It has been 25 years since the first Economic Leaders’ Meeting in Blake Island, Washington. Since then APEC has proven to be one of the world’s most important economic forums. It enjoys status as a prestigious, even indispensable, destination for leaders, all the while being an informal, voluntary organization that operates on consensus. The forum has earned a reputation for pragmatism and flexibility that brings more people to the table and ultimately gets things done, despite complex geopolitics.

As a driver of economic growth and regional cooperation, APEC’s work has pushed the mechanisms that have created millions of jobs and lifted hundreds of millions out of poverty worldwide. But even during the best of times, the benefits of trade and globalization can seem abstract at the individual level, while to those who have not benefitted fully from globalization’s impact—those who have been left behind by fast-changing global industries, technology and automation—the costs can feel very concrete.

During the years of the Global Financial Crisis, APEC needed to promote economic growth and stability among its economies at a time when fear of global trade was already emerging. A decade later, we are starting to see signs of recovery, with the APEC region growing faster compared with the rest of the world. Under the guidance of Viet Nam, and true to APEC 2017’s theme of “Creating a New Dynamism, Fostering a Shared Future,” Leaders met in Da Nang and restated their commitment for the 21 members to work together in achieving prosperity in the Asia-Pacific.

This commitment is tacked to a mission to ensure that growth translates to economic and financial inclusion. This means consideration for all those who need to benefit from all our projects and programs. It means making sure the globalized world and the digital age work to everyone’s advantage instead of the other way around, and paying close attention to the marginalized and unconnected.

In 2018, Papua New Guinea will host APEC for the first time. Their host year’s theme, “Harnessing Inclusive Opportunities, Embracing the Digital Future,” indicates a forward-looking leadership, mindful of the next generation of issues APEC will have to tackle as we prepare to cross the deadline of the Bogor Goals in 2020 and create new targets in their wake.
APEC Member Economies

AUSTRALIA  BRUNEI DARUSSALAM  CANADA  CHILE  PEOPLE’S REPUBLIC OF CHINA  HONG KONG, CHINA  INDONESIA  JAPAN  REPUBLIC OF KOREA  MALAYSIA  MEXICO  NEW ZEALAND  PAPUA NEW GUINEA  PERU  THE REPUBLIC OF THE PHILIPPINES  THE RUSSIAN FEDERATION  SINGAPORE  CHINESE TAIPEI  THAILAND  THE UNITED STATES OF AMERICA  VIETNAM
Creating New Dynamism, Fostering a Shared Future

After nine years of sluggish growth since the Global Financial Crisis, economies in the Asia-Pacific region began to pick up in 2017. This recovery coincides with complex and fundamental shifts in the global landscape, leading to changes in the way we connect, communicate, work and live.

As the world changes, APEC aims to sustain the momentum of its brand of regional cooperation and reinforce its profile as a driver of economic growth and integration, an incubator of ideas and a leader in addressing issues at the global scale.

As the 2017 host, Viet Nam led the charge to keep the APEC spirit of integration alive, and to steer the forum through initiatives that work for the benefit of stakeholders in all member economies, to achieve widespread prosperity as the forum nears its fourth decade.

It is a challenge Viet Nam has taken to the fore as it steered APEC’s work on the following priorities:

- Promoting Sustainable, Innovative and Inclusive Growth
- Deepening Regional Economic Integration
- Strengthening the Competitiveness and Innovation of Small to Medium Enterprises in the Digital Age
- Enhancing Food Security and Sustainable Agriculture in Response to Climate Change
Promoting Sustainable, Innovative and Inclusive Growth

Economic leaders have made it clear that any divide between economic growth and inclusivity must be bridged. APEC resolved to advance economic, financial and social inclusion. This means narrowing the development gap, reducing inequality and broadening access to finance, quality education and health services with a view to spreading the benefits of growth to all segments of our societies, including the most vulnerable groups, such as women and youth and persons with disabilities.

Economic, Financial and Social Inclusion

Aiming for the long term towards a more inclusive, accessible, sustainable, healthy and resilient community of APEC members by 2030 and consistent with the 2030 Agenda for Sustainable Development, Leaders endorsed the Action Agenda on promoting economic, financial and social inclusion.

Structural Reform

Well-planned policy reforms within each economy can narrow the development gap and pave the way for inclusive growth. Members welcomed the 2017 APEC Economic Policy Report (AEPR) on Structural Reform and Human Capital Development, which provides a set of options for members to take when strengthening domestic policies on job creation, productivity and competitiveness.

Human Resources Development in the Digital Age

Leaders adopted the APEC Framework on Human Resources Development in the Digital Age, which focuses on promoting quality human resources, education and lifelong learning, technical and vocational education and training that imparts skills needed in the digital age. This eases the burden on vulnerable sectors through sustainable employment, capacity building and social safety nets.

Women and the Economy

Society gets better and economies grow when women are empowered. APEC called on its members to strengthen policies for the economic, financial and social inclusion of women, and improve women’s access to capital, assets and markets, increase women’s participation in high-growth and high-wage sectors, and promote women’s leadership, entrepreneurship, skills and competencies. Related programs this year are an APEC contest for women-entrepreneurs; the 2017 version of the APEC Women and the Economy Dashboard, which determines the social and economic status of women in APEC through data; and the establishment of the Women and the Economy Sub-fund.

Health

Members recognize that better health systems are important for building healthy populations and further investment in health systems is needed to increase productivity and economic growth. Healthy populations ensure economic growth and greater prosperity for all. The forum made strides in medical ethics, and regulatory convergence this year and established a Supply Chain Security Toolkit for Medical Products.

Deepening Regional Economic Integration

In 2017, APEC reaffirmed its commitment to attaining the Bogor Goals of free and open trade and investment through concrete action, and affirmed its support for the rules-based multilateral trading system, emphasizing that it must be free, open, fair, transparent, predictable and inclusive. Members recommitted to fight protectionism, as well as unfair trade practices.
The internet and the Digital Economy

The internet and digital economy continue to open new opportunities in innovative development and in empowering otherwise marginalized groups into engaging in economic participation. They also create new avenues in which member economies must collaborate to establish rules that protect consumers in an age of increasing digital trade. Thus, APEC has adopted the Internet and Digital Economy Roadmap and the Framework on Cross-border Ecommerce Facilitation.

The forum also continued its work to expand the membership of the Cross-Border Privacy Rules (CBPRs) System.

Global Value Chains and Supply Chain Connectivity

APEC encouraged further actions to enable better participation, greater value added and upward mobility of developing economies and micro, small to medium enterprises (MSMEs) in global value chains. In 2017 the APEC Global Value Chain Partnership Platform was established to help foster an environment wherein economies and businesses of all sizes can develop and participate in global value chains with ease.

Outcomes

Aligning Standards

APEC members are working with the automobile sector to expedite society’s transition from gas-powered to electric vehicles by promoting their production, regulation and trade throughout the region. Through a Roadmap for Electric Vehicles, APEC economies are redeveloping their regulatory regimes and are planning for the impending surge of new models to hit Asia-Pacific auto markets.

