Annex D

APEC Connectivity Blueprint for 2015-2025

Background

1. In the APEC Leaders' 2013 Declaration, we shared our aspiration to reach a seamlessly and comprehensively connected and integrated Asia-Pacific through the pillars of Physical Connectivity, Institutional Connectivity and People-to-People Connectivity.

2. Connectivity represents an ambitious target for a diverse regional organization such as APEC, but it is precisely that ambition that will drive strong and tangible achievement.

3. Connectivity will be important not only for governments and business, but also for APEC as a community. By connecting APEC's developed and emerging growth centers, the region's quality of growth will improve, contributing to the Asia-Pacific's economic prosperity and resilience.

4. In this regard, we note with appreciation that significant work has already been done by various APEC fora and working groups in advancing connectivity in the region. APEC economies have also undertaken substantial amounts of work to improve connectivity, both at the domestic and regional levels.

5. However, despite the many achievements and successes of APEC in promoting connectivity in previous years, many challenges still remain. On physical connectivity, there is still a disparity in access to and quality of physical and Information and Communications Technology (ICT) infrastructure throughout the region.

6. On institutional connectivity, there is also a significant gap in the ability of existing institutions to promote connectivity due to various regulatory constraints or lack of capacity.

7. On people-to-people connectivity, much work needs to be done to ease existing barriers to interaction and mobility, and to develop joint endeavors that will support seamless flows of people.

8. We have therefore developed this Blueprint as a strategic guide for current and future initiatives that will bring the APEC region closer together, and as a high-level framework towards which many APEC work streams will focus their efforts.

The Vision of APEC Connectivity in 2025

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

10. In order to attain this overarching goal, APEC member economies will undertake

specific tangible actions at the physical, institutional, and people-to-people pillar levels.

11. This Blueprint contains existing connectivity-related initiatives; encourages reviving those initiatives that require further progress; and, proposes future initiatives for more efficient flows of goods, services, capital and people to drive APEC progress. It is also broad in scope and adaptable to the ever-changing conditions in the Asia-Pacific.

12. We envision this Blueprint accelerating and encouraging balanced, secure, sustainable and inclusive growth, as well as connecting growth poles in the region and bringing APEC closer together as a community.

Physical Connectivity

13. Under Physical Connectivity, with regard to cross-sectoral issues, we will focus on improving the investment climate, enhancing infrastructure financing through public private partnerships (PPP) and other means in APEC economies; adopting comprehensive assessment methods that considers key quality elements in evaluation of infrastructure project proposals; and, enhancing the application of good practices and people-centered investment for planning and implementing infrastructure projects.

14. We welcome the substantial work that has been done under the Finance Ministers' Process (FMP) to promote knowledge sharing and capacity building in the area of infrastructure PPPs.

15. We are pleased to note that the APEC PPP Experts Advisory Panel has launched work under the FMP, which supports, on a voluntary basis, a Pilot PPP Center based in Indonesia. We note with appreciation the role of the Panel in helping APEC economies tap into private sector sources of funding for infrastructure development, particularly through promoting PPPs, by acting as a repository of skills that will bring to life good practices in the APEC region and that will help channel technical assistance to developing economies seeking such assistance.

16. We commit to further establish dedicated PPP centers in APEC economies, with a view to developing a regional network of PPP centers to share good practices. In the longer term, these centers can play an important role in supporting the establishment of an APEC-wide market for infrastructure financing. We also welcome the Implementation Roadmap to Develop Successful Infrastructure PPP Projects in the APEC Region and the Action Agenda on Promoting Infrastructure Investment through PPP.

17. We will develop, maintain and renew quality infrastructure, including energy, ICT and transport infrastructure and seek to increase the quality and sustainability of APEC transport networks; increase broadband internet access; promote sustainable energy security; and build resiliency into the energy infrastructure.

18. We will help facilitate the efficient and effective operation of maritime transportation and shipments, especially considering that a majority of maritime infrastructure development projects happen on a unilateral basis. We take note of several pathfinder

initiatives where future cooperation could produce tangible results.

19. We will strengthen air transportation cooperation to boost robust trade and people-to-people connections, share experiences and good practices to promote efficiency and security of air connectivity

20. We note that ICT development has been a focus of APEC's work since its inception in 1989, as increased information sharing and improved communication technology allow for faster and reliable connections between people and organizations throughout the Asia-Pacific, facilitating trade and economic growth. We resolve to continue our efforts jointly in enhancing the access to ICT resources by using available technologies to reduce digital divide and increase greater connectivity in the region.

21. We resolve to tap into APEC's considerable potential in fostering future energy cooperation initiatives, especially in the areas of energy-related trade and environmental sustainability. APEC represents an ideal forum to explore this concept of expanded cross-border energy trade and renewable energy in a non-binding manner. We will further aspire to ensure quality electricity supply for all member economies.

Institutional Connectivity

22. Under Institutional Connectivity, we will strive to make progress in jointly addressing issues of trade facilitation, structural and regulatory reforms as well as transport and logistics facilitation, which are of critical importance to APEC as a regional forum.

23. We aim to modernize customs and border agencies and enable a whole-of-government approach in the development of regulations, including coordination across regulatory, standards, and trade agencies.

24. We support APEC's work to encourage each member economy to develop its own Single Window system by 2020 and we encourage efforts to promote international interoperability between Single Window systems and paperless trading.

25. We will further strengthen the initiatives under the APEC Supply-Chain Connectivity Framework Action Plan (SCFAP) by systematically improving supply chain performance through implementing a capacity building plan to assist economies in overcoming specific obstacles within the eight chokepoints of the SCFAP.

