

Enhanced APEC Agenda for Structural Reform (EAASR) Final Review: Executive Summary, Conclusion and Moving Forward

APEC Policy Support Unit

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Prepared by:

Andre Wirjo, Eldo Malba Simanjuntak and Sylwyn C. Calizo Jr.*

Asia-Pacific Economic Cooperation Policy Support Unit

Asia-Pacific Economic Cooperation Secretariat

35 Heng Mui Keng Terrace

Singapore 119616

Tel: (65) 6891-9600 Fax: (65) 6891-9690

Email: psugroup@apec.org Website: www.apec.org

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*Senior Analyst, Researcher, and Researcher, respectively. The authors would like to thank Carlos Kuriyama and Aveline Low Bee Hui for the valuable feedback and for editing the report. The views expressed in this paper are those of the authors and do not necessarily represent those of the APEC member economies. The terms such as “national”, “nation” used in the text are for purposes of this report and do not imply the “political status” of any APEC member economy.

EXECUTIVE SUMMARY

OVERVIEW

- Structural reform has long been central to enhancing economic resilience, efficiency, and long-term growth, with APEC leading regional reform cooperation for two decades.
- Endorsed in 2021, the Enhanced APEC Agenda for Structural Reform (EAASR) reaffirmed APEC's commitment to reform through four pillars: 1) creating an enabling environment for open, transparent, and competitive markets; 2) boosting business recovery and resilience against future shocks; 3) ensuring that all groups in society have equal access to opportunities for more inclusive, sustainable growth, and greater well-being; and 4) harnessing innovation, new technology, and skills development to boost productivity and digitalisation.
- As part of its adoption, APEC Ministers committed to a mid-term review in 2023 and a final review in 2025 to monitor progress against EAASR goals and commitments. The final review, like the mid-term review, follows a dual-track approach—assessing regional structural reform trends while highlighting the diversity of economy-level initiatives.

STATUS OF INPUTS FOR THE REVIEW

- The final review of EAASR is not just a retrospective exercise—it is a forward-looking tool that supports reflection, learning, and planning as APEC continues to advance its structural reform agenda in a rapidly changing global environment. It draws on three sources of inputs: external indicators, EAASR Implementation Plan, and EAASR Individual Action Plans.
- The 28 external indicators, endorsed by the Economic Committee (EC) in 2021, provide a regional overview of APEC's progress on structural reform. They help sustain reform momentum by highlighting positive trends or identifying areas needing attention and deeper policy dialogue. As of April 2025, there are 1 red, 14 orange, and 15 green indicators.¹
- The EAASR Implementation Plan guides collective action through 2025 by outlining key actions, indicators, timelines, and areas for collaboration. The latest version (submitted to the EC1 2024 meeting) includes 46 initiatives, with 10 added following the mid-term review; Of these, 63 percent support multiple EAASR pillars, and 33 percent involve cross-fora collaboration. Nearly all initiatives (96 percent) align with innovation and digitalisation priorities under the Aotearoa Plan of Action, reinforcing EAASR's role in advancing APEC's broader Putrajaya Vision 2040, alongside support for other APEC priorities.

¹ EAASR has 28 endorsed external indicators. However, the OECD CO₂ productivity indicator and the ILO indicators on social protection have two components each, which have different colour classifications. All indicators are categorised into three colour classifications: Red: no baseline can be established (latest data predates 2019); Orange: a baseline can be established (data from 2019–2021), but no recent data is available to monitor progress; and Green: both a baseline can be established, and progress can be monitored (data extends to 2022 or beyond).

- The EAASR Individual Action Plans (IAPs) enable economies to identify and update concrete initiatives supporting the agenda's four pillars. Since 2022, 20 economies have submitted IAPs, detailing 141 initiatives, with 18 providing progress reports for this final review. Updates were received for 116 initiatives, covering all four pillars—44.7 percent for Pillar 1, 39.5 percent for Pillar 2, 53.5 percent for Pillar 3, and 50.9 percent for Pillar 4, with many initiatives spanning multiple pillars. The reforms continue to focus on core structural issues like competition policy and law; strengthening economic and legal infrastructure; ease of doing business; regulatory reform; public sector governance; and corporate law and governance, accounting for 68.2 percent of initiatives, alongside increasing attention to supplementary structural reforms and supporting policies (27.1 percent and 49.5 percent, respectively).

