of these commitments. We call on other economies outside APEC to share our commitment.

We will also work with our partners to strengthen the WTO's capabilities to undertake regular monitoring of such measures in an objective and comprehensive manner.

#### *Reviewing Commitments to Open Markets*

To add substance to our Leaders' undertaking in Lima last year, we have reviewed trade, fiscal and monetary measures undertaken by APEC economies, based on reports from the WTO and ABAC. Recognising that even measures that may be considered to be WTO consistent can have a significant protectionist effect, we pledge to exercise utmost restraint. Where such measures are implemented, they should be promptly rectified. We agree that policy responses to the crisis should be designed to minimise distortion to trade and investment flows.

We undertake to continue regular reviews of our commitment to free trade and open markets. The APEC Secretariat will work closely with the WTO, ABAC, and other relevant bodies in compiling relevant information. We encourage business leaders, through ABAC, to continue to provide assessments of the impact on their business of trade and investment measures taken by APEC members in response to the economic crisis. We believe that concluding the Doha Round would contribute significantly to economic recovery, demonstrate the benefits of the multilateral trading system, and provide valuable insurance against the threat of protectionism.

#### *Advancing the DDA*

We are encouraged by the fresh momentum and clear commitment shown in recent weeks by all parties to conclude the DDA. We call for an ambitious and balanced conclusion to the DDA in 2010, consistent with its mandate, building on the good progress already made, including with regard to modalities. To do so, we will accelerate efforts to advance into the

endgame negotiations in Agriculture and NAMA, and advance in parallel the Services, Rules, Trade Facilitation and all other remaining issues in the DDA in the second half of this year. We encourage greater engagement in all settings to expedite and support the Geneva-based process. We call for senior officials to meet in Geneva to explore immediately all possible avenues for direct engagement within the WTO, so that progress can be made prior to the Pittsburgh Summit in September 2009. We will further review progress on the DDA at our meeting in November.

#### *Supporting the WTO*

We will step up our cooperation with the WTO. We have instructed the APEC Secretariat to identify recommendations on possible areas, including the Aid for Trade agenda. We welcome the convening of the Seventh Session of the WTO Ministerial Conference in Geneva from 30 November to 2 December 2009 to review and restate the importance of the rules-based multilateral trading system. We expect that the coming Conference will further strengthen the WTO as an institution, and safeguard and promote further trade liberalisation.

#### **Reaffirming Commitment to Bogor Goals**

We reaffirm APEC's commitment to achieve the Bogor Goals and look forward to the assessment of industrialised member economies' achievement of the Bogor Goals in 2010.

We recognise the importance of the Individual Action Plans (IAPs) and the IAP Peer Review process as a means for economies to track their progress towards the Bogor Goals. We welcome the successful conclusion of the IAP Peer Reviews of Brunei Darussalam, Indonesia, Malaysia, Papua New Guinea, Philippines, the Russian Federation, Thailand and Viet Nam, and the successful completion of the third cycle of IAP Peer Reviews which commenced in 2007.

#### **Accelerating Regional Economic Integration**

Against the backdrop of the economic crisis, we pledge to accelerate APEC's efforts to strengthen regional economic integration. This is the best stimulus we can provide to sustain growth in the Asia-Pacific region over the long-term. Further integration of our economies will help to increase trade, improve investor confidence, reduce business costs, spur innovation and position our economies for recovery. To that end, we welcome progress that has been made towards achieving the goals set out in the 2009 APEC Regional Economic Integration Agenda agreed by Leaders in Lima, Peru, including work to accelerate trade liberalisation "at the border"; improve the business environment "behind the border"; and enhance physical connectivity "across the border".

#### **INTEGRATION "AT THE BORDER"**

##### *Building Towards a Possible Free Trade Area of the Asia-Pacific*

We continue to examine building blocks towards a possible Free Trade Area of the Asia-Pacific (FTAAP) as a long-term prospect. Work is continuing on an analysis of the likely economic impact of an FTAAP. We are expanding the Study on Identifying Convergences and Divergences in APEC's Regional Trade Agreements (RTAs) and Free Trade Agreements (FTAs) to include an additional 12 agreements and to provide analysis on electronic commerce provisions. A preliminary inventory of issues that would need to be addressed as part of a preparatory process for a possible FTAAP has been developed. We have instructed senior officials to accelerate their work in these areas and we look forward to their progress report at the end of the year.

##### *Making Rules of Origins More Business Friendly*

The APEC business community has stated that with the proliferation of RTAs/FTAs in the region, a high level of divergence has emerged among the preferential rules of origin (ROOs)

and related documentation requirements and procedures contained in these agreements. They have also cited these differences as contributors to the level of compliance costs associated with these agreements. In some cases, preferential tariff rates are not enough to offset such costs, resulting in the under-utilisation of RTAs/FTAs. We therefore welcome the work APEC has undertaken to simplify and harmonise documents and procedures relating to ROOs, and encourage officials to explore self-certification on a pathfinder basis.