Strengthening MSMEs’ Competitiveness and Innovation in the Digital Age

In recent years, APEC has focused much of its work to helping entrepreneurs that have been less exposed to regional economic integration, have less access to foreign trade via supply chains, less access to electronic commerce and are more vulnerable to natural disasters or cyberattack. Almost all business in the region fall under the MSME bracket, and they employ half the region’s workforce.

Green Business

APEC has adopted a Strategy for Green, Sustainable and Innovative MSMEs, to enable small businesses in member economies to contribute to a sustainable and inclusive Asia-Pacific.

Opening Online Frontiers

Through the Micro, Small and Medium Size Enterprise Marketplace (apecmsmemarketplace.com), APEC has introduced a new business-to-business platform for enabling cross-border trade among underrepresented but vital MSMEs. Through the SMVE Online-to-Offline (O2O) Initiative, small businesses are provided with knowledge and support from members, to be digitally competitive and resilient.

Cultivating the MSME Ecosystem

Through the APEC Initiative on Promoting Innovative Start-ups, the forum urges members to establish regulatory frameworks that promote a business-friendly environment. Through the Digital Prosperity Award, APEC recognizes businesses that are taking advantage of the internet and mobile technology to help other small business flourish in a digital world.

Enhancing Food Security and Sustainable Agriculture in Response to Climate Change

APEC can play a decisive role in ensuring food security in the Asia-Pacific, and promoting policies for sustainable and resilient agriculture, including policies to promote effective mitigation, preparedness, disaster risk reduction, response and recovery, and search and rescue efforts, to counter the effects of climate change upon the world’s most disaster prone region.

Food Security and Climate Change

APEC has been working on science-based climate information systems for environmental and risk management related to food production. Out of this came the newly endorsed Food Security and Climate Change Multi-Year Action Plan 2018-2020.

Sustainable Rural-Urban Development

APEC developed an Action Plan on Rural-Urban Development to Strengthen Food Security and Quality Growth, to ensure the region is fed even in a region where cities grow larger by the year and consume the predominant share of food.

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THE 25TH APEC ECONOMIC LEADERS’ MEETING

Da Nang, Viet Nam • 11 November 2017

Da Nang Declaration
Creating New Dynamism, Fostering a Shared Future

We, the Leaders of APEC, gathered in Da Nang, Viet Nam under the theme Creating New Dynamism, Fostering a Shared Future, determined to take bolder and sustained collective actions to inject new dynamism into APEC cooperation to promote sustainable, innovative and inclusive growth, deepen regional economic integration, realize the full potential of the business sector, particularly micro, small and medium-sized enterprises (MSMEs), and enhance food security and sustainable agriculture.

A quarter-century after the first APEC Economic Leaders’ Meeting, APEC has proven to be the premier economic forum in the Asia-Pacific, a driver of economic growth and integration, an incubator of ideas for future economic cooperation, a coordinating mechanism of trade agreements, and a global leader in addressing pressing problems. For nearly three decades, APEC has contributed to sustaining growth and advancing economic integration in the Asia-Pacific region, a process that has created millions of jobs and lifted hundreds of millions out of poverty.

We meet at a time when the regional and global landscapes have experienced complex and fundamental shifts, coupled with the emergence of far-reaching challenges and opportunities. Regional and global economic recovery is on firmer footing, but medium and long-term risks remain. The Fourth Industrial Revolution and advancements in technology are altering the nature of work, transforming our societies and the ways we connect and interact. Trade and investment have brought unprecedented prosperity to the Asia-Pacific region, but serious challenges persist.

We, therefore, recommit to our common purpose – to foster a shared future of a peaceful, stable, dynamic, inter-connected and prosperous Asia-Pacific community. We reaffirm our support for the 2030 Agenda for Sustainable Development, as a framework for inclusive growth.

We reaffirm our long-standing commitment to APEC’s mission of supporting sustainable economic growth and prosperity in the Asia-Pacific region. Recognizing the significant challenges our economies face, we pledge to work together and take the following actions:

I. Promoting Innovative Growth, Inclusion and Sustainable Employment

Quality Growth, Structural Reform and Innovation

We reaffirm our aspirations towards balanced, inclusive, sustainable, innovative, and secure growth in the APEC region through monetary, fiscal and structural policies, individually and collectively, and highlight the importance of achieving quality growth.

We underscore that structural reform, including competition policy, ease...
Outcomes

of doing business, regulatory reform, strengthening economic and legal infrastructure, corporate and public sector governance, and promoting human capital development, is key to balanced, sustainable, innovative and inclusive growth, job creation, productivity and competitiveness. We reaffirm our commitment to foster integrity in the public and private sectors and fight corruption and bribery, and deny safe havens for corrupt officials and stolen assets. We instruct economic and finance officials to work jointly on the 2018 APEC Economic Policy Report on Structural Reform and Infrastructure.

We emphasize the importance of innovation, science and technology as key drivers for economic growth and international trade and investment in the APEC region. We recognize the vital importance of continuing to work for quality and equitable education to enable people of all ages to meet the challenges of rapid changes in today's world. We commit to promoting science, technology, engineering and mathematics (STEM) education and the pursuit of STEM-based entrepreneurship.

We resolve to enhance energy security to sustain economic growth in the APEC region. We encourage the facilitation of energy-related trade and investment, enhancement of access to affordable and reliable energy, and promotion of sustainable, efficient, and clean energy sources, which, in particular, would contribute to reducing global greenhouse gas emissions.

We note the need for urbanization to be people-oriented, sound and sustainable and encourage knowledge sharing and policy exchange in this area.

Economic, Financial and Social Inclusion in a Globalized World

Recognizing new opportunities and emerging challenges presented by globalization and digital transformation, we resolve to advance economic, financial and social inclusion, with a vision to build an inclusive, accessible, sustainable, healthy and resilient APEC community by 2030, consistent with the 2030 Agenda for Sustainable Development. We endorse the APEC Action Agenda on Advancing Economic, Financial and Social Inclusion ( Annex A) to guide our efforts moving forward. We commit to advance progress towards achieving full, productive and quality employment and equal pay for equal work; ensure access to banking, insurance and financial services, and increase financial literacy and capability of all to access finance; and progressively achieve and sustain income growth for all members of society, especially women, and youth, persons with disabilities and other vulnerable groups, and enable them to seize global opportunities. We encourage APEC economies to invest in their health systems to increase productivity and economic growth.

Acknowledging that greater economic participation by women spurs economic growth, we encourage economies and the private sector to implement initiatives that enhance women’s economic empowerment, improve women’s access to capital, assets and markets, increase women’s participation in high-growth and high-wage sectors, and promote women’s leadership, entrepreneurship, skills and competencies.