PROGRESS AND GAPS

- During the EAASR mid-term review, key findings and insights were identified to guide the next phase of implementation through to 2025. As the initiative concludes, it is timely to assess progress against these insights and extract lessons to inform the next structural reform agenda, positioning EC to enhance the effectiveness and impact of future initiatives across APEC economies.
- **Continue to improve the business regulatory environment, with a focus on the services sector:** APEC has improved the business regulatory environment, particularly in the services trade. Complementary initiatives under the APEC Third Ease of Doing Business (EoDB) Action Plan have also advanced reforms in areas like credit access and business registration. However, significant challenges continue to limit openness in many services sectors, including restrictions on foreign entry and competition, and rising digital regulatory barriers.
- **Create a thriving and conducive environment for innovation:** APEC has fostered an innovation-friendly environment supported by strong R&D investment, entrepreneurial culture, and institutional frameworks. However, challenges remain in translating innovation inputs into tangible outcomes, due to relatively weaker intellectual property protection, uneven innovation ecosystem development, and unclear links between R&D spending and measurable outputs like patents or technology adoption.
- **Enhance human capital development:** APEC has advanced human capital development through higher tertiary enrolment, expanded reskilling programs, and efforts to better align workforce capabilities with shifting industry needs. However, the region still has room for improvements with regards to educational outcomes and advanced skill sets, and addressing divergent trends in STEM graduation rates, highlighting the need to strengthen lifelong learning, vocational training, and workforce adaptability.
- **Strengthen economic empowerment and intensify efforts toward achieving economic growth for all:** APEC has reduced employment disparities, lowered youth unemployment, and promoted workforce participation, supported by flexible work policies and expanded access to education. It has also advanced economic empowerment by implementing regulations that promote opportunities and improve tertiary enrolment rates for all. However, persistent youth unemployment, ageing populations, and legal barriers—such as those that hinder access to credit and pay—highlight the need for sustained policy efforts,

capacity building, and structural reforms. These are essential to ensure full participation in the labour market, strengthen social safety nets, and address structural imbalances for all.

- **Reinforce digitalisation efforts, including redoubling efforts to overcome digital divides:** APEC has made progress in digitalisation through expanded internet access, improved broadband coverage, and the development of enabling digital ecosystems. However, challenges in facilitating digital services trade, uneven infrastructure, and gaps in digital literacy highlight the need for greater investment in capacity building, skills development, and policies to ensure participation for all in the digital economy.
- **Continue investments to diversify energy sources:** To further advance economic growth, APEC economies should increase investment in technologies, enhance resource efficiency, and strengthen institutional capacity.
- **Revisit AEPR recommendations and better incorporate them into EAASR initiatives, including through mechanisms to support their institutionalisation:** APEC has made meaningful progress in integrating recommendations from the annual APEC Economic Policy Report (AEPR) into its structural reform agenda, as demonstrated by the EC's collaboration with the Group on Services (GOS) on services reform and the launch of an implementation survey in 2024 to track progress and identify challenges. However, the incorporation of AEPR recommendations could be strengthened through more formalised, and consistent follow-up mechanisms within reporting and planning frameworks to ensure sustained impact and effective implementation.
- **Build on completed initiatives through follow-up actions and propose new ones to address identified gaps:** Good progress has been made, with 10 new initiatives added to the EAASR Implementation Plan following the mid-term review. These initiatives focus on various issues like good regulatory practices and financial access. However, gaps remain: only 40.6 percent of the EAASR Sub-fund has been utilised as of Project Session 2 in 2025. This presents an opportunity to launch targeted activities, maximise the use of remaining funds, and strengthen follow-up to enhance coherence and impact.
- **Increase the share of initiatives involving cross-fora collaboration:** 32.6 percent of initiatives identified in the EAASR Implementation Plan (including newly-added initiatives) involved cross-fora collaboration, reflecting ongoing efforts to promote synergies across APEC. However, this represents a slight decline from 35.1 percent at the mid-term review, indicating slowed momentum and the need to strengthen institutional linkages and joint planning to boost collaboration and enhance reform impact.
- **Continue to ensure better synergy between EAASR and other APEC initiatives:** Efforts to enhance synergy between EAASR and other APEC initiatives have continued, notably through EC-GOS collaboration, with joint dialogues and workshops integrating structural and services reform agendas. While many initiatives align with broader APEC priorities, there remains scope to further embed EAASR within broader APEC strategies through more coordinated planning, joint activities, and aligned initiative design to strengthen coherence and impact.
- **Benefit from regular sessions that share lessons on implementation of structural reform efforts:** Regular sessions have supported structural reform implementation by facilitating peer learning, with EC1 and EC2 meetings in 2024 focusing on good regulatory

practices, sustainable economic growth, and reviewing EAASR-related activities. Expanding these engagements would enhance collective learning, address emerging challenges, and help maintain momentum and alignment in achieving EAASR objectives.