#### *Improving Customs Transparency to Facilitate Trade*

We recognised that the lack of publicly available, accurate, and up-to-date tariff and preferential rules of origin (ROOs) information in the APEC region makes it difficult for economies to take full advantage of the significant amount of trade liberalisation that has occurred in the region in recent years. In order to ensure that business has access to basic information on tariffs and preferential ROOs, we endorse the APEC Transparency Initiative on Tariffs and ROOs, and have instructed officials to provide up-to-date and accurate tariff and ROOs information, in English, and in a prominent and central location on their respective economy websites, for public access by MRT 2010, and to develop the APEC Website on Tariff and ROOs (Web TR) by AMM 2010. We have instructed officials to explore ways to expand this initiative, including through the publication of additional customs-related information.

#### *Facilitating Cross-Border Trade in Services*

Our Leaders instructed us in 2008 to undertake initiatives designed to promote greater convergences among economies in key areas of APEC's trade and investment agenda, including in the area of services. The services sector has become the largest sector in many of the APEC economies. We therefore note the work begun under the APEC Services Initiative and instruct officials to make further progress to promote convergences in this area by AMM 2009.

### **INTEGRATION "BEHIND THE BORDER"**

#### *Improving Ease of Doing Business*

Structural reforms that reduce "behind the border" regulatory barriers play a key role in facilitating regional trade and investment flows. APEC economies have, since 2004, made a total of 64 sets of regulatory reforms that have reduced the burden faced by businesses, as measured by the World Bank's Ease of Doing Business indicators. In the current economic climate, it is even more important for APEC to focus on regulatory reforms that will make it easier, faster, and cheaper to start and operate businesses in the APEC region. We have identified the following priority areas from the World Bank's Ease of Doing Business indicators, namely Starting a Business, Getting Credit, Trading Across Borders, Enforcing Contracts and Dealing with Permits. We instruct officials to develop APEC-wide targets in these areas, and to consider capacity-building programmes to assist APEC economies in achieving these targets, by AMM 2009.

#### *Facilitating Investment*

The economic downturn has seen foreign direct investment levels in APEC economies fall sharply in 2008 and early 2009. We urge economies to intensify their efforts to improve their investment climates by implementing actions to promote greater transparency, reduce investor uncertainty, and simplify business regulations. In this regard, we welcome the good progress made in developing key performance indicators for the Investment Facilitation Action Plan (IFAP), and look forward to the completion of this work by AMM 2009. We welcome the progress made in identifying specific priority actions to be implemented under IFAP and the work to identify immediate capacity building needs to assist economies with IFAP implementation.

### *Supporting Infrastructure Development*

The development of adequate infrastructure is critical for attracting investments. Public-Private Partnerships (PPP) have emerged as a useful approach to infrastructure development in the APEC region. In this regard, we recognise an initiative to discuss common principles and to formulate guidelines on PPP under the Finance Ministers' process that would further contribute to infrastructure development in the APEC region. Effective PPPs will encourage the crucial participation of the private sector in important infrastructure projects.

### *Strengthening Intellectual Property Rights*

We reaffirm the importance of comprehensive and balanced intellectual property systems for the sustainability and promotion of knowledge-based activities and investments. We recognise the desirability of taking comprehensive and strategic approaches to building a global IP infrastructure for the promotion of innovation, including human resource development, cooperation in patent examination, and development of IT-based network among IP agencies. We also recognise the importance of building capacities in this area. We welcome the increased coordination between APEC sub-foras on intellectual property-related work, and regular business dialogues with ABAC. We welcome the progress achieved in patent cooperation, including the work done on the APEC Cooperation Initiative on Patent Acquisition Procedures. We note the efforts to advance work on exploring ways to address satellite and cable signal theft. We will take concrete steps to stop the proliferation of counterfeit and pirated goods through cooperative efforts such as the APEC Anti-Counterfeiting and Piracy Initiative and related capacity-building activities, and information sharing between IPR authorities and stakeholders.

### *Aligning Standards and Improving Conformance*

Enhanced dialogue among regulators, greater alignment with relevant international standards and conformity assessment procedures will help to expand trade flows, reduce business costs, and integrate supply networks in the APEC region. Multiple testing, inspections and certifications should be minimised to the extent possible. We welcome the planned study on practices of member economies in helping businesses, particularly SMEs, overcome technical barriers to trade, and the implementation of the APEC Pathfinder on APEC Electrical and Electronic Equipment Mutual Recognition Arrangement. We also welcome APEC's work to strengthen consumer product safety standards and practices in the region, including toy safety, without creating unnecessary impediments to trade. We have instructed officials to develop a strategy to sustain business engagement in standards and conformance activities in APEC. In this regard, we welcome the upcoming APEC seminar on engaging businesses in standards development, conformity assessment, and technical regulations.

## **INTEGRATION "ACROSS THE BORDER"**

### *Measuring Improvements in Trade Facilitation*

Our Leaders have set as a goal for APEC's Second Trade Facilitation Action Plan (TFAP II) a reduction in trade transaction costs by a further 5% between 2007-2010. We welcome the development of key performance indicators for TFAP II and have instructed officials to work out how achievement of these indicators will translate into tangible cost reductions for businesses. We look forward to receiving the TFAP II progress report at AMM 2009 with the assistance of a consultant funded by Hong Kong, China, and managed by the APEC Policy Support Unit (PSU).

