



Asia-Pacific
Economic Cooperation

Advancing Free Trade
for Asia-Pacific **Prosperity**

Key APEC Documents 2016

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Introduction

Key APEC Documents 2016 is the 23rd 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 2016 together with the APEC Economic Leaders' Declaration from their recent meeting in Lima, Peru.

The APEC website, 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 2016

2016 LEADERS' DECLARATION

We, the Leaders of APEC, met in Lima under the theme of ***Quality Growth and Human Development*** to continue working on our common endeavor to support free and open trade and investment, sustainable economic growth and shared prosperity in the Asia-Pacific region. Within this vision, in 2016 we have focused our efforts on the following thematic priorities: Regional Economic Integration and Quality Growth; Enhancing the Regional Food Market; Towards the Modernization of Micro, Small and Medium-sized Enterprises (MSMEs) in the Asia-Pacific; and Developing Human Capital.

Eight years after Peru hosted APEC for the first time, the world economic recovery is progressing, but facing increasingly far-reaching and interrelated challenges. The confluence of inequality in some economies and uneven economic growth, as well as environmental degradation and the risks posed by climate change, affect prospects for sustainable development, and deepen uncertainty toward the immediate future. In addition, globalization and its associated integration processes are increasingly being called into question, contributing to the emergence of protectionist trends.

While these challenges may pose a risk to our common aspirations and objectives, we recommit our efforts to ensure APEC maintains its global leadership as a forum that can, through cooperation, tackle the most pressing problems, and continue to be an incubator of ideas of the future. In that sense, we remain committed to the implementation of the 2030 Agenda for Sustainable Development as it represents a balanced and comprehensive multilateral framework for international cooperation. We also welcome the recent entry into force of the Paris Agreement and commit to its transparent and effective implementation in order to transition towards a low carbon, climate resilient economy.

Quality Growth and Human Development

We reaffirm our aspirations towards balanced, inclusive, sustainable, innovative, and secure growth in the APEC region, as reflected in the APEC Accord on Innovative Development, Economic Reform and Growth, and the APEC Strategy for Strengthening Quality Growth by 2020, to bring greater focus to the importance of pursuing quality growth as envisaged in the 2010 APEC Growth Strategy.

Stressing the importance of achieving quality growth, we also pledge to focus our efforts on ensuring that our policies and strategies contribute in concrete terms to raising people's quality of life and enhancing social equity in the region. We therefore recognize that our efforts to achieve APEC's objectives and goals must remain focused on improving the lives of our people.

We recognize the vital importance of continuing work towards an inclusive education agenda that will enable people of all ages to meet the challenges of a globalized world. Furthermore, realizing that equitable access to high-quality education and training will allow our people to develop skills and competencies from early childhood and throughout their lifetime, we must focus our efforts on improving the quality, mobility

and access to education including in partnership with employers, and soft skills development.

We encourage our economies to collaborate on improving education in the Asia-Pacific region under the principles established in the APEC Education Strategy. This strategy outlines a path for achieving a strong and cohesive APEC education community characterized by inclusive and quality education that supports sustainable economic growth and social well-being, enhances competencies, accelerates innovation and increases employability.

Given that full and productive employment for all population groups is essential for human development in the region, we also recognize that the economic empowerment of women, youth and persons with disabilities should be a priority under the APEC agenda for enhancing quality growth and human development.

In this regard, we commit to strengthen our efforts to ensure decent work and work life quality for all, especially socially vulnerable groups, by providing access to quality inclusive education and vocational training; boosting entrepreneurship; improving social protection; and enhancing regional cooperation.

We recognize women's vital contribution to economic and social development and we commit to strengthen our efforts to support the mainstreaming of gender equality and women's empowerment across APEC's work, to ensure that women enjoy equal access to quality education and economic resources. We welcome efforts to support women's entrepreneurship, grow women-led SMEs, enhance women's digital literacy, promote women's career development, strengthen women and girls' access to science, technology, engineering and mathematics (STEM) education and careers and address health-related barriers to women's economic participation. We believe that the development of ICT plays a vitally important role in human development and we reaffirm our willingness to achieve next-generation broadband by 2020.

Recognizing health as the foundation of economic prosperity and human development, we highlight the importance of promoting health systems towards the achievement of Universal Health Coverage (UHC), which are resilient, sustainable, accessible and responsive to current and future needs to foster quality growth and human development. We look forward to further work on ways to address the fiscal and economic impacts of ill health.

Challenges and opportunities for free trade and investment in the current global context

We recognize that there has been a slow and uneven recovery from the economic and financial crisis of 2008, resulting in lower global economic growth, volatile financial conditions, lower commodity prices, rising inequalities, employment challenges, and significantly slower expansion of international trade in recent years.

We remain committed to using all policy tools – monetary, fiscal and structural – individually and collectively, to strengthen global demand and address supply constraints. We reaffirm the important role of mutually-reinforcing policies to buttress our efforts to achieve strong, sustainable, balanced and inclusive growth. We reaffirm

our previous commitments on monetary and exchange rate policies. We will refrain from competitive devaluation, resist all forms of protectionism and not target our exchange rates for competitive purposes. We reiterate that excess volatility and disorderly movements in exchange rates can have adverse implications for economic and financial stability.

While the complex global economic environment will continue framing our work, it also represents an opportunity to reiterate our commitment to build a dynamic, harmonious and open economy in the Asia-Pacific region featuring innovative development, interconnected growth and shared interests, that advances employment opportunities for all, by reaffirming free and open trade and investment, accelerating regional economic integration, promoting competitive markets, encouraging economic and technical cooperation, and facilitating a favorable and sustainable business environment.

These overarching principles will continue to guide us in our common path. At the same time, we acknowledge that economies need to reach out to all sectors of our societies to better explain the benefits of trade, investment and open markets, and to ensure that those benefits are widely distributed.

Building on the WTO's successful Bali and Nairobi Ministerial Conferences and recognizing all the elements contained in the Ministerial Declarations, we commit to continue implementing the Bali and Nairobi outcomes and advance negotiations on the remaining Doha Development Agenda issues as a matter of priority. We also note a range of issues of common interest and importance to today's economies in the Asia-Pacific region may be legitimate issues for WTO discussions. Therefore, we instruct our officials to work with a sense of urgency and solidarity with all WTO members to set the direction together towards achieving positive, and meaningful results by the next WTO Ministerial Conference in 2017 and beyond.

We reaffirm our commitment to keep our markets open and to fight against all forms of protectionism by reaffirming our pledge against protectionism through a standstill commitment that we agree to extend until the end of 2020 and to roll back protectionist and trade-distorting measures, which weaken trade and slow down the progress and recovery of the international economy.

We welcome the progress made by economies in notifying their acceptance of the WTO Trade Facilitation Agreement (TFA) and support its entry into force at the earliest possible date. We call upon the remaining APEC economies as well as other WTO members to make their utmost efforts to submit their instruments of acceptance of the TFA by the end of the year.

We recognize that WTO consistent plurilateral trade agreements with broad participation can play an important role in complementing global liberalization initiatives. In this regard, the ongoing or already concluded plurilateral agreements such as the Information Technology Agreement and its expansion, the Trade in Services Agreement, and the Environmental Goods Agreement, shall be open to all WTO members who share the objectives of such plurilateral agreements and negotiations for participation.

Furthermore, we also welcome the implementation of the Information Technology Agreement (ITA) expansion and call on those who have committed to implement by July 1st 2016 to do so as soon as possible.

APEC Economies participating in the WTO Environmental Goods Agreement (EGA) negotiations reaffirm their aim to redouble efforts to bridge remaining gaps and conclude an ambitious future oriented EGA that seeks to eliminate tariffs on a broad range of environmental goods by the end of 2016, after finding effective ways to address the core concerns of participants.

We underscore the importance of investment as a catalyst for economic growth and job creation. We commit to take concrete measures to provide an enabling environment for investment.

We acknowledge that structural reform is critical to improving economic efficiency, increasing productivity and competitiveness, creating jobs and promoting innovative growth in the face of the slowdown in the global economy. In this regard, we emphasize the importance of removing those structural and regulatory obstacles that unnecessarily inhibit cross-border trade, finance and investment, and create behind-the-border barriers to doing business. We encourage concrete actions by economies to deepen efforts in line with the Renewed APEC Agenda for Structural Reform (RAASR). Accordingly, we note the conclusion of RAASR Individual Action Plans by all member economies and welcome those commitments to important domestic structural reforms. At the same time, we recognize that structural reforms can be applied flexibly depending on domestic circumstances and macroeconomic situation. We also welcome the progress made so far on the Ease of Doing Business initiative.

We welcome the Strategy for Modernization of Finance Ministers' Process and the Strategy for Implementation of the Cebu Action Plan, which will lay the foundations to ensure concrete outcomes to facilitate implementation of meaningful reforms in our economies that take into account their level of development and domestic circumstances.

Following the path established in the Beijing Roadmap for APEC's Contribution to the Realization of the Free Trade Area of the Asia Pacific (FTAAP) in 2014, we reiterate our commitment to the eventual realization of the FTAAP as a major instrument to further deepen APEC's regional economic integration agenda. With this vision, we endorse the Collective Strategic Study on Issues Related to the Realization of FTAAP and its Executive Summary. Furthermore, we endorse the Recommendations of the Study as the Lima Declaration on FTAAP (annexed to this Declaration).

We commend APEC officials for their hard work on finalizing the Collective Strategic Study. We instruct officials to implement the Lima Declaration on FTAAP, in particular to develop, and implement work programs towards the realization of the FTAAP. We look forward to regular progress reports on implementation of these work programs and APEC's collective readiness to build capacity to realize the FTAAP. Furthermore, based on the Study and other APEC work as possible references, we instruct officials to consider next steps that can be taken towards the eventual realization of an FTAAP.

We recognize the Bogor Goals of free and open trade and investment in the Asia-Pacific region as one of the most important milestones in the history of APEC, which inspires member economies in their pursuit of sustainable development and equitable growth. We acknowledge that APEC member economies have made substantial progress in many areas related to the Bogor Goals, including via lower applied tariffs, more Regional Trade Agreements/Free Trade Agreements (RTA/FTAs), increased openness to foreign trade and investment, and improved trade and investment facilitation. At the same time, we recognize that more work needs to be done to improve the existing trade and investment conditions, as progress has been uneven across the region.

We welcome, therefore, the Second-term Review of Economies' Progress towards the Bogor Goals and instruct officials to pursue work in those areas where progress has been uneven, including non-tariff measures, the slowdown in trade within APEC, and unemployment.

Four years before the target of the Bogor Goals and with major developments taking place both within and outside APEC, we consider it pertinent to start a process of reflection on an APEC post-2020 vision. Therefore, we commend Peru's initiative to start in 2016 a series of high-level dialogues on APEC Toward 2020 and Beyond and instruct our officials to continue this process on a yearly basis until 2020.

We acknowledge that the services sector is a major contributor to productivity and growth within APEC. Improved competitiveness in services as well as growth in services trade through an open and predictable environment for access to services is one of the key factors for APEC to boost its economic growth. We also recognize that we need to address barriers that inhibit our businesses from competing or trading in services markets. We therefore endorse the APEC Services Competitiveness Roadmap (annexed to this Declaration) and instruct officials to monitor and evaluate progress in implementing the Roadmap, taking concrete actions and pursuing mutually agreed targets that will facilitate services trade and investment and enhance the competitiveness of the services sector, while addressing factors constraining the growth of trade as well as considering the differences in economic and social circumstances across APEC economies.

We recognize that innovation is a key driver of quality growth. In this regard, we encourage efforts to identify new growth engines, and will embrace the opportunities brought forth by sectors such as the Internet and Digital Economy.

We welcome the endorsement of the next steps to advance our work on digital trade and the progress made in Internet Economy cooperation. We instruct officials to continue to advance work in accordance with the agreed work plan endorsed by Ministers. We also welcome APEC economies' initiatives and leadership to explore new areas of potential economic growth in the area of digital trade and related issues, such as those identified by Ministers.

We recall the APEC Leaders 2011 Honolulu Declaration and recognize the importance of implementing the APEC Cross-Border Privacy Rules (CBPR) System, a voluntary

mechanism whose participants seek to increase the number of economies, companies, and accountability agents that participate in the CBPR System.

We will collaborate to unleash the potential of the digital economy and strongly support an accessible, open, interoperable, reliable and secure ICT environment as an essential foundation for economic growth and prosperity. We will continue to promote policy and regulatory environment to ensure ICT security, data and privacy protection by developing interoperable and flexible frameworks. We also affirm that economies should not conduct or support ICT-enabled theft of intellectual property or other confidential business information, with the intent of providing competitive advantages to companies and commercial sectors. We also affirm the importance of promoting competition, entrepreneurship, and innovation through effective and comprehensive measures, including balanced intellectual property (IP) systems and capacity-building.

We recognize that micro, small and medium-sized enterprises (MSMEs) are an essential component for economies to achieve quality growth and prosperity. As sources of innovation and employment, MSMEs are also well placed to promote entrepreneurship, to benefit from structural reform and to advance sustainability in our economies, maximizing the impact of policies, strategies and best practices. Strengthening of MSMEs will imply concrete progress in increasing their innovation capacities and competitiveness, including intellectual property rights commercialization, work towards guaranteeing access to financial means and capacity building, enhancing their participation in the internet and digital economy and through electronic commerce, reducing the technological gap, strengthening ethical business practices to support MSMEs' growth and cross border trade, progressively inducing a shift into a more sustainable, eco-friendly and green production, and supporting their internationalization including through the means of ICT.

We welcome the Supporting Industry Initiative and look forward to its implementation in 2017. We recognize the potential of greening MSMEs for sustainable development in APEC and encourage officials to carry out additional work on this topic next year.

We resolve to advance Global Value Chains (GVCs) development, Supply Chain Connectivity, and Supply Chain Resiliency. We commend the solid progress towards the completion of the APEC Trade in Value-Added (TiVA) Database by 2018. We welcome the Report on APEC Developing Economies' Better Participation in GVCs and encourage further efforts to enable better participation, greater value added and upward mobility of developing economies and MSMEs in GVCs. We recognize the value of using new technologies to achieve greater efficiencies, resilience and cooperation in supply chain connectivity and encourage efforts to explore current and future initiatives toward this end as identified by Ministers.

We also endorse Phase Two of the Supply Chain Framework Action Plan (SCFAP) 2017-2020 and welcome the implementation of the plan next year to continue efforts to enhance trade facilitation and supply chain connectivity in the APEC region.

We recognize that energy access and energy security are critical to the shared prosperity and future of the region. We also underline the importance of stable and transparent world energy markets. We reaffirm our readiness to further energy

cooperation, including areas such as renewable energy sectors and energy efficiency to create necessary conditions for trade, investment and economic growth, ensuring that all the economies of the region have access to energy.

We reaffirm our aspirational goals to reduce aggregate energy intensity by 45 percent by 2035 and double renewable energy in the regional energy mix by 2030. We reaffirm our commitment to rationalize and phase out inefficient fossil fuel subsidies, welcome ongoing peer review and capacity building activities, and encourage further efforts to facilitate subsidy reform.

Towards real and functional connectivity in the region

We recognize that strengthened connectivity will contribute to opening up new sources of economic growth, fostering inclusive and interconnected development, advancing regional economic integration and bringing APEC economies closer as a community. 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, including providing support for enhancing sub-regional connectivity. However, challenges still remain.

We reaffirm, therefore, our commitment to the overarching goal of a seamlessly and comprehensively connected and integrated Asia-Pacific by 2025, express our appreciation for the efforts and accomplishments of APEC members in implementing the APEC Connectivity Blueprint 2015-2025, and encourage the use of policy dialogues noted in the Blueprint to exchange best practices and information on relevant topics.

We reiterate the importance of people-to-people connectivity and remain committed to its improvement through, inter alia, further development of tourism, cultural exchange, mobility of business people, cross-border education and travel facilitation.

We affirm our commitment to promote investment with a focus on infrastructure in terms of both quantity and quality. We reiterate the importance of quality infrastructure for sustainable economic growth. Recognizing the important elements to realize quality infrastructure identified in APEC Connectivity Blueprint 2015-2025 and its subsequent works, we are committed to translate this concept into actions including in ICT, energy and transport.

We welcome progress and look forward to continue exploring infrastructure financing including through mobilizing private sector resources and public-private partnerships (PPP). We encourage further work to pursue the quality improvement of investment opportunities. We are committed to enhancing the synergy and cooperation among various infrastructure connectivity programs in the region, and welcome the Collaboration Action Plan between APEC Member Economies and the Global Infrastructure Hub. We recognize the lack of effective solid waste management infrastructure imposes great socio-economic and environmental costs, and we encourage further work on this topic.

We welcome economies' initiatives to achieve comprehensive regional connectivity, which are being jointly built through consultation to meet the interests of all. We

encourage further implementation of these initiatives with a view to promoting policy coordination, facilities connectivity, unimpeded trade, financial integration, and people-to-people bonds in the region, and encourage further collaboration among these initiatives in order to promote regional economic integration and the common development of the Asia-Pacific region.

Food security, climate change and access to water

We recognize that APEC can contribute to address challenges to food security while preserving natural resources by taking steps to further promote sustainable agriculture, food, forest management, fisheries and aquaculture, enhance food markets, integrate food producers into domestic and global food supply and value chains, reduce food loss and waste, address chokepoints arising from infrastructure gaps, and burdensome and unnecessarily restrictive trade measures, as stated in the Piura Declaration on APEC Food Security, and reinforce capacity building including by facilitating innovation such as utilizing ICT and relevant technologies. We encourage efforts to promote agricultural sustainable development in the APEC Region.

We look forward to seeing this work progress in a manner that complements sustainable economic development and international trade in the APEC region. APEC work to increase economic integration will contribute to increased safe food availability through international trade with science-based regulations and WTO-recognized international food-related standards.

Climate change is one of the major challenges for food production and food security. We commit to enhance our cooperation on implementing policies to address the relationship between food security and climate change in ways that respect varying conditions in each economy and welcome the APEC Program on Food Security and Climate Change. We also commit to intensify our efforts to mitigate impacts of drought, flood and climate-related disasters on food production and food security.

We recognize that water is a key driver of agricultural development and a basic element for socio-economic development across the APEC region. Thus we encourage economies to share best practices in water management to ensure water availability and increase water use efficiency, considering multi-sectoral and multi-level perspectives. We will foster APEC cooperation for the sustainable use and integrated management of water resources.

Acknowledging the importance of socio-economic factors underlying food security in rural-urban communities and vulnerable groups, we aim to work towards a comprehensive approach towards rural-urban development. We recognize the important implications of urbanization and diet diversification in the APEC region and support APEC efforts to explore new integrated approaches building upon the experiences and best practices shared among APEC economies to promoting food security and economic growth that mutually benefit urban and rural areas, including the newly developed Strategic Framework on Rural-Urban Development to Strengthen Food Security and Quality Growth in APEC. We also note the direct relevance of a number of the Sustainable Development Goals (SDGs) for food security and poverty

eradication. In supporting the Sustainable Development Goals we remain committed to increasing our efforts to combat illicit wildlife trafficking.

Looking forward

To achieve sustainable growth in the Asia-Pacific region we must continue working with a renewed sense of urgency and through Asia-Pacific partnership featuring mutual respect and trust, inclusiveness and win-win cooperation in implementing our commitments and achieving our goals.

We call for effective economic, financial and social inclusion of women, elderly, youth and rural communities as well as disadvantaged or vulnerable groups such as Indigenous peoples and persons with disabilities.

We strongly condemn terrorism in all its forms and manifestations. We recognize the serious threat that terrorism poses to our fundamental values that underpin our free and open economies. We encourage economies to continue to take actions and share best practices in the four cross-cutting areas of APEC's Consolidated Counter Terrorism and Secure Trade Strategy.

We welcome the Lima ACT Statement on Fighting Corruption and encourage all economies to implement critical anti-corruption actions, with a specific focus on bribery of domestic and foreign public officials, and with the effective participation of all relevant stakeholders, including through the APEC Anti-Corruption Authorities and Law Enforcement Agencies (ACT-NET).

We endorse the 2016 APEC Joint Ministerial Statement and commend the work of our Ministers and officials as reflected in the results of the Sectoral Ministerial Meetings, High-Level Policy Dialogues, the Finance Ministers' Process, the Committees and Working Groups of the Senior Officials Meeting, and all related mechanisms. We instruct our Ministers and officials to continue their work, including implementation of the recommendations, work programs, initiatives and action plans of the resulting documents from the 2016 Sectoral Ministerial Meetings and High-Level Policy Dialogues, bearing in mind the vision contained in this Declaration, as well as our previous meetings.

We welcome the contributions of the APEC Business Advisory Council (ABAC) to our work as well as from the Pacific Economic Cooperation Council (PECC), international and regional organizations, the private sector, local government executives, and academia and other relevant stakeholders.

Recognizing that continuity of our agenda is key to APEC's relevance, we thank Peru for its leadership this year as it has built on the vision and work of the previous APEC hosts.

We look forward to meeting again in Viet Nam in 2017.

Annex A: Lima Declaration on FTAAP

Recommendations

1. Goals and Principles

- We reaffirm our commitment to advance the process in a comprehensive and systematic manner towards the eventual realization of the FTAAP as a major instrument to further APEC's regional economic integration agenda;
- We reaffirm that APEC's core objective will be to attain the Bogor Goals by 2020, and that efforts in support of the realization of the FTAAP will serve as a driving force to further advance regional economic integration;
- We reaffirm that the FTAAP will be realized outside of APEC, parallel with the APEC process;
- We reaffirm that the eventual FTAAP should do more than achieve liberalization in its narrow sense; it should be high quality and comprehensive, and incorporate and address 'next generation' trade and investment issues;
- We recognize that APEC has a critical role to play in shaping and nurturing regional economic integration, upholding the principles of openness, inclusiveness and cooperation under a win-win spirit, promoting profound economic restructuring, deepening and strengthening regional economic integration, and give greater impetus to the sustainable development of the Asia-Pacific. In this sense, APEC encourages unilateral economic reforms and the conclusion of comprehensive and high quality RTAs/FTAs.

2. Completing and Enhancing the Possible Pathways

- We recognize that regional and bilateral trade agreements (RTAs/FTAs) have enhanced regional economic integration, while at the same time APEC members' different stages of development, and RTAs/FTAs with various levels of liberalization and coverage may pose challenges to achieving full regional integration. Thus, we reaffirm our commitment that the FTAAP should be built upon ongoing regional undertakings, and through possible pathways including the Trans-Pacific Partnership (TPP) and Regional Comprehensive Economic Partnership (RCEP). We welcome other regional integration undertakings to make meaningful contributions to the eventual realization of the FTAAP;
- We encourage that all regional undertakings, including TPP and RCEP, remain open, transparent and inclusive and draw on each other so as to jointly contribute to the trade and investment liberalization and facilitation in the region and the eventual realization of the FTAAP;

- We also reaffirm our vision contained in the Pathways to FTAAP. In this connection, we note recent developments on RTAs/FTAs in the region and the progress of the possible pathways to the FTAAP, including efforts by TPP signatories to complete their domestic processes and efforts by RCEP parties to accelerate towards the completion of the negotiations to achieve a modern, comprehensive, high-quality and mutually beneficial agreement.
- We encourage the progress of the FTAAP pathways and progress of implementation of the initiatives identified in this document to be reported to the CTI as appropriate including under the Information Sharing Mechanism. Further, this report may be included in the CTI/SOM Report to Ministers and/or AELM.
- To maintain momentum and focus work towards an eventual FTAAP, APEC economies will examine, by no later than 2020, the contribution of current Pathways to the realization of the FTAAP. The examination will identify specific areas of work that could be done to further promote the regional free and open trade and investment and that would support advancement toward an eventual FTAAP. In addition, this examination, and the work programs noted below, will help APEC determine what areas remain the most challenging in meeting regional economic integration goals and an eventual FTAAP. Following the examination, all APEC economies may engage in a collective discussion on what role APEC can play toward addressing these challenges in a manner that is inclusive, balanced, and beneficial to all economies and consider next steps APEC can take towards the eventual realization of an FTAAP.

3. Continuing APEC's Role as an Incubator and Strengthening Existing APEC Initiatives that support FTAAP Objectives

- We commit that APEC should continue to be an important contributor to advancing towards the eventual realization of an FTAAP. APEC plays a key role as an incubator of issues related to the FTAAP by providing leadership, intellectual inputs and capacity building including but not limited to the APEC Information Sharing Mechanism on RTAs/FTAs; the Action Plan Framework of the 2nd Capacity Building Needs Initiative (CBNI); and advancing sectoral initiatives, and promoting Policy Coordination/Coherence, and conducting Industry/Sector Dialogue, etc., so as to facilitate the eventual realization of the FTAAP.
- We agree that APEC should continue to identify and address next generation trade and investment issues and advance new initiatives in areas identified by APEC economies as critical for achieving an eventual FTAAP. Therefore, we encourage officials, through the Committee on Trade and Investment and its sub-fora to advance potential areas of work arising from this Study by consensus, including in areas already under consideration as either identified or potential next generation trade and investment issues;

- We agree that APEC should advance Structural Reform with a view toward improving the business environment. In line with the Ease of Doing Business Action Plan, APEC should continue to identify ways to improve the regulatory climate for starting a business, obtaining permits, accessing credit, trading across borders, and enforcing contracts, among others;
- We agree that APEC should increase efforts to improve trade facilitation. APEC has been a leader in developing capacity building programs designed to help economies implement obligations under the WTO Trade Facilitation Agreement (TFA). APEC should continue to advance capacity building projects in this area.

4. New Initiatives to Advance Regional Economic Integration

- The Collective Strategic Study identified a number of remaining challenges, gaps and areas of divergence among APEC economies, including in RTAs/FTAs. The discussion started in the Study should continue, including on potential elements to be addressed in the FTAAP and additional work in support of the eventual realization of the FTAAP. APEC's work should focus on bridging these gaps in order to ensure APEC economies are continuing along a pathway towards productive regional economic integration.
- APEC will focus work to address areas of divergence and convergence in RTA/FTA practice, including on the possible pathways for the FTAAP, and in the areas identified in the Collective Strategic Study, while also implementing capacity building programs to increase understanding of these agreements and members' capacity to participate in high quality, comprehensive and ambitious free trade agreements.
- As the next step in advancing the Beijing Roadmap, we instruct officials to undertake a stock take as to how next generation trade and investment issues are dealt with in existing FTAs/RTAs in the APEC region and other regions and in the WTO;
- We further instruct officials to use the stock take to develop dedicated initiatives, including through capacity building, to close the gaps between different treatment of these issues by economies as revealed by the stock take. Initiatives should be developed within the relevant APEC fora and included in each forum's work plan on an annual basis from 2018 onwards;
- We instruct Officials to continue to work on measures affecting trade and investment as identified in the Study that support the achievement of the Bogor Goals, and to advance the vision for the eventual realization of the FTAAP. To achieve these goals, APEC could embark on work programs to build consensus and capacity for economies in the following areas including, but not limited to:

- On tariffs, the work program should focus on lowering remaining tariffs and examining market access commitments under the identified pathways to find areas of convergence and divergence.
- On NTMs, the work program could prioritize collaboration with ABAC, based on their recommendations to Leaders in 2015, to identify and address NTMs affecting trade and aid economies' understanding of NTMs and their potential impacts.
- On services, the work program should support the implementation of the APEC Services Competitiveness Roadmap as a way to spur economic growth and improve services competitiveness in individual APEC economies and the APEC region.
- On investment, the focus should be to help economies clearly identify the areas of convergence in investment practice and exchange experiences on the negotiation and implementation of IIAs.
- On Rules of Origin (ROO), the work program should address best practices in customs origin procedures to facilitate economies' progress towards existing APEC goals on the simplification of ROO.
- To support a balanced and inclusive discussion on these issues, we instruct officials to focus on addressing the recommendations in this document through the Committee on Trade and Investment and its sub-fora, and encourage participation of the private sector and other stakeholders in these discussions including through Trade Policy Dialogues.

5. Strengthening Consultation with Stakeholders

- APEC should increase engagement with stakeholders in the region, including ABAC and PECC, in its efforts to support the realization of the FTAAP.

6. Reporting on Progress

- We instruct officials to undertake work on the recommendations through the Committee on Trade and Investment and to report back to Leaders on progress towards the realization of the FTAAP, particularly with regard to the new initiatives identified in this document. The reporting should be done separately but in parallel with the Bogor Goals reporting milestones which occur in 2018 and 2020.

Annex B: APEC Services Competitiveness Roadmap (2016-2025)

In 2015, we, the Leaders of APEC, called for the development of a strategic and long-term Services Competitiveness Roadmap with actions and mutually agreed targets to be achieved by 2025. We now endorse this APEC Services Competitiveness Roadmap (2016 – 2025), and instruct Senior Officials to undertake the commitments outlined here and in greater detail in the accompanying Implementation Plan.

We recognise the important role that services will play in the growth of our region over the coming decade. New technologies are increasing our ability to trade in services while creating platforms that allow many service providers, such as women and small businesses, to participate in this trade. Services are also a growing and dynamic component of global value chains. Together these developments have the potential to significantly increase productivity levels within our economies.

