



Asia-Pacific  
Economic Cooperation

Advancing Free Trade  
for Asia-Pacific Prosperity

# Key APEC Documents 2014



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# Introduction

*Key APEC Documents 2014* is the 21st 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 programs.

This issue presents a compilation of the statements from each of the APEC Ministerial Meetings held during 2014 together with the APEC Economic Leaders' Declaration from their recent meeting in Beijing, China.

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 2014



# **THE 22ND APEC ECONOMIC LEADERS' DECLARATION**

**Beijing, China**

**November 11, 2014**

## **Beijing Agenda for an Integrated, Innovative and Interconnected Asia-Pacific**

1. We, the APEC Leaders, gathered by Yanqi Lake in Beijing for the 22nd APEC Economic Leaders' Meeting. Under the theme of “Shaping the Future through Asia-Pacific Partnership”, we held substantial discussions on the priorities of advancing regional economic integration, promoting innovative development, economic reform and growth, and strengthening comprehensive connectivity and infrastructure development with a view to expanding and deepening Asia-Pacific regional economic cooperation, and attaining peace, stability, development and common prosperity of the Asia-Pacific.

2. The Asia-Pacific region has experienced a quarter of a century's growth and development. APEC has not only made significant contributions to the region's economic development, social progress and improvement of people's livelihoods, but has also epitomized the great changes and rising strategic position of the Asia-Pacific. Through its unique approach featuring voluntary action, consensus, flexibility and pragmatism, APEC has successfully established a sound regional economic cooperation framework among member economies with remarkable diversity and at different stages of development. Adhering to the spirit of unity, mutual respect and trust, mutual assistance and win-win cooperation, we have been working to narrow the development gap among ourselves and have consistently promoted the robust, sustainable, balanced, inclusive and secure growth in the Asia-Pacific region and beyond.

3. After years of rapid development, the Asia-Pacific has become the most dynamic region of the world, and has never been as important as it is today in the global landscape. At present, the Asia-Pacific maintains a strong momentum of growth; it possesses an enormous potential and has a bright future. Yet it is also faced with risks and challenges.

4. We are at an important historical moment of building on past achievements and striving for new progress. We are committed to working together to shape the future through Asia-Pacific partnership, building an open economy in the Asia-Pacific featuring innovative development, interconnected growth, and shared interests, and consolidating the leading role of the Asia-Pacific in the world economy, with a goal of opening up new prospects for future cooperation and achieving common prosperity in the Asia-Pacific region.

5. To achieve the above-mentioned goals, we pledge to take the following actions:

## **I. Advancing Regional Economic Integration**

### **Pursuing Free and Open Trade and Investment**

6. We reiterate the value, centrality and primacy of the multilateral trading system in promoting trade expansion, economic growth, job creation and sustainable development. We stand firmly together to strengthen the rules-based, transparent, non-discriminatory, open and inclusive multilateral trading system as embodied in the WTO.

7. We express our grave concern regarding the impasse in the implementation of the Trade Facilitation Agreement (TFA) which has resulted in stalemate and uncertainties over other Bali decisions. These developments have affected the credibility of the WTO negotiating function. In finding solutions to the implementation of the Bali decisions, APEC will exert creative leadership and energy together with all WTO members in unlocking this impasse, putting all Bali decisions back on track, and proceeding with the formulation of Post-Bali Work Program, as a key stepping stone to concluding the Doha Round.

8. We reaffirm our pledges against all forms of protectionism. We extend our standstill commitment through the end of 2018 and reaffirm our commitment to roll back protectionist and trade-distorting measures. We remain committed to exercise maximum restraint in implementing measures that may be consistent with WTO provisions but have a significant protectionist effect, and to promptly rectifying such measures, where implemented.

9. We acknowledge that bilateral, regional and plurilateral trade agreements can play an important role in complementing global trade liberalization initiatives. We will continue to work together to ensure that they contribute to strengthening the multilateral trading system. We underscore the importance of the negotiations to expand the product coverage of the Information Technology Agreement (ITA). A final ITA expansion outcome should be commercially significant, credible, pragmatic, balanced, and reflective of the dynamic technological developments in the information technology sector over the last 17 years, and contribute to the multilateral trading system. We welcome APEC's leadership in advancing the negotiations and call for swift resumption and conclusion of plurilateral negotiations in Geneva. We welcome the launch of negotiations on Environmental Goods Agreement (EGA) in July 2014 in Geneva. We encourage participants of the above initiatives to seek expanded memberships.

10. We welcome the significant progress made toward achieving the Bogor Goals. We will make every effort to achieve the Bogor Goals by 2020. We also welcome the biennial Bogor Goals review this year. We urge all economies, particularly developed ones to deeply consider the conclusions of the Report on APEC's 2010 Economies' Progress towards the Bogor Goals and the 2012 and 2014 Bogor Goals Progress Report, and to take more concrete actions towards attaining the Bogor Goals.

11. Recognizing APEC has a critical role to play in shaping and nurturing regional



economic integration, we agree that APEC should make more important and meaningful contributions as an incubator to translate the Free Trade Area of the Asia-Pacific (FTAAP) from a vision to reality. We reaffirm our commitment to the eventual FTAAP as a major instrument to further APEC's regional economic integration agenda.

12. In this regard, we decide to kick off and advance the process in a comprehensive and systematic manner towards the eventual realization of the FTAAP, and endorse *the Beijing Roadmap for APEC's Contribution to the Realization of the FTAAP (Annex A)*. Through the implementation of this Roadmap, we decide to accelerate our efforts on realizing the FTAAP on the basis of the conclusion of the ongoing pathways, and affirm our commitment to the eventual realization of the FTAAP as early as possible by building on ongoing regional undertakings, which will contribute significantly to regional economic integration, sustained growth and common prosperity in the Asia-Pacific region. We instruct Ministers and officials to undertake the specific actions and report the outcomes to track the achievements.

13. We welcome the establishment of a Committee on Trade and Investment (CTI) Friends of the Chair Group on Strengthening Regional Economic Integration (REI) and Advancing FTAAP, and urge the Friends of the Chair Group to continue its work. We agree to launch a collective strategic study on issues related to the realization of the FTAAP, and instruct officials to undertake the study, consult stakeholders and report the result by the end of 2016.

14. We endorse the establishment of an APEC Information Sharing Mechanism on RTAs/FTAs. We highly commend the work on the implementation of the Action Plan Framework on Capacity Building Needs Initiatives (CBNI), and endorse the Action Plan Framework of the 2nd CBNI. We instruct officials to design targeted and tailor-made capacity building activities to narrow the gap of the capacities of APEC economies to facilitate the eventual realization of the FTAAP.

15. In addition to the above, we reaffirm the role of APEC in addressing next generation trade and investment issues and sectoral initiatives, and agree to accelerate “at the border” trade liberalization and facilitation efforts, improve the business environment “behind the border”, and enhance regional connectivity “across the border” to accumulate more building blocks for the realization of the FTAAP. Therefore, we:

--- reaffirm our commitment to reduce applied tariffs to five percent or less by the end of 2015 on the list of environmental goods that we endorsed in 2012 in Vladivostok. We call upon all economies to redouble their efforts in order to realize the economic and environmental benefits. We will instruct officials to report progress in achieving this ground-breaking commitment at our meeting next year in the Philippines. We welcome the work on capacity building on Environmental Goods (EGs) commitment implementation;

--- welcome the inaugural meeting of the APEC Public Private Partnership on

Environmental Goods and Services (PPEGS) on renewable and clean energy trade and investment, and endorse the APEC Statement on Promoting Renewable and Clean Energy (RCE) Trade and Investment;

--- welcome the progress on exploring products which could contribute to sustainable and inclusive growth as part of our concrete commitment to rural development and poverty alleviation;

--- endorse the Action Agenda on Promoting Infrastructure Investment through Public-Private Partnership (PPP) and instruct officials to take concrete actions to strengthen cooperation on PPP to promote more robust and sustainable infrastructure investment and development in the APEC region;

--- welcome the Case Studies on Sustainable Investment in the APEC Region and encourage officials to consider and draw experience and good practices from the nominated cases to promote sustainable cross-border investment;

--- endorse the APEC Cross Border E-Commerce Innovation and Development Initiative and encourage economies to designate or establish Research Centers of Cross-border E-commerce Innovation and Development on a voluntary basis;

--- recognize that the effective protection and enforcement of IPR including trade secrets incentivizes and facilitates innovation and foreign direct investment and the dissemination of technology through licensing and partnerships;

--- endorse the APEC Action Agenda on Advertising Standards and Practice Development to promote alignment of advertising standards and reduce the cost of doing business across the region;

--- endorse the Asia-Pacific Region Automotive Industry Sustainable Development Declaration and welcome the outcomes of the 2014 APEC Regulatory Cooperation Advancement Mechanism (ARCAM) Dialogue on Electric Vehicle Standards. We welcome the APEC Actions to Promote the Widespread Usage of Electric Vehicles.

### **Advancing Global Value Chain Development and Supply Chain Connectivity**

16. Recognizing that Global Value Chains (GVCs) have become a dominant feature of the global economy and offer new prospects for growth, competitiveness and job creation for APEC economies at all levels of development, we endorse *the APEC Strategic Blueprint for Promoting Global Value Chain Development and Cooperation (Annex B)*. We welcome the progress made in the measurement of Trade in Value Added (TiVA), services, SMEs and GVCs resilience, etc., and instruct officials to advance the work through the CTI Friends of the Chair Group on GVC to put forward new initiatives under the Strategic Blueprint in 2015 and beyond.

17. We endorse the Strategic Framework on Measurement of APEC TiVA under GVCs and the Action Plan on this Strategic Framework. We instruct the newly-formed technical group to work closely with the WTO, OECD, the World Bank, UNCTAD and

other related international organizations, with an aim to complete the construction of the APEC TiVA Database by 2018.

18. We endorse the Terms of Reference of Promoting SME's Integration into GVCs, and welcome the launch of the related activities. We instruct officials to make efforts in advancing this work.

19. We welcome the commitment of APEC economies to move forward with the implementation of the WTO Trade Facilitation Agreement, including the notification by many APEC developing economies of their category A TFA obligations. We welcome, as well, the progress this year in improving the performance of APEC supply chains through targeted, focused capacity building and technical assistance. In this regard, we applaud the establishment of the APEC Alliance for Supply Chain Connectivity, which will contribute to our goal in achieving a ten percent improvement of supply chain performance by the end of 2015 and our broader supply chain connectivity objectives. We encourage economies to increase the resources of the APEC Supply Chain Connectivity Sub-Fund to ensure that our capacity building and technical assistance projects succeed to meet our ten percent performance improvement goal and to further our trade facilitation objectives.

20. We agree to establish the Asia-Pacific Model E-port Network (APMEN) and welcome the first batch of APEC Model E-ports nominated by the APEC economies. We endorse the Terms of Reference of the APMEN and agree to set up the APMEN operational center in the Shanghai Model E-port, and instruct officials to make further efforts to contribute to regional trade facilitation and supply chain connectivity.

21. We positively value the APEC High-level Roundtable on Green Development and its declaration, and agree to establish the APEC Cooperation Network on Green Supply Chain. We endorse the establishment of the first pilot center of APEC Cooperation Network on Green Supply Chain in Tianjin, China, and encourage other economies to establish the pilot centers and advance related work actively.

22. We endorse the APEC Customs 3M (Mutual Recognition of Control, Mutual Assistance of Enforcement and Mutual Sharing of Information) Strategic Framework. We instruct officials to further simplify and coordinate APEC customs procedures based on the 3M Framework to facilitate the development of regional trade. We encourage APEC members' customs authorities to continue strengthening cooperation and coordination in pursuit of the 3M vision, to push forward comprehensive connectivity and make greater contributions to the sustainable development of trade and regional economic integration in the Asia-Pacific region.

23. We recognize that the use of standardized codes will enable information about traded goods to be easily understood and shared by all parties. We therefore encourage APEC economies to work with the private sector to promote further cooperation on global data standards and their wider use by developing pilot projects.

24. We welcome the initiative on manufacturing related services in supply chains/value chains as a next generation trade and investment issue, and instruct officials to develop a plan of action in 2015.

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

25. We endorse the APEC Strategic Plan on Capacity Building to Promote Trade and Investment Agenda which adopts a strategic, goal-oriented and multi-year approach. We instruct officials to take the Strategic Plan as a guide to develop and implement more tailor-made capacity building programs that contribute to the core trade and investment liberalization and facilitation agenda of APEC.

26. We encourage economies, particularly developed economies, to provide more contributions to ECOTECH and capacity building, to achieve our goal of bridging development gaps, and help member economies to meet their APEC commitments and their economic growth objectives.

27. We welcome the initiative to upgrade the Asia Pacific Finance and Development Center (AFDC) to the Asia Pacific Finance and Development Institute (AFDI).

## **II. Promoting Innovative Development, Economic Reform and Growth**

28. We realize that the prospects for the shared prosperity of APEC will depend on innovative development, economic reform and growth in the region, which are complementary and mutually reinforcing. We recognize that the Asia-Pacific region is at a crucial stage of economic transformation. We are committed to accelerating the pace of reform and innovation, and exploring new growth areas with the goal of bolstering the position of the Asia-Pacific as an engine for world economic growth. We agree to strengthen macroeconomic policy coordination with a view to forging policy synergy, and creating a sound policy environment for the robust, sustainable, balanced and inclusive economic growth in the region.

29. We endorse *the APEC Accord on Innovative Development, Economic Reform and Growth (Annex C)* which identifies Economic Reform, New Economy, Innovative Growth, Inclusive Support and Urbanization as the five pillars for promoting experience sharing, policy dialogue, capacity building and practical cooperation.

### **Economic Reform**

30. To advance APEC's economic reform agenda, we agree to hold the 2nd Ministerial Meeting on Structural Reform in 2015. Recognizing that many APEC developing economies are facing the challenge of the Middle-Income Trap (MIT), we agree to incorporate the issue of overcoming the MIT into the work program of the APEC Economic Committee.

31. To meet our objective of strengthening the implementation of good regulatory practices, we will further enhance communication, exchanges, and sharing of experiences,

and foster an open and transparent regulatory environment in our economies, according to individual economies' needs and circumstances. We will endeavor to take new actions through the use of information technology and the Internet to improve our conduct of public consultations on proposed regulations.

32. We recognize the role of internationally recognized private international law instruments such as the Hague Conventions in facilitating cross-border trade and investment, enhancing ease of doing business, and fostering effective enforcement of contracts and efficient settlement of business disputes. We encourage wider use of these instruments which would contribute to APEC's regional integration, connectivity and structural reform agenda.

### **New Economy**

33. We recognize that New Economy represents the trend of economic growth and sustainable development in the Asia-Pacific region and beyond. We support the efforts to promote economic restructuring and upgrading in traditional industries, explore new and promising economic growth areas such as the Green Economy, the Blue Economy, and the Internet Economy, and promote green, circular, low-carbon and energy-efficient development.

34. We are encouraged by the progress of APEC's ocean-related cooperation and welcome the Xiamen Declaration issued at the 4th APEC Oceans Ministerial Meeting this year, and instruct our Ministers and officials to fully implement the Declaration. We acknowledge the Xiamen Declaration's statement on the Blue Economy. We welcome the APEC Marine Sustainable Development Report. We encourage the Ocean and Fisheries Working Group to work with APEC fora to advance Blue Economy cooperation.

35. We recognize the role of the Internet Economy in promoting innovative development and empowering economic participation. We endorse the APEC Initiative of Cooperation to Promote the Internet Economy and instruct Ministers and officials to discuss the Internet Economy further, put forward proposals for actions, promote member economies' cooperation on developing the Internet Economy and facilitate technological and policy exchanges among member economies, taking into account the need to bridge the digital divide.

36. We welcome the Beijing Declaration of the 2014 APEC Energy Ministerial Meeting. We welcome the establishment of the APEC Sustainable Energy Center in China. We recognize the importance of promoting diversified energy supplies, and market-based competition and pricing mechanisms that reflect demand and supply fundamentals as appropriate to each economy. We encourage member economies to take actions to eliminate trade protection and restrictive measures that may impede progress in renewable energy technologies and development of this sector, and we endorse the Energy Ministers' aspirational goal to double the share of renewables including in power generation by 2030 in APEC's energy mix. We affirm our commitment to rationalize and phase out inefficient fossil fuel subsidies that encourage wasteful consumption while still providing essential energy services. We acknowledge Peru and New Zealand for initiating voluntary peer reviews in 2014 of inefficient fossil fuel subsidies that cause wasteful consumption and

sharing their best practices, and welcome the commitment from the Philippines to undergo a peer review in 2015. We encourage innovation, competition and cooperation to promote a sound and sustainable energy sector in the Asia-Pacific and to ensure its energy security, economic growth, poverty eradication and an appropriate response to climate change.

37. We emphasize the importance of efforts to ensure sustainable development in mining, including the development, processing, utilization, investment and trade in minerals, metals and related products and welcome Ministers' views recognizing the important role of the Minamata Convention on Mercury.

38. We will continue our efforts to protect forest resources, combat illegal logging and associated trade, promote sustainable forest management, and work with relevant organizations, including the Asia-Pacific Network on Sustainable Forest Management and Rehabilitation (APFNet), to ensure the achievement of the aspirational goal on forests in the Sydney Declaration.

39. We commit to continue our efforts in combating wildlife trafficking. We will take steps to combat wildlife trafficking by enhancing international cooperation through Wildlife Enforcement Networks (WENs) and other existing mechanisms, reducing the supply of and demand for illegally traded wildlife, increasing public awareness and education related to wildlife trafficking and its impacts, and treating wildlife trafficking crimes seriously.

### **Innovative Growth**

40. We recognize innovation as an important lever for economic growth and structural reform. We endorse the initiative on Toward Innovation-Driven Development. We commit to foster a pragmatic, efficient and vigorous partnership on science, technology and innovation. We agree to strengthen collaboration amongst government, academia, and private sector stakeholders to build science capacity, to promote an enabling environment for innovation and including by establishing training centers for the commercialization of research, and to enhance regional science and technology connectivity, with respect for intellectual property rights and trade secrets.

41. We welcome the Nanjing Declaration on Promoting SMEs Innovative Development. We commit to strengthen our support, and provide an enabling environment for SMEs in innovation activities. We welcome efforts to strengthen SMEs' cooperation in the Asia-Pacific region, involve SMEs in APEC production and supply chains, promote ethical business practices, as well as to empower their capacity to operate in an international market. We welcome member economies' joint efforts and contribution to promote the APEC Accelerator Network and to invest in the early stage development of innovative SMEs.

### **Inclusive support**

42. We recognize that inclusive support is essential to maintain growth and to deal with risks and potential fallout of reform, with an aim to provide a solid foundation for economic growth and to address the needs of vulnerable groups. We welcome the outcomes of the 6th Human Resources Development Ministerial Meeting and the Action

Plan (2015-2018) on Promoting Quality Employment and Strengthening People-to-People Connectivity through Human Resources Development. We encourage APEC economies to give priority to stabilizing and expanding employment, implementing macroeconomic policies in favor of job creation, and strengthening capacity building for human resources development, vocational skills development and skill training for youth. We commend the 10-year achievement of the APEC Digital Opportunity Center initiative through our joint efforts and cooperation in bridging digital divides, strengthening human resource development and creating digital opportunities throughout the APEC region.

43. We recognize the pivotal role of women in the development and prosperity of the Asia-Pacific, and are committed to taking concrete policies and innovative measures to further enhance women's economic empowerment and their access to markets and ICT technology, eliminate all barriers that hinder women's economic participation, and ensure women's equal opportunities, participation and benefit in innovative development, economic reform and growth. We welcome the recommendations from the Women and the Economy Forum, and commit to promote women entrepreneurship. We recognize the importance of data to measure progress in reducing barriers to women's economic participation, and we welcome the establishment of the APEC Women and the Economy Dashboard as a tool to inform policy discussions. We support women's leadership and recognize the importance of women's entrepreneurship support services and networks. We encourage the formal development of an APEC-wide women's entrepreneurship network to empower women entrepreneurs to start and grow businesses and increase their access to domestic and international markets.

44. We welcome recommendations from the 4th High Level Meeting on Health and the Economy and endorse the "Healthy Asia-Pacific 2020" initiative, which aims to achieve sustainable and high-performing health systems that will ensure people's health, including physical and mental well-being, through the whole life-course by means of a whole-of-government, and whole-of-society approach with the collaboration of the entire Asia-Pacific region.

45. We commit to jointly tackle pandemic diseases, terrorism, natural disasters, climate change and other global challenges. In confronting the current Ebola Virus Disease epidemic, we are determined to intensify our cooperation and work shoulder to shoulder with African nations to help them effectively end this epidemic and prevent, detect, manage and respond to future outbreaks. We will continue to assist people in affected areas to overcome this crisis and build back their economies so we can win the battle against the disease.

46. We endorse the Beijing Declaration on APEC Food Security issued at the Third APEC Ministerial Meeting on Food Security. We welcome APEC Action Plan for Reducing Food Loss and Waste, the APEC Food Security Business Plan (2014-2020), and the APEC Food Security Roadmap toward 2020 (2014 version) and the Action Plan to Enhance Connectivity of APEC Food Standards and Safety Assurance. We note the G20's work on food security in 2014. We call on APEC economies to seek common ground to build an open, inclusive, mutually-beneficial and all-win partnership for the long-term food security of the Asia-Pacific region. We will strengthen APEC agricultural science

and technology innovation and cooperation to advance sustainable agricultural development and support sustainable fisheries.

47. We commend the ongoing efforts of the APEC Food Safety Cooperation Forum (FSCF) and its Partnership Training Institute Network (PTIN), which will help ensure the safety of food produced and traded in the APEC region by improving food safety regulatory systems, encouraging harmonization with international science-based standards, building capacity in areas that will facilitate trade, and enhancing communication and collaboration between industry and regulators to address emerging food safety issues. We welcome the APEC Food Safety Beijing Statement of the 2014 APEC High-Level Regulator Industry Dialogue on Food Safety.

48. We commend the strong resolve shown in fighting corruption, including through effective anti-corruption measures. We support the Beijing Declaration on Fighting Corruption and welcome the APEC Principles on the Prevention of Bribery and Enforcement of Anti-Bribery Laws, and APEC General Elements of Effective Voluntary Corporate Compliance Programs. We commit to work together against corruption and deny safe haven for corrupt officials and their illicitly-acquired assets. We are committed to strengthening cooperation and coordination on repatriation or extradition of corrupt officials as well as confiscation and recovery of corruption proceeds, and where appropriate, through the use of anti-corruption mechanisms and platforms such as the APEC Network of Anti-Corruption and Law Enforcement Agencies (ACT-NET).

49. We encourage further cooperation of member economies in disaster preparedness, risk reduction, response and post-disaster recovery, and cooperation in search and rescue, including through more robust networking among disaster management departments; following the APEC Guidelines on Appropriate Donations; improving supply chain resiliency; operationalizing the Trade Recovery Programme, reducing barriers to the movement of emergency responders and humanitarian relief across borders; increased data sharing; and application of science and technologies.

50. We reiterate our resolve to create a secure and resilient environment for economic activities and connectivity in the APEC region and continue concerted efforts to implement the APEC Consolidated Counter-Terrorism and Secure Trade Strategy.

### **Urbanization**

51. We recognize that the Asia-Pacific is currently experiencing booming urbanization. We realize that sustained and healthy development of urbanization is conducive to promoting innovative growth and realizing robust, inclusive and sustainable development in the Asia-Pacific.

52. We commend the constructive work undertaken by APEC this year in promoting urbanization cooperation in the Asia-Pacific region, and endorse the APEC Cooperation Initiative for Jointly Establishing an Asia-Pacific Urbanization Partnership.

53. Recognizing the range of urbanization challenges and opportunities across APEC economies, we commit to collectively promote cooperation projects, and to further explore pathways to a new-type of urbanization and sustainable city development,



featuring green, energy efficient, low-carbon and people-orientation.

### **III. Strengthening Comprehensive Connectivity and Infrastructure Development**

54. We recognize that strengthening comprehensive connectivity and infrastructure development will help open up new sources of economic growth, promote cooperation and mutual assistance, and advance prosperity and the spirit of community in the Asia-Pacific region. We commend the achievements already made by APEC in connectivity and infrastructure development cooperation.

55. We endorse the *APEC Connectivity Blueprint for 2015-2025 (Annex D)*. We are committed to implementing the APEC Connectivity Blueprint and achieving the overarching goal of strengthening physical, institutional and people-to-people connectivity by taking agreed actions and meeting agreed targets by 2025, with the objective of achieving a seamless and comprehensively connected and integrated Asia Pacific.

56. We commit to solve the financing bottleneck of infrastructure development. We commend the work and progress accomplished under the APEC Finance Ministers' Process (FMP) in infrastructure investment and financing cooperation. We recognize, in particular, efforts in promoting PPP on Infrastructure, such as compiling demonstrative infrastructure PPP projects, advancing the work of the PPP Experts Advisory Panel, strengthening capacity building of Indonesia's Pilot PPP Center, and carrying on capacity building project of PPP pilot demonstration and standard contract making. We welcome the Implementation Roadmap to Develop Successful Infrastructure PPP Projects in the APEC Region to guide APEC's future work in this aspect. We welcome the establishment of the PPP Center in China as a center of excellence.

57. We encourage member economies to strengthen energy infrastructural development and connectivity, such as oil and natural gas pipelines and transmission networks, LNG terminals, smart grids and distributed energy systems on the basis of shared interest and mutual benefit.

58. We encourage all member economies to take effective measures to promote the mobility of business personnel, tourists, researchers, students and labor in the region.

59. We support initiatives and activities that further enhance the three dimensions of cross-border education cooperation found in the 2012 Leaders Declaration-- mobility of students, researchers, and providers. We applaud the work that has been accomplished this year, including the establishment of the APEC Higher Education Research Center (AHERC); contributions to the APEC scholarships and internships initiative, which will encourage people-to-people exchange in our region; and promotion of virtual academic mobility by leveraging internet-based resources and innovative learning practices.

60. We support the target set at the 8th APEC Tourism Ministers' Meeting of making efforts to receive 800 million international tourist arrivals in APEC economies by

2025.

61. We appreciate the initiatives which will greatly improve connectivity and infrastructure in the Asia-Pacific region, help resolve the bottleneck of financing in this field, and promote regional economic integration and the common development of the Asia-Pacific.

#### **IV. Looking Forward**

62. With joint efforts of member economies, the Asia-Pacific has become the most dynamic region of the world with enormous growth potential. Never before has the world been more in need of a harmonious, stable and prosperous Asia-Pacific. We commit to working together to shape the future through Asia-Pacific partnership in the spirit of mutual respect and trust, inclusiveness, and win-win cooperation, and making a contribution to the long-term development and common prosperity of the region.

63. We commit to carry forward APEC reform, improve its cooperation mechanisms, and implement ambitious goals and blueprints, with the aim of enabling APEC to play a more active coordinating and leading role in the Asia-Pacific.

64. We commend the constructive role of the APEC Business Advisory Council (ABAC) in strengthening public-private partnership and promoting APEC cooperation in various fields.

65. We are committed to enhancing APEC synergy with other relevant international and regional cooperation organizations and fora through coordination and cooperation, as well as enabling APEC to play an increasingly important role in the global governance system.

66. We are satisfied with the positive, meaningful and fruitful achievements of this meeting and appreciate China's tremendous and fruitful efforts to successfully host this meeting.

67. We are committed to supporting future hosts of APEC, including Peru, Viet Nam, Papua New Guinea, Chile, Malaysia, New Zealand and Thailand who are to host APEC in the years of 2016, 2017, 2018, 2019, 2020, 2021 and 2022 respectively.

68. We look forward to convening again during the Philippines' hosting of APEC in 2015.

Annex A: the Beijing Roadmap for APEC's Contribution to the Realization of the FTAAP

Annex B: APEC Strategic Blueprint for Promoting Global Value Chain Development and Cooperation

Annex C: APEC Accord on Innovative Development, Economic Reform and Growth

Annex D: APEC Connectivity Blueprint for 2015-2025

## **STATEMENT ON THE 25TH ANNIVERSARY OF APEC**

### **Shaping the Future through Asia-Pacific Partnership Beijing, China 11 November, 2014**

1. We, the Leaders of the Asia-Pacific Economic Cooperation (APEC), having met by Yanqi Lake, Beijing, China for the 22nd APEC Economic Leaders' Meeting, jointly issue this statement today to commemorate the 25th anniversary of APEC.
2. We recall the establishment of APEC in 1989, which opened up a new historic chapter for economic cooperation in the Asia-Pacific. Over the course of the past 25 years, in pursuit of economic growth, better wellbeing of people, and common prosperity of the region, APEC has propelled progress through "two wheels" - trade and investment liberalization and facilitation and economic and technical cooperation. Having contributed to global efforts in meeting the grave challenges of the Asian Financial Crisis and the International Financial Crisis, APEC member economies have been the main engine of global growth.
3. We are pleased to note that APEC has become the premier, and most extensive and influential regional economic cooperation forum in the Asia-Pacific, unified in a common drive to build a dynamic and prosperous Asia-Pacific community.

#### **Progress and Achievements**

4. We acknowledge the historical achievements and the remarkable results APEC has delivered since its establishment in 1989. In the course of the past 25 years, the average applied tariffs of APEC economies have fallen by more than 10 percentage points, contributing to a seven-fold increase in both intra-APEC merchandise trade and APEC's total trade, as well as higher economic growth compared to the rest of the world.
5. We recognize with appreciation that many successful experiences can be drawn from the 25 years of APEC:
  - APEC has upheld the spirit of equality, mutual benefit, mutual respect, openness, inclusiveness, flexibility, pragmatism, and win-win cooperation; and followed the principles of cooperation, voluntarism, and consensus building.
  - APEC has established the Bogor Goals, putting forward two timelines calling for the realization of free and open trade and investment by 2010 for industrialized economies and by 2020 for developing economies.
  - APEC recognizes the importance of trade as a key to job creation, economic growth and sustainable development, and reiterates the value, centrality and primacy of the multilateral trading system as embodied in the WTO. Historically, APEC has been consistently supporting the rules-based multilateral trading system, and played a leading role in facilitating the conclusion of the Uruguay Round in 1994, launching the Doha Development Agenda (DDA) in 2001, and achieving a successful conclusion of the Information Technology Agreement (ITA) in 1996, launching the Information Technology Agreement (ITA) Expansion

negotiations in 2012 and Environmental Goods Agreement (EGA) negotiations in 2014, as well as achieving Bali Package in 2013. In support of "free and open trade and investment", APEC economies committed to refraining from raising new trade and investment barriers and combating protectionism in all its forms.

- APEC has been a pioneer, pacesetter and pathfinder in regional and global economic cooperation, advancing the process towards the eventual realization of the Free Trade Area of the Asia-Pacific (FTAAP), promoting trade facilitation, including expedited business travel through the APEC Business Travel Card, supporting the development of Global Value Chains (GVCs), launching the APEC Growth Strategy, promoting trade in environmental goods and services, improving supply chain performance, promoting connectivity, strengthening the implementation of good regulatory practices, and addressing the next generation trade and investment issues.
  - APEC has carried out practical cooperation in a wide range of areas, including structural reform; standards and conformance; women and the economy; health, education and labor; climate change; food security and food safety; energy security and sustainable energy development; green economy; blue economy; small and medium enterprises; information and communications technology; transport; infrastructure development and investment; forestry; mining; counter-terrorism; emergency preparedness; and, anti-corruption.
6. APEC has established a mechanism through the APEC Business Advisory Council to receive valuable inputs from the business sector in its policy deliberations. APEC fully appreciates the active role played by business communities in advancing the APEC agenda. APEC industry dialogues and partnerships in a range of business sectors play a unique role in enhancing the economic cooperation and integration among the member economies. We reaffirm the significant value that public-private activities have contributed to APEC work.

### **New Opportunities and Challenges**

7. We recognize that today, 25 years on, APEC and the Asia-Pacific economies are at a new historical starting point, and are facing unprecedented opportunities and challenges.
8. We are pleased to note that the overall development of the Asia-Pacific region has been sound and steady. With multiple efforts to reform and promote innovative development, the Asia-Pacific region is consolidating its leading role as an engine of global economic growth. We are full of confidence in the bright future of the Asia-Pacific region.
9. At the same time, we are facing grave challenges in various aspects. We also realize that in a world of burgeoning global and regional economic cooperation institutions, APEC must constantly pursue new and innovative ways to achieve its objectives and continue to keep up with the global economic trends to play its leading and coordinating role. APEC is expected to consolidate and advance regional economic integration, support the multilateral trading system, resist protectionism in all its forms, and guard against the risks of fragmentation.

10. It is therefore imperative for member economies to find new areas and driving forces for growth in the post-crisis era. To this end, APEC economies are committed to redoubling efforts to achieve breakthroughs on bottlenecks and work to ensure that enhanced connectivity and infrastructure development will meet the growing needs of the member economies.

### **Shaping the Future through Asia-Pacific Partnership**

11. Today, we gather to celebrate our successes and also look ahead, envisioning the future prospect and direction of the long-term development of the Asia-Pacific. We are fully committed to maintaining APEC's profile as the premier forum for supporting sustainable economic growth and prosperity and advancing free and open trade and investment in the Asia-Pacific.
12. We commit ourselves to building upon APEC's historical achievements, carrying forward the spirit of cooperation, and shaping the future through an Asia-Pacific partnership that is built on mutual respect and trust, inclusiveness, and win-win cooperation.
13. We are committed to jointly building an open economy in the Asia-Pacific that is based on innovative development, interconnected growth, and shared interests.
14. Building on its proud tradition of leadership in advancing WTO process, we shall continue to work together to safeguard and strengthen the strong and vibrant multilateral trading system, so as to enhance the leading role of WTO in the global economic governance.
15. We are determined to promote macroeconomic policy coordination, and enhance information sharing and policy dialogues, with a view to forging policy synergy, and creating a sound policy environment for the economic growth of the region.
16. We reaffirm our commitment to realizing the Bogor Goals by 2020, and will reinforce our efforts based on the progress already achieved. Developed APEC members are willing to provide support and assistance to developing members to help them realize the Bogor Goals.
17. We strongly believe that the decisions we take at this Economic Leaders' Meeting will lay the foundation for a dynamic and prosperous Asia-Pacific in the years to come. To this end, we reaffirm the decisions taken:
  - To implement the Beijing Roadmap for APEC's Contribution to the Realization of the FTAAP, and launch a collective strategic study on issues related to the realization of the FTAAP, with the goal of establishing the FTAAP as early as possible by building on ongoing regional undertakings;
  - To jointly create an enabling environment for GVC development and cooperation through the implementation of the *APEC Strategic Blueprint for Promoting GVC Development and Cooperation*.
  - To implement the *APEC Accord on Promoting Innovative Development, Economic Reform and Growth*; and
  - To implement the *APEC Connectivity Blueprint for 2015-2025* and achieve the overarching goal of strengthening physical, institutional and people-to-

people connectivity by taking agreed actions and meeting agreed targets by 2025, with the objective of achieving a seamless and comprehensively connected and integrated Asia-Pacific.