### *Enhancing Transport and Logistics Connectivity*

The opportunities provided by trade and investment liberalisation can only be fully realised if there are efficient linkages or "connectivity" across the entire supply chain. Good connectivity requires reliable trade infrastructure, healthy competition in logistics services, efficient cross-



border air, land, sea, and multi-modal transport networks, and a regulatory environment that facilitates the flow of goods across supply chains. We welcome the initiatives underway to help identify chokepoints in trade logistics and set priorities for improving supply chain connectivity in APEC. In particular, we applaud the strong collaboration among the public, private, and academic sectors at the Supply-Chain Connectivity Symposium organised by Australia and Singapore in May 2009. We have instructed officials to review their logistics policies with a view to helping to meet the needs of regional supply chains, and to work closely with ABAC, the EC, the Committee on Trade and Investment (CTI), and the Transportation Working Group (TPTWG) to develop a framework to address the chokepoints, for consideration at AMM 2009. To help monitor progress in enhancing logistics networks in the APEC region, we have asked our officials to explore the use of appropriate measurement tools.

#### *Securing Regional Trade*

We support the ongoing efforts of the United Nations and the international community to combat piracy and armed robbery at sea and encourage further concerted efforts to fight piracy. We welcome APEC Transport Ministers' instruction to the TPTWG to cooperate with the International Maritime Organisation (IMO) on efforts to study the potential threats that small boats pose to maritime security.

#### *Building Trade Recovery Capabilities*

We welcome and support the findings and recommendations of the APEC Trade Recovery Programme (TRP) Pilot Exercise. The exercise demonstrated the actions and processes that would help economies to minimise the impact of a disruption to the supply chain and to facilitate the quick recovery of trade in the event of a terrorist attack. We recognised the need to build communication mechanisms to activate and execute the APEC TRP and the importance for economies to establish Authorised Economic Operator (AEO) programmes, as advocated by the World Customs Organisation (WCO). We also note that we could build trusted relationships based on the internationally recognised concepts that the APEC TRP incorporates, and recognise these AEO programmes to gain mutual benefits to facilitate trade recovery. The findings and recommendations of the APEC TRP Pilot Exercise will provide economies with useful processes to facilitate the resumption of trade expeditiously and smoothen processes such as customs and border controls.

#### *Strengthening Digital Economy and Information Networks*

Information and Communication Technologies (ICTs) are key enablers of economic growth, and we welcome APEC's continuing work to assist economies' efforts to develop ICTs, including ICT infrastructure, to further facilitate trade in the region. To this end, we reaffirm our commitment to continue efforts to expand the reach of communications networks by setting an ambitious goal of achieving universal access to broadband by 2015. We welcome the work to examine how elements of the Digital Prosperity Checklist ? which provides critical assistance to economies in advancing the use and development of ICTs ? can contribute to reinvigorated trade flows and broad-based economic recovery. We have instructed officials to expand on this work by looking at ways to facilitate implementation of the Checklist among APEC economies. We welcome the continued progress in implementing the APEC cross-border privacy rules to facilitate transfers of information across the region. We welcome the progress of the second phase of the APEC Digital Opportunity Centre (ADOC 2.0) Project and encourage continued cooperation and joint efforts between public and private sectors among concerned economies to contribute toward the reduction of the digital divide in APEC. We welcome the 2nd APEC Cyber Terrorism Seminar to be held in Seoul in November 2009.

## **Enhancing Human Security**

### *Dealing with the Influenza A/H1N1 Outbreak*

The current H1N1 outbreak has become a global pandemic. We welcome Mexico's update on the main outcomes of the High Level Meeting on Lessons Learnt from the Influenza A/H1N1 held earlier this month in Cancun. APEC must continue its efforts to enhance cooperation and coordination on health security issues within the region, in a way that does not unduly impact trade and other economic activity. Cognisant of the APEC Action Plan on Prevention and Response to Avian and Influenza Pandemics endorsed by Leaders in 2006, we encourage all APEC economies to work individually and cooperatively to implement the action plan. We also welcome APEC's work to examine the opportunities for health information technology to improve infectious disease surveillance in the region. We welcome the APEC Health Working Group's consideration of the impact of the H1N1 outbreak on APEC economies, and how APEC can cooperate to minimise the impact of future outbreaks on trade and investment, during its August meeting. We note ongoing APEC and regional pandemic preparedness initiatives (such as the activities of the APEC Emerging Infectious Diseases Network and workshops to educate small and medium enterprises on how to best plan and prepare for pandemics) and call for further such initiatives that will help enhance the capabilities of our economies to mitigate the effects of similar threats in the future.

### *Enhancing Cooperation Against Terrorism*

We note the significant role of the Counter Terrorism Task Force (CTTF) in further improving the environment for safer trade and investment in the APEC region. To counter terrorism, we reaffirm the importance of our initiatives in the field of trade security, aviation security and countering terrorism financing, and in this regard, encourage all the economies to update their respective Counter Terrorism Action Plans among others on a voluntary basis. We also welcome the work on the Symposium on "Optimise the Use of Audits and Investigation to Strengthen Aviation Security", the workshop on "Detecting and Deterring Cash Couriers and Bulk Cash Smugglers", and the workshop on "Improving Regulation of the Non-Profit Organisation Sector" among others.

### *Enhancing Food Security*

Food security continues to be a priority for APEC, given that food prices remain higher than historical levels and that more than one-third of the undernourished world population resides in APEC economies. We welcome ongoing, as well as new, practical and tangible work to address both current and longer-term food security challenges in the region. We commend the progress made by officials on developing an implementation path for the food security workplan, endorsed at the 2008 AMM, and look forward to a report identifying concrete steps to move forward the work to improve food security in the APEC region, at the 2009 AMM.