We also recognise that we need to address barriers that inhibit our businesses from competing or trading in services markets and undertake concrete actions that will facilitate services trade and investment and enhance the competitiveness of the services sector. We will seek to ensure that regulations promote fair competition and the adoption of new technologies.

Targets

To increase APEC competitiveness in the services sector by 2025 we set the following targets:

- Ensuring an open and predictable environment for access to services markets by progressively reducing restrictions to services trade and investment;
- Increasing the share (%) of services exports from APEC economies in the total world services exports so that it exceeds the current share in world services exports by 2025¹;
- Increasing trade in services in the APEC region so that, by 2025, the compound average annual growth rate exceeds the historic average of 6.8 per cent² and the share (%) of value-added of the services sector in the total GDP of the APEC region exceeds the global average level by 2025.

Meeting these targets will require APEC to develop some of the most dynamic and efficient services markets in the world. APEC-wide action, including enhanced levels of cohesion within APEC and collaboration between APEC members, is crucial. We also commit to improving services-related statistics to help measure progress and inform decision-making, including establishing an APEC index on the services regulatory environment by 2020.

We recognise the differences in economic and social circumstances across APEC economies and are determined to cooperate in advancing economy-specific actions, through policy dialogue and capacity building for developing economies.

¹ In 2014, APEC's share of total world services exports was 38.38 per cent.

² WTO Statistics Database

Enabling Factors

Developing and sustaining competitive services sectors requires a range of enabling factors. We commit to putting in place the best possible enabling environment for services competitiveness both at an APEC-wide and individual economy basis, including by undertaking capacity building activities, as needed. These steps will include:

- promoting good regulatory practices, international regulatory cooperation and sound competition policy frameworks and institutions;
- ensuring openness of services markets by extending APEC's overall standstill commitment and rolling back protectionist and trade distorting measures on trade in services;
- ensuring an adequate supply of skills in a rapidly changing economy, helping workers adjust to change and providing for increased participation in the workforce by such groups as women, youth, Micro Small and Medium Enterprises (MSMEs) and indigenous businesses;
- fostering dynamic, competitive and effective telecommunications, innovation and information and communication technologies (ICT) policies;
- facilitating effective financial markets, including through the use of new technologies to promote greater inclusion in financial markets; and
- improving people-to-people, physical and institutional connectivity.

APEC-wide Action

Pursuing these enabling factors through APEC-wide action can help achieve the targets and spur the trade and investment necessary to improve the competitiveness of the services sector across APEC economies. APEC, as the premier regional economic cooperation forum, is well-placed to drive this action, in many cases building on existing or planned work in services.

We endorse the following APEC-wide actions:

- Enhancing **global value chains**, including increased participation of MSMEs and women, under the agreed Strategic Blueprint for Promoting Global Value Chains Development and Cooperation.
- Supporting **cross-border mobility for professionals**, building on initiatives such as the APEC Architects and Engineers Registers to facilitate mutual recognition arrangements.
- Enhancing **flexibility for business visitors**, building on initiatives such as the APEC Business Travel Card.
- Implementation of the Renewed APEC Agenda on **Structural Reform**, including progressing the 2016 APEC Economic Policy Report on Structural Reform and Services.
- Supporting liberalization, facilitation and cooperation of **environmental services**, under the agreed Environmental Services Action Plan.
- Progressive liberalization and facilitation of **manufacturing-related services**, under the agreed Manufacturing Related Services Action Plan.

- Supporting **cooperation in the education sector** including promoting internship schemes, overseas student exchange programs, and collaborative policy studies, as well as, in accordance with domestic education systems, information sharing pertinent to economies' education standards, qualifications and credit systems and measures to explore mutual recognition (learning from measures such as the ASEAN Qualifications Reference Framework).
- Collaboration in responding to the rapid developments in **internet-based technology** to promote a regulatory approach that provides appropriate prudential oversight, legitimate consumer and security protections while enabling the flow of trade-related data in the context of an increasingly digitalized world.
- Supporting **cross-border provision of certain financial services**, including through financial inclusion initiatives and engagement by interested economies in the Asia Region Funds Passport initiative.
- Supporting APEC's work on developing **air, maritime and land transportation**, as well as **ICT infrastructure**, in line with the APEC Connectivity Blueprint 2015-2025.
- Supporting APEC's work on developing the **travel and tourism** sector for sustainable and inclusive growth, building on the work of the APEC Tourism Strategic Plan.
- Developing a set of good practice principles on **domestic regulations** in the services sector.
- Development of **services-related statistics** to measure and support implementation of the Roadmap and improve tracking of services trade and investment more broadly.
- In addition we note potential further APEC-wide actions that will be subject to further work:
- Progressive facilitation of services to improve the regional **food system** to ensure access to safe, high quality food supplies across the Asia-Pacific.³

Individual Economy Action

Meeting the targets and enabling factors set out in this Roadmap will require significant unilateral action on the part of individual economies to implement structural reform in individual services sectors, as well as across the economy as a whole. Given the importance of unilateral reform, we encourage economies to implement unilateral reforms aimed at further improving the services sector, as part of their structural reform action plans under the Renewed APEC Agenda for Structural Reform (RAASR). This commitment will take into account the circumstances of individual economies such as level of development, readiness and appropriate timing. Such measures should seek to have a high positive impact, both within individual economies and across APEC as a whole.

To support the process of unilateral reform, we agree that APEC will facilitate a process of peer learning and capacity building. The process will provide APEC economies with the tools and information necessary to undertake unilateral reforms on a voluntary basis.

³ subject to further consideration by the CTI and the APEC Policy Partnership on Food Security

Implementation

We agree that this Roadmap and associated Implementation Plan should be seen as living documents. Additional APEC-wide actions can be agreed at any time in order to achieve its objectives.

APEC will manage a program of capacity building for interested developing economies that request support with implementation of the Roadmap at both the APEC-wide and individual economy level. Funding for capacity building can be sought from relevant existing APEC funds (including the RAASR Sub-fund). Additional funding from economies for capacity building will be welcomed.

APEC will also facilitate a process of peer learning. Economies interested in implementing reforms will be encouraged to seek peer support from other economies with relevant experience and their best practices.

APEC will facilitate improved measurement of trade and investment in services both to support implementation of the Roadmap and to improve the collective understanding of key issues. A particular priority will be the development of an APEC index to measure the services regulatory environment in APEC economies, taking into account the indices already developed by other fora such as the OECD and World Bank.

Senior Officials will have overall responsibility for monitoring and evaluating progress under the Roadmap. Senior Officials will report periodically to Ministers on progress, and seek further guidance, as appropriate, from Ministers to move forward on additional actions during implementation of the Roadmap. We commend the key role that business organizations have played in the development of the Roadmap, particularly the APEC Business Advisory Council, Pacific Economic Cooperation Council and the Asia-Pacific Services Coalition. We encourage further collaboration with organizations engaged in implementation and monitoring progress of the Roadmap.

We agree to a mid-term review in 2021 with a view to assessing what individual and APEC-wide actions will be required to complete the objectives by 2025.

APEC PERU 2016

AMM JOINT STATEMENT

We, the APEC Ministers, met in Lima, Peru, on November 17 and 18, 2016 under the Chairmanship of Ambassador Ricardo Luna, Foreign Minister of Peru and Mr Eduardo Ferreyros, Minister of Foreign Trade and Tourism of Peru.

We welcome the participation of the Director General of the World Trade Organization (WTO), the 2016 Chair of the APEC Business Advisory Council (ABAC), the Association of Southeast Asian Nations (ASEAN), the Pacific Economic Cooperation Council (PECC), the Pacific Islands Forum (PIF), as well as the APEC Secretariat and the APEC Policy Support Unit (PSU).

APEC 2016 PRIORITIES

In 2015 in Manila, APEC Leaders were determined to take action to build inclusive economies and a better world, to fully realize the vision of a stable, integrated, and prosperous community in the Asia-Pacific. We are committed to taking concrete steps and joint actions to foster peace, stability, prosperity, economic growth and development in the region, for a sustainable Asia-Pacific partnership.

In 2016, our focus is on driving quality and inclusive growth to promote human development. We have been pursuing this goal through four priorities: Strengthening Regional Economic Integration (REI) and Quality Growth, Enhancing the Regional Food Market, Towards the Modernization of Micro, Small and Medium Enterprises (MSMEs) and Human Capital Development.

We discussed the following outcomes under these priorities:

1. Strengthening Regional Economic Integration and Quality Growth

By tackling the complex challenges that the global economy is facing, we remain committed to use all available policy tools – monetary, fiscal and structural – individually and collectively, to strengthen global demand and address supply constraints.

Faced with rising skepticism over trade and stagnated trade growth, we reiterate our commitment to build an open economy in the Asia-Pacific featuring innovative development, interconnected growth and shared interests. We reaffirm that open trade policies are essential for sustained recovery and boosting growth for coming years. We also believe that the benefits of trade and open markets need to be communicated to the wider public more effectively, emphasizing how trade promotes innovation, employment and higher living standards, and creates opportunities for our citizens that can support inclusive growth.

Against this backdrop, we commend progress made in 2016 in the APEC region in pursuing trade and investment liberalization, business facilitation and economic and technical cooperation to boost human development, inclusive growth and prosperity in the region. Highlights of this progress are as follows:

Support for the Multilateral Trading System

We reaffirm our commitment to strengthen the multilateral trading system and recognize the important role of international trade to job creation, and sustained economic recovery, development and prosperity. We underline our confidence in the value and centrality of the rules-based, transparent, non-discriminatory, open, and inclusive multilateral trading system embodied in the WTO.

Building on the WTO's successful Bali and Nairobi Ministerial Conferences and recognizing all the elements contained in the Ministerial Declarations, we commit to continue implementing the Bali and Nairobi outcomes and advance negotiations on the remaining Doha Development Agenda issues as a matter of priority. We also note a range of issues of common interest and importance to today's economies in the Asia-Pacific region may be legitimate issues for WTO discussions. Therefore, we instruct our officials to work with a sense of urgency and solidarity with all WTO Members to set the direction together towards achieving positive and meaningful results by the next WTO Ministerial Conference in 2017 and beyond.

We endorse the initiative on Progressing the WTO Ministers' Decision to Eliminate Export Subsidies.

We reaffirm the pledge made by our Leaders against protectionism through a standstill commitment that we recommend be extended until the end of 2020 and to roll back protectionist and trade-distorting measures, which weaken trade and slow down the progress and recovery of the international economy. In this context, we continue to support the ongoing work of the WTO and other international organizations in monitoring protectionism.

We welcome the progress made by economies in notifying their acceptance of the WTO Trade Facilitation Agreement (TFA). We call upon the remaining APEC Economies as well as other WTO Members to make their utmost efforts to submit their instruments of acceptance of the TFA by the end of the year.

We recognize that WTO consistent plurilateral trade agreements with broad participation can play an important role in complementing global liberalization initiatives. In this regard, the ongoing or already concluded plurilateral agreements such as the Information Technology Agreement and its expansion, the Trade in Services Agreement, and the Environmental Goods Agreement, shall be open to all WTO members who share the objectives of such plurilateral agreements and negotiations for participation.

APEC economies participating in the WTO Environmental Goods Agreement (EGA) negotiations reaffirm their aim to redouble efforts to bridge remaining gaps and conclude an ambitious, future-oriented EGA that seeks to eliminate tariffs on a broad range of environmental goods by the end of 2016, after finding effective ways to address the core concerns of participants.

Furthermore, we also welcome the implementation of the Information Technology Agreement (ITA) expansion and call on those who have committed to implement by July 1st 2016 to do so as soon as possible.

Bogor Goals

We reaffirm our commitment to achieve the Bogor Goals of free and open trade and investment in order to strengthen and deepen regional economic integration through both collective and individual efforts. We commend the completion of the 2016 Second-Term Review of APEC's Progress Towards the Bogor Goals and agree to submit this report to our Leaders.

We welcome the positive findings of the report, which show that in our region, relative to 1994, MFN applied tariff rates are much lower, there are more RTA/FTAs in force, more sectors are accessible to foreign investment and services trade, and indicators on socioeconomic progress, trade and investment facilitation have also improved.

We encourage further work to address barriers identified in the report that prevent APEC from attaining free and open trade and investment.

We reaffirm our collective and individual commitment to further promote trade and investment liberalization and facilitation and to reduce or eliminate restrictions and enhance cooperation to address "behind-the-border" barriers through undertakings in line with APEC's work on structural reform.

We welcome the First SOM Dialogue on APEC Toward 2020 and Beyond, and call on economies to continue further discussions with a view to developing a post 2020 vision for APEC.

Free Trade Area of the Asia-Pacific (FTAAP)

We reaffirm our commitment to advance the process in a comprehensive and systematic manner towards the eventual realization of the FTAAP as a major instrument to further APEC's regional economic integration agenda towards and beyond the Bogor Goals.

We recall that APEC Leaders mandated a Collective Strategic Study on Issues Related to the Realization of the FTAAP, along with any Recommendations, in the Beijing Roadmap in 2014 and instructed officials to finalize the Study and report to Leaders by the end of 2016.

We acknowledge the high-quality work that has gone into the Collective Strategic Study and its Executive Summary along with Recommendations concluded by the Task Force, which is one of the most important deliverables of APEC 2016. We submit to Leaders and seek endorsement of the Study, its Executive Summary and its Recommendations. Based on these Recommendations, we instruct APEC Officials to further develop and implement the work programs in areas identified in the Study's Recommendations but not limited to them, in order to enhance economies' capabilities towards the realization of the FTAAP. APEC Officials are further instructed to report on their progress at the Ministers Responsible for Trade Meeting in May 2017. We value the contributions from the APEC Business Advisory Council, PECC and PSU to the FTAAP Study.

We welcome APEC's progress in implementing the Regional Economic Integration (REI) Capacity Building Needs Initiative (CBNI), which has contributed to the

expansion of our understanding on relevant fields of FTA negotiations, and will continue to serve as a solid stepping stone for the realization of the FTAAP. We welcome the capacity building workshops that took place this year and encourage economies to propose further capacity building actions under CBNI.

We welcome the results of the Information Sharing Mechanism, including the SOM Dialogue on RTAs and FTAs, the Trade Policy Dialogue on RTAs/FTAs and the annual PSU report on RTA/FTAs in the APEC region. We instruct economies to continue working towards enhancing the transparency of RTAs/FTAs in the region and instruct officials to discuss further the best practices which would improve the utilization of RTAs/FTAs in the region, especially by SMEs. We look forward to the Dialogue and Seminar regarding FTAAP next year.

Quality Growth

We note the importance of undertaking policies that result in the achievement of balanced, inclusive, sustainable, innovative, and secure growth. Hence, we reaffirm the APEC Strategy for Strengthening Quality Growth, which prioritizes institution building, social cohesion, and environmental impact, to better focus our efforts in pursuing quality growth, building upon the 2010 APEC Growth Strategy, and bearing in mind the commitments in the 2014 APEC Accord on Innovative Development, Economic Reform and Growth.

We welcome the Implementation and Monitoring of the APEC Strategy for Strengthening Quality Growth at two levels: through the domestic processes of each economy and through the APEC framework.

Structural Reform

We acknowledge the essential role of structural reform in boosting productivity and potential output as well as narrowing the development gap and promoting innovative growth in the region. We endorse the 2016 APEC Economic Policy Report (AEPR) on Structural Reform and Services. It recommends that unilateral services structural reforms should focus on productivity and efficiency to generate inclusive economic growth, with policy frameworks that promote market-based competition to deliver productivity gains and ensure efficient supply. We instruct officials to strengthen the collaboration between Committee on Trade and Investment (CTI) and Economic Committee (EC) on services and structural reform. We look forward to the 2017 AEPR, focusing on structural reform and human capital development.

We reaffirm the role of structural reform in fostering medium-term economic growth and reversing the recent slowing down in our economies, and we welcome the ongoing implementation of the Renewed APEC Agenda for Structural Reform (RAASR), which strives to stimulate balanced and sustainable growth and reduce inequality.

We welcome economies' RAASR Individual Action Plans (IAP) for 2016-2020, which outline each economy's priorities for action on relevant domestic structural reforms by 2020.

We strongly recommend economies' officials to work on their respective IAPs to achieve positive results by 2020, as mandated by RAASR.

We welcome the progress achieved to date on the Ease of Doing Business (EoDB) initiative, as well as the decision to proceed with the Second Phase of the EoDB Initiative in order to reach the 10 percent improvement goal by 2018.

Services

We acknowledge that services are a major contributor to productivity and growth within APEC. Improved competitiveness in services sectors as well as growth in services trade through an open and predictable environment for access to services is one of the key factors for APEC to boost its economic growth.

We encourage member economies to take collective and unilateral actions including capacity building activities to promote an enabling environment for dynamic and efficient services markets. We will seek to ensure that regulations promote fair competition and the adoption of new technologies.

Therefore, we welcome the finalization of the APEC Services Competitiveness Roadmap as a concrete set of actions aimed at achieving these goals and agree to submit the Roadmap to Leaders for endorsement. We further instruct our officials to undertake the necessary work to advance the objectives set out under the Roadmap, through APEC-wide and individual actions contained therein, including the development of an APEC index to measure the services regulatory environment in APEC economies, as envisaged in the Roadmap.

As instructed by Leaders in the APEC Services Cooperation Framework to broaden multi-stakeholder engagement and share information and best practices on services-related policies and programs in APEC, we welcome the launch of the APEC Virtual Knowledge Center on Services.

Strengthening Comprehensive Connectivity

We reaffirm the importance of initiatives under the APEC Connectivity Blueprint for 2015-2025, towards a seamless and comprehensively connected and integrated Asia-Pacific region by 2025 through regional, sub-regional and domestic connectivity, including remote area connectivity. We encourage member economies to take further actions and develop additional targets to ensure the continued implementation of the APEC Connectivity Blueprint 2015-2025, under the pillars of physical, institutional and people-to-people connectivity. We commend the efforts to further monitor, review and evaluate the implementation of the Blueprint.

Against the background of rapidly growing demand on infrastructure in the Asia-Pacific region, we commit to promote investment with a focus on infrastructure in terms of both quantity and quality. We welcome the progress being made to ensure quality infrastructure, including the progress of the APEC Peer Review and Capacity Building on Infrastructure Development and Investment. To further advance our work, we commit to develop, maintain and renew quality infrastructure, including on ICT, energy and transport based on the important elements as demonstrated in related APEC works such as the APEC Connectivity Blueprint 2015-2025 and other individual projects, including Peer Review and Capacity Building.

We acknowledge that innovative financing of infrastructure is critical to ensuring full economic growth and economic integration potential of the Asia-Pacific region,

including exploring financing through public-private partnerships (PPP) and other innovative means, as well as sharing knowledge and experiences. We encourage work within the Asia-Pacific Infrastructure Partnership.

We recognize a key role of ICT infrastructure in enhanced connectivity at all levels and encourage economies to develop and cooperate on more initiatives on ICT infrastructure development and innovation.

We reaffirm the significance of further facilitating business travel as a way to enhance economic activities and promote people-to-people connectivity. In this regard, we are committed to further enhancing the APEC Business Travel Card scheme, in order to provide more efficient and secure travel throughout the region.

Investment

We acknowledge the significance of the Investment Facilitation Action Plan (IFAP) and encourage economies to report progress on the implementation of the agreed set of priority actions for 2015-2016. Moreover, we call on APEC officials to continue their efforts in implementing IFAP actions so as to contribute to a favorable investment climate in the APEC region. We welcome policy dialogues to exchange best practices on IFAP's implementation in the APEC region. We also support efforts to promote investments in infrastructure in order to improve the connectivity in the APEC Region. In the context of the APEC Strategy for Strengthening Quality Growth, it is also important to promote sustainable investment in APEC economies.

Trade Facilitation

We welcome the final assessment of the Supply Chain Connectivity Framework Action Plan (SCFAP). The SCFAP and its two predecessors, the APEC Trade Facilitation Action Plans (TFAP I and TFAP II), were ambitious initiatives which attest to APEC's leadership in implementing trade facilitation measures. Although APEC has made considerable progress through the initiative, further gains can still be made. Therefore, we submit to Leaders for their endorsement the Suggested Framework for Phase Two of SCFAP 2017-2020 and welcome the start of implementation next year to continue to enhance supply chain connectivity and efficiency in the APEC region.

We look forward to the conclusion of pilot projects and the related PSU Study on interoperable Global Data Standards (GDS) that will assess the costs and benefits of using GDS to enhance supply chain performance. We encourage officials to explore next steps for the wider use of interoperable GDS in the APEC region, based on the outcomes of the PSU Study.

We instruct officials to continue the work of the APEC Alliance on Supply Chain Connectivity (A2C2) and make use of its contributions in APEC's capacity building efforts, based on regular inputs from the public and private sectors. We commend the results and ongoing implementation of the other five capacity building projects and encourage officials to continue to identify key capacity building programs that align with phase two.

We reaffirm the importance of carrying forward work related to the Asia-Pacific Model E-Port Network (APMEN), to advance supply chain connectivity through E-port

development and collaborative efforts. In this respect, we welcome the outcomes of the activities carried out so far and encourage economies to continue participating.

We look forward to the final Report on Best Practices on Critical Issues in the Asia-Pacific Region in order to pursue the Implementation of the WTO Trade Facilitation Agreement (TFA). Through APEC's leadership in this field, we support the complete and effective implementation of the TFA as soon as possible.

We commend progress on the Initiative on Single Window Systems' (SWS) International Interoperability to foster the flow of goods, enhance supply chain security, reduce costs and provide quality and timely information on trade across borders. We look forward to the PSU study on key issues for implementing this initiative. We encourage economies to begin deliberations next year on establishing pilot projects on a voluntary basis based on the outcomes of the study.

We commend the APEC work done in the field of Customs Procedures noting its importance, as we continue to pursue effective and secure trade and facilitation in the region, based on the international standards developed by the World Customs Organization. We value the achievements made in implementing APEC Customs Mutual Recognition of Control, Mutual Assistance of Enforcement and Mutual Sharing of Information Strategic Framework. We welcome the increased collaboration with other fora, particularly on trade facilitation, combating illegal logging, travel facilitation and counter-terrorism issues. We encourage further work in experience exchange on the implementation of WTO TFA and promotion of customs control over cross-border E-commerce for better connectivity, further integration of regional economy and modernization of MSMEs.

We encourage further efforts to strengthen our work in trade facilitation through building on existing workstreams, including on simplification of documents and procedures and transparency through the APEC Trade Repository, and encourage close coordination within APEC and its stakeholders to achieve our goals.

We reaffirm the importance of information sharing along the supply chain. Especially, in light of greater consumer protection from hazardous chemicals coming down through the regional supply chains, we welcome discussions undertaken at the Chemical Dialogue on chemSHERPA and other programs that would promote sharing information on chemicals in products.

Global Value Chains

We recognize that integration into global value chains can lead to a wide range of benefits, such as contributing to the diversification of exports, creating new jobs or acquiring new technological capabilities in accordance with international best practices.

We support progress in implementing the work streams of the APEC Strategic Blueprint for Promoting Global Value Chains Development and Cooperation.

We commend the robust progress towards the completion of the APEC Trade in Value-Added (TiVA) Database by 2018. We welcome the activities made so far in implementing the Strategic Framework on Measurement of APEC TiVA under GVCs,

its Action Plan and the 2016 Progress Report. We welcome the 2017-2018 Work Plan for the APEC Technical Working Group on Measurement of TiVA under GVCs.

We welcome the endorsement of the Report on APEC Developing Economies Better Participation in GVCs, and encourage members to carry out the recommendations contained in the report.

We also take note of the draft report of the Study on the Enhancement of Integration of Regional Value Chains in Asia and Latin America and the Caribbean (LAC), and look forward to its finalization.

We value the final report and outcomes of the initiative on Promoting SMEs' Integration into GVCs in Major Industries, namely IT/electronics, automotive, textile, healthcare and agribusiness. We also support the initiative on SMEs' Integration into Global Value Chains in Services Industries. We welcome the sectors established so far, namely software, tourism, fashion design and logistics, and encourage economies to voluntarily lead a sector and participate in the initiative.

We welcome the endorsement of the scope and reporting method for the initiative on Increasing Transparency on Measures Affecting Exports, which will provide traders and other stakeholders with important market information and facilitate participation in GVCs. We encourage economies to undertake the work needed to implement this initiative and begin reporting the agreed information.

We also encourage cooperation with relevant international organizations and partner institutions to draw on their expertise and knowledge for promoting GVCs' development and cooperation in APEC, aiming to advance in studies and analysis required to design adequate methodologies that could help support public policies and actions in this area.

Environmental Goods and Services/Green growth

We welcome the recent entry into force of the Paris Agreement and commit to its ambitious and effective implementation. Our actions in these areas will protect human health and the environment, provide incentives for investments in green growth, and promote the global transformation required for a low carbon economy.

We congratulate economies that have fulfilled the Leaders' groundbreaking commitment to reduce applied tariffs on the APEC Environmental Goods List to five percent or less, and strongly urge those economies that have yet to fulfill this commitment to do so as soon as possible, and to update economies on the status of their implementation efforts.

We welcome the completion of the PSU Survey on Regulatory Measures in Environmental Services. We look forward to further studies to build and enhance a common understanding of the roles of a wider range of services in environmental industries and businesses, as envisaged under the Environmental Services Action Plan (ESAP).

We commend progress in the work of the APEC Cooperation Network on Green Supply Chain (GSCNET), including the launching of a bilingual website operated by

GSCNET Tianjin Pilot Center. We welcome new member institutions which have joined the GSCNET and encourage members to nominate more institutions and experts to participate and contribute to a well-functioning GSCNET.

Next Generation Trade and Investment Issues

We welcome progress in implementing the Manufacturing Related Services Action Plan (MSAP), including the Implementation and Review Mechanism of the MSAP, and look forward to further exchanging views on economies' actions concerning manufacturing related services.

We welcome the ongoing work of the PSU on examining key issues in promoting digital trade in APEC and look forward to the finalization of its study on this topic. We take note of the next steps to advance our work on digital trade and look forward to continue exchanging views on this topic in 2017 by undertaking capacity building, developing case studies, and identifying practices to expand and promote digital trade in the region, and to ensure all member economies' participation in digital trade, taking into consideration specific economic circumstances.

We note the discussion of the Pathfinder Initiative for a Permanent Customs Duty Moratorium on Electronic Transmission, including Content Transmitted Electronically.

We reaffirm the important role that APEC plays as an incubator of policies to address issues that arise in the region's dynamic business environment and encourage officials to work closely with ABAC to ensure that APEC's next generation trade and investment issue remains relevant to private sector stakeholders.

We welcome the APEC Initiative of Cooperation to Promote Internet Economy, as well as the TELWG Strategic Action Plan 2016-2020 and look forward to the development of the APEC Internet Economy Roadmap by the Ad Hoc Steering Group on the Internet Economy. We will collaborate to unleash the potential of internet and digital economy by promoting the adoption of emerging ICTs, such as the Internet of Things (IoT) and encourage secure cross-border flows of information, while addressing the need to bridge the digital divide.

We recognize the importance of the APEC Cross Border Privacy Rules (CBPR) System, a voluntary mechanism whose participants seek to expand participation, and we support enhanced cooperation in this area, including through promoting capacity building.

Good Regulatory Practices and Cooperation

We reaffirm the importance of creating a sound regulatory environment, advancing good regulatory practices and cooperation, promoting alignment of advertising standards and reducing the cost of doing business across the region.

We welcome the progress on the implementation of the APEC Action Agenda on Advertising Standards and Practices and look forward to follow up activities to prepare a five year implementation strategy.

We welcome the dissemination of best practices in Regulatory Impact Assessment (RIA) among interested economies to increase efficiency of legislation and provide transparency and quality of regulatory decision-making processes.

We welcome the work done by the Economic Committee on regulatory improvement, including carrying out the 9th Conference on Good Regulatory Practices on the theme of building high level support for reform and international regulatory cooperation.

We welcome the APEC Regulatory Cooperation Advancement Mechanism (ARCAM) Dialogue on Facilitating Trade and Investment in Sustainable Materials Management (SMM) Solutions and look forward to the forthcoming report to enhance regulatory cooperation and coherence among APEC economies in this sector.

We note the discussion of government procurement related issues to enhance APEC member economies' understanding of opportunities and challenges in this area. We look forward to continued work on government procurement related issues.

Standards and Conformance

We welcome the work done by the Sub-Committee on Standards and Conformance (SCSC) to strengthen standards and conformance infrastructure, to support and promote innovation, trade facilitation and competitiveness of MSMEs as well as a quality culture in the APEC region through the exchange of experiences in standards and conformance education.

We welcome the continued efforts of the Food Safety Cooperation Forum (FSCF) and its Partnership Training Institute Network (PTIN) that contribute to the enhancement of food safety systems and predictability and transparency in agriculture and food markets, facilitate international trade in the APEC region, and strengthen food safety infrastructure through behavioral science interventions that improve hand hygiene compliance. We congratulate the SCSC Wine Regulatory Forum (WRF) for fulfilling its goal to develop a consolidated voluntary APEC model wine certificate. We look forward to continued work by the WRF to promote the reduction and elimination of technical barriers on wine trade.