Quality Human Resources Development in the Digital Age

We place importance on the need to prepare our people and all workers, especially vulnerable groups, for the changing world of work. We endorse the APEC Framework on Human Resources Development in the Digital Age ( Annex B). We are committed to strengthening human resources development, including through education and life-long learning, technical and vocational education and training (TVET), and up- and re-skilling to increase workers’ employability, mobility and preparedness for the digital age; and ensure that active labour market policies can better match the needs of the labour market with various aspects of skills training and development.

II. Creating New Drivers for Regional Economic Integration

Advancing Free and Open Trade and Investment

We commit to attaining the Bogor Goals of free and open trade and investment in the Asia-Pacific region. We agree to accelerate efforts to address WTO-inconsistent barriers to trade and investment and take concrete actions towards the achievement of the Bogor Goals by 2020. We also note the importance of non-discriminatory, reciprocal and mutually advantageous trade and investment frameworks. We will work together to make trade more inclusive, support improved market access opportunities, and address unfair trade practices. We urgently call for the removal of market-distorting subsidies and other types of support by governments and related entities.

We are committed to carrying out further actions to promote an enabling and conducive environment for investment in the Asia-Pacific region.

We will work together to realize the potential of the internet and digital economy, including through appropriate regulatory and policy frameworks, and taking into account fair competition to encourage investment and innovation. We welcome the adoption of the APEC Internet and Digital Economy Roadmap and the APEC Framework on Cross-border E-commerce Facilitation. We will consider actions to facilitate the development of the internet and digital economy, including e-commerce and digital trade.

We are committed to further actions to increase APEC’s competitiveness in the services sector by 2025 and intensifying our efforts to address barriers that inhibit our businesses from competing or trading in services markets.
outcomes

Free Trade Area of the Asia-Pacific (FTAAP)

We reaffirm our commitment to advance in a comprehensive and systematic manner the process toward the eventual realization of an FTAAP to further APEC’s regional economic integration agenda. We commend the efforts of economies to advance work related to the eventual realization of an FTAAP, including capacity building initiatives and information sharing mechanisms. We encourage economies to make further progress and to develop work programs to enhance APEC economies’ ability to participate in high quality, comprehensive free trade agreement negotiations in the future.

Multilateral Trading System

We welcome the entry into force of the World Trade Organization (WTO) Trade Facilitation Agreement (TFA) and call for its full implementation, recognizing that it helps bring about meaningful and widespread benefits for all economies and businesses. We commit to work with other members of the WTO towards a successful 11th WTO Ministerial Conference.

We underline APEC’s crucial role in support of a rules-based, free, open, fair, transparent, and inclusive multilateral trading system. We commit to work together to improve the functioning of the WTO, including its negotiating, monitoring, and dispute settlement functions, to adequately address challenges facing the system, bringing benefits to all of our people and businesses. We will work to ensure the effective and timely enforcement of the WTO rules.

We note the importance of bilateral, regional and plurilateral agreements, and commit to working to ensure they complement the multilateral trade agreements.

We will strive for a climate conducive to investment and job creation. We will work to ensure a level playing field through continuing APEC’s leadership and is exacerbated by the cross-border travel of foreign terrorist fighters and emerging sources and channels of terrorism financing. APEC economies commit to continually and effectively respond to the terrorist challenges in the region and their economic impact, as guided by APEC’s strategy to secure supply chains, travel, finance, and infrastructure.

We underline the need to develop policies that take full advantage of global value chains. We encourage further actions to enable better participation, greater value added and upward mobility of developing economies and MSMEs in GVCs. We appreciate initiatives such as Asia-Pacific Model E-port Network and APEC Green Supply Chain Network and their positive contributions to supply chain connectivity.

We commit to promote sustainable tourism, and explore its potential for development in remote areas as an important part of APEC economic growth strategies and enhanced people-to-people connectivity. We are determined to reach the target of 800 million APEC tourist arrivals by 2025.

We express concern over the growing threat of terrorism in the APEC region, which stems from ISIL, Al Qaida and other terrorist organizations, and is exacerbated by the cross-border travel of foreign terrorist fighters and innovative MSMEs.

We commit to strengthen the ability of MSMEs to compete in international markets and participate in global value chains through the following actions:

• Increase MSME’s innovation capacities, including by facilitating their access to finance, technology and capacity building, especially for women and youth-led businesses;
• Improve access to the internet and digital infrastructure;
• Enhance MSMEs digital capabilities, competitiveness and resilience;

We underscore that APEC can play a key role in ensuring food security and sustainable agriculture, aquaculture and fisheries in the Asia-Pacific region and beyond, particularly in the context of climate change and rural-urban development. We reiterate our commitment to achieve a sustainable APEC food system by 2020. We welcome the adoption of the Food Security and Climate Change Multi-Year Action Plan 2018-2020. We urge economies to work together to promote sustainable agriculture, aquaculture and fisheries to assess and reduce food loss and waste, enhance food safety, agricultural productivity and resilience against climate change, and reduce greenhouse gas emissions, where appropriate.

We commit to take actions to enhance regional food markets, food standards and supply chain connectivity to reduce costs of food trade, improve market transparency and help both importing and exporting economies adapt to food price volatility. We recognize that APEC can contribute to addressing climate change multi-year action plan 2018-2020.

Fostering Regional and Sub-regional Comprehensive and Inclusive Connectivity

We reaffirm our commitment to build a seamless and comprehensively connected and integrated Asia-Pacific by 2025. In this regard, we welcome economies’ efforts in promoting cooperation to advance policy collaboration, trade facilitation, connectivity, financing, and people-to-people exchanges. We reiterate the importance of quality infrastructure for sustainable economic growth and pledge to promote infrastructure in terms of both quality and quantity through adequate investment and strengthened public-private partnership. We encourage further collaboration and synergy among various connectivity initiatives and work on advancing economic development and integration of sub-regional, rural and remote areas in the region, including efforts to develop safe, secure, resilient, efficient, affordable and sustainable transportation systems.

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We underline the importance of financial instruments and policies against disaster risks.

As the Asia-Pacific is highly exposed to natural disasters, we commit to strengthen cooperation, including with the private sector, to enhance resilience to disasters through effective mitigation, preparedness, disaster risk reduction, response and recovery efforts. This includes: advancement in policy, innovation, science and technology, business continuity planning, early warning systems, and search and rescue. We underline the importance of financial instruments and policies against disaster risks.

Outcomes

Free Trade Area of the Asia-Pacific (FTAAP)

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We note the importance of bilateral, regional and plurilateral agreements, and commit to working to ensure they complement the multilateral trade agreements.

We will strive for a climate conducive to investment and job creation. We will work to ensure a level playing field through continuing APEC’s leadership and is exacerbated by the cross-border travel of foreign terrorist fighters and emerging sources and channels of terrorism financing. APEC economies commit to continually and effectively respond to the terrorist challenges in the region and their economic impact, as guided by APEC’s strategy to secure supply chains, travel, finance, and infrastructure.