### *Ensuring Food Safety*

We welcome work on food safety to protect consumers and facilitate trade, including the Food Safety Cooperation Forum's ongoing efforts to build robust food safety systems so as to accelerate progress towards harmonisation of food standards with international standards, the establishment of the Food Safety Cooperation Forum's Partnership Training Institute Network for capacity building as well as the planned workshop on Hot Topics in Risk Analysis later this month.

## **Engaging the Business Community**

We reinforce the importance of continued cooperation between APEC and the business community to ensure that small and medium enterprises (SMEs), including those led by women entrepreneurs, are able to both contribute to and benefit from free trade in the Asia-Pacific region.

### *APEC Business Advisory Council (ABAC)*

We reaffirm the valuable role of ABAC in providing advice on how to improve the business environment in the Asia-Pacific region. ABAC has sent two letters to our Leaders, calling for actions to resist protectionism and making recommendations on addressing the immediate challenges posed by the economic crisis. We note ABAC's recommendations to conclude the WTO Doha Development Agenda, accelerate regional economic integration, support the development of SMEs, enhance supply-chain connectivity, address energy security, and promote trade in EGS.

### *Automotive Dialogue*

We welcome the report and recommendations of the 11th APEC Automotive Dialogue (AD) and, in particular, the AD's strong support for the commitment made by APEC Leaders in November 2008 to refrain from raising new barriers to investment or trade in goods and services, or implementing WTO inconsistent measures, particularly in the automotive sector.

### *Chemical Dialogue*

We welcome the efforts and contributions of the Chemical Dialogue (CD) to enhance effectiveness, efficiency, and compatibility of regulatory regimes to assist economies, chemical producers, and downstream users in the sound management of chemicals. We encourage the CD to continue to share information on best practices in chemicals regulation and the implementation of the Globally Harmonised System of Classification and Labelling of Chemicals (GHS), and to build capacity in these areas as a contribution to the Strategic Approach to International Chemicals Management (SAICM). We look forward to the ongoing contribution by the Chemical Dialogue to simplify and harmonise ROOs in this sector.

### *Life Sciences Innovation Forum*

We commend the advanced work done by the Life Sciences Innovation Forum (LSIF) on regulatory harmonisation, including the establishment of the APEC Regulatory Harmonisation Steering Committee (RHSC) and the 15 June launch in Seoul of the APEC LSIF Harmonisation Centre (AHC) to advance multi-year regulatory capacity building initiatives. We note the long-term efforts to harmonise medical device regulatory regimes in the APEC region. We note the progress on the LSIF's action plan on measures to combat counterfeiting of medical products. We welcome the LSIF's new focus on ways to leverage new technologies, including health information technologies, which can drive innovative investment and trade in life sciences products and services.

## **Strengthening APEC**

We are fully committed to maintaining APEC's status as the premier forum for advancing free and open trade and investment in the Asia-Pacific.

### *Enhancing Economic and Technical Cooperation*

We reaffirm our commitment to the Manila Framework which serves as the basis for the implementation of economic and technical cooperation activities outlined in the Osaka Action Agenda, and welcome contributions from economies to APEC's capacity building programmes.

### *Strengthening the APEC Secretariat*

We will ensure that the APEC Secretariat is well-equipped to meet the growing demands of APEC member economies by strengthening the operational and institutional capacities of the APEC Secretariat. We welcome the merit-based selection process for the first Executive Director for a fixed term (FT-ED). A FT-ED will provide added momentum to APEC's strategic agenda. We commend the efforts to improve the fiscal sustainability of the Secretariat, to develop a strategic framework for economic and technical cooperation, and to reform project

management to better enable the delivery of high quality capacity building projects that directly address APEC priorities and the needs of APEC's developing economies. The APEC Policy Support Unit (PSU) has provided strong analytical support to the members. We commend the revitalised communications strategy to enhance APEC's outreach to our stakeholders to position APEC as a key forum in the region.

## **2009 MRT STANDALONE STATEMENT**

### **Statement on Addressing the Economic Crisis and Positioning for Recovery**

Issued by APEC Ministers Responsible for Trade

We, the APEC Ministers Responsible for Trade, met in Singapore from 21–22 July 2009.

The global economy appears to be bottoming out, but the outlook remains uncertain and significant risks remain. We will therefore persist with efforts to support growth and facilitate trade and investment flows, keep our markets open, and give a new push to concluding the Doha Round. Looking beyond the current economic crisis, we will accelerate our efforts to integrate the Asia-Pacific region, and ensure that our growth strategies are inclusive and sustainable.

#### **Addressing the Economic Crisis**

Sustaining trade and investment flows remains critical to our future prosperity. The main threats to a revival of trade flows include rising protectionist pressures, and continued delay in concluding the Doha Round.