We highlight that strengthening effective, science-based and transparent food regulatory systems is crucial to food trade facilitation. Recognizing that approaches and requirements to food safety may differ between economies or areas within them, we remain committed to seek and develop common ground for promoting strong science-based food safety systems that meet the legitimate objectives of protecting human, animal and plant life or health, whilst their application is as least trade restrictive as possible, consistent with WTO rights and obligations under agreements such as the Agreement on Technical Barriers to Trade (TBT) and the Application of Sanitary and Phytosanitary (SPS) Measures. Thus, we praise food safety cross-fora co-operation and capacity building initiatives on this matter implemented in 2016.

Intellectual Property Rights

We endorse the APEC Best Practices in Trade Secrets Protection and Enforcement Against Misappropriation and acknowledge the importance of trade secrets as one of

many essential tools that may help MSMEs to maintain their competitive standing, secure financing, and integrate themselves into global supply chains.

We recognize the importance of further work to promote cooperation, protection and enforcement of intellectual property (IP) rights, in accordance with TRIPS Agreement and enhance MSMEs' capacity on IP management and commercialization for their continuous development, growth and innovation.

2. Enhancing the Regional Food Market

We recognize the importance of international trade among APEC members to increase market access in the food sector, which leads to greater food security by increasing the availability and diversity of the food supply. We call upon all WTO members to engage constructively to negotiate and make all concerted efforts to agree and adopt a permanent solution on the issue of public stockholding for food security purposes by the 11th Ministerial Conference of the WTO. Moreover, we recognize that open, transparent multilateral trade among APEC members has already led to significant food security gains in the APEC region. We are resolved in making positive efforts to address in the appropriate APEC sub-fora the outstanding issues identified in the 2016 Second-Term Review of APEC's Progress towards the Bogor Goals in accordance with WTO rules. We also encourage economies to address relevant measures including non-tariff measures and non-tariff barriers.

We welcome the Piura Declaration on Food Security and its annexes. These documents set clear steps forward to consider integrated economic approaches, enhance food markets and sustainably produce food in the face of challenges to food production, storage and distribution. Thus, we encourage APEC economies to participate actively in these framework initiatives and to develop the respective action plans in 2017.

We welcome the multi-year APEC Program on Food Security and Climate Change. We recognize the profound impact that climate change will have on food security in every APEC economy.

We welcome the establishment of the Strategic Framework on Rural-Urban Development to Strengthen Food Security and Quality Growth in APEC which recognizes the important implications of urbanization in the APEC region for food security, and the need for new, integrated economic approaches that promote food security and economic growth across the entire rural-to-urban spectrum.

We highlight the importance of water as a basic element for sustainable agriculture and maintaining the natural environment, and that serious challenges are evident throughout the APEC region due to increased demand and the impact of climate change. We call on APEC economies to share their experiences on water governance for development and sustainability; as well as on its sustainable use and integrated management. Moreover, we encourage public-private partnerships to foster investment to improve water supply to populations and producers.

We remain committed to the long-term goal of developing a sustainable APEC Food System to enhance food supply efficiency and improve access to food and nutrition

across the Asia-Pacific region and to provide long lasting food security for our populations. We will deepen regional cooperation on food standards and improve efficiency of food trade.

We reaffirm our resolve to implement the APEC Food Security Roadmap Towards 2020 and its commitments. Furthermore, we encourage economies to continue the implementation of the 2030 Agenda for Sustainable Development, noting the direct relevance of a number of the Sustainable Development Goals (SDGs) for food security. We strive to tackle food insecurity and malnutrition of vulnerable groups, and encourage contribution of the private sector in this regard.

We acknowledge the important role of producers, including small scale producers in agriculture production and entrepreneurs in the food system, and support business models that promote capacity building and market access to strengthen their competitiveness in the overall food value chain. We acknowledge that connecting small-scale producers to local, regional and global markets has the potential to expand livelihood, reduce poverty, promote rural development and improve food security in the region.

We value deliberations throughout 2016 on the cross-cutting issues of food security and climate change, and solutions including the use of agricultural innovation, sustainable use of resources, disaster management, agricultural technical cooperation and promotion of rural-urban development. We encourage economies to design focused, consensus-based actions to address these issues and to enhance agricultural productivity and food markets and reinforce the APEC Food System. We also encourage economies to promote investment, quality infrastructure, services and capacity building, including through the sharing of best practices, to support economic integration for the sake of food security and prosperity in the region.

We note the role of the APEC Climate Center (APCC) in fostering strengthened science-based climate information systems for environmental and risk management related to food production. We also recognize the contribution of the 10th Senior Disaster Management officials on the issue of food security

We encourage member economies to strengthen communication and cooperation on food loss and waste reduction strategies, share best practices and call on member economies and stakeholders to make significant efforts to reduce food waste, improve its management and educate consumers to avoid waste. We value the progress of the APEC Food Losses Multi-Year project.

We note the increasing importance of sustainable fisheries and aquaculture to the region's food supply, as well as the significant challenges facing this sector. We encourage APEC economies to implement science-based measures to sustainably manage fish habitats and coastal and marine ecosystems – including adapting such measures to climate change as appropriate – and to cooperate to rebuild stocks, halt overfishing, and prevent, deter and eliminate Illegal, Unreported and Unregulated (IUU) fishing in the region. We call for further coordination and collaboration among APEC experts in fisheries, aquaculture, and agriculture under APEC's food security agenda.

3. Modernizing Micro, Small and Medium Enterprises (MSMEs)

We welcome the 2016 SME Ministerial Statement and acknowledge the fact that the modernization of SMEs implies taking concrete steps to increase their innovation capacities. Together with other initiatives, we will focus on fostering enabling environments and policies, innovation, reinforcing access to financial means, ICT infrastructure and capacity building, enhancing the participation of SMEs in electronic commerce, and Online-to-Offline (O2O) business model in order to help them gain access to new markets, reducing technological gaps faced by SMEs, and progressively promoting a more sustainable, eco-friendly and green production. We also acknowledge that it is important for each APEC economy to promote MSMEs' active participation in global value chains (GVCs) through measures to address challenges faced by MSMEs in conducting overseas business development, e.g improving infrastructure, ensuring transparency in legal systems and business practices.

We welcome progress made by APEC in implementing the Boracay Action Agenda to Globalize MSMEs. We encourage economies to further reduce the costs associated with non-tariff measures (NTMs), as recognized by APEC economies through their inclusion in the Boracay Action Agenda and APEC Individual Action Plans. We further encourage economies to continue the development of initiatives that will benefit MSMEs in the region and contribute to their internationalization. We also acknowledge the importance of greater involvement of SMEs in business-to-business (B2B) and business-to-government (B2G) markets.

We welcome the initiative to develop a Compendium on Methodologies for SMEs Internationalization in order to exchange APEC members' policies, strategies and measures to achieve SMEs' internationalization. We look forward to the progress of this initiative in 2017 towards contributing to the Boracay Action Agenda and the Iloilo Initiative on MSMEs Marketplace.

We recognize the opportunities that the digital economy offers to MSMEs to enhance integration into global supply chains and value chains, fostering more inclusive and sustainable economic growth.

We welcome the progress of the APEC Supporting Industry Initiative from the viewpoint of promoting policies for the improvement of supporting industries' productivity and competitiveness, with particular focus on MSMEs, by sharing policy experiences in APEC, and instruct officials to take steps to report research outcomes to Ministers and to develop a policy guideline in 2017.

We welcome the initiative to develop an APEC Strategy for Green and Sustainable MSMEs. We encourage the public-private partnership approach as a means to create an enabling environment where MSMEs can take part in green activities in a cost-effective manner, and to enhance green awareness and necessary skills of MSMEs to develop accessible green technologies.

We welcome the outcomes of the third APEC Business Ethics for SMEs Forum, notably the launch of the ethical business frameworks bringing together diverse stakeholders in a new model to eliminate unethical business practices across

healthcare systems. We reaffirm the commitment by APEC economies to enhance work with third party intermediaries. We also welcome the new Implementation Team envisioned for the engineering and construction sector that will foster cross-fora collaboration within APEC to strengthen infrastructure development practices.

4. Developing Human Capital

We welcome the Joint Ministerial Statement from the Sixth APEC Education Ministerial Meeting and its associated outcomes, particularly the APEC Education Strategy which will guide us to achieve inclusive and quality education and training by enhancing competencies, accelerating innovation and increasing employability. The APEC Education Strategy will help support an increase in the participation rate of disadvantaged and underrepresented groups and align education to the needs of individuals, societies, labor markets and science-technology development. We therefore encourage member economies to start implementing the APEC Education Strategy, including by setting annual goals in the 2017 HRDWG work plan.

Taking into consideration the vital role of ICTs in the modern world connectivity, and understanding that bridging the digital divide can help facilitate better access to education, we encourage APEC economies to promote capacity building activities for increased digital literacy.

We also welcome the development of the APEC Baseline Report on Current Education Status in the Asia Pacific region, as an important tool for enhancing mutual understanding, and learning of educational development among APEC member economies. We urge APEC officials to update this important information when necessary.

We acknowledge the importance of mainstreaming human development through APEC fora. Thus, we encourage member economies to explore possible cross fora collaboration on human capital development, so as to include MSMEs, women, youth, the elderly and persons with disabilities. With a view to preparing our societies for the future world of work, we would welcome a focus on developing 21st century skills, promoting entrepreneurship and boosting employability in our students and youth, including STEM, data analytics and technical skills focusing on women and disadvantaged groups.

In this regard, we are committed to strengthening our efforts to tackle youth unemployment under the APEC Framework for Youth Education, Employment and Entrepreneurship, which was adopted by the HRDWG.

We welcome the outcomes of the Joint Meetings between HRDWG, PPSTI and the EC in 2016 and encourage them to continue working together to further develop human capital in the region, to contribute to the structural reform agenda, and to deepen participation in labor markets.

We recognize that collaborative work in APEC will help shape and enhance the skills and competencies of people through either education or work experience. Educational processes are an essential tool that enables people to benefit throughout their lives from training, innovation, research and problem solving.

We acknowledge that human capital development should focus on boosting workers' skills to increase the competitiveness of enterprises through innovation in processes and productivity. We recognize that the acquisition of soft skills is just as important as technical capabilities.

We recognize the importance of workplace safety and encourage APEC economies to share relevant best practices across the APEC region.

OTHER SECTORAL OUTCOMES

Tourism

We welcome the strong commitment of the 2016 APEC Tourism Ministerial Meeting (TMM) to foster an environment that allows tourism-related MSMEs to participate in global value chains to encourage inclusive growth.

As the world's largest air passenger market, we acknowledge the importance of travel and tourism as a vehicle for job creation, economic growth, sustainable development, and peace. In that sense, we welcome the APEC Travel Facilitation Initiative's (TFI) progress in facilitating and enhancing people to people connectivity. We recognize travel facilitation and air connectivity as key factors for economic and regional development and catalysts for quality growth of the tourism sector. The movement of travelers across the Asia-Pacific region for both business and tourism is key to promoting economic growth, trade, and regional economic integration.

We welcome the "Developing Traveler-Friendly Airports in the APEC Region" and stress the importance of moving forward with efforts to develop smart traveler programs and visa facilitation agreements. We also encourage APEC economies to develop trusted traveler programs and utilize advanced information systems such as advance passenger information and passenger name record (API/PNR) in order to ensure safe, secure and efficient travel.

Urbanization

We acknowledge that urbanization is rapidly advancing in the Asia-Pacific region and note the need to implement sound, sustainable and people-oriented urbanization processes in order to create new opportunities and to invigorate innovative development. We note with appreciation the APEC High-Level Urbanization Forum held in Ningbo, China, and the Ningbo Initiative. We encourage APEC economies to further and deepen urbanization cooperation and enhance APEC economies' urbanization quality.

We take note of the project on Developing the Methodology for Measuring and Realizing the Sustainability of Cities in the APEC region.

Women and the Economy

On this five year anniversary of the San Francisco Declaration we reaffirm our shared vision for inclusive growth in which women are able to achieve their full economic potential and contribute to the development and prosperity of the Asia-Pacific. We welcome the APEC Women and the Economy 2016 Forum Statement that recognizes the crucial role of women in the development and prosperity of the Asia-Pacific.

We underline the importance of women's contribution to economic growth with a view to achieving a more inclusive and balanced growth for the Asia-Pacific region through fostering an enabling environment for women. Recognizing our responsibility to create a society in which all women and girls are empowered and actively engaged for sustainable, inclusive and equitable economic growth, we call on economies to pursue concrete policies and innovative measures to further enhance women's economic empowerment by providing wider access and more resources for more women to engage in economic activities, and seek their greater inclusion in the regional economy as well as through the provision of equal opportunities for employment, entrepreneurship, training and education, social protection, innovation, access to international markets, leadership and decision-making at all levels.

We recognize the importance of having a systematic approach to women's economic empowerment, including enhancing digital literacy of women, recognition and redistribution of unpaid care work, the elimination of gender-based violence and to advocate for mutual respect and shared responsibilities between men and women.

Recognizing that enhancing women's representation in the economic sphere particularly in leadership, decision making and management will serve as a catalyst to promote economic growth, we welcome the mid-term review study and Public- Private Dialogue (PPD) of the Individual Action Plan (IAP) for the Enhancement of the Ratio of Women's Representation in Leadership project. We also welcome the initiative to conduct and share case studies of Good Practices on Gender Diversity in Corporate Leadership for Growth.

We welcome the outcomes of the 2016 APEC Women in STEM Forum as a key contribution to address capacity building priorities identified under the Women and the Economy Dashboard. We welcome economies' efforts to encourage adolescent girls' participation in STEM fields. We welcome the conclusion of APEC Multi Year Project on Innovation for Women and Economic Development.

We welcome the outcomes of the first APEC contest for women-entrepreneurs APEC Business Efficiency and Success Target Awards (APEC BEST Awards) for promoting women's entrepreneurship through spreading success stories across the APEC economies and boosting business networking, and call for continued implementation of the APEC Healthy Women, Healthy Economies Policy Toolkit.

We encourage more extensive collaboration and mainstreaming of gender equality and women's economic empowerment across APEC working groups and fora, considering its nature as a cross-cutting issue.

Health

We welcome the outcomes and recommendations from the Sixth High-Level Meeting on Health and the Economy and efforts to explore multi-sectoral approaches to ensure the implementation of the Healthy Asia-Pacific 2020 Roadmap in support of the 2030 Sustainable Development Goals (SDGs). We welcome efforts to build more efficient and high-performing health systems, including through public-private partnerships. We encourage cross-fora collaboration to achieve the common goal of proactive investment in healthy workforces and access to healthcare.

We call on APEC economies to continue to work together to enhance the evidence base for policy development, effective health interventions, improved decision-making, and impact measurement. We acknowledge the importance of the secondary use of health and medical data in accordance with relevant ethical and data privacy laws principles. We call on economies to reduce unnecessary barriers to trade and investment in the supply chain of healthcare products. We welcome APEC efforts to campaign for mental health including the development of projects under the APEC Digital Hub for Mental Health. We welcome capacity building efforts to ensure the safety and sustainability of the blood supply chain, and accelerate action on cervical cancer.

We emphasize the importance for APEC economies of ensuring proper resource allocation; underscoring the importance of health in domestic budgets; making high impact investments; aligning regulatory standards and procedures, and maximizing the use of existing health infrastructure for improving health system efficiencies. Furthermore, we call on APEC economies to improve people's health and well-being by putting in place health systems, which achieve and maintain Universal Health Coverage (UHC). We recognize the importance of strong health systems in fostering quality growth, financial inclusion, and human development and look forward to the further work planned for 2017 on ways to address the fiscal and economic impacts of ill health.

The life sciences are critical to supporting quality growth, innovation and access to medical products. We reaffirm APEC's goal of achieving convergence of regulatory approval procedures for medical products by 2020 and urge the Life Sciences Innovation Forum (LSIF) to continue applying its model of government, academia and industry cooperation to build capacity and policy research towards achieving this goal. We welcome the Center of Excellence pilot programs on quality standards, multi-regional clinical trials, biotherapeutics, and global data standards conducted by relevant institutions.

Marine Debris

Recognizing the health and environmental concerns created by the large and rapidly increasing amount of plastic litter in the ocean from land-based sources and an insufficient waste management system which is not attracting the attention of investors, we endorse the Policy and Practice Recommendations of the APEC High-Level Meeting on Overcoming Barriers to Financing Waste management Systems to Prevent Marine Litter in the Asia Pacific Region.

Blue Economy

We value the outcomes of the 4th APEC Blue Economy Forum and encourage economies to enhance the Forum as a vehicle of regional blue economy cooperation. We encourage the APEC Marine Sustainable Development Center to take stock of regional blue economy cooperation and through the Ocean and Fisheries Working Group (OFWG) facilitate the update of the APEC Marine Sustainable Development Report to promote regional marine sustainable development, as an important APEC contribution to the 2030 Agenda for Sustainable Development.

We welcome efforts to strengthen our work in addressing and mainstreaming cross-cutting issues of ocean cooperation amongst relevant APEC fora.

Emergency Preparedness

As we continue to experience the economic devastation brought by disasters in our vulnerable region, we recommit our efforts to ensure our communities, businesses, and economies are prepared to recover as quickly as possible. We endorse the APEC Principles for Early Warning Systems and welcome the APEC Disaster Risk Reduction Framework Action Plan. We further encourage economies to implement the Seven Principles of Supply Chain Resilience, especially business continuity planning. We also encourage capacity building, strengthening early warning systems, and search and rescue cooperation for the resilience and livelihood of communities.

Industry Dialogues

We encourage economies to utilize the Chemical Dialogue's best practice principles checklist during the regulatory process. We welcome the report and recommendations on reducing divergences in implementation of the Globally Harmonized System of Classification and Labelling of Chemicals and instruct officials to report on implementation of those recommendations in 2017. We welcome efforts to streamline import certification procedures for chemicals and improve predictability and transparency.

ECONOMIC AND TECHNICAL COOPERATION

We remain committed to the Manila Framework on ECOTECH, and will continue to leverage ECOTECH activities to help developing economies achieve the Bogor Goals by 2020. We welcome the decision to approach capacity-building activities with strategic foresight by undertaking multi-year projects, including support for APEC's work to strengthen and deepen regional economic integration and to facilitate the realization of the FTAAP.

We also welcome contributions by members to the APEC Support Fund. We note with appreciation the full operation of Sub-Funds on the FTAAP/GVC, IERG, and Connectivity. We recognize the important work of the budget and management committee (BMC), through its small Working Group, and exchanges with SCE on pending issues to implement the APEC Capacity Building Policy to better support APEC economies. We look forward to the respective recommendations to be presented by 2017. We highlight the importance and appreciate the contribution of capacity building efforts for developing economies, and call for more contributions in this regard.

Science, Technology and Innovation

We recognize that Research and Innovation is a key driver of quality growth and human development. We encourage endeavors to use Science, Technology and Innovation, as well as STEM education, to face challenges and create opportunities in our region. We also support Research and Innovation Policy Dialogues to exchange best practices and information and to formulate science and technology policy recommendations.

We congratulate the results of the 2016 APEC Science Prize for Innovation, Research and Education (ASPIRE Prize) under the theme “Technologies for Food Security”, and encourage cross-border research by young scientists in the Asia-Pacific region.

We acknowledge the Guidelines on the Establishment, Management and Review of Endorsed APEC Centers, endorsed by PPSTI, to encourage specialized bodies to bring further valued resources and expertise to science, technology and innovation in the region.

We welcome the progress of the APEC Chief Science Advisors and Equivalents (CSAE) group in formulating recommendations for science advice on emergencies, as requested in the 2015 APEC Leaders’ Declaration. We note the CSAE recommendations on developing human capital by investing in scientists who have a role in risk management and climate change, and the contribution of science advice to assist APEC economies to achieve the SDGs.

We highlight the further cooperation between PPSTI and ABAC on a vast range of topics, including enhancing policy support to start-up incubators and accelerators, and specific projects to better engage private sectors in STI activities.

Forestry and Wildlife

We reaffirm APEC’s commitment to the 2020 aspirational goal to increase forest cover by at least 20 million hectares and we remain committed to promote sustainable forest management, conservation and rehabilitation of forests. We note this APEC aspirational goal contributes to the role of forests in achieving the SDGs, and we invite economies to consider progress towards achieving the 2020 aspirational goal.

We reaffirm APEC’s commitment to take concrete steps to fight against illegal logging and associated trade in the region and efforts to facilitate law enforcement cooperation within and among APEC economies. In addition, we note the importance of increasing trade in legally harvested forest products.

We look forward to further development in favor of trade in legally harvested forest products, and welcome member economies’ endeavors to pursue measures to establish effective timber traceability systems, including through strengthened government capacity.

We remain committed to strengthening our efforts to combat illicit wildlife trafficking through the continued development and use of technologies, exchange of information and intelligence, best practices and enforcement responses to combat illicit trade, and reduce the supply of, transit in, and demand for illegally taken and / or traded wildlife.

Energy

We reaffirm our commitment towards Leaders’ aspirational goals to reduce aggregate energy intensity by 45 percent by 2035, to double the share of renewable energy in the APEC energy mix by 2030, and to achieve sustainable and resilient energy development within the Asia-Pacific. We commit to rationalizing and phasing out inefficient fossil fuel subsidies which encourage wasteful consumption, while still providing essential energy services. We express our appreciation to the economies

that have volunteered to undergo a voluntary inefficient fossil fuel subsidy peer review in APEC and the G20, and we encourage more economies to participate in peer review.

We welcome the completion of the APEC Guideline for Quality Electric Power Infrastructure and Energy and Economic Competitiveness Report.

We recognize that sustainable development, energy access, energy resilience, and energy security are critical to the shared prosperity and future of the region.

We appreciate member economies' efforts to create favorable conditions for trade and investment to support a diversified, flexible, and integrated natural gas market in the APEC region.

We endeavor to achieve a more secure and safe energy infrastructure and reaffirm the vital importance of achieving and maintaining high levels of nuclear safety, security, and non-proliferation, worldwide.

Mining

We welcome the strengthening of mining collaboration during 2016 and commend the initiatives commenced with the support of the APEC Mining Sub-fund, advancing the 10 Mining Policy Principles for sustainable and inclusive growth of the mining sector.

Anti-Corruption

We reiterate our commitment to implement the Beijing Declaration on Fighting Corruption. In line with each economy's laws and policies, we are committed to denying safe havens for corrupt officials and their proceeds of corruption. We commit to strengthen cooperation on repatriation or extradition, as appropriate. We will continue to implement the actions outlined in the APEC Course of Action on Fighting Corruption and Ensuring Transparency, Code of Conduct for Business, and Principles on the Prevention of Bribery and Enforcement of Anti-bribery Laws.

We are committed to further strengthen the APEC Network of Anti-Corruption Authorities and Law Enforcement Agencies (ACT-NET) and drawing on the experiences of law enforcement by sharing best practices, and promoting cross-border cooperation, both formal and informal, to investigate and prosecute corruption and bribery cases.

We will commit to highlight the importance of best practices shared on the implementation of anti-corruption and anti-bribery compliance programs designed to prevent and detect bribery, considering incentives by member economies to encourage businesses to establish effective voluntary anti-corruption programs and support for our pathfinder dialogues on fighting corruption and illicit trade.

Counter-terrorism

We encourage officials to continue implementing the APEC Consolidated Counter-Terrorism and Secure Trade Strategy and, in light of the threat that foreign terrorist fighter (FTF) travelers pose to the integrity of the region's transportation infrastructure, focus on the strategy's call for immigration and border officials to manage the flow of

bona-fide international travelers in and out of economies. We recognize that advance passenger information and passenger name record (API/PNR) systems can mitigate the FTF travel threat, and we encourage APEC member economies to use these important tools that also facilitate legitimate travel by enabling authorities to process travelers at border crossings more quickly.

Disability issues

We reaffirm our commitment to ensure that persons with disabilities enjoy meaningful, active and collaborative participation in the shared prosperity and advancement of the Asia-Pacific region. We value their creative potential and abilities as integral and contributing members of our society to enhance economic growth and are committed to advance equal opportunity of persons with disabilities for employment, leadership, and decision-making. Thus, we commit to implement measures including reasonable accommodation and enabling conditions to ensure equality of access to an inclusive quality education and professional and technical training, which lead to meaningful and sustainable employment opportunities. We recognize the efforts of the Group of Friends on Disability (GOFD) in actively promoting development that is inclusive of persons with disabilities. We encourage officials to take measures to promote the value of persons with disabilities as employees, investors and participants in economic development.

Transportation

We acknowledge the important role the transport sector plays in the interchange of goods and people between economies. We support ongoing initiatives to promote a safe, secure, efficient, resilient, and innovative transport sector. In this regard, we appreciate the work of the APEC Port Service Network (APSN) to promote connectivity in the APEC ports and related industries. We welcome recent efforts to promote road safety initiatives including in relation to heavy vehicles, encourage regional integration through promoting gateway port connectivity, promote the development of intelligent transport systems, help supply chains resume after natural disasters, build capacity amongst governments to leverage public-private partnership frameworks to expand transportation infrastructure, and support women's participation as workers in the growing Asia-Pacific transportation sector.

STRENGTHENING APEC AS AN INSTITUTION

We welcome officials' continued efforts to strengthen the operational and institutional capabilities of the APEC Secretariat.

We recognize that the Policy Support Unit continues to be a valuable and integral part of APEC, advancing key initiatives this year, such as the Ease of Doing Business, the Bogor Goals reviews, SCFAP final assessment, as well as promoting our achievements outside of APEC. Recalling the decision we made in 2012 when extending the PSU mandate, we look forward to the mid-term review of the PSU and its outcomes in 2017. We call on APEC members and fora to support the PSU in the review process.

Recognizing the large number of APEC sub-fora, we welcome the ongoing discussions to streamline and right-size APEC groupings, improve accountability and communications on the part of sub-fora leaders, link project funding more closely with top APEC priorities, and enhance participation by the private sector. These actions will contribute to making APEC more relevant, effective, and accountable, and we commend further efforts towards these goals.

We endorse the 2016 Senior Officials' Chair report on APEC's activities, note the APEC Secretariat Executive Director Annual Report, endorse the CTI Annual Report to Ministers, and approve the 2017 Secretariat Account Budget and corresponding level of 2017 Members' Contributions.

We welcome preparations for APEC 2017 in Vietnam.

We recognize ABACs role in coordinating the four executive dialogues in Trade, Mining, Food and Finance this year, which provided important opportunities for Ministers and the private sector to engage on the issues.

23rd APEC FINANCE MINISTERS' MEETING
14-15 October 2016
Lima, Peru

Joint Finance Ministerial Statement

1. We, the Finance Ministers of the economies of Asia-Pacific Economic Cooperation (APEC), convened our 23rd meeting in Lima, Peru on 15 October 2016 under the chairmanship of Dr. Alfredo Thorne, Minister of Economy and Finance of Peru.

Global and Regional Economy

2. The APEC Finance Ministers Process (FMP) serves as a platform for the cooperation and exchange of policy responses between our economies. In that context we discussed the global and regional economic and financial outlook and shared our views on appropriate policy actions. These discussions will continue to be a feature of all FMP meetings.
3. Our region, a major and dynamic engine of global growth, is facing several complex challenges that weaken growth and the recovery of our economies. The economic environment is characterized by low commodity prices, more volatile financial conditions, slowdown in trade accompanied by protectionist voices and the varying pace of growth and adjustments in different economies. We recognize that to achieve strong, sustainable, balanced and inclusive growth in the region, will require using all available policy tools (monetary, fiscal and structural), individually and collectively.
4. On the fiscal side, we will continue to implement our policies flexibly, taking into account short-term economic conditions and individual capacities, so as to support economic growth and job creation, while ensuring fiscal sustainability.
5. On the structural side, 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. We recognize that structural reform is an important instrument to foster medium-term economic growth and reverse the recent slowing down in our economies, which can be applied flexibly depending on countries' circumstances and macroeconomic situation. In that sense, we encourage all APEC economies to be ambitious in the implementation of the Renewed APEC Agenda for Structural Reform.
6. We reaffirm our previous commitments on monetary and exchange rate policies. We will refrain from competitive devaluation, resist all forms of protectionism and not target our exchange rates for competitive purposes. We reiterate that excess volatility and disorderly movements in exchange rates can have adverse implications for economic and financial stability.

Strengthening Public Policy

7. Under the FMP 2016 theme of "Strengthening Public Policy for an Integrated and Resilient Asia-Pacific Region", we agree to the Strategy for Modernization of Finance Ministers' Process (Annex A) and the Strategy for Implementation of the Cebu Action Plan (Annex B). We believe that both strategies will lay the foundations to ensure concrete outcomes through our forum to facilitate implementation of meaningful reforms in our economies that take into account their level of development and domestic circumstances.
8. We will chart APEC-wide progress on the implementation of the Cebu Action Plan (CAP) in 2018 and 2020, having regard to the non-binding and voluntary nature of the CAP.
9. We commend ABAC for its contributions in 2016 for the implementation of the CAP, including the activities undertaken in the Asia-Pacific Financial Forum (APFF) and the Asia-Pacific Forum on Financial Inclusion. We welcome ABAC's report and recommendations on access to finance, infrastructure investment, capital markets, and health and disaster risk financing. We encourage relevant authorities to collaborate with the private sector in advancing them in 2017.