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Outcomes
V. Fostering a Shared Future

We appreciate deliberations on APEC toward 2020 and beyond that started in Peru in 2016 and furthered in Viet Nam, as the Bogor Goals target date approaches and APEC is about to enter its fourth decade. We look forward to APEC intensifying efforts to achieve free and open trade and investment in the region by 2020 and setting a strategic, aspirational and action-oriented vision for its future.

We reaffirm our commitment to promote sustainable management of natural resources in achieving sustainable food security and higher productivity of the agriculture, aquaculture and fisheries sectors. We commit to continue to foster APEC cooperation on sustainable use and integrated management of land, forest, marine and water resources, through transboundary cooperation and collective efforts.

We welcome the establishment of the APEC Vision Group to assist Senior Officials in shaping the post-2020 Vision, including through consultations with relevant stakeholders. This Vision would build upon past achievements, addresses unfinished business, and explore new areas of cooperation to better respond to new and emerging challenges and pressing issues in the coming decades.

We highlight the importance and welcome the contribution of capacity building efforts by member economies. In this regard, we note with appreciation new initiatives, including the establishment of the Women and the Economy Sub-fund, and encourage more contributions, especially untied contributions.

We thank Viet Nam for its leadership this year, eleven years after its first hosting of APEC, in advancing the APEC process built on the vision and work of the previous APEC hosts.

We look forward to meeting again in Papua New Guinea in 2018.
We, the Leaders of APEC, reiterate the call for effective economic, financial and social inclusion, which has become all the more necessary in the Asia-Pacific. Expanded trade and investment and digital transformation have spurred significant economic growth and employment, but the gains have been spread unevenly to different segments of our societies. Our region is faced with challenges to economic, financial and social inclusion, such as persistent inequality and unemployment, enduring multi-dimensional poverty affecting health, education and living standards, and impacts of technological progress. Moreover, significant demographic changes in some APEC economies, such as aging populations and the rise of the middle-income segment of the population, pose other challenges to inclusive growth.

We share the view that advancing inclusion is critical to achieving inclusive growth with far-reaching impacts on both developed and developing economies, large and small, from the Southern and Northern hemispheres and both sides of the Pacific. While many APEC initiatives already work toward supporting inclusion and aim to capture the emerging regional and global trends, significant gaps remain to be addressed. It is imperative that APEC develop a holistic set of policies and measures to promote the multiple dimensions of inclusion. This endeavor is part of our collective efforts in alignment with the 2030 Agenda on Sustainable Development.

This Action Agenda on Advancing Economic, Financial and Social Inclusion draws together work currently under way in APEC relating to inclusion and adds new elements to ensure that efforts are relevant and responsive to the fast-changing global and regional landscape. Our overarching goal is to achieve a more inclusive APEC community by 2030.

The three key pillars of the Action Agenda include:

a. Economic inclusion refers to equality in being informed of and having access to economic opportunity for all members of society to meaningfully participate in their economy.

b. Financial inclusion implies that individuals and businesses have appropriate access to useful and affordable financial products and services that meet their needs – transactions, payments, savings, credit and insurance – delivered in a responsible and sustainable way.

c. Social inclusion is defined as the process of improving the terms of participation in society for people who are at risk of poverty and social exclusion and enhancing equity.

This Action Agenda aims to achieve the following APEC aspirational objectives:

a. Economic inclusion: Advance progress towards achieving full and productive employment and decent work for all, including young people, the elderly, and persons with disabilities, and equal pay for equal work; progressively achieve and sustain income growth of the bottom 40 per cent of the population at a rate higher than the average level in each economy as envisioned in the 2030 Agenda on Sustainable Development.
Outcomes

b. Financial inclusion: Strengthen the capacity of financial institutions to encourage and expand access to banking, insurance and financial services; and increase financial literacy and capability of all to access financial, and social opportunities.

c. Social inclusion: Empower all members of society to take advantage of economic opportunities.

We identify the following priority areas of work:

b. On economic inclusion:
- Increasing equal access to new opportunities and employment by progressing structural reform in the key areas of competition policy, ease of doing business, good regulatory practices and cooperation, and public sector and corporate governance; strengthening institutional capacity, transparency and anti-corruption efforts; spurring innovation and creativity; and increasing the competitiveness of the service sector;
- Enhancing economic opportunity and labour force participation, including for underserved and vulnerable groups – such as youth, women, the elderly, persons with disabilities and rural communities – by taking measures to remove barriers to training and employment, strengthening active labour market policies and supporting human capital development that bridges educational competencies with labour-market demand;
- Deepening regional integration, trade and investment, including by improving trade facilitation, access to markets, and internationalisation of MSMEs;
- Accelerating investment in infrastructure in terms of both quantity and quality, improving access to energy, and enhancing physical, institutional and people-to-people connectivity, including to underdeveloped, remote and rural areas; and
- Promoting the internet and digital economy, start-ups and entrepreneurship; capitalizing on opportunities and overcoming challenges presented by the Fourth Industrial Revolution.

b. On financial inclusion:
- Accelerating financial infrastructure development, particularly digital infrastructure and legal frameworks to enable e-payment transactions, credit information sharing, secure transactions, valuation and insolvency ecosystems to promote broader MSMEs’ access to credit; enhancing availability of microfinance and supply-chain finance for MSMEs; establishing an enabling environment for MSMEs to access financial services and providing capacity-building and technical assistance to allow them to do so;
- Promoting financial products and services appropriate for the unserved and underserved financial consumers, especially those from rural areas and the agricultural sector as a means to promote sustainable development and poverty alleviation;
- Ensuring a conducive regulatory environment that enables microfinance providers to more easily provide access to services in an efficient and cost-effective manner and assures appropriate levels of consumer protection;
- Developing and implementing APEC member economies’ financial inclusion strategies, including capacity building; financial education and digital tools to improve financial literacy and human resource development in the financial sector; developing safe and well-regulated digital finance (especially, digital banking and FinTech); providing support to help financially vulnerable citizens gain access to formal financial services; and
- Promoting international cooperation, including harmonization of standards and policies; building a financial inclusion and literacy database; sharing knowledge and enhancing capacity building.

c. On social inclusion:
- Developing eco-systems for harnessing the benefits of digitalization and better understanding the impacts of technological innovation, including improving access to education, training and childcare opportunities; and strengthening human resource development policies for the digital age and the future of work, including by intensifying efforts for re-skilling and life-long learning and targeting workers displaced by structural changes;
- Enhancing the social empowerment of women, youth, the elderly, persons with disabilities, rural communities and other underserved and vulnerable groups, including by enabling access to digital platforms and quality social services; and promoting social investment approaches;
- Strengthening social safety nets; improving access to social protection, including by promoting floors in line with ILO Recommendation 202 on Social Protection Floors; and promoting the Fundamental Principles and Rights at Work and safe and healthy workplaces.