Concluding the Doha Round by 2010 will be the most effective way to resist protectionism and strengthen the multilateral trading system. We had frank and open discussions on some of the key outstanding issues and the steps necessary to accelerate the end-game negotiations of the Doha Round for the second half of 2009. We will:

- build on the good progress already made in the negotiations in 2008 and the positive political momentum created by recent Ministerial gatherings;
- accelerate efforts to conclude modalities in Agriculture and NAMA, including Special Safeguard Mechanism (SSM) and Sectorals, while advancing, in parallel, the negotiations in Services, Rules, Trade Facilitation and all other remaining issues;
- utilise all possible avenues of engagement, including bilateral and plurilateral, to encourage greater transparency and understanding of what is on the table to fill the remaining gaps in the negotiations as soon as possible;
- provide clear political direction to senior officials to exercise maximum flexibility in the negotiations; and
- direct senior officials to meet in Geneva to ensure direct engagement within the WTO so that progress can be made prior to the Pittsburgh Summit in September 2009.

APEC Leaders undertook in November 2008 to refrain till end 2009 from raising new barriers to investment or to trade in goods and services, imposing new export restrictions, or implementing WTO inconsistent measures in all areas, including those that stimulate exports. With this in mind, we discussed the specific trade, fiscal and monetary measures undertaken by APEC economies since the outbreak of the crisis, based on reports from the WTO and APEC Business Advisory Council (ABAC). We agree to:

- design our policy responses to the crisis, including fiscal policy and action in support of the financial sector, in a manner that minimises distortion to trade and investment;
- extend the above commitment for another year (i.e. until 2010) and stand ready to extend this further, if necessary;
- promptly notify the WTO of any measures that fall short of these commitments;
- exercise maximum restraint in implementing measures that may be considered to be WTO consistent if they have a significant protectionist effect and to promptly rectify such measures where implemented;
- regularly review our commitment to free trade and open markets, based on input from the WTO and ABAC; and
- keep our markets open and continue to reduce barriers to trade and investment, using the crisis as an opportunity for reform.

### **Positioning for Recovery**

We will position the Asia-Pacific region for a strong and sustained recovery.

We will strengthen the region's competitiveness by accelerating our economic integration efforts. We reaffirm our commitment towards achieving the Bogor Goals. We will continue to examine building blocks towards a possible Free Trade Area of the Asia-Pacific (FTAAP) as a long-term prospect, and welcome the progress made in deepening analysis and identifying possible vehicles for an FTAAP.

We will take a comprehensive view of regional economic integration. We will accelerate trade *"at the border"* with simpler customs documentation procedures and facilitation of cross-border services trade. We will focus our efforts to reduce or remove regulatory impediments *"behind the border"* to make it easier, faster and cheaper to do business. We will improve connectivity *"across the border"* by identifying the chokepoints in trade logistics and reviewing logistics policies with the aim of improving regional supply chains.

We remain unwavering in our shared belief that trade and investment liberalisation is a key engine for growth. However, we recognise that not all segments of society have benefited from globalisation. We will therefore promote growth that is more inclusive, where the benefits of free trade and investment are shared more broadly. This will build a stronger consensus for further trade and investment liberalisation. APEC will develop an agenda for inclusive growth, focused on broadening access to opportunities. This entails facilitating economic restructuring to make our economies more resilient and adaptable, and strengthening social resilience to provide better security for the vulnerable segments of our society.

We recognise that climate change is a growing global challenge and we will ensure that our economic growth strategies are environmentally sustainable. We will use the opportunity provided by our domestic stimulus measures to deploy climate-friendly technologies and encourage energy efficiency. These technologies and efforts can also create new opportunities for growth. We will study how trade can be enhanced in ways that will ensure sustainable growth and development within the region.

We are confident that the APEC economies will emerge stronger and more dynamic from the crisis. By keeping our markets open, spurring trade and investment, and pursuing more inclusive and sustainable growth, we will achieve progress and prosperity for the Asia-Pacific region.

## **6TH APEC TRANSPORTATION MINISTERIAL MEETING**

Manila, Philippines  
27–29 April 2009

### **Joint Transportation Ministerial Statement**

#### **Introduction**

1. As Ministers responsible for transportation in the APEC region, we met in Manila, the Philippines to continue the progress of our work towards achieving a safe, secure and efficient transportation system as well as realizing the primary goals of free and open trade and investment in the region. In this regard, we express our resolve to provide the APEC region with seamless and environmentally friendly transportation systems through innovation and the use of advanced technology, congestion reduction, enhanced transport safety, security and effective sustainability.

2. Since our first meeting in Washington, District of Columbia, United States of America in June 1995, we have met many challenges in fulfilling the directives of our Leaders. While primarily focusing on free and open trade and investment, we have achieved great strides in balancing this work with initiatives on transport safety and security across all modes of transportation.

3. We have recently witnessed disturbing events in the global financial and energy sectors. The current global economic crisis and volatile energy prices have not only undermined the economic gains we have achieved over the past several years but have also threatened transportation components of each economy and the global transport supply chain. We applaud the substantial stimulus measures taken by APEC member economies and note the unprecedented level of investment across the region in transport technologies and infrastructure. We express our strong support for targeted and strategic investment in transport infrastructure and systems generating short-term impacts on growth and employment, and long-term opportunities for economic development and improved environmental sustainability.

4. Concerned by the recent public health developments in a number of our economies, we call upon our officials to work closely with the transportation industry and with their colleagues in the public health agencies to enhance preparedness for and contain the spread of pandemic influenza.

5. We share the concerns of our Leaders about the negative impact of volatile global food prices. We recognize that efficient transportation and distribution systems are necessary to help stabilize these prices.