Investment in Infrastructure

10. We remain committed to promote investment in well-designed, sustainable and resilient infrastructure in the Asia Pacific region, in line with Pillar 4 on Accelerating Infrastructure Development and Financing of the CAP, as a way to enhance economic growth, boost productivity and promote job creation.
11. We will strengthen cooperation with the Global Infrastructure Hub (the Hub) through the Collaboration Action Plan between APEC member economies and the Global Infrastructure Hub (Annex C). This action plan establishes a non-exclusive framework that promotes the implementation of activities to pursue the quality improvement of investment opportunities.
12. We recognize the advances made this year in order to develop the PPP Knowledge Portal, as established in the initiative 4A of the CAP. To avoid any duplication between knowledge-sharing platforms, we agree to link the PPP Knowledge Portal to the Hub's existing knowledge platform. As appropriate, the Hub's knowledge platform will also be linked to relevant tools and resources developed through the APEC Finance Ministers Process. In that sense, we encourage APEC member economies to become early adopters of the PPP Knowledge Portal by providing relevant information to the Hub's knowledge platform. We also commend those member economies that have already expressed interest in supporting this initiative.
13. We encourage our economies to support and actively collaborate with other relevant initiatives such as the International Infrastructure Support System (IISS), a global infrastructure cloud based platform administered by the Sustainable Infrastructure Foundation. We will collaborate in 2017 with this organization to develop interoperability between the APEC PPP Knowledge Portal and IISS to improve the public sector user experience towards well-prepared projects.
14. In line with the 2013 APEC Joint Finance Ministerial Statement, we highlight the importance of implementing the APEC Network of PPP Centers to exchange information, share best practices and help align standards among PPP centers. In that sense, we encourage the implementation of this initiative in 2017 with the appropriate support from the World Bank Group (WBG), the Asian Development Bank (ADB), the Organization for Economic Cooperation and Development (OECD) and the Asia-Pacific Infrastructure Partnership. Among the activities to be developed under the network are peer-to-peer technical exchanges, secondments, roundtable discussions, study visits and policy dialogues.

Financial Inclusion

15. We are convinced that the implementation of financial inclusion policies within the framework of financial stability has a positive impact in the economic growth and the income distribution of our economies. We are committed to deepen our efforts to expand financial inclusion and financial literacy, in line with Pillar 1 on Promoting Financial Integration of the CAP.
16. We acknowledge the importance of institutional frameworks within our economies to develop financial markets that effectively benefit all segments of the population. In that sense, the design and implementation of domestic strategies for financial inclusion are essential to ensure the continuity of financial inclusion policies and contribute to close inequality and poverty gaps. We encourage each economy to develop and enhance these strategies, considering their own particular economic and social conditions, as well as the WBG's guidelines, insofar that is possible.
17. As important components of domestic strategies, we will focus our work on the promotion of a digital ecosystem for financial services, the development of financing mechanisms for micro, small and medium enterprises (MSMEs), and the design and implementation of financial literacy policies building on the expertise and standards developed by the OECD/International Network on Financial Education. In line with our Cebu Action Plan, we look forward for the development of a report on financial literacy in APEC to support that effort.

18. We will collaborate in 2017 with the Better Than Cash Alliance, a United Nations-based partnership of governments, companies and international organizations, to drive inclusive and responsible digital payment ecosystems in APEC member economies.
19. We recognize activities organized through the Financial Infrastructure Development Network (FIDN) during the year with the aim of fostering more secured transactions and credit information systems.

Disaster Risk Financing and Insurance

20. We recognize the relevance of data collection on risk components (hazards, exposure and vulnerability) and insurance, as an early stage to substantially increase insurance penetration and to develop advanced techniques and instruments to effectively address and reduce the costs of disaster risks, in line with the Pillar 3 on Enhancing Financial Resiliency of the CAP.
21. In order to identify and implement appropriate regional disaster risk financing mechanisms and to help increase insurance penetration, we welcome the establishment of the Working Group on Regional Disaster Risk Financing Solutions for APEC Economies, with the support of the WBG. We encourage more economies and international organizations to join this initiative. We take note of the advances made by the WBG about standard best practice methodologies for collection of public assets exposure and catastrophe risk insurance databases and we look forward to the first results of the studies at the end of 2017.
22. We also welcome the creation of the Insurance Development Forum (IDF) this year, a public-private partnership formed by the insurance industry, the United Nations and the WBG. This international platform can be useful for exchanging experiences between different economies and helpful to ensure further development of the insurance markets, in coordination with the private sector. In that sense, we will work next year with this organization to identify areas of future collaboration.

Other Issues

23. We are committed to deepening our efforts to tackle tax avoidance and evasion in the Asia Pacific region, critical to this effort is the exchange of information between tax administrators. In that sense, we encourage APEC economies to strengthen the integrity of their tax systems by adopting the internationally agreed tax transparency standards and signing relevant instruments such as the OECD Convention on Mutual Administrative Assistance in Tax Matters (MAAC) and the OECD Competent Authority Agreement on the Exchange of Country by Country Reports.
24. We welcome the establishment of the G20/OECD Inclusive Framework on Base Erosion and Profit Shifting (BEPS), where all jurisdictions that commit to the BEPS project can work on equal footing to facilitate the widespread and consistent implementation of BEPS measures. We recognize that developing economies still face internal challenges in building capacity and implementing the necessary legal frameworks. We call for the continued support of international organizations and developed economies to help to overcome these issues, and in this regard we welcome the upcoming regional meeting on BEPS organized by the OECD and hosted by the ADB in the Philippines in December.
25. We welcome the progress made this year regarding the development of the Asia Region Funds Passport (ARFP) with the signing of the Memorandum of Cooperation by five participating APEC economies. We encourage these economies to implement domestic arrangements before 2018. The Passport has the potential to drive new sources of economic growth within the region so we also call on more APEC economies to participate in this initiative.
26. We reiterate our Leaders' commitment to rationalize and phase out inefficient fossil fuel subsidies that encourage wasteful consumption while still providing essential energy services. We express our appreciation to the ten economies which have volunteered to undergo a voluntary inefficient fossil fuel subsidy peer review in APEC and the G20. We support future joint work in 2017 with the Energy Working Group (EWG) on capacity building.

27. We are supportive of the work being undertaken in the other APEC work streams on the APEC Services Competitiveness Roadmap and we encourage discussions among interested parties on the state of financial services openness, consistent with the CAP.
28. We invite the Senior Finance Officials to identify areas in which possible collaboration with the APEC Economic Committee could take place in 2017.
29. We welcome continued dialogue with the APEC Life Science and Innovation Forum and Health Working Group on ways to address the fiscal and economic impacts of ill-health in 2017.
30. We also appreciate the efforts of the ADB, the International Monetary Fund, OECD and WBG in supporting the FMP work during this year.
31. We thank Peru for hosting the APEC Finance Ministers' Process this year. We will meet again for our 24th meeting in Quang Nam - Da Nang, Vietnam in October 2017.

23rd APEC FINANCE MINISTERS' MEETING
14-15 October 2016
Lima, Peru

Joint Finance Ministerial Statement
Annex A. Strategy for Modernization of the Finance Ministers' Process

In order to provide the Finance Ministers' Process (FMP) with greater impetus for open and action-oriented discussion amongst members, to focus on key deliverables and to better communicate APEC's achievements to the public, we, the APEC Finance Ministers, have agreed to the following strategy:

1. Each host economy will present their proposed priorities and work program, including a tentative timeline for specific deliverables, at the beginning of the year with the aim that Finance and Central Bank Deputies are able to show their support.
2. The initiatives proposed in the work program should be aligned with the previous decisions and action plans of the FMP.
3. During the year, a new issue will only be added to the work program if there is no objection by all members and there is a defined group of economies that will undertake the task.
4. Each FMP meeting should be focused on particular issues where key progress has or can be made rather than discussing the whole work program.
5. The policy discussion at FMP meetings should primarily be member led, with inputs from international organizations, as appropriate.
6. The Joint Finance Ministerial Statement should be action-focused, avoiding long, repetitive and technical language, excessive noting of reports and references to achievements of other international fora, and will include issues only where there is something significant or new to report.
7. The policy initiatives created in the FMP framework should be strengthened through the constant evaluation of its objectives, functions and progress, in order to enrich the forum's work and avoid duplication of activities.
8. The SFOM Chair will reach out to chairs of other economic forums, international organizations and other major APEC committees each year to shape and align work programs, where appropriate, to ensure the respective agendas are complementary, strengthen each other and avoid duplication.
9. The session of global and regional economic and financial outlook will be a standing item on all FMP meeting agendas, with a summary of these discussions to be captured in the Joint Finance Ministerial Statement.

23rd APEC FINANCE MINISTERS' MEETING
14-15 October 2016
Lima, Peru

Joint Finance Ministerial Statement
Annex B. Strategy for Implementation of the Cebu Action Plan

The Cebu Action Plan (CAP) was adopted on September 11, 2015 in Mactan, Cebu, Philippines, as a voluntary and non-binding 10-year roadmap for the Finance Ministers' Process, with the goal of building an APEC community that is more financially integrated, transparent, resilient and connected.

In order to undertake its implementation, we, the APEC Finance Ministers, have agreed to the following strategy:

1. Encourage each economy, on a voluntary and non-binding basis, to:
 - a. by the start of 2017, to choose 1 to 3 initiatives/deliverables set out in the CAP for its implementation¹ before the end of 2018 (first package) and, on a second stage, to choose additional 1 to 3 initiatives by the end of 2018, with a goal for implementation before the end of 2020 (second package); if possible, each chosen initiative/deliverable should cover a different pillar of the CAP in order to ensure the implementation of the roadmap comprehensively; and/or
 - b. to provide technical assistance to other APEC economies in certain policy areas of the CAP in which the former has achieved progress (champion economies), if applicable.
2. Also encourage the implementation of other initiatives/deliverables that also consider long term goals, especially those regarding structural reforms that may contribute to the CAP's 10-year goal. If appropriate, economies may cross-reference their priorities on the APEC structural reform agenda, including the Renewed APEC Agenda on Structural Reform (RAASR) to demonstrate their progress in this area.
3. Encourage each economy to use qualitative or quantitative indicators for measuring the progress in the implementation of the initiative/deliverable chosen (benchmark for each economy), as appropriate.
4. Encourage each economy that sets these goals to report on its own progress in achieving its first package by the end of 2018 and its second package by the end of 2020.
5. Encourage collaboration with the private sector during the implementation of the chosen initiatives/deliverables, including the dialogue with the APEC Business Advisory Council (ABAC) and the Asia Pacific Financial Forum (APFF).

¹ Initiatives/deliverables are considered activities that contribute to fulfill the goals included in the CAP. As such, each economy may modulate their goals considering their stage of development, if the literal initiative/deliverable included in the CAP is out of reach at this stage. Each economy could choose initiatives/deliverables already implemented after the adoption of Cebu Action Plan on September 11, 2015.

6. The international organizations are encouraged to identify some areas of the CAP in which they could provide technical assistance.
7. At the end of 2020, the Senior Finance Officials will report on the progress of the CAP's implementation to the Finance Ministers. This report will serve to provide assessment and orientation to define the next steps of this strategy.

23rd APEC FINANCE MINISTERS' MEETING
14-15 October 2016
Lima, Peru

Joint Finance Ministerial Statement
Annex C. Collaboration Action Plan between APEC Member Economies and
the Global Infrastructure Hub

We, the APEC Finance Ministers, acknowledged that the Cebu Action Plan (CAP), which was adopted on September 11, 2015 in Mactan, Cebu, the Philippines, on a voluntary and non-binding basis, with the goal of building an APEC community that is more financially integrated, transparent, resilient and connected, should be implemented considering its four pillars: 1) Promoting Financial Integration; 2) Advancing Fiscal Reforms and Transparency; 3) Enhancing Financial Resiliency; and 4) Accelerating Infrastructure Development and Financing.

Under Pillar 4 of the CAP on Accelerating Infrastructure Development and Financing, APEC member economies highlighted that accelerating infrastructure development will contribute to bolster recovery and sustain economic growth in the region. In that sense, this Pillar contains several initiatives like the development of a PPP Knowledge Portal (online repository of PPP infrastructure projects), conducting reviews of policy frameworks for infrastructure and analysis, the development of a robust pipeline of bankable PPP projects in the APEC region, among others.

The Global Infrastructure Hub (hereinafter referred to as the 'Hub') was established by the Commonwealth Government of Australia, in accordance with decisions taken at the Group of 20 (G20) Leaders' Summit held in Brisbane, Australia on November 15-16, 2014, to pursue the following objectives: 1) lowering barriers to investment, increasing the availability of investment-ready projects, helping match potential investors with projects and improving policy delivery; and 2) working collaboratively with governments, the private sector, national, regional and multilateral development banks, international organisations and other stakeholders.

Considering that APEC member economies and the Hub wish to explore opportunities for cooperation and collaboration on matters of mutual interest and render their respective activities more effective and beneficial, APEC member economies and the Hub have agreed to collaborate as follows:

Objective

- 1.1 The objective of this collaboration action plan is to establish a voluntary, non-binding and non-exclusive framework that facilitates cooperation and collaboration between APEC member economies and the Hub to promote activities to pursue more effectively their mandates and to support implementation of Pillar 4 of the CAP, as appropriate.

Principles of collaboration

- 2.1 Activities agreed between APEC member economies and the Hub shall be 1) subject to the internal objectives, functions, policies and procedures of APEC and the Hub, and 2) guided by the following principles:
 - 2.1.1 Respecting the different mandates and institutional settings of APEC and the Hub;
 - 2.1.2 Pursuing mutually beneficial cooperation to deliver real, measurable and lasting results;
 - 2.1.3 Exchanging of relevant information and consultation in order to identify additional areas and concrete activities in which, effective and practical cooperation may be possible within the framework of this collaboration action plan. Any exchange of information between APEC member economies and the Hub is voluntary and shall be subject to their respective policies and procedures on the disclosure of information; and
 - 2.1.4 Creating professional relationships characterised by mutual respect, honesty and trust.

Broad Areas of Cooperation

APEC member economies and the Hub may, in particular, explore the possibility of cooperating in the following areas:

- 3.1 Identifying opportunities for feedback on the Hub's tools and resources by APEC member economies as they are developed;
- 3.2 Identifying opportunities for adoption of the Hub's tools and resources by APEC member economies;
- 3.3 Providing open access to APEC member economies to the Hub's knowledge platform; and
- 3.4 Other related activities may also be agreed upon by consensus between the APEC member economies and the Hub, where relevant from time to time.

Obligations of APEC member economies and the Hub

- 4.1 This collaboration action plan serves only as a record of the intentions and common understanding of APEC member economies and the Hub and is not a legally binding agreement or commitment by APEC member economies and the Hub. Therefore, it does not constitute or create, and is not intended to create rights, obligations or liabilities under domestic or international law and will not give rise to any legal process, nor does it represent any commitment with regard to funding for APEC member economies and the Hub. Any commitments shall be reflected by APEC member economies and the Hub in separate, mutually agreed, action plans or agreements that may be entered into under this collaboration action plan.
- 4.2 This collaboration action plan shall not represent any commitment on the part of either APEC member economies or the Hub to give preferred treatment to

the other in any matter contemplated under this collaboration action plan or otherwise.

Collaboration Meetings

- 5.1 APEC member economies and the Hub agree to meet annually, during the Senior Finance Officials' Meeting (SFOM), to discuss the progress under the collaboration action plan.

Communication and Notice

- 6.1 For the purpose of furthering the objectives established in this collaboration action plan and subject to the policies and procedures of APEC and the Hub, each party may display the other party's name and logo in compliance with the APEC guidelines on their website and on joint branding materials that may arise as a result of this collaboration action plan.

- 6.2 APEC member economies and the Hub hereby agree to consult with each other concerning any other manner and form of acknowledgment of the other party's support regarding the activities described in this collaboration action plan.

- 6.3 For the purpose of facilitating the implementation of any working arrangements to be established by APEC member economies and the Hub, the designated representative of each party, through which communication will be channeled, shall be:

6.3.1 For APEC:

Asia-Pacific Economic Cooperation Secretariat
35 Heng Mui Keng Terrace
Singapore 119616
Attention: FMP Program Director
Telephone: +65 68 919 600
E-mail: info@apec.org

6.3.2 For the Hub:

Global Infrastructure Hub
PO Box R1947
Royal Exchange
Sydney NSW 1225, Australia
Attention: Bill Brummitt, Chief Operating Officer
Telephone: + 61 434 566 478
E-mail: bill.brummitt@gihub.org

- 6.4 Either APEC member economies or the Hub hereto may, by notice in writing to the other party, designate additional representatives or substitute other representatives for those designated in this section.

- 6.5 APEC member economies and the Hub may make publicly available this collaboration action plan and any other information with respect to the collaborative activities contemplated herein, subject to their respective policies and procedures on the disclosure of information and with the consent from the other party.

**THE 6TH APEC EDUCATION MINISTERIAL MEETING
JOINT STATEMENT**

“An Inclusive and Quality Education”

**05 – 06 October, 2016
Lima, Peru**

INTRODUCTION

1. We, the Education Ministers and Senior Officials from Australia; Brunei Darussalam; Canada; Chile; People's Republic of China; Hong Kong, China; Indonesia; Japan; Republic of Korea; Mexico; New Zealand; Peru; the Philippines; the Russian Federation; Singapore; Chinese Taipei; Thailand; the United States and Viet Nam convened for the 6th APEC Education Ministers Meeting in Lima, Peru on October 5 - 6, 2016, under the Chairmanship of Mr. Jaime Saavedra Chanduvi, Minister of Education of Peru and Ms. Ludmila Ogorodova, Vice-Minister of Education and Science of the Russian Federation of the Russian Federation. The Meeting was also attended by the Executive Director of the APEC Secretariat

2. We endorse APEC's mission *“to support sustainable economic growth and prosperity in the Asia-Pacific region”*, and recognize the significance of achieving a dynamic and harmonious Asia-Pacific community by championing free and open trade and investment and promoting regional economic integration. We highlight the importance of providing all learners with quality education and training, enabling them to engage in the globalized economy. As stated in the Incheon Declaration *“Education 2030: towards inclusive and equitable quality education and life-long learning for all”* and the Priority Area of *“Human Capital Development”* envisioned by Peru as the host economy of the 2016 APEC year, education and training systems should meet the needs of the modern world. This will promote regional economic integration within the Asia-Pacific region and enhance prosperity among APEC member economies.

3. We met under the General Theme of the 6th AEMM: *“An Inclusive and Quality Education”*, which recalls that the Asia-Pacific region has made considerable progress in providing access to education and training for all. At the same time, however, ensuring inclusion and quality remains a challenge. UNESCO defines this inclusive and quality approach as the right of learners to access quality education that meets their basic learning needs and respects their cultural diversity, ensuring the development of their full potential. We also recognize the importance of the Sustainable Development Goals (SDGs), in particular Goal 4 and Goal 8.6, and other related targets. With this in mind, the theme of human capital development will, consistent with economies' domestic policies, be addressed by working together to enhance competencies, accelerate innovation and increase employability.

4. We acknowledge that more progress is needed to ensure that access to quality education is equitable for all, regardless of gender, race, religion, ethnic or cultural background, socio-economic status, or disability. We recognize that advancing inclusive education, enhancing equality through education, and promoting girls' education and women's economic empowerment, among others, are critical to achieving equality, poverty eradication, and inclusive economic growth.

5. We endorse the APEC Education Strategy to be used as a framework to guide future projects and collaborative initiatives for the benefit of the region. We acknowledge the contribution made by Australia; Canada; Chile; People's Republic of China; Indonesia; Japan; Republic of Korea; Mexico; New Zealand; Peru; the Philippines; the Russian Federation; Singapore; Chinese Taipei; Thailand; United States; and Viet Nam, as well as the OECD, World Bank and IDB. We look forward to its implementation through EDNET and other HRDWG networks in collaboration with APEC fora and multi-lateral organizations.

6. Recognizing the significant role of education in enhancing economic development and general wellbeing, we submit the outcomes of the 6th AEMM to the APEC Leaders for their consideration.

PROGRESS & GENERAL ACKNOWLEDGEMENTS AND ACHIEVEMENTS

7. During the 5th APEC Education Ministerial Meeting (AEMM) held in the Republic of Korea in 2012, ministers addressed relevant topics, such as enhancing the quality of mathematics and science education, language and culture education, technical and vocational education and training (TVET) and higher education; improving teacher quality through innovative ways; and the promotion of cooperative models and best practices to increase sharing and learning from each other.

8. We acknowledge the progress made by HRDWG and its networks, the Education Network (EDNET), the Capacity Building Network (CBN) and the Labor and Social Protection Network (LSPN) in developing human capital in the APEC region since the 5th AEMM. We recognize the importance of the work carried out by the HRDWG and its networks in building and sharing knowledge and in addressing the 5th AEMM themes: Globalization, Innovation, and Cooperation.

9. We acknowledge the successful organization and outcomes from the past Preparatory Conferences, Meetings and Workshops organized by the People's Republic of China (Beijing, January 2016); the host economy, Peru (Arequipa, May 2016 and Lima, August 2016); Australia (Sydney, August 2016) and the co-host Russian Federation (Vladivostok, September 2016). We also recognize the efforts of HRDWG and EDNET members, as well as the participation of representatives from other APEC fora, such as the APEC Business Advisory Council (ABAC), the Group of Friends on Disability Issues (GOFD), and from international organizations, such as the

United Nations Educational, Scientific and Cultural Organization (UNESCO), Organization for Economic Co-operation and Development (OECD), Inter-American Development Bank (IDB), the International Labor Organization (ILO), the Association of Pacific Rim Universities (APRU) and the Organization of Ibero-American States (OEI).

As a result of these meetings, researchers, experts, practitioners and policy-makers have exchanged relevant knowledge and experiences, helping identify the most important challenges facing economies and their greatest education and training needs. This will direct our work for the next four years.

10. Recognizing the crucial role of education and training in fostering economic and social change we welcome the enthusiasm and effort from all member economies in the promotion of projects and initiatives, within the HRDWG and its networks. We agree to support education and training cooperation through educational research and policy analyses over the next four years.

11. We understand the importance of intergenerational continuity and welcome the efforts of the MODEL AEMM – 2016 (Beijing, August 2016) and the APEC Junior Education Meeting (Vladivostok, September 2016) to highlight the vision of young leaders on APEC educational collaboration and the enhancement of key priority areas.

12. We are also deeply grateful for the organization and execution of related events to the 6^o APEC Education Ministerial Meeting, which has shown great development of cooperation between our economies and the opportunity to exchange information and experiences, as well as to strengthen and build capacity through the frames of the APEC Women in STEM Forum: A Framework for Dialogue, Learning and Action; the APEC Symposium and Workshop on Strategies for Strengthening Employability (Soft) Skills to Facilitate Quality Growth through upskilling; the 12th APEC Future Education Forum and the 14th International ALCoB Conference; the APEC Lesson Study Project Exhibition; and the scholarship program exhibition.

13. We would like to extend our sincere appreciation to the Republic of Korea for its efforts gone into the submission of the APEC Education Cooperation Project (ECP), Gyeongju Initiative as directed by the 5th AEMM. We acknowledge the importance of sustainable and practical educational cooperation at the level of practitioners in the APEC region. In this regard, we note that the report contains Education Cooperation Model and strategies to enhance education cooperation.

14. We note the APEC Conference on Cooperation in Higher Education held for enhancement of linkages between the governments and academics and for establishment of on-going dialogue on education in APEC. The Conference is a platform of collaboration and exchange.

15. We would like to extend our sincere appreciation to the EDNET and member

economies for their efforts to develop the Baseline Report on Current Education in Asia Pacific Region that reflects the most up-to-date education status in APEC economies and education development in Asia Pacific Region as a whole. We also acknowledge its usefulness in enhancing mutual understanding, learning and reinforcement of education development among APEC member economies through sharing of systemic and updated knowledge and information of education systems and in increasing synergy of future collaborative projects and initiatives among APEC economies and hence recommend it shall be updated as needed.

Competencies: Individual Pathways for Education, Basic, Higher, Technical and Vocational Education and Training (TVET) and Lifelong Learning

16. We recognize the importance of access to high quality education and training that allows our populations to develop their full potential. Acknowledging that education is a lifelong process, economies should aim to build quality and inclusive educational pathways from early childhood education onwards to deliver the competencies needed to actively participate in economies and societies.

17. Underpinning these pathways is an inherent need for effective and rigorous quality assurance systems, qualification frameworks and skills recognition systems. We encourage APEC member economies to work together to improve understanding of this complex policy space in order to take advantages of new opportunities in mobility and cooperation to drive economic development. We also encourage members to continue to promote cross-border education cooperation more broadly and improve people to people connectivity to support globally relevant education systems.

18. We acknowledge Peru's willingness to contribute to the enhancement of the quality of higher education, including academic mobility, teaching of foreign languages, public-private partnerships and other topics. Peru will explore initiatives in this regard.

Innovation: Promotion of Science, Technology and Innovation (STI) Capabilities in Education

19. We recognize that technological and innovative advancements in education are opening new opportunities for the design and delivery of education and training to overcome barriers to access and mobility. APEC economies will pursue opportunities to work together in identifying and responding to the impacts of technological change which is transforming the way in which societies live, work, communicate, develop and pursue ideas.

20. Consistent with the modernization of education and training systems, improving the use of educational and technological capabilities in the teaching and learning process will be vital to maximizing participation in life-long learning that delivers high quality outcomes. We encourage APEC member economies to work together to adapt

the scope and style of pedagogical practices, including those that will encourage increased participation in STEM studies. We recognize that a scientifically and technologically literate population is essential to developing, adopting and adapting new technologies in increasingly complex economies and societies. Research, development and innovation will be further enhanced in APEC economies through efforts to increase government-industry-academia collaboration.

Employability: Transition from Education to Work for Economic and Social Growth

21. The complexity and dynamism of global markets has demonstrated a clear need for APEC member economies to foster the development of global competencies that prepare learners to meet the needs of the regional economy. Adapting our education and training sectors to rapid changes in the economy is a challenge for all of us. The types of skills economies need to produce to meet emerging labor market needs and how economies' populations can acquire these skills are important issues that need to be resolved. APEC economies will work together to strengthen partnerships between governments, educational and TVET institutions and the private sector to better facilitate the transition from education to work, and lift participation in lifelong learning, and encourage the development of global competencies and entrepreneurship skills. This also includes developing the soft skills that will be crucial to meeting the changing nature of the economy and labor market demands.

22. We continue to support economies to work together to better understand the opportunities and challenges in facilitating the transition from education to work. Strengthening of partnerships to better understand the needs of the labor market, together with sector reforms that support the development of 21st century skills and improve labor market information and career guidance systems, will help to develop modern interdisciplinary approaches to education that support interaction across fields and competencies. This will better position APEC member economies to adapt to future changes in labor market needs.

23. In line with such policy directions, and as part of our efforts to respond to the calls of our Leaders in 2015 to increase the participation of young people in the economy, we are committed to strengthening our efforts to tackle youth unemployment under the "APEC Framework for Youth Education, Employment and Entrepreneurship," which was adopted by the HRDWG.

Conclusion

24. We affirm that a globalized world requires advanced and strong systems to develop workforces with global competencies. Increased international cooperation is needed

to promote globalization that genuinely responds to the requirements and challenges of today's economy. Therefore we need to develop international cooperation programs and strategic partnerships that provide for the acquisition and transfer of knowledge by all populations through education and training. This will provide economies with the capacity to increase their competitiveness and improve youth employability.

25. Likewise, we recognize the importance of maximizing the impact of education policy and commit to working together to share information on the impacts and outcomes of education and training policies.

26. We would like to extend our most sincere appreciation and gratitude to Peru, our host economy, for its excellent work in preparing and organizing this meeting, as well as for its warm reception and hospitality.

27. Furthermore, we thank the Russian Federation, co-host economy for its contribution

28. We greatly appreciate the efforts made by the APEC Secretariat, the HRDWG and especially by EDNET during the organization of this event and welcome their collaboration and willingness to achieve our common goals.