- **Ensure EAASR reporting reflects potential benefits to the services sector:** All economies submitting IAP final reviews identified at least one initiative benefiting the services sector, covering themes such as facilitating business conduct, promoting competition, enhancing the digital ecosystem, developing human capital, fostering innovation, investing in infrastructure, expanding market access, and improving access to government services. However, some reporting lacks sufficient detail, while others did not address the question at all, highlighting the need for clearer explanations, services-specific indicators, and enhanced capacity-building to better integrate and communicate services-related outcomes in EAASR initiatives.
- **Make good use of qualitative and quantitative indicators, establishing baselines, combine broad and specific metrics, and leverage alternative data sources:** Economies have effectively used qualitative and quantitative indicators to monitor EAASR initiatives, with some identifying clear baselines and tracking multi-year progress, though more frequent data collection could improve trend analysis. However, gaps remain where baselines and targets are unclear or absent, and greater use of disaggregated data is needed to assess outcomes, highlighting the importance of strengthening data practices and indicator frameworks for more accurate impact assessment.

CONCLUSION AND MOVING FORWARD

The EAASR reaffirms APEC's sustained commitment to advancing structural reforms. Using key insights drawn from the EAASR mid-term review in 2023 as a basis, this final review has assessed progress to date and identified areas for further attention. As the Economic Committee (EC) prepares to launch its next structural reform agenda, the insights below offer guidance to inform more effective design and implementation. Drawing on the lessons of EAASR will enable EC to sharpen the impact, coherence and responsiveness of APEC's structural reform efforts moving forward.

Continue to improve the business regulatory environment, with a focus on the services sector

APEC has achieved notable progress in improving the business regulatory environment, especially within the services sector. Between 2021 and 2024, the region saw a reduction in overall services trade restrictiveness, driven largely by improvements in regulatory transparency and streamlined administrative processes such as licensing and visa procedures. Complementary initiatives under the APEC Third Ease of Doing Business (EoDB) Action Plan have also advanced reforms in areas like credit access and business registration, contributing to a more facilitative business climate across economies.

Despite this advancement, substantial challenges remain. Key restrictions—particularly those affecting foreign entry and competition—continue to limit openness in many services sectors, with only modest reform in highly restrictive sectors. Moreover, regulatory progress has been uneven across economies and subsectors, and recent increases in digital regulatory barriers have led to a rise in APEC's Digital STRI, reflecting greater restrictiveness in digital services trade.

Create a thriving and conducive environment for innovation

APEC has taken important steps toward building an innovation-friendly environment, underpinned by a dynamic entrepreneurial culture, comparatively strong R&D investment, and supportive institutional frameworks. The region also benefits from a high level of consumer sophistication and a willingness to embrace emerging business models. Together, these attributes provide a solid foundation for driving innovation-led growth and enhancing regional competitiveness in an increasingly digital and fast-paced global economy.

Nonetheless, the region continues to face challenges in converting innovation inputs into impactful outcomes. While intellectual property protection is stronger than in ASEAN, it remains weaker than in the OECD, potentially limiting incentives for commercialisation. Moreover, the development of innovation ecosystems remains uneven across APEC economies, and the links between R&D spending and measurable outputs—such as patents, technology adoption, or scalable business solutions—are not clear.

Enhance human capital development

APEC has made notable strides in human capital development by increasing tertiary enrolment, expanding reskilling programs, and improving the alignment of workforce capabilities with shifting industry needs.

However, significant challenges persist. Ensuring access to quality education for all and addressing divergent trends in the share of STEM graduates should remain priorities. Compared to the OECD, APEC still lags in educational outcomes and the development of advanced skill sets. To build a resilient, future-ready workforce, APEC must intensify its focus on lifelong learning through enhanced vocational education, continuous professional development, and robust employee training initiatives that equip individuals to adapt to evolving economic demands.

Strengthen economic empowerment and intensify efforts toward achieving economic growth for all

APEC has made commendable headway in fostering opportunities for all by providing employment opportunities, lowering youth unemployment rates, and encouraging greater workforce participation among older adults. APEC has also taken substantial steps in promoting economic opportunities for all, reflected in reduced employment gaps, higher rates of enrolment in tertiary education, and the adoption of legal frameworks that promote opportunities for all. Measures such as promoting flexible work arrangements, and expanding access to tertiary education have likely supported wider economic opportunities for all. APEC frameworks have also elevated issues related to empowering all people on the policy agenda, and encouraged member economies to implement measures that create more supportive environments for economic engagement.