6. We reaffirm our commitment to achieve the goals of free and open trade with the view to promoting growth and development as well as rapid recovery from the current economic slowdown as stated in the Leaders Declaration in Lima, Peru in November 2008. We recognize the commitment of APEC Ministers to stand firm against any protectionist sentiment arising out of the crisis and maintain the progress towards free and open trade and investment.

7. We welcome the report of the Transportation Working Group and appreciate its accomplishments made possible through active and sustained cooperation among APEC member economies in the fulfillment of our Leaders', as well as our own directives. We request the Working Group to continue its efforts to address the issues raised in the report and give priority to those issues we have identified and other emerging issues which are essential for the transportation sector.

8. We further outline our specific priorities for the next two years as:

#### **A. Liberalization and Facilitation of Transport Services**

9. We reaffirm our Leaders' commitment to the Bogor Goals as a key organizing principle and driving force for APEC. We recognize that the Bogor Goals will be achieved through unilateral reforms, and bilateral and multilateral trade and transportation agreements or other means. We applaud the work that has been completed and look forward to full implementation according to Leaders' directives.

10. In an environment of continued economic challenges, we reaffirm our commitment to achieve greater liberalization of the transportation sector. In this regard, we support APEC's work to strengthen Regional Economic Integration (REI) in the APEC region through promoting free and open trade and investment.

11. We recognize that progress towards liberalization of air services has been challenging, as APEC member economies attempt to balance the benefits of liberalization with their other objectives. We urge all APEC member economies to recognize the long-term benefits of open markets and economic integration, as well as the importance of fair and equitable opportunities and to continue to work towards agreements or other means to achieve air services liberalization to enhance mobility of people and goods in the region.

12. In the area of maritime transport services, we commend the launch in November 2008 of the APEC Port Services Network (APSN) in Ningbo, China which aims to facilitate cooperation and communication among ports and related sectors in the APEC region, as instructed by the Leaders during the November 2006 meeting in Ha Noi, Viet Nam. We encourage all member economies to participate as APSN Council Members and to promote collaboration and communication among their ports and related sectors through the APSN. We look forward to the results of the next meeting of the APSN Council in May 2009 in Vancouver, Canada which will present the first opportunity for the private sector to engage in the new forum. We welcome the proposal to develop an APEC Port Database, training courses for the port industry and a workshop for senior management staff on port facility security.

13. We encourage member economies to review their status with regard to liberalization in the maritime transport sector and endorse the activities undertaken by member economies to remove restrictions applied to specific maritime trade.

14. We recognize the importance of contribution by the Working Group to trade facilitation by aligning domestic standards with international standards where possible, and collaboration with other international fora.

15. We acknowledge the progress of member economies towards the vehicle standards harmonization and Intelligent Transportation Systems (ITS). This is accomplished through the multilateral arrangements administered by the World Forum on Vehicle Standards and the International Organization for Standards (ISO). We urge member economies to continue their progress on this effort.

#### **B. Seamless Transportation Systems**

16. We support the Working Group's initiatives to enhance seamless interconnectivity among the various modes within the transportation system to ensure effective, safe, secure and efficient movement of people and goods while improving the conservation of natural resources and mitigating environmental impacts. This includes efforts to address congestion and intermodal issues.

17. We stress the importance of transportation in enhancing physical connectivity and integrating markets. In particular, transportation systems that have well-integrated road and rail elements are essential for bringing goods to and from ports. A well integrated transport



system addresses congestion and operational issues in order to achieve free and open trade in the APEC region. We instruct the Working Group to work closely with the APEC Committee on Trade and Investment and Economic Committee (CTI-EC) to implement the APEC Supply Chain Connectivity initiative.

18. We believe that the development and implementation of selected integrated technologies are important to the successful management and operation of intermodal transportation.

19. We instruct the Working Group to include activities addressing the implementation of selected integrated technologies in the management and operation of intermodal transportation such as the ITS, the Global Navigation Satellite Systems (GNSS) and the Secure and Smart Containers (SSC). We encourage the development of international standards through liaison with the ISO, workforce training, information sharing, and research on transportation systems, and improve supply chain management processes in an environmentally sustainable way.

20. We instruct the Working Group to build upon the work of relevant regional and international multilateral organizations and to avoid duplication of their efforts.

21. We acknowledge efforts towards disaster risk reduction, preparedness, and management and recognize the excellent work under the auspices of the Counter-Terrorism Task Force (CTTF) led by Singapore and a multi-economy working group to develop an APEC Trade Recovery Programme. We instruct the Working Group to follow the progress in this regard and offer assistance to CTTF as necessary.

### **C. Aviation Safety and Security**

22. Taking into account the different stages of economic development among member economies, we instruct the Working Group to ensure the efforts in the area of aviation safety to continue to complement the work of ICAO including conducting a review of the recent Universal Safety Oversight Audit Program (USOAP) outcomes to help identify for member economies common deficiencies and reconciling any differences from ICAO standards with the aim to improve compliance.

23. Efforts should be focused in particular on mitigating against runway incursions, improving runway lighting and marking and overall ICAO compliance with runway standards. Member economies are encouraged to implement ICAO standards in English proficiency and safety management systems and to share aviation safety data.