Fourth APEC Ministerial Meeting on Food Security

Piura - Peru, 27 September 2016

Piura Declaration on APEC Food Security

Preamble

1. We, the APEC Ministers and Heads of Delegation responsible for food security, met in Piura, Peru, from 26 to 27 September 2016 under the chairmanship of Mr. José Manuel Hernández, Minister of Agriculture and Irrigation of Peru, to discuss policy issues to strengthen regional food security and to contribute to achieving a sustainable APEC Food System by 2020.
2. We welcome the participation of the representatives of the Food and Agriculture Organization of the United Nations (FAO), International Potato Center (CIP) and International Food Policy Research Institute (IFPRI).
3. Our meeting was preceded by a fruitful dialogue with private sector representatives which helped inform our discussions. We thank those representatives for joining us in Piura. We have heard their views and we look forward to continuing our engagement with business in addressing the challenge of ensuring food security in the region.
4. We recognize the key role that food security plays in achieving quality growth and prosperity in the region. In particular, we recall that, in 1999, APEC Leaders welcomed the Minister's report on the APEC Food System proposed by the APEC Business Advisory Council (ABAC); and endorsed instructed to implement its recommendations, as a vital contribution to meeting APEC's objectives.
5. We bear in mind the Ministerial Declarations that paved the way for attaining regional food security issued in Niigata, Japan (2010); in Kazan, Russia (2012), and in Beijing, China (2014). We also welcome the important contributions stemming from the Ocean-Related Ministerial Declarations issued in Seoul, Korea (2002); Bali, Indonesia (2005); Paracas, Peru (2010), and Xiamen, China (2014), as well as the Plan of Action of the High-Level Policy Dialogue on Food Security and Blue Economy held in Iloilo, the Philippines (2015).
6. We are conscious that over the past years APEC economies have attached increasing importance to the food system and the food security agenda, linking farmers, fishers, food processors, and consumers to increase the agri-food sector's contribution to APEC economies. We have created the Policy Partnership on Food Security (PPFS) and adopted a series of documents, including but not limited to the APEC Food Security Road Map Towards 2020; the APEC Food Security Business Plan (2014-2020); the APEC Action Plan for Reducing Food Loss and Waste, and the Action Plan to Enhance Connectivity of APEC Food Standards and Safety Assurance. APEC Economic Leaders have welcomed this progress and encouraged further implementation of these guiding documents.
7. We value the work on food-related issues carried out during 2016 through APEC fora and sub-fora, including the Policy Partnership on Food Security (PPFS); the Agricultural Technical Cooperation Working Group (ATCWG); the Oceans and Fisheries Working Group (OFWG) and the High Level Policy Dialogue on Agricultural Biotechnology (HLPDAB). We also commend ABAC for its

contributions to the food security agenda and take note of the 2015 establishment of its Asia Pacific Food Industry Forum (AP-FIF).

8. We acknowledge the good work on trade and good regulatory practices carried out by Committee on trade and Investment (CTI) and its Sub-committee on Standards and Conformance (SCSC). We also value the work done by the APEC Food Safety Cooperation Forum (FSCF) and its Partnership Training Institute Network (PTIN); that have contributed to the enhancement of food safety systems. Likewise, we take note of the food security issues dealt by the Policy Partnership on Science, Technology and Innovation (PPSTI) related to climate change, and look forward to the results of the 10th Senior Disaster Management Officials Forum on “*Emergency Preparedness for Supply Chain and Emergency Food Security*”.
9. We highlight that the APEC region has great potential to improve its food security through concerted cooperation among its member economies, consistent with international commitments. APEC is in a unique position to support and encourage economies to expedite the implementation of the United Nations’ 2030 Agenda for Sustainable Development, noting the direct relevance of a number of the Sustainable Development Goals (SDGs) for food security and poverty eradication.

Overview, Challenges and Opportunities for Food Security in the Region

10. Across developing APEC economies, there has been a major transformation of the agricultural and food security landscape due to such trends as rapid urbanization, availability of natural resources, changes in incomes, taste preferences, technological advances, dietary changes and food system transformation, which have had important implications for the supply and demand of food. These trends are closely linked, and present immense opportunities and challenges for governments and the private sector that could impact the future of agricultural production, food security, rural development, poverty reduction, food markets and trade, and the environment. We are committed to expanding farming and fisheries opportunities and revitalizing rural and fisheries communities for sustainable development of food security.
11. The global population will increase to 9.7 billion by 2050¹, which means 60% more food will be needed. At the same time, the world’s natural resources are under stress by land degradation, decreasing soil fertility, rising of agricultural water use, loss of biodiversity, and global fisheries pressure. In Asia-Pacific, a region that accounts for half of the world's cereal production and over 40% of its trade volume, production growth depends on expanding cultivable areas, productivity growth and continuing favorable weather conditions. Production growth alone won’t be sufficient; we also need to improve the efficiency of the whole value chain.
12. Sustainable aquaculture and fisheries are of key importance to food security in the region. APEC members account for over 80% of global aquaculture production and more than 65% of the world’s capture fisheries. APEC level of consumption is much higher than the world average, as well as comprises 9 of the 10 top fish producers in the world. Likewise, aquaculture has become the fastest growing food-producing sector, which now accounts for almost 50% of global food fish for human consumption. At the same time, reducing post-harvest fish loss and waste remains

¹ <http://www.un.org/en/development/desa/news/population/2015-report.html>.

a challenge.

13. Furthermore, the region also faces other challenges to food security, including the extreme weather events intensified by climate change, aging of farmers and lack of younger labor entering the sector combined with higher urban demand for safe, nutritious and varied food supply. These challenges underline the need for linkages between rural-urban areas.
14. Across the APEC region, the food security of vulnerable groups is also under risk. A large proportion of the poor and undernourished populations live in rural areas, as many of them depend on agriculture and rural off-farm activities for a living. Women play an important role in promoting productivity, improving availability, access, and utilization of food in these communities and throughout the supply chain. Therefore, food security policies need to incorporate inclusiveness and gender equality perspectives/balance to be more effective.
15. We believe that APEC can contribute to addressing many of these challenges by taking steps to further enhance food markets; integrate food producers, including small farmers, fisher folk and micro, small and medium enterprises (MSMEs), into domestic and global food supply and value chains; address chokepoints arising from infrastructure gaps, burdensome and unnecessary restrictive trade regulations; apply innovative techniques and technology to improve productivity and support the food system; and reinforce capacity building and increase opportunities for women, youth and other vulnerable groups in agriculture, fisheries and aquaculture, and other domestic and region-wide collaboration and coordination on enhancing regional food security.

Regional Food Market and Trade

16. We recognize the importance of trade in improving food security through increased food availability. We reaffirm our shared commitment to the multilateral trading system under the framework of the World Trade Organization (WTO) and support the outcomes, including on agriculture contained in the “Nairobi Package”. We encourage APEC members to implement these outcomes.
17. We acknowledge that APEC’s primary mission includes championing open, and free trade and investment, promoting economic growth and integration, as well as encouraging economic and technical cooperation. Likewise, we recognize the importance of stable economy-wide and food transparent policy settings and science-based regulations and practices in each economy to achieve well-functioning food markets, including through trade facilitation, and enabling policy environment for greater market connectivity, which should increase the availability of safe and nutritious food supply to meet demand across the region.
18. We welcome economies’ efforts to streamlining customs and other procedures to disseminate timely and accurate information on food export and import requirements to facilitate expanding food trade and food security in the region and we encourage economies to continue this effort. We welcome progress in a number of pilot projects focused on the use of global data standards to enhance supply chain connectivity, integrity and security and to reduce the costs of food trade.
19. We take note of ABAC’s research initiative to facilitate trade and identify factors

acting as barriers that may inhibit trade, raise costs and reduce the availability of affordable and nutritious food choices for consumers; we will examine the results of this study once available. We instruct PPFS to continue exchanging views on this matter in 2017, to take concrete consensual steps for facilitation of trade in food.

20. It is a cause for concern that, whilst extensive trade liberalization has taken place across many sectors in the APEC region, the Second Term Review of APEC's Progress towards the Bogor Goals reveals that sectors related to agriculture still experience trade barriers across the region. We accordingly encourage economies to address relevant measures including non-tariff measures and non-tariff barriers.
21. We support business models that promote smallholders' associativity and market access to strengthen their overall competitiveness in the food value chain. We will exchange expertise on successful development of food business linkages and building entrepreneurial capacity for smallholders, family farmers, smallscale fishers and food MSMEs.
22. We support international food related standards setting bodies like the Codex Alimentarius Commission, International Plant Protection Convention (IPPC) and the World Organization for Animal Health (OIE). *We acknowledge other related recommendations* made by FAO and WHO to build up a more effective international food safety system and do not hinder trade.
23. Recognizing that approaches and requirements to food safety may differ between economies or areas within them, we remain committed to seek and develop common ground for promoting strong science-based food safety systems that meet the legitimate objectives of protecting human, animal and plant life or health whilst their application is as least trade restrictive as possible, consistent with WTO rights and obligations under agreements such as the Agreement on Technical Barriers to Trade (TBT) and the Application of Sanitary and Phytosanitary (SPS) Measures. This should reinforce a more predictable, fair, transparent, and open global trading environment.
24. We acknowledge the private sector's potential capability to enhance and assure food quality demands or requirements through production, manufacture and distribution in line with voluntary standards such as those of the International Standards Organization (ISO).
25. We value initiatives and capacity building activities to enhance food safety and quality control systems, develop regulatory roadmaps for export certificates and pesticide maximum residue limits, encourage industry-regulator dialogue in the development of food safety regulations, prepare trainers to prevent emerging animal diseases and address food safety concerns, examine differences in international guidance on hand hygiene to identify gaps and develop resources to train food processing workers, enhance food standards connectivity to deepen mutual understanding and push forward the cooperation to facilitate food trade and raise regional food security within APEC economies. We also encourage

economies to consider preventive approaches to ensuring food safety and quality through collaborative public-private partnership.

Sustainability for a Resilient Food System

26. We recognize agriculture's link to sustainable environmental management and the urgent need to protect, conserve and sustainably use natural resources. Accordingly, we encourage APEC economies to adopt policies and expand technical and economic cooperation to improve governance, foster efficient use of natural resources, ensure ecosystem integrity and enhance resilience.
27. Water is a key driver of agricultural development and a basic element for maintaining the natural environment. Thus we encourage economies to share best practices in water use and governance, considering multi-sectoral and multi-level perspectives. We will foster APEC cooperation for the sustainable use and the integrated management of water resources.
28. We also call on economies to build on knowledge and experience to foster an integrated approach, which is able to support the conservation and sustainable use of biodiversity, provide sustainable practices and management systems, promote resilient and inclusive communities and secure economic returns and livelihoods, especially for family farming and fishing communities.
29. Likewise, since the sustainable use of marine fisheries resources and sustainable practices in aquaculture are essential to food security, we encourage APEC economies to implement relevant fisheries conservation and management measures, including science-based management plans in order to restore fish stocks. We encourage economies to conserve and sustainably manage fish habitats and coastal and marine ecosystems, to ensure a resilient food supply, including through promoting innovative waste management solutions to prevent marine debris.
30. We are determined to reinforce our cooperation to prevent, deter and eliminate illegal, unreported and unregulated (IUU) fishing in the region, including by enhanced detection of IUU products to prevent their entry into trade. We reiterate our call to consider ratification and implementation of the FAO Port State Measures Agreement (PSMA).
31. We acknowledge the key role of forests to help reduce carbon emissions, preventing desertification, land degradation and drought; fostering the conservation of biodiversity, supporting watershed protection and producing food, which also allows the provision of important ecosystem services. We continue to promote sustainable forest management and improve forest governance, recognizing its contribution to food security.
32. Climate change is one of the major challenges for agricultural growth, fisheries production and food security. Therefore, we call on economies to strengthen our efforts to increase capabilities on climate change adaptation and mitigation suited to different economies. We commit to enhancing our cooperation on implementing climate friendly and resilient food systems. We recognize the potential of climate science in improving information services, and the need to improve agriculture and fisheries risk forecasting assessment and management. We value a multi-disciplinary and multi-stakeholder approach in this matter, in cooperation with the

APEC Climate Center (APCC).

33. We support initiatives on Sustainable Agricultural Development and welcome the efforts in organizing workshops on related topics in the next three years and having exchanges on technologies and experience as well as mutual learning. We support dialogues in exploring new approaches that promote sustainable agriculture in this region. In particular, we welcome the Framework for Multiyear APEC Program on Food Security and Climate Change and look forward to the preparation of its action plan in 2017, under the leadership of PPFs, in coordination with relevant sub-fora.

Innovation and Technology

34. We encourage member economies to support science and innovation to increase resilience, mitigation and response to climate change and natural disasters. We encourage broader regional collaboration on reducing disaster risks, improving adaptive capacity in food industries and communities, and supporting economies' in food emergency situations in order to maintain a stable food supply. We recommend that APEC Senior Finance Officials' Meeting (SFOM) consider exchanging experience on best practices on disaster risk management and risk coping tools for smallholders.
35. We commit to developing an enabling environment to leverage the role of multiple stakeholders, including governments, the private sector, civil society, research institutes and producers, in advancing research, development and innovation (RDI) as well as extension programs and the adoption of better technologies to boost productivity and enhance resource efficiency. We encourage public agencies, academia and the private sector to carry out joint RDI and share laboratories and other facilities, knowledge and information, whenever possible, to advance food security in APEC.
36. We value the work undertaken by ATCWG, HLPDAB, OFWG, CTI, SCSC, FSCF/PTIN and WRF within APEC, and their role in sharing information and expertise in food innovation and technology and improving the capacity of food related industries, which helps to enhance food productivity. We encourage these sub-fora to foster coordinated innovation and joint research and the promotion of exchanges and sharing of know-how across the food system. In accordance with circumstances of economies, we should also facilitate the application of information and communications technologies (ICT) to better integrate agricultural and aquatic products in the food supply and value chains
37. We acknowledge that agricultural biotechnology can help address the challenge of food security and promote climate resilient agriculture. We acknowledge that agricultural biotechnology should be applied in accordance with domestic laws and regulations. We confirm that the new breeding technologies are significantly increasing the efficiency and precision of plant and animal breeding and are additional tools for the breeder. We commit to harnessing scientific innovations that address common challenges for smallholder farmers and we recognize that access to these technologies will benefit them. We encourage economies to share information, practices, experiences, resources and lessons regarding innovation, regulatory frameworks, risk-benefit assessments and science communication. We recognize the crucial role of science communication as one of the means to engage the public in informed decision-making in order to maximize the benefits of

biotechnology for improved resiliency, inclusive and sustainable growth and food security.

38. We value the work carried out within APEC by the Agricultural Technical Cooperation Working Group (ATCWG), serving as forum to share information and best practices, to build capacity in the area of agriculture and its related industries, and to promote science and technology innovation in agriculture adapted to the regional context. We welcome initiatives from ATCWG.
39. Given global population growth, we commit to improving food availability, to meet the demand for a safe, nutritious and varied food supply in the region. We support research on food supply and nutrition, as well as exchanging best practices and exploring cooperative opportunities among APEC member economies and international organizations. In particular, we will enhance efforts to ensure the availability of safe, nutritious and varied food for vulnerable groups.

Rural-Urban Development

40. In response to demographic changes, rapid urbanization, diet change and food system transformation, and conscious of the importance of socio-economic sustainability of both rural, urban, peri-urban communities to achieve food security, we commit to adopt a comprehensive policy approach towards rural-urban development, focusing on linking rural and peri-urban communities to urban centers. We also welcome efforts to share best practices and experiences of APEC economies in this matter.
41. Family and small-scale producers play a central role in food systems, managing the majority of agricultural land and fisheries, producing significant amounts of food. Urbanization is also leading to growth in the volume of food moving through rural-urban value chains, creating important opportunities and challenges for economic growth and food security. Therefore, we will pursue empowering smallholders and MSMEs in agriculture and food systems, and value chains through enabling policy and regulatory environments, extension programs, improved laws and regulations conducive to food system growth, human capital development, access to finance, investment in physical infrastructure and stimulating public-private partnerships to promote their integration into domestic and global food value chains. We acknowledge that connecting smallholders to local, regional and global markets has the potential to reduce poverty, raise incomes, improve food security and expand livelihood options.
42. Conscious that gender equality and the participation of young adults are essential to increase productivity and incomes in agriculture, we should favor targeted interventions to empower them to overcome barriers that inhibit their ability to participate in the food system, as an attractive livelihood option for these groups. We recognize the reinforced efforts by APEC economies to better qualify women and young adults in the profession of farming.
43. We continue to support the work carried out by relevant APEC sub-fora to promote welfare of communities and employment creation. We should take care that this protection and employment opportunities reach workers along the food system and may involve complementary activities, such as rural tourism and handicrafts production, especially for smallholders, women and youth.

44. Bearing in mind that urban areas receive benefits from the positive externalities of sustainable agriculture and aquaculture in rural areas, including conservation of biodiversity and ecosystems and prevention of floods, we should promote farmland maintenance by smallholders and local communities, in a non-trade distorting way. We also acknowledge the valuable role of smallholders and family farming in protecting and enhancing agri-food heritage and locally adapted farming practices.
45. We will also join efforts to contribute to the sustainable use of natural resources in rural agricultural systems, including outstanding landscapes and remarkable local knowledge and experience, with special emphasis on land and water management, which provide social, cultural, economic, and environmental goods and services to small holders, family farmers, indigenous peoples and local communities. In this regard, we take note of FAO's Globally Important Agricultural Heritage Systems (GIAHS) initiative.
46. We recognize that ICT have the potential to facilitate knowledge sharing, information dissemination and serve as monitoring platforms to support smallholder and family farmers' activities and connect them to suppliers, producers, traders and consumers. Effective application of these technologies will result in better integration and significant efficiency gains across the food system.
47. Recalling the 2014 and the 2015 Leaders' Declarations encouragement to further rural development and poverty alleviation, we welcome progress that could contribute to sustainable and inclusive growth as part of our concrete commitment to rural development and poverty alleviation. In this regard, we take note of activities implemented in 2016 on inclusive business for rural development and poverty alleviation.
48. We welcome the establishment of the APEC Strategic Framework on Rural-Urban Development to Strengthen Food Security and Quality Growth and look forward to the preparation of its action plan in 2017, under the leadership of PPFs, in coordination with relevant sub-fora.

Infrastructure, Investment and Services for Food Security

49. We recognize the critical role of investment and infrastructure development for food access and availability. Therefore, we will take steps to promote an enabling environment for investment in transport, connectivity, logistics and other enabling services to improve farming and the linkage of retailing markets, especially in rural and secondary cities and within the APEC region. We acknowledge the implementation of the Principles for Responsible Investment in Agriculture and Food Systems endorsed by the Committee on World Food Security (CFS). We welcome initiatives for capacity building and dissemination of information on planned investment projects in the region. We recognize the importance of providing effective means and procedures with respect to investment under laws and regulations of each economy.
50. Considering the unprecedented pressure on freshwater resources, critical for human consumption, development and food production, we encourage public-private partnerships to foster investment in quality infrastructure, technologies and services, for integrated water resources management, in order to ensure the availability, affordability and access, and appropriate use of water.

51. Furthermore, we should take further actions and implement innovative technologies, and proper infrastructure to reduce post-harvest food loss and waste, including better storage and cold chain facilities. We welcome the launch of a web-based APEC Cold Chain Forum in cooperation with APEC and the Global Cold Chain Alliance (GCCA), and encourage them to discuss issues regarding food loss and waste across the food value chain in the context of processing, storage, cold chains and packaging, including policy and technology. We also call on the PPFS to develop and implement an action plan for facilitation on investment and infrastructure for food security in the coming years.
52. We call on economies to put in place robust policy settings and foster infrastructure development to minimize food loss and waste and to seek sustainable food production and trade, including through the use of effective cold chain and other technologies, as well as through public-private partnerships and cross-border cooperation. Most importantly, we call for economies to continue to advance the implementation of the APEC Action Plan for Reducing Food Loss and Waste and value the progress of the APEC Food Losses Multi-Year Project. We encourage member economies to strengthen communication and cooperation on food loss and waste reduction strategies, share best practices and call on all stakeholders to make significant efforts to reduce food waste, improve its management and educate consumers to avoid waste. We also acknowledge the Technical Platform on the Measurement and Reduction of Food Loss and Waste coordinated by FAO and IFPRI.

Toward an APEC Food System 2020

53. We commit to strengthen the Policy Partnership on Food Security (PPFS) through a review of its results, process improvement and governance in order to ensure that it remains effective and relevant. We also instruct the PPFS to continue cooperating with other relevant APEC sub fora, and international fora.
54. We emphasize that enhanced and more effective participation from the private sector with all other stakeholders, is crucial in the PPFS process. We urge all APEC economies to encourage and enable such participation and encourage the PPFS to foster private sector engagement for food security by taking due account and to seek to address the concerns and priorities of the private sector in establishing and deepening the APEC food system. In particular, we will continue to focus on addressing concerns related to sustainable development of the agricultural and fishery sectors, facilitation of investment and infrastructure development, enhancing trade and markets, reducing food loss and waste, adopting and applying effective, science-based and transparent food regulatory systems and improving food safety and nutrition.
55. We should also consider ways and means to help member economies build better policies and institutional capacity and extension programs, to assist the development of human capital along all the components of the food system.
56. We emphasize that production, infrastructure, investment and trade are key elements in promoting sustainability and advancing domestic, regional and global food security.
57. We welcome the success of the Fourth APEC Ministerial Meeting on Food Security and express our sincere gratitude to Peru for its kind hospitality.

58. We also welcome Vietnam to host the next Food Security Week in 2017, including a High Level Policy Dialogue on Food Security; and look forward to the next APEC FSMM5 in 2018 to make further progress in our common endeavors.

“SMEs as engines of quality growth and prosperity”

2016 APEC SME Ministerial Statement

1. We, the APEC Ministers and their representatives responsible for small and medium enterprises (SMEs), met in Lima on 9 September 2016 for the 23rd SME Ministerial Meeting under the Chairmanship of Minister Bruno Giuffra, Minister of Production of Peru. The meeting was also attended by the Chair of the APEC Business Advisory Council (ABAC), SOM Chair Luis Quesada and the representative of the APEC Secretariat.

Modernization of SMEs

2. Under this year’s theme “Quality Growth and Human development” and the priority “Towards the Modernization of SMEs in the Asia Pacific”, we centered the discussions on “SMEs as engines of quality growth and prosperity”, starting by reaffirming the importance of SMEs in economic activities and their role as sources of innovation and employment. SMEs are also best placed to materialize a structural reform and to advance sustainability in our economies, maximizing the impact of policies, strategies and best practices.

3. Guided by these elements, we stressed on the fact that the modernization of SMEs will imply concrete progress in increasing the innovation capacities of SMEs, fostering enabling environment and policies, guaranteeing access to financial means and capacity building, enhancing the participation of SMEs in electronic commerce in order to rapidly access new markets, reducing the technological gaps that many SMEs still face, and progressively inducing a shift into a more sustainable, eco-friendly and green production.

4. We also emphasized that the results of modernizing SMEs, as presented previously, would pave the way to integrate SMEs into Global Value Chains (GVCs) and to achieve their internationalization strategies. To do so, APEC economies will continue to support the internationalisation efforts of SMEs and encourage public-private partnership. We also acknowledged the importance of greater involvement of SMEs into business-to-business (B2B) and business-to-government (B2G) markets.

5. We valued the active participation of SMEs from across the APEC region at the meetings held from 5 to 8 September 2016. We would also like to express our appreciation for the participation of representatives from the private sector, academia and international organizations. Their views and contribution helped in our understanding of existing opportunities and challenges SMEs need to address so that they can successfully integrate into the global economy.

Contextualizing our deliberations in 2016

6. We expressed our satisfaction on the continuing prominence given by APEC's agenda to SMEs issues in recent years, which is all the more important in the context of evolving trends in international trade and investment. In this connection, we highlighted the important outcomes agreed and implemented recently in APEC, in particular those endorsed in 2014 and 2015 such as Nanjing Declaration on Promoting SME Innovative Development, APEC Accord on Innovative Development, Economic Reform and Growth, the Boracay Action Agenda, the Cebu Action Plan, the APEC Strategy for Strengthening Quality Growth and the Iloilo Initiative which calls for the establishment of the APEC MSME Marketplace.

7. This continuity must percolate as well in our efforts to synergize the work related to SMEs in different APEC's committees and subfora. In doing so, we stressed the importance of mainstreaming SMEs issues in APEC's agenda and strengthening cross-fora collaboration with a view to maximize the benefits of a concerted approach and to avoid duplication and/or overlap.

8. We highlighted the fact that our deliberations this year are taking place amidst broader discussions in APEC that will impact the future of regional economic integration, such as the finalization of the Collective Strategic Study on issues related to the Realization of the Free Trade Area of the Asia Pacific (FTAAP) and the development of the APEC Services Competitiveness Roadmap. We also noted the high interest in this year's assessment on the achievement of the Bogor Goals and welcomed the realization and outcomes of the SOM Dialogue on APEC Towards 2020 and Beyond and we looked forward to the conduct of similar dialogues in the following years as we approach 2020.

Key areas for 2016 and beyond

9. We stressed the need for APEC economies to share their experience on how to increase 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.

10. We acknowledged that despite the great amount of efforts put in by economies to strengthen the digital competitiveness of SMEs in the region in order to access the opportunities offered by internet and digital economy, the lack of readiness, capability, and resilience to engage in e-commerce continues to be some of the most critical factors for SMEs to achieve commercial success and to internationalise effectively, as concluded in an ad-hoc study conducted by ABAC in 2015. We, therefore, committed our efforts to continue exploring ways to reduce this

gap through continued partnership with global E-commerce players to support SMEs' E-commerce capacity building.

11. We recognized the need for further collaboration between APEC and ABAC in developing initiatives to foster SMEs growth. Given the complementary roles between the public and the private sectors, APEC SME Working Group (SMEWG) and ABAC should work together to further develop existing ABAC micro, small and medium enterprise (MSME) related initiatives, particularly, the mapping of Incubators and Accelerators across APEC economies, Cross Border E-Commerce Training (CBET), best practices of sustainable partnerships between big and small businesses and the current efforts in enhancing women's economic opportunities. Also, we reaffirmed the importance of creating a common e-commerce policy framework that will encourage greater e-commerce adoption by SMEs and promote CBET in more APEC economies.

12. We acknowledged that it is also important for each APEC economy to promote SMEs' active participation into the global value chains (GVCs) through measures to address challenges faced by SMEs in conducting overseas business development, e.g. improving infrastructure, legal systems and business practices, protecting intellectual property as well as promoting voluntary technology exchange.

13. We recognized greening micro, small and medium enterprises (MSMEs) for sustainable development in APEC initiative launched by Thailand and Peru to highlight the great potential that MSMEs have in achieving sustainable development in terms of decarbonizing economic activities, acquiring more sustainable production, greening GVCs, greening MSMEs, protecting the environment and boosting the livelihoods of local communities involved in sustainable economic activities. Meanwhile, it is also important to highlight the business opportunities arising from greening MSMEs particularly competitiveness enhancement through the use of accessible technologies and improvement in market access, among others.

14. Taking into account the amount of work that has been done in the past by APEC in areas of sustainability, green growth, environmental goods and services and green value chains, we instructed the SMEWG to lead a process to develop an "APEC Strategy for Green and Sustainable MSMEs" with a view that it be adopted in November 2017, in close coordination with all APEC relevant Committees and subfora. The aforementioned Strategy will outline prioritized actions to create greener and more sustainable MSMEs including raising green awareness among stakeholders, providing training and skills development, especially on the development of accessible green technologies, creating the enabling environment such as integrated policy framework, allyand economic incentives that allow MSMEs to engage in green activities, as well as promoting green supply chain development.and the use of natural resources in an environmentally-friendly manner.

Main outcomes, deliverables and work in 2016

15. We appreciated the progress made by APEC in implementing the Boracay Action Agenda to Globalize MSMEs. We further encouraged economies to continue the development of initiatives that will benefit MSMEs in the region and contribute to their capacity to internationalize.

16. We congratulated the United States on the successful outcomes of the APEC Business Ethics for SMEs Initiative in strengthening ethical business practices in key sectors. Heightened and aligned ethical standards through collective action free SMEs from the high costs of corruption and support their ability to access global markets. We congratulated Peru on the conclusion of its Consensus Framework for Multi-Stakeholder Ethical Collaboration in the biopharmaceutical and medical device sectors, bringing together relevant stakeholders in the healthcare system under a common platform. We urged APEC economies to implement similar Frameworks as endorsed under the APEC Nanjing Declaration and continue the full adoption of APEC Principles for codes of ethics as instructed by APEC Ministers and Leaders, and welcomed enhanced work with third party intermediaries. We affirmed the continuing work of the engineering and construction sector to undertake initiatives for SMEs to combat corruption. We supported improved capacity-building at ministries relevant to infrastructure, the examination of specific ways to streamline government processes – including increased use of automation – to improve transparency, the development of an APEC common baseline for ethics self-certification programs, and the establishment of a public-private implementation team to advise Ministers on additional steps to improve the efficient and transparent delivery of vital infrastructure. We extended our appreciation to Peru for hosting the 3rd APEC Business Ethics for SMEs Forum in 2016 and look forward to the 4th APEC Business Ethics for SMEs Forum in Viet Nam.

17. We welcomed the realization of the 9th APEC Small and Medium Enterprises Technology Conference and Fair (SMETC) convened by China, in July 2016. Being successfully held for 9 sessions, in accordance with Nanjing Declaration on Promoting Innovative Development and the 22nd SMEMM Statement of Ministers, SMETC serves as a very good professional platform on technology exchange and trade promotion for SMEs in Asia-Pacific region, along with the aim of promoting MSMEs integration into Global Value Chains.

18. We acknowledged the important contribution of APEC Best Practices in SME Innovation, which is announced during APEC SME Technology Conference and Fair (SMETC), on providing a professional platform for SMEs within Asia-Pacific region to share and exchange innovative ideas of cutting-edge fields.