18. We are determined to jointly explore the development path and model suitable for each member's specific circumstances. We will enhance policy coordination, experience exchange and mutual learning, and foster an enabling environment for diverse and common development of all member economies.
19. We are committed to green and sustainable growth, and addressing environmental challenges through closer practical cooperation.
20. We are committed to narrowing the development gaps and achieving common development through practical cooperation and mutual assistance.
21. We reaffirm our support for the reform of APEC in an effort to achieve organizational and institutional improvement. We will strengthen APEC's synergy and complementarity with other regional and international fora and processes to enable a more effective approach in seizing opportunities and solving complex cross-border challenges, through three work streams, namely institutional, thematic and, trade and investment. Such efforts will make way for a greater contribution to regional economic cooperation and global economic governance.
22. We support the participation of relevant stakeholders in APEC cooperation so that cooperation achievements can benefit a larger population across the Asia-Pacific. We welcome the active participation of ABAC and other private sector representatives in the process, and are committed to building a closer and broader interactive relationship with the business community.
23. We believe that through these efforts, the Asia-Pacific will embrace a brighter future. The region will enjoy a higher level of economic integration, more effective policy coordination, stronger ties in economic and technical cooperation, enhanced regional connectivity, and closer links with the rest of the world. Our enduring commitment will underwrite the peace, stability and prosperity of Asia Pacific. We are committed to making relentless efforts for the next 25 years of APEC cooperation, with the goal of fulfilling the Asia-Pacific dream of common development, prosperity, and progress.

## ANNEX A

### **The Beijing Roadmap for APEC's Contribution to the Realization of the FTAAP**

Over the past 25 years, APEC economies have made great strides in the pursuit of free and open trade and investment. APEC's role in facilitating regional economic growth and cooperation has proven essential in efforts to achieve greater common prosperity and stability, and has greatly contributed to the region's reputation as an engine of world economic growth. As the global economic landscape has evolved, global supply chains and value chains have emerged, and enterprises have taken advantage of distributed and more efficient production of goods and services and global networks of investors and exporters.

Economic integration efforts in the Asia-Pacific region have entered a critical stage, and are now facing both opportunities and challenges. The proliferation of regional RTAs/FTAs has created favorable liberalizing momentum that complements the multilateral trading system as embodied in the WTO; however it has also resulted in a "spaghetti bowl" effect, posing complex new challenges to regional economic integration and to business.

In 2006, APEC economies agreed to examine the long-term prospect of a Free Trade Area of the Asia-Pacific (FTAAP). In 2010, APEC Leaders issued "Pathways to FTAAP", and instructed APEC to take concrete steps toward realization of the FTAAP, as a major instrument to further APEC's regional economic integration agenda, which should be pursued as a comprehensive free trade agreement by developing and building on ongoing regional undertakings such as ASEAN+3, ASEAN+6, and the Trans-Pacific Partnership. In this regard, APEC is expected to make an important and meaningful contribution as an incubator of the FTAAP. By providing leadership and intellectual input into the development process of regional economic integration, APEC could play a strong role in driving the FTAAP vision forward.

Over the past several years, APEC has discussed a broad range of issues relevant to the prospect of the FTAAP, conducted analytical work related to the FTAAP, addressed a number of next generation trade and investment issues, and undertaken sectoral initiatives. APEC has also carried out capacity building programs to assist economies in engaging in FTA negotiations on particular topics, has exchanged information on status of FTA/RTA negotiations in the region in Senior Officials Meetings, and led other work that could be used to contribute to the eventual realization of the FTAAP.

Today, we have reached a critical point in global economic evolution, and APEC economies are committed to making a contribution by translating the vision of the FTAAP into concrete steps, and to kicking off and advancing the process in a comprehensive and systematic manner towards the eventual realization of the FTAAP. Establishment of this Roadmap for APEC's Contribution to the Realization of the FTAAP represents an important concrete step towards greater regional economic integration.

**In this regard, we, the APEC Leaders, share the following common views:**

69. The rules-based multilateral trading system will remain a key tenet of APEC. The FTAAP should be pursued on the basis of supporting and complementing the multilateral trading system.
70. The FTAAP should do more than achieve liberalization in its narrow sense; it should be comprehensive, high quality and incorporate and address “next generation” trade and investment issues.
71. Attaining the Bogor Goals by 2020 will continue to be APEC’s core objective, and progress towards the Bogor Goals will substantially advance and help determine APEC’s contribution to the eventual realization of the FTAAP. This work will not supersede the Bogor Goals but will serve as an important driving force to consolidate and accelerate progress toward trade and investment liberalization.
72. The FTAAP will be realized outside of APEC, parallel with the APEC process. APEC should maintain its non-binding, voluntary cooperation principles in its contributions to the realization of the FTAAP. APEC will encourage more unilateral trade and investment liberalization and reform, continue to play a role as incubator of the FTAAP and provide leadership and intellectual input to its realization.
73. The FTAAP should aim to minimize any negative effects resulting from the proliferation of regional and bilateral RTAs/FTAs, and will be pursued by building on current and developing regional architectures. Greater efforts should be made to concluding the possible pathways to the FTAAP, including the TPP and RCEP.
74. To assist interested APEC economies with participating in ongoing regional undertakings and preparation for the realization of the FTAAP, APEC should continue to provide effective economic and technical cooperation activities that help developing economies, including in structural reform, human resource, SME development and integration.

**Bearing in mind the above, we agree to undertake the following actions while pursuing the conclusion of initiatives considered as potential building blocks of the FTAAP:**

75. Launch a collective strategic study on issues related to the realization of the FTAAP by building on and updating existing studies and past work, providing an analysis of potential economic and social benefits and costs, performing a stocktake of RTAs/FTAs in force in the region, analyzing the various pathways towards the FTAAP, assessing impacts of the “spaghetti bowl” phenomenon on economies, identifying trade and investment barriers, identifying challenges economies may face in realizing the FTAAP, and considering any recommendations based on the study’s findings. The CTI Friends of the Chair Group on Strengthening REI and Advancing FTAAP, led by member economies, will organize and lead a task force to undertake the study and will seek contributions from interested APEC economies, the APEC Policy Support Unit, ABAC, PECC and APEC Study Centers. The linkage with the second term review of Bogor Goals will be strengthened while carrying out this study. The CTI



and SOM will review progress annually, finalize the report, along with any recommendations, arrived at by consensus, and submit them to Ministers and Leaders by the end of 2016.

- Increase transparency of existing and recently concluded RTAs/FTAs by advancing work under the APEC Information Sharing Mechanism on RTAs/FTAs. This will support cooperation on the realization of the FTAAP, and encourage economies to organize supporting policy dialogues and other information sharing activities under this mechanism. Increased transparency of existing RTAs/FTAs and better understanding among our economies of possible pathways will contribute to building stakeholder support and lead to the eventual realization of a truly beneficial FTAAP. This mechanism would complement the WTO Transparency Mechanism for Regional Trade Agreements; economies will continue to participate to the fullest extent possible in the WTO Transparency Mechanism. The CTI will review the effectiveness of this mechanism biennially and submit any outcomes to MRT, AMM and AELM.
- Continue the capacity building activities in pursuit of the FTAAP under the Action Plan Framework of the 2<sup>nd</sup> Capacity Building Needs Initiative (CBNI). We highly commend the successful implementation of the 1<sup>st</sup> CBNI in 2012-2014 and encourage more economies to design and conduct capacity building programs for specific sectors as lead economies. The results of the capacity building programs conducted under the 2<sup>nd</sup> CBNI will be periodically reviewed with the goal of building up economies' capacity to participate in ongoing regional undertakings and realize the FTAAP.
- Accelerate “at the border” trade liberalization and facilitation efforts, improve the business environment “behind the border”, and enhance regional connectivity “across the border”. This includes advancing initiatives in areas such as investment, services, e-commerce, rules of origin, global value chain, supply chain connectivity, customs cooperation, environmental goods and services, good regulatory practices, as well as next generation trade and investment issues that the FTAAP should contain. APEC will continue to support and foster cooperation in these areas to ensure that member economies can effectively benefit from such initiatives in its continuing contribution to realizing the FTAAP.
- Strengthen engagement with the business sector via the APEC Business Advisory Council (ABAC) and other direct routes. We will intensify efforts to strengthen APEC public-private sector dialogues on the promotion of regional economic growth, integration and an improved business environment. ABAC input on issues expected to impact the region's economic growth and development over the longer term will be used to advance work towards the realization of the FTAAP.

We will pursue the FTAAP with a step-by-step, consensus-based approach, and affirm our commitment to the eventual realization of the FTAAP as early as possible by building on ongoing regional undertakings, which will contribute significantly to sustained growth and overall prosperity in the Asia-Pacific region. We are steadfast in supporting regional economic integration and increasing global trade and investment, including through this Roadmap. We are determined to demonstrate APEC's leadership and commitment to

shaping the future of the region with a strong Asia-Pacific Partnership.

## ANNEX B

### APEC Strategic Blueprint for Promoting Global Value Chains Development and Cooperation

Global Value Chains (GVCs) have become a dominant feature of the global economy. Better understanding and supporting the “trading tasks” involved in adding value to the final products that cross borders has become paramount to realizing a more effective policy and regulatory infrastructure for global trade. Efficient and workable GVCs within and between each of APEC economies has accordingly become a key focus for economies at all levels of development.

Given the diverse needs and situations of APEC economies participating in global trade networks today, an overall policy direction guiding improved cooperation and a more focused GVC evolution is essential to facilitating sustainable, inclusive and balanced growth in the Asia-Pacific region. Consistent overall policy based on input from each economy is essential for moving APEC’s trade and investment agenda forward, and facilitating APEC’s push for regional economic integration.

In 2013, APEC Leaders agreed to *promote GVC development and cooperation in the APEC region on the basis of previous work on connectivity*. This agreement highlights the need for APEC economies to work strategically and take action in creating an enabling environment for GVC development and cooperation. In response to Leaders’ instruction, APEC economies agree to develop a Strategic Blueprint for promoting global value chains development and cooperation, and agree to:

**1. Addressing trade and investment issues that impact GVCs.** Reducing trade and investment barriers will improve economies’ access to global production networks and allow firms to source less expensive inputs globally, which in turn would lower costs, increase efficiency and enhance competitiveness. For 2015, APEC could launch initiatives in the areas of importance to enhancing GVCs, and study the impact of measures on the growth of GVCs, the participation of economies and businesses in GVCs, and our regional economy. These initiatives could address areas of importance ranging from well-known issues to next generation issues. APEC could then explore best practices to help economies adopt more trade and investment friendly approaches in these areas, while achieving their domestic economic or regulatory objectives, lowering trade costs, and enhancing GVCs.

**2. Cooperate on improving statistics related to GVCs.** In light the principles of “from easy to hard” and “moving from technical proficiencies to policy”, we will take a step-by-step approach in compiling domestic account and foreign trade statistics, and developing categories harmonized to realize effective correlation of data among APEC economies that can contribute to the WTO-OECD Trade in Value-Added (TiVA) database. Without duplicating existing work at the WTO and OECD, the CTI will undertake further efforts in 2015 and future years on policy research, information exchange, developing shared approaches on statistics collection, and offering focused capacity building programs. In order to support and facilitate the work on this area, APEC should explore the

establishment of an experts group on value added trade to help its member economies undertake trade policy capacity research, exchange information, develop approaches on statistics collection, and conduct focused capacity building efforts.

**3. *Realize the critical role of trade in service within GVCs.*** We shall continue ongoing work to promote open, efficient, and internationally-competitive service sectors, and maximize the contribution that services can make to strong, resilient and reliable supply chains in this region. We need to conduct targeted capacity building to help economies better understand and stimulate the development of innovative services within GVCs, build on shared information among economies. We shall work with economies at all stages of development to create an open and competitive environment for services development.

**4. *Enable developing economies to better participate in GVCs.*** In light of the diversity of APEC member economies, we recognize that comprehensive economic and technical cooperation will play a key role in ensuring greater participation of developing economies in GVCs, and help them achieve their domestic economic objectives. We shall integrate economic and technical cooperation into the paths identified for future development, and further leverage cooperation activities, including targeted capacity-building programs for helping developing economies enter and move up GVCs, for example through public-private GVC collaboration partnerships, programs on human resources development, and further work in APEC on technology dissemination and commercializing creative content. We will emphasize and adopt a multi-year strategic plan based on the core agenda of APEC and employ goal-oriented, focused approaches.

**5. *Assist SMEs to benefit from GVCs.*** We shall develop and implement initiatives to assist our SMEs in the areas that matter most to GVCs: infrastructure, supply chain connectivity, innovation, skills, and adoption of international standards. We will take steps to enhance capacity building activities and raise their understanding of how to participate in GVCs. APEC shall achieve this by facilitating SME access to trade and investment related information via increased utilization of information and communication technologies (ICTs), enhancing intellectual property protection, and providing further information on tools and processes that would help them enter and move up GVCs. APEC should also foster linkages between SMEs and MNEs by helping our economies build an open and transparent regulatory and investment climates.

**6. *Improve the investment climate for GVCs Development.*** We recognize the importance of adopting and maintaining laws, regulations, and practices that facilitate investment. We reaffirm the importance of continued efforts to improve the investment climate in the APEC region, including through taking concrete steps to facilitate investment as per existing APEC investment documents, such as the APEC Non-Binding Investment Principles, the APEC Investment Strategy and the APEC Investment Facilitation Action Plan (IFAP). APEC will help economies 1) implement sound investment strategies which deal with investment applications expeditiously, fairly, and equitably; and 2) facilitate investment through creating and maintaining transparent and sound administration procedures that apply for the lifetime of the investment.

**7. *Adopt effective trade facilitation measures.*** We reaffirm our commitment to achieving

an APEC-wide target of a ten percent improvement in supply-chain performance by 2015, in terms of reductions in the time, cost, and uncertainty of moving goods and services throughout the region. Accordingly we will further advance a capacity building program to address the identified supply chain connectivity (SCC) chokepoints and improve the performance of supply chains. To this end, we will carry out additional concrete actions, including the establishment of an APEC Supply Chain Alliance and promoting cooperation on green supply chains. We welcome the framework for advancing supply chain connectivity through mutual recognition of control, mutual assistance of enforcement and mutual sharing of information (SCC-3M) among customs agencies and other government agencies related to trade, and will advance the Model E-port Initiative. We will also share best practices of ICT infrastructure development and efficient trade facilitation measures. We also reaffirm our commitment to implement the WTO Agreement on Trade Facilitation and encourage greater contribution by APEC.

**8. Enhance resiliency of GVCs.** APEC shall make a collaborative effort to enhance cross-border value chain resilience in the region, establish more secure value chains, and conduct quantitative value chain research and analysis in the region. APEC may also carry out discussions of potential cooperation in the development of practical policy, and capacity building projects based on these analyses.

**9. Encourage public-private partnerships for GVCs.** APEC shall continue to make good use of the Public-Private Partnership Guidebook as a tool to encourage sector level partnerships for investment in regional value chains infrastructure and capacity within a high-quality institutional and regulatory framework. APEC shall also enhance trust and shared understanding between participants to foster interaction between private and public sectors across APEC economies.

**10. Strengthen collaboration with other stakeholders on GVCs.** APEC shall promote collaboration with international organizations and partner institutions, such as the WTO, UNCTAD, OECD, G20, the World Bank, IMF and ADB to enhance synergies in policy making with regard to GVCs through technical assistance and capacity-building. Further, inter-governmental cooperation and NGO promotion of activities in GVCs are also encouraged.

Conducting activities contained within this strategic blueprint will be essential to strengthening our mutual economic ties in the global network, and to ensuring our regional economy is resilient, our growth is inclusive, and our economies become ever more connected. We believe that our people should secure equitable benefit from GVC development and that this is key to shaping a sound future through our Asia-Pacific partnership. We are determined to demonstrate APEC's leadership in fostering further GVC development and will immediately begin with concerted efforts upon the approval of this Blue print that is being proposed.

## ANNEX C

### **APEC Accord on Innovative Development, Economic Reform and Growth**

1. The world economy is growing at a moderate pace, with uneven recovery, weak demand and the balance of risks on the downside. Some of the legacies of the international financial crisis are still with us, and trade and investment protectionism is on the rise. To achieve strong, sustainable, balanced and inclusive growth over the longer term, we need to boost demand and identify new sources of growth through innovative development and structural reform.
2. For the Asia-Pacific region to steer the world economy, member economies should remain innovation driven and maintain strong momentum for economic growth by pressing forward with innovations and identifying new sources of growth.
3. Reform is an important factor in promoting economic growth and innovative development. Deepening reform eliminates barriers to sustainable economic growth, allows the market to play a decisive role in allocating resources, improves the role of government, creates a conducive growth environment, and unleashes the full potential of productivity.
4. To this end, we believe that the Asia-Pacific region should continue to deepen structural reform, strengthen innovative growth, and promote closer cooperation in five pillars: Economic Reform, New Economy, Innovative Growth, Inclusive Support, and Urbanization. In this regard, we have reached consensus as follows:
  5. Under the pillar of Economic Reform, we agree to convene a Ministerial Meeting on Structural Reform in 2015, with the objective of advancing APEC's economic reform agenda, including the review of the implementation of the APEC New Strategy on Structural Reform (ANSSR), setting the future direction of APEC structural reform work post-ANSSR, discussing how to overcome the Middle-Income Trap, and considering continuation of the Ease of Doing Business Program until 2020.
  6. We resolve to encourage communication, information exchanges, and capacity building on economic policy, regulatory coherence, and good regulatory practices, and we support members' efforts to share experiences and best practices in innovation, reform, and fostering growth. We agree to incorporate the topic of overcoming the Middle-Income Trap in the work program of the Economic Committee (EC) for in-depth discussion and cooperation.
  7. Under the New Economy pillar, we will promote economic transformation, and tap into the growth potential of emerging sectors, such as the Internet Economy, the Blue Economy, and the Green Economy.
  8. We support cooperation in promoting the Internet Economy and welcome an Ad Hoc

Steering Group to discuss issues arising from the Internet Economy, propose actions, and encourage collaboration across APEC fora. We agree to facilitate capacity building and encourage entrepreneurship and innovation.

9. We will leverage the Internet Economy to foster an enabling environment for empowering vulnerable and disadvantaged groups especially women, youth, people with disabilities, and the poor. We support the healthy development of internet finance and we will work together to develop the necessary framework for it to become a tool of growth. We commit to promote secure, efficient, low-cost and inclusive financial services to enable SMEs and individuals to share the benefits of economic development, with a view to building an open and cooperative environment for the Internet Economy. We are committed to promoting the potential benefits of the Internet of Things (IOT) to our economies.

10. We will work towards a more integrated, sustainable, inclusive and mutually favorable partnership through ocean-related cooperation in the Asia-Pacific region. We support cooperation on: coastal and marine ecosystem conservation, disaster resilience; ocean-related food security and associated trade; marine science, technology and innovation, and the Blue Economy. We acknowledge the Xiamen Declaration's statement on the Blue Economy, which is, for the purposes of APEC, an approach to advance sustainable management and conservation of ocean and coastal resources and ecosystems and sustainable development, in order to foster economic growth. We call for cooperation on the Blue Economy and encourage the implementation of related initiatives in the Asia-Pacific region.

11. In response to important energy and environmental issues, we will work to strengthen conservation efforts, and commit to cooperate on renewable energy, energy saving, green building standards, sustainable development of mining, and circular economy, among others, in pursuit of green, energy efficient, low-carbon development and of new economic growth sources. To protect our forestry resources, we will pay special attention to fighting illegal logging and associated trade, while promoting trade in legally harvested forest products. We welcome the statement of the APEC High-level Roundtable on Green Development.

12. We welcome the joint statement of the 2014 APEC Ministers Responsible for Mining. We note the establishment of a mining sub-fund to take forward the 10 APEC Mining Policy Principles with an emphasis on supporting capacity building projects involving collaboration between the public and private sectors.

13. We are committed to championing an Asia-Pacific concept of energy security featuring openness, inclusiveness, cooperation and sustainability. We share the importance of improving energy efficiency and promoting clean and renewable energy in the APEC region. We aspire to the goal of doubling the share of renewables in the APEC energy mix, including in power generation, from 2010 levels by 2030. We encourage member economies to create favorable conditions for natural gas and LNG trade and investment

in the region, including by relaxing destination clauses.

14. Since fossil fuel will continue to play significant role in the energy mix of this region in the medium to long term, we reaffirm the importance of clean and efficient use of fossil fuel. We encourage member economies, where there are difficulties to quickly deploying alternatives to coal, to enhance cooperation in developing and applying clean coal technologies such as highly efficient coal-fired power plants and Carbon Capture Utilization and Storage (CCUS). We support the safe and efficient development of nuclear power, which functions as a base load power source, in interested economies.

15. We reaffirm our commitments to reduce energy intensity by 45 percent from 2005 levels by 2035 and to rationalize and phase out inefficient fossil fuel subsidies that encourage wasteful consumption, while recognizing the importance of providing those in need with essential energy services. We welcome the establishment of the APEC Sustainable Energy Center, to promote advanced ideas and models of sustainable energy development across the region.

16. Under the Innovative Growth pillar, we will promote cooperation in science and innovation; facilitate voluntary transfer, dissemination and commercialization of technology on mutually agreed terms; promote the use and commercialization of intellectual property and ensure IPR protection and enforcement, while reiterating the importance of comprehensive and balanced intellectual property systems; share experience and knowledge; cultivate talents for innovation; strengthen innovation capacity; improve the environment for innovation; and pursue sustainable development.

17. We welcome the APEC Cross-Border e-Commerce Innovation and Development Initiative. We welcome efforts to create a policy environment that enables new and emerging e-Commerce technologies that drive trade, economic growth and societal benefit.

18. We support members' efforts to promote entrepreneurial innovation through fiscal and financial policy measures and other means.

19. We encourage members to strengthen support for innovative activities by SMEs, and support the establishment of an APEC SMEs database on innovative best practices. We encourage members to improve the financing environment for SME innovation. We welcome China exploring the possibility of setting up an APEC SME Center for IT Promotion. We encourage the supportive role of APEC service platforms, such as the APEC SME Service Alliance (ASSA), the APEC SME Innovation Center, and the APEC Accelerator Network (AAN), to improve the competitiveness of SMEs.

20. We support members' cooperation in deepening innovation in e-vehicles and in promoting green growth through environmentally-friendly automobile technologies.



21. Under the pillar of Inclusive Support, we commit to strengthen cooperation on entrepreneurship and employment, health, food security, food safety, sustainable agricultural development, women's economic participation, youth, people with disabilities, disaster prevention and mitigation, social responsibility, business ethics, anti-corruption and secure trade. We recognize that promoting quality employment and developing human resources is of significance for innovative development. We support the APEC Action Plan for Promoting Quality Employment and Strengthening People-to-People Connectivity through Human Resources (2015 - 2018).

22. We encourage member economies to take measures to implement the "Healthy Asia-Pacific 2020" initiative. We commit to continue to: work on the unfinished health-related Millennium Development Goals in a manner that complements the activities of the post-2015 agenda; strengthen the prevention and control of non-communicable diseases, including injuries; strengthen health systems to support Universal Health Coverage; and improve health emergency preparedness, surveillance, response and recovery systems for public health events and disasters in the APEC region.

23. We recognize that unleashing the potential of women as economic drivers is vital to growth, both in terms of the magnitude and inclusiveness of that growth. We welcome the statement of 2014 APEC Women and the Economy Forum and encourage all economies to take relevant effective actions. We encourage and commit to build the capacity of women to make use of ICT to start and grow their businesses, and to engage in regional trade cooperation.

24. We support member economies' efforts to: boost agricultural productivity and food production and availability based on sustainable development, innovation, science and technology and an enabling economic environment; improve post-harvest management to reduce food loss; and, strengthen regional cooperation to promote food security and safety.

25. We support the establishment of the APEC Higher Education Research Center and welcome the APEC Scholarship Initiative. We encourage officials to elaborate various academic mobility schemes and mechanisms, including voluntary implementation of the APEC Virtual Academic Mobility Card Initiative.

26. Under the pillar of Urbanization, we seek to identify new drivers of economic growth by pursuing urbanization and sustainable city development. We support APEC partnership initiatives on urbanization and undertake to establish a cooperative network of sustainable cities in APEC economies. We will organize forums, hold policy dialogues, and utilize international sister-cities programs to promote cooperation and share experiences on urbanization and sustainable city development.

27. We will facilitate the use of existing resources for research and capacity building on urbanization. We encourage member economies to support urbanization cooperation and urbanization-related projects, including by making voluntary contributions to establish a sub-fund within the APEC framework.

28. We applaud progress made in the APEC Low Carbon Model Town Project and the promotion activities under it. We underscore the importance of eco-city and smart city cooperation programs, and undertake to explore pathways to green urbanization and sustainable city development.

29. We encourage further consideration of urbanization-related topics in the Senior Officials' Meetings (SOM), the EC, the Committee on Trade and Investment (CTI), the SOM Steering Committee on Economic and Technical Cooperation (SCE) and APEC sub-fora.

## ANNEX D

### APEC Connectivity Blueprint for 2015-2025

#### Background

- In the APEC Leaders' 2013 Declaration, we shared our aspiration to reach a seamlessly and comprehensively connected and integrated Asia-Pacific through the pillars of Physical Connectivity, Institutional Connectivity and People-to-People Connectivity.
- Connectivity represents an ambitious target for a diverse regional organization such as APEC, but it is precisely that ambition that will drive strong and tangible achievement.
- Connectivity will be important not only for governments and business, but also for APEC as a community. By connecting APEC's developed and emerging growth centers, the region's quality of growth will improve, contributing to the Asia-Pacific's economic prosperity and resilience.
- In this regard, we note with appreciation that significant work has already been done by various APEC fora and working groups in advancing connectivity in the region. APEC economies have also undertaken substantial amounts of work to improve connectivity, both at the domestic and regional levels.
- However, despite the many achievements and successes of APEC in promoting connectivity in previous years, many challenges still remain. On physical connectivity, there is still a disparity in access to and quality of physical and Information and Communications Technology (ICT) infrastructure throughout the region.
- On institutional connectivity, there is also a significant gap in the ability of existing institutions to promote connectivity due to various regulatory constraints or lack of capacity.
- On people-to-people connectivity, much work needs to be done to ease existing barriers to interaction and mobility, and to develop joint endeavors that will support seamless flows of people.
- We have therefore developed this Blueprint as a strategic guide for current and future initiatives that will bring the APEC region closer together, and as a high-level framework towards which many APEC work streams will focus their efforts.

#### The Vision of APEC Connectivity in 2025

- Through the Blueprint, we commit to strengthen physical, institutional, and people-to-people connectivity by taking agreed actions and meeting agreed targets by 2025, with the objective of achieving a seamless and comprehensively connected and integrated Asia Pacific.

- In order to attain this overarching goal, APEC member economies will undertake specific tangible actions at the physical, institutional, and people-to-people pillar levels.
- This Blueprint contains existing connectivity-related initiatives; encourages reviving those initiatives that require further progress; and, proposes future initiatives for more efficient flows of goods, services, capital and people to drive APEC progress. It is also broad in scope and adaptable to the ever-changing conditions in the Asia-Pacific.
- We envision this Blueprint accelerating and encouraging balanced, secure, sustainable and inclusive growth, as well as connecting growth poles in the region and bringing APEC closer together as a community.

### **Physical Connectivity**

- Under Physical Connectivity, with regard to cross-sectoral issues, we will focus on improving the investment climate, enhancing infrastructure financing through public private partnerships (PPP) and other means in APEC economies; adopting comprehensive assessment methods that considers key quality elements in evaluation of infrastructure project proposals; and, enhancing the application of good practices and people-centered investment for planning and implementing infrastructure projects.
- We welcome the substantial work that has been done under the Finance Ministers' Process (FMP) to promote knowledge sharing and capacity building in the area of infrastructure PPPs.
- We are pleased to note that the APEC PPP Experts Advisory Panel has launched work under the FMP, which supports, on a voluntary basis, a Pilot PPP Center based in Indonesia. We note with appreciation the role of the Panel in helping APEC economies tap into private sector sources of funding for infrastructure development, particularly through promoting PPPs, by acting as a repository of skills that will bring to life good practices in the APEC region and that will help channel technical assistance to developing economies seeking such assistance.
- We commit to further establish dedicated PPP centers in APEC economies, with a view to developing a regional network of PPP centers to share good practices. In the longer term, these centers can play an important role in supporting the establishment of an APEC-wide market for infrastructure financing. We also welcome the Implementation Roadmap to Develop Successful Infrastructure PPP Projects in the APEC Region and the Action Agenda on Promoting Infrastructure Investment through PPP.
- We will develop, maintain and renew quality infrastructure, including energy, ICT and transport infrastructure and seek to increase the quality and sustainability of APEC transport networks; increase broadband internet access; promote sustainable energy security; and build resiliency into the energy infrastructure.
- We will help facilitate the efficient and effective operation of maritime transportation

and shipments, especially considering that a majority of maritime infrastructure development projects happen on a unilateral basis. We take note of several pathfinder initiatives where future cooperation could produce tangible results.

- We will strengthen air transportation cooperation to boost robust trade and people-to-people connections, share experiences and good practices to promote efficiency and security of air connectivity
- We note that ICT development has been a focus of APEC's work since its inception in 1989, as increased information sharing and improved communication technology allow for faster and reliable connections between people and organizations throughout the Asia-Pacific, facilitating trade and economic growth. We resolve to continue our efforts jointly in enhancing the access to ICT resources by using available technologies to reduce digital divide and increase greater connectivity in the region.
- We resolve to tap into APEC's considerable potential in fostering future energy cooperation initiatives, especially in the areas of energy-related trade and environmental sustainability. APEC represents an ideal forum to explore this concept of expanded cross-border energy trade and renewable energy in a non-binding manner. We will further aspire to ensure quality electricity supply for all member economies.

### **Institutional Connectivity**

- Under Institutional Connectivity, we will strive to make progress in jointly addressing issues of trade facilitation, structural and regulatory reforms as well as transport and logistics facilitation, which are of critical importance to APEC as a regional forum.
- We aim to modernize customs and border agencies and enable a whole-of-government approach in the development of regulations, including coordination across regulatory, standards, and trade agencies.
- We support APEC's work to encourage each member economy to develop its own Single Window system by 2020 and we encourage efforts to promote international interoperability between Single Window systems and paperless trading.
- We will further strengthen the initiatives under the APEC Supply-Chain Connectivity Framework Action Plan (SCFAP) by systematically improving supply chain performance through implementing a capacity building plan to assist economies in overcoming specific obstacles within the eight chokepoints of the SCFAP.
- On regulatory coherence, we will implement initiatives that focus on regulatory cooperation through the sharing of best practices on regulatory issues. We note that industry dialogues are already well advanced in this process. The internet is a good and effective tool to help economies strengthen their implementation of good regulatory practices (e.g. ensuring internal coordination of regulatory work, assessing the impact of regulations, and conducting public consultations). Economies will further explore using internet-based tools to strengthen the implementation of good regulatory practices, including through the initiative on new actions APEC economies

could take to strengthen the conduct of public consultations on proposed regulations in the Internet era.

- Under structural reform, the APEC Ease of Doing Business (EoDB) Multi-Year Project (MYP) facilitates tailored capacity building activities to support economies in achieving the aspirational target of making it 25% cheaper, faster, and easier to do business. We aim to achieve these goals by harmonizing local policies with existing international agreements, and agree to consider the continuation of our work on the EoDB until 2020.
- We commit to fostering transparency, safety, competition and better functioning markets, including e-commerce, in the Asia Pacific and aim to expand the application of secure and trusted ICT and e-commerce environment by 2025.
- APEC needs to build a strategy to tackle the policy challenges raised by the Middle-Income Trap (MIT). Improving an economy's competitiveness, productivity levels and its regulatory environment for the ease of doing business can contribute to overcoming some of the issues that underpin the MIT.

### **People-to-people Connectivity**

- Under People-to-People Connectivity, we will strive to facilitate the movement of people across borders, and to facilitate the exchange of innovative ideas. As such, issues of business travel mobility, cross-border education, tourism facilitation, and skilled labor mobility will be addressed under this pillar.
- We commit to continue expanding the number of holders of the APEC Business Travel Card (ABTC) and to improve the efficiency and effectiveness of ABTC scheme.
- We undertake to improve cross-border education (CBE) cooperation, in recognition that student, academic and provider mobility helps to strengthen regional ties, facilitate people-to-people exchanges and promote economic development through knowledge and skills transfer. We resolve to achieve one million intra-APEC student exchanges per year by 2020, and to increase the number of student exchanges to developing economies.
- Tourism is an important part of APEC economic growth strategies, and this is reflected in the many tourism facilitation and promotion initiatives that have been implemented within the APEC region. In this regard, we welcome domestic efforts by several economies to implement measures to ease visa restrictions for tourists as well as initiate programs to facilitate immigration processing.
- We will make efforts to achieve 800 million APEC tourist arrivals by 2025, and commit to establishing an APEC-wide Code of Conduct for Travel Providers in order to reduce travelers' costs and uncertainties relating to tourism.
- We will intensify cooperation within APEC in promoting cultural exchanges, by

aiming to hold at least one cultural awareness event by each APEC economy in every other APEC economy per year by 2017.