24. In the area of aviation security, we instruct the Working Group to continue to examine emerging approaches to enhancing air cargo security; share information on efficient screening technologies and training; and continue to harmonize aviation security measures in the APEC region. It is important for the Working Group to support the second cycle of ICAO's Universal Security Audit Program and for member economies to work towards continuous improvement of transport security oversight and quality control.

### **D. Land Transport and Mass Transit Safety and Security**

25. We recognize the immense human and economic cost of motor vehicle and rail crashes to all member economies. We note the important contribution of transportation related safety programs to the economic and social well being of each member economy in the APEC region. We therefore encourage the promotion, institutionalization and implementation of best practices and technologies designed to create a safer road and rail environment. We urge member economies to continue developing action plans to address the tragic social and economic cost due to road trauma in the APEC region.

26. We instruct the Working Group to continue knowledge sharing and capacity building and encourage science-based and transparent vehicle regulatory systems and continued work towards harmonization of standards on vehicle safety and emissions. In particular,

recognizing pressures on natural resource usage, air quality, congestion, and greenhouse gas emissions from rising private usage, we urge member economies to exchange information on ways to promote the development of cleaner and more fuel efficient vehicles.

27. We acknowledge the efforts of individual member economies to promote the security of land transport and mass transit systems such as the development of guidelines for security planning as well as systems approach to transit security.

28. We instruct the Working Group to use these initiatives to advance its work by developing best practices on topics such as threat and risk assessment, drills and exercises and security awareness training. We also call on the Working Group to continue its collaboration with other relevant fora to promote knowledge sharing on land transport security measures.

29. Owing to the vulnerability of land and mass transit systems from threats of terrorism, we welcome the successful development of the International Working Group on Land Transport Security (IWGLTS.) We instruct the Working Group to continue developing initiatives to further promote land transport security specifically aimed at the protection of mass transit systems in cooperation with other fora such as the IWGLTS.

### **E. Maritime Safety and Security**

30. Noting the 5th Anniversary of the implementation of the International Ship and Port Facility Security (ISPS) Code, adopted by the International Maritime Organization (IMO), we encourage the exchange of information on its implementation with a view to identifying the lessons learned, gaps and challenges, and the benefits accrued by member economies. We encourage developed member economies to assist in the training programs and further encourage the Working Group to cooperate with relevant multilateral organizations.

31. We note the progress of the ISPS Code Implementation Assistance Program and express support for the forthcoming implementation of related activities such as the sub-regional workshops on the use of the Manual of Maritime Security Drills and Exercises and the Port Security Visit Program (PSVP).

32. We condemn in the strongest possible terms, acts of piracy and armed robbery against ocean going vessels and innocent seafarers off the coast of Somalia and express our collective support of the decisive actions of the United Nations (UN) and relevant organizations to protect vital international shipping lanes for overseas trade. We encourage further concerted efforts to fight against piracy.

33. We recognize the crucial role of international cooperation and effective information sharing in addressing the problem of piracy and armed robbery against ships and seafarers, and commend the efforts taken by the APEC member economies, the IMO and other relevant organizations in combating piracy and armed robbery against ships and seafarers in Asia.

34. We instruct the Working Group to cooperate with the IMO on its efforts to undertake an analysis of small boats as potential threats to maritime security.

35. We express support for the important work of the IMO on Voluntary Member State Audit Scheme and urge relevant member economies to ensure active participation aimed at enhancing maritime safety.

### **F. Sustainable Transport**

36. We recognize that greenhouse gas emissions and their impact on climate change present a major global challenge to the environment and the need for transportation to make its contribution to the global response to this challenge. We instruct the Working Group to focus on options to help address emissions from transport without unduly affecting the safe and efficient carriage of people and cargo and growth of the transport industry.

37. We note the progress made by the Ministerial Conference on Global Environment and Energy in Transport (MEET) held in Tokyo, Japan in January 2009. We express concern with the recently adopted EU Emissions Trading Scheme (ETS) directive. In particular, we acknowledge the work of the IMO and ICAO in addressing international maritime and aviation emissions. APEC Transportation Ministers support global solutions to a global problem and advocate the work at IMO and in ICAO's Group on International Aviation and Climate Change in support of the United Nations Framework Convention on Climate Change.

38. The Working Group should continue the work of the Aviation Emissions Task Force (AETF) to further advance activities such as the Asia and South Pacific Initiative to Reduce Emissions (ASPIRE), exchanges of information on efficient Air Traffic Management (ATM) and progress thus far accomplished in reducing environmental impact; encourage the continued implementation of Performance Based Navigation (PBN) and Automatic Dependent Surveillance- Broadcast (ADS-B), both of which aim to result in more efficient fuel utilization.

39. Realizing the need to identify opportunities for the development and promotion of energy efficient transport policies and practices, we instruct the Working Group to take an active role in collaborating with the APEC Energy Working Group (EWG) in providing and adopting energy efficient processes and technologies and the APEC Agricultural Technical Cooperation Working Group (ATCWG) to promote the development of next generation biofuels as directed by the APEC Leaders at Lima, Peru.

40. In our desire to assist in addressing the issue of green house gas emissions from transportation sources by increasing fuel efficiency, we instruct the Working Group to identify opportunities for the development and promotion of fuel efficient transport policies and practices, including the use of alternative fuels for transportation vehicles and aircraft and to identify barriers to implement such policies and practices and determining appropriate actions to be taken. Fuel-efficient policies and practices will assist APEC member economies to achieve sustainable economic and environmental benefits. In this respect, we request member economies to share information on their practices for reducing greenhouse gas emissions from all modes of transportation.