19. We acknowledged the importance of APEC SME Online-to-Offline (O2O) Initiative co-proposed by Chinese Taipei, the Philippines and Malaysia to enhance SME digital competitiveness and resilience towards quality growth. We appreciated the realization of APEC SME O2O Summit held in Chinese Taipei as well as the

serial O2O Fora in Lima of Peru, Ho Chi Minh City of Viet Nam and the forthcoming one in Boracay of the Philippines this year. We noted their main outcomes which would help governments and stakeholders to be more aware of the opportunities and challenges of modernizing SMEs.

20. We welcomed the realization of the Workshop on E-commerce for Inclusion and Competitiveness organized by Peru, held in Lima in August 2016 and acknowledged the potential of new technologies and digital channels to reach new customers and to enhance financial and social inclusion.

21. We noted the outcomes of the workshop on Best Practices for Enabling MSME Access to the Digital Economy held in Ho Chi Minh City, Viet Nam in April 2016. We recognized the importance of the opportunities that the digital economy offers to MSMEs to enhance integration into global supply chains and value chains, fostering more inclusive and sustainable economic growth.

22. We welcomed the results of the project titled “APEC SME Internationalization Model Indices: Development and Application” which was conducted by the Republic of Korea. We acknowledged that the results of the project would contribute to Internationalization of SMEs in the APEC region.

23. We praised Australia's support for trade promotion agencies to improve their services to encourage more women-led SMEs to enter export markets. The “APEC Capacity Building Program Supporting Women-led SMEs Access Global Markets by Implementing Gender-Responsive Trade Promotion Policies and Programs”, in cooperation with Peru (held a workshop in August and reiterated the importance of women’s perspectives and their particular interests and needs in our world. We recognized that mainstreaming gender equality and women’s economic empowerment into our work will contribute towards increasing women SMEs’ access to the international market.

24. We welcomed the outcomes of the survey “Inclusive growth through greater involvement of SMEs into B2B and B2G markets” and agreed to use them in further work on the APEC MSME Marketplace. We urged fostering participation of SMEs in international supply chains in B2B markets and in national B2G markets through systemizing opportunities and sharing best practices of cooperation among large companies and public sector and MSMEs.

25. We welcomed the SMEWG’s endorsement of the Implementation Plan of the APEC MSME Marketplace and looked forward to its launch in 2017.

26. We expressed our appreciation to Canada for its generous contribution that led to the operation this year of a new ASF Sub-fund on MSMEs and called for economies to harness the opportunity for the benefits of SMEs in the region.

27. We appreciated the substantial contribution on issues relevant to SMEs made by the meeting of APEC Ministers Responsible for Trade (MRT), the APEC High Level Meeting on Health and the Economy and the APEC High Level Policy Dialogue on Women and the Economy Forum. We also looked forward to the forthcoming realization of the APEC Food Security Ministerial Meeting, the APEC Education Ministerial Meeting and the Finance Ministerial Meeting, which would address SMEs-related issues.

APEC SMEWG Strategic Plan 2017-2020

28. We commended the work of economies and their representatives in finalizing the APEC SMEWG Strategic Plan 2017-2020. We would also like to express our appreciation to the independent assessor, PSU, ABAC and other stakeholders for their continuing contributions and inputs to the work of the SMEWG and to SME issues in APEC. We looked forward to the active participation of economies in executing the Implementation Schedule of the Strategic Plan 2017-2020.

Chairmanship of the SMEWG

29. We expressed our appreciation to Mr. John Andersen, Chairman of the SMEWG and highly commended his work and commitment in leading the group for the last two years.

APEC 2017 SME Meetings

30. We looked forward to our next meeting in Viet Nam for the APEC SME Ministerial Meeting and Related Activities in 2017.

Towards the 2016 APEC Economic Leaders' Meeting in Lima

31. We agreed to present this APEC SME Ministerial Statement as the contribution to the APEC Economic Leader's Meeting in November 2016 in Lima, Peru.

Joint Statement of the 6th APEC High-Level Meeting on Health & the Economy

1. Health Ministers of Chile, Malaysia, Peru, Philippines, and Vietnam; the State Minister of Health, Labour, and Welfare of Japan; the Deputy Health Minister of Chinese Taipei; the Head of the Department of Health of Papua New Guinea; senior officials; academic and industry leaders, representatives of non-governmental and international organizations met in Lima, Peru on 21-22 August 2016 for the 6th APEC High Level Meeting on Health and the Economy (HLM6). The meeting was chaired by the Minister of Health of Peru and organized jointly by the Health Working Group (HWG) and the Life Sciences Innovation Forum (LSIF). The overall objective of the meeting was to share and discuss perspectives and experiences prioritizing and financing investments in health and building innovative and efficient health systems to implement “Healthy Asia Pacific 2020 (HAP2020)” in support of the 2030 Sustainable Development Goals (SDGs). Both HAP2020 and the SDGs recognize that high impact investments in health systems yield tremendous benefits that help economies achieve their economic, social, and environmental goals.

2. HAP2020, welcomed by APEC Leaders in November 2014, calls on APEC Economies to develop sustainable and high performing health systems. In 2015, APEC Economies, under the leadership of the Philippines, developed and endorsed the HAP2020 Roadmap to guide implementation. Likewise, in September 2015 the United Nations (UN) General Assembly adopted the SDGs. The focus for implementation of HAP2020 is specifically SDG 3 “Ensure healthy lives and promote well-being for all at all ages” and its 13 targets, including enhancing prevention and control of non-communicable diseases (NCDs) and promoting mental health and well-being, substantially increasing health financing, supporting the research and development of new vaccines and medicines, building a strong health workforce, and achieving universal health coverage.

3. Partnerships – a key element of both HAP2020 and the SDGs – are recognized as a critical tool for building strong health systems. HLM6 welcomed the opportunity for APEC Economies to collaborate closely and effectively with each other and with the private

sector, academia, civil society including patient groups and other organizations, and recognized that neither HAP2020 nor the SDGs would be effectively achieved without this collaboration. HLM6 recognized the importance of multi-sectoral action to implement the HAP2020 Roadmap and welcomed the formation of a small group by the LSIF and HWG to explore innovative approaches to further implementation of the Roadmap.

4. HLM6 emphasized the importance of APEC Economies enhancing the fiscal space for health by developing strategies to streamline health systems by ensuring proper resource allocation; prioritizing health in domestic budgets; making high impact investments; aligning regulatory standards and procedures; and, promoting public-private partnerships. Maximizing use of existing health infrastructures to integrate NCD prevention, treatment, and care is a critical first step. It was noted that improving health systems efficiencies can result in GDP improvements of 4% to 8% across various levels of economic development.¹

5. HLM6 noted that high-quality data is a valuable resource for building high performing health systems. There are opportunities for APEC Economies to work together to develop and share high-quality data, taking into account domestic privacy laws and information sharing frameworks, to build the evidence base for effective health interventions, improve decision making, and measure progress. HLM6 noted the joint initiative to investigate the viability of a common framework for responsible access to health data while maintaining appropriate ethical and data privacy controls.

6. HLM6 encouraged APEC Economies to document and share the outcomes of partnerships in health systems strengthening. HLM6 observed that data can also improve the scaling of innovative partnerships in the APEC region and that the evidence base for such partnerships at the economy-level could be improved. Public-private partnerships can also help build capacity to capture and analyze data across the continuum of care. It was noted that successful partnerships have the distinct synergistic benefits of bringing

¹ Ministerial Forum for Finance Ministers. Forum Summary. Harvard University. 2016 <https://cdn2.sph.harvard.edu/wp-content/uploads/sites/61/2016/05/2016-MoF-Forum-Summary.pdf>

together the policy power of the public sector and the market-knowledge of the private sector to address common goals and have often resulted in a history of producing valuable research that drives innovation.

7. HLM6 reaffirmed the importance of the 2011 APEC NCD Action Plan² and the urgent need to enhance and accelerate implementation of domestic NCD prevention and control strategies. APEC Economies currently face estimated GDP losses of between 6-8.5% over the next 15 years due to the impact of NCDs, mental health, early retirement, and aging. APEC Economies recognize that investing pro-actively in health innovation can generate improved health and economic outcomes.^{3 4} The 2008 LSIF Framework paper estimated that enhanced investment in healthcare innovation would result in a savings of 2.71% GDP of APEC economies by 2020 due to reductions in disability adjusted life years (DALYs), reduced treatment costs and increases in GDP from labor force and productivity effects.⁵ By 2030, the benefits of enhanced health innovation are predicted to have seven times the economic benefits compared to initial costs.⁶ A study by the Union for International Cancer Control (UICC) showed that investment in a core set of cancer prevention strategies can yield savings of 10 times the initial investment.⁷

8. HLM6 examined the need for innovative financing mechanisms predicated on the return on targeted, high-impact investments in health systems strengthening. HLM6 discussed specific approaches to achieving improved health financing including support for enforcement of current tax systems to prevent avoidance and evasion, avoiding regression in social health insurance, and promoting partnership with the private sector.⁸

² Addressing the Chronic Disease Challenge in the APEC Region: An Innovative Approach to Collaborative Action https://mddb.apec.org/documents/2012/HWG/HWG1/12_hwg1_007.doc

³ The Impact of Health on Worker Attendance and Productivity in the APEC Region, VISES, Victoria Institute of Strategic Economic Studies, July 2014. <https://www.abaconline.org/v4/download.php?ContentID=22612052>

⁴ Cost of Early Retirement due to Ill Health, Victoria Institute of Strategic Economic Studies, July 2015.

http://vises.org.au/documents/2015_Rasmussen_et_al_Cost_of_Early_Retirement_Due_to_Ill_Health.pdf

⁵ APEC Life Sciences Innovation Forum. "Investing in the Future: An Assessment of the Returns to Investment in Health Innovation". Lima, Peru, August 2008. <http://vuir.vu.edu.au/4825/1/4825.pdf>

⁶ APEC Life Sciences Innovation Forum. "Investing in the Future: An Assessment of the Returns to Investment in Health Innovation". Lima, Peru, August 2008. <http://vuir.vu.edu.au/4825/1/4825.pdf>

⁷ According to the Union for International Cancer Control (UICC), investing \$11.4 billion in a set of core prevention strategies in low and middle income economies can yield a savings of up to \$100 billion in cancer treatment costs and hundreds of billions more in economic benefits. Union for International Cancer Control. The Economics of Cancer Prevention and Control. Data Digest. http://issuu.com/uicc.org/docs/wcls2014_economics_of_cancer_final?e=0. Published 2014.

⁸ World Bank – USAID "First Universal Health Coverage Financing Forum Raising Funds for Health" <http://pubdocs.worldbank.org/pubdocs/publicdoc/2016/4/103621460561160053/DRM-policy-note-041216-clean.pdf>

Importantly, in engaging the private sector, APEC Economies emphasized the importance of establishing legal and regulatory standards that will ensure equitable and ethical treatment of all individuals. HLM6 discussed ways of improving the efficiency and economic sustainability of health expenditures and commended APEC Economies for their efforts to carry forward the mandate agreed in 2015 by APEC Leaders for further work on the fiscal and economic impacts of ill-health and Ministers' call for a cross-fora dialogue on ways of ensuring our workforce remains healthy and competitive. HLM6 took note of the LSIF proposal to host an informal health/finance discussion in October 2016 and encouraged economies to work together to carry forward this mandate. The HLM6 also welcomed future collaboration with APEC Senior Finance Officials in 2017.

9. As APEC Economies continue to develop holistic approaches to strengthen their health systems, investments in research and development and life sciences innovation capacity are important considerations. HLM6 recognized the importance of policy, regulatory, and legal frameworks in incentivizing the discovery and development of new medicines and technologies.

10. Finally, HLM6 welcomed Vietnam's offer to host the 7th APEC High-Level Meeting on Health & the Economy in Ho Chi Minh City, Vietnam in August 2017.

RECOMMENDATIONS

HLM6 recommends that APEC Ministers and Leaders:

- A. Note the importance of implementation of the HAP2020 Roadmap and the wide range of health initiatives underway in the HWG, LSIF, ABAC, and other APEC fora in support of the HAP2020 Roadmap as provided in the attached Annex.
- B. Welcome the establishment of a small group to explore innovative approaches to further implement the HAP2020 Roadmap, consistent with existing mechanisms and activities underway in this space.

- C. Welcome efforts to build more efficient and high-performing health systems by reducing waste, improving the quality of care, ensuring proper workforce planning, aiming for sufficient resources for health in domestic budgets, making high impact investments, and promoting public-private-academic partnerships. Call on APEC Economies to continue to work together to develop and share high-quality data in order to build the evidence base for policy development, effective health interventions, improved decision making, and impact measurement.

- D. Recognize the role of policy, regulatory, and legal frameworks in providing incentives for the discovery and development of new medicines and technologies; and support the cooperation among universities, public research institutions, and the private sector on life science innovations.

- E. Welcome future collaboration with Senior Finance Officials on the fiscal and economic impacts of ill-health. Call on APEC Health and Finance Senior Officials and key stakeholders to convene a formal cross-fora dialogue during 2017.

HLM6 Joint Statement – Annex 1

HWG

- HLM6 welcomed efforts to monitor Universal Health Coverage (UHC) progress in the APEC region
- HLM6 welcomed work to address Multi-Drug Resistant Tuberculosis and establish the Asian Tuberculosis Research and Clinical Trials network
- HLM6 welcomed efforts to build capacity to effectively prevent, detect, and respond to infectious disease threats.

LSIF

- HLM6 commended the APEC LSIF Regulatory Harmonization Steering Committee (RHSC)'s strategic and coordinated approach to regulatory convergence and capacity building for medical products.
- HLM6 welcomed the new operating model and progress in establishing APEC Training Centers of Excellence (CoE) in Regulatory Sciences to support the RHSC's "Vision 2020" of achieving convergence of regulatory approval procedures for medical products by 2020, which was endorsed in 2011 by APEC Ministers (foreign and trade). To this end HLM6 welcomed the pilot APEC-PKU Health Sciences Academy pilot CoE program for multi-regional clinical trials (MRCT), an additional MRCT pilot at Duke-NUS, biotherapeutics pilot CoE programs underway at Northeastern University and Seoul National University.
- HLM6 welcomed the ongoing training to help entrepreneurs commercialize their discoveries through the APEC Biomedical Technology Commercialization Training Center.
- HLM6 welcomed implementation of the Blood Supply Chain 2020 Roadmap and Partnership Training Network
- HLM6 welcomed progress on finalizing the Global Medical Product Quality and Supply Chain Integrity Roadmap and Associated Toolkits and looked forward to their implementation, including through the establishment of a Regulatory Science Center

of Excellence for Quality Standards hosted by United States Pharmacopoeial Convention.

HWG-LSIF

- HLM6 welcomed the release of the APEC Report on Strategic Needs in Mental Health and called on APEC economies to collaborate with and support the APEC Digital Hub for Mental Health to address the strategic needs identified in the report. HLM6 reaffirmed its commitment to implement the APEC Roadmap to Promote Mental Wellness in a Healthy Asia-Pacific.
- HLM6 welcomed the upcoming work to accelerate action on HPV and Cervical Cancer and looks forward to the finalization of an APEC Roadmap for Implementation of Cervical Cancer Prevention and Control.
- HLM6 welcomed the proposal to discuss the fiscal and economic impacts of ill-health on the margins of the upcoming Senior Finance Officials Meeting which will determine the shape and content of a formal cross-fora dialogue between the groups and other relevant stakeholders in 2017.

HWG-HRDWG-PPWE

- HLM6 noted implementation of the APEC Healthy Women, Healthy Economies Policy Toolkit to address health-related barriers to women's participation in the workforce and called for the continued implementation of the Toolkit's recommendations on a public-private basis, including through establishment of a private-public steering group to champion further implementation efforts.

LSIF-ECSG

- HLM6 noted plans to develop an APEC Framework for the Secondary Use of Data in Health and Medical Research in accordance with relevant ethical and data privacy principles.

ABAC-LSIF RHSC

- HLM6 noted the Global Data Standards pilot projects to improve supply chain connectivity and integrity and called on APEC economies to volunteer.

APEC Women and the Economy 2016 Forum Statement
BREAKING BARRIERS TO THE ECONOMIC INTEGRATION OF WOMEN
IN THE GLOBAL MARKET
30 June 2016

- 1 We, APEC Ministers, Heads of Delegations, Senior Officials, ABAC and private sector leaders, and representatives from non-governmental organizations, met in Lima, Peru, from June 27 to 30, 2016 for the APEC Women and the Economy Forum. The meeting was chaired by Her Excellency Marcela Huaita, Minister of Women and Vulnerable Populations of Peru.
- 2 We acknowledge the 2016 APEC theme “Quality Growth and Human Development” focusing on four priorities 1) advancing regional economic integration and quality growth; 2) enhancing the regional food market; 3) working towards the modernization of micro, small and medium-size enterprises in the Asia-Pacific; and 4) developing human capital.
- 3 This meeting built upon the achievements of the first APEC Ministerial Meeting on Women held in Manila in 1998, which paved the way for the drafting of the Framework for the Integration of Women in the APEC agenda. The Framework has guided all APEC fora in integrating gender equality and women’s economic empowerment into APEC processes and activities. It also considers progress made by all successive meetings on women and the economy up to 2015, and recognizes the five year anniversary of the 2011 San Francisco Declaration at the High Level Policy Dialogue on Women and the Economy.
- 4 We welcomed APEC Leaders’ acknowledgement in 2015 of women’s vital contribution to economic and social development and prosperity of the Asia Pacific region and beyond, as well as their commitment to pursue concrete policies and innovative measures to further enhance women’s economic empowerment, and seek greater inclusion of women in the regional economy, in particular, through improved access to capital and assets; access to markets; skills, capacity building, and health; women’s leadership, voice and agency; and innovation and technology.
- 5 We also welcome APEC Leaders’ call for strengthened efforts to support the mainstreaming of gender equality and women’s empowerment across APEC’s work streams as an important axis on which to invest in human capital development.
- 6 We recognize the implementation of the 2030 Agenda for Sustainable Development, that states that achieving gender equality and the empowerment of all women and girls will make a crucial contribution to progress across all the goals and targets, and recognizes that women and girls must enjoy equal access to quality education, economic resources and political participation as well as

equal opportunities with men and boys for employment, leadership and decision-making at all levels. As we embark on this collective journey we pledge our commitment to no one being left behind.

- 7 We acknowledge that APEC offers an opportunity for international collaboration between policy makers and business leaders, including those in the APEC Business Advisory Council (ABAC), and that the Policy Partnership on Women and the Economy (PPWE) further facilitates the improvement of women's economic participation and empowerment helps develop programs that will train and promote women leaders.
- 8 We affirm the critical role of men and boys in the achievement and realization of gender equality. We recognize the importance of having a systematic approach in engaging men in the promotion of women's economic empowerment, including recognition and redistribution of unpaid and domestic work, elimination of gender-based violence, and advancement of women's political participation.

Breaking barriers to the economic integration of women in the global market

- 9 The main theme of the 2016 APEC WE Forum, "Breaking Barriers to Economic Integration of Women in the Global Market" recognized that there is still existing gender inequality across the Asia-Pacific region that prevent the full participation of women in global value chains. For women to become both drivers and beneficiaries of inclusive growth and development, tailor-made strategies must be implemented and evaluated.
- 10 The 2016 APEC WE Forum also tackled five sub-themes: 1) Economy Care Systems: Recognizing, reducing and redistributing unpaid care and domestic work for inclusive growth; (2) Costs of gender-based violence in the context of economic development; (3) Mechanisms for the internationalization of MSMEs led by women; (4) Financial and economic literacy and inclusion for access to capital; and (5) Digital literacy for economic inclusion.
- 11 We welcome the outcomes of the Public Private Dialogue on Women and the Economy (PPDWE) (*which are presented in Annex C*). The PPDWE called on all stakeholders to continue pursuing a women's economic empowerment agenda in order to create new opportunities for women, highlighting in particular the need for collaboration between public and private sectors in APEC.

Economy Care Systems: Recognizing, reducing and redistributing unpaid care and domestic work for inclusive growth

- 12 We acknowledge that across all economies and cultures, women and girls carry out the majority of unpaid care including caring for children, the elderly and people with disabilities as well as domestic work such as cleaning and cooking.

As a consequence, women often work fewer hours in paid and formal employment compared to men. They are also often not appropriately recognized for the excessive hours of unpaid work or for the value they create for their families and communities. We recognize that this unequal burden is a powerful constraint against women's progress in education, market and entrepreneurial activities, and employment, and results in limited access to employment-related social protection.

- 13 We encourage the creation and expansion of public and private services and investments in APEC economies to reduce the burden of unpaid care and domestic work on women and girls. The expansion of accessible and quality care systems, including childcare, healthcare and other care services creates greater flexibility and options to redistribute unpaid care work away from girls and women's responsibility, and promotes the value of such work. At the same time, improved infrastructure, including transportation, water and sanitation, can support time and labour-savings for women and increase their ability to participate in the formal economy.
- 14 We encourage public and private sector employers throughout the region to offer decent work - meaning access to productive jobs, adequate wages, socially protected in regard to basic rights and without any form of discrimination -along with offering options such as flexible work schedules, compensatory leave, and telework to employees, women and men alike. These options would allow workers to take the time necessary to meet caring responsibilities for others as well as themselves.
- 15 We call on all APEC economies to offer educational programs and management trainings on gender equality working with key stakeholders to value women's unpaid care and domestic work, and raise awareness so that this work is recognized for its contribution to economic welfare in the Asia-Pacific region. We also call for more co-responsibility strategies and policies to redistribute unpaid and domestic work between women and men and increase paid and formal employment for women.
- 16 We recognize that additional research is needed in the area of gender inequality in unpaid care including domestic work to assess the implication of unpaid care on labor outcomes, including labor force participation rates, occupational segregation in the labor force, and quality of employment and wages. We call for additional work in this area to continue to quantify the socio-economic disadvantages caused by the asymmetrical distribution of unpaid care and domestic work.

Costs of gender-based violence in the context of economic development

- 17 We acknowledge that gender-based violence is highly prevalent in the home, workplace and public spaces and adversely affects human, social and economic development, not only because it is a violation of women and girls human rights, but also because of its high economic costs in terms of expenditure for the provision of services (e.g. health services), loss of income, decreased productivity of victims and survivors, and the negative impacts on families. Gender-based Violence also has a negative impact on future human capital due to its inter-generational consequences.
- 18 We acknowledge that a better working environment and healthy motivated employees have positive economic effects, as they increase productivity and profits. In this sense, the adoption of strategies on gender- based violence prevention in the workplace have positive economic and non-economic effects for companies, such as increased productivity resulting in increased corporate earnings and benefits.
- 19 We encourage APEC economies at regional, and local levels, in conjunction with the private sector, and non-governmental organizations to take action to disseminate information and facilitate communication campaigns to prevent and protect women from violence. We also encourage the establishment of Public-Private Partnerships that develop and implement violence prevention strategies in the home, workplace and public spaces. We also encourage APEC economies to ensure that support services and mechanisms, including in the workplace are in place to help women who may be experiencing gender based violence.

Mechanisms for the internationalization of MSMEs led by women

- 20 We reiterate our commitment to the implementation of decisions of the APEC Women and the Economy 2015 Fora Statement, where we emphasized gender equality is an important aspect of accessing international markets and global value chains, and underscored the importance of integrating a gender perspective into the overall business operations and analytical frameworks, including production, sourcing, marketing and consumption, to ensure that gender-based barriers are addressed.
- 21 We recognize that women entrepreneurs face a range of financial and non-financial challenges when realizing their growth potential, affecting women-owned micro, small and medium enterprises (MSMEs) throughout the business life cycle and particularly during the startup stages. We remain committed to providing peer and expert insight on how women-led MSMEs can overcome obstacles in exporting their goods and/or services; to exchanging experiences and sharing best practices in the adoption of policies that can effectively increase the participation of women in global trade.

- 22 We welcome the APEC agreement on Boracay Action Agenda to Globalize MSMEs¹ to implement one of eight group actions as strengthening focus on MSMEs led by women by i) fostering the use of gender-disaggregated data in measuring the economic and social impacts on MSMEs; ii) promoting an understanding of the divergent constraints faced by male and female-led MSMEs; and iii) encouraging exchange of best practices on women-friendly interfaces with customs and other border authorities. Additionally, we welcome the endorsement in the Boracay Action Agenda of a common goal towards 2020 to identify indicators in order to track the region's progress and the progress of individual members and seek future actions to enable MSMEs in the region to "go global".
- 23 We encourage stimulating Public-Private Partnerships and other multi-stakeholder initiatives to help businesses led by women reach international markets. Opportunities include trade missions and trade shows (real and virtual), export guarantees and credits, training programs, mentorship opportunities and networking, access to new technologies, addressing regulatory barriers.

Financial and economic literacy and inclusion for access to capital

- 24 We recognize that women entrepreneurs and women in general, face challenges relating to economic and financial inclusion and face unequal treatment when evaluated as loan candidates, which limit their ability compared to their male peers, to access financial system and services. External financing and the availability of business loans is especially important for women's current and new ventures as they generally have fewer ownership rights and less access to property or other assets. We call on APEC economies to undertake reforms to give women equal rights to economic resources, as well as equal access to ownership and control over land and other forms of property, financial services, and inheritance.
- 25 We take into consideration that gender disparities in access to financial education and services can have negative effects not only on women entrepreneurs, but on the overall Asia Pacific-regional economy. We are committed to addressing the lack of financial literacy among women and girls in the Asia Pacific-Region, to facilitate a positive impact on women's financial security through improved money management and access to appropriate financial services and products, and to develop and achieve entrepreneurial activities. We encourage involvement and coordination among relevant stakeholders, including public, private and non-governmental organizations

¹ The Agreement on **Boracay Action Agenda to Globalize MSMEs**: Fostering the Participation of APEC MSMEs in Regional and Global Markets , 2015 Meeting of APEC Ministers responsible for Trade, Boracay, Philippines 24 May 2015

concerned with gender issues to increase financial and economic literacy and inclusion for access to capital.

26 We acknowledge that empowering rural and indigenous women is key to well-being of families and communities and also to economic productivity given women's large presence in the agricultural workforce. Rural and indigenous women are valuable agents for achieving economic, environmental and social changes required for sustainable development. Since they face limited access to credit, health care and education, in addition to unequal access to assets, it is important to design public policies that consider their specific needs.

Digital literacy for economic inclusion

27 We recognized the benefits of ICT and related services on empowering women by creating an environment to participate in community-based activities, increasing business and employment opportunities and establishing business-enabling networks that address women's needs. We further acknowledge that by embracing ICT, women entrepreneurs in the Asia-Pacific region can access e-commerce platforms and that the removal of barriers to international online markets and to become more competitive in global value chains.

28 Given that new financial technology tools have arisen to offer additional funding and operating options for entrepreneurs, we call on public and private sector stakeholders to engage women in adopting financial resources through innovative technology such as crowdfunding, micro-loans and digital payment as part of new avenues for business in the future. We encourage efforts towards building the digital capacities of girls and women through active participation in ICT education and training programs, especially those aimed at women entrepreneurs, which include investing in targeted digital literacy, confidence, and skills development for women through mentoring and networking. We further recognize the need to strengthen women and girls' access to and participation in science, technology, engineering, and mathematics (STEM) education and careers. We welcome the Women in STEM initiative, established in an effort to address capacity building priorities identified under the Women and the Economy Dashboard.

29 We shall continue supporting the development of technology content, applications and services that meet women's needs. This includes fostering user-driven approaches to technology development, prioritizing investments in applications and tools, such as e-learning and education for women's financial inclusion, mobile accounts, employment and entrepreneurship through the development of digital abilities and in digital segments.

30 We encourage multi-stakeholder involvement to address common impediments and to promote communication and collaboration amongst the private, public and non-governmental sectors aimed at facilitating women's access to ICT enabled services which will be of particular use to policy makers in the development of a sustainable and equitable business environment for women.

Integration of gender perspectives across APEC

31 We commend efforts by APEC sub-fora to integrate gender in their work, including ongoing collaborations with the PPWE, such as those highlighted in Annex B in the areas of skills building, increasing economic participation through better health, promoting the inclusion of women in the transportation sector, incorporating gender perspectives into emergency preparedness and disaster recovery and resilience, supporting women-owned MSMEs, and enhancing educational opportunities for women. We call on all APEC sub-fora to continue integrating gender equality and women's empowerment in their work planning and annual reports.

32 We recognize the updated Guide on Gender Criteria and the APEC Women and the Economy Dashboard as useful tools to ensure integration of gender perspectives across APEC. Assessing projects using the gender criteria enables a conscious effort in engaging women in all aspects of APEC's work and in increasing women's participation in the region. The Dashboard is a tool to track, measure, and communicate progress in reducing barriers to women's economic participation across our five key priorities. We call on APEC economies to leverage the Dashboard as a tool to inform policymaking and capacity building across all APEC work streams, and improve and expand data collection to strengthen the Dashboard's utility and impact.

Towards achieving gender equality and the empowerment of all women

33 We, APEC ministers, heads of delegations, senior officials, ABAC, representatives of non-governmental organizations and private sector leaders, affirm the need to eliminate barriers to women's economic integration in the global market to work towards achieving gender equality and the empowerment of all women, as well as building a better APEC region and a more inclusive world.