- We resolve to advance work on cross-border science, technology, and innovation exchanges. We note with appreciation the annual APEC Science Prize for Innovation, Research and Education (ASPIRE) which recognizes young scientists who have demonstrated cooperation with scientists from other APEC member economies, as well as a commitment to excellence in scientific research.
- On professional and skilled labor mobility, we welcome initiatives to benchmark qualifications in the transport and logistics industry, allowing businesses within the region to have more certainty over the skill sets of workers from other economies. There are various bilateral Mutual Recognition Agreements (MRAs), and going forward, APEC can undertake work to help expand the number of bilateral and multilateral MRAs in the region. Mutual recognition of skills and credentials can play an important role in facilitating skilled labor mobility. Timely and accurate information on skills gaps and labor market imbalances will also need to be gathered and analyzed to ensure responsive policymaking in this area.
- We commit to strengthen people-to-people connectivity through human resources development and welcome the APEC Action Plan for Promoting Quality Employment and Strengthening People-to-People Connectivity through Human Resources Development.

### **Strategies for Implementation: Capacity Building and Private Sector Cooperation**

- Economic and technical cooperation (ECOTECH) is one of the key pillars of APEC, focusing on narrowing the gap between developed and developing APEC economies. To help implement the connectivity agenda, we direct ECOTECH activities at upgrading skills and institutions by providing relevant capacity building activities for APEC economies and adhering to key ECOTECH objectives. In this regard, ECOTECH is an important tool for implementing the Blueprint.
- The development and implementation of connectivity initiatives will require a significant amount of information on economies' needs, expectations, gaps, and on market direction and imbalances. Information on what infrastructure projects are needed, what gaps exist in institutional frameworks, and where skills imbalances lay in the labor market will be crucial to support economies in achieving connectivity targets.
- To gather this information, economies should work with the private sector. In this regard, the APEC Business Advisory Council (ABAC) and APEC's policy partnerships and industry dialogues can contribute significantly by providing private sector feedback or insight on market needs, trends and expectations.
- We urge the private sector, with coordination from ABAC, to provide direct support for many of the more bankable connectivity initiatives being undertaken in the region.

In addition to PPP for infrastructure projects, the private sector could help support capacity building programs as well as educational and cultural exchanges. The private sector could also help in proposing and producing connectivity-enhancing innovations in the region.

- International organizations have taken initiatives and launched projects on physical, institutional and people-to-people connectivity in the Asia-Pacific. These efforts could help advance the implementation of this Blueprint, and where possible and appropriate APEC should look to coordinate and collaborate with these organizations to ensure we avoid duplication of efforts.

### **Monitoring, Evaluation and Review**

- In order to reach the overarching goal of strengthening physical, institutional, and people-to-people connectivity by taking agreed actions and meeting agreed targets by 2025, with the objective of achieving a seamless and comprehensively connected and integrated Asia Pacific, we instruct Ministers and Senior Officials to oversee the implementation of the Blueprint on a yearly basis, particularly in reviewing the targets and objectives.
- We direct Ministers and Senior Officials to develop a dedicated arrangement to monitor, review and evaluate the implementation of the Blueprint, and to conduct a mid-term review of the Blueprint in 2020. We further direct Ministers and Senior Officials to work with APEC fora to develop additional ambitious and measurable actions and targets under each of the connectivity pillars. These actions and targets need to be forward-looking and directed towards the vision of APEC Connectivity in 2025.



## **The 26<sup>th</sup> APEC MINISTERIAL MEETING**

**Beijing, China  
8 November 2014**

### **Joint Ministerial Statement**

#### **Foreword**

- 1.** We, the Asia-Pacific Economic Cooperation (APEC) Ministers, met on 7-8 November 2014, in Beijing, China. The meeting was co-chaired by H.E. Wang Yi, Minister of Foreign Affairs of the People's Republic of China, and H.E. Gao Hucheng, Minister of Commerce of the People's Republic of China.
- 2.** We assembled under the theme of “Shaping the Future through Asia-Pacific Partnership”, and focused on three priority areas, Advancing Regional Economic Integration, Promoting Innovative Development, Economic Reform and Growth, and Strengthening Comprehensive Connectivity and Infrastructure Development. We held substantial discussions on the economic situation in the region, the changing global and regional landscape, the challenges and opportunities for APEC member economies, and the vision for APEC cooperation.
- 3.** We are committed to taking concrete steps and joint actions to foster Asia-Pacific partnership, strengthen the role of APEC, and contribute to the long-term development and common prosperity of the Asia-Pacific region, with the goal of ensuring the role of the Asia-Pacific region as the engine for global economic growth.
- 4.** We welcome the participation in the meeting of the Director General of the WTO, the Chair of the APEC Business Advisory Council (ABAC), the Deputy Secretary General of ASEAN, the co-chairs of the Pacific Economic Cooperation Council (PECC), and the representative of the Pacific Islands Forum (PIF).
- 5.** We pledge to take the following actions:

## **Advancing Regional Economic Integration**

6. We endorse the 2014 APEC Committee on Trade and Investment (CTI) Annual Report to Ministers.

### *Supporting the Multilateral Trading System*

7. We reaffirm our confidence in the value of the multilateral trading system and stand firmly to strengthen the rules-based, transparent, non-discriminatory, open and inclusive multilateral trading system as embodied in the WTO.
8. We highly commend the Bali Package achieved at the 9th Ministerial Conference (MC9) in Bali, Indonesia. We express our grave concern regarding the impasse in the implementation of the Trade Facilitation Agreement (TFA) which has resulted in stalemate and uncertainties over other Bali decisions. These developments have affected the credibility of the WTO negotiating function. In finding solutions to the implementation of the Bali decisions, APEC will exert creative leadership and energy together with all WTO members in unlocking this impasse, putting all Bali decisions back on track, and proceeding with the formulation of Post-Bali Work Program, as a key stepping stone to concluding the Doha Round.
9. Bearing in mind that open markets are vital for economic growth, job creation and sustainable development, we reaffirm our commitment and recommend that our Leaders extend a standstill until the end of 2018, and roll back protectionist and trade-distorting measures. We remain committed to exercising maximum restraint in implementing measures that may be consistent with WTO provisions but have a significant protectionist effect, and to promptly rectifying such measures, where implemented. In this context, we support the work of the WTO and other international organizations in monitoring protectionism.
10. We recognize that bilateral, regional and plurilateral trade agreements can play an important role in complementing global liberalization initiatives. We will continue to work together to ensure that they contribute to strengthening the multilateral trading system. We underscore the importance of the negotiations to expand the product coverage of the Information Technology Agreement (ITA). A final ITA expansion outcome should be commercially significant, credible, pragmatic, balanced, and reflective of the dynamic technological developments in the information technology sector over the last 17 years, and contribute to the multilateral trading system. We welcome APEC's leadership in advancing the

negotiations. We welcome the launch of negotiations on Environmental Goods Agreement (EGA) in July 2014 in Geneva. We encourage participants of the above initiatives to seek expanded memberships.

Free Trade Area of the Asia-Pacific (FTAAP)

11. In order to translate the FTAAP from a vision to reality, we agree to kick off and advance the process in a comprehensive and systematic manner towards the eventual realization of the FTAAP. We adopt the *Beijing Roadmap for APEC's Contribution to the Realization of the FTAAP* which demonstrates APEC's leadership and commitment to regional economic integration and provides a pragmatic guide to advance work towards the FTAAP in a step-by-step approach, with the goal of establishing the FTAAP as early as possible by building on ongoing regional undertakings. We instruct officials to undertake the actions identified in the roadmap while pursuing the conclusion of initiatives considered as potential building blocks of the FTAAP.
12. We agree to launch a collective strategic study on issues related to the realization of the FTAAP and adopt the Outline of this Study. This study will be built on previous analytical work in APEC, and aim to analyze a wide range of options for expanding Asia-Pacific trade and investment with contributions and support from ABAC, PECC and APEC Study Centers. We instruct the CTI Friends of the Chair Group on Strengthening REI and Advancing FTAAP to organize and lead a task force to undertake the study and report the result to us by the end of 2016.
13. We welcome the establishment of an APEC Information Sharing Mechanism on RTAs/FTAs, and encourage officials to advance work under this mechanism and to report back to us in 2015. We welcome the progress achieved under the Action Plan Framework on Capacity Building Needs Initiatives (CBNI) and endorse the Action Plan Framework of the 2<sup>nd</sup> CBNI. We instruct Senior Officials to take steps to ensure the effective implementation of the 2<sup>nd</sup> CBNI.

Bogor Goals

14. In 1994, APEC Leaders announced the commitment to achieve the goal of free and open trade and investment in the Asia-Pacific, with APEC's industrialized economies to achieve the goal by 2010 and developing economies by 2020. Today, as we gather in Beijing, we remain committed to this core mission. We commit to upholding APEC's role towards achieving the Bogor Goals by 2020. We urge all economies, particularly developed economies,

to deeply consider the outcomes of the Report on APEC's 2010 Economies' Progress towards the Bogor Goals and the 2012 and 2014 Bogor Goals Progress Reports, and to take more concrete actions towards attaining the Bogor Goals.

15. We take note on the progress of the study on promoting trade in products which contribute to sustainable and inclusive growth through rural development and poverty alleviation. We look forward to the final report by early 2015.

#### Global Value Chain (GVC)

16. Recognizing that Global Value Chains (GVCs) have become a dominant feature of the global economy involving economies at varying levels of development, we agree to take concrete actions to create an enabling environment for GVC development and cooperation while taking into account the different economic circumstances of APEC economies. In this regard, we endorse the *APEC Strategic Blueprint for Promoting Global Value Chain Development and Cooperation* as a mechanism to strengthen mutual economic cooperation within the global value chain network, and shape a resilient and inclusive future for economic growth through a stronger and closer Asia-Pacific partnership. We welcome the progress made so far, and instruct officials to advance the work through the CTI Friends of the Chair Group on GVCs to put forward new initiatives under this Strategic Blueprint for 2015 and beyond by working closely with related international organizations.
17. We note a proposal to study localization policies in the context of GVCs, and discuss possible ways through which economies can promote job creation and competitiveness.
18. We endorse *the Strategic Framework on Measurement of APEC Trade in Value Added (TiVA) under GVCs* and the Action Plan on this Strategic Framework. We instruct the newly-established technical group to work closely with related international organizations, with an aim to complete the construction of the APEC TiVA Database by 2018.
19. We endorse the initiative on Promoting SME's Integration into Global Value Chains in Major Industries. We welcome the voluntary participation of leading economies in the key industrial sectors. We encourage APEC economies to make concerted efforts to bring concrete policy recommendations that can facilitate SME's integration into GVCs.

20. We welcome the completion of the APEC Policy Support Unit (PSU) study on Comprehensive Analysis on Enhanced Resiliency of Cross-Border Value Chains, and instruct officials to make a collaborative effort to enhance cross-border value chain resilience, including business continuity, in the region, building on the PSU study.

#### Supply Chain Connectivity

21. We welcome the comprehensive Capacity Building Plan to improve supply chain performance, and encourage economies to include new projects in 2015. This living document will guide our work to i) reach our Leaders' goal of achieving a ten percent improvement in supply chain performance by 2015; ii) deploy the resources in the Supply Chain Connectivity Sub-Fund; and iii) help developing economies overcome supply-chain obstacles and implement the WTO Trade Facilitation Agreement. We welcome the diagnostic reports on eight chokepoints of the Supply Chain Framework Action Plan (SCFAP), which will guide our current and future targeted capacity building and technical assistance projects. We also welcome the establishment of the APEC Alliance for Supply Chain Connectivity (A2C2) and look forward to its contributions to our capacity building work next year.
22. Recognizing the importance of promoting supply chain connectivity through E-port development and collaboration efforts, we endorse the *APEC Initiative on Asia-Pacific Model E-port Network* and the Terms of Reference of the Asia-Pacific Model E-port Network (APMEN), serving as a brain trust to promote E-port development and cooperation under the principles of mutual benefits and respect. We applaud the nominations from Australia; Canada; China; Hong Kong, China; Mexico; Peru; Chinese Taipei; and Viet Nam of the first batch of APEC Model E-ports to join the APMEN. We agree to set up the APMEN operational center in Shanghai Model E-port, and instruct officials to advance the APMEN cooperation.
23. We positively value the APEC High-Level Roundtable on Green Development held in Tianjin, China in May 2014 and its output, the Declaration of APEC High-Level Roundtable on Green Development. We agree to establish the APEC Cooperation Network on Green Supply Chain to strengthen the capacity building and information sharing on green supply chain and to promote green supply chain cooperation among APEC economies and stakeholders, and to contribute to the green development of the region. We endorse the establishment of the first pilot

center of the APEC Cooperation Network on Green Development held in Tianjin, China.

24. Recognising that the wider use of interoperable Global Data Standards (GDS) can bring about broader benefits of efficiency, integrity, visibility and innovation, we encourage officials to further advance their work on GDS, including developing pilot projects, conducting a study and establishing a set of policy-based principles or recommendations for future GDS initiatives. We endorse *the APEC Statement on Promoting The Use Of Interoperable Global Data Standards (Annex A)*.
25. We endorse the project proposals on Capacity Building and Technical Assistance to Implement Programs on Pre-Arrival Processing, Expedited Shipments, Release of Goods, Advance Rulings, and Electronic Payments, the implementation of which will substantially help us achieve our objective of a 10% improvement in supply chain performance by 2015, help us implement the future WTO Trade Facilitation Agreement commitments and to further our trade facilitation objectives.

#### Next Generation Trade and Investment Issues

26. We welcome the case studies to identify manufacturing related services in supply chains/value chains as a next generation trade and investment issue, and instruct officials to develop a plan of action in 2015, with the contribution by the PSU and possible input from ABAC and PECC.

#### Environmental Goods and Services

27. Implementation of our groundbreaking commitment to reduce tariffs on environmental goods by the end of 2015 is critical to achieve both economic and environmental benefits. We call on officials to submit implementation plans by the 2015 Ministers Responsible for Trade Meeting, in line with the Leaders' commitment in 2012. We welcome the work this year on capacity building on implementation of Environmental Goods commitment and the first meeting of the APEC Public Private Partnership on Environmental Goods and Services (PPEGS) on renewable and clean energy trade and investment. We endorse the *APEC Statement on Promoting Renewable and Clean Energy (RCE) Trade and Investment (Annex B)*, and commit to create an enabling environment for RCE trade and investment. We also welcome the endorsement of the initiative on liberalization, facilitation and cooperation of environmental services, and instruct

officials to develop a plan of action by the next AMM in 2015.

### Customs

- 28.** We note the unique role of Customs in facilitating trade and endorse the *APEC Customs 3M Strategic Framework (Annex C)*. We also reaffirm our commitment to further simplify and harmonize customs procedures in line with relevant international standards, including those developed by the World Customs Organization (WCO). We encourage full implementation of the WTO Trade Facilitation Agreement by customs administrations in APEC economies.
- 29.** We welcome the progress in formulating the Guidelines for APEC Customs Transit to enhance harmonization among APEC Customs administrations and expect effective implementation and evaluation in the following stages. We recognize the continued efforts in promoting interoperability of various Single Window systems and in researching on the benefits of the Authorized Economic Operator (AEO) system throughout the APEC region for the further improvement of supply chain performance. We welcome the customs initiative to suppress illegal transactions through cross-border e-commerce and support the collaboration with the business to better manage the potential risk at border and facilitate legitimate trade. We welcome the continued voluntary Customs enforcement operation of Intellectual Property Rights (IPR) protection to combat infringements and relevant capacity building programs that can enhance trade order.

### Intellectual Property Rights (IPRs)

- 30.** We reaffirm that IPR provide incentives that encourage creativity and innovation and renew our commitment to enhance the protection and enforcement of IPR, including trade secrets.

### Services

- 31.** We welcome continued work to increase transparency of services trade-related regulations as well as the efforts to facilitate services trade and investment, and foster the development of open services markets. We take note of the proposal to update information in the Services Trade Access Requirements (STAR) database and expand it to cover all 21 economies in each of the eight services sectors. We encourage further engagement between the public and private sectors to address

impediments to and facilitate services trade growth, including through conducting public-private dialogues in the future.

### Investment

32. We endorse the *Action Agenda on Promoting Infrastructure Investment through Public-Private Partnership (Annex D)*. We instruct officials to strengthen cooperation on PPP to promote more robust infrastructure investment and development in the APEC region.
33. We welcome the work on Case Studies on Sustainable Investment in the APEC Region, and welcome the cases nominated by APEC economies and encourage APEC economies to consider experience from the good cases to promote sustainable investment and inclusive growth in the APEC region.
34. We welcome the initiative to develop the Guidebook on PPP Framework in APEC Region as an implementation of Multi-Year Plan on Infrastructure Development and Investment (MYPIDI). We encourage APEC economies to continue working on the guidebook in 2015.

### Industry Dialogues

35. We endorse the Asia-Pacific Region Automotive Industry Sustainable Development Declaration submitted by the Automotive Dialogue (AD), and welcome the outcomes of the 2014 APEC Regulatory Cooperation Advancement Mechanism (ARCAM) Dialogue on Electric Vehicle Standards. We endorse the new APEC Actions to Promote Widespread Usage of Electric Vehicles, and we instruct officials to draft a roadmap for Electric Vehicles in 2015.
36. We welcome the expansion of the APEC Cross Border Privacy Rules (CBPR) System to include additional participating member economies and numerous certified companies. We commend the endorsement of a common referential to enhance interoperability between the European Union (EU) Binding Corporate Rules and APEC CBPR System. We welcome additional member economies' participation in the system and look forward to enhancing privacy collaboration in the context of cross border data flows between the EU and APEC based on the referential.
37. We endorse the *APEC Cross Border E-Commerce Innovation and Development*



*Initiative* to promote the application and development of cross-border e-commerce in the APEC region and facilitate SMEs' participation in global trade. We encourage economies to designate or establish Research Centers of Cross-border E-commerce Innovation and Development on a voluntary basis. We welcome the initiatives to foster an enabling environment for E-Commerce development.

38. We support efforts to foster more effective advertising regulation and standards to promote advertising, and endorse the APEC Action Agenda on Advertising Standards and encourage economies to undertake efforts to implement its recommendations in 2015.
39. We welcome the initiative of the Life Sciences Innovation Forum (LSIF) to build awareness of and capacity for implementation of common product data standards along the supply chain and to promote efficient GVCs in the health and life sciences sectors. We also note the progress made on establishing a center of excellence for regulatory sciences focusing on Multi-Regional Clinical Trials (MRCT) and on establishing a training center. We encourage research and development on effective and safe use of Traditional and Complimentary Alternative Medicines (TCAM).
40. We welcome the work being undertaken by the Chemical Dialogue to reduce barriers to trade in the chemical sector. We instruct officials to identify tangible means to advance these efforts, to address barriers to trade and encourage good regulatory practices, including through a renewed focus on implementation of the Best Practice Principles for Chemicals Regulation. We look forward to report outcomes and next steps in 2015 on innovative solutions on marine debris. We welcome the annual Globally Harmonized System of Classification and Labelling of Chemicals (GHS) implementation report.
41. To increase wine production, to expand trade, and to create jobs in the region, we commit to eliminating unnecessary export certification for wine by 2018 and instruct officials to advance this work.
42. 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 recognize the vital role of effective and targeted capacity building programs in supporting trade and investment liberalization and facilitation.

43. We endorse the *APEC Strategic Plan on Capacity Building to Promote Trade and Investment Agenda (Annex E)* which adopts a strategic, goal-oriented, multi-year approach to capacity building. We encourage officials to develop more tailor-made capacity building programs to contribute to the core trade and investment agenda of APEC.

### **Promoting Innovative Development, Economic Reform and Growth**

44. We recognize it is imperative to garner benefit from the complementary and mutually reinforcing relationship between innovation, reform and growth. We are therefore determined to seize the opportunities, overcome the challenges and pursue new drivers for development and new growth areas. We endorse the *APEC Accord on Promoting Innovative Development, Economic Reform and Growth*, and submit it to the Leaders for adoption.

#### *Economic Reform*

45. We welcome the continued progress of APEC economies in implementing the APEC New Strategy on Structural Reform (ANSSR). We agree to take more effective steps to advance the APEC Structural Reform agenda in 2015 and beyond, including convening the 2nd APEC Ministerial Meeting on Structural Reform in 2015, with a view to giving strategic direction to a post-ANSSR structural reform framework for APEC.
46. We recognize that many APEC member economies are facing the challenge of the Middle-Income Trap (MIT). We agree that APEC should make contribution to help overcome the MIT. We instruct the Economic Committee (EC) to continue its work on the MIT, especially, in the context of the 2nd APEC Ministerial Meeting on Structural Reform. We encourage APEC members to share experiences and provide capacity building in order to assist economies overcome the MIT through structural reform.
47. We note the stocktaking program on Ease of Doing Business (EODB), and encourage further work by economies on the future directions of EODB work after 2015.
48. We welcome the joint efforts of the EC and the Asia Pacific Regional Office of the Hague Conference on Private International Law (HCCH), as well as other private international law organizations such as the UN Commission on

International Trade Law (UNCITRAL) to build awareness of private international law instruments to facilitate cross-border trade and investment, enhance ease of doing business, and foster effective enforcement of contracts and efficient settlement of business disputes.

49. We endorse the 2014 APEC Economic Policy Report (AEPR) on Good Regulatory Practice, and agree on the selection of Structural Reform and Innovation as the topic for the 2015 AEPR. We instruct officials starting in 2014 to host the APEC Conference on Good Regulatory Practices once a year, rather than biennially, with the Sub-Committee on Standards and Conformance and the Economic Committee alternating hosting duties. We instruct officials to study economies' implementation of the new APEC Actions on Public Consultations on Proposed Regulations in the Internet Era in the 2015 update to the Baseline Study on Good Regulatory Practices in APEC Economies. We encourage economies to provide innovative capacity building approaches to the implementation of good regulatory practices and the use of regulatory tools.

#### Internet Economy

50. We recognize that the Internet Economy is an effective driver of economic reform, innovation and sustainable growth. We commit to make APEC play a constructive role in promoting the Internet Economy. We welcome the outcomes of the Multi-Stakeholder Dialogue on APEC Cooperation on the Internet Economy. We welcome the establishment of an Ad Hoc Steering Group to guide the discussion on issues arising from the Internet Economy. In this regard, we endorse the *APEC Initiative of Cooperation to Promote Internet Economy (Annex F)*. We welcome work to identify indicators for APEC's information society, to improve understanding among economies of policies that promote economic benefits from the information economy.
51. We agree to leverage the Internet Economy to foster an enabling environment that empowers Small and Medium Enterprises (SME) as well as the vulnerable and disadvantaged groups. We agree to promote safe, efficient, low-cost and inclusive internet financial services to enable SMEs and individuals to share the benefits of economic development, in accordance with the development level and capacity of each member economy.

### Ocean Cooperation

**52.** We welcome the Xiamen Declaration endorsed at the 4th APEC Ocean-related Ministerial Meeting. We acknowledge the APEC Ocean and Fisheries Working Group (OFWG) views on Blue Economy and the outcomes of the APEC Blue Economy Forums hosted by China. We encourage APEC economies to develop environmentally-friendly ocean-related economic activity as an approach to the sustainable management of marine resources, such as marine renewable energy, and sustainable fisheries and aquaculture through innovation. We endorse the *APEC Ocean Cooperation in the Asia Pacific Region (Annex G)*. We support the establishment of the Steering Council of Mainstreaming Ocean-Related issues in APEC. We also welcome the APEC project “Workshop on the Climate Change Impact on Oceans and Fisheries Resources”.

### Energy

**53.** We commend the implementation of the APEC Low-Carbon Model Town Project and the related promotion activities and the strengthening of the Energy Smart Communities Initiative under the Energy Working Group (EWG). We welcome the outcomes of the 11th APEC Energy Ministerial Meeting (EMM), including the establishment of the APEC Sustainable Energy Center in China, the promotion of the APEC LNG Trade Facilitation Initiative and the aspirational goal of doubling the share of renewables in the APEC energy mix, including in power generation by 2030. We reiterate our aspirational goal of reducing APEC’s aggregate energy intensity by 45 percent from 2005 levels by 2035 and to rationalize and phase out inefficient fossil fuel subsidies that encourage wasteful consumption while still providing essential energy services. We acknowledge Peru and New Zealand for initiating voluntary peer reviews of inefficient fossil fuel subsidies that cause wasteful consumption and sharing their best practices, and welcome the commitment from the Philippines to undergo the review in 2015.

**54.** Recognizing that fossil fuel will continue to play a significant role in the energy mix of this region, in the medium to long term, we therefore reaffirm the importance of the clean and efficient use of fossil fuel. We encourage member economies, where there are difficulties in quickly deploying alternatives to coal, to enhance cooperation in developing and applying clean coal technologies such as highly efficient coal-fired power plants and Carbon Capture Utilization and Storage. We support the safe and efficient development of nuclear power, which functions as a base load power source, in interested economies. We encourage

member economies to create favorable conditions for trade and investment to support the LNG market in the APEC region, including by relaxing destination clauses.

55. We agree to facilitate trade in Information and Communication Technology (ICT) products by converging energy efficiency regulations and enhance public-private dialogue through the ICT product Energy Efficiency Convergence Forum, to avoid possible technical barriers to trade of energy efficient ICT products.

### Forestry and Wildlife

56. We reaffirm our commitment to promote trade in legal timber, legally harvested wood and wood products and combat illegal logging and associated trade. We instruct officials to consider proposals related to information sharing and transparency, and to take concrete actions to combat illegal logging and promote trade in legal wood products. We welcome member economies' endeavors through the Expert Group on Illegal Logging and Associated Trade (EGILAT) to promote and facilitate greater transparency and information sharing.
57. We are committed to conserving wildlife resources by strengthening our efforts to improve the livelihood of rural community, protect forest, grassland, wetland, desert and marine ecosystems, enhance environmental protection, and facilitate trade in legally harvested wildlife. We remain committed to strengthening our efforts to combat wildlife trafficking in the APEC region and reduce the supply of and demand for illegally traded wildlife. We will join hands to combat illicit transnational trade in protected wildlife by sharing information, intelligence, experiences and best practices, and strengthening international cooperation. We welcome actions being taken to build capacity to stop this illicit trade, including through cooperative activities such as the APEC Capacity Building Workshop on Reduction of Demand for Illegally Traded Wildlife held in Hanoi in October 2014.

### Mining

58. We welcome the outcome of the 5th Meeting of APEC Ministers Responsible for Mining and underscore the important role of sustainable development in mining in the Asia-Pacific region in promoting economic and social development, creating quality jobs, reducing poverty, improving infrastructure, and bridging regional development gaps. We support initiatives to promote the transformation and growth of mining and encourage the APEC Mining Task Force to continue to

advance mining cooperation in the region.

### Science and Technology

59. We endorse the initiative on *Toward Innovation-Driven Development* to build a vigorous partnership on science, technology and innovation. We encourage members to promote regional science and technology collaboration through the Policy Partnership on Science Technology and Innovation (PPSTI) and cross-fora cooperation and coordination among APEC mechanisms, such as the APEC Chief Science Advisors and Equivalents' Meeting and the APEC Science Prize for Innovation, Research, and Education (ASPIRE).
60. We encourage members, on a voluntary basis, to raise the proportion of public finance for innovation in science, technology, and related fields. We support members' efforts to promote entrepreneurial innovation through fiscal and financial policy measures and other means; to strengthen support for innovative activities by SMEs; to shorten the length of translation and commercialization periods of patent and technologies, and to enhance the economic contributions of science and technology. We welcome the establishment of APEC Biomedical Technology Commercialization Training Centers in the Republic of Korea and Thailand. We welcome the outcomes of the APEC Conference on Appropriate Technology (AT).

### Small and Medium Enterprises

61. We welcome the outcomes of the 21st SME Ministerial Meeting and the Nanjing Declaration on Promoting SME Innovative Development. We endorse the outcomes of the first APEC Business Ethics for SMEs Forum in the *Nanjing Declaration to Promote Ethical Business Environments in the Medical Device and Biopharmaceutical Sectors (2014-2020)*, and support the *Manila Declaration for the Construction and Engineering Sector*. We commit to improve innovation and sustainable development of SMEs, and to further strengthen the innovation capacity of SMEs. We encourage SME R&D through various means such as financial inclusion of innovative start-ups and high-growth SMEs, and actively explore feasible ways to drive the SMEs innovation based on information technology and e-commerce. We encourage the supportive role of APEC service platforms. We welcome the progress in developing and implementing code of ethics in member economies to create ethical business environments that support innovation and the sustainable growth, especially for SMEs.

### Human Resource Development and Skills Training

- 62.** We welcome the outcome of the 6th APEC Human Resource Development (HRD) Ministerial Meeting and the HRD Action Plan (2015-2018) on Promoting Quality Employment and Strengthening People-to-People Connectivity through HRD. We acknowledge the initiative of APEC economies to establish APEC Human Resources Development Centers, including the proposal for establishing such a center in Viet Nam.
- 63.** We support training programs for skills development and endorse the establishment of capacity building centers to help workers achieve competencies required to meet industry demand. We agree to improve skills for women and young people and foster an enabling environment to create better quality jobs, and welcome the progress made under the APEC Skills Development Promotion Project (2010-2014).

### Women

- 64.** We welcome the outcomes of the APEC 2014 Women and the Economy Forum, and encourage sustained momentum from economies to provide policy support for women's economic empowerment and establish a gender-responsive enabling environment to advance women's full and equal economic participation, including in women's access to jobs, capital, markets, business networks, skills and capacity building, and innovation and technology. We support launching a Women's Entrepreneurship in APEC (WE-APEC) network of networks in the Asia-Pacific region. We recognize the importance of data to be measured and tracked to show progress over time for advancing women's economic empowerment, and we welcome the establishment of the APEC Women and the Economy Dashboard as an important step in tracking women's ability to participate in the economy in the APEC region. We recognize the role of public-private collaboration in promoting women's leadership, and we welcome the *50 Leading Companies for Women in APEC* report and encourage economies to share and disseminate best practices of those companies domestically. We instruct the APEC Policy Partnership on Women and Economy (PPWE) to collaborate with other APEC fora to incorporate a gender perspective into APEC's work. We encourage cross-fora synergies wherever possible, and welcome the Healthy Women, Healthy Economies joint initiative to enhance women's labor force participation, and efforts to enhance export programs in member economies to Assist Women-owned SMEs Access to the Global Market.

### Food Safety and Security

65. We welcome the outcomes of the 3rd APEC Food Security Ministerial Meeting. We support the APEC Action Plan for Reducing Food Loss and Waste, the APEC Food Security Business Plan (2014-2020), and the APEC Food Security Roadmap toward 2020 (2014 version) and the Action Plan to Enhance Connectivity of APEC Food Standards and Safety Assurance. We recognize the important role of the Policy Partnership on Food Security as a platform to convene governments and private enterprises to share expertise, knowledge, and jointly address food security. We reaffirm the importance of enhancing food security through the development of food value chains, and acknowledge the efforts made jointly by member economies in reducing food loss.
66. We welcome the outcomes of the Food Safety Cooperation Forum Special Session in Beijing and its Partnership Training Institute Network in developing robust food safety systems in APEC member economies, especially those reflected in the APEC Food Safety Beijing Statement 2014 of the APEC High-Level Regulator Industry Dialogue.
67. We are committed to strengthening APEC agricultural science and technology innovation and cooperation with a view to facilitating trade related agricultural products and promoting sustainable agricultural development. We will encourage the use of agricultural science and technology research in a market-oriented manner to improve food safety and security in the region.

### Disaster Management

68. We welcome the recommendations from the 8th Disaster Management Senior Officials Forum. We encourage APEC member economies to place more emphasis on the application of science and technology in disaster preparedness, risk reduction, response and post-disaster recovery and cooperation in search and rescue, and recognize them as effective approaches to responding to global climate change and promoting a balance between economic growth, inclusive social development, and sustainable use of the environment and resources.
69. We welcome the Work Plan on Emergency Response Travel Facilitation (ERTF) that will continue APEC's work in easing the mobility of emergency responders and business community to take part in the post-disaster recovery. We commend the ongoing work to promote the use of business continuity plans to mitigate the



impact of disasters on communities and economies.

- 70.** We welcome the *APEC Guidelines for Appropriate Donations in Times of Disaster* to support effective public donations practices, efficient supply chain and relief operations, and speedier economic recovery in disaster-affected areas. We commit to improving the resilience of supply chains in APEC economies. We support and recognize the importance of assessing the economic value of coastal ecosystems for disaster risk reduction and response and coastal resilience. We encourage additional emergency response mechanisms to increase resiliency of our energy infrastructure to natural disasters and climate change. We welcome work that might better utilize new technologies to improve how we work collectively across APEC in response to disasters and emergencies, such as the initial steps taken for people rescue by the APEC Telecommunications and Information Working Group. We support the goal of increasing human safety by using ICT. We encourage the application of innovative science and technology to better utilize big data and share value-added information that will enhance capacity building on disaster resilience for SMEs and Global Value Chains. We acknowledge the progress being made by APEC toward establishing the *Trade Recovery Programme*, a trade recovery communications mechanism.

#### Anti-Corruption

- 71.** We resolve to strengthen pragmatic anti-corruption cooperation, especially in key areas such as denying safe haven, extraditing or repatriating corrupt officials, enhancing asset recovery efforts, and protecting market order and integrity.
- 72.** We endorse the *Beijing Declaration on Fighting Corruption (Annex H)*, the *APEC Principles on the Prevention of Bribery and Enforcement of Anti-bribery Laws*, and the *APEC General Elements of Effective Corporate Compliance Programs*.
- 73.** We welcome the establishment of the APEC Network of Anti-Corruption and Law Enforcement Agencies (ACT-NET) with the finalization of its Terms of Reference. We expect to deepen international cooperation, information and intelligence exchange and experience sharing among anti-corruption and law enforcement practitioners from APEC member economies through the ACT-NET and other platforms.
- 74.** We appreciate the efforts of the Anti-Corruption and Transparency Working

Group in collaborating with other APEC fora to improve transparency in this region.

