



November 2020

Statement by Craig Emerson, Director of the Australian APEC Study Centre, RMIT



Encouragingly strong Leaders' support for APEC and free trade

Over the weekend, APEC Leaders met virtually and produced an encouragingly strong declaration and vision statement for the next 20 years. Highlights are set out below.

This, Malaysia's year, was the first time since 2017 that Leaders were able to produce an agreed declaration, an indication that, despite recent setbacks, APEC remains "the premier forum for regional economic cooperation as well as a modern, efficient and effective incubator of ideas."

The Asia-Pacific region and the whole world should take heart from these agreed statements.



Especially encouraging, after several years of trade wars and tariff hikes, is the Leaders' support for the rules-based trading system and the WTO that oversees it:

"... we reaffirm our support for agreed-upon rules of the WTO in promoting the stability and predictability of international trade flows."

And amazingly, Leaders were positive about the idea of a Free Trade Area of the Asia-Pacific (FTAAP):

"We will further advance the economic integration in the region, in a manner that is market-driven, including through the work on the Free Trade Area of the Asia-Pacific (FTAAP) agenda ..."

Leaders agreed a new vision statement for the next 20 years:

"We will advance the APEC Putrajaya Vision 2040 with a spirit of equal partnership, shared responsibility, mutual respect, common interest, and common benefit. We will achieve the Vision by 2040, with an appropriate implementation plan and review of its progress."

Perhaps it is too early to say the Leaders' declaration and the APEC Putrajaya Vision statement mark a decisive turning point in attitudes towards trade liberalisation, but they are a vast improvement on the sentiment of the last few years.

Highlights of APEC Leaders' Declaration and Vision Statement

Highlights of Leaders' declaration

We recognise the importance of a free, open, fair, non-discriminatory, transparent and predictable trade and investment environment to drive economic recovery at such a challenging time. In this regard, we reaffirm our support for agreed-upon rules of the WTO in promoting the stability and predictability of international trade flows. We take note of the call of the APEC Business Advisory Council (ABAC) for APEC to continue supporting the multilateral trading system.

We will continue to support the on-going work at the WTO, including through its necessary reform aimed to improve its functioning, and will continue to work on