34 We call for further actions from APEC economies to increase gender diversity on executive boards and in senior management of companies which positively affects corporate sustainability and growth. We reaffirm our commitment to promote women's participation in economic activities by setting measurable and aspirational voluntary goals which economies could work toward by the end of 2020.

35 We recognize the importance of incorporating an intercultural approach on policies to encourage the participation of women in the economy and their full empowerment. An intercultural perspective is essential to adequately address the different social and political needs of women living in member economies of APEC. To this extent, we commit to advances in recognizing and incorporating women's demands for empowerment that support particular values regarding the organization of the economy, and its relationship to the environment.

APEC Women and the Economy 2017 Forum

36 We look forward to our next APEC Women and the Economy Forum and other related activities in Viet Nam, in 2017.

Towards APEC Peru 2016 Economic Leaders' Meeting in Lima

37 We agree to submit this APEC Women and the Economy 2016 Forum Statement as our contribution to the APEC Economic Leaders' Meeting held in November in Lima, Peru.

Annex A: Current PPWE Initiatives

Measurement of Change

- 1 The Women and the Economy Dashboard is a set of 75 indicators on the status of women in APEC's member economies. The Dashboard is a tool to track, measure, and communicate progress in reducing barriers to women's economic participation across our five key pillars.: (a) Access to capital and assets; (b) Access to markets; (c) Skills, capacity building, and health; (d) Leadership, voice, and agency; and (e) Innovation and technology. The APEC Policy Support Unit reported on the indicators under the Dashboard for the first time in September 2015, using highly credible international data sources such as the United Nations, the World Bank, the International Labor Organization, the World Economic Forum, and the World Health Organization. The Dashboard's indicators will be assessed and reported on for the second time in 2017.

Women's Entrepreneurship

- 2 The Women's Entrepreneurship in APEC (WE-APEC) initiative, which was launched in 2014, examined each economy's efforts with respect to business networks, private-sector initiatives, and government services in support of women's entrepreneurship. The findings of a far-reaching WE-APEC gap analysis offered a detailed view of the landscape for women entrepreneurs in the APEC region. Summaries of all 21 economies, including details about their respective networks, initiatives, and services, can be accessed and enhanced to strengthen eco-systems that support women's entrepreneurship. The WE-APEC online platform (www.we-apec.com) shares this dynamic directory of service providers for women-owned businesses across APEC and provides a way for governments, the private sector, business networks and entrepreneurs to connect to each other.

Women's Leadership

- 3 Among various issues related to women's empowerment, gender gap in companies' leading positions, corporate boards and senior management level has been one of the most important challenges for all APEC economies. Following the 50 leading companies for women in APEC 2014, the Good Practices on Gender Diversity in Corporate Leadership for Growth project focus on the impact of gender diversity on boards and in senior management level and picks up and compile companies' best practices to achieve corporate growth by promoting women's leadership.
- 4 The "Individual Action Plan (IAP) for the Enhancement of the Ratio of Women's Representation in Leadership" project was launched to promote women's participation in the economy in all levels, particularly in leadership, decision-making and management. The IAPs will serve as mechanisms for measurable

and aspirational voluntary goals which economies could work toward by the end of 2020, with a view to assessing progress of ratio of women's representation in leadership. In order to further promote women's representation in leadership and accelerate the voluntary goals and the momentum of the initiative of each economy, the project will explore and stock take of good practices of the policies as well as actions taken for promoting women's representation in leadership both in public and private sectors through the mid-term review study and Public-Private Dialogue (PPD) in 2017 which will be held in Vietnam.

Women in STEM:

5 Launched in 2016, the APEC Women in STEM initiative involves a range of activities, including an APEC-wide survey of initiatives aimed at strengthening the presence of women in STEM educational programs and careers. The framework that has emerged from this activity thus far encompasses four areas that impact future prospects for women and girls across the Asia-Pacific region: the Enabling Environment, Education, Employment, and Entrepreneurship. Following the presentation of initial results at APEC's Women and the Economy Forum, the final study will be shared later in the year as part of a workshop that engages high-level APEC government officials and private-sector representatives. The workshop will specifically address regional gaps and seek direct commitments toward increasing the representation of women and girls in STEM education and careers. A "STEM" camp, which focuses on STEM as well as the Arts, for adolescent girls will engage experts and private sector leaders to inspire the next generation of STEM leaders.

APEC BEST Award

6 Launched in 2016, APEC BEST Award is the first contest for women-entrepreneurs across the APEC region. Taking into account that gender differences impact significantly on women's employment in real sectors of the APEC economies and in organizational structures of enterprises where a priority is given to men, the task of creating and development of women's business ideas and women-owned SMEs is important and prospective. Spreading the best practices of women-owned SMEs among APEC economies provides an opportunity to attract a larger number of women into SMEs founding, create new jobs in different industries, and support economic growth and development by applying promising business models based on domestic success stories. APEC BEST Award will provide an opportunity to internationalize women-run businesses, attract international partners and potential investors from the APEC economies as well as contribute to building a network among women-entrepreneurs, consultants, mentors and investors across the APEC region.

WE boss

- 7 The “Innovation for Women and Economic Development: Facilitating Women’s Livelihood Development and Resilience with ICTs” multi-year project (2013-2016) was initiated to identify the key elements on promoting the economic involvement of women with technology and innovative IT tools. Following the project analysis, it presented an innovative learning application “WE boss” and toolkit as an innovative package for both public and private sector stakeholders. The conclusive meeting to be held in September, will provide better understanding on how inclusive economic growth and development can be turned into practical and implementable strategies.

Annex B: Partnerships with Other APEC Working Groups

- 1 The PPWE has partnered with other APEC working groups to incorporate gender equality and women's empowerment into their sector-specific public-private dialogues, ministerial meetings, and projects and programs to ensure that barriers to women's economic empowerment are addressed across sectors.

Human Resources Development Working Group (HRDWG) and Health Working Group (HWG)

- 2 Full participation of women in the economy is essential to achieve inclusive economic growth; however, women's ability to access economic opportunities is sometimes hindered by health concerns. Thus, the PPWE is collaborating with the HRDWG and HWG on the "Healthy Women, Healthy Economies" initiative. A Policy Toolkit was developed to address health-related barriers specific to women so they can join, remain and rise in the work force. The Policy Toolkit includes policy recommendations and practices on: workplace health and safety; health access and awareness; gender-based violence, sexual and reproductive health; and work/life balance. The Policy Toolkit can serve as a guide to APEC economies in implementing actions on a voluntary basis and choosing actions appropriate for their economy. In 2016, APEC is working to equip governments and businesses with the tools needed to implement elements of the toolkit. A forum on the toolkit implementation will be held in August and will include a presentation of the business and economic cases on application of the toolkit.

Human Resources Development Working Group (HRDWG)

- 3 Recognizing the importance of human capital in achieving inclusive economic growth and development a game based-learning application "WE boss" was launched to serve as an innovative and affordable application for women entrepreneurs to acquire adequate lifetime learning. A concept "Innovation for Women and Economic Development: Building Human Capital for Women Entrepreneurs through Innovative Learning Tools" has been shared with the HRDWG as a cross forum initiative, focusing on developing policy recommendations to assist public and private sector stakeholders in building a gender-friendly business training program for women entrepreneurship that can effectively increase the participation of women in economic activities.

Transportation Working Group (TPTWG)

- 4 Women are far less likely than men to work in the transportation sector, both in absolute numbers and as compared to their labor market participation within their respective Economies. In addition, women are more susceptible to economic marginalization if transportation networks, connecting them

employment, health services, and educational opportunities, are unsafe for their use.

- 5 Working Group (TPTWG) is host to the Women in Transportation (WiT) Task Force which has developed a framework (WiT Framework) for benchmarking and tracking the participation and influence of women transportation workers, entrepreneurs, leaders, and travelers. The WiT Framework, which was endorsed by APEC Transportation Ministers in October 2015, identifies five key outcome “pillars” that Economies can use to help organize their own efforts to boost women’s opportunities, with 18 specific outcomes listed to support policy engagement in this arena. The five pillars are: education; entry into the sector; retention; leadership; and access and use of transportation systems. By linking the goals of the pillars with concrete activities and metrics that will be carried out by volunteer economies in their own pilot projects, the WiT Framework provides a roadmap to success for policy makers and industry representatives working to facilitate change.
- 6 Currently *four* economies (Malaysia, Papua New Guinea, New Zealand *and* the United States) are leveraging the WiT Framework to structure a pilot project that will produce a policy response to a specific challenge or impediment embodied in one of these five pillars. It is anticipated that these *pilot programs* will serve as models of how data, global best practices on women’s issues, and tailor-made policy solutions enacted by government through collaboration with industry can help improve women’s opportunities in all facets of the transportation sector.

Emergency Preparedness Working Group (EPWG)

- 7 Recognizing that the Asia-Pacific is the most natural disaster-affected region, the PPWE collaborated with the EPWG to identify and address the needs and concerns of women and girls in emergency preparedness and post-disaster recovery and resilience.
- 8 The outcome of the PPWE project “Good Practices of Women Entrepreneurship in Local Communities in the Process of Local Reconstruction” has been shared with the EPWG as a valuable reference for achieving inclusive and sustainable recovery in the post-disaster phase, which can also contribute to the enhanced linkage between the two working groups.

Small and Medium Enterprises Working Group (SMEWG)

- 9 The project “Inclusive growth greater involvement of SMEs into B2B and B2G markets”, makes a special focus on promoting and encouraging the participation of women-run SMES in international supply chains in B2B markets and in domestic B2G markets through systemizing opportunities and sharing best practices. An overview of current barriers that prevent SMEs from accessing to public and corporate procurements as well as possible policy recommendations will be shared with SMEWG and PPWE.

Economic Committee (EC)

- 10 The project “Capacity Building for the Reduction of Educational Gender Gaps through Structural Reforms” was launched to enhance education with equal opportunities for women in APEC economies. With this purpose, the project focuses on improving the capacity of civil servants to adapt, design, implement and evaluate gender gap reduction policies. The project is directly related to the APEC New Strategy for Structural Reform (ANSSR), as well as the SME and Women Development pillar, which has driven the recent activities of the Economic Committee.

Annex C: Recommendation from The APEC Private-Public Dialogue on Women and the Economy 2016

- 1) On Care Economy System for recognizing, reducing and redistributing unpaid care work for inclusive growth, we agreed that the burden of unpaid care and domestic work as well as the need to strengthen the social infrastructure and services are essential in APEC Economies to change attitudes about women's value and their role. We recommend advancing on care and domestic provision to achieve life balance and full women's economic participation, such as childcare services, telecommuting, and co-responsibility measures. In addition, we suggest professionalizing care workforce as a redistribution strategy and a market opportunity to attend women's demands.
- 2) On Financial and economic literacy and inclusion for access to capital, we recommend APEC economies to tackle discriminatory regulations in order to improve capital access for women and girls, as well as provide financial education programs and products that respond to women's specific needs in order to realize their growth potential on MSEMs throughout their business life cycle, particularly during the start-up phase.
- 3) On Economic Cost of Gender Based Violence, we recommend APEC economies to gather standardized data across the economies on the economic costs of gender-based violence for the public and private sectors, and monitor this data. We also recommend the identification and sharing successful strategies like awareness raising and primary prevention programs for employers and employees or changing procurement contract criteria to include gender-based violence.
- 4) On Digital Literacy, we recommend APEC economies scale-up good practices on gender-responsive digital literacy programs. Promote business innovation based on STEMs as makerspaces and fab labs for women and girls (focus on STEM fields for women and girls). Concerning ICT tools and digital strategies for SMEs on global markets, joint efforts should involve public and private sector actors to promote hands-on programs, such as multi-language e-learning platforms for women entrepreneurs.
- 5) On Mechanisms for the internationalization of MSMEs led by women, we recommend encouraging strong buy-in programs, branding, membership programs, use of media channels and other promotional practices – such as profiling female exporters and export awards – assists program visibility to identify PPP partners and external funding sources to roll out entitlement and

a capacity building program; taking into account that Trade Promotion Organizations (TPOs) and other stakeholders that are well positioned to take on a leadership role in empowering women-led MSMEs for mainstreaming gender-responsive trade practices across APEC.

To achieve these recommendations, it is essential to improve our networking and partnership among women entrepreneurs of the 21 economies to break the barriers and integrate women into the global market economy.

Ningbo Initiative APEC High-Level Urbanization Forum 2016

Urbanization is a necessary path toward modernization as well as a key engine for sustainable economic growth. Against the sluggish global economic recovery and rising challenges and risks, the sound, sustainable and people-oriented urbanization among the Asia-Pacific economies will not only be conducive to the creation of new supplies, greater domestic demands, innovative development, economic transformation and upgrading, and new engines of economic growth, but also help achieve wider coverage of public services, enhanced food security, better environmental protection, narrower urban-rural gaps and inclusive economic growth.

The Asia-Pacific region's rapid urbanization offers both tremendous opportunities and challenges. In 2014, the urban population of APEC member economies hit 1.77 billion, 61% of the total. According to estimates of the World Bank, urban populations are expected to reach 2.38 billion in 2050, 77% of the total. The Asia-Pacific economies are in different urbanization stages, yet enjoy huge potentials for complementary development and cooperation. Therefore, urbanization has been recognized as a frontier for regional cooperation.

Notably, the APEC Economic Leaders endorsed *the APEC Cooperation Initiative for Jointly Establishing an Asia-Pacific Urbanization Partnership* in Beijing in November 2014, to deepen urbanization partnership through collective efforts and concrete actions. Under such guidance, steady and positive progress has been made, including at the 2015 APEC City Mayors Forum on "Building Better Cities".

The First APEC High-level Urbanization Forum, announced by Chinese President Xi Jinping and welcomed by APEC leaders last year, was hosted by the National Development and Reform Commission of the People's Republic of China in Ningbo, China on June 2-3, 2016. We, representatives of APEC member economies gathered together to discuss urbanization cooperation in this region under the theme of "Urbanization and Inclusive Growth". To encourage member economies to deepen the Asia-Pacific urbanization partnership and realize Asia-Pacific goal of common development, prosperity and progress, **we put forward proposals as follows:**

- I. **Promote inclusive and dynamic urban growth.** Explore new urbanization pathways that suit local conditions and respect the different urbanization stages among the APEC member economies. Build an open and inclusive environment for urban development. Adopt policies conducive to employment, including enhancing the protection of rights and interests of laborers. Deliver basic public services to all urban dwellers including new and existing migrants and guarantee opportunities for all groups to live and develop in the cities, with focus on improving people's sense of gain and happiness. Facilitate the coordinated development of

small and medium-sized cities and small towns to narrow the gaps in levels of development between urban and rural areas and among regions.

- II. **Improve urban infrastructure.** Scale up Public-Private Partnerships (PPP) with larger public and private investment to strengthen the development and management of infrastructure such as clean, renewable and sustainable energy, communication and broadband/Internet access, transportation, urban waste management, water supply and drainage and other facilities. Enhance the role of cities in helping promote connectivity of regional infrastructure, facilitate the flow of economic factors and people, and implement the *APEC Connectivity Blueprint for 2015-2025*. Attach importance to quality of infrastructure development, and promote application of good practices and people-centered approaches into infrastructure planning and development. Create conditions favorable to the positive role of the private sector in investing, building and operating infrastructure, including by addressing regulatory environments, and encourage the member economies to share experience in infrastructure construction, management and market operation.
- III. **Build smart cities.** Share best practices in smart urban planning and the development of liveable and sustainable cities. Join hands to promote the application of smart technologies into urban management, governance and construction, and improve people-oriented services by fully tapping the advantages of digital connectivity. Encourage city governments' efforts on open data and promote innovative use of data by governments, businesses and the society. Achieve systematic integration of smart homes, buildings, communities, transportation and cities. Strengthen exchanges and cooperation among APEC member economies to explore diversified paths to build smart cities.
- IV. **Develop green cities.** Promote the transition of cities towards green, environment-friendly, dynamic, resilient and sustainable communities. Encourage city development that reduces resource and energy consumption. Develop low-carbon economies centered on new energies, new energy smart technologies and new industries, build energy efficient and low-carbon cities and towns, advocate a green lifestyle promoting low energy consumption, low greenhouse gas emission, and conservation. Promote green industries and help SMEs take advantage of green growth opportunities. Promote policy communication, joint research and project cooperation among cities of APEC member economies in protecting the environment, addressing natural disasters and climate change, and increasing resilience of cities.
- V. **Encourage urban regeneration and retrofit.** Renovate the aging urban areas, rural-urban fringes, and concentrated dilapidated housing, and renew the old urban areas with modern infrastructure. Promote a city layout with an organic integration of residential, business, office, culture and other functional quarters.

Encourage transit-oriented development (TOD) to raise the share of public transportation, public facilities and open spaces in the city. Highlight the characteristics of cities to preserve their traditions and cultural diversity.

- VI. **Drive innovative urban development.** Promote innovative concepts, models and mechanisms of urban planning, design, construction and management that respect the landscape, history and cultural heritage of different cities and towns. Improve the ecosystem for urban innovation and entrepreneurship to make innovation the primary driver of urban development, including through the promotion of intellectual property protection.
- VII. **Advocate for good urban governance.** Increase capacity for governments, and other stakeholders to share best practice on good urban governance. Innovate urban governance by creating open and transparent channels of dialogue between governments and citizens to enhance public engagement in urban planning and management. Develop norms that can be operationalized, based on best practices and experience.
- VIII. **Boost APEC cooperation on sustainable urban development.** Under the guidance of the SOM Friends of the Chair on Urbanization, member economies are encouraged to establish a cooperative network of sustainable cities, with each economy voluntarily nominating cities interested in sustainable development, to share best practices, experience and lessons on sustainable development, and carry out demonstration projects among APEC cities.

**Lima Declaration
Connecting Asia-Pacific Tourism through Travel Facilitation**

**May 28 - 29, 2016
Lima, Peru**

1. We, the APEC Tourism Ministers and senior representatives from Australia; Brunei Darussalam; Canada; Chile; People's Republic of China; Indonesia; Japan; Republic of Korea; Malaysia; Mexico; Papua New Guinea, Peru; Republic of the Philippines; Russian Federation; Singapore; Chinese Taipei; Thailand; United States of America; and Viet Nam, met at the 9th APEC Tourism Ministerial Meeting (TMM) in Lima, Peru on 28-29 May, 2016. The meeting was chaired by H.E. Ms. Magali Silva, Minister of Foreign Trade and Tourism of Peru.
2. We gathered under the theme of APEC Peru 2016 "Quality Growth and Human Development", focusing on the following APEC 2016 priorities: advancing regional economic integration, enhancing the regional food market, working on the modernization of micro, small and medium-sized enterprises (MSMEs), and developing human capital.
3. We congregated under the TMM theme of "Connecting Asia-Pacific Tourism through Travel Facilitation", to emphasize air connectivity and travel facilitation as key catalysts to further enhance economic development through travel and tourism in the APEC region. We believe that encouraging strategies to support a more connected Asia-Pacific region that fosters efficient and secure travel could greatly help us in achieving the target of 800 million international tourists among APEC economies by 2025 as agreed to in the Macao Declaration and supported by the Leaders in 2014.
4. We recognize travel facilitation and air connectivity are key factors for economic and regional development as well as for destination competitiveness and catalysts for quality growth of the tourism sector. As the world's largest air passenger market, the movement of travelers across the Asia-Pacific region for both business and tourism is key to promoting economic growth, trade, and regional economic integration.
5. We seek the consideration of APEC's Leaders, to include in their Declaration, a statement on the importance of travel and tourism as a vehicle for job creation, economic growth, sustainable development, and peace. Overall, according to World Travel and Tourism Council, in 2015 travel and tourism commanded USD 1.2 trillion of the region's GDP, supported 48 million jobs directly (3.2%) and contributed 5.5% of the region's exports. Furthermore, according to the APEC Policy Support Unit (PSU), every 10% increase in tourist arrivals is associated with a 1.2% increase in exports and 0.8% increase in imports (in the destination economy).
6. We commend the issue paper on Tourist Arrivals and Inclusive Growth prepared by PSU and the Philippines, which demonstrates the effectiveness of tourism contribution to sustainable development and poverty reduction in the APEC region. Through policies to facilitate travel and improve air connectivity in the

APEC region, tourism growth can achieve significant levels that will boost trade, investments, and job creation. At the same time, tourism growth can also stimulate the expansion of MSMEs to gain global market access, skills trainings and career paths, and financial resources.

7. We salute the efforts of the Tourism Working Group (TWG) to consistently produce concrete deliverables based on the APEC Tourism Working Group Strategic Plan 2015-2019 (ATSP) as an important document that enhances our efforts to promote sustainable and inclusive tourism development in the region. We highlight that the four ATSP priorities intrinsically foster a competitive and sustainable environment for a connected and robust tourism sector:
 - i. promote better understanding and recognition of tourism as an engine for economic growth and prosperity in the APEC region;
 - ii. ensure sustainable and inclusive growth in the travel and tourism sector by encouraging socially and culturally responsible tourism;
 - iii. promote labor, skills development and certification through increased cooperation in order to develop the tourism workforce in the region; and
 - iv. promote competitiveness and regional economic integration through policy alignment and structural reform.

8. We welcome the APEC Travel Facilitation Initiative's (TFI) progress in enhancing people-to-people connectivity and note its relevance to APEC's strategic priorities. We welcome the recommendations of the TFI mid-term assessment and instruct the TWG to consider how it can increase its contributions to making travel easier, faster and more secure. We are confident that TFI initiatives, such as the APEC Business Travel Card (ABTC), the APEC-endorsed Trusted Traveller Characteristics, the lessons learned on Advance Passenger Information (API) and Passenger Name Record (PNR), TWG projects on developing air connectivity in the APEC region and developing traveler-friendly airports in the APEC region, will support tourism growth in the APEC Region.

9. We consider travel facilitation as a central issue for tourism policy to support increasing tourism demand while satisfying visitors' expectations at points of entry and exit within the region. In this regard, we acknowledge the importance of moving forward with efforts to develop smart traveller programmes and visa facilitation agreements.

10. We are confident that improvements in travel facilitation can generate a better experience for the traveler; increase operational efficiency; reduce costs for regulators and industry; and result in better management by the public sector. We urge members to develop Trusted Traveler Programs and utilize advance information such as API and PNR in order to ensure safe, secure and efficient travel.

11. We strongly believe that strengthening tourism cooperation on air connectivity among the APEC economies – based on the goal of market access liberalization – is a central topic for the development of the region; furthermore, it is also important to take into consideration the development of air connectivity within the

member economies. Increased international and domestic connectivity can help regionally distribute the social and economic benefits of tourism.

12. We encourage members to work with relevant sub-fora, including the APEC Transportation Working Group (TPTWG) to develop an implementation strategy to connect air transport hubs in the Asia-Pacific and to increase tourism flows by engaging the private sector. The TWG Project “Develop Air Connectivity in the APEC Region” can help inform a strategy to further connect the Asia-Pacific and foster a more efficient flow of goods, services, capital and people. For example, 60% of APEC economies have direct air service with other APEC economies.
13. We consider that tourism is a fundamental sector for achieving inclusive growth when it makes responsible use of environmental resources, respecting the authenticity of host communities and equitably distributing socio-economic benefits within the destinations. We encourage the TWG to pursue work that supports sustainable tourism development in the region.
14. We commit to fostering a competitive environment for tourism related MSMEs that are linked to Global Value Chains. We acknowledge that MSMEs promote tourism innovation and when provided with global market access, they contribute to sustainable and inclusive growth in the APEC region.
15. We recognize that engaging academic and research institutions can be a powerful tool in disseminating the work of the TWG and underscoring the importance of tourism in the APEC region. We encourage the TWG to work closely with academic and research institutions to enhance the outcomes and sustainability of TWG Projects and disseminate its results among researchers and generations to come.
16. We acknowledge that tourism is specifically featured in three of the 17 Sustainable Development Goals (SDGs), namely Goals 8, 12 and 14 on inclusive and sustainable economic growth, sustainable consumption and production, and the sustainable use of oceans and marine resources, respectively, and yet has the potential to contribute to all SDGs in view of its cross-cutting nature. In addition, we salute that the United Nations General Assembly has recently adopted 2017 as the International Year of Sustainable Tourism for Development. In this regard, we pledge to advocate for joint actions within the framework of APEC to support the celebration of the International Year of Sustainable Tourism for Development and to foster domestic and regional tourism policies that support the SDGs.
17. We encourage the TWG to engage in joint activities and increase its cooperation with the TPTWG, the Business Mobility Group, the Telecommunications and Information Working Group, the Sub-Committee on Customs Procedures, the Counter-Terrorism Working Group, the Group on Services, the Policy Partnership on Science, Technology and Innovation, the Human Resources Development Working Group, the SME Working Group, and the Oceans and Fisheries Working Group, and other relevant APEC fora. Considering that tourism is a cross-cutting sector that can positively impact other sectors, we believe the following mechanisms can help develop concrete results out of this collaborative work: (1) jointly launch cross-cutting initiatives, events or projects related to the ATSP

priorities; (2) TWG representatives to participate in APEC meetings of the working groups mentioned above as well as invite representatives of such fora to participate in TWG meetings; and (3) identify a work plan with common priorities among these fora, particularly related to air connectivity and travel facilitation.

18. We welcome the report of the TWG Lead Shepherd on the TWG activities since the last TMM in 2014. We commend the TWG's efforts in engaging APEC members in fostering a competitive environment for tourism to make it grow as the backbone of economic and social development for our people. We recognize that active knowledge generation and sharing among TWG members constitutes a valuable resource to provide guidance for policymakers and practitioners. We agree to further disseminate its work among local public and private institutions.
19. We encourage economies and guests of the TWG to actively engage in the discussion and activities of the working group by sharing best practices and policy recommendations to foster a tourism knowledge network that allows Ministers and High-Level Authorities to continue positioning tourism as a key driver for inclusive and quality growth. To this end, we recognize the importance of APEC tourism projects as a tool for stimulating tourism growth and for building capacity of tourism stakeholders. We urge a greater number of APEC member economies to proactively collaborate in formulating, engaging, and applying current and new projects based on the priorities of the ATSP.
20. We recognize the potential of other international organizations and fora in the advancement of air connectivity and travel facilitation initiatives, considering its cross-sectoral nature and the necessity to advocate for regional and global policies that promote efficient and secure travel.
21. We look forward to the next TMM to be held in 2018 in Papua New Guinea, and ask that the themes discussed today are given continuity in forthcoming tourism meetings.
22. We express our appreciation for the participation of the World Tourism Organization (UNWTO) and the World Travel and Tourism Council as guests to the 9th TMM and stress the importance of pursuing closer collaboration with these leading organizations in the future. We also deeply appreciate the effort and contribution of the APEC Secretariat and the TWG Lead Shepherd for the success of the meeting. We heartily thank Peru as the host economy for its warm hospitality and the fruitful and productive TWG and Ministerial meetings, and highlight the effort of the Ministry of Foreign Trade and Tourism in the organization of these meetings.

May 18th2016

Arequipa, Peru, 17 – 18 May 2016
2016 Meeting of APEC Ministers Responsible for Trade
Statement

We, the APEC Ministers Responsible for Trade (MRT), met on 17-18 May, in Arequipa, Peru, under the Chairmanship of H.E. Ms. Magali Silva, Minister of Foreign Trade and Tourism, Republic of Peru.

We welcome the participation in the meeting of the Director General of the World Trade Organization (WTO), the 2016 Chair of the APEC Business Advisory Council (ABAC), the Pacific Economic Cooperation Council (PECC), the Association of South-East Asian Nations (ASEAN) and the APEC Secretariat.

Economies continue to expand around the world, but at a relatively moderate pace and unevenly. The APEC region, home to around 2.8 billion people, representing 57 per cent of the world's GDP and 49 per cent of world trade, is expected to post a GDP growth rate of 2.7 percent in 2016 compared with the previous year. Nevertheless, to achieve our goals of prosperity for our people we will remain focused on liberalizing and facilitating trade and investment to support broader efforts to regain economic momentum.

To advance our work this year, we adopted the theme "Quality Growth and Human Development", focusing on the following APEC 2016 priorities: Advancing Regional Economic Integration, Enhancing the Regional Food Market, Working on the Modernization of MSMEs, and Developing Human Capital.

Supporting the Multilateral Trade System

Having noted the contribution that the rules-based multilateral trading system (MTS) has made to the strength and stability of the global economy, the Chair issued the Statement of the Chair on Supporting the MTS.

Enhancing Regional Economic Integration Agenda

Bogor Goals

We commit to achieve the Bogor Goals of free and open trade and investment in order to strengthen and deepen regional economic integration. We reiterate our commitment to eliminate barriers to international trade and investment in the region.

We take note of the progress report on the second-term review of economies' advancement in achieving the Bogor Goals and instruct officials to complete the report by November 2016.

Free Trade Area of the Asia Pacific (FTAAP)

We reaffirm our commitment to advance the process in a comprehensive and systematic manner towards the eventual realization of the FTAAP as a major instrument to further APEC's regional economic integration agenda towards and beyond the Bogor Goals. Therefore, we commend the progress on the implementation of the Beijing Roadmap for APEC's Contribution to the Realization of the FTAAP.