### Counter-Terrorism

75. We welcome the upgrade of Counter Terrorism Task Force (CTTF) and commend the achievements of the Counter Terrorism Working Group (CTWG) during this year, including identification of its priorities and implementation of the CTWG Strategic Plan 2013-2017. We commend the outcomes of the Secure Trade in APEC Region (STAR) IX Conference. We encourage economies to continue to cooperate and communicate in areas such as secure supply chain, secure travel, secure finance and secure infrastructure, to improve and maintain trade security and economic stability in the region.

### Health

76. Recognizing health is a critical component of economic and trade development as well as a driver of regional economic growth, we endorse *the Healthy Asia Pacific 2020* initiative and the Statement by the 4<sup>th</sup> APEC High Level Meeting on Health and the Economy. We reaffirm our commitment to strengthen health systems with a focus on the areas of: Universal Health Coverage; health financing; the prevention and control of non-communicable diseases and preparedness for effective management of infectious diseases; strengthening mental health through implementation of the 2015-2020 roadmap; and promoting understanding of the safe and effective use of traditional medicine and similar products.

### Urbanization

77. We note the outcomes of the APEC High Level Dialogue on Urbanization in August 2014. We endorse the *APEC Cooperation Initiative for Jointly Establishing an Asia-Pacific Urbanization Partnership*. We encourage more support for urbanization cooperation activities.
78. We welcome the APEC Policy Support Unit (PSU) study on Urbanization and Sustainable City Development, and task it to continue its study on regional urbanization. We encourage relevant APEC fora to incorporate urbanization-related topics into their work programs. We agree to set up a Senior Officials' Meeting (SOM) Friends of the Chair on Urbanization to guide future

work in this field.

79. We commend efforts made in the implementation of the APEC Low-Carbon Model Town Project and the Energy Smart Communities Initiative under the APEC Energy Working Group, and instruct officials to explore pathways to sustainable city development and to a new type of urbanization that is green, circular, low-carbon and people-oriented, thus striking a balance between economic growth, inclusive social development and sustainable use of the environment and resources. We agree to establish a cooperative network of sustainable cities in APEC economies.

### **Strengthening Comprehensive Connectivity and Infrastructure Development**

80. We recognize that strengthening comprehensive connectivity and infrastructure development plays a vital role in fostering trade facilitation in the region, realizing a more interconnected regional economy, and improving the competitiveness. We are convinced that it will contribute substantially to the realization of the Bogor Goals and regional economic integration.
81. We endorse *the APEC Connectivity Blueprint*, and submit it to the APEC Leaders for their endorsement. We commit to implement *the APEC Connectivity Blueprint* and achieve the overarching goal of strengthening physical, institutional and people-to-people connectivity by taking agreed actions and meeting agreed targets by 2025, with the objective of achieving a seamless and comprehensively connected and integrated Asia Pacific.
82. We welcome the undertaking of the *Report to Implement the APEC Connectivity Blueprint*, and encourage economies and APEC fora to draw on the report when implementing the Blueprint.
83. We note the tremendous work accomplished under the APEC Finance Ministers' Process (FMP), including: compiling demonstrative infrastructure PPP projects for experience sharing; formulating an implementation roadmap to guide APEC's future work in developing infrastructure PPP projects; strengthening capacity of pilot PPP centers; promoting experience sharing; carrying on capacity building project of PPP pilot demonstration and standard contract making; and, consolidating the role of the PPP Experts Advisory Panel in supporting and guiding APEC's Public-Private Partnership (PPP) work. We recognize the important role of fiscal and taxation policies, and encourage all economies to

promote financial services for regional real economy in order to achieve benefit and economic sustainability.

- 84.** We acknowledge the progress made by Indonesia throughout 2014 in establishing its PPP Center with the support from the APEC PPP Experts Advisory Panel. We welcome the establishment of the PPP Center in China, as a center of excellence to facilitate development of PPP projects and institutional building at different government levels. We are willing to provide technical assistance to the interested member economies in this endeavor on a voluntary basis.
- 85.** We note with appreciation the work of the APEC Port Service Network (APSN) to facilitate cooperation and communication among ports and related sectors in the region. We applaud APSN's efforts to promote green growth and strengthen connectivity in the APEC port and related industries.
- 86.** We recognize that lifecycle cost, environmental impacts, and safety including resilience to natural disasters, constitute key elements of infrastructure quality. We welcome the positive contribution of the APEC Capacity Building Seminar on Quality of Infrastructure Development and Investment, and the APEC Guidebook on Quality of Infrastructure Development and Investment.
- 87.** We recognize the importance of people-centered investment as well as good practices and principles should be taken into account in formulating infrastructure development plans.
- 88.** We reaffirm the importance of improving transportation systems to ease the flow of goods, people, services, and capital through developing a transportation "Connectivity Map" and "Quality Transport" vision, and sharing best practices in enhancing transportation infrastructure investment.
- 89.** We affirm that transportation infrastructure development, as well as safe, secure, and sustainable transportation, is essential for the promotion of economic growth in the APEC region. We encourage all economies to invest in new, upgraded or replacement infrastructure, in order to meet increased transportation needs.
- 90.** We recognize that strengthening cross-border education cooperation among APEC economies is a critical form of people-to-people connectivity. We welcome progress on the Work Plan on Promoting Cross-Border Education Cooperation, and encourage new activities that further promote APEC cross-border education cooperation, including by enhancing the mobility of students, researchers and

education providers, and the existing network of bilateral agreements. We commend the APEC economies, including their participating schools and companies that have committed to sponsoring APEC scholarships and internships this year to promote cross-border education as well as inclusive growth in and across the region. We urge efforts by APEC economies to contribute to the target of 1 million intra-APEC university-level students per year by 2020.

- 91.** We encourage officials to elaborate various academic mobility schemes and mechanisms, including voluntary implementation of the ‘Virtual’ Academic Mobility Card, which universities can use on a voluntary basis to facilitate knowledge sharing. We encourage efforts to provide such opportunities to generally under-represented populations, and advocate further research and best regulatory practices on collaboration and exchanges in the field of higher education and vocational education. We encourage economies to use platforms such as the APEC Higher Education Research Center (AHERC) to enhance joint study, information sharing, student and researchers mobility among APEC universities and institutions.
- 92.** We support the End-to-End Review of the present APEC Business Travel Card (ABTC) Scheme, and remain committed to its further improvement and development with our concerted efforts. We welcome the in-principle agreement to extend the validity of the ABTC to 5 years. We appreciate the endeavors of transitional members of the ABTC Scheme to become full members.
- 93.** We are pleased to note that the 8<sup>th</sup> APEC Tourism Ministers’ Meeting has agreed to strive for the target of 800 million international tourists among APEC economies by 2025. We agree with the initiative proposed by the 8<sup>th</sup> TMM to develop tourism as a pillar industry and give priority to its development by APEC economies. We agree that tourism cooperation is an effective way to boost connectivity in the Asia-Pacific region and share the best examples of

tourism boosting connectivity. We agree to promote the integrated development of tourism and other related industries as a driving force of economic growth so as to make active contribution to value chain cooperation in the Asia Pacific region.

### **Strengthening APEC**

- 94.** We recognize the importance of Economic and Technical Cooperation (ECOTECH) to ensure equitable growth and shared prosperity in the Asia-Pacific region and global competitiveness as a foundation to advance trade and investment liberalization and facilitation. We reiterate our commitments to ECOTECH as APEC's main pillar in attaining sustainable growth and equitable development in the Asia-Pacific region and in reducing economic disparities among APEC economies. We remain committed to providing demand-driven ECOTECH activities to help APEC economies, in particular the developing economies, to achieve the Bogor Goals.
- 95.** We agree to strengthen the prioritization and effective implementation of ECOTECH through APEC fora. We encourage economies, particularly developed economies, to provide more capacity building support and contributions including to the existing APEC Funds, so as to achieve our goal of bridging gaps in capacity gaps among economies, and help economies meet their APEC commitments and economic growth objectives.
- 96.** We welcome efforts to maintain APEC's focus on ECOTECH and instruct officials to improve the effectiveness of the SOM Steering Committee on ECOTECH (SCE)'s work, capacity-building and communication. We commend the progress made this year in advancing the ECOTECH agenda and endorse the 2014 Senior Official's Report on Economic and Technical Cooperation.
- 97.** We acknowledge ongoing endeavors to strengthen the coordination between APEC fora and to streamline the operation of the SCE and instruct Senior Officials to continue improving this coordination and urge APEC fora to enhance communication so as to avoid duplication of work and maximize

synergy.

- 98.** We welcome China's initiative to upgrade the Asia-Pacific Finance and Development Center to the Asia-Pacific Finance and Development Institute (AFDI) and appreciate China's efforts and concrete contribution to support economic and technical cooperation and capacity building in the Asia-Pacific region. We endeavor to strengthen our cooperation with the AFDI through our domestic institutions including our APEC study centers.
- 99.** We acknowledge the 10-year achievement of the APEC Digital Opportunity Center (ADOC) initiative and appreciate Chinese Taipei's efforts and contributions as well as the cooperation of the 10 partner member economies (PMEs) in bridging digital divides and creating digital opportunities throughout the APEC region.
- 100.** We endorse the Ways to Strengthen APEC's Synergy and Complementarity with Regional and International Cooperation Fora and Processes, to solve complex cross-border challenges, and instruct Officials to implement the recommendations. We welcome the active participation and valuable inputs provided by ABAC this year on various cross-cutting agenda in APEC.
- 101.** We recognize the importance of budget and management arrangements as a means to ensure APEC's strength as an institution. In this regard, we welcome the work of APEC in financial realignment and institutional management issues. We also welcome the work on project management to improve capacity-building activities in APEC, including the work by the Budget and Management Committee (BMC) to better evaluate the impact of APEC projects.
- 102.** We appreciate the pivotal role of the PSU in fulfilling APEC 2014 priorities, in particular taking the lead in the development of the APEC Connectivity Blueprint and the report to support its implementation. We are encouraged by the increasing contributions of the PSU to key APEC initiatives. We note that the PSU also has provided useful contributions to the Finance Ministers'

Process. We urge the PSU to continue building up a solid body of work, including evaluating the quality of its outputs. We reiterate our commitment to support the PSU.

**103.** We endorse the 2014 Senior Officials' Report on APEC's work program, including the recommendations contained therein, note the 2014 Annual Report of the APEC Secretariat Executive Director, and approve the 2015 APEC budget and member contributions. We welcome preparations for APEC 2015 in the Philippines.

Annexes:

Annex A: APEC Statement on Promoting the Use of Interoperable Global Data Standards

Annex B: APEC Statement on Promoting Renewable and Clean Energy (RCE) Trade and Investment

Annex C: APEC Customs 3M Strategic Framework

Annex D: Action Agenda on Promoting Infrastructure Investment through Public-Private Partnership

Annex E: The APEC Strategic Plan on Capacity Building to Promote Trade and Investment Agenda

Annex F: APEC Initiative of Cooperation to Promote Internet Economy

Annex G: APEC Ocean Cooperation in the Asia Pacific Region

Annex H: The Beijing Declaration on Fighting Corruption



## **ANNEX A**

### **APEC Statement on Promoting the Use of Interoperable Global Data Standards**

1. In our 2013 declaration, we recognised the contribution that global data standards can make to enhancing supply chain efficiency, and encouraged officials to explore what more can be done to facilitate mutual compatibility amongst data standards frameworks, and the compatibility of economies' frameworks with the use of global data standards.

2. In any international transaction of goods, a range of information needs to be exchanged between various parties as the goods move along global supply chains. Global data standards can be used to ensure that relevant information is provided in a common format which is easily understood and can potentially be shared by all parties. For example, global data standards underpin the common bar code system and the Harmonized Commodity Description and Coding System used to classify traded products. We acknowledge the leadership of the private sector in developing global data standards and ABAC's ongoing support for work within APEC on this subject.

3. As transactions by governments and the private sector become increasingly electronic, it is becoming more important and useful to ensure that systems of the relevant stakeholders are interoperable. As such, we welcome the initial work which officials have undertaken to explore this issue including a workshop and a related trade policy dialogue on global data standards. We note that these activities have established that the wider use of interoperable global data standards can have the following broader benefits:

(a) **Efficiency:** global data standards can improve the efficiency of supply chains by eliminating unnecessary transactions, and enabling better informed and more accurate risk assessments.

(b) **Integrity:** global data standards can be used to verify the integrity of a product throughout the supply chain.

(c) **Visibility:** global data standards can increase the visibility and transparency of supply chain processes.

(d) **Innovation:** global data standards can provide a platform for innovation by enabling new ways to utilise information through 'smart' supply chain processes.

4. We also acknowledge that our global data standards activities will make a substantial contribution to the core areas of APEC's work. This includes our wider objectives on connectivity, global value chains, Bogor Goals and our goal to achieve a 10% improvement in supply chain performance among APEC economies by 2015 including efforts to address key supply chain chokepoints.

5. In recognition of the benefits that flow from wider use of global data standards and the linkages with existing APEC objectives, we instruct officials to further advance work on global data standards by developing pilot projects with the participation of the private sector. These pilot projects will be a practical step to further explore the benefits of global data standards and we encourage APEC economies to participate in these projects in accordance with their own domestic circumstances.

6. Finally, we encourage officials to conduct a study to assess the overall outcome of these pilot projects, and to establish a set of policy-based principles or recommendations which could provide reference for future initiatives on global data standards in APEC economies.

## ANNEX B

### **APEC Statement on Promoting RCE Trade and Investment**

Promoting Renewable and Clean Energy (RCE) trade and investment is crucial for meeting our current and future energy needs. Greater use of RCE will diversify our energy supply and reduce environmental impact. In recent years, the market for RCE has been consistently growing, but various patterns of barriers in cross border trade and investment remain a persistent challenge. In 2014, a Public Private Dialogue on RCE Trade and Investment was held to launch the APEC Public Private Partnership on Environmental Goods and Services (PPEGS), promote RCE trade and investment and increase the utilization of RCE. Based on previous APEC work on RCE and the recommendations of the 1st PPEGS dialogue, bearing in mind the non-binding and voluntary nature of APEC, we agreed to undertake the following:

1. Promote market openness by further addressing trade barriers on RCE products among APEC member economies, work together to fight against all forms of trade protectionism in the RCE sector and deepen our cooperation on monitoring and resisting protectionist measures;
2. Prevent trade frictions in cross border RCE trade and investment by strengthening coordination and cooperation among APEC economies, including by holding public private dialogues regularly and building broader understanding and trust among APEC economies;
3. Promote regulatory coherence and cooperation in areas affecting RCE trade and investment, including by exploring the alignment of standards and certification systems in the RCE industry, to ensure the supply of high quality RCE products in this region;
4. Ensure that all government support and incentive programs aimed at promoting environmental goods and services are transparent and consistent with WTO rules;
5. Strengthen the protection and enforcement of intellectual property rights and recognize the importance of comprehensive and balanced intellectual property systems that provide for and protect the incentives that encourage creativity and innovation, and provide substantial support to RCE research and development;
6. Encourage economies to report progress in realizing the objectives of the 2011 Leaders Declaration on Trade and Investment in Environmental Goods and Services on voluntary basis;
7. Encourage RCE technology cooperation amongst APEC economies with a view to

contributing to sustainable and inclusive development; and

8. Engage the private sector and academia more deeply and frequently in RCE related policymaking to support APEC cooperation and create more cooperative opportunities for RCE industries among APEC economies.

We are committed to create an enabling environment for RCE trade and investment to contribute to sustainable development and common prosperity in the Asia Pacific region. We direct officials to develop knowledge sharing and capacity-building activities relevant to implementing these actions, including exchanging views, experiences, and best practices to promote RCE trade and investment.

## ANNEX C

### APEC Customs 3M Strategic Framework

Customs plays a pivotal role in ensuring the safety and facilitation of international trade. The APEC Customs Community's efforts on simplification and harmonization of regional customs procedures has greatly contributed to the reduction of APEC trade transaction costs and improvement in supply chain performance amongst APEC economies. With the conclusion of the WTO Trade Facilitation Agreement, the reform of Customs procedures will be playing a more proactive and decisive role in the course of attaining Bogor Goals by 2020, injecting fresh momentum into the regional economic integration and trade facilitation.

APEC leaders in 2013 vowed to take measures including promoting Single Window systems to modernize Customs procedures in order to achieve the institutional connectivity thus to reach a seamlessly and comprehensively connected and integrated Asia Pacific. Accordingly, *APEC 2013 Tasking Statement (for 2014)* has identified the priorities of APEC Customs as improving supply chain connectivity and enhancing Customs procedures with emphasis on Single Window and Authorized Economic Operator. Customs are also tasked to function in people-to-people connection and wildlife trafficking.

To this end, we instruct the senior officials, based on the initiative of "Mutual Recognition of Control, Mutual Assistance of Enforcement and Mutual Sharing of Information", to promote APEC Customs cooperation in a systematic approach to advance the following pressing tasks that are generally acknowledged by APEC economies:

#### 1. Promoting Connectivity and Trade Facilitation

- **Implementation of the WTO Agreement on Trade Facilitation(ATF)**

**Short-term objectives:** to update each other on the work done for the implementation of the ATF and share experience in this regard.

**Long-term objectives:** to prepare for the review of the operation and implementation of the ATF which will take place four(4) years after its entry into force, and to explore the possibility of implementing non-binding or best endeavor provisions of the ATF.

- **Single Window**

**Short-term objectives:** to continue providing capacity building and technical support for member economies to establish and improve their individual Single Window with

the least delay possible.

**Long-term objectives:** to realize interoperability of Single Window systems amongst APEC member economies.

• **Customs Transit**

**Short-term objectives:** to work on Chokepoint 8, and formulate the guidelines for APEC Customs transit to address issues including lack of harmonization among APEC economies in granting preferential treatment to goods through third-party territories.

**Long-term objectives:** to carry out capacity building, implement Customs transit guidelines, conduct regular evaluations, and set up uniform arrangements of origin certification for transit goods so as to create a facilitated environment for Customs clearance and more foreseeable transit rules for international trade operators, improving the effectiveness and security of the supply chain.

**2. Enhancing Law Enforcement Capacity and Trade Order**

• **IPR protection**

**Short-term objectives:** to increase technical exchange and experience sharing among members, and improving law enforcement capacity on IPR border protection for Customs of member economies.

**Long-term objectives:** to set up a long-term mechanism for research and training on IPR border protection.

**3. Conducting Closer Cooperation with the Private Sector to Enhance Trade Security**

• **Authorized Economic Operator (AEO)**

**Short-term objectives:** to continue carrying out capacity building for the economies that have not established the AEO program and further advancing the formulation of the minimum standards for AEO enterprises, including the SMEs.

**Long-term objectives:** to continue the capacity building programs, promote AEO mutual recognition between member economies, and work out the benefit list of the AEO MRA to further facilitate the trade in the Asia-Pacific region.

• **Cross-border E-commerce**

**Short-term objectives:** to increase the awareness of the risk control in the E-commerce in APEC Customs community and promote the cooperation with the business

community by elevating the level of their information exchange on best practices.

**Long-term objectives:** to strengthen cooperation between APEC economies and the private sectors, to encourage self-discipline and compliance from the private sectors, to establish safe and efficient order on cross-border e-commerce so as to promote the economy and trade development in APEC.

#### **4. Applying Technology to Enhance the Efficiency of the Customs Control**

##### **• Manifest Exchange between Land Border Customs**

**Short-term objectives:** to encourage experience exchange between members that have carried out border Customs cooperation.

**Long-term objectives:** to explore the possibility of manifest data exchange between land bordering Customs in APEC region.

In addition to the above-mentioned key tasks, we support to push forward other ongoing projects including Trade Recovery, Time Release Study, etc. in order to ensure that goods and services move efficiently, effectively and safely through the region. We encourage APEC Customs to work closely with the private sector through the VWG to progress the priorities addressed at the borders.

## ANNEX D

### **Action Agenda on Promoting Infrastructure Investment Through Public-Private Partnership (PPP)**

The infrastructure investment gap in the APEC region is huge, while governments alone cannot meet the investment requirements for infrastructure. In 2013, APEC endorsed Multi-Year Plan on Infrastructure Development and Investment, setting an important platform to work on infrastructure development and investment. In 2014, China put “Strengthening Comprehensive Development in Infrastructure and Connectivity” as one of the three priorities of APEC 2014.

Well-established infrastructure can facilitate trade and investment in other sectors. It can support supply chain connectivity and reduce trade barriers such as transaction costs for the region. Moreover, it will boost economic growth of both developed and developing economies in the APEC region. Especially, the lack of infrastructure is one key obstacle to the economic development in developing economies, and acts as a constraint to increasing cross-border investment in the APEC region. Extensive economic research shows that although the capital returns in many developing economies are higher than those in the developed economies, capital flow from the developed to the developing economies is less than economic models would suggest. Among many different explanations to this puzzle, the lack of infrastructure of the developing economies and lack of facilitating investment policies are widely accepted reasons.

There are mutual benefits for all the APEC members to cooperate in infrastructure investment, including through PPP. PPP, when suitably designed and fit for purpose, offer a viable alternative to public sector financing of infrastructure development, in that it can improve service quality, optimize use of resources, and alleviates fiscal constraints through sharing risks and responsibilities. At the same time, there is positive externality of one economy's infrastructure on the other economies. Therefore, the economic cooperation among APEC members on infrastructure investment, including through PPP modality, is very desirable.

On August 13th, 2014, IEG Public Private Dialogue on the theme of “Promoting Infrastructure Investment through PPP” was held in Beijing and carried out intensive discussion on PPP in Infrastructure Investment. Based on previous APEC works on PPP in infrastructure investment and recommendations made by the experts and participants at the 2014 IEG PPD, bearing in mind of the non-binding nature of APEC, economies has identified the following actions that will contribute to the overall



objectives of APEC cooperation on regional connectivity and infrastructure. In pursuing these actions, IEG will coordinate with CTI, SFOM and other related APEC sub-fora, in order to prioritize resources and avoid duplication among the ongoing work:

1. Promote continued policy dialogue on methods of financing infrastructure investment, including through the development of open, transparent, and accessible investment climates and by using PPP and other financing mechanisms. Such dialogue can raise awareness and common understanding of APEC economies on the definition, characteristics, merits and challenges of applying PPP modality in infrastructure investment, as well as creating policies conducive to infrastructure investment.
2. Share good policies and practices, build interests among APEC economies in applying PPP modality including innovative financial mechanisms for infrastructure investment, and identify capacity building needs.
3. Accelerate IEG's work in assembling *PPP Guidebook* that aims to compile information on the variety of PPP frameworks already put in place by APEC economies. Consider future IEG work to address other mechanisms of facilitating private sector investment in the infrastructure sector including through public-private financing.
4. Take *ABAC Enablers of Infrastructure Checklist* as a useful reference for economies to enhance government policies and operation to facilitate infrastructure investment through PPP, such as by strengthening government's capacity in project planning and coordination, building a sound legal and regulatory environment, developing robust PPP models and frameworks, as well as creating and maintaining a transparent investment environment to attract foreign direct investment.
5. Launch capacity building initiatives to address identified impediments in promoting PPP projects in infrastructure development and improve the ability of developing economies to better utilize PPP, develop policies conducive to investment, and facilitate infrastructure development and boost engagement of the private sector. These will be aligned with APEC's Multi-Year Plan on Infrastructure Development and Investment.
6. Encourage APEC economies to consider establishing functioning, well-trained PPP centers based on their needs and circumstances, to promote PPP as a method for facilitating infrastructure investment, and share experience, cooperate and coordinate on PPP development in the Asia-Pacific region.
7. Strengthen collaboration between APEC economies, ABAC and private sectors, and international organizations such as World Bank, International Monetary Fund, OECD, Asian Development Bank, etc. with a view to sharing project information and

enhancing effective deployment of financial and knowledge resources within and beyond the region.

8. Enhance analytical work on PPP and promote collaboration among regional academia, including by exploring the potential for establishment of an APEC network of study bases, which could serve as an important analytical framework to promote PPP development and cooperation under the principle of mutual benefit.

9. Continue APEC efforts to identify actions and best practices to develop a policy environment conducive to such investment.

## ANNEX E

### **APEC Strategic Plan on Capacity Building to Promote Trade and Investment**

#### **Background**

In 1995, APEC Leaders endorsed The Osaka Action Agenda and instructed to “pursue economic and technical cooperation in order to attain sustainable growth and equitable development in the Asia-Pacific region, while reducing economic disparities among APEC economies and improving economic and social well-being”, and acknowledged that “such efforts will also facilitate the growth of trade and investment in the region”.

In 1996, APEC Leaders endorsed the Subic Declaration and emphasized that as an essential complement to APEC’s trade and investment liberalization agenda, economic and technical cooperation helps APEC members to participate more fully in and benefit from an open global trading environment, thus ensuring that liberalized trade contributes to sustainable growth, equitable development and to a reduction in economic disparities. APEC Leaders also acknowledged that economic and technical cooperation (ECOTECH) and trade and investment liberalization and facilitation are mutually complementary and supportive.

After 20 years of economic cooperation based on the framework of free and open trade and investment, APEC could take further steps to strengthen its cooperative mode through mutually reinforcing ECOTECH and APEC’s trade and investment agenda, based on its voluntary and non-binding principle. APEC’s comparative advantage in capacity building, due to the diversity of APEC economies, robust, high level commitments, and valuable experience in this area, could provide a significant contribution to implementing its expanded trade and investment agenda. APEC should also explore how to use capacity building in more effective ways to enable Leaders and Ministers to make ambitious commitments with regard to facilitating and liberalizing trade and investment.

APEC consists of diverse economies at different stages of development. Currently, the new trends of globalization and rapid technological change offer unprecedented opportunities for economic growth and employment. But they also pose new challenges for APEC economies, especially the developing economies, as we respond to these changing economic circumstances.

Trade and investment liberalization, supported by effective and targeted capacity building programs, can help economies achieve inclusive and sustainable growth, and

advance regional integration. Therefore, it is critical for the CTI, in coordination with the SCE and BMC, to develop a strategic plan which would identify economies' capacity building needs in the context of ambitious trade and investment commitments by Leaders and Ministers, and address these identified capacity-building needs in a more systematic and focused manner. Such a strategic Plan would contribute to more coordinated efforts and outcomes in promoting and carrying forward APEC's trade and investment agenda.

### **Proposed Actions**

In order to view capacity building from a longer-term perspective, broaden the one-off activities to encompassing more systematic programs, and to achieve more lasting and impactful outcomes in promoting APEC's trade and investment agenda, China proposes APEC economies agree to this Strategic Plan which may include, but is not limited to the following elements:

**Stock take and assess previous capacity building activities.** The APEC Secretariat could be tasked to provide an inventory, analysis and evaluation on previous and current capacity building activities undertaken by CTI and its sub-fora, assist in coordinating the development and implementation of various capacity building activities, and make recommendations for future actions.

**Share best practice among APEC economies and other related agencies.** Carry out topical workshops and case studies to exchange and demonstrate successful cases and experiences on developing and implementing high-quality capacity building activities, such as the regional economic integration Capacity-Building Needs Initiative (CBNI), supply chain connectivity etc. Discuss and identify principles and ways to develop more tailor-made capacity programs to contribute to the core trade and investment agenda of APEC, especially in the priority areas such as the Bogor Goals, supply chain connectivity, global value chains, regulatory coherence, environmental goods and services, and the FTAAP.

**Design integrated and multi-faceted programs based on the identified capacity building needs.** Strengthen cooperative efforts and provide targeted trade-related technical assistance and capacity building to increase the capacity of developing economies to participate in the regional and multilateral economic cooperation and ultimately use trade and investment friendly policies to help achieve their economic goals; develop and implement longer term capacity building projects. In order to achieve this, a comprehensive survey on the capacity building needs based on currently work will be conducted at CTI and its sub-fora in 2014. The CTI should also emphasize

the importance of monitoring and evaluation to ensure that resources are being utilized in a way that maximizes their impact.

**Mobilize more resources to support the capacity building programs.** Encourage member economies and other interested parties to make additional contributions to existing APEC Funds. Encourage member economies to take individual actions on voluntary basis to provide any forms of assistance. Encourage international relevant international organizations and other stakeholders to contribute to this process, including with respect to implementation and evaluation of projects.

## **ANNEX F**

### **APEC Initiative of Cooperation to Promote Internet Economy**

#### **I. The importance of promoting the Internet Economy**

The world economy is now undergoing great transformation, more integrated and globalized than ever before. This trend is gaining momentum with the spread of the Internet. The Internet Economy, as a working definition, includes the range of economic activities stemming from or using the Internet and connection technologies. As a new economic phenomenon, such technologies are lowering barriers to economic participation, and the Internet Economy empowers economic participants using e-commerce, instant messaging, search engines, online media, internet finance, and other means.

The ICT revolution has produced cloud computing, big data, machine learning, machine-to-machine communication, and great advances in mobility and remote access, all innovations stemming from or related to the Internet. With these new technologies, we are discovering new ways to put them to use.

In recent years, information and communications technologies have become integrated into many traditional industries, transforming how they do business. The Internet is connecting businesses and resulting in a new, more integrated economic ecosystem. We see these technologies facilitating trade, access to information empowering customers, and increasing opportunities for small and micro enterprises as well as individual entrepreneurs.

In the past industrial era, large corporations were sometimes the only ones able to apply advanced technologies, and they have advantages in taking on large-scale challenges, but new information and connection technologies are opening up the economy, jobs and growth to SMEs and individuals.

As mobile technologies advance and computing becomes embedded in a wider array of devices, we foresee technology becoming increasingly scannable, pliable, wearable and drivable. This ubiquity may cause the devices to fade into the background of a digital environment and change how people experience information and connectivity.

New innovations in finance and payments are also facilitating a wide variety of small-scale commerce and economic activity as well as serving many who have been historically underserved by the formal financial sector. Recognizing this will raise new policy questions, we see demonstrated value in innovations to include: mobile money

and micro-financing, lightweight payment technologies, P2P lending, and crowd funding. Such innovations are also challenging many traditional models and spurring new and improved services to the public in sectors such as asset management, insurance, medical care and health management

The Internet Economy is an effective carrier of economic reform, innovation and sustainable growth. It has ushered in an era of mass innovation, expanding the space of prosperity; has the potential to turn individuals into an economic growth point. It benefits each and every social stratum, contributing in particular to the growth of the middle class. It has boosted the employment of the destabilizing and the vulnerable groups such as the youth, women and the disabled.

At the macro-level, the Internet Economy may help developed economies stimulate flagging economic growth rates, while providing developing economies a less painful way to overcome the "middle income trap". The growth of the Internet Economy can help satisfy people's aspiration for inclusive and high-quality prosperity in the information era.

Nevertheless, the Internet Economy will produce policy or regulatory challenges. We should be sensitive, as our economies are increasingly interconnected, of the risks of unintended consequences from laws and policies. Laws and regulations often lag behind new technologies, and we should be engaged with each other so our respective efforts are effective and to minimize inadvertent affects across the regional economy.

## **II. APEC's constructive role in promoting the Internet Economy**

With diversified markets and users, the Asia-Pacific region is at the forefront of the Internet Economy. Internet and mobile device subscribers in the region account for 45% and 50% of the world's total. The region has witnessed an explosive growth of the Internet Economy and boasts the largest number of online shoppers in the world.

Demand by SMEs and individuals for access to credit, transactions, and other financial services in the Internet Economy has spurred many new innovations and spurred rapid growth in the Asia-Pacific region. Innovations in online and mobile micro-financing have enabled new economic activity and grass-roots economic participation by individuals as well as SMEs.

This sort of economic activity, which we see in the Internet Economy and is resulting in economic new opportunities and greater inclusiveness and prosperity, is the type of dynamic growth APEC has sought to promote since its establishment.

APEC, as a premier forum for enhancing economic growth and prosperity in the Asia-Pacific region, has long been committed to promoting internet economy since the adoption of APEC Blueprint for Action on Electronic Commerce in its annual Leaders' meeting in 1998 and the establishment of the APEC Electronic Commerce Steering Group (ECSG) in 1999, aiming to promote the development and use of electronic commerce by creating legal, regulatory and policy environments in the APEC region. The work was followed by the highlighting of the use of ICTs in the world economic development in the Action Agenda for New Economy, the e-APEC Strategy and the Statement to Implement APEC Policies on Trade and the Digital Economy endorsed by APEC Leaders in their annual meetings in 2000, 2001 and 2002 respectively.

Further to it, goals of achieving universal access to broadband in all APEC economies by 2015 and achieving access to next generation, high speed broadband by 2020 were endorsed by Ministers in 2009 and 2010, so as to enable economies to access more benefits of ICTs that increase economic efficiencies and productivity, utilize smart ICT applications, and improve the livelihoods of people in APEC economies, and stimulate economic growth in the APEC region. Once more, the use of ICT was recognized by our Leaders as a crucial driver for further integration in the APEC region in 2012. And our Ministers also encouraged members to "expand the application of safe and trusted ICT and e-commerce environment", and "explore the possibility of implementation a one-stop shop for online transactions", and to provide all the procedures and services "required to export and e-commerce across boundaries promote the easiness of doing business" in their Joint Ministerial Statement in 2013.

In 2014, APEC continues to carry out the work on promoting the Internet Economy. In February, the Concept Paper "Developing the Internet Economy through Enhanced ICT Cooperation" was endorsed in SOM 1 in Ningbo. In April, the APEC Telecommunications and Information Working Group (TELWG) held a Roundtable on the Internet Economy in Yangzhou, where representatives from member economies and internet enterprises envisaged the bright future of the Internet Economy in the Asia-Pacific region. In May, during SOM 2 in Qingdao, members agreed to incorporate the Internet Economy under agenda Priority Two -- "Promote Innovative Development, Economic Reform and Growth" -- as a key cooperation area of the "new economy" pillar.