26. On regulatory coherence, we will implement initiatives that focus on regulatory cooperation through the sharing of best practices on regulatory issues. We note that industry dialogues are already well advanced in this process. The internet is a good and effective tool to help economies strengthen their implementation of good regulatory practices (e.g. ensuring internal coordination of regulatory work, assessing the impact of regulations, and conducting public consultations). Economies will further explore using internet-based tools to strengthen the implementation of good regulatory practices, including through the initiative on new actions APEC economies could take to strengthen the conduct of public consultations on proposed regulations in the Internet era.

27. Under structural reform, the APEC Ease of Doing Business (EoDB) Multi-Year Project (MYP) facilitates tailored capacity building activities to support economies in achieving the aspirational target of making it 25% cheaper, faster, and easier to do business. We aim to achieve these goals by harmonizing local policies with existing international agreements, and agree to consider the continuation of our work on the EoDB until 2020.

28. We commit to fostering transparency, safety, competition and better functioning markets, including e-commerce, in the Asia Pacific and aim to expand the application of secure and trusted ICT and e-commerce environment by 2025.

29. APEC needs to build a strategy to tackle the policy challenges raised by the Middle-Income Trap (MIT). Improving an economy's competitiveness, productivity levels and its regulatory environment for the ease of doing business can contribute to overcoming some of the issues that underpin the MIT.

People-to-people Connectivity

30. Under People-to-People Connectivity, we will strive to facilitate the movement of people across borders, and to facilitate the exchange of innovative ideas. As such, issues of business travel mobility, cross-border education, tourism facilitation, and skilled labor mobility will be addressed under this pillar.

31. We commit to continue expanding the number of holders of the APEC Business Travel Card (ABTC) and to improve the efficiency and effectiveness of ABTC scheme.

32. We undertake to improve cross-border education (CBE) cooperation, in recognition that student, academic and provider mobility helps to strengthen regional ties, facilitate people-to-people exchanges and promote economic development through knowledge and skills transfer. We resolve to achieve one million intra-APEC student exchanges per year by 2020, and to increase the number of student exchanges to developing economies.

33. Tourism is an important part of APEC economic growth strategies, and this is reflected in the many tourism facilitation and promotion initiatives that have been implemented within the APEC region. In this regard, we welcome domestic efforts by several economies to implement measures to ease visa restrictions for tourists as well as initiate programs to facilitate immigration processing.

34. We will make efforts to achieve 800 million APEC tourist arrivals by 2025, and commit to establishing an APEC-wide Code of Conduct for Travel Providers in order to reduce travelers' costs and uncertainties relating to tourism.

35. We will intensify cooperation within APEC in promoting cultural exchanges, by aiming to hold at least one cultural awareness event by each APEC economy in every other APEC economy per year by 2017.

36. We resolve to advance work on cross-border science, technology, and innovation exchanges. We note with appreciation the annual APEC Science Prize for Innovation,

Research and Education (ASPIRE) which recognizes young scientists who have demonstrated cooperation with scientists from other APEC member economies, as well as a commitment to excellence in scientific research.

37. On professional and skilled labor mobility, we welcome initiatives to benchmark qualifications in the transport and logistics industry, allowing businesses within the region to have more certainty over the skill sets of workers from other economies. There are various bilateral Mutual Recognition Agreements (MRAs), and going forward, APEC can undertake work to help expand the number of bilateral and multilateral MRAs in the region. Mutual recognition of skills and credentials can play an important role in facilitating skilled labor mobility. Timely and accurate information on skills gaps and labor market imbalances will also need to be gathered and analyzed to ensure responsive policymaking in this area.

38. We commit to strengthen people-to-people connectivity through human resources development and welcome the APEC Action Plan for Promoting Quality Employment and Strengthening People-to-People Connectivity through Human Resources Development.

Strategies for Implementation: Capacity Building and Private Sector Cooperation

39. Economic and technical cooperation (ECOTECH) is one of the key pillars of APEC, focusing on narrowing the gap between developed and developing APEC economies. To help implement the connectivity agenda, we direct ECOTECH activities at upgrading skills and institutions by providing relevant capacity building activities for APEC economies and adhering to key ECOTECH objectives. In this regard, ECOTECH is an important tool for implementing the Blueprint.

40. The development and implementation of connectivity initiatives will require a significant amount of information on economies' needs, expectations, gaps, and on market direction and imbalances. Information on what infrastructure projects are needed, what gaps exist in institutional frameworks, and where skills imbalances lay in the labor market will be crucial to support economies in achieving connectivity targets.

41. To gather this information, economies should work with the private sector. In this regard, the APEC Business Advisory Council (ABAC) and APEC's policy partnerships and industry dialogues can contribute significantly by providing private sector feedback or insight on market needs, trends and expectations.

42. We urge the private sector, with coordination from ABAC, to provide direct support for many of the more bankable connectivity initiatives being undertaken in the region. In addition to PPP for infrastructure projects, the private sector could help support capacity building programs as well as educational and cultural exchanges. The private sector could also help in proposing and producing connectivity-enhancing innovations in the region.

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

Monitoring, Evaluation and Review

44. In order to reach the overarching goal of strengthening physical, institutional, and people-to-people connectivity by taking agreed actions and meeting agreed targets by 2025, with the objective of achieving a seamless and comprehensively connected and integrated Asia Pacific, we instruct Ministers and Senior Officials to oversee the implementation of the Blueprint on a yearly basis, particularly in reviewing the targets and objectives.

45. We direct Ministers and Senior Officials to develop a dedicated arrangement to monitor, review and evaluate the implementation of the Blueprint, and to conduct a mid-term review of the Blueprint in 2020. We further direct Ministers and Senior Officials to work with APEC fora to develop additional ambitious and measurable actions and targets under each of the connectivity pillars. These actions and targets need to be forward-looking and directed towards the vision of APEC Connectivity in 2025.