Still, considerable challenges remain. Youth unemployment persists at significant levels, while the region's ageing demographics risk exacerbating pressures on social welfare systems. Further actions are also needed in areas such as education and access to economic opportunities, which continue to constrain people's economic empowerment. These ongoing issues underscore the urgent need for comprehensive and sustained policy efforts to improve labour participation, and reinforce social safety nets. Legal barriers, particularly in areas like access to credit and pay, continue to impede financial independence and entrepreneurial potential. Overcoming these gaps will require a concerted and sustained effort, including targeted policy interventions, enhanced capacity-building programs, and the dismantling of barriers to ensure full participation for all in the region's economic development.

Reinforce digitalisation efforts, including redoubling efforts to overcome digital divides

APEC has demonstrated strong momentum in advancing digital transformation, demonstrated by rising internet penetration rates and broader broadband coverage across the region. Significant investments in digital infrastructure, alongside the establishment of enabling digital ecosystems, have laid the groundwork for enhanced connectivity and increased competitiveness among businesses.

Yet, challenges persist in areas such as facilitating digital services trade and addressing digital divides. Disparities in broadband access and uneven infrastructure development continue to limit digital access, while significant segments of the population may lack the digital literacy

and skills needed to fully participate in and benefit from digital transformation. To address these gaps, APEC must strengthen efforts to foster digital growth for all by expanding capacity-building initiatives, enhancing digital skills development, and implementing policies that ensure both technological infrastructure and human capital are equipped to support a resilient digital economy.

Continue investments to diversify energy sources

APEC must substantially increase investments in technologies and resource efficiency. Enhancing the impact of these efforts for all will require not only scaling up financial and policy incentives but also strengthening institutional and technical capacities across economies to support cohesive economic growth.

Revisit AEPR recommendations and better incorporate them into EAASR initiatives, including through mechanisms to support their institutionalisation

APEC has taken constructive steps to integrate the recommendations from the annual APEC Economic Policy Reports (AEPRs) into its broader structural reform agenda. A notable example is the collaboration between the EC and the Group on Services (GOS), which has revisited and built upon the 2016 AEPR on Structural Reform and Services. This is reflected in past outputs such as the Policy Brief on EAASR and ASCR, which updates earlier findings and underscores their continued relevance. The AEPR series remains an integral component of the EC's work, with recent reports tackling timely and cross-cutting issues such as financial access (AEPR 2024) and strategies to increase participation in the formal economy (AEPR 2025). As a further step toward implementation, the EC introduced an implementation survey in 2024 to provide a platform for economies to report on their ongoing and planned implementation of AEPR recommendations—starting with AEPR 2023 as the first report to use this mechanism. The survey also seeks to identify implementation challenges and gaps, as well as opportunities for knowledge sharing and capacity building among the EC members.

Nonetheless, the incorporation of AEPR recommendations into concrete reform actions could benefit from greater institutionalisation. While the survey mechanism is a constructive development, it could be strengthened through more formal and consistent approaches to ensure sustained uptake. Embedding AEPR follow-through into reporting frameworks and work planning would help maximise the strategic impact of these reports.

Build on completed initiatives through follow-up actions and propose new ones to address identified gaps

The latest version of the EAASR Implementation Plan lists 10 newly introduced initiatives following the mid-term review. These initiatives focus on various issues, such as good regulatory practices, competition policies, and financial access. Notably, the incorporation of forward-looking policy dialogues demonstrates an adaptive and responsive approach to structural reform.

Despite this momentum, gaps remain in fully operationalising the recommendation. While the EAASR Sub-fund has been instrumental in supporting many initiatives, only 40.6 percent of the original USD 2.2 million allocation has been utilised as of Project Session 2 in 2025, leaving more than USD 1.3 million available. This underutilised funding signals an opportunity to further strengthen follow-up efforts and close remaining gaps through the launch of new,

targeted activities. Moreover, systematically assessing the outcomes of recent initiatives could enhance coherence, ensure continuity, and deepen the impact of EAASR implementation—though it is important to note that many of these initiatives are still recent, and their full results may take time to materialise.

Increase the share of initiatives involving cross-fora collaboration

Thirty percent of the 10 newly added initiatives feature cross-fora collaboration or support. Across the entire portfolio of initiatives under the EAASR Implementation Plan, 32.6 percent involve cross-fora collaboration, reflecting continued efforts to promote synergies across APEC sub-fora and working groups.