### **III. Proposed Actions**

Observing established guidelines focusing on practical economic cooperation, respecting the diversity of APEC members, we propose the following cooperative



actions with a view to seizing the opportunity to promote the growth of the Internet Economy:

1. Establish an Ad Hoc Steering Group consists of APEC member economies, related fora and ABAC to discuss issues arising from the Internet Economy, propose actions, and encourage collaboration across multiple APEC fora.
2. Promote technological exchanges with stakeholders in member economies.
3. Organize entrepreneurship and skill training on the Internet Economy to facilitate capacity building and encourage entrepreneurship and innovation. Recalling the 2009 APEC Digital Prosperity Checklist, organize training programs to help developing member economies bridge the digital divide.
4. Continue work to realize the goal of achieving universal access to broadband by 2015 and universal access to the next generation, ultrahigh-speed broadband by 2020 in the APEC region, as well as promoting IPv4 to IPv6 transition.

While we strive to benefit more from the Internet Economy and new technologies, we note the importance of continued work to ensure robust, reliable and resilient infrastructure.

Continue activities in promoting confidence and trust in electronic environments globally by encouraging secure cross border flows of information, including electronic documents. Reaffirm the necessity of multi-stakeholder cooperation to continue efforts to expand and strengthen the Asia-Pacific Information Infrastructure and to build confidence and security in the Internet Economy.

5. Leverage the Internet Economy to foster an enabling environment and inclusive economic participation to allow people to improve their own lives. We note the potential for technologies to empower vulnerable and disadvantaged groups like women, young people, people with disabilities, and the poor.
6. Support the healthy development of innovative Internet finance. We commit to promote safe, efficient, low-cost and inclusive financial services to enable SMEs and individuals to share the benefits of economic development, with a view to building an open, cooperative, and safe environment for the Internet Economy. We propose a dialogue bringing together a balanced group of stakeholders to explore innovative new ways to serve the underserved.
7. Explore how "mobility" may help facilitate economic activity and promote APEC goals. As mobile devices become more ubiquitous connection technologies will change

how we experience the Internet and interact with an increasingly rich information environment. We propose TEL open a dialogue of these topics, inclusive of stakeholders and other fora, to explore these topics.

8. Promote the development of Internet of Things (IOT). The deployment embedded sensors and computing, machine to machine communication, and the development of improved analytics will be transformative and offer many benefits but also raise new policy questions. We propose TEL initiate discussion of these topics and their policy considerations, promoting deployment of such technologies.

## **ANNEX G**

### **APEC Ocean Cooperation in the Asia Pacific Region**

APEC members share one ocean, and they account for over 80% of global aquaculture production. The ocean is an important conduit for 90% of world trade, and connects people, markets and livelihoods, as well as providing ecosystem services and playing an important role towards fulfilling economic recovery and prosperity of the Asia Pacific region.

APEC recognizes the need to conserve and sustain the ocean so that it can continue to meet the needs of the present without damaging the interests of future generations. It is also mindful of increasing challenges both from natural and human factors, such as over-exploitation of resources in the context of increasing human demands, increasing pollution, loss of biodiversity, and the impacts of global climate change and natural disasters. APEC is an important platform for regional economic integration and growth, and a well-placed platform for discussion and cooperation related to the ocean.

We acknowledge and seek to build upon previous work in this area, which came out of guidance from APEC Leaders' Declarations, APEC Leaders' Growth Strategy, and the 2013 Joint Ministerial Statement and commitments made in the 2002 Seoul Ocean Declaration, the 2005 Bali Plan of Action, the 2010 Paracas Declaration and Paracas Action Agenda, and in particular the Xiamen Declaration, which is the outcome document of the 4<sup>th</sup> APEC Ocean-related Ministerial Meeting (AOMM4) held in Xiamen, China, on 28 August, 2014. We also commend the progress made by the Ocean and Fisheries Working Group in these years

We confirm that “for the purposes of APEC, the APEC Ocean and Fisheries Working Group views Blue Economy as an approach to advance sustainable management and conservation of ocean and coastal resources and ecosystems and sustainable development, in order to foster economic growth”. We also recognize the importance of the APEC Marine Sustainable Development Report, which provides an overview of marine sustainable development activities within APEC.

While progress has been made in APEC, particularly over the past few years, we also recognize that the world's oceans and seas still require better understanding and coordinated action and the urgent need for ocean cooperation due to the complex and trans-boundary nature of ocean and coastal issues and challenge. We support the call made by APEC Ocean-Related Ministers in the Xiamen Declaration for the establishment of more integrated, sustainable, inclusive and mutually beneficial

partnership through ocean cooperation among APEC members, that implements previous commitments and focuses efforts on collaborative and concerted actions in the following four priority areas: (1) Coastal and marine ecosystem conservation and disaster resilience; (2) The role of the ocean on food security and food-related trade; (3) Marine science, technology and innovation; and (4) Blue Economy.

We welcome the Xiamen Declaration and support the actions within it in the hopes of supporting healthy and productive oceans and coasts in the APEC region.

## ANNEX H

### Beijing Declaration on Fighting Corruption

We APEC member economies recognize that corruption impedes economic sustainability and development, threatens social security and fairness, undermines the rule of law, and erodes government accountability, as well as public trust. We reaffirm the *Santiago Commitment to Fight Corruption and Ensure Transparency*, the *APEC Course of Action on Fighting Corruption and Ensuring Transparency*, as well as the *Vladivostok Declaration on Fighting Corruption and Ensuring Transparency*, which reflect our continued commitments to combat corruption across all sectors, including public sector and private sector, in the Asia Pacific region. We commend the Anti-Corruption and Transparency (ACT) Working Group for guiding us in strengthening our resolve to effectively fight corruption across borders, and for its commitment over the years to working across APEC subfora, with the APEC Business Advisory Council (ABAC), and with key regional and international partners.

We highly applaud the continued contributions of all APEC member economies to protect integrity and promote transparency and participation of society in the Asia-Pacific region. Acknowledging that increased global connectivity demands vigorous international cooperation to successfully combat corruption, we urge member economies to further intensify our collective efforts in the fight against corruption by strengthening existing cooperation and developing new areas of international collaboration within the APEC ACT framework.

With this vision in mind, we hereby call for more concerted efforts for international cooperation in the Asia-Pacific region, subject to domestic laws and policies, through the following actions:

- Reaffirming our commitment to denying safe haven to those engaged in corruption, including through extradition, mutual legal assistance, and the recovery and return of proceeds of corruption; considering the adoption of more flexible approaches enabled by domestic legislation for recovery of proceeds of corruption; and striving to expedite international cooperation in the prevention, investigation, prosecution, and punishment of corruption offenses.
- Strengthening information sharing among APEC economies, according to domestic laws, concerning cross-border movements of public officials involved in corruption criminal investigations and their illicitly acquired assets, as an effort to help combat corruption, bribery and illicit financial flows to the utmost extent; and calling for

transparency of beneficial ownership of legal persons and legal arrangements as consistent with the Financial Action Task Force (FATF) definition, aimed at more effective prevention and detection of corruption.

-- Looking anew at the potential of enhancing bilateral cooperation to fight corruption through the use of existing international legal instruments such as the *United Nations Convention Against Corruption* (UNCAC) and the *United Nations Convention on Transnational Organized Crime*(UNTOC), and relevant initiatives like the *APEC Course of Action on Fighting Corruption and Ensuring Transparency*; encouraging member economies , where appropriate, to sign and conclude bilateral extradition treaties and mutual legal assistance agreements; and welcoming anti-corruption programs that follow successful models.

-- Establishing the APEC Network of Anti-Corruption Authorities and Law Enforcement Agencies (ACT-NET) with an Office responsible for daily administrative tasks, and looking forward to the development of the ACT-NET as an informal network for sharing information and exchanging best practices and techniques among anti-corruption and law enforcement authorities in the Asia-Pacific region, to assist in detecting, investigating and prosecuting corruption, bribery, money laundering, and illicit trade.

-- Strengthening international cooperation efforts through the support of and participation in ACT-NET and other multilateral networks; exploring the potential of other existing mechanisms, where appropriate, such as UNCAC, UNTOC, the Organisation for Economic Co-operation and Development (OECD), FATF, and the Asia Pacific Group on Money Laundering (APG), to promote effective international, regional and bilateral cooperation between and among law enforcement, prosecutorial, regulatory and financial intelligence entities; and supporting the development and introduction of new anti-corruption tools and initiatives, such as jurisdiction-specific guidebooks, to provide technical assistance to anti-corruption and law enforcement authorities in member economies.

-- Collectively pursuing efforts to nurture fair and open markets, and encouraging member economies to initiate, enact, implement, and continually perfect, where appropriate, legislation prohibiting bribery; recognizing the importance of intensifying cross-border cooperation to prevent, investigate and prosecute bribery; encouraging member economies to broaden and strengthen dialogues between governments and business communities in the fight against bribery; and welcoming tools and guidelines developed by member economies in this regard<sup>[1]</sup>.

-- Cooperating on anti-corruption cases through all feasible measures within the bounds of each economy's laws and regulations, and facilitating administrative arrangements for officials cooperating with each other in APEC member economies.

-- Taking all necessary measures in accordance with fundamental legal principles of each economy to implement and promote transparency, including strengthening corruption prevention bodies and anti-corruption policies, as well as welcoming the participation of society; establishing measures and systems to protect whistleblowers; attaching great importance to capacity building of anti-corruption and law enforcement authorities; and advancing exchanges, personnel training and technical assistance for member economies.

Building upon our past commitments to fight corruption and ensure transparency, we shall lead by example to continue our fight against corruption in the Asia-Pacific region. With fresh vigor and renewed momentum, we will take concrete actions and pursue additional effective measures as necessary to safeguard our common security, market integrity, the rule of law, and sustainable growth, interests in social security, market integrity, the rule of law, and sustainable growth.

## **Xiamen Declaration**

### **Fourth APEC Ocean-Related Ministerial Meeting-AOMM4 Towards New Partnership through Ocean Cooperation in the Asia Pacific Region**

*We, the APEC Ocean-Related Ministers, gathered in Xiamen, China on 28 August 2014 for the fourth APEC Ocean-Related Ministerial Meeting (AOMM4), under the theme “Towards New Partnership through Ocean Cooperation in the Asia Pacific Region”;*

Acknowledging that the recovery of the global economy continues to face uncertainty, that the goal of the APEC Leaders’ Growth Strategy is still far from being fulfilled, and that most APEC member economies are exploring new economic growth opportunities to address the negative impact of the international financial crisis. Given the key role of the APEC region in the world economy and that the efforts by APEC members in promoting sustainable economic growth are vital to local, sub-regional, regional and global economic prosperity;

Considering that APEC members share one ocean, and they account for over 80% of global aquaculture production, and more than 65% of the harvesting and processing of the world’s capture fisheries, and that the ocean is an important conduit for 90% of world trade, and connects people, markets and livelihoods, as well as providing ecosystem services and plays an important role towards fulfilling economic recovery and prosperity of the Asia Pacific region;

Considering further the need to conserve and sustain the ocean so that it can continue to meet the needs of the present without damaging the interests of future generations, and also mindful of increasing challenges both from natural and human factors, such as over-exploitation of resources in the context of increasing human demands, increasing pollution, loss of biodiversity, and the impacts of global climate change and natural disasters;

Keeping in mind APEC Leaders’ Declarations, APEC Leaders’ Growth Strategy, the 2013 Joint Ministerial Statement and commitments made in the 2002 Seoul Ocean Declaration, the 2005 Bali Plan of Action, the 2010 Paracas Declaration and Paracas Action Agenda;

Confirming that “for the purposes of APEC, the APEC Ocean and Fisheries Working Group views Blue Economy as an approach to advance sustainable management and conservation of ocean and coastal resources and ecosystems and sustainable development, in order to foster economic growth”;

Recognizing the importance of the APEC Marine Sustainable Development Report,



which provides an overview of marine sustainable development activities within APEC;

Recognizing further that the world's oceans and seas require better understanding and coordinated action and the urgent need for ocean cooperation due to the complex and trans-boundary nature of ocean and coastal issues and challenges;

*Therefore we, the APEC Ocean-Related Ministers, call for the establishment of more integrated, sustainable, inclusive and mutually beneficial partnership through ocean cooperation among APEC members, that implement previous commitments, and focuses efforts on collaborated and concerted actions in the following four priority areas: (1) Coastal and marine ecosystem conservation and disaster resilience; (2) The role of the ocean on food security and food-related trade; (3) Marine science, technology and innovation; and (4) Blue Economy.*

### **Coastal and marine ecosystem conservation and disaster resilience**

1. Recognize that coastal and marine ecosystems provide foundations for sustainable economic growth, and that healthy coastal and marine ecosystems also play a critical role in mitigating hazards by reducing vulnerability, and thus increasing the resilience of coastal communities to climate change and marine and coastal disasters. We further recognize the need for holistic approaches and integrated partnerships to address the cumulative impacts on the marine environment and living and non-living resources, given the degree of interconnectivity in natural systems.

2. Reaffirm our strong support to enhance coastal and marine biodiversity conservation, domestically and regionally, including in trans-boundary areas, through the protection of endangered species, restoration of coastal wetlands, mangroves, sea grasses, tidal flats, coral reefs and other critical habitats including for fish restocking, as well as collaboration in the conservation of large marine ecosystems, and encourage implementation of regional efforts that contribute to meeting global goals and targets to conserve coastal and marine areas, including to conserve at least 10% of coastal and marine areas, including through effectively managed marine protected areas (MPAs) and other area-based conservation measures, by 2020.

3. Intend to scale up ecosystem-based management approaches and programs, both domestically and regionally, by inter alia implementing conservation and management measures and tools including MPA Networking, Marine Spatial Planning (MSP), integrated water resources management, land-sea integration and Integrated Coastal Management (ICM), to restore ocean and coastal health while optimizing sustainable coastal and ocean use.

4. Encourage cooperation on the reduction and mitigation of marine pollution, including from land-based sources and oil spills, and through continuation and

expansion of efforts to reduce marine debris, including working with the APEC Chemical Dialogue through the joint Virtual Working Group on Marine Debris, and welcome the APEC project “Preparedness Response and Assessment of Oil Spill in the APEC region, Phase I”.

5. Support efforts by APEC members, as appropriate to increase participation in, and the implementation of, global and regional ocean-related programs such as the Regular Process for Global Reporting and Assessment of the State of the Marine Environment Including Socioeconomic Aspects (United Nations World Ocean Assessment).

6. Recognize the importance of strengthening the resilience of local coastal communities and businesses to disasters, including through community awareness programs, capacity building, public communication, early warning systems, coastal and marine ecosystem based management approaches, ocean-related data and information sharing and working with other APEC sub-fora to support search and rescue cooperation, and the active involvement of the private sector and communities in emergency planning, response, recovery and restoration efforts.

7. Encourage collaboration within APEC on identifying, monitoring, addressing and preparing for impacts of climate change, ocean acidification and habitat change on ocean resources including on fisheries and aquaculture, through data and information sharing and best practices across relevant APEC sub-fora. We welcome the APEC project “Workshop on the Climate Change’s Impact on Oceans and Fisheries Resources”.

8. Encourage APEC members to participate in relevant cooperative networks focused on climate change and ocean acidification.

9. Encourage the Ocean and Fisheries Working Group (OFWG) to work closely with the Emergency Preparedness Working Group (EPWG) to address the impact of climate change on fisheries, aquaculture, and coastal communities, including through the development of education outreach programs and an APEC-wide work plan on disaster risk reduction, emergency preparedness, and relevant information sharing.

### **The role of the ocean on food security and food-related trade**

10. Reaffirm the importance of strengthening partnerships on a bilateral and multilateral basis to combat illegal, unreported, and unregulated (IUU) fishing, through measures to keep IUU catches from entering into market, if appropriate, as well as address destructive fishing practices, improve capture fisheries management and sustainable aquaculture practices, implement ecosystem based management approaches, manage by-catch, especially of protected and vulnerable species, reduce excess fishing capacity, enhance transparency in fishing regulations, and promote contributions of small scale

fisheries and aquaculture to food security. Recall the 2010 Niigata Food Security Declaration, the 2012 Kazan Food Security Declaration, and the 2013 Policy Partnership on Food Security (PPFS) Roadmap.

11. Encourage the OFWG and PPFS to work in close coordination to ensure all APEC food security efforts consider the entire food system from crops to fisheries, including through the finalization of the draft Food Security Action Plan, as well as to share the outcome of this declaration with the 3<sup>rd</sup> APEC Ministerial Meeting on Food Security to be held in China in September 2014.

12. Encourage APEC members to urgently take the measures necessary, including through regional fisheries management organizations or arrangements, as appropriate, to maintain or restore all fish stocks at least to levels that can produce the maximum sustainable yield, in the shortest time feasible, as determined by their biological characteristics.

13. Encourage the application of environmentally sound and integrated multi-trophic aquaculture technologies for reduction of nutrient pollution, and sustainable aquaculture to enhance food security.

14. Call on relevant APEC members to ratify or accede to and effectively implement the Food and Agriculture Organization's (FAO) Agreement on Port State Measures, and to improve tracking of fishing vessels, including through increasing the coverage of the Monitoring, Control and Surveillance (MCS) Network and realization of the 2012 Kazan Food Security Declaration.

15. Welcome the Pathfinder Interim project on the "Enhancement of Partnerships among APEC Economies on Combating IUU Fishing and Associated Trade by Undertaking Voluntary Obligations on Nonproliferation Flags of Convenience Practices".

16. Encourage supporting sustainable small-scale fisheries and aquaculture, including by providing access by small-scale and artisanal fishers to fisheries and markets, and in this regard we welcome the completion and adoption of the FAO's Voluntary Guidelines for Securing Sustainable Small-scale Fisheries in the Context of Food Security and Poverty Eradication (June 2014) addressing the needs of developing economies and take note of FAO's intent to host a workshop to plan implementation of the Guidelines.

17. Recognize the policies of APEC economies to support small scale fisheries and aquaculture in order to maintain and improve livelihoods in these sectors.

18. Take note of the outcomes of the "Workshop on Fisheries and their Contribution to

Sustainable Development in APEC economies: Small Scale and Artisanal Fisheries to support Food Security”.

19. Encourage APEC members to facilitate trade in fish and fishery products among APEC members to achieve resilient, inclusive and sustainable growth, to support food security.

20. Encourage APEC members to exchange best practices on minimizing losses and waste in post-harvest handling and processing. In particular we support “APEC Multi-Year Project on Strengthening Public-Private Partnership to Reduce Food Losses in the Supply Chain”, in which the focus in 2015 will be on fishery products. We call on APEC members to contribute to the project’s development of methodology for data collection, toolkits and best practices.

21. In light of the Rio+20 outcome document, particularly paragraph 173, we encourage APEC members to further improve the transparency and reporting of existing fisheries subsidies programmes through the WTO, and to eliminate subsidies that contribute to overcapacity and over-fishing, and to refrain from introducing new such subsidies or from extending or enhancing existing such subsidies, without prejudice to the WTO Doha negotiations.

22. Encourage APEC members to actively conduct capacity building and sharing of best practice for Small and Medium Enterprises (SMEs) to improve their capability in contributing to food security.

### **Marine Science, Technology and Innovation**

23. Recognize that science, technology and innovation are vital to understanding the ocean, and essential to supporting a science-based approach to decision-making and adaptive management, and to upgrading the traditional marine industry, cultivating emerging sectors and stimulating innovative growth. It should be noted that different economies and different communities have different level of capacity.

24. Encourage APEC members to take steps to facilitate the conduct of joint marine scientific research, to advance science, technology and innovation through sharing of data and information, scientific knowledge, technology dissemination, and capacity building projects, based upon mutually agreed terms and conditions.

25. Support science, technology and innovation cooperation in marine disaster risk reduction and resilience, including through improved timely forecasting and warning dissemination capabilities for tsunamis, tropical cyclones and other hazards, through establishment and coordination of tsunami early-warning centers in this region, and through information and knowledge sharing on marine disasters and the potential

impacts among APEC members.

26. Encourage the promotion of science, technology and innovation cooperation in environmentally-friendly marine technologies, including marine renewable energy technology, as appropriate and in coordination with the APEC Policy Partnership on Science Technology and Innovation (PPSTI) and the APEC Energy Working Group (EWG).

27. Encourage the exploration of possible means to facilitate the mobility of marine researchers and students, and encourage ocean-related universities and colleges to become involved in APEC education cooperation, noting with appreciation the Chinese Government Marine Scholarship Program.

28. Encourage APEC members to raise public awareness of ocean-related issues, especially among youth and future generations, through methods such as incorporating ocean education into school curricula and through the proposal for APEC economies to promote public engagement on ocean-related issues through science museums and aquariums, and marine eco-tourism, for example, by designating a regional Ocean Day for APEC.

29. Affirm that youth and women are major parts of the community that should be targeted in the implementation of capacity building and should be given the opportunity to participate in the management of marine resources and sustainable fisheries campaign from an early age.

30. Encourage APEC members to take steps to narrow the science, technology and innovation gap among members through information and data sharing, technology dissemination, capacity building projects, based upon mutually agreed terms and conditions. Explore possible ways to strengthen ECOTECH in APEC ocean-related cooperation.

### **Blue Economy**

31. Further recognize the potential linkages between Blue Economy, sustainable development and economic growth, in particular, the close linkage to ocean and coastal conservation efforts, innovative development, and economic reform and growth, which is one of the three priorities of APEC 2014.

32. Recognize the key role of APEC as an important platform for regional economic integration and growth, as well as recognize the recent discussion and various initiatives related to Blue Economy and efforts to explore its potential by APEC members, therefore, we call for cooperation on Blue Economy in the Asia-Pacific region.

33. Reaffirm our strong support to take actions to promote connectivity and communication among APEC members to facilitate the flow of goods, services, trade and investment.

34. Encourage APEC members to enhance policy and institutional support for ecosystem-based management, and the utilization of economic incentives and market-based instruments as appropriate, to create efficiencies and maximize sustainable economic yields from the ocean.

35. Take note of the fact that development of Blue Economy requires an enhanced understanding of the ocean and increased technological capability to develop and utilize marine resources through innovation.

36. Value the involvement of the private sector in the development of and cooperation on Blue Economy, in accordance with APEC views and priorities, and encourage APEC members to solicit input from the private sector including small and medium enterprises and their needs and ideas regarding activities linked to Blue Economy through policy dialogue and public private partnerships.

37. Encourage the information, experience and best practices sharing on Blue Economy related cooperation, through the initiative to explore the possibility to enhance and facilitate the approaches of the Blue Economy proposed by APEC members such as the APEC Blue Economy Model Program (Phase I).

38. Encourage APEC members to develop environmentally-friendly ocean-related economic activity, under the OFWG views on the Blue Economy, as an approach to the sustainable management of marine resources, such as marine renewable energy, and sustainable fisheries and aquaculture, through innovation.

39. Direct the OFWG to update the APEC Marine Sustainable Development Report, and encourage APEC members to update their economy reports in Part II periodically.

40. Acknowledge the outcomes of the APEC Blue Economy Forums hosted by China. Encourage members to make contributions to such forums on a voluntary basis.

41. Encourage the OFWG to update the Mapping Exercise periodically to reflect progress on APEC ocean-related cooperation.

42. Acknowledge the OFWG views on Blue Economy, encourage the OFWG to work with other relevant APEC sub-fora to advance Blue Economy cooperation, and recognize that the initiatives summarized in the previous paragraphs are examples of such cooperation.

43. Keep in mind the guidance of Leaders to pursue cross-sectoral work under the

APEC Initiative on Mainstreaming Ocean-Related Issues. Encourage members to mainstream ocean-related issues in their domestic planning and policy making process, as appropriate, in accordance with their circumstances and priorities.

### **Cooperation and Appreciation**

44. Encourage cross-cutting collaboration to promote cooperation on ocean-related issues among relevant APEC sub-fora, including the OFWG, PPFS, EWG, Transportation Working Group (TPTWG), Tourism Working Group (TWG), and Sub-Committee on Standards and Conformance (SCSC), etc., and relevant international organizations.

45. Value the contributions of the APEC Marine Environmental Training and Education Center (AMTEC) in Korea, APEC Marine Sustainable Development Center (AMSDC) in China, support the establishment of the APEC Ocean and Fisheries Information Center (AOFIC) in Indonesia, and encourage them to make more contributions towards capacity building and work closely with each other to promote APEC ocean-related cooperation and avoid duplication of efforts.

46. Express our appreciation to China for its hard work and kind hospitality in hosting the fourth APEC Ocean-Related Ministerial Meeting.

47. Finally, we will bring the outcomes of this meeting to the attention of our Leaders at their meeting in November 2014 in Beijing, China.

## 2014 APEC Energy Ministerial Meeting

### Beijing Declaration

1. We, the Energy Ministers of member economies of the Asia-Pacific Economic Cooperation (APEC) forum, met in Beijing, People's Republic of China on 2 September 2014, under the theme of "Joining Hands Toward Sustainable Energy Development in the Asia-Pacific Region."
2. We note the profound changes in the world's energy supply and demand pattern. On one hand, there is a trend toward diversified energy supply centers across the world. On the other hand, global energy demand continues to rise steadily. The Asia-Pacific assumes a more prominent role as the center of world energy demand. At the same time, political environment and economic situation, fluctuations in the energy market, climate change, and public perception and acceptance exert huge impacts on energy policy making in the Asia-Pacific. Moreover, energy costs are crucial to the competitiveness of energy intensive industries in the region.
3. Diversified energy supply and stable demand, safe energy transportation routes, innovation in energy technologies and effective forums to discuss energy policy are vital for energy security and sustainable development in this region. Sustainable development presents enormous challenges as well as new opportunities for the APEC economies. We commit to continue enhancing the principles of the Energy Security Initiative (ESI) signed by Leaders of APEC Member economies in 2001 in Shanghai and fully recognize that in the face of new realities and challenges, member economies should work in the spirit of cooperation to achieve mutually beneficial and win-win outcomes, to champion an Asia-Pacific concept of energy security featuring openness, inclusiveness, cooperation and sustainability, and encourage economies to work together toward energy security goals.
4. We commit to strengthening cooperation in the exploration, development and integrated utilization of oil and natural gas, to promoting diversified energy supplies, to market-based competition and pricing mechanisms that reflect demand and supply fundamentals as appropriate to each economy. We support the development of conventional and non-conventional oil and gas resources, the enhancement of the energy supply capacity of the region, and the pursuit of scientific solutions to environmental issues as they arise in non-conventional oil and gas development. Meanwhile, we commit to gradually raising the emergency response capability of oil and gas supply, to ensure oil and gas security and stable supply in the region.
5. We take special note that the Asia-Pacific natural gas market will develop and mature in the coming years, with the Asia-Pacific LNG market playing an increasingly important role in the global and regional fuel mix, and that a prosperous, diversified, flexible and integrated LNG trading mechanism will emerge in the Asia-Pacific region. As such, member economies are encouraged to create favorable conditions for trade and investment to support the LNG market in the APEC region, including by relaxing destination clauses.
6. We will vigorously facilitate all-round and in-depth cooperation among APEC



member economies in renewable energy and seek to eliminate trade protection and restrictive measures that may impede progress in renewable energy technologies and development of this sector. We will encourage innovation, competition and cooperation to promote a sound and sustainable renewable energy sector in the Asia-Pacific and to ensure its energy security, economic growth, poverty eradication and an appropriate response to climate change.

7. We support full engagement of women in green development, and encourage working with the APEC Policy Partnership on Women and the Economy (PPWE) to integrate gender work on human resource development and capacity building to improve jobs and skills training, analytical and technical capacity, and overall energy literacy to prepare skilled workers in the energy sector. Efforts should be made to participate in APEC Knowledge Sharing Platform work to map future workforce needs, and partner with other relevant APEC fora.
8. We believe improved connectivity in the APEC region will help achieve its goal of energy security. We thus encourage member economies to strengthen infrastructural development, such as oil and natural gas pipelines and transmission networks, LNG terminals, smart grids and distributed energy systems. Efforts should also be intensified to coordinate the management of trans-border oil and gas networks, power grids and other major energy infrastructure to ensure secure and stable operation of relevant facilities.
9. We believe conserving energy and raising energy efficiency will promote socio-economic development in the APEC region and, at the same time, keep its aggregate energy demand at a reasonable level, reduce its reliance on fossil fuel over time, enhance energy independence, and help mitigate global climate change. We reaffirm the aspirational goals set out in the 2011 APEC Leaders' Declaration to reduce APEC's aggregate energy intensity by 45% from 2005 levels by 2035. All member economies will work together toward this target.
10. Low-carbon towns can contribute to higher energy efficiency, resource conservation, environmental protection and economic development. We applaud the progress in the APEC Low Carbon Model Town (LCMT) Project and the promotion activities under it. Member economies should exchange ideas, technologies, and experience in developing low-carbon towns and strengthen practical cooperation in this area. At the same time, we agree to continue to both implement the Energy Smart Community Initiative (ESCI) and build the ESCI Knowledge-Sharing Platform to share best practices and enhance capacity building.
11. We encourage member economies to explore energy production and consumption models according to their own circumstances and, in light of the changes in the regional and global energy landscape and the needs of sustainable energy development, reinforce the trends toward low-carbon and clean energy production and consumption. Member economies need to develop renewable energy and pay more attention to the clean and efficient use of fossil fuel, so as to ensure energy is developed, utilized and managed in a rational way.
12. Since fossil fuel will continue to play significant role in the energy mix of this region in the medium to long term, we therefore reaffirm the importance of clean and efficient use of fossil fuel. We encourage member economies, where there are

difficulties to quickly deploying alternatives to coal, to enhance cooperation in developing and applying clean coal technologies such as highly efficient coal-fired power plants and Carbon Capture Utilization and Storage (CCUS).

13. We reaffirm our commitment to APEC Leaders to rationalize and phase out inefficient fossil fuel subsidies that encourage wasteful consumption while still providing essential energy services. We acknowledge Peru and New Zealand for undergoing voluntary peer reviews in 2014 of inefficient fossil fuel subsidies that cause wasteful consumption and sharing their best practices.
14. Clean energy supply remains a priority in advancing sustainable development, ensuring energy security and adapting to climate change. We aspire to the goal of “doubling the share of renewables in the APEC energy mix, including in power generation, from 2010 levels by 2030.” To attain this target, member economies will enhance cooperation, promote innovation in renewable energy technologies, so as to reduce costs and improve the competitiveness and sustainability of renewable energy in the energy market.
15. We support the safe and efficient development of nuclear power in interested economies. As a clean, high-quality and advanced modern energy, which functions as a base load power source, we recognize nuclear power’s importance in guaranteeing global energy security and sustainable development as well as in developing diversified energy strategies, meeting energy demand and reducing greenhouse gas emissions. We advocate that interested member economies should exchange experience and best practices, pursue practical cooperation including in improving nuclear safety performance and coordinating emergency response and preparedness mechanisms, and help interested economies to develop nuclear power, under the precondition of commitment to safety, security and nonproliferation.
16. We encourage member economies to increase public outreach on the transformation and upgrading of their energy production and consumption models so as to let the public appreciate and accept green and low-carbon energy; to foster green, energy-saving and efficient models of living and production; and to improve living standards continually.
17. We endorse the establishment of the APEC Sustainable Energy Center (APSEC) in China in 2014 to promote advanced ideas and models of sustainable energy development across the APEC region, and facilitate cooperation among member economies in information exchange, policy dialogue, technology R&D, demonstration and dissemination, and capacity building in the field of sustainable energy.

## **Instructions of the APEC Energy Ministers**

1. We instruct the Energy Working Group (EWG), with the support of its affiliated organizations, the Expert Group on Clean Fossil Energy(EGCFE), the Expert Group on Energy Data & Analysis (EGEDA), the Expert Group on Energy Efficiency and Conservation (EGEEC), the Expert Group on New and Renewable Energy (EGNRET), the Low-carbon Model Town Task Force (LCMT-TF) and the Asia Pacific Energy Research Center (APERC), to continue its research and initiatives that contribute to sustainable development within the region. We instruct the EWG to give strong guidance and support to the newly established APEC Sustainable Energy Center (APSEC). We encourage the APERC and the APSEC to enhance cooperation in an interactive and complementary manner.
2. We instruct the EWG to continue cooperative activities within APEC, with other international and regional organizations, and with the private sector and other stakeholders. Strong engagement and cross fora collaboration is needed to facilitate energy trade and investment, and ensure that energy contributes to the economic, social and environmental enhancement of the APEC community. We encourage the ongoing collaboration between the EWG and relevant APEC fora, such as the Transportation Working Group (TPTWG).

### **Energy Security**

3. We encourage the EWG to carry out a study on the security of transportation routes, and propound relative working proposal.
4. We encourage stronger cooperation between member economies to support activities on oil and gas exploration and development, non-conventional oil and gas exploration and development in the APEC region, the establishment of a mechanism to share best practices on non-conventional oil and gas exploration and development, and off-shore oil and gas exploration and development.
5. We encourage APEC member economies to improve capacity building in oil and gas emergency response, including strengthening their own systems such as oil and gas stockpiles and supply chains that suit their own circumstances. We instruct the EWG, including through APERC, to continue cooperation on emergency response, with the International Energy Agency (IEA), ASEAN, the Economic Research Institute for ASEAN and East Asia (ERIA) and other international organizations. We also encourage member economies to conduct oil and gas security exercises on a voluntary basis, establish an APEC oil and gas security frameworks and do research on oil and gas security, so as to improve the capacity of the APEC region to respond to emergencies such as disruptions in oil and gas supply.
6. We encourage member economies to submit accurate and complete oil and gas data in a timely fashion. We instruct the EWG through EGEDA to collect complete, accurate and timely oil and gas data, implement the Joint Organizations Data Initiative (JODI), and expand the capacity building of some economies in energy data.
7. We instruct the EWG with the support of APERC to strengthen cooperation with existing mechanisms and organizations to carry out specific research on the energy and economic competitiveness of the APEC region, including making in-depth analyses and holding seminars.

### **Energy Investment and Trade**

8. We instruct the EWG to work with the APEC Committee on Trade and Investment (CTI) and the APEC Business Advisory Council (ABAC) to identify significant barriers to APEC energy trade and investment and help member economies to improve their capacity in removing those barriers; and to promote best practices and cases on joint clean energy development and investment, improve the transparency and peer participation in policy making processes to ensure open, inclusive and coherent policies related to energy trade and investment in the APEC region. We instruct the EWG to explore the feasibility of establishing a database of energy trade and investment-related projects in the APEC region, so as to promote APEC trans-border energy investment and trade.
9. We instruct the EWG, with the support of its affiliated organizations, to survey APEC connectivity in energy infrastructure, assess its potential, and identify the possibilities and constraints for project cooperation.
10. We instruct the EWG to launch the APEC LNG Trade Facilitation Initiative, to encourage dialogue, exchanges and cooperation, develop public-private partnerships and support market-based LNG pricing mechanism to ensure the interests of LNG suppliers and consumers and boost the healthy development of APEC natural gas markets.