We recognize that APEC has a critical role to play in shaping and nurturing regional economic integration, upholding the principles of openness, inclusiveness and cooperation under a win-win spirit, promoting profound economic restructuring, deepening and strengthening regional economic integration, and give greater impetus to the sustainable development of the Asia-Pacific. In this sense, APEC encourages unilateral economic reforms and the conclusion of comprehensive and high quality RTAs/FTAs. In 2006, APEC economies agreed to examine the long term prospect of an FTAAP. In 2010, APEC Leaders agreed on "Pathways to FTAAP" and instructed APEC to take concrete steps toward realization of an FTAAP, followed in 2014 by an instruction to undertake a Collective Strategic Study. In this regard, we reaffirm that APEC is expected to make an important and meaningful contribution as incubator of the FTAAP, in an inclusive and balanced manner, by providing leadership and intellectual input into the process of its realization. We agree to continue to strengthen our cooperation with intensified focus on the foundation for APEC's contribution to eventual realization of an FTAAP by taking ambitious and concrete steps forward in 2016.

We welcome the final draft of Chapters 1-8 of the Collective Strategic Study on Issues Related to the Realization of the FTAAP. We welcome the progress with respect to the first draft of Recommendations and the draft Chapter 9. We acknowledge the high quality work that has gone into the Study, which is going to be one of the most important deliverables of APEC 2016. We instruct officials to finalize the Study and its Recommendations according to the agreed Terms of Reference in order to present them to Ministers and Leaders this November for endorsement. We look forward to an ambitious, bold and forward looking statement that builds on the FTAAP Study and its Recommendations as part of the 2016 Leaders' Declaration.

We welcome APEC's progress in implementing the Regional Economic Integration (REI) Capacity Building Needs Initiative (CBNI), which has contributed to expand our understanding on relevant fields of FTA negotiations, and will continue to serve as a solid stepping stone for the realization of the FTAAP. We also welcome the workshops on Technical Barriers to Trade and Existing International Investment Agreements (IIAs) in the APEC Region and the planning of workshops on Services, Environment, Intellectual Property and cross-border e-trade. We encourage an active participation of even more economies in various FTA negotiation fields.

We welcome the results of the Trade Policy Dialogue on RTAs/FTAs held by the Committee on Trade and Investment, and look forward to the forthcoming workshops related to services, environment, intellectual property rights, as well as the SOM Dialogue on RTAs/FTAs.

Environmental Goods and Services

We congratulate those economies that have fulfilled Leaders' groundbreaking commitment to reduce applied tariffs on the APEC Environmental Goods List to five percent or less, and strongly urge those economies that have yet to fulfill this commitment to do so as soon as possible.

We welcome the progress in implementation of the Environmental Services Action Plan (ESAP) to promote liberalization, facilitation, and cooperation in environmental services, and look forward to the results of the environmental services regulatory measures survey by AMM in 2016 and to any progress on further studies of a wider range of services in environmental industries and businesses as envisaged under the ESAP.

Fossil Fuel Subsidy Reform

We reaffirm our commitment to rationalize and phase out over the medium term inefficient fossil fuel subsidies that encourage wasteful consumption while recognizing the importance of providing those in need with essential energy services. We welcome progress made to date while recognizing the need for further ambitious efforts to meet our goal. We express our appreciation to those economies who have volunteered to undergo a voluntary inefficient fossil fuel subsidy peer review. We welcome ongoing initiatives to share best practices and facilitate capacity building to further progress toward this goal.

Trade Facilitation

We welcome the progress of the final assessment of the Supply Chain Connectivity Framework Action Plan (SCFAP). The SCFAP and its two predecessors, the APEC Trade Facilitation Action Plans (TFAP I and TFAP II), were ambitious initiatives which attest to APEC's leadership in the trade facilitation.

APEC has made considerable progress through the initiative but further gains can still be made. Therefore, we instruct officials to develop a second stage of SCFAP to continue enhancing supply chain connectivity and efficiency in the APEC region.

We welcome the progress made on a suite of Global Data Standards (GDS) pilot projects which will demonstrate how GDS can enhance supply chain performance. We look forward to the conclusion of pilot projects and the related PSU study. We

encourage officials to explore next steps for the wider use of GDS in the APEC region, based on the outcome of the PSU Study.

We instruct officials to continue the work of the APEC Alliance on Supply Chain Connectivity (A2C2) and make use of its contributions in APEC's capacity building efforts, based on regular inputs from the public and private sectors.

We reaffirm the importance to carry forward the work related to the Asia-Pacific Model E-Port Network (APMEN), which aims to promote supply chain connectivity through E-port development and collaboration efforts. In this respect, we endorse the Work Plan of APMEN 2016, and look forward to capacity building activities and Public-Private Dialogue (PPD) to be undertaken later this year.

We commend the progress on work of the APEC Cooperation Network on Green Supply Chain (GSCNET), including the launch of a bilingual website operated by GSCNET Tianjin Pilot Center. We welcome new members who have joined the GSCNET and encourage more members to nominate more institutions and experts to join and contribute to a well-functioning GSCNET. We look forward to the forthcoming Workshop on Capacity Building in August.

We recognize the work developed in order to identify Best Practices on Critical Issues in the Asia-Pacific region for the Implementation of the WTO Trade Facilitation Agreement (TFA) and we further instruct officials to collaborate with the forthcoming survey and workshop. Through APEC's leadership in this field, we support the complete and effective implementation of the TFA as quickly as possible.

We welcome the Study of APEC Best Practices in Authorized Economic Operator Programs. We note the importance of this work as we continue to pursue effective secure trade and facilitation in the region, based on the international standards developed by the World Customs Organization. We encourage officials to build on this work and further implement the APEC Customs 3M Strategic Framework towards developing minimum standards for AEOs to include SMEs, and the promotion of AEO mutual recognition across the region.

We welcome the Initiative on Single Window Systems' International Interoperability which aims to foster the flow of goods, enhance supply chain security, reduce costs and provide quality and timely information on trade across borders. We encourage economies to begin discussions next year on establishing pilot projects on voluntary basis.

Structural Reform

We affirm the importance of structural reform to remove barriers to trade and investment and recognize economies' continued efforts to improve competition policy,

the ease of doing business and good regulatory practices. To achieve more open, well-functioning, transparent and competitive markets we encourage officials to further work to promote good regulatory practice in APEC economies in accordance with the Renewed APEC Agenda for Structural Reform (RAASR 2016-2020), which stimulates balance, innovative, and inclusive growth. We look forward to economies completing their individual structural reform action plans in 2016. We also look forward to the outcomes of the 9th Conference on Good Regulatory Practice to be held in August 2016.

Connectivity Blueprint.

We reaffirm the importance of initiatives under the APEC Connectivity Blueprint for 2015-2025, towards a seamless and comprehensively connected and integrated Asia Pacific region by 2025. We encourage member economies to take further actions to ensure continued implementation of the APEC Connectivity Blueprint for 2015-2025 under the pillars of physical, institutional and people-to-people connectivity. We welcome efforts to enhance the Yearly Review Framework of the Blueprint and look forward to more cooperation initiatives under relevant APEC fora.

Quality infrastructure is a key priority for the region. We commend the positive contribution of relevant initiatives in APEC such as the APEC Peer Review and Capacity Building on Infrastructure Development and Investment, and APEC Initiative for Enhancing the Quality of Electric Power Infrastructure.

We welcome the progress in the APEC Peer Review and Capacity Building on Infrastructure Development and Investment. We look forward to the final review report by the end of 2016 and capacity building activities thereafter.

We welcome the progress on the report 'Study on the Infrastructure Investment in the APEC region.'

We applaud the efforts of the APEC Transportation Working Group to build capacity within APEC economies to package, bid out, and manage Public Private Partnerships in the transportation infrastructure sector.

We also look forward to the completion of the initiative 'Exploration on Strengthening of Maritime Connectivity' by the end of 2016, which will help facilitate trade and investment in the region.

As for institutional and people-to-people connectivity we welcome the initiatives on enhancing connectivity of APEC grain standards, and research on mutual recognition of credits among universities in the APEC region, among others, and look forward for the report and Recommendations.

Next Generation Trade and Investment Issues

We welcome the progress on the Work Plan for Advancing Digital Trade for Inclusive Growth as a Potential Next Generation Trade and Investment Issue and the outcomes of the Trade Policy Dialogue on Digital Trade. We look forward to the independent research on Digital Trade to be undertaken by the PSU, to explore, in particular, the scope of digital trade. We note the importance of Digital Trade to facilitate cross-border trade and promote innovation and economic growth. Therefore, we instruct officials to continue to advance work in accordance with the work plan in this area.

Acknowledging the enormous potential in improving competitiveness of manufacturing industries, we also look forward to the implementation of the Manufacturing Related Services Action Plan (MSAP) by the economies, with a view to reducing or eliminating trade and investment barriers and/or improving trade and investment environment in this sector.

Services

The rapid growth in trade in services in our region needs to be supported by a free and open services market which will serve as a driver of economic activity, growth and job creation.

With a view to implementing the APEC Services Cooperation Framework, we welcome the progress made in developing a strategic and long-term APEC Services Competitiveness Roadmap by the end of 2016, which works towards the adoption of a concerted set of actions and mutually agreed targets to be achieved by 2025. We support work in the Economic Committee and in the Committee on Trade and Investment on structural reform and services given the importance of unilateral structural reforms and trade liberalization and facilitation for improving services sector.

We instruct our officials to further accelerate their work on developing a Roadmap which lays concrete steps to increase services competitiveness of the region, including specific actions to improve the environment for services trade.

We welcome the outcomes of the APEC Public Private Dialogue (PPD) on Services that was organized in cooperation with ABAC and PECC and we underscore the importance of cross-fora collaboration and continued stakeholder engagement in the development and implementation of the APEC Services Competitiveness Roadmap.

We reaffirm our intention to seek better ways to produce services-related statistics and increase the number of APEC economies with indices for measuring the regulatory environment in services, taking into account existing indices maintained by other institutions such as OECD and World Bank. In this regard, we welcome the outcomes of the Workshop on Measuring the Regulatory Environment in Services Trade of

APEC which discussed OECD and World Bank methodologies as well as the WTO data base.

Investment

We acknowledge the significance of the Investment Facilitation Action Plan (IFAP) encouraging economies to report progress on the implementation of the agreed set of priority actions for 2015-2016. We also welcome policy dialogues to exchange best practices on IFAP's implementation in the APEC region.

Industry Dialogues

We endorse the APEC Chemical Dialogue's Best Practice Principles Checklist to help economies apply those Principles during the regulatory process and we welcome the submission of an annual report on the Globally Harmonized System of Classification and Labelling of Chemicals (GHS) implementation status in APEC member economies. We welcome and support the capacity building projects to train chemical regulators on the implementation of best practice principles, and the efforts undertaken to address the divergences in GHS implementation across APEC. We welcome the Virtual Working Group on Marine Debris' efforts in collaboration with the CTI's APEC Regulatory Cooperation Advancement Mechanism (ARCAM) initiatives to identify and reduce barriers to deploying sustainable waste management systems.

We welcome work by the Life Sciences Innovation Forum (LSIF) in cooperation with the Health Working Group (HWG) to implement the Healthy Asia Pacific 2020 Roadmap and build more sustainable and high performing health systems by reducing and eliminating unnecessary barriers to trade and investment through possible measures such as building adequate physical infrastructure in the health care sector. We welcome progress made to establish APEC Training Centers of Excellence in Regulatory Sciences to promote greater regulatory convergence by 2020 to provide patients better access to medical products including in multi-regional clinical trials, bio therapeutics, good registration management, and global medical product quality. We look forward to the outcomes of the joint ABAC-LSIF pilot projects that address supply chain connectivity and integrity. We welcome the LSIF's quality systems capacity building work in laboratories, hospitals and blood banks to promote use of international standards. We look forward to outcomes on work in the LSIF, in consultation with the HWG that addresses the enabling environment for the use of big data analytics in bio-medical research and decision making.

We welcome the Automotive Dialogue (AD)'s work on integrating small and medium enterprises (SMEs) into automotive global value chains and look forward to advancing APEC's work on addressing barriers to trade that SMEs face in their integration in automotive GVCs through the GVC-SME-Automotive-Sector (GSAS) Initiative –

Phase 2 and the development of the APEC Regional Automotive Supplier Excellence Program (RASEP).

We encourage economies to accelerate the development of electric vehicles in the Asia-Pacific which can be important components in the region's transition to low-carbon economies and reduced dependence on fossil fuels. We expect that APEC Roadmap for Electric Vehicles facilitates the adoption and implementation of international standards pertaining to electric vehicles.

Regulatory Coherence and Cooperation

We look forward towards the implementation of the APEC Action Agenda on Advertising Standards and Practices. We welcome the APEC Seminar on Sharing Good Practices and Experiences on Advertising Self-regulation.

We note the discussion of government procurement related issues as a possible means to support effective and efficient procurement markets in all APEC member economies.

We welcome the work on identifying and reducing barriers to the deployment of sustainable waste management technologies.

Standards and Conformance

We welcome the work done by the Sub Committee on Standards and Conformance (SCSC) to strengthen standards and conformance infrastructure, to support innovation and a quality culture in the APEC region, and the exchange of experiences in standards and conformance education. We also welcome the support to MSMEs through promotion of standards, conformity assessment, accreditation and metrology to increase their competitiveness and facilitate trade.

We welcome collaboration between the SCSC and the SME Working Group to promote information exchange to facilitate competitiveness and reduce barriers to trade.

We recognize the continued efforts of the Food Safety Cooperation Forum (FSCF) and its Partnership Training Institute Network (PTIN) in promoting the role of science-based standards and regulations to improve food safety and ensure predictability and transparency in agriculture and food trade in the APEC region, through work on good regulatory practices, and its focused work this year on increased transparency and public consultation in the development of regulation, pesticide maximum residue limits, hand hygiene behavior change, and capacity building in food safety systems.

We congratulate the SCSC Wine Regulatory Forum (WRF) for fulfilling its goal to develop a consolidated APEC wine certificate, which will facilitate wine trade in the

APEC region. We look forward to continued work by the WRF to promote reduction and elimination of technical barriers for wine trade including through its efforts to promote good regulatory practices for wine through voluntary implementation of the APEC Model Wine Certificate.

Intellectual Property Rights

We welcome further work on issues related to intellectual property and MSMEs. We agree to foster cooperation in the area of intellectual property (IP) rights protection and enforcement, and raise SMEs awareness of IP commercialization. We acknowledge the relevance of genetic resources and traditional knowledge in our economies, as well as the importance of sharing experiences regarding genetic resources and traditional knowledge associated with genetic resources. We welcome the progress towards developing the APEC Best Practices in Trade Secrets Protection and Enforcement and encourage officials to continue the work and to complete it on the basis of consensus at the earliest possible time.

Promoting MSME's Internationalization

Boracay Action Agenda to Globalize MSMEs

We welcome the endorsement of the Reporting Mechanism for the Implementation of the APEC Boracay Action Agenda to Globalize MSMEs, which will be a useful tool to keep track of our work towards the internationalization of MSMEs in the APEC region.

We support the creation and implementation of the APEC MSME Marketplace by the Iloilo Initiative to growing global MSMEs for inclusive development.

We acknowledge the initiatives being undertaken at different fora to implement the Boracay Action Agenda, and urge officials to continue developing practical initiatives that will build global MSMEs. We also acknowledge the initiatives been carried out within the SMEWG and call for continued and coordinated work within APEC and across relevant sub-fora. We note the outcomes of the workshop “Enabling MSMEs Access to the Digital Economy.”

We emphasize opportunities that the internet and digital economy offers to achieve innovative, sustainable, inclusive, and secure growth, with a view to improving connectivity. The Internet and digital economy will allow businesses, especially MSMEs, to participate in GVCs and reach a wider consumer base through new business models, creating a truly global marketplace for the exchange of goods, services, capital, and ideas. We also encourage the progress of the project to Promote E-commerce to Globalize MSMEs and the SMEWG project on the Development and Application of the APEC Model Indices for Internationalization of MSME's.

We acknowledge the importance of greater involvement of SMEs in B2B markets as well as the efforts aimed at supporting social, youth and women entrepreneurship in order to achieve inclusive growth in the APEC region.

We also took note with appreciation that the APEC SME working group has endorsed the terms of reference for the APEC Micro, Small, and Medium Enterprises (MSME) sub-fund. The Canadian contribution of C\$ 2 million towards the APEC MSME sub-fund will aim to address challenges faced by MSMEs in developing economies in integrating into global and regional value chains. The sub-fund will be administered by the APEC Secretariat under the APEC Support Fund.

Non-tariff Measures (NTMs)

The importance of addressing NTMs to reduce costs to businesses operating in the APEC region has been acknowledged through their inclusion in the Boracay Action Agenda and APEC Individual Action Plans. We encourage officials, to explore further work on NTMs, including through workshops, like the upcoming workshop on import licenses.

Global Value Chains

We support the progress in implementing the work streams of the APEC Strategic Blueprint for Promoting Global Value Chains Development and Cooperation. This progress includes the endorsement of the Code of Conduct of the Working Website of APEC Technical Group of Measurement on Trade in Value-Added (TiVA) and the Suggested Classification of Data Measurement of APEC TiVA.

We look forward to the results of the Capacity Building Workshop on Strategic Framework on Measurement of APEC TiVA under GVCs & its Action Plan and the Fourth Meeting of the Technical Group of Measurement on TiVA under GVCs.

We endorse the Report on Enabling Developing Economies to Better Participate in GVCs Phase I current status concerns and challenges and encourage officials to continue the Phase II of the Report regarding the implications by SOM3.

We welcome the progress of the initiative on Promoting SMEs' Integration into GVCs in Major Industries, namely IT/electronics, automotive, textile, healthcare and agribusiness, and look forward to the implementation of the remaining works this year, including a comprehensive GVC workshop and the development of the final report that consolidates the outcomes of the five sectoral work streams.

We welcome the endorsement of the newly proposed initiative on SMEs' Integration into Global Value Chains in Services Industries and encourage economies to voluntarily participate in the project to lead a specific service industry.

We also encourage cooperation with relevant international organizations and partner institutions, such as the WTO, UNCTAD, OECD, G20, the World Bank, IMF, ADB, etc., to draw on their expertise and knowledge for promoting GVCs' development and cooperation in APEC.

Bearing in mind ABAC's highlighting of rule of law as a basic building block for a sound business environment that attracts investment, we welcome the steady progress in the project 'Improving investment climate for Global Value Chains' to achieve a more predictable and transparent investment climate.

We welcome the progress in collaborative efforts to enhance cross-border value chain resilience to various risks including natural disasters.

We welcome the compilation of good practices from public and private sectors as a result of the APEC Capacity Building Seminar on Enhancing Resilience of Global Value Chains to Natural Disasters held at the beginning of this year. We encourage officials to integrate best practices on supply chain/global value chain resilience into ongoing initiatives and work with the private sector to ensure the APEC integrated value chain can recover as quickly as possible after disasters. We look forward to the continued implementation of Supply Chain Resilience Initiative under the Transportation Working Group and look forward to the upcoming workshop on Resilient Responders.

We also note the preparations for the capacity building seminar and the progress of the study on Enhancement on Integration of Regional Value Chains in Asia and Latin America and the Caribbean.

Internet and Digital Economy

We emphasize opportunities that the internet and digital economy offers to achieve quality growth, by fostering businesses', especially MSMEs', participation in GVCs and the global market. We welcome the cooperative progress made by the Ad Hoc Steering Group on Internet Economy and other fora, and instruct our officials to further advance the implementation of the APEC Initiative on Cooperation to Promote Internet Economy. We encourage new initiatives on exploring ways to promote the Internet and Digital Economy.

We reiterate the need to support capacity building activities to take advantage of digital trade benefits, and we note the proposal of some economies on a permanent moratorium on customs duties on electronic transmission of content.

Supporting Industries

We welcome the endorsement of the APEC supporting industry initiative, and instruct officials to take steps to develop a policy guideline in 2016-17 with a view to promoting

policies for the improvement of supporting industries' productivity and competitiveness, with particular focus on MSMEs, by sharing policy experiences in the Asia Pacific region.

Strengthening Business Ethics for SMEs

We acknowledge progress by the Business Ethics for APEC SMEs Initiative in doubling the number of industry association codes of ethics, expanding high-standard ethical business practices to more than 19,000 enterprises. We reaffirm the importance of ethical practices for long-term economic growth and facilitating engagement in GVCs for SMEs. We encourage the implementation of APEC principles for codes of ethics in target sectors as well as the launch of multi-stakeholder ethical collaborations to strengthen the business environment for SMEs.

Developing Human Capital

Mutual Recognition for Skills and Job Qualifications

We recognize the importance of Human Capital Development in Strengthening People-to-People Connectivity. We welcome voluntary initiatives to advance human resource development competitiveness in the region, such as mutual recognition studies to facilitate the mobility of skilled labor and to ensure the quality of skills and competencies to meet industry demands.

Women and the economy

We recognize the role of women in the economic prosperity of the region and reaffirm our commitment to take concrete policies to further enhance women's economic empowerment. To achieve this goal, we commend the initiative to conduct case studies to collect and share good practices in which promotion of gender diversity in corporate leadership contributed to corporate growth. We also encourage officials to further work to enhance women's participation in the economy, including the ratio of women's representation in leadership positions. We welcome the APEC Healthy Women, Healthy Economies Policy Toolkit, which seeks to enhance women's economic participation through better health, and call for the public and private sectors to consider adopting relevant aspects of its recommendations.

We also welcome the initiatives aimed at spreading best practices of women-owned SMEs among the APEC economies that provide an opportunity to attract a larger number of women in self-employment, create new jobs and support economic growth and development by applying promising business models.

Counter-Terrorism

We strongly condemn terrorism in all its forms and manifestations. We recognize the serious threat that terrorism poses to our common values and to our economic activities. We appreciate the efforts of APEC member economies to improve regional counterterrorism capacity, to create a secure environment, strive for stability, and promote sustainable growth and prosperity in our region. We continue to encourage economies to fully implement the APEC Consolidated Counter-Terrorism and Secure Trade Strategy.

Food Markets

We look forward to APEC's work in 2016 on issues related to enhancing the regional food market including sustainability, investment and infrastructure, market access, and food production and trade related services. Emphasizing the need for improving sustainable agriculture, food security, food safety, and coherent food regulatory

systems in the Asia-Pacific region, APEC should encourage the capability development necessary for participation in international food markets by all economies.

We look forward to the results of the Food Security Week and the implementation of the issues included in the APEC Food Security Road Map towards 2020.

Strengthening Economic and Technical Cooperation

We reaffirm the significance of economic and technical cooperation (ECOTECH) in advancing trade and investment liberalization and facilitation. We further recognize the importance of APEC's cooperation in reducing development gaps among member economies and supporting developing economies toward their effective achievement of the Bogor Goals. Thus, we remain committed to the Manila Action Plan for APEC (MAPA) and the Osaka Action Agenda and acknowledge the importance of arrangements underway to implement the Capacity Building Policy through ECOTECH.

We highlight the importance of urbanization in fostering quality growth and human development. We welcome our officials' work of economic and technical cooperation on this area and look forward for a successful APEC High-level Forum on Urbanization to be held in June 2016.

We reaffirm the importance of the constructive interaction and contribution of ABAC in enhancing ECOTECH activities. We encourage the APEC Study Centers Consortium, as well as regional and international organizations, such as ASEAN, PECC and PIF, to identify and pursue opportunities for mutual collaboration to support regional endeavors to uphold quality growth and attain prosperity for all. We value voluntary and in-kind contributions made by all APEC's economies, besides their contribution to the General Project Account including sub-funds which were established or came into use this year. We call upon those that are in a position to do so to provide untied funding to ECOTECH and capacity building to help economies meet their APEC commitments.

We value the cross-fora work in APEC to jointly address issues of trade and investment liberalization and facilitation, including behind-the-border barriers, to support regional economic integration. We instruct officials to continue to promote cross-fora activities to leverage on APEC's contribution to regional economic integration.

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APEC Ministers Responsible for Trade Meeting

Arequipa, Peru (17-18 May 2016)

Statement of the Chair on Supporting the Multilateral Trading System

1. The APEC Ministers Responsible for Trade, gathering for their 22nd meeting in Arequipa, Peru, recognize the importance of international trade as a key to job creation, sustained economic recovery, prosperity and development. They reaffirm the value, centrality, and primacy of the multilateral trading system under the auspices of the World Trade Organization (WTO).
2. Thus, Ministers highly commend the meaningful outcomes achieved at the 10th Ministerial Conference of the World Trade Organization (MC10), held in Nairobi, Kenya. In this regard, they express their firm commitment to continue working towards strengthening a rules-based, transparent, non-discriminatory, open, and inclusive multilateral trading system as embodied in the WTO.
3. Ministers reaffirm that keeping markets open is essential for achieving a sustainable global growth. Taking into account current uncertainties and risks in the global economy, including the persistent weakness in global trade flows, they remain firmly committed to promoting free and open trade and investment among APEC Economies. Therefore they reaffirm the pledge made by APEC Leaders against protectionism through a standstill commitment which Ministers recommend to extend until the end of 2020 and to roll back protectionist and trade-distorting measures, which weaken trade and slow down the progress and recovery of the international economy. Ministers 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, they continue supporting the ongoing work of the WTO and other international organizations in monitoring protectionism within their existing mandates and commit to collaborate with them, including by encouraging transparency of trade policies in their respective constituencies and through the open provision of information, and called on other WTO Members to do the same.
4. Recognizing all elements of the Nairobi Ministerial Declaration, Ministers agree to play a constructive role in revitalizing and strengthening the WTO's negotiating function. They call on all WTO Members to actively participate, with a sense of urgency, in discussions to advance negotiations on remaining DDA issues, bearing in mind the centrality of development in the WTO's work. To this end, they encourage concrete proposals and the political will needed to reach a consensus to resolve these important negotiating issues. At the same time, Ministers welcome efforts by members to explore issues of common interest and importance to the global economy. There is a strong support to encourage all WTO Members to set the direction for future work together, in a spirit of solidarity and mutual trust, with a view to producing tangible outcomes in support of the multilateral trading system, including at MC11.

5. Ministers take note of the leadership of APEC Economies, with more than half of them having submitted their instruments of acceptance of the Trade Facilitation Agreement (TFA). The entry into force of the TFA by the end of 2016 would significantly contribute to the increase of global trade. Therefore, Ministers call upon the remaining APEC Economies as well as other Members of the WTO to make their utmost efforts to do the same as soon as possible.
6. Ministers reaffirm their strong commitment to advance reform of agricultural trade. They welcome, and commit to full implementation of, the Nairobi results on Export Competition. They will pursue further negotiations on agricultural reform of Domestic Support, Market Access and Export Competition, in accordance with the Nairobi Ministerial Declaration, and on Export Competition, Special Safeguard Mechanism for Developing Country Members, Public Stockholding for Food Security Purposes and on Cotton, in accordance with the Nairobi Ministerial Decisions.
7. Recognizing the importance of facilitating access to medicines as set out in the Paragraph 6 System, Ministers urge all WTO Members to accept the Protocol Amending the TRIPS Agreement. Entry into force of the Protocol would demonstrate the potential of the WTO to deliver practical, development-oriented outcomes.
8. Ministers recognize that bilateral, regional and plurilateral trade agreements play an important role in complementing global liberalization initiatives. In this context, FTA/RTAs should allow for the possibility for accession of additional parties based on negotiated terms and conditions with FTA/RTA participants. They also agree on the importance of the timely notification and thorough review of RTAs in order to ensure that they are consistent with WTO agreements and contribute to strengthening the multilateral trading system. Pursuant to the Nairobi Ministerial Declaration, APEC Economies will participate actively and constructively in all aspects of the WTO's work in connection with RTAs.
 - 8.1. Ministers welcome the conclusion of the WTO Information Technology Agreement (ITA) expansion negotiations. There is a strong support to encourage Participants to implement this Agreement according to the timelines agreed.
 - 8.2. Regarding the Environmental Goods Agreement (EGA), Ministers encourage participating APEC Economies to redouble efforts to complete negotiations as soon as possible.
 - 8.3. Ministers take note of the efforts to explore possibilities of factoring into the multilateral negotiations possible contributions by participants in concluded plurilateral ITA expansion and EGA initiatives.
 - 8.4. APEC economies taking part in these plurilateral efforts agree to work together to achieve broader participation in each agreement.
9. Ministers support and encourage technical assistance and capacity building activities to promote the effective integration of developing economies into global trade, including through the Aid for Trade Initiative. They further urge the WTO to continue its work in promoting inclusive and sustainable growth through various initiatives to

increase the participation of Micro, Small and Medium Enterprises (MSMEs) in regional and global markets. To this end, APEC will continue to supplement these initiatives including through the implementation of the Boracay Action Agenda to Globalize MSMEs.

10. Ministers recognize the role of trade as a catalyst for development, and the contribution that the WTO can play towards achievement of the 2030 Sustainable Development Goals (SDGs), which set a comprehensive, universal and ambitious framework for global development efforts. In this context, and in keeping with the Nairobi Ministerial Declaration, Ministers reaffirm the commitment to implementation of the SDGs and will therefore support and engage actively in efforts within the WTO towards achievement of the SDGs related to its mandate, and they call on other WTO Members to do the same.



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