To implement the Action Agenda, we commit to the following actions:
- Encourage APEC Committees, fora and sub-fora to incorporate economic, financial and social inclusion in their work plans or strategic plans if and where relevant;
- Call on APEC fora to collectively propose in 2018 a total of at least six new initiatives, two initiatives for each of the economic, financial and social inclusion areas.
- Strengthen cross-fora coordination, particularly between SOM and SFOR, in developing and implementing initiatives to strengthen economic, financial and social inclusion;
- Enhance collaboration and synergies with important regional and global institutions, where appropriate, particularly those that are focused on fostering economic, financial and social inclusion; such as the G20, OECD, World Bank, IMF, ERIA, PECC and APEC study centers; and
- Task officials to begin implementing the Action Agenda beginning from 2018, with a mid-term report of progress in 2024, and a final review in 2030. This initiative should be coordinated through the SOM Steering Committee on Economic and Technical Cooperation.
Outcomes

Annex B

APEC Framework on Human Resources Development in the Digital Age

I. Background

The emerging digital age and fourth industrial revolution is having an unprecedented impact on the way people live and work. Recognizing that all economies face challenges in meeting human resources demands in this new era, in 2016 APEC committed to strengthening efforts to ensure decent work and work life quality for all, especially socially vulnerable groups, by providing access to quality inclusive education and vocational training; boosting entrepreneurship; improving social protection; and enhancing regional cooperation.

The world of work is going through major structural changes, with technological advancement, increased fragmentation of production, growing demand for new skills and shifting employment relationships. Technology, digitalization and automation promise to improve productivity, increase economic output and create high-skilled jobs – bringing immense economic and social opportunities in all economies. Adopting digital technologies and automation techniques can not only increase labour productivity but also enable the development of new business models, new markets and job opportunities.

1 According to 2016 (ILO) report: “ASEAN in Transformation: How Technology is Changing Jobs and Enterprises?”, automation could have significant implications for labour intensive manufacturing sectors. It could result in large displacement of mostly low-skilled workers. In the auto sector alone, over 90% of salaried workers in Indonesia and 73% in Thailand could be displaced by automated production. In Yilan City, about 75% of workers in electronics and 80% in apparel and footwear are also at risk of automation.


However, at the same time, digital technology may be disruptive with far-reaching effects on productivity, employment and well-being. These changes will likely render some occupations obsolete and expose more workers to vulnerable employment† (e.g. own-account and unpaid family workers, which already account for 50 per cent of jobs in Southeast Asia and the Pacific, and 40 per cent in East Asia). Furthermore, industry sectors, such as manufacturing are at risk. Evidence shows that the risk of automation could deny poorer economies the opportunity for economic development resulting in new digital divides and greater inequality. This could result in “premature de-industrialisation” in many developing economies before reaching the threshold of industrialisation achieved by developed economies. (Rodrik, 2015).†

Advancement in technology has led to a pressing need for human resources development including research into the implications for the labour market, education, training and reskilling. This coupled with on-going labour market analyses will support targeted investment consistent with economic needs. Evidence-based policy is required to ensure that labour market participants are employable and prepared for the challenges and opportunities in the new digital age.
Outcomes

II. Purpose

The Framework puts forward an appropriate set of policy directions and measures to support economies to prepare labour market participants for the challenges and opportunities in the world of work today and beyond. In view of the challenges and opportunities associated with digitalization, it is important for APEC to be used as a regional platform for policy dialogue and cooperation on Human Resources Development in the Digital Age.

The Framework complements existing initiatives, such as the APEC Education Strategy and contributes to global efforts including the ILO’s “future of work centenary initiative” and the United Nations’ Sustainable Development Goals as well as fostering shared prosperity for our region, particularly Goal 4 to ensure inclusive and equitable quality education for all and promote lifelong learning and Goal 8 to create new dynamism for growth, achieve sustainable, innovative, and inclusive growth, employment and decent work for all.

III. Objectives

Objectives of the framework are to:

i. provide high-level strategic direction on strengthening regional cooperation in human resources development in the digital age;

ii. outline common policy challenges in building human capital in the face of rapid technological change; and

iii. identify and take action in priority areas of collaboration where APEC can add value.

IV. Priority Areas and Actions

APEC members will boost regional cooperation in the following priority areas to address common policy challenges in building and adapting human capital in the digital age:

1. Future of work in the digital age and labour market policy implications

i. Joint and Regional/ APEC research activities to:

• examine the impacts of new technology and digitalization on the world of work; and to provide APEC member economies a good indication of where, when and how digitalization and new technology will change production processes. This will include examining the opportunities and challenges from “Industrialization 4.0”, “Digital trade” and “E-commerce”;

• assess the impact of digitalization and automation on labour market outcomes, demand and supply; and policy interventions, including structural adjustment policies to increase workforce participation, support the reintegration of displaced workers and sectoral, occupational and geographical mobility;

• examine labour market challenges for vulnerable groups and policy measures that support their adaptability to structural change; and

• identify new growth sectors and business models for job creation and opportunities for labour market policy reforms to encourage workforce participation.

ii. Regional/ APEC policy discussions to:

• generate policy-relevant discussion among APEC economies in order to identify clear recommendations for public interventions as appropriate;

• identify approaches to government-wide policies that support labour market adaptability, employment, lifelong learning and workforce participation; and

• initiate policies to promote innovation and entrepreneurship in the digital age.

iii. Development of joint programs, projects and initiatives to promote cooperation and exchanges of best practices to:

• explore the role of labour market information system and data, and the role of public and private employment service in addressing the challenges and opportunities caused by globalization and digitalization as well as the way these institutions can be improved through Information and Communication Technology;

• examine the impact of structural adjustment on human resources development and to take into consideration the recommendations of the forthcoming APEC Economic Policy Report on Structural Reform and Human Capital Development;

• underscore the impact of the governance of work on APEC economies, considering gaps in decent work and increasingly fragmented production processes, as well as to examine new forms of employment relations and workers’ association in the context of polarization and personalization of work;

• assess new forms of work arising from increased digitalization, including the growth of virtual work and the “gig economy” under which the demand and supply of working activities is matched online or via mobile apps and its implications on the changing nature of employment relationships, social protection and labour mobility; and

• exchange good practices and innovative approaches in improving public employment service which will better respond to the diversified needs of workers in the digital era.

2. Skills education and training

i. Joint and regional research activities to:

• develop and implement industry-demand-driven 21st century competencies including technical and soft skills; and

• draw from the experiences of APEC member economies on how to improve implementation of TVET systems including quality assurance system that are better aligned to the needs of the labour market toward inclusive society;

• consider models for public private partnerships that will enable relevant institutional and local/regional coordination mechanisms and structures to support skills systems to meet labour market needs;

• develop and implement industry-demand-driven 21st century competencies including technical and soft skills; and

• examine the impact of structural adjustment on human resources development and to take into consideration the recommendations of the forthcoming APEC Economic Policy Report on Structural Reform and Human Capital Development;

• underscore the impact of the governance of work on APEC economies, considering gaps in decent work and increasingly fragmented production processes, as well as to examine new forms of employment relations and workers’ association in the context of polarization and personalization of work;

• assess new forms of work arising from increased digitalization, including the growth of virtual work and the “gig economy” under which the demand and supply of working activities is matched online or via mobile apps and its implications on the changing nature of employment relationships, social protection and labour mobility; and

• exchange good practices and innovative approaches in improving public employment service which will better respond to the diversified needs of workers in the digital era.