### **Energy Efficiency and Sustainable Community**

11. We instruct the EWG and the EGEEC to continue their cooperation with related organizations on energy efficiency standards such as the International Partnership on Energy Efficiency Cooperation (IPEEC); help member economies to enhance capacity building, make energy efficiency policies more scientific and practical, and speed up the development, promotion and application of energy efficiency technologies and products.
12. We instruct the EWG working through the LCMT-TF to continue the APEC LCMT Project, study the development models, indicator systems, policy tools and technical guidance related to low-carbon towns, draw experiences from different cases, and carry out promotion events for the APEC LCMT; and instruct the EWG through the EGEEC to continue implementing the Energy Smart Community Initiative (ESCI).
13. We instruct the APSEC to accelerate its establishment as an institution and quickly move into operation. We encourage the APSEC to adopt an open, forward-looking perspective, enhance cooperation among member economies, get a deeper understanding of their R&D needs, build information platforms, develop Asia-Pacific intellectual networks, share R&D results and strengthen practical project cooperation. We also encourage it to organize R&D and personnel training on sustainable energy systems, and encourage exchanges, promotion and application of sustainable energy technologies.

### **Clean Energy**

14. We instruct the EWG through the EGCFE to promote clean coal technologies, such as Ultra-Supercritical (USC) coal-fired power generation, Integrated Gasification Combined Cycle (IGCC) and Carbon Capture, Utilization and Storage (CCUS) .
15. We reaffirm the UN “Sustainable Energy for All” initiative and instruct the EWG

through the EGNRET to develop the road map for the aspirational goal of doubling the share of renewables in the APEC energy mix, including in power generation by 2030; and, to attain this goal, cooperate with IRENA or other organizations to conduct research on the economic benefits and cost-effectiveness of utilizing renewable energy and integrating it into power grids so as to support R&D, innovation and commercialization of clean energy technologies and to promote practical cooperation on renewable technologies, equipment and services among member economies.

16. We encourage member economies with an existing nuclear power industry to share expertise and best practices regarding the development of nuclear power projects and to conduct capacity building and training for the safe and peaceful development and use of nuclear power. We instruct the EWG to cooperate with the International Atomic Energy Agency (IAEA) and other related organizations to provide interested member economies with guidance and support to establish a robust infrastructure in the area to enable the safe, secure and efficient deployment of nuclear power.

**21st APEC Finance Ministers' Meeting  
Beijing, China  
22 October 2014**

**Joint Ministerial Statement**

1. We, the finance ministers of the APEC economies, convened our 21st annual meeting in Beijing, the People's Republic of China (PRC) on 22 October 2014 under the chairmanship of Mr. Lou Jiwei, Minister of Finance of PRC. The meeting was also attended by the President of the Asian Development Bank (ADB), the Deputy Managing Director of the International Monetary Fund (IMF), Secretary-General of the Organization for Economic Cooperation and Development (OECD), the Managing Director and Chief Operating Officer of the World Bank Group, the Executive Director of the APEC Secretariat, and the Chair of the APEC Business Advisory Council (ABAC). Global and Regional Economy

2. As the global economy still faces persistent weakness in demand, growth is uneven and remains below the pace necessary to generate needed jobs, and downside risks have risen. The APEC region, as the engine of the world economy, should lead the global recovery towards strong, sustainable and balanced growth. We highlight the importance of the APEC Finance Ministers' Process (FMP) as a platform for regional economies to share experiences, exchange views, build consensus, and deepen cooperation. We remain committed to making use of this platform more actively and strengthening policy cooperation between the APEC FMP and other multilateral cooperation mechanisms such as the G-20.

3. We recognize that achieving sustainable growth requires both short-term and longer-term policies. We will continue to implement our fiscal policies flexibly taking into account near-term economic conditions, so as to support economic growth and job creation, while ensuring fiscal sustainability. We reaffirm our previous commitments on monetary and exchange rate policies. We reaffirm our commitments to address weaknesses in our economies and unleash new sources of potential growth including through new structural reform actions, and fulfilling existing reform commitments. Infrastructure Investment and Financing

4. Investment is crucial to boosting demand and lifting growth. Infrastructure investment plays an important role in realizing growth potential and meeting development goals. Given the large funding gap between projected infrastructure needs and limited financial resources of governments in the APEC region, we call for further efforts, including through our own policy reforms, to attract long-term financing and leverage private resource flows to fill the gap, including through public-private partnership (PPP). We continue to facilitate developing well-designed, sustainable and resilient infrastructure in this region in collaboration with existing efforts and initiatives, including those of ASEAN.

5. We acknowledge the critical and leading role played by the public sector in fostering PPP modalities, through facilitating an enabling environment, formulating infrastructure development plans, based on quality elements of infrastructure, good practices and principles and people-centered investment, preparing bankable projects, and the importance of attracting long-term private financing. We note the substantial work and

fruitful results accomplished in infrastructure PPP financing under the APEC FMP this year to implement the APEC Multi-Year Plan on Infrastructure Development and Investment (MYPIDI) endorsed by the APEC leaders in 2013. We are pleased to see that a compilation of PPP case studies has been prepared with support from member economies and international organizations to showcase reference experiences and lessons learnt from their implementation of PPP projects. We endorse the Implementation Roadmap to Develop Successful Infrastructure PPP Projects in the APEC region developed based on the case studies as a useful reference to help the APEC member economies design and implement infrastructure PPP projects. The Implementation Roadmap and the case study compilation will be submitted to the APEC Leaders as concrete contributions of the Finance Ministers' Meeting (FMM) to the APEC Blueprint on Connectivity and the Leaders meeting.

6. We reaffirm the importance of capacity building in the public sector for promoting PPP infrastructure financing, learning from different PPP practices across APEC economies. In this regard, we welcome the launch of APEC Training Program for officials in charge of infrastructure development in member economies, aiming to promote capacity building in implementing PPP projects. We also welcome the efforts of APEC members to support capacity building and project development for infrastructure PPPs in APEC developing economies, including PRC's decision to commit USD 5 million from the PRC Poverty Reduction and Regional Cooperation Fund (PRCF) in ADB.

7. We believe that PPP centers can serve as a useful institutional instrument to enhance government capacity in implementing PPP projects. We acknowledge the progress made by Indonesia across 2014 in establishing its Pilot PPP Center. We encourage interested member economies to set up their own PPP centers, and call for extensive experience sharing, communication and networking among new and existing PPP centers as well as with APEC study centers. To this end, we welcome the establishment of the PPP Center within the Ministry of Finance of PRC as a center of excellence to facilitate development of PPP projects and institutional building of the government. We welcome the progress made by the APEC PPP Experts Advisory Panel including formally launching its activities and endorsing its terms of reference this year, appreciate its work in promoting capacity building in PPP project implementation and encourage it to continue its support to the existing and newly established PPP centers in the region. We encourage International Organizations (IOs) such as the ADB, the World Bank Group, and the OECD to support the development of PPP projects and necessary reforms in the APEC region, including capacity building, technical assistance, analytical reviews and transaction advisory services.

8. We are determined to mobilize private sector investors, including long-term institutional investors for infrastructure development, by the development of domestic capital markets and enabling environment for private investments in infrastructure through APEC initiatives like the Asia-Pacific Financial Forum (APFF) and the Asia-Pacific Infrastructure Partnership (APIP). We urge the IOs to continue supporting PPP infrastructure projects to catalyze long-term financing for infrastructure in the Asia-Pacific region. We, therefore, welcome the World Bank Group Report on Prioritizing Projects to Enhance Development Impact and the G-20/OECD effective approaches and checklist for promoting long term investment financing and, on the basis of this work, call on ADB, the World Bank Group, the OECD and other IOs to identify relevant good practices for the APEC region.

### Fiscal and Taxation Policy Reform for Economic Restructuring

9. We are committed to implementing appropriate fiscal and taxation policies to promote economic restructuring and achieve strong, sustainable and balanced growth, while remaining committed to sustainable public finance. We are keen to implement further efforts to create more jobs for all of our citizens. In particular, we will continue to develop our high value-added service sectors to promote good quality jobs for our youth, support small and medium-sized enterprises (SMEs) as they are drivers of economic activity, growth and job creation, and increase investment in research and development. We will also continue to provide more education and training, and address unemployment issues particularly for youth and women. In addressing the common challenges of environmental and resource constraints, we recognize that fiscal and taxation policies can complement market-based mechanisms of green growth and play a catalytic role in encouraging the adoption of environmentally-friendly and resource-saving technologies, which can help enhance long-term competitiveness of member economies and provide new growth opportunities.

10. We recognize the importance of strengthening our fiscal institutions, including developing medium-term fiscal frameworks in members' economies and deepening budget reform to enhance fiscal sustainability. We note that broad experience sharing has been carried out this year and expect continued efforts in this regard.

11. We give value in continually promoting fair and transparent tax systems. We recognize the significant progress achieved by the participants to the fora such as G-20 towards the completion of the two-year G-20/OECD Base Erosion and Profit Shifting (BEPS) Action Plan and towards implementation of the new global Common Reporting Standard for Automatic Exchange of Tax Information, which will support fair and transparent tax systems in APEC economies.

12. We highlight the importance of open and transparent government procurement in facilitating healthy and competitive service sector.

### Improving Financial Services for Regional Real Economy

13. We recognize that deep, liquid and efficient financial systems can help channel capital into more productive activities and help sustain future growth. We recognize that the APEC region is subject to natural disasters and in this context, we reaffirm the importance of continuing to improve our approaches to disaster risk financing (DRF) to build resilient real economies in the region. This includes ensuring sound fiscal management of disaster risks and supporting effective risk transfer instruments in insurance and capital markets. We look forward to IOs such as the ADB, the OECD, the IMF and the World Bank Group to continue working with APEC member economies in providing capacity building, introducing good practices and identifying effective approaches that will help address key APEC priorities related to DRF. Progress in this area will be reported back to the next APEC Finance Ministers Meeting.

14. We acknowledge that climate finance is an important issue to resolve climate change and we reaffirm our support to the Green Climate Fund.

15. We recognized SMEs are the backbone of the regional economy but they face barriers in accessing financing. We therefore agree to make further efforts to address the financing difficulties of SMEs by improving our legal and regulatory environments, further



developing capital markets, and promoting innovative financial instruments such as supply chain financing. We are also committed to step up financial education to enhance the capacity building of SMEs so as to help them better understand the financial markets and to operate effectively in regional and global markets. We note the Asia SME Finance Monitor from ADB, ADB-OECD Study on Enhancing Financial Accessibility for SMEs, and the work of the Global Partnership for Financial Inclusion. We ask the IMF, OECD, ADB and World Bank Group to identify where advances can be made in developing markets and instruments which could further promote SMEs and infrastructure financing in the APEC region.

#### Other Business

16. We welcome PRC's cooperation with Viet Nam on capacity building for finance officials through the collaboration between Asia Pacific Finance and Development Center (AFDC) and the Institute of Financial Training of Ministry of Finance, Viet Nam since 2008. We support PRC's initiative to upgrade the AFDC to the Asia Pacific Finance and Development Institute (AFDI) to meet the emerging demand of regional knowledge sharing in financial areas and we appreciate PRC's efforts to support economic and technical cooperation and capacity building in Asia Pacific region. We would like to strengthen our cooperation with AFDI, where appropriate, including through APEC study centers.

17. We note the progress on the development of the Asia Region Funds Passport since 2010 including the release of a consultation paper in a number of APEC economies that sought comments on the proposed guiding principles and basic arrangements.

18. We thank ABAC for its report and initiatives. We encourage our relevant authorities to collaborate with APFF in developing capital markets, SME finance and long-term investments. We welcome continued APIP dialogues and the report of the Asia-Pacific Forum on Financial Inclusion on measures to expand access to finance. We welcome ABAC's proposals to promote long-term savings mobilization, sound valuation practices, innovative finance mechanisms, urban infrastructure and internationalization of emerging market currencies.

19. We thank PRC for hosting the APEC Finance Ministers' Process this year. We will meet again for our 22nd meeting in Cebu, the Philippines, on September 10-11, 2015.

**21st APEC Finance Ministers' Meeting  
Beijing, China  
22 October 2014**

**Joint Ministerial Statement  
Annex A - An APEC PPP Experts Advisory Panel and Pilot PPP Centre**

**I. Introduction**

1. Well-designed, sustainable and resilient infrastructure enhances economic growth, boosts productivity and promotes job creation. Regional infrastructure also facilitates smooth flow of goods, services and people across borders, improves regional connectivity and promotes sustainable development. Given the huge infrastructure needs and limited financial resources of governments in the APEC region, PPP offers a viable alternative to traditional procurement methods to support infrastructure development. The APEC Finance Ministers' Process can play an important role in promoting PPP, recognizing that successful PPP projects expand public infrastructure supply, improve service quality, provide value for money, and maximize the use of private sector capital and know-how through sharing of risks and responsibilities, while keeping in mind that PPP is a means to an end rather an end in itself.

**II. Purpose**

2. The roadmap aims to carry forward the Multi-Year Plan on Infrastructure Development and Investment (MYPIDI) endorsed under Indonesia's presidency of APEC in 2013 and guide APEC's future work in developing infrastructure PPP projects, especially to assist government officials of APEC member economies to better understand, prepare, structure and implement infrastructure PPP projects and appropriate financing arrangements. It draws on the experiences shared through a number of case studies in the selected sectors of transport, energy, telecommunication and water, contributed voluntarily by APEC member economies, as well as previous work of other fora such as G20 and international organizations (IOs) such as the Asian Development Bank (ADB), the World Bank Group, the APEC Business Advisory Council (ABAC) and the Organization of Economic Cooperation and Development (OECD). The roadmap focuses on implementation, with which government officials of member economies, developing economies in particular, can get useful reference and a sense of direction at each step towards a successful PPP project.

3. As there is no one-size-fits-all approach suitable for all economies, especially considering the differences and diversity among APEC member economies, the roadmap is designed to serve as a reference for government officials of APEC member economies to process and implement PPP projects with appropriate adjustments reflecting their

specific domestic conditions.

### **III. The Roadmap**

4. Characteristics of PPP. PPP is based on the long-term contractual relationship between public and private sectors. It is therefore complex in nature, especially given uncertainties and risks in project life cycle, and long-term commitment and interaction of various stakeholders including government, private sector, consumers or users of the service, and general public. Government needs to play a leading role in carrying out PPP, including in the areas of rigorous legal protection, strong institutional capacity, and good planning, preparation and supervision of PPP projects and their financing arrangements.

5. Enabling Environment. A clear, consistent and predictable enabling policy and legal environment for private participation is a cornerstone for successful implementation of PPPs. The legal framework needs to clearly specify, among others, private sector investment rights and obligations, transparent and standardized procurement processes, capacity for different institutions to enforce contracts, fair and contractual arbitration processes, and remedial actions for payment defaults. Well-defined sector-specific regulatory mechanisms including clear guidelines on how to set and adjust user charges/tariffs are also integral aspects of a contractual arrangement. In the absence of a PPP-specific framework, a general legal and regulatory framework which allows the private sector to participate in the provision of infrastructure and public services is a basic requirement.

6. Planning. An infrastructure investment plan or priority list is a useful way for a government to demonstrate top-level political commitment and to indicate the potential flow of future projects. A continuous project pipeline with a clear timetable for each will also increase private investor's willingness to participate in infrastructure projects. A high-quality, integrated master plan generally sets out the level of investment required, the socio-economic benefits expected to be realized, the links between private and public investment, and the areas where government expects PPP to play a role. Such a plan would prioritize projects at all government levels using robust cost-benefit analysis, and clearly identify how each project fits into the overall infrastructure plan, the appropriate financial and delivery mode and how resources will be allocated. The designing and implementation of PPP projects should draw upon the quality elements, good practices and principles including social and environmental considerations.

7. Project Selection. Not all projects are suitable for PPP and bad choices can lead to lengthy and expensive procurement processes with limited or no results. Therefore, each government should try its best to select promising project in terms of commercial feasibility in advance and in-depth upfront feasibility study are necessary to ensure a

project is suitable for PPP modality and can achieve value-for-money, reflecting the concept of life-cycle cost. A structured and consistent screening process for large complex projects is a critical first step to identify viable PPP projects. It should firmly establish the business model for the project to function as a PPP. This include defining the output requirement, assessing overall financial and socio-economic costs and benefits within the government's strategic objectives, identifying the sources of revenue and the project's bankability, and most importantly, evaluating the benefits of private sector participation and private sector interest in the project. This process should allow the government to compare a range of options for combining public and private financial resources. In cases where unsolicited infrastructure proposals are deemed appropriate, a transparent and robust process will be required to ensure the effectiveness and integrity of projects. Good practice in dealing with unsolicited projects also involves subjecting these proposals to a competitive test.

8. Project Preparation. Screened PPP projects need to be well-prepared and structured before they are brought to the market. Robust due-diligence and preparation of technical, legal, financial, economic, environmental and social issues are necessary for government to assess trade-offs and select an optimal structure for the transaction that is attractive to potential private investors. Government can facilitate the creation of project preparation facilities, such as dedicated fund for feasibility studies to ensure that funds are available to help cover a portion of project preparation costs. Expense recovery mechanisms could help these facilities to become self-sustainable, as could equity stakes in the projects, where appropriate. To improve project readiness, it is useful for governments to develop a checklist and gateway reviews that could indicate whether a project is ready to proceed to the next stage and finally be brought out to the market. Management capacity in the government, particularly in contracting agencies, needs to be further developed, through for example hiring specialist advisors, to more effectively and efficiently bring projects forward to completion. For markets at an early stage of development, delivering quality examples of successful PPP projects within a reasonable time, rather than focusing on quantity of projects, is a most effective strategy for attracting investors.

9. Procurement. A transparent and competitive tender process provides an optimal framework for receiving the highest value for money proposal for a project. To improve efficiency of procurement, it is important to set tight but achievable deadlines and ensure that people in the highest positions from both the private and public sectors are involved and committed. Active and transparent consultations between the private sector and the government are important throughout the pre-proposal, pre-bidding and pre-structuring processes. Standardization of PPP contracts can help improve transparency, consistency and efficiency of procurement processes, as can standard clauses for issues which will need to be dealt with in all PPP contracts. However as needed, in the context of a tender for a specific project, adjustments may have to be made to certain terms and conditions,

to improve risk allocation or bankability of a project, depending on feedback from the bidders, and taking into consideration government's goal and policies.

10. PPP Contract. The project contract is the instrument that governs the partnership and captures how risks are allocated and mitigated throughout the project life-cycle. It should outline respective roles and responsibilities of public and private sectors, service obligations, project revenue stream, key performance indicators, contract monitoring mechanisms, dispute resolution mechanisms and termination terms. Given the long-term nature of PPP, the contract should leave appropriate flexibility to enable it to adapt to potentially changing environments. Flexibility, however, should not compromise predictability.

11. Risk Allocation. Risk allocation is at the core of good practice PPP. Improper allocation of risks could result to a failure of the bid process, higher price and costs, service delays or poor quality. The basic principle is that risks should be borne by the party that is best suited to manage and mitigate them and at the least cost. Defining this risk allocation clearly in agreements, to be specified in advance at early stage of development of each project, can help attract more private sector participation and ensure the soundness of public balance sheets. Generally, risks associated with design, performance, technology, construction and operation are typically allocated to the private sector, while other risks such as political, legal and regulatory risks are better managed by the public sector. Risks arising from interest and currency fluctuations, pricing structure and unforeseen events can be shared by both the public and private sectors. Risk associated with natural disasters should be integrated at the planning, design and construction levels to reduce the potential impact of natural disasters, thereby reducing the PPP financial risk.

12. Government can adjust its role over time as the market develops, and more sophisticated and successful projects emerge and the private sector feels more comfortable in assuming the risks. In developing economies or sectors where benchmarks to evaluate risks are not yet available or the private sector does not have sufficient understanding of the market, government can consider developing benchmark projects based on similar projects from other developing economies, and provide strong support. These benchmark transactions could serve as the starting point for subsequent projects, after which the private sector can become more comfortable in bearing the risks.

13. Project Financing. —Greenfield or newly built infrastructure PPP projects are inherently highly capital intensive and project finance is an effective way to increase the availability of financing if adequate risk allocation is achieved. Developing the long-term local currency financial market can facilitate greater participation of local banks, operators and other market players in infrastructure project financing. Promoting long-term

investment by institutional investors -- such as pension funds, insurers and sovereign wealth funds -- can also expand the financing channel for infrastructure, and it can be facilitated by an enabling regulatory framework for long-term infrastructure investments, including a clear exit process through the transfer of shares. Multilateral Development Banks (MDBs) can also assist PPP projects through the use of innovative financing package including loans, equity investment, loan guarantee and project bond insurance. The challenge of obtaining private investment for a —brownfield project that has been operating for a period of time is somewhat lessened because actual experience and performance of the project is known, which reduces risk.

14. Government Support. There are cases where PPP projects have high economic returns, while their financial returns are low. For these cases, it could be desirable to have government financial support, which could be an upfront capital subsidy, on-going payments to supplement user charges, and/or revenue guarantees through viability gap financing (VGF). It may also be the case that government guarantees are needed to ensure the timely performance of obligations of a public sector entity that is off take to the contract not fully credit-worthy. This requires active management of fiscal commitments and contingent liabilities over a medium to long-term horizon to ensure fiscal sustainability. For certain assets located in high density areas, ancillary revenues from retail operations or land-value capture can be significant, and may lower the required government support.

Moreover, the VGF requirement can also be used as a —bidding variable, i.e. to select the concessionaire that needs the smallest subsidy. Many infrastructure projects involve politically sensitive decisions on such issues as tariffs for the financial viability of public utilities, land acquisition or awarding of contracts. In these cases, political support from higher levels of government is needed to make necessary decisions.

15. PPP Centers or Units. Setting up PPP centers or units, including through collaboration with the private sector, can enhance government's institutional capacity in promoting PPP. Many APEC economies have set up PPP centers or units in their central or local governments, sectorial ministries, or a cross-sector ministry such as the Ministry of Finance. PPP centers or units can act as centers of excellence to help government draw up investment plans, set PPP policies, select, structure, implement, finance and monitor PPP projects, manage long-term contracts with the private sector, coordinate various agencies, and ensure government interests are protected. They can also develop and manage manuals for PPP projects, assess both successful and failed projects to draw lessons and improve future decision making, and act as hubs for recruiting and training PPP experts. To ensure the well-functioning of PPP centers or units, a specialized government team and sufficient clarity and authority are necessary. Scientific results in PPP field should be better tailored to the needs of real economy. Financing increase for PPP researches has to promote progress in developing this sphere.

16. Stakeholder Consultation. PPP projects are typically large infrastructure projects that involve many stakeholders and have significant social impact. Stakeholder engagement and consultation are therefore important to minimize concerns and negative externalities from the project. Engaging local communities in the identification, prioritization and planning of infrastructure projects in their respective localities can not only generate public support for projects but also help in evaluating the affordability or sustainability (from an environmental and social perspective) of projects. This will facilitate prioritization of PPP projects based on a better understanding of the needs of local communities and better utilizing the broader expertise and capital from the private sector.

17. Increasing transparency around PPPs can help to increase participation and understanding of PPPs. Particular attention should be given to issues of resettlement, compensation, and potential direct employment benefits to local communities impacted by the project. While providing services in PPP projects, key performance indicators are always set and include citizens' satisfaction with the services provided to them. In this case, the bonus of an investor depends on performance. This is measured in various ways: sectorial statistics, data of statistic body and surveys.

#### **IV. Early Harvest Actions for the APEC Economies**

18. To support the implementation of the MYPIDI, the APEC Finance Ministers call for actions to be taken by governments, the private sector, and international organizations to promote development of infrastructure PPP projects in the APEC region:

Encourage the establishment of more PPP centers or units in the APEC region. In this regard, we appreciate the efforts by the People's Republic of China (PRC), and welcome the recent establishment of the PPP Center within the Ministry of Finance of PRC as a center of excellence to facilitate development of PPP projects and institutional building of governments.

Intensify capacity building, experience sharing and networking of existing and pilot PPP centers through the APEC PPP Experts Advisory Panel, the APEC study centers, Australia's Government Partnerships for Development Facility, Canada's PPP support as well as capacity building initiatives proposed by member economies and international organizations such as ADB and the World Bank Group. In this context, we welcome PRC's decision to commit USD 5 million from the Poverty Reduction and Regional Cooperation Fund (PRC Fund) in ADB to support capacity building and project development on infrastructure PPP, regional cooperation and connectivity in APEC developing economies.

Accelerate capital market development to attract long-term institutional investors through initiatives such as the Asia-Pacific Financial Forum.

Mobilize private sector expertise through initiatives such as the Asia-Pacific Infrastructure Partnership dialogues as well as the ABAC Enablers of Infrastructure Investment Checklist to help governments design bankable projects and necessary reforms.

Mobilize financial and knowledge resources from IOs such as ADB, the World Bank Group, and OECD to support the development of PPP projects and necessary reforms in the APEC region, including technical assistance and transaction advisory services. In this respect, MDBs are encouraged to further pursue innovative, yet financially responsible business models in support of PPP projects. MDBs can also further promote the issuance of local currency bonds and/or local debt financing and help attract long-term investors to fund infrastructure PPP projects. Furthermore, they can provide long-term loans and credit enhancement products to meet specific requirements for infrastructure PPP projects and mobilize private sector finance.



**21st APEC Finance Ministers' Meeting  
Beijing, China  
22 October 2014**

**Joint Ministerial Statement  
Annex B - Report of 2014 APEC Finance Ministers' Process Initiatives**

**ASIA-PACIFIC FINANCE AND DEVELOPMENT INSTITUTE**

APEC Finance and Development Program (AFDP) was initiated under the APEC FMM in 2001, and the Asia-Pacific Finance and Development Center (AFDC) was established in 2004 based on the 3-year trial period of AFDP to continue the contribution of the People's Republic of China (PRC) to strengthening institutional capacity building.

To meet the emerging demands of regional knowledge sharing and capacity building in the fields of finance and development, and to enhance mutual understanding among APEC member economies, the Chinese government has decided to establish the Asia-Pacific Finance and Development Institute (AFDI) on the basis of AFDC to offer professional master degree programs for young finance officials in the APEC economies while continuing to carry out short-term training programs, high-level forums and thematic research that AFDC has been doing in the past decade. AFDI will be committed to mobilizing more international resources to further deepen and strengthen systematic and long-term cooperation among the APEC member economies on knowledge, technology, experience and human capital.

**THE ASIA-PACIFIC FORUM ON FINANCIAL INCLUSION**

The 2014 Asia-Pacific Forum on Financial Inclusion was jointly hosted by the AFDC, Asian Business Advisory Council (ABAC), Asian Development Bank Institute (ADBI) and others in Shanghai on 19-20 March, and discussed the current situation of financial inclusion in six economies and major regional developments. A forum-based report has been published.

The report recommends public-private collaboration to help: (a) develop proportionate and balanced financial regulatory frameworks; (b) design financial inclusion strategies that promote a broad range of financial services and prudential systems that retain incentives to innovate; (c) promote coordination among relevant stakeholders in policy formulation; and (d) accelerate development of market infrastructure. To download the report:

<https://www.abaconline.org/v4/download.php?ContentID=22611867>

To promote more extensive experiences sharing, two organizers of this forum, the ADBI and the AFDC, compiled a report on financial inclusion in Asia, which presents the experiences of five Asian economies: India, Indonesia, the Philippines, PRC and Thailand.

## **ASIA REGION FUNDS PASSPORT (ARFP)**

The ARFP is an international trade arrangement that will facilitate cross border trade in managed investment schemes between member economies by either waiving or diminishing key regulatory impediments to trade.

Since the signing of the Statement of Intent in September 2013, the working group (Australia, Republic of Korea, New Zealand, the Philippines, Singapore and Thailand) has worked together to develop the guiding principles and basic arrangements of the ARFP.

In developing the ARFP principles and arrangements, the ARFP working group has conducted useful dialogues to gather views from the ARFP Policy and Technical Workshop (Australia; Hong Kong, China; Indonesia; Japan; Korea; New Zealand; the Philippines; Singapore; Thailand; Chinese Taipei and Viet Nam). The workshop has now met nine times most recently in Seoul, Republic of Korea in August 2014.

Public consultation on the ARFP principles and arrangements has been conducted in a number of APEC economies. The ARFP working group released the Consultation Paper: Arrangements for an Asia Region Funds Passport on 16 April 2014. Submissions closed on 11 July 2014 in all six of the working group economies and were the subject of negotiation and discussion in Seoul. The policy and regulatory framework that will underpin the ARFP is currently being negotiated by the six working group economies, and is expected to be finalized by early 2015.

Progress is being made towards the development of a multilateral memorandum of understanding between those economies interested in participating in the ARFP. The ARFP is expected to commence in early 2016.

## **ASIA-PACIFIC FINANCIAL FORUM (APFF)**

APFF is a regional platform for public-private collaboration to develop robust and integrated financial markets and services in the region. It was proposed by ABAC and endorsed by Finance Ministers at their 2013 annual meeting.

In 2014, APFF developed recommendations on public-private collaboration to address key issues. These are:

- Expanding access of small enterprises to finance: Improving legal and institutional frameworks for credit information; use of factoring, movable assets and accounts receivables as collateral in secured transaction systems; and facilitating trade and supply chain finance.
- Promoting development of deep, liquid and integrated financial markets and long-term investment: improving financial market infrastructure and cross-border capital market practices, increasing ability of insurers and pension funds to invest in long-term assets and provide longevity solutions, meeting capital market participants' needs for hedging instruments and information and supporting the successful launch of ARFP.

APFF will conduct research and discussions on financial regulation, cross-border investment in financial services, global imbalances, impact of macroeconomic developments and shadow banking.

To download the report:  
<https://www.abaconline.org/v4/download.php?ContentID=22611921>

Major events took place this year in Shanghai, Santiago, Seattle, Seoul and Beijing. APFF looks forward to further collaborating with the public sector in advancing its initiatives.

### **THE ASIA-PACIFIC INFRASTRUCTURE PARTNERSHIP (APIP)**

APIP is a regional platform for governments, the private sector and international institutions to discuss issues affecting infrastructure PPP and identify practical solutions. It has over 70 members from the private sector, including top executives of major companies and other senior executives, legal practitioners and consultants with extensive experience in infrastructure.

APIP has undertaken several high-level dialogues – with Mexico, Peru and the Philippines in 2011, Viet Nam and Indonesia in 2012, and the Philippines (second dialogue), Thailand, Indonesia (second dialogue) and Malaysia in 2013. APIP also participated in various regional discussions convened by the FMP and related institutions.

In 2014, APIP took part in the seminars organized by PRC and ADB in Fuzhou and Dalian, and the seminar convened by Korea in Seoul. It participated actively in the discussions of the APEC PPP Experts Advisory Panel. APIP undertook work in the following areas: (a) effectively allocating risks between public and private sectors; (b) improving institutional capacity; (c) facilitating infrastructure finance, especially long-term and local currency funding; (d) providing an enabling legal, policy and regulatory environment; and (e) promoting public support for PPPs, and contributed ideas for the PPP Implementation Roadmap.

### **APEC FINANCIAL REGULATORS TRAINING INITIATIVE (APEC FRTI)**

Endorsed at the APEC Finance Ministers' Meeting in 1998, the Asia-Pacific Economic Cooperation Financial Regulators Training Initiative (APEC FRTI) provides a systematic, integrated, and sustained approach to improve the quality and efficiency of financial supervision and regulation. APEC FRTI is the longest running APEC Finance Ministers' initiative. ADB serves as the APEC FRTI Secretariat.

In addition to technical and secretariat support, ADB has continually provided financial support for FRTI activities. ADB has so far financed 7 technical assistance projects totaling US\$ 6.5 million to support the APEC FRTI.

Since 2001, ADB has arranged a total of 123 training seminars to train 5,062 financial regulators and supervisors. ADB's training seminars have comprised of 65 banking supervision seminars, 56 securities regulation seminars, and 2 short training programs.

In 2014, ADB has arranged seven seminars—two for banking supervisors and five for securities regulators—and 326 financial supervisors and regulators have been trained. ADB expects that there will be six more seminars to be organized by the end of this year with additional financial support from the Republic of Korea. ADB has received many requests for training in new learning areas after the global financial crisis. ADB has responded to these requests by expanding into new topics—including those relating to cross-border supervision and information technology.

### **APEC PPP EXPERTS ADVISORY PANEL AND PILOT PPP CENTERS OF EXCELLENCE**

At the APEC Finance Ministers meeting in Bali last year, Finance Ministers agreed to create an APEC PPP Experts Advisory Panel to help Indonesia with its efforts to develop a functioning PPP Center in the Ministry of Finance and support other PPP centers in developing economies. Since the Bali meeting, a number of activities have been undertaken to support the development of the PPP Center, including the APEC Seminar on the Public Sector's Role in PPP Modality arranged and financed by PRC and ADB in Fujian, PRC on 21-22 May 2014 to discuss the role of the public sector including PPP centers in identifying, planning and managing PPP projects.

The activities have been undertaken in two broad areas--those designed to support the development of the PPP Center itself, and those aimed at embedding the PPP Center into the thinking and processes of other parts of the Indonesian government.