## **G. Industry Involvement**

41. Having recognized the important role of the private sector in the realization of our current and future initiatives, we instruct the Working Group to broaden its partnership with industry. We support the concept of Corporate Social Responsibility (CSR) and require the Working Group to include CSR in its work.

42. Recognizing the importance of transport infrastructure as an essential element in supporting economic activity and growth and the special role of the public sector at this time of financial and economic crisis, we welcome the agreement of Finance Ministers to support greater integration in the area of Public-Private Partnerships (PPP) which can be used over the longer term to meet the transportation infrastructure requirements of member economies.

## **H. Information Sharing**

43. Information sharing is one of the most effective means for learning best practices. In enhancing better cooperation and partnership between and among member economies, we instruct the Working Group to consider the possibility of providing a platform for a virtual forum in real time through the Working Group website with linkages to web-based tools available from international organizations.

44. Skills are important to support the development of effective transportation systems. The continuous upgrade of the ability of the workforce to develop, manage and safely implement existing and emerging technologies is essential to the on-going facilitation of trade in the APEC region. We instruct the Working Group to promote the institutionalization,

dissemination and implementation of best practices and technologies to enable more people to benefit from such technologies.

45. We also desire broader cooperation arrangements for sharing best practices on the latest development in ports, airports and land transportation safety, security and port capacity and addressing congestion issues for intermodal cargo movement.

### **Closing Statement**

45. Over the next two years, we are mindful that, as our work progresses, the transportation sector will continue to face challenges as a result of the continuing changes in the global economic and political landscape. We therefore recognize the need for seamless, sustainable and open transport systems to facilitate trade and investment. We remain committed, as a community, to continue to assist each other and cooperate on issues of mutual concern. We agree to meet again in 2011 to continue to work towards the achievement of the APEC goals.

## Acronyms

ABAC	APEC Business Advisory Council
ABF	APEC Business Fellowship
AD	Automotive Dialogue
ADOC	APEC Digital Opportunity Centre
ADS-B	Automatic Dependent Surveillance- Broadcast
AEO	Authorised Economic Operator
AEPR	APEC Economic Policy Report
AETF	Aviation Emissions Task Force
AHC	APEC LSIF Harmonisation Centre
AMM	APEC Ministerial Meeting
AOMM	APEC Oceans-related Ministerial Meeting
APEC	Asia-Pacific Economic Cooperation
APSN	APEC Port Services Network
APTIN	Asia-Pacific Trade Insurance Network
ASEAN	Association of South-East Asian Nations
ASPIRE	Asia and South Pacific Initiative to Reduce Emissions
ATM	Air Traffic Management
CD	Chemical Dialogue
CPLG	Competition Policy and Law Group
CSR	Corporate Social Responsibility
CTI	Committee on Trade and Investment
CTTF	Counter-Terrorism Task Force
DDA	Doha Development Agenda
EC	Economic Committee
EGS	Environmental Goods and Services
EGSIE	EGS Information Exchange
EoDB	Ease of Doing Business
ETS	Emissions Trading Scheme
FSCF	Food Safety Cooperation Forum
FTAAP	Free Trade Area of the Asia-Pacific
FTAs	Free Trade Agreements
GFPN	Gender Focal Point Network
GNSS	Global Navigation Satellite Systems
H1N1	Influenza Pandemic
HRDWG	Human Resources Development Working Group
HWG	Health Working Group
IAPs	Individual Action Plans
ICTs	Information and Communication Technologies
IFAP	Investment Facilitation Action Plan
IMF	International Monetary Fund
IMO	International Maritime Organization
ISO	International Organization for Standards
ISPS	International Ship and Port Facility Security

ITS	Intelligent Transportation Systems
IWGLTS	International Working Group on Land Transport Security
KPIs	Key Performance Indicators
LAISR	Leaders' Agenda to Implement Structural Reform
MDBs	Multilateral Development Banks
MEET	Ministerial Conference on Global Environment and Energy in Transport
MRT	Ministers Responsible for Trade
MTF	Mining Task Force
PBN	Performance Based Navigation
PECC	Pacific Economic Cooperation Council
PPP	Public-Private Partnerships
PSU	Policy Strategic Unit
REI	Regional Economic Integration
RHSC	Regulatory Harmonisation Steering Committee
ROOs	Rules of Origin
RTAs	Regional Trade Agreements
SC	Supply-chain Connectivity
SCCP	Sub-Committee on Customs Procedures
SCE	Senior Officials' Meeting Steering Committee on ECOTECH
SMEWG	Small and Medium Enterprises Working Group
SMRC	SME Market Research and Capability Development Centre
SRMM	Ministerial Meeting on Structural Reform
SSC	Secure and Smart Containers
SSM	Special Safeguard Mechanism
TATF	US-APEC Technical Assistance and Training Facility
TPTWG	Transportation Working Group
UNFCCC	United Nations Framework Convention on Climate Change
USOAP	Universal Safety Oversight Audit Program
WB	World Bank
WLN	Women's Leaders' Network
WTO	World Trade Organisation