However, this marks a slight decline from the mid-term review, where 35.1 percent of initiatives reported cross-fora collaboration. This suggests that while collaboration remains a priority, momentum has slowed, and there is room for improvement. Strengthening institutional linkages and encouraging joint planning across relevant fora could help raise the share of collaborative initiatives and enhance the coherence and impact of structural reform efforts.

Continue to ensure better synergy between EAASR and other APEC initiatives

Efforts to ensure better synergy between EAASR and other APEC initiatives have continued, particularly through collaboration between the EC and GOS. Recognising the alignment between structural reform and services reform, the two fora have jointly pursued activities such as the EC-GOS Dialogue on Services and Structural Reform (August 2024) and the EC-GOS Workshop on Digital Services and Structural Reform (March 2025), reinforcing the integration of their respective agendas—EAASR and the APEC Services Competitiveness Roadmap. Additionally, several initiatives reflect alignment with other APEC priorities: 41 percent of initiatives indicated in the EAASR Implementation Plan contribute to the La Serena Roadmap, and 30 percent support the Bangkok Goals. These shares are largely consistent with those observed at the time of the mid-term review.

Nonetheless, opportunities remain to further strengthen integration across various APEC priorities. While all initiatives contributed to the Aotearoa Plan of Action—particularly the 96 percent of initiatives aligned with economic driver #2 (innovation and digitalisation), which explicitly references structural reform—there remains scope to further embed EAASR within other key APEC roadmaps and strategies. Advancing more coordinated planning, joint activities, and clearly aligned initiative design would help enhance the coherence, visibility, and overall impact of structural reform efforts across the wider community of APEC.

Benefit from regular sessions that share lessons on implementation of structural reform efforts

Regular sessions have played a valuable role in supporting the implementation of structural reform efforts by facilitating the exchange of practical lessons and experiences. At the EC1 2024 meeting, members shared individual actions under the Aotearoa Plan of Action and EAASR, with a focus on good regulatory practices. This was followed by a policy dialogue during the EC2 2024 meeting which took stock of Public Sector Governance activities under EAASR implementation. These sessions have complemented ongoing peer-to-peer learning, with members generously sharing insights from the initiatives listed in their Individual Action

Plans (IAPs). They underscored the importance of adaptability, evidence-based policy adjustments, stakeholder engagement, clear implementation frameworks, and a holistic approach to reform—one that involves stronger inter-agency coordination and active participation from all segments of society.

Despite this progress, there remains room to expand these engagements to further enrich the reform discourse. More frequent and structured opportunities to share implementation lessons would help deepen collective learning, identify emerging challenges, and support better alignment across reform efforts. Strengthening these exchanges can also help members refine their approaches and sustain momentum toward achieving EAASR objectives.

Ensure EAASR reporting reflects potential benefits to the services sector

All economies that submitted their IAP final review templates identified at least one key initiative benefiting the services sector, with the number of such initiatives ranging from one to ten, depending on the economy. In terms of how these initiatives benefit the services sector, they span a broad range of themes, including facilitating business conduct, promoting competition, enhancing the digital ecosystem, developing human capital, fostering innovation, investing in infrastructure, expanding market access, and improving access to government services.

However, reporting remains uneven. Some responses lack sufficient detail, while some do not address the question at all. This suggests a need for more deliberate consideration of services implications in EAASR reporting. Going forward, economies could strengthen their reporting by providing clearer explanations and incorporating services-specific indicators, as applicable. Dedicated information-sharing sessions and targeted capacity-building activities could also help economies better design and articulate initiatives that support services sector development.

Make good use of qualitative and quantitative indicators, establish baselines, combine broad and specific metrics, and leverage alternative data sources

Economies have continued to make good use of both qualitative and quantitative indicators to monitor progress on their EAASR key initiatives, with several submissions combining both types of measures. Some economies have clearly identified baselines or targets, enabling them to track progress over time and assess the need for course correction. In certain cases, progress has been reported over multi-year periods, which is useful, though more regular data collection—such as on an annual basis—could provide a clearer picture of trends and outcomes.

Despite these positive efforts, gaps remain. In several instances, baselines and targets are either unclear or missing, making it harder to gauge the success of initiatives. Additionally, more disaggregated data—including by region, sex, and socioeconomic status—would help economies assess whether initiatives are benefiting the entire population. Strengthening data collection practices and using a mix of broad and targeted indicators would support a more comprehensive and accurate assessment of structural reform impacts.