The Preliminary Meeting of the Establishment of APEC PPP Experts Advisory Panel and the Asia-Pacific Infrastructure Partnership Dialogues with the Government of Indonesia were held in Jakarta on 2 December 2013. In 2014, there have been two meetings of the APEC PPP Experts Advisory Panel which were held on the margin of APEC meetings in PRC. The first meeting was held in Bo'ao on February 17 immediately after the APEC Finance Deputies' Meeting. The second one was held in Dalian on June 27 after the APEC Seminar on Mobilizing Long-term and Stable Funding for Infrastructure Development in the Asia-Pacific Region (June 26-27, 2014). Both meetings were specially convened to provide assistance to the Indonesian Ministry of Finance in its efforts to support the PPP Center. The meetings discussed key aspects of the institutional arrangements for the PPP Center and some early potential PPP projects for the PPP Center. The third meeting this year is scheduled to be held on 24 November in Jakarta after the APIP meeting with the government of Indonesia

The Indonesian ministry responsible for government's reforms, personnel and staffing recently announced that it had approved staffing allocations for the PPP Center in the Ministry of Finance. Following the advice from the PPP Expert Panel to the Indonesian Minister of Finance, Indonesia is also in the process of appointing a Specialist Advisor to its PPP Center Executive Team. Arrangements to recruit a suitable candidate are well advanced, and have been included as part of a larger technical assistance proposal that is

being finalized with external partners. It has been planned that the Specialist Advisor will begin his/her services in early 2015. One of the first key tasks of the Specialist Advisor will be to work with the PPP Center Executive Team to identify a carefully sequenced, comprehensive program of targeted capacity building assistance for the PPP Center of Indonesia. The Specialist Advisor will work closely with the PPP Expert Panel and international partners to achieve this objective.

As part of the progress in developing market ready infrastructure projects in the region, PRC is setting up its PPP Center within the Ministry of Finance of PRC (CMOF). This process would help the momentum of creating a networking of PPP center of excellence in the region. CMOF has set up an inter-departmental PPP Leading Group for rule-making and regulation of PPP, consisting of 7 line departments of CMOF, including the budget department, treasury department, finance department, economic development department, international department and the China Clean Development Mechanism (CDM) Fund. At the execution level, the China CDM Fund acts as PPP management center at the initial stages. The China PPP Center has six main roles and responsibilities: fundamental research; training and consultation; promotion and application; financial Support; information management and publication; and international cooperation. We acknowledge the successful completion of the APEC PPP training program arranged and financed by ADB and the Australian Commonwealth Government's Partnership for Development Program to train 34 officials from PPP Centers in Chile, PRC, Indonesia, Mexico, Peru, the Philippines, Papua New Guinea, Thailand, and Viet Nam at RMIT University, Melbourne, Australia on 2-5 September 2014.

### **APEC INFRASTRUCTURE TRAINING PROGRAM**

APEC is an important platform for economic cooperation in the Asia-Pacific region. Cooperation on infrastructure investment as well as capacity building of the public sector in promoting infrastructure projects have been highlighted as key tasks for the APEC Finance Ministers' Meeting. In this regard, Korea proposed running APEC infrastructure training program twice a year to help government/public institutions in the Asia-Pacific region develop their capacity in infrastructure development. Korea and PRC agreed to co-host the program, but the program is open to any other member economies that are willing to participate. The Korea Development Institute (KDI) and the AFDC/ AFDI of PRC are the lead institutions in implementing the program.

This workshop will offer high-level officials of APEC member economies an invaluable opportunity to explore not only in-depth knowledge in implementing infrastructure projects but also provide a chance to share APEC member economies' experiences and practices on infrastructure investment and financing.



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**Third APEC Ministerial Meeting on Food Security**  
**Beijing Declaration on APEC Food Security**  
Beijing China, 19th September 2014

**Preamble**

1. We, the APEC Ministers responsible for Agriculture and Food, met in Beijing, China, on 19th September 2014, at the invitation of Mr. Han Changfu, Minister of Agriculture of the People's Republic of China and Mr. Ren Zhengxiao, Administrator of the State Administration of Grain of the People's Republic of China.

2. We welcome the participation in the meeting of representatives from the Secretariat of the Association of Southeast Asian Nations (ASEAN), the Pacific Economic Cooperation Council (PECC), the Pacific Islands Forum (PIF), the APEC Business Advisory Council (ABAC) and the APEC Secretariat.

3. Food security is of primary importance to the Asia-Pacific region because it is home to a large proportion of the world's hungry people. Hence, reducing food insecurity in the region can reduce global food insecurity. According to the latest estimates by the Food and Agriculture Organization (FAO), 842 million people in the world—one eighth of the world's population—suffered from chronic hunger in 2011–2013, not able to have enough food and sufficient access to food for an active and healthy life. The vast majority of the world's hungry people (827 million) live in developing countries, mainly countries in South Asia, East Asia and Sub Saharan Africa. Being home to 65.6%<sup>1</sup> of the global hungry population, Asia has the largest number of hungry people across all regions: 552 million or 13.5% of its total population; if the food security of the Asia-Pacific region is undermined, it will have a significant impact on global food security. APEC has both economies that are highly dependent on international markets for food supply and economies that are major food exporters. Therefore, it is imperative to build stronger cooperation among APEC member economies to support food security, which will play an important role in promoting regional and global food security.

4. We recognize the importance of post-2015 UN development agenda to fight against hunger and poverty with shared responsibility and sustainable development. The APEC region has great potential to improve its food security through concerted cooperation among its member economies; all actions taken should be consistent with international commitments.

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<sup>1</sup> FAO (2013): The State of Food Insecurity in the World 2013



We fully support the *Xiamen Declaration* of the APEC Ocean-Related Ministers to focus on the role of oceans in food security. APEC economies have given high priority to the issue of agriculture and food and built a solid foundation for agricultural exchange and cooperation under various multilateral and bilateral frameworks: APEC established the Agricultural Technical Cooperation Expert Group (ATCEG) in 1996 and officially renamed it as the Agricultural Technical Cooperation Working Group (ATCWG) in 2000, which has enhanced information and experience sharing among economies; APEC Food Safety Cooperation Forum (FSCF) was established in 2007 and its Partnership Training Institute Network (PTIN) was established in 2008 to encourage regulatory cooperation and dialogue on food safety and deliver food safety capacity building to improve food safety in the region; the Oceans and Fisheries Working Group (OFWG) was established in 2011 following a decision to merge the former Marine Resource Conservation and Fisheries working groups (in operation since 1990 and 1991 respectively); the Policy Partnership on Food Security (PPFS) was established in 2011 for strengthening public-private cooperation to achieve food security goals in the region; and the High Level Policy Dialogue on Agricultural Biotechnology (HLPDAB) was established to progress cooperation on biotechnology. Ministers of APEC economies responsible for agriculture and food met in Niigata, Japan, in 2010, issuing the Niigata Declaration, and two years later, in Kazan, Russia issuing the Kazan Declaration, both of which contributed to regional food security. APEC economies are not only diverse in geography, climate, population, arable land, water resources, food production, crop mix, and biodiversity but also differ in economic development, agricultural science and technology, and food consumption habits. Therefore, we should strengthen cooperation in order to share knowledge, promote best practices and sustainable use of biodiversity, and seek common ground to build an open, inclusive, mutually-beneficial and all-win partnership for the long-term food security of the Asia-Pacific region, thereby contributing to global food security.

**1. Boost agricultural productivity and food production and availability based on sustainable development, innovation, science and technology and an enabling economic environment**

5. Currently, the world including the Asia-Pacific region is facing ever increasing challenges, including financial crisis, population growth, decreasing availability of arable land, competing demands for resources and the impacts of climate change. The progress in agricultural science and technology and economic development is the cornerstone of our efforts to further promote sustainable agricultural and food production to improve food security in the region. We recognize the importance of non-distorting and stable agricultural and economy-wide policy settings that encourage agricultural productivity growth and economic development more broadly. Biodiversity on land and in aquatic ecosystems has an important role to play in ensuring food availability. Appropriate policies and production techniques to promote the sustainable development of the food sector and encourage a variety of healthy and nutritious food sources should be applied.

**Facilitating agricultural production-oriented technical research and innovation**

Given that some APEC economies lack advanced technology, we support

6. development of agricultural policies that encourage investment in food production,

research and development; enhance capacity building activities for researchers particularly in developing member economies; and facilitate innovation to accelerate the development of new technologies, new varieties and new methods for grain and livestock production and aquaculture.

### **Enabling agriculture to be more adaptive to climate change and resilient to disasters**

7. Climate change threatens agricultural productivity because of the impacts of increasing temperatures, changing precipitation patterns, sea level rise, and frequency and changing patterns of extreme weather events, among other things. These impacts are already being felt in some food-producing areas. Consequently, there is an increasingly urgent need to adapt agricultural systems to climate change and help agricultural communities become more resilient to droughts and floods, especially for smallholders. We recognize the importance of enhancing the assessment of the impacts of climate change and natural disasters; establishing monitoring and early warning systems for climate change; supporting science and technology innovation initiatives that can address climate change; and attaching importance to disaster mitigation projects in agriculture. Governments should play a bigger role in policy development, information sharing, capacity building, disaster risk management and emergency management; they should also make efforts to increase investment in environmentally sound farmland irrigation and drainage infrastructure, disastrous weather monitoring and early warning systems, and facilitate the development of agricultural insurance and risk management tools, especially for small-scale producers who are usually impacted the most and have the least resources for recovery. Governments should support research and development on seeds that are more adaptive to climate change and resilient to disasters and apply agricultural innovation to reduce the adverse effects of climate change.

### **Promoting sound development of agricultural biotechnology**

8. Research, development and application of agricultural biotechnology has played an important role in sustainably increasing agricultural productivity and ensuring food security. We recognize the importance of continuing to support agricultural biotechnology; supporting the development, improvement and adoption of relevant laws and regulations; encouraging research institutions to carry out research and development in agricultural biotechnology; enhancing the research in safety and reliability of biotechnology; developing risk-based control mechanisms and remedial measures against human health, environmental and other risks.

### **Facilitating adoption, utilization, extension and transfer of agricultural technologies**

9. Effective adoption, utilization, extension and transfer of new agricultural technologies contribute to improving agricultural productivity. We recognize the need to better facilitate the adoption, utilization, extension and transfer of agricultural technologies on mutually agreed terms by developing supporting policies and measures. Efforts could especially be made to promote science and law and evidence-based approval of new agricultural technologies as well as risk and benefit communication of agricultural technologies. We recognize that we should also better engage markets in the process of agricultural technology utilization and extension, and allow markets to play their important role in technology transfer with appropriate Intellectual Property Rights protection. Efforts could be made to enhance capacity building for rural labor, especially smallholders, in

the application of such technologies. APEC economies will strive to promote the exchange of experiences and public policies that allow the efficient adoption, utilization, extension and transfer of agricultural technologies on mutually agreed terms, which can help to reduce the gap between agricultural research and the need of enhancing agricultural productivity and food production.

### **Accelerating transformation and upgrading of the agricultural industry and promoting sustainable agricultural development**

10. We should focus on promoting the sustainable intensification of agricultural production. We recognize that we should actively prevent desertification and attach importance to soil and water conservation, water resources allocation, and land rehabilitation. We recognize the need to develop common understanding on sustainable land use and agricultural practices, taking into account agricultural and climate conditions and soil potential. We should focus the international community's attention on the fact that healthy soils and sustainable land use are prerequisites for human welfare and economic prosperity, thereby playing an integral role for sustainable development. Meanwhile, we should also fully support the principle advocated by FAO: to support smallholders in their farming activities and assist rural cooperatives in boosting smallholder production so as to reduce rural poverty and hunger. In addition, we welcome the work of the International Fund for Agricultural Development (IFAD) on supporting the development of smallholders in their farming activities. While recognizing the critical contribution of all farmers to increased productivity and global food security, we share the view that it is necessary to recognize the crucial role of smallholder farmers and the need to strengthen farmers' cooperation in order to ensure their voices are heard.

11. We therefore should strengthen the technical and skill training for rural labor, especially smallholders, to raise agricultural productivity and farmers' income; adapt agricultural research and development in a way that helps improve output and economic benefits while paying attention to quality and the environment. Avoiding negative externalities, and enhancing overall competitiveness of the agricultural industry through the global development of the food value chain, we will work to strengthen our efforts in improving agricultural productivity to promote sustainable agricultural development.

## II. Improve post-harvest management<sup>2</sup> to reduce food loss

### Improving management of food supply chain

12. The establishment of stable and reliable supply chains in APEC economies will contribute to giving consumers timely and convenient access to safe food and contribute to trade facilitation in the region. We recognize the need to support the establishment and improvement of safe food supply chains, strengthen infrastructure development, improve development and application of storing, processing and cold chain technologies, and enhance management of food and food product labels. To enhance the status and role of agricultural producers, fishing communities and small businesses in the food supply chain, we encourage the establishment of communities of interests on food production and processing between farmers, fisherfolk and businesses, where farmers and fisherfolk become direct beneficiaries of food trade and value-added processing through developing global food value chains.

### Enhancing the management of food safety and of food quality

13. Food security is achieved when all people have a sufficient supply of safe and nutritious food. Food safety strengthens and complements food security. We recognize the need to strengthen the management of food safety through alignment with internationally accepted standards; the development and refinement of risk based requirements; and the establishment and improvement of early warning, traceability and recall systems. Food safety has a direct bearing on the nutrition and health of human beings and we share the importance of harmonization between economy's food standards and international food standards as elaborated in the framework of the Codex Alimentarius (Codex), the World Organization for Animal Health (OIE), the International Plant Protection Convention (IPPC) and initiatives of the FAO, WHO and WTO sanitary and phyto-sanitary (SPS) Agreements. We welcome the Action Plan to Enhance Connectivity of APEC Food Standards and Safety Assurance developed by PPFS in 2014 and we also note the efforts of the APEC FSCF and welcome its work with relevant APEC fora to promote food safety.

14. Food quality is an important food production and manufacturing requirement, and can also be an important component of food security, i.e. the acceptability to consumers of the processing and ingredient characteristics of food related to dietary, nutritional or medical requirements. We support the strengthening of the private sector's responsibility and capability to assure food quality through production, manufacture and distribution consistent with accepted international standards, such as those of the International Standards Organization (ISO) and specialized WTO technical barriers to trade (TBT).

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<sup>2</sup> The post-harvest stage includes food purchase, storage, processing, transportation, sales, distribution, consumption and other steps.

## **Reducing post-harvest loss and waste in food**

15. According to FAO reports, one third of the food for human consumption is discarded or lost every year, which is a waste of the natural resources used for its production. If one quarter of the food lost or wasted around the world could be saved, it would be an amount sufficient to feed the 842 million undernourished people in the world. In developed economies, food waste often happens at retailing and consumption, while in developing economies it often takes place in production and processing, with the greatest impact on smallholders. We encourage all economies to enhance the management of food along the value chain; deepen cooperation in development of approaches to reduce post-harvest loss; promote food saving by raising consumers' awareness so that food loss and waste can be reduced in the whole process from farm to table. We welcome the APEC Reduce Food Loss and Waste Action Plan developed by PPFS in 2014 for improving food security in the region, which helps to meet the Millennium Development Goals 2015 of eradicating poverty and hunger. We recognize the importance of implementing the APEC Multi-Year Project on Strengthening Public-Private Partnership to Reduce Food Loss in the Supply Chain and welcome the development of a methodology for data collection, establishment of baseline data, toolkits and best practices to reduce post-harvest loss. All economies should promote the development and exchange of technologies on reducing food loss.

### **III. Strengthen regional cooperation to promote food security**

#### **Strengthening research and development cooperation to promote sustainable agricultural development**

16. Faced with the pressure from climate change and resource constraints, we determine to continue giving the ATCWG a leading role as a coordinating group and further strengthen cooperation, press ahead with the research, development and application of new technologies to increase agricultural productivity. In this regard, we reiterate our support for enhanced coordination and interaction among local research institutes and innovation centers, in particular through the Consultative Group of International Agricultural Research (CGIAR) and the Global Forum on Agricultural Research (GFAR). In response to climate change, we will work together to strengthen information sharing and exchange, and jointly conduct research into new eco-friendly technologies, planting patterns and prevention and control of diseases and pests. We appreciate the collaborative work of the Global Research Alliance on Agricultural Greenhouse Gases (GRA) and reiterate the importance for APEC economies to enhance their engagement with the initiative. We note that the issue of internationally coordinated research and innovation to achieve a global transformative productivity lift was discussed by both G-20 and APEC representatives (who attended at the invitation of the Australian G20 presidency ) during the June 19-20, 2014 Meeting of Agricultural Chief Scientists, in Brisbane, Australia.

### **Strengthening cooperation in seed development**

17. APEC economies are equipped with a great diversity of plant genetic resources for food and agriculture. At the same time, seed technology and capacity to develop new crops vary among APEC economies. Therefore, there is potential to enhance regional cooperation in plant breeding for the development of new and improved plant varieties for food security. We share a common understanding about the importance of enhancing information exchange and cooperation on plant breeding, and the need to improve cooperation on research into publicly-beneficial and key technological areas of seed development, to create close cooperation partnerships among the seed industry, universities and research institutes, to deepen scientific and information sharing with the seed industry through personnel training and improved cooperation, and to share the seed industry's experiences in research and technological innovation.

### **Strengthening prevention and control of trans-boundary animal and plant diseases**

18. We encourage working together to enhance regional animal and plant disease management including Invasive Alien Species to prevent and/or control the impacts across economies and promote agricultural production and food security. We determine to strengthen communication and cooperation on the South East Asia and China Foot and Mouth Disease (SEACFMD) Campaign and other multilateral and bilateral prevention and control mechanisms of animal and plant diseases. We welcome the work of IPPC and the Asia Pacific Plant Protection Commission (APPPC) on minimizing trans-boundary movements of plant diseases. We promote adherence to IPPC and OIE standards. Further, we determine to enhance surveillance and early warning information exchange as well as personnel training on trans-boundary animal and plant diseases; strengthen information exchange and cooperation on food safety of imports and exports as well as improve policy coordination, information sharing and cooperation. Where trans-boundary diseases exist which also threaten public health or environmental health, APEC economies will promote multidisciplinary "one health" coordination of surveillance, preparedness, detection and control activities to combat those animal diseases.

### **Protecting and developing significant agricultural heritage and boosting modern agricultural and rural development**

19. We agree that APEC should promote rural development policies that enhance the economic, social and cultural wellbeing of communities and support FAO's work on Globally Important Agricultural Heritage Systems<sup>3</sup>. We recognize that we should promote the public understanding

3 In order to safeguard and support the world's agricultural system, in 2002 FAO started an initiative for the dynamic conservation of Globally Important Agricultural Heritage Systems (GIAHS). The GIAHS are defined as "Remarkable land use systems and landscapes which are rich in globally significant biological diversity evolving from the co-adaptation of a community with its environment and its needs and aspiration for sustainable development. Looking to safeguard the social, cultural, economic and environmental goods and services these provide to family farmers, smallholders, indigenous peoples and local communities, the initiative fosters an integrated approach combining sustainable agricultural and rural development.

and awareness of agricultural heritage systems and share successful stories of management on agricultural heritage and typical models of rural development. We should promote "family farming" to be in line with the FAO campaign on the International Year of Family Farming which supports household and small-scale farming, increasing role of young farmers and women in the agricultural sector, balancing agricultural biodiversity, stimulating community economics and enhancing social safety nets.

### **Strengthening exchange and cooperation on management of food supply chains**

20. In order to increase agricultural productivity and to improve efficiency of food supply, we should focus on developing global food value chain and strengthening exchange and cooperation on technologies, management and models of food supply chains and cold chain technologies; enhancing the dissemination of food storage, processing and management technologies; and boosting coordination of standards, regulations and regional inter-connectivity to lower the costs of logistics and trade as well as loss and waste during storage, transportation and consumption to improve the effective supply of food. We recognize that we should strengthen collaboration and coordination among APEC economies, public and private sectors in charge of agriculture/food security, infrastructure and logistics for upgrading infrastructure such as cold chain to improve the management of the food supply chain.

### **Enhancing policy coordination and cooperation on food security**

21. In order to enhance the policy coordination on food security and decrease the costs of conducting international trade of food, we recognize that we should strengthen exchange and cooperation on food production, distribution and consumption through utilizing existing structures such as the Asia-Pacific Information Platform on Food Security (APIP); and conduct exchanges on inspection methods of imports and exports of food consistent with Codex Committee on Food Import and Export Inspection and Certification Systems. We welcome the collaboration of the public and private sectors in developing food security policies through PPFS. We should continue to exchange information and work collaboratively on capacity building

efforts. We note the coordinated efforts of the public and academic sectors in this area through FSCF PTIN and relevant APEC working groups. We also recognize the important role of women in promoting food security. We should strengthen our cooperative work with other stakeholders in the private sector, non-government and international organizations to achieve practical improvements for food security, especially through identification of and action to address barriers to women's access to resources and economic participation.

### **Liberalizing and facilitating agricultural trade and investment**

22. Given that farmers are the biggest investors in the agricultural sector (FAO, 2012), APEC economies are encouraged to formulate policies and measures to support green investment in agriculture in order to improve sustainable agricultural productivity and resilience. We reaffirm the importance of liberalizing and facilitating agricultural trade and investment in the APEC region. We recognize the important role for public-private partnership in the field of investment. We take note of the ongoing consultations on the Principles for Responsible Investment in Agriculture and Food Systems at the Committee on World Food Security (CFS). We are aware of the significant role of agricultural trade and investment in promoting global and regional food security. We call for open, WTO rule-based, fair and transparent agricultural trade and investment as well as trade facilitation based on internationally accepted standards to promote widespread accessibility of safe food in APEC economies. Recognizing that bans and other restrictions on the export of food may cause price volatility, especially for economies that rely on imports of staple products, we reaffirm the commitments against protectionism made by APEC leaders. We support the outcomes related to agriculture from the Ninth World Trade Organization Ministerial Conference, held in December, 2013 in Bali, Indonesia. We recognize that we should address food security concerns in a manner that does not distort trade or adversely affect the food security of other economies.

### **Strengthening internal exchange and cooperation among APEC economies**

We support APEC Food Security Roadmap towards 2020 (version 2014) and APEC Food Security Business Plan (2014-2020). In order to enhance the integrated functions of the agriculture and food working groups under the APEC framework, we emphasize strengthening exchanges and coordination among ATCWG, PPFS, the Committee on Trade and Investment, the FSCF and its PTIN, OFWG and HLPDAB to make new contribution to food security.



## **The 6<sup>th</sup> Human Resource Development Ministerial Meeting Joint Ministerial Statement**

1. We, the Ministers responsible for human resources development from APEC member economies met in Hanoi, Vietnam on September 6, 2014, for the 6<sup>th</sup> APEC Human Resources Development (HRD) Ministerial Meeting under the theme ***“Promoting Quality Employment and Strengthening People-to-People Connectivity Through Human Resources Development.”***
2. We are guided by the Bogor Goals and the need to build on the gains and outcomes of the 5<sup>th</sup> HRD Ministerial Meeting, particularly initiatives to address the challenges brought about by the global financial crisis while also acknowledging the challenges of the social dimensions of globalization and risks to social protection, as well as those from economic crises and natural disasters.
3. We realize that addressing the social dimensions of globalization requires appropriate support from governments, employers, industries, workers and relevant stakeholders. Improving the wellbeing of workers and their families requires us to foster quality employment opportunities, enhance productivity, increase labour force participation, and improve the skills and competencies of the workforce. We commit to maximizing the opportunities afforded by globalization by improving our workforces’ capabilities, strengthening social protection and addressing inequality in APEC member economies. APEC can help facilitate this through the exchange of information on active labour market measures, good practices and policy tools that help deliver social protection more effectively so we can enable all citizens and vulnerable groups to have an equal opportunities to share the benefits of economic growth.
4. We recognize that some APEC member economies are facing a shortage of skilled labour and that demographic change may exacerbate this problem. By strengthening human resource development and broadening access to education, training and skills in particular, APEC economies could make significant progress in improving and addressing this challenge. This would support greater trade and business development, employment creation and economic growth.
5. We emphasize the significance of appropriate labour and social protection measures, particularly with respect to training and up-skilling. A higher skilled workforce will stimulate labour mobility and help promote inclusive and sustainable economic growth in the Asia-Pacific region.
6. We recall the 2013 APEC Leaders’ Declaration which focuses on promoting connectivity through three pillars: physical connectivity; institutional connectivity; and people-to-people connectivity.

### ***Supporting Inclusive and Sustainable Growth to Address the Social Dimensions of Globalization, Including Equality and Needs of Vulnerable Groups***

7. We support enhancing the effectiveness and sustainability of social protection measures and systems. We emphasize the significance of appropriate reform so that APEC economies can address the aging of their populations, which often results in slower labour force growth and rising costs.

8. We promote safe and secure workplaces. Safe workplaces not only protect lives and livelihoods but also support higher productivity and sustainable economic growth. We are committed to reducing the number of workplace fatalities, injuries and illnesses. In this context, we take note of ILO conventions related to occupational safety and health and strengthening capacities of labour inspection systems of APEC economies and other institutional arrangements to create safer workplaces. We also encourage the strengthening of our efforts to prevent worker injury and reintegrate injured workers into the labour force.

9. We acknowledge that the informal economy is sizeable in some APEC economies. Workers in the informal economy may have limited access to quality employment, workplace and legal protection. Vulnerable populations such as persons with disabilities, youth, children engaged in labour, and women make up a disproportionately high number of workers in the informal economy. Where applicable and appropriate, member economies should consider measures to support the transition of workers from the informal to the formal economy. We encourage the extension of social protection systems, as appropriate, to cover informal workers, taking into account relevant ILO standards and within each member economy's capacity and existing laws and regulations.

10. We recognize that migrant workers, despite their economic contributions, may find themselves in vulnerable situations including a lack of adequate legal and social protection. We should consider ways that APEC could enhance the protection of migrant workers' rights through a balance of responsibilities across economies.

11. We commit to ensuring that persons with disabilities can participate more fully in the labour market and can be employed in disability-inclusive workplaces by strengthening our collective and individual efforts to promote and protect their rights. APEC economies should address the needs of persons with disabilities. This would contribute to advance our goal of inclusive growth. Recognizing that persons with disabilities face many barriers to accessing education, we emphasize the need to ensure that they are educated and can advance to further training and higher education, and to equally compete for employment.

12. We commit to taking steps to better track the number of persons with disabilities in our labour markets, to inform and improve the evidence base for our policy decisions.

### ***Enhancing Human Resource Quality to Meet Supply Chain Demands***

13. We stress the significance of exchanging skills and knowledge and building institutional capacity for supporting the integration of economies into the global supply chain. We share the view that comprehensive policy frameworks to meet enterprise and industry requirements in member economies need to focus on enhancing physical, institutional and people-to-people connectivity.

14. We strongly support training programs and skills development to help workers achieve those competencies required to meet industry demand, in today's rapidly changing economy. We agree that a key element in successfully developing training programs for in-demand occupations is the active engagement of industry and particularly employers in skills and training development.

15. We acknowledge the significant role and contribution of youth to APEC economies and recognize that many are finding it difficult to successfully transition from school to work. We are particularly concerned with the number of young people who are neither employed nor participating in education and training. To address this issue, we should improve the skills and employability for young people and foster an enabling environment to create better and sustainable jobs.

16. Recognizing the need for better information sharing and capacity building, we acknowledge the initiatives of APEC economies to establish APEC Human Resources Development Centers. In this regard, we welcome the proposal for establishing such a center in Vietnam.

### ***Facilitating Mobility of Labour and Skills Development***

17. We emphasize the significance of promoting the effective management of labour mobility and encourage, including on a sectoral basis, further research and dialogue on this issue.

18. To facilitate mobility, we will continue to: develop a workforce that possesses adaptive skills; strengthen qualifications systems; provide better access to quality education and training; improve the relevance and effectiveness of education and training; further build the partnership among training providers and industry; and to identify skills in emerging fields. We encourage the next High-Level Policy Dialogue on Human Capacity Building, led by the Philippines and Papua New Guinea, to discuss and pursue policies, strategies and actions on these issues.

19. We highlight the need to improve the evidence base that supports the effectiveness of labour market policies, including to: forecast the demand for labour; improve the quality and dissemination of labour market information; promote social dialogue; and to up-skill workers, especially youth, so that they can access decent jobs and meet the demands of industry and the supply chain. In this regard, we acknowledge the importance of skills mapping across the region and the value of broader participation and further development of the APEC labour market portal.

### ***Enhancing the Participation of Women in the Economy***

20. We commit to advance women's economic empowerment as a priority for APEC economies. We will strengthen our initiatives to address impediments to women's full participation in the economy such as workplace gender discrimination, unequal pay, and gender gaps in employment practices and limited access to training, which adversely impact women, their families, their communities, and the overall economy.

21. Ongoing discussions in other APEC fora, such as the Policy Partnership on Women and the Economy (PPWE), have highlighted that more must be done to encourage women's economic development and empowerment.

22. We welcome the outcomes of the APEC 2014 Women and the Economy Forum, and look to build synergies wherever possible, for example, by undertaking initiatives with the PPWE and the Health Working Group to enhance women's labour force participation.

23. Each APEC economy should support practical initiatives that enable the public and

private sector to work together, and deliver measurable results to empower women in the workforce. We encourage developing and sharing best practices in addressing work-family balance, ensuring equal pay for equal work, combating workplace gender discrimination, and establishing paid family leave programs.

24. We express our deep gratitude for all arrangements, hospitality and efforts made by the Socialist Republic of Vietnam for the success of the meeting.

## **Joint Statement of the 5<sup>th</sup> Meeting of APEC Ministers Responsible for Mining (MRM5) 2014**

### **Introduction**

1. We, APEC Ministers Responsible for Mining (MRM), met on 27-28 June 2014 in Beijing, China under the chairmanship of H.E. Mr. Jiang Daming, Minister of Land and Resources of the People's Republic of China.
2. Drawing on the joint statements from the previous APEC Mining Ministerial meetings, and taking into account the 10 APEC Mining Policy Principles, as well as the results of the just-concluded 8th Meeting of the Mining Task Force (MTF), the Mining Ministers of the APEC economies recognize the significance of sustainable development in mining. We believe this can be achieved through regional integration, fostering sustainable investment, increasing social responsibility, and innovation and environmental advances in mining and metallurgy.
3. The APEC theme for 2014 is “Shaping the Future through Asia-Pacific Partnership”. Under this framework and centered on the MRM5 theme—“Closer Mining Cooperation for Transformation and Growth”, we discussed three topics, namely “closer cooperation of the mining sector in the Asia-Pacific region”, “innovation-driven growth”, and “social responsibility and common development”.
4. As highlighted in the previous four Meetings of APEC Ministers Responsible for Mining, sustainable development in mining plays an important role in the development and prosperity of the Asia-Pacific region. The Asia-Pacific region is an engine of global economic growth as well as a significant producer and consumer of minerals, metals and related products. The development, processing, utilization, investment and trade of minerals, metals and related products can play an important role in promoting economic and social development, creating jobs, reducing poverty, improving infrastructure and closing regional development gaps.
5. We noted that since the 2008 downturn in the world economy, the global mining sector has faced significant changes and trends such as fluctuating demand for major mineral commodities, constantly fluctuation prices of a number of mineral commodities, increasing concerns for the environment and worker safety, increased costs of labor and equipment, growing challenges of mining investment, as well as volatility and declining indicators for mining investment and financing.
6. We also noted while global growth is likely to be slower and less balanced than desired in 2014, notwithstanding that growth within the APEC region has exceeded global growth rates but is still lower than its potential, industrial restructuring and new technological advances are accelerating. Some developed economies are reindustrializing and revitalizing their manufacturing sectors, and industrialization and urbanization are in full swing in emerging economies. All these factors indicate that there will be a strong demand for minerals and metals for years to come. The trend of sustained fundamental growth of the mining sector remains unchanged and growth drivers remain strong.

7. We recognize that to adapt to the trend of the transformation and development of the world economy, the mining sector, as an important basic industry, should accelerate its transformation and upgrading and pursue a modernized development path featuring cooperation, safety, security, efficiency, green technology, and comprehensive development in order to constantly improve the social, environmental, and economic benefits.

To this end, we propose the following:

### **Closer Cooperation of the Mining Sector in the Asia-Pacific Region**

8. We are pleased to see fruitful cooperation among economies in mineral prospecting, development, processing, investment, trade, management, science and technology, services and environmental protection. We recognize differences among member economies in populations and development levels, in the needs of minerals and metals, as well as in geological endowments and development and utilization levels. We note that mining cooperation should contribute to further the goals expressed in the 2013 Economic Leaders' Declaration. In this context, we support mutually beneficial cooperation in the mining sector to meet our individual development goals.

9. We propose that, guided by the Bogor Goals and the 21<sup>st</sup> APEC Economic Leaders' Meeting, we will actively participate in the APEC Investment Facilitation Action Plan and encourage adoption of effective measures to promote an enabling environment for mining investment and trade facilitation in minerals, metals and related products. We encourage APEC economies to improve their mining investment environments, administration and services for the mining sector, as well as their basic geological surveys and geological information services. We also stress the importance of promoting open, transparent, and well-operating markets in the mining sector, as well as investment and financing cooperation for win-win development.

10. We reaffirm our Leaders' strong commitment in Bali in 2013 to strengthen and deepen regional economic integration, eliminate barriers to international trade and investment in this region, as well as reaffirm the APEC Trade Ministers' 2014 Joint Statement on Supporting Multilateral Trading System. Committed to building a sound interactive mechanism between suppliers and clients, we will work to accommodate our mutual concerns for the development of minerals and metals markets. We recognize the important role of Regional Trade Agreements (RTAs) and Free Trade Agreements (FTAs) in promoting trade of minerals, metals and related products.

11. We support cooperation and information-sharing on mining issues, including with the private sector through ABAC. We encourage economies to make full use of ASEAN and other multilateral, regional and bilateral cooperation mechanisms, to strengthen dialogue on mining policy and practice. We agree to work more closely with the relevant UN agencies and other relevant international organizations, and welcome an active role of mining organizations and associations from member economies in promoting cooperation in the Asia-Pacific region.

## **Innovation-driven Growth**

12. We recognize that innovation drives the green, safe, harmonious and efficient development of the mining sector, and that innovation adds value to the mining related activities with urban mining as an example. We support creating an enabling environment for scientific and technological innovation, formulating and implementing policies favorable to innovation, and to building a platform more favorable to innovation and transfer of technology. We will work towards advancing research and development cooperation opportunities, improving standards and regulations to meet our environmental objectives, facilitating trade and investment, and promoting market mechanisms. We will also seek to apply and spread scientific and technological findings, promote effective integration of production, teaching, research and application, improve labor quality and unleash work force potential.