• anticipate and identify the future skills and competencies in the region that will be required to meet the need of emerging technologies and digitalization across the lifelong learning continuum; and

• investigate and share information on the best means and best practice in teaching, learning, and distance-learning of those skills in need in the digital age.

ii. Regional/ APEC policy discussions to:

• share views on the need for and implications of the adaptation of education and training systems;

• share views on the need for and implications of the adaptation of education and training systems;

• anticipate and identify the future skills and competencies in the region that will be required to meet the need of emerging technologies and digitalization across the lifelong learning continuum; and

• investigate and share information on the best means and best practice in teaching, learning, and distance-learning of those skills in need in the digital age.

2 The “gig economy” includes two forms of work “crowd work” (jobs through online platforms) and “work-on-demand via apps” (e.g. Uber, Taskrabbit etc.)
enhance the use of technology in expanding collaboration between government, academia and industry to develop 21st century competencies and entrepreneurship.

iii. Development of joint programs and projects to promote cooperation and exchanges of best practices related to:

• developing flexible and innovative training programs to fill any gap in the supply of new skills and higher-skills for the digital age, including implementing domestic/local/sectoral qualification frameworks;

• initiating formal skills recognition for some medium-skilled occupations in migrant intensive sectors such as construction and domestic work;

• identifying how innovation and technology can be used to strengthen institutional capacity of Technical and Vocational Education and Training (TVET) system;

• striving to lift the quality of teaching, and participation at all levels in learning STEM disciplines; and

• expanding the use of information and communication technology to improve workforce employability in the digital age, including through lifelong learning.

3. Social protection

i. Joint and regional research activities to:

• study new social risks (intensification of work, effects on health and safety, blurring of the boundaries between work and private life, or discrimination) in order to inform new social protection policies and programs; and

• study new forms of social assistance (such as income support/ replacement and community programs), and identify how digitization/new technological change will create circumstances that will require social protection solutions.

ii. Regional APEC policy discussions to:

• consider how participatory social insurance schemes will need to adapt to new forms of employment;

• explore options that support the development of adequate social protection policies in the changing world of work, to ensure that social protection coverage for workers reflects diverse forms of employment; and

• promote access to social protection for women, the elderly, workers in the informal economy and in the sharing economy.

iii. Development of joint programs and projects to promote cooperation and exchanges of best practices to:

• map out suitable social protection solutions that are adaptable to new forms of work in the digital age; and

• share experience on how social protection systems may need to be changed or adapted to meet new forms of work.

V. Implementing the priority areas of action through platforms for cooperation

The platform for cooperation should be through the existing HRDWG and complement existing Ministerial Statements such as the APEC Education Ministerial Statement adopted in Lima 2016 and HRD Ministerial Statement adopted in Ha Noi 2014. This could include:

• Strengthening cooperation through collaboration, representation and social dialogue.

Taking into account various levels of development amongst APEC economies, the framework will provide a platform to promote best practices, share information and strengthen capacity-building among APEC economies on human resources development in the digital age in cooperation with relevant partners. In particular progress in new technology may have implications for dialogue with social partners.

• Promoting linkages with other APEC initiatives.

Initiatives under this framework can be enriched and built from various initiatives under the APEC Strategy for Strengthening Quality Growth; Renewed APEC Agenda for Structural Reform; APEC Connectivity Blueprint; Framework for Youth Education, Employment and Entrepreneurship; APEC Education Strategy; and other relevant frameworks, to ensure mutual benefits among APEC economies on human resources development in the digital age.

• Promoting linkages with other APEC sub-fora, such as ECSG, GOS, PPSTI, PPWE, and GOFD.

VI. Proposed timeframe for the implementation of the framework

The proposed timeframe for implementation of the Framework is from 2017 to 2025 with progress to be reviewed in 2022 by the Ministers responsible for human resources development.
In 2018, APEC will continue its story of economic prosperity and interconnectedness for all and take it through new boundaries—to the gates of the Pacific region, and to the ever-expanding frontier of the digital age.

As Chair, Papua New Guinea will steer APEC’s work toward next-generation trade and investment to a deeper focus on the economic inclusion of women and the youth, and with a greater emphasis on services—which is where most jobs are and where most APEC economic activity is today.

The new Chair recognizes the internet and the digital economy’s potential as a future catalyst for inclusive growth, in that it provides the means for more people to share in the benefit of a growing economy.

Under the theme “Harnessing Inclusive Opportunities, Embracing the Digital Future,” Papua New Guinea will lead APEC’s ongoing pursuit to ensure that as an organization, no one is left behind.

APEC 2018 will have the following key priorities
• Improving Connectivity, Deepening Regional Economic Integration
• Promoting Sustainable and Inclusive Growth
• Strengthening Inclusive Growth Through Structural Reform
Improving Connectivity, Deepening Regional Economic Integration

The first priority champions the core business of APEC, which is to consolidate the gains and initiatives of the 21 member economies to liberalize trade and promote a shared prosperity.

Thus, APEC Papua New Guinea 2018 will continue to work towards realizing a seamless regional integration process. New technology, as well as other measures, will be harmonized to address procedural and administrative impediments to trade. The forum will advance the implementation of the APEC Blueprint on Connectivity, as well as continue its push for achieving a Free Trade Area of the Asia-Pacific (FTAAP).

And as APEC continues to work toward the 2020 Bogor deadline, members will continue to promote services through the implementation of the Services Framework and the Services Competitiveness Roadmap.

Promoting Sustainable and Inclusive Growth

Members will double down on their ongoing agenda of sustainable and inclusive growth.

This means policies and programs that aspire to eliminating poverty and hunger, and to promoting open access to quality education and worker training designed to help meet changing demands for skills.

These efforts will enliven the workforce and lead to increased employment, secure wages and labour productivity. The forum will also explore other means to achieving this, such as the potential role of the private sector through an appeal to corporate social responsibility (CSR).

APEC 2018 will bring a renewed focus on gender priorities, such as the inclusion of women in agricultural activities—an attached initiative to the work to be done in developing gender-inclusion guidelines and an APEC prototype of gender-smart resources.

Papua New Guinea will also prioritize rural economic development and relate it to the ongoing challenges of connectivity, poverty alleviation and the onslaught of natural disasters as the region continues to bear the brunt of the effects of climate change.

Attention will be given to ensuring economies’ production and consumption habits are sustainable in order to avoid decoupling their economic growth from environmental degradation.

Progress in pursuing this priority will be reflected in an “APEC Dashboard on Sustainable and Inclusive Growth” to inform APEC’s ongoing implementation of its Growth Strategy and support the forum’s post-2020 aspirations.

Strengthening Inclusive Growth through Structural Reform

Structural reform is critical to removing obstacles that inhibit cross-border trade and investment and that create behind-the-border barriers to doing business. It deepens market participation, helping economies to raise productivity and strengthen inclusive growth.

APEC 2018’s third priority recognizes that reforms must support inclusive growth. We must collectively take steps to ensure that our reforms create equitable opportunities, and that the benefits of these reforms are broadly shared among our communities.
Outlook

APEC will advance the Renewed Agenda for Structural Reform (RAASR) by introducing initiatives that will focus specifically on financial inclusion of rural-based populations to ensure equal participation in economic development, business and commerce across agricultural communities across the Asia-Pacific region.

Attention will be given to reforms in human capital development, such as strengthening social safety nets that assist workers, including those hurt by job loss due to increasing market competition, automation and industry overhauls as a result of changing markets and technological advancement.

Apart from direct structural reform work, APEC 2018 will pave new ground in APEC’s work on the digital economy through the sharing of good regulatory practices.

APEC After 2020

In 2018, members will forward the goal of shaping APEC post-2020 to ensure all 21 member economies are provided with equal opportunity to work towards growth, inclusivity and sustainability, while embracing the opportunities that come with the Fourth Industrial Revolution.

The APEC Vision Group will be consolidated to chart a way forward to ensure that the organization’s post-2020 configuration covers emerging issues and ongoing business.

Embracing the “Digital Future” APEC will focus renewed energy on providing a platform for future work on the internet and the digital economy, in anticipation of the need to tackle the challenges of the digital economy and other next-generation issues.
### Key Meetings in 2018

<table>
<thead>
<tr>
<th>Meeting</th>
<th>Date</th>
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<tbody>
<tr>
<td>First Senior Officials’ Meeting and Related Meetings</td>
<td>24 February – 9 March</td>
</tr>
<tr>
<td>High-Level Policy Dialogue on the Digital Economy</td>
<td>7 March</td>
</tr>
<tr>
<td>Second Senior Officials’ Meeting and Related Meetings</td>
<td>11 – 24 May</td>
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<tr>
<td>Ministers Responsible for Trade Meeting</td>
<td>25 – 26 May</td>
</tr>
<tr>
<td>Tourism Week and Tourism Ministerial Meeting</td>
<td>28 May – 3 June</td>
</tr>
<tr>
<td>Third Senior Officials’ Meeting and Related Meetings</td>
<td>4 – 20 August</td>
</tr>
<tr>
<td>High-Level Meeting on Health and the Economy</td>
<td>11 – 15 August</td>
</tr>
<tr>
<td>Mining Week and Mining Ministerial Meeting</td>
<td>17 – 24 August*</td>
</tr>
<tr>
<td>Finance Ministerial Meeting</td>
<td>15 – 17 October</td>
</tr>
<tr>
<td>APEC Economic Leaders’ Week</td>
<td>12 – 18 November</td>
</tr>
</tbody>
</table>

Note: Dates are subject to change, for the latest information please go to: [http://www.apec.org/Events-Calendar.aspx](http://www.apec.org/Events-Calendar.aspx)
2017 • Da Nang, Vietnam
 Leaders underline APEC’s crucial role in supporting a risk-based, open, fair, transparent and inclusive multilateral trading system. In recognition of the new opportunities and emerging challenges presented by globalization and digital transformation, they endorse an agenda for achieving positive economic and social change.

2018 • Port Moresby, Papua New Guinea

2019 • Santiago, Chile
 APEC Leaders commit to achieve 30% target for women’s participation in the economy by 2040.

2020 • Virtual/Beijing, China
 APEC Leaders endorse the APEC Connectivity Blueprint to achieve targets for better physical, institutional and people-to-people linkages across the region by 2025.

2021 • Virtual/Quito, Ecuador
 APEC Leaders welcome the APEC Multi Model Chapter on Transparency for ITAE/ETAs to be used as a guide by APEC economies.

2022 • Virtual/Singapore
 APEC Leaders adopt the APEC Low-Carbon Energy Strategy.

2023 • Virtual/Peru
 APEC Leaders endorse the APEC Investment Facilitation Strategy.

APEC Milestones
APEC Milestones

2005 • Busan, Korea
APEC completes the Mid-Term Stock-take of Progress towards the Bogor Goals. The stock-take finds that average tariffs in the APEC region have been reduced to 5.5 per cent, down from 16.9 per cent when APEC was established in 1989, and that APEC is on schedule to meet the Bogor Goals. It also outlines the Busan Roadmap to the Bogor Goals. The APEC Privacy Framework is launched.

2004 • Santiago, Chile
APEC adopts Best Practices for RTAs and FTAs, a reference guide for APEC members undertaking RTA/FTA negotiations. The Leaders’ Agenda to Implement Structural Reform (LAISR) is launched. It addresses five priority areas: regulatory reform; corporate governance; public governance; competition policy; and strengthening economic legal infrastructure. Leaders endorse the Santiago Commitment to Fight Corruption and Ensure Transparency.

2003 • Bangkok, Thailand
Members undertake to implement the APEC Action Plan on SARS and the Health Security Initiative to help the region prevent and respond to health threats. Leaders pledge to strengthen regional efforts to promote sound and efficient financial systems and encourage the development of domestic and regional bond markets.

2002 • Los Cabos, Mexico
APEC adopts a Trade Facilitation Action Plan and the Statement to Implement APEC Policies on Trade and the Digital Economy. The Secure Trade in the APEC Region (STAR) initiative is launched and a Statement to Implement APEC Transparency Standards is endorsed.

2001 • Shanghai, People’s Republic of China
Leaders issue APEC’s first Statement on Counter-Terrorism and pledge to enhance counter-terrorism cooperation. Leaders also adopt the Shanghai Accord which focuses on broadening the APEC vision to reflect changes resulting from the digital economy, clarifying the roadmap to reach the Bogor Goals, and strengthening the APEC Review Process and capacity building activities. An e-APEC Strategy identifying the necessary policy environment and specifying appropriate goals and actions to maximise the benefits of the digital economy is also endorsed.

2000 • Bandar Seri Begawan, Brunei Darussalam
APEC commits to the Action Agenda for the New Economy. Leaders set the goals of achieving universal access to the Internet by 2010.

1999 • Auckland, New Zealand
APEC Leaders endorse the APEC Principles to Enhance Competition and Regulatory Reform aimed at addressing the structural and regulatory weaknesses that contributed to the Asian financial crisis. APEC commits to paperless trading by 2005 in developed economies and 2010 in developing economies. The APEC Business Travel Card scheme is approved and a Mutual Recognition Arrangement on Electrical Equipment and a Framework for the Integration of Women in APEC are endorsed.

1998 • Kuala Lumpur, Malaysia
APEC Ministers agree on a Blueprint for Action on Electronic Commerce, including a commitment to paperless trading by 2005 in developed economies and by 2010 in developing economies.

1997 • Vancouver, Canada
APEC endorses a proposal for early voluntary sectoral liberalisation in 15 sectors and decides that Individual Action Plans should be updated annually.

1996 • Manila, the Philippines
The Manila Action Plan for APEC is adopted, outlining the trade and investment liberalisation and facilitation measures required to reach the Bogor Goals. The first Collective and Individual Action Plans are compiled, outlining how economies will achieve the free trade goals.

1995 • Osaka, Japan
APEC adopts the Osaka Action Agenda which provides a framework for meeting the Bogor Goals through trade and investment liberalisation, business facilitation and sectoral activities, underpinned by policy dialogues and economic and technical cooperation. The APEC Business Advisory Council is established to inject a business perspective into APEC deliberations and to give advice on business sector priorities.

1994 • Bogor, Indonesia
APEC sets the Bogor Goals of “free and open trade and investment in the Asia-Pacific by 2010 for industrialised economies and 2020 for developing economies.” The Uruguay Round of multilateral trade negotiations conducted under the General Agreement on Tariffs and Trade is concluded.

1993 • Blake Island, United States
APEC begins as an informal Ministerial level dialogue group with 12 founding members.

1992 • Canberra, Australia
APEC leaders meet for the first time and outline APEC’s vision of “stability, security and prosperity for our peoples.”

1991 • Kihei, Hawaii
APEC promotes the Mid-Term Stock-take of Progress towards the Bogor Goals. The stock-take finds that average tariffs in the APEC region have been reduced to 5.5 per cent, down from 16.9 per cent when APEC was established in 1989, and that APEC is on schedule to meet the Bogor Goals. It also outlines the Busan Roadmap to the Bogor Goals. The APEC Privacy Framework is launched.

1990 • Tokyo, Japan
APEC adopts the Osaka Action Agenda. Leaders agree that the goals of achieving universal access to the Internet by 2010.

1989 • Singapore, Republic of Singapore
APEC leaders meet for the first time and outline APEC’s vision of “stability, security and prosperity for our peoples.” APEC is established as an informal Ministerial-level dialogue group with 12 founding members.
The Asia-Pacific Economic Cooperation (APEC) is a regional economic forum established in 1989 to leverage the growing interdependence of the Asia-Pacific. APEC’s 21 members aim to create greater prosperity for the people of the region by promoting balanced, sustainable, innovative and secure growth and by accelerating regional economic integration.

APEC ensures that goods, services, investment and people move easily across borders. Members facilitate this trade through faster customs procedures at borders; more favorable business climates behind the border; and aligning regulations and standards across the region.

APEC works to help all residents of the Asia-Pacific participate in the growing economy. For example, APEC projects provide digital skills training for rural communities and help indigenous women export their products abroad. Recognizing the impact of climate change, APEC members also implement initiatives to increase energy efficiency and promote sustainable management of forest and marine resources.

The forum adapts to allow members to deal with important new challenges to the region’s economic well-being. For example, some of APEC’s shared goals are to ensure disaster resilience, planning for pandemics and addressing the threat of terrorism.

### About APEC

APEC's 21 member economies are:
- Australia; Brunei Darussalam; Canada; Chile; People’s Republic of China; Hong Kong, China; Indonesia; Japan; Republic of Korea; Malaysia; Mexico; New Zealand; Papua New Guinea; Peru; The Republic of the Philippines; The Russian Federation; Singapore; Chinese Taipei; Thailand; The United States of America; Viet Nam.

### Economic Data

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Source: StatsAPEC http://statistics.apec.org/ Extracted: December 2017

### Benefits of APEC

APEC has grown to become a dynamic engine of economic growth and one of the most important regional forums in the Asia-Pacific. Its 21 member economies are home to around 2.8 billion people and represent approximately 59.7 per cent of world GDP and 47.5 per cent of world trade in 2016.

As a result of APEC’s work, growth has soared in the region, with real GDP doubling from approximately just USD 19 trillion in 1989 to USD 43 trillion in 2016. Meanwhile, residents of the Asia-Pacific saw their per capita income rise threefold, lifting millions out of poverty and creating a growing middle class in less than three decades.

Bringing the region closer together, reducing trade barriers, and smoothing out differences in regulations have boosted trade which has also led to this dramatic increase in prosperity. Average tariffs fell from 17 per cent in 1989 to 5.5 per cent in 2016. During that same time period, the APEC region’s total trade increased six-fold—outpacing the rest of the world with two-thirds of this trade occurring between member economies.
About APEC

APEC operates as a cooperative, multilateral economic and trade forum. Member economies* participate on the basis of open dialogue and respect for views of all participants. In APEC, all economies have an equal say and decision-making is reached by consensus. There are no binding commitments or treaty obligations. Commitments are undertaken on a voluntary basis and capacity building projects help members implement APEC initiatives.

APEC’s structure is based on both a “bottom-up” and “top-down” approach. Four core committees and their respective working groups provide strategic policy recommendations to APEC Leaders and ministers who annually set the vision for overarching goals and initiatives. The working groups are then tasked with implementing these initiatives through a variety of APEC-funded projects. Members also take individual and collective actions to carry out APEC initiatives in their individual economies with the assistance of APEC capacity building projects.

APEC Organisational Chart

The APEC Secretariat

The APEC Secretariat is staffed with a team of diplomats seconded from APEC member economies as well as by professional, specialist and administrative staff. The Secretariat is headed by an Executive Director.

The APEC Policy Support Unit

The APEC Policy Support Unit (PSU), established in 2008, provides research, analysis and evaluation capabilities to assist in the implementation of APEC’s agenda. The PSU is guided and overseen by a board that comprises representatives from the current, immediate past and next APEC host economies, and from each major donor.

APEC Stakeholder Participation

APEC recognises that strong and vibrant economies are not built by governments alone, but by partnerships between governments and key stakeholders, including the business sector, industry, academia, policy and research institutions, and interest groups within the community.

APEC member economies recognise that business drives the economies of the region and therefore involvement by business at all levels of the APEC process. At the highest level, APEC Economic Leaders communicate through annual meetings with the APEC Business Advisory Council (ABAC). ABAC comprises high-level business people from all 21 APEC member economies.
About APEC

On The Web

The APEC Secretariat – www.apec.org contains information about APEC developments, issues and work programs, an APEC event calendar and links to key APEC websites. You can also follow us on social media:

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Publications

- APEC Regional Trends Analysis
- APEC in Charts 2017
- 2017 CTI Report to Ministers
- 2017 Key APEC Documents
- Factsheet: 2017 APEC Senior Officials’ Report on Economic and Technical Cooperation

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