13. We support stimulating creativity in businesses and encourage their increased support for scientific and technological innovation in the mining sector, as well as stepping up development and promotion of theories, approaches, techniques and equipment for geological surveys, efficient exploration, clean production, mine safety and comprehensive utilization in order to improve the economic and environmentally sound structure of the mining sector and promote its transformation and upgrading.

14. We also emphasize the importance of cooperation in enhancing scientific and technological innovation capacity. To this end, we welcome closer cooperation among businesses in the mining sector across the Asia-Pacific region to utilize each other's complementary advantages for mutual benefits. We encourage economies and businesses to cooperate in research and development in mining science, technology and standards, and to enhance exchanges, training and promotion of scientific and technological findings. We call for APEC economies to promote building the innovation capacity of the mining sector in the Asia-Pacific region.

15. We recognize the important contribution of the Minamata Convention on Mercury towards protecting human health and the environment, and encourage all APEC economies to take necessary measures to meet the requirements of the Convention. In particular, we note that the Artisanal and Small-Scale Gold Mining sector has been one of the top contributors to global mercury pollution, and encourage all APEC economies to cooperate and to take steps to reduce mercury use and release from this sector, as well as to promote knowledge and experience sharing of substitute technology to support sustainable gold processing on voluntary and mutually-agreed terms.

## **Social Responsibility and Common Development**

16. We recall and support the initiative of the 16<sup>th</sup> APEC Economic Leaders' Meeting to promote Corporate Social Responsibility (CSR). We recognized that advocating and promoting CSR by mining businesses is an essential component towards realizing sustainable development and, promoting inclusive and harmonious development of the mining sector. We are committed to putting people first, increasing efficiency in use of both energy and materials, enhancing the role of communities, maximizing the positive socio-economic effects from the development of the minerals and metals sector, strengthening ecological and environmental protection in mining activities, achieving

safe production in mines, protecting the health and safety of miners and securing more understanding and support for mining development.

17. We recognize the need to create an enabling environment for businesses to fulfill their social responsibilities through CSR activities and through dialogue with stakeholders. We encourage stakeholders including governments, businesses, communities and industrial associations to conduct dialogues on CSR and share lessons learned. We call for regulators to play an active role in guidance and support and enhance engagement between businesses and local communities. We call for businesses to take proactive actions, incorporate social responsibility into their business strategies, show respect for local cultures and customs, and contribute to local economic development, job creation, improvement of people's livelihood, infrastructure development and stronger environmental protection. We call for communities to support law-based operations of mining businesses. We also call for economies to support rule-of-law and create a sound social environment for mining businesses to grow.

18. We express satisfaction with the efforts made by relevant economies to develop green mining standards and in the progress they have made in advancing sustainable development and combating illegal mining. We endorse the sharing of CSR best practices and encourage mining organizations and industrial associations to hold seminars and training programs in order to promote best CSR practices in the mining sector.

19. To realize the above-mentioned objectives, we agree to enhance the Meeting of Ministers Responsible for Mining mechanism, through high-level dialogues, exchanges and policy consultations, in support of the objectives of this Joint Statement.

20. We express satisfaction with and thanks to the Mining Task Force for its practical and substantial work. We agree that the Mining Task Force should formulate and implement an action plan based on this Joint Statement. At the same time, we agree to work more closely with related APEC working groups in order to play a more important role in promoting mining cooperation in the Asia-Pacific region.

21. We will present this Joint Statement to the 22<sup>nd</sup> APEC Economic Leaders' Meeting and the 26<sup>th</sup> APEC Ministerial Meeting, and call for leaders and ministers to note and support our initiatives in this Joint Statement.

22. We thank our host, the People's Republic of China, for its wonderful organization of the meeting and warm hospitality.



## **Joint Statement of the 5<sup>th</sup> Meeting of APEC Ministers Responsible for Mining (MRM5) 2014**

### **Introduction**

1. We, APEC Ministers Responsible for Mining (MRM), met on 27-28 June 2014 in Beijing, China under the chairmanship of H.E. Mr. Jiang Daming, Minister of Land and Resources of the People's Republic of China.
2. Drawing on the joint statements from the previous APEC Mining Ministerial meetings, and taking into account the 10 APEC Mining Policy Principles, as well as the results of the just-concluded 8th Meeting of the Mining Task Force (MTF), the Mining Ministers of the APEC economies recognize the significance of sustainable development in mining. We believe this can be achieved through regional integration, fostering sustainable investment, increasing social responsibility, and innovation and environmental advances in mining and metallurgy.
3. The APEC theme for 2014 is "Shaping the Future through Asia-Pacific Partnership". Under this framework and centered on the MRM5 theme—"Closer Mining Cooperation for Transformation and Growth", we discussed three topics, namely "closer cooperation of the mining sector in the Asia-Pacific region", "innovation-driven growth", and "social responsibility and common development".
4. As highlighted in the previous four Meetings of APEC Ministers Responsible for Mining, sustainable development in mining plays an important role in the development and prosperity of the Asia-Pacific region. The Asia-Pacific region is an engine of global economic growth as well as a significant producer and consumer of minerals, metals and related products. The development, processing, utilization, investment and trade of minerals, metals and related products can play an important role in promoting economic and social development, creating jobs, reducing poverty, improving infrastructure and closing regional development gaps.
5. We noted that since the 2008 downturn in the world economy, the global mining sector has faced significant changes and trends such as fluctuating demand for major mineral commodities, constantly fluctuation prices of a number of mineral commodities, increasing concerns for the environment and worker safety, increased costs of labor and equipment, growing challenges of mining investment, as well as volatility and declining indicators for mining investment and financing.
6. We also noted while global growth is likely to be slower and less balanced than desired in 2014, notwithstanding that growth within the APEC region has exceeded global growth rates but is still lower than its potential, industrial restructuring and new technological advances are accelerating. Some developed economies are reindustrializing and revitalizing their manufacturing sectors, and industrialization and urbanization are in full swing in emerging economies. All these factors indicate that there will be a strong demand for minerals and metals for years to come. The trend of sustained fundamental growth of the mining sector remains unchanged and growth drivers remain strong.

7. We recognize that to adapt to the trend of the transformation and development of the world economy, the mining sector, as an important basic industry, should accelerate its transformation and upgrading and pursue a modernized development path featuring cooperation, safety, security, efficiency, green technology, and comprehensive development in order to constantly improve the social, environmental, and economic benefits.

To this end, we propose the following:

### **Closer Cooperation of the Mining Sector in the Asia-Pacific Region**

8. We are pleased to see fruitful cooperation among economies in mineral prospecting, development, processing, investment, trade, management, science and technology, services and environmental protection. We recognize differences among member economies in populations and development levels, in the needs of minerals and metals, as well as in geological endowments and development and utilization levels. We note that mining cooperation should contribute to further the goals expressed in the 2013 Economic Leaders' Declaration. In this context, we support mutually beneficial cooperation in the mining sector to meet our individual development goals.

9. We propose that, guided by the Bogor Goals and the 21<sup>st</sup> APEC Economic Leaders' Meeting, we will actively participate in the APEC Investment Facilitation Action Plan and encourage adoption of effective measures to promote an enabling environment for mining investment and trade facilitation in minerals, metals and related products. We encourage APEC economies to improve their mining investment environments, administration and services for the mining sector, as well as their basic geological surveys and geological information services. We also stress the importance of promoting open, transparent, and well-operating markets in the mining sector, as well as investment and financing cooperation for win-win development.

10. We reaffirm our Leaders' strong commitment in Bali in 2013 to strengthen and deepen regional economic integration, eliminate barriers to international trade and investment in this region, as well as reaffirm the APEC Trade Ministers' 2014 Joint Statement on Supporting Multilateral Trading System. Committed to building a sound interactive mechanism between suppliers and clients, we will work to accommodate our mutual concerns for the development of minerals and metals markets. We recognize the important role of Regional Trade Agreements (RTAs) and Free Trade Agreements (FTAs) in promoting trade of minerals, metals and related products.

11. We support cooperation and information-sharing on mining issues, including with the private sector through ABAC. We encourage economies to make full use of ASEAN and other multilateral, regional and bilateral cooperation mechanisms, to strengthen dialogue on mining policy and practice. We agree to work more closely with the relevant UN agencies and other relevant international organizations, and welcome an active role of mining organizations and associations from member economies in promoting cooperation in the Asia-Pacific region.

## **Innovation-driven Growth**

12. We recognize that innovation drives the green, safe, harmonious and efficient development of the mining sector, and that innovation adds value to the mining related activities with urban mining as an example. We support creating an enabling environment for scientific and technological innovation, formulating and implementing policies favorable to innovation, and to building a platform more favorable to innovation and transfer of technology. We will work towards advancing research and development cooperation opportunities, improving standards and regulations to meet our environmental objectives, facilitating trade and investment, and promoting market mechanisms. We will also seek to apply and spread scientific and technological findings, promote effective integration of production, teaching, research and application, improve labor quality and unleash work force potential.

13. We support stimulating creativity in businesses and encourage their increased support for scientific and technological innovation in the mining sector, as well as stepping up development and promotion of theories, approaches, techniques and equipment for geological surveys, efficient exploration, clean production, mine safety and comprehensive utilization in order to improve the economic and environmentally sound structure of the mining sector and promote its transformation and upgrading.

14. We also emphasize the importance of cooperation in enhancing scientific and technological innovation capacity. To this end, we welcome closer cooperation among businesses in the mining sector across the Asia-Pacific region to utilize each other's complementary advantages for mutual benefits. We encourage economies and businesses to cooperate in research and development in mining science, technology and standards, and to enhance exchanges, training and promotion of scientific and technological findings. We call for APEC economies to promote building the innovation capacity of the mining sector in the Asia-Pacific region.

15. We recognize the important contribution of the Minamata Convention on Mercury towards protecting human health and the environment, and encourage all APEC economies to take necessary measures to meet the requirements of the Convention. In particular, we note that the Artisanal and Small-Scale Gold Mining sector has been one of the top contributors to global mercury pollution, and encourage all APEC economies to cooperate and to take steps to reduce mercury use and release from this sector, as well as to promote knowledge and experience sharing of substitute technology to support sustainable gold processing on voluntary and mutually-agreed terms.

## **Social Responsibility and Common Development**

16. We recall and support the initiative of the 16<sup>th</sup> APEC Economic Leaders' Meeting to promote Corporate Social Responsibility (CSR). We recognized that advocating and promoting CSR by mining businesses is an essential component towards realizing sustainable development and, promoting inclusive and harmonious development of the mining sector. We are committed to putting people first, increasing efficiency in use of both energy and materials, enhancing the role of communities, maximizing the positive socio-economic effects from the development of the minerals and metals sector, strengthening ecological and environmental protection in mining activities, achieving

safe production in mines, protecting the health and safety of miners and securing more understanding and support for mining development.

17. We recognize the need to create an enabling environment for businesses to fulfill their social responsibilities through CSR activities and through dialogue with stakeholders. We encourage stakeholders including governments, businesses, communities and industrial associations to conduct dialogues on CSR and share lessons learned. We call for regulators to play an active role in guidance and support and enhance engagement between businesses and local communities. We call for businesses to take proactive actions, incorporate social responsibility into their business strategies, show respect for local cultures and customs, and contribute to local economic development, job creation, improvement of people's livelihood, infrastructure development and stronger environmental protection. We call for communities to support law-based operations of mining businesses. We also call for economies to support rule-of-law and create a sound social environment for mining businesses to grow.

18. We express satisfaction with the efforts made by relevant economies to develop green mining standards and in the progress they have made in advancing sustainable development and combating illegal mining. We endorse the sharing of CSR best practices and encourage mining organizations and industrial associations to hold seminars and training programs in order to promote best CSR practices in the mining sector.

19. To realize the above-mentioned objectives, we agree to enhance the Meeting of Ministers Responsible for Mining mechanism, through high-level dialogues, exchanges and policy consultations, in support of the objectives of this Joint Statement.

20. We express satisfaction with and thanks to the Mining Task Force for its practical and substantial work. We agree that the Mining Task Force should formulate and implement an action plan based on this Joint Statement. At the same time, we agree to work more closely with related APEC working groups in order to play a more important role in promoting mining cooperation in the Asia-Pacific region.

21. We will present this Joint Statement to the 22<sup>nd</sup> APEC Economic Leaders' Meeting and the 26<sup>th</sup> APEC Ministerial Meeting, and call for leaders and ministers to note and support our initiatives in this Joint Statement.

22. We thank our host, the People's Republic of China, for its wonderful organization of the meeting and warm hospitality.

## **The 21<sup>st</sup>APEC Small and Medium Enterprises Ministerial Meeting Joint Ministerial Statement**

Nanjing, China  
September 5, 2014

### **Innovation and Sustainability**

#### **Introduction**

1. We, the APEC Ministers and their representatives responsible for Small and Medium Enterprises (SMEs), met in Nanjing, the People's Republic of China, on September 5, 2014, under the chairmanship of H.E. Mr. Miao Wei, Minister of Industry and Information Technology of China. The APEC Secretariat and the APEC Business Advisory Council (ABAC) also attended.

2. We appreciated the active participation by the business sector, including SMEs, from across the APEC region at the seminar and fora held from September 1 to 3, 2014 in advance of our Ministerial Plenary Session. We agreed that incorporating the views of the business sector enriched and enhanced our discussion.

**3. Guided by this year's theme of "Shaping the Future through Asia-Pacific Partnership", we centered on the 21<sup>st</sup> APEC SMEMM theme "Innovation and Sustainability", emphasized the great significance of innovative development to SMEs and made a commitment to encourage increasing the innovation capacities of SMEs, improving the policy environment for innovation and promoting SMEs growth through innovation.**

#### **Promoting SME Sustainability through Innovation**

4. Innovation is an important element of enhancing the competitiveness of SMEs and also a major driving force supporting the sustainability of enterprises. We stressed the need for APEC economies to share their experience on how to increase the innovation capabilities of SMEs, improve the policy environment for SME innovation and promote SMEs growth through innovation. We encouraged officials to continue with relevant initiatives and activities, where appropriate, including technical exchanges, intellectual property rights, development of industrial clusters, disaster resilience and financing support, for advancing sustainability through innovation.

5. We were updated on the recent developments in the APEC region and the preparation for the 22<sup>nd</sup> APEC Economic Leaders' Meeting by the Executive Director of the APEC Secretariat. We welcomed the outcomes of the 38<sup>th</sup> and the 39<sup>th</sup> Meeting of the APEC Small and Medium Enterprises Working Group (SMEWG), and recognized the latter's

efforts in implementing the recommendations from last APEC Small and Medium Enterprises Ministerial Meeting in Bali, Indonesia. We acknowledged the proposals and action plans given by SMEWG in regard to enhancing SME innovation capabilities, improving policy environment for SME innovation and promoting SME development through innovation. We endorsed the work in 2014, and urged member economies to take further measures to facilitate innovative financing for SMEs and lower barriers to market access and reduce regulatory barriers facing SMEs.

6. We acknowledged the APEC High Level Policy Dialogue Joint Statement on Resilient SMEs for Better Global Supply Chains endorsed by SMEWG and EPWG to call for the establishment of SME Business Continuity Plans (BCPs) in order to secure their global supply chains and facilitate trade and investment. Besides, we recognized the value of APEC Accelerator Network (AAN) for early-stage investment to serve as the cross-border incubation platform providing the mentorship-driven investment and business matching for innovative start-ups and High Growth SMEs (HGSMEs) so as to create a conducive start-up ecosystem in the APEC region.

### **Nanjing Declaration on Promoting SME Innovative Development**

7. We recognized that innovative development is important to stimulate the endogenous impetus and enhance the sustainability of SMEs. Therefore we discussed and approved the Nanjing Declaration on Promoting SME Innovative Development separate to this Statement, encouraging economies to take a range of measures to promote SME innovation on a voluntary basis. We encouraged member economies to support innovative activities of SMEs, establish innovation promotion mechanisms, encourage SMEs and other stakeholders to participate in APEC fora and initiatives and strengthen the exchanges and sharing of best practices on innovation in SMEs.

### **Promoting Technology Cooperation among SMEs in a Practical Manner**

8. We noted the profound changes in SME sales and business models arising from the scientific and technological progress and reiterated the importance of IT in improving SMEs' innovative development. We supported the development of e-commerce platforms and SMEs' interconnection to encourage and help facilitate SMEs' market access and internationalization.

9. We encouraged all members to engage the capacity building program regarding the application of big data and open data information and alerts to facilitate sustainable trade activities and business operation as well as bring benefits to disaster risk reduction, emergency preparedness, business continuity plans, resilient global supply chain, critical infrastructure protection, tourism and travel safety to support SME activity as the movement of goods and people increase across the APEC region.

10. We encouraged economies to use a variety of methods to support technological

exchange and cooperation among SMEs in the APEC region. We appreciated the positive effect of the APEC SME Technology Conference and Fair, the APEC Seminar on Financing Innovation of SMEs, the APEC Business Launching Conference and the continuous cooperation of APEC Accelerator Network for early-stage investment to encourage the member economies to actively set up platforms for cooperation in innovation.

11. We appreciated the publication of APEC Best Practices in SME Innovation during the APEC SME Technology Conference and Fair and supported the set-up of a database for such best practices, with a view to share experiences on SME innovation among member economies.

12. We encouraged research institutions and universities within the APEC region to collaborate and cooperate in joint research programs, and release and commercialize the findings to the SME sector. The institutional connectivity between universities and research institutions is vital to encourage SME innovation and sustainability in the region.

13. We welcomed Australia's forthcoming workshop on Promoting the Development of Women-led SMEs in the Global Market as an important initiative to assist member economies to enhance or develop export programs to assist women-led SMEs.

14. We welcome Peru's forthcoming APEC Start-ups Conference III 2014: Global Thinking To Make Global Businesses to consolidate and expand the start-up culture and interaction between APEC economies, improving the eco-system for start-ups.

15. We appreciate the publication of APEC Enhancing Competitiveness of SME through the Cooperative Business Model (CBM) which has enabled to identify the economic and social contribution of cooperative business model among APEC economies.

16. We appreciated Chinese Taipei's contribution on hosting the APEC Train-the-Trainer Workshop on Promoting SMEs Business Continuity Plan in collaboration with Indonesia, Mexico, Singapore, Thailand and Viet Nam, which trained over 300 BCP trainers as well as published BCP Guidebook in 7 languages, enabling 40% of people in the world to access information on business continuity.

17. We acknowledged the value of APEC Accelerator Network (AAN) with the participation from 14 economies and the APEC Challenge 2014, which further enhances the incubation, mentorship, investment and business opportunities across the APEC region. We support the AAN for early-stage investment proposed by Chinese Taipei to advance the AAN in terms of incorporating more members, innovative start-ups and High Growth SMEs (HGSMEs), business angles and venture capitals focusing on early-stage investment so as to further boost the economic growth and job creation.

18. The member economies are encouraged to use the research resources of APEC SME Crisis Management Center established under the support of the 2009 Annual APEC Ministerial Joint Statement and SME Ministerial Statement, in order to help APEC SMEs enhance their capacity to overcome the impact of crisis.

19. We recognize the importance of gaining easy access to inexpensive specialized technical and managerial expertise in the SME sector, and needs of some economies for technical experiences for SME innovation and sustainability. We therefore request the APEC SMEWG to develop a data base on retired business leaders and entrepreneurs who are willing to help coach SMEs in the respective economies.

### **Facilitating Ethical Business Environments for SMEs**

20. We reiterated the importance of strengthening ethical business practices in key sectors for APEC SMEs and their partners in the supply chain. Ethical business practices facilitate environments that free SMEs from the high costs of corruption, permit sustainable economic growth, and support SMEs access to global markets. We congratulate the Business Ethics for APEC SMEs Initiative for concluding its fifth year, supporting the successful development of 18 new codes of ethics across 9 APEC economies where they previously did not exist and extending the APEC Principles to nearly 14,000 companies, of which over 8,000 are SMEs.

21. We welcomed the APEC Business Ethics for SMEs Forum to build stakeholder capacity to implement the APEC Principles and to facilitate multi-stakeholder collaboration. We endorsed the “Nanjing Declaration to Promote Ethical Business Environments in the Medical Device and Biopharmaceutical Sectors (2014-2020)” and extended our support to the achievement of its goals, including the call on APEC member economies to double the number of codes of ethics between 2012 and 2015, working toward further implementation of the APEC Principles by 2020. We expressed our support for the Manila Declaration to advance implementation of APEC Principles for the Construction and Engineering Sector and we encouraged SMEs to utilize the new APEC Business Ethics Web Portal to enhance their ethics compliance knowledge and capacity building skills.

22. We extended our appreciation to the Philippines for hosting the 2<sup>nd</sup> APEC Business Ethics for SMEs Forum in 2015 and encouraged the convening of this Forum on an annual basis.

### **The SMEWG Strategic Plan (2013-2016)**

23. We considered that the Strategic Plan (2013-2016) has achieved positive results and encouraged member economies to continue to participate in and support related activities.



24. We appreciated the SMEWG's focus on emerging topics such as APEC SME International Monitoring Index, financial literacy and how SMEs can integrate into the Global Value Chain (GVC) effectively and safely, encouraging the members to promote innovative growth of SMEs by building and strengthening Public-Private Partnerships (PPP), so that the Working Group can fully achieve the targets defined by the 2013-2016 strategic plan.

25. We requested officials to continue to share the best practices of their respective area of expertise, including management capability development, entrepreneurship and innovation, financing, business environment, market access and internationalization. We recognized the promotion of standards and conformance as one of the priorities of the SMEWG from 2015.

### **Strengthening Dialogue with the Business Sector**

26. We appreciated the effort by China to organize the APEC SME Business Forum 2014 before the Ministerial Meeting. The Forum provided a useful platform for officials to have a dialogue with the business sector. We encouraged similar fora to be organized on the margin of Ministerial Meetings in the future. We also welcomed the initiatives which were put forward by this Forum.

27. We recognized the wide inclusion of private sectors in SMEWG activities, in particular in the multi-year project on Improving Natural Disaster Resilience of APEC SMEs to Facilitate Trade and Investment, and the multi-year project on Business Ethics Capacity Building for SMEs in Medical Devices, Bio-Pharmaceutical and Construction Sectors.

### **Cooperation and Coordination among Related Organizations**

28. We welcomed the APEC Business Advisory Council's (ABAC) report on their SME work. ABAC shared their key recommendations related to SMEs and entrepreneurship. We appreciated ABAC's work on access to finance, access to international markets, and the associated capacity building program Cross-Border E-Commerce Training (CBET), to empower SMEs to access international networking and collaboration opportunities. Taking into account the recommendations from the Seminar on Cross Border Trade in APEC Region, we look forward to continuous dialogues and interactions, to foster the sustainable development and growth of APEC SMMEs and entrepreneurs.

29. We encouraged the SME Working Group to continue collaboration with other relevant APEC committees and groups, including the Committee on Trade and Investment and its sub-fora, the Emergency Preparedness Working Group (EPWG) and the APEC Business Advisory Council (ABAC), on relevant issues and with other organizations such as the United Nations International Strategy for Disaster Reduction (UNISDR) for more effective and mutually beneficial impact in promoting BCPs for

SMEs.

**Towards the APEC China 2014 Economic Leaders' Meeting in Beijing**

30. We agreed to present this Joint Ministerial Statement as the contribution to the APEC Economic Leaders' Meeting in November 2014 in Beijing, China.

**APEC 2015 SME Meetings**

31. The 22<sup>nd</sup> APEC Ministerial Meeting on SMEs and related activities will be held on 21-25 September 2015 in Iloilo City, the Philippines.

**Macao Declaration on  
Building a New Future for Asia-Pacific Tourism Cooperation and  
Development September 13, 2014**

**Macao, China**

1. We, Tourism Ministers and representatives of the Asia-Pacific Economic Cooperation (APEC) member economies: Australia; Brunei Darussalam; Canada; Chile; the People's Republic of China; Hong Kong, China; Indonesia; Japan; the 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; and Viet Nam, attended the 8<sup>th</sup> APEC Tourism Ministerial Meeting in Macao, China on September 13, 2014.

2. The theme of APEC 2014 in China is "Shaping the future through Asia-Pacific partnership." We recognize the important role of tourism in promoting economic cooperation, trade, and people-to-people and cultural exchanges among APEC member economies, and that it can make important contributions to the building of a new type of Asia-Pacific partnership.

3. In addition, the year 2014 marks the 25<sup>th</sup> anniversary of APEC. Over the years, APEC has had fruitful cooperation in many areas including tourism. On that basis, APEC member economies share a common will to carry forward and steadily enhance APEC cooperation. We therefore agree to set "Building a new future for Asia-Pacific tourism cooperation and development" as the theme of the current Tourism Ministerial Meeting. We will make efforts to achieve the target of 800 million international tourists among APEC economies by 2025. We call on APEC economies to attach higher importance to tourism and develop it as a pillar industry. We hope that APEC Leaders will fully recognize the important significance of promoting Asia-Pacific tourism cooperation and development and consider the aforementioned aspiration in the Declaration of the APEC Economic Leaders' Meeting to be held in Beijing.

4. We recognize that the Asia-Pacific region is the largest tourism market in the world, and that there is great potential for promoting the integration of the Asia-Pacific tourism market. We therefore encourage APEC member economies to actively implement the APEC Tourism Strategic Plan (ATSP), and take relevant follow-up steps to improve medium- and long-term roadmaps and collective plans of action for integrated cooperation in tourism.

5. We recommend that APEC member economies discuss the necessity and feasibility of enhancing tourism coordination mechanisms in the Asia-Pacific region, to guide and encourage member economies to further enhance cooperation in tourism products development, marketing and promotion, tourist services, international tourism investment, taxation policy for tourism growth, personnel education

and training, job creation through tourism, etc. We recognize and respect that tourism can be utilized as a fundamental and strategic mode to preserve socio-cultural equity, heritage sites and local wisdom for the sake of community-based, rural- or village-based, and cultural tourism development to ensure alignment with sustainable economic development and poverty eradication within the Asia-Pacific region. We encourage member economies to increase cultural exchange and integration to create a better enabling environment for the integration of the Asia-Pacific tourism market.

6. We recognize that promoting integrated development of tourism and other industries can be an important contributor to value chain cooperation in the Asia-Pacific region. At present, the economy of the Asia-Pacific region is still recovering from the financial crisis. Finding new and additional driving forces for economic development and promoting inclusive and balanced growth is the shared objective of each and every APEC member economy. Therefore, integrating the development of tourism with other industries could not only bring into full play the geographical advantage, tourism resources and social and economic conditions of member economies, but could also help realize the transformation and sustainable development of tourism. To this end, we encourage the APEC Tourism Working Group (TWG) to share the best practices of integrated development of tourism and various industries and to initiate a series of demonstration projects within APEC. We encourage APEC member economies to make use of their resource advantages, and facilitate study tours, health tourism, rural tourism, sport tourism, marine and cruise tourism and other niche tourism products that can grow tourism-related industries.

7. We note that wide use of the latest science and technology, information technology in particular, has become a key feature of modern tourism. We therefore encourage APEC member economies to boost innovation, explore and promote smart tourism and related cooperation, and share business and other opportunities that come along with smart tourism. We urge the TWG to conduct a comprehensive survey and assessment of the current state of smart tourism in all APEC member economies, collect successful experiences and outstanding issues, and on that basis, identify priority areas of cooperation.

8. We recognize that tourism can be a good example for promoting green and sustainable development in the Asia-Pacific region. We therefore encourage all member economies to take the APEC Growth Strategy 2010 for low-carbon development as a reference and, while implementing their respective tourism policies, consider cooperating on low-carbon tourism development in the Asia-Pacific region.

9. We unanimously agree that strengthening tourism cooperation is an effective way to promote connectivity in the Asia-Pacific region. With respect to physical connectivity, growth of tourism can push forward infrastructure development, such as land, maritime and air transport, highways, railways, seaports, airports, water delivery, communications, and Internet access. In terms of institutional and people-to-people

connectivity the growing number of international tourists across the Asia-Pacific region will be a driving force for APEC member economies to steadily increase tourism market access, improve the mechanism for tourism market management, and simplify visa and customs clearance procedures. To this end, we agree to update the ATSP, and include in it interactive development of connectivity and tourism in the Asia-Pacific region. We encourage APEC member economies to share their best practices in which tourism pushes forward connectivity, and to disseminate successful experiences in the Asia-Pacific region.

10. We encourage APEC member economies to continue to implement the *APEC Travel Facilitation Initiative* and the APEC Guidelines on Ensuring Tourist Safety. In this regard, we welcome the outcome of the High Level Dialogue on Travel Facilitation held in 2013 in Bali, Indonesia, that highlights the importance of making travel more accessible, convenient, and more efficient, while maintaining secure travel. We believe these actions are important to deepening Asia-Pacific tourism cooperation.

11. We recognize the significant differences among APEC member economies in economic development, culture and history. We therefore stress that diversity and flexibility should be maintained when conducting Asia-Pacific tourism cooperation so as to strike a balance among member economies' tourism interests.

12. We encourage the APEC TWG to have closer cooperation with the Transportation Working Group, the Business Mobility Group, the Telecommunications and Information Working Group, the Counter Terrorism Working Group, the Group on Services, the Policy Partnership on Science, Technology and Innovation, and other forums related to APEC, and jointly launch cross-cutting initiatives or demonstration projects for the implementation of ATSP.

13. We recognize that involving other multilateral and regional tourism organizations, private travel services and the business community will significantly boost and complement APEC's efforts in building a new future for Asia-Pacific tourism cooperation and development. We therefore encourage the APEC TWG to continue to enhance partnerships, communication and coordination by increasing cooperation with industry, the United Nations World Tourism Organization, the World Travel and Tourism Council, the APEC International Center for Sustainable Tourism, the Pacific Asia Travel Association, the APEC Business Advisory Council, and other relevant institutions and organizations.

14. We look forward to the next Tourism Ministerial Meeting to be held in 2016.

15. We express our sincere thanks to the distinguished guests attending this Ministerial Meeting from the World Tourism Organization, the World Travel and Tourism Council, the APEC International Center for Sustainable Tourism, the Pacific

Asia Travel Association, and other international and regional tourism organizations. We look forward to continued comprehensive cooperation with them.

16. We express our sincere thanks to the APEC Secretariat and the Lead Shepherd for their efforts and contribution to the success of the Tourism Ministerial Meeting. We also express our heart-felt appreciation to China for hosting the APEC TWG Meeting and the Tourism Ministerial Meeting, and to the Macao Special Administrative Region of China for the warm hospitality.

# Abbreviations and Acronyms

ABAC	APEC Business Advisory Council
ACT	Anti-Corruption and Transparency Working Group
ACT-NET	APEC Network of Anti-Corruption Authorities and Law Enforcement Agencies
AELM	APEC Economic Leaders Meeting
AMM	APEC Ministerial Meeting
ANSSR	APEC New Strategy for Structural Reform
APEC	Asia-Pacific Economic Cooperation
APFF	Asia-Pacific Financial Forum
APFnet	Asia-Pacific Network for Sustainable Forest Management and Rehabilitation
APIP	Asia-Pacific Infrastructure Partnership
APIP	Asia-Pacific Infrastructure Partnership
APSN	APEC Port Services Network
ARCAM	APEC Regulatory Cooperation Advancement Mechanism
ASEAN	Association of Southeast Asian Nations
BMG	Business Mobility Group
CBNI	Capacity-building Needs Initiative
CBPR	Cross Border Privacy Rules
CSR	Corporate Social Responsibility
CTI	Committee on Trade and Investment
DDA	Doha Development Agenda
EC	Economic Committee
ECOTECH	Economic and Technical Cooperation
EGILAT	Experts Group on Illegal Logging and Associated Trade
EGs	Environmental Goods
EoDB	Ease of Doing Business
ERTF	Emergency Response Travel Facilitation
EWG	Energy Working Group
FRTI	Financial Regulators Training Initiative
FSCF	Food Safety Cooperation Forum
FTA/RTA	Free Trade Agreement/Regional Trade Agreement
FTAAP	Free Trade Area of the Asia-Pacific
GDP	gross domestic product
GHS	Global Harmonized System of classification and labeling of chemicals
GIT	GNSS Implementation Team
GNSS	Global Navigation Satellite System
GPAS	Green Port Award System
GRP	Good Regulatory Practices
HIV	Human immunodeficiency virus
HLM	APEC High Level Meeting on Health and the Economy

HRDMM	Human Resources Development Ministerial Meeting
HWG	Health Working Group
ICT	Information and communication technology
IEG	Investment Experts' Group
IFAP	Investment Facilitation Action Plan
ITA	Information Technology Agreement
LSIF	Life Sciences Innovation Forum
MC9	9th Ministerial Conference on WTO
MEs	Micro Enterprises
MRT	Ministers Responsible for Trade
MSG	Melanesian Spearhead Group
MYPIDI	Multi-Year Plan On Infrastructure Development and Investment
NTMs	non-tariff measures
OECD	Organisation for Economic Cooperation and Development
OVOP	One Village One Product
PECC	Pacific Economic Cooperation Council
PIF	Pacific Islands Forum , and representative of the
PPEGS	Public Private Partnership on Environmental Goods and Services
PPP	Public Private Partnership
PPSTI	Policy Partnership on Science, Technology and Innovation
PPWE	Policy Partnership on Women and the Economy
PSU	Policy Support Unit
PTIN	Partnership Training Institute Network
REI	Regional Economic Integration
SCCP	Sub-Committee on Customs and Procedures
SCE	SOM Steering Committee on ECOTECH
SCFAP	Supply Chain Framework Action Plan
SFOM	Senior Finance Officials' Meeting
SME	Small and Medium Enterprises
SOM	Senior Officials' Meeting
STAR	Services Trade Access Requirements
STEM	science, technology, engineering, and mathematics
STMM	Special Transport Ministers' Meeting
TCAM	Traditional and Complementary Alternative Medicines
TPTWG	Transportation Working Group
WCO	World Custom Organization
WHO	World Health Organization
WTO	World Trade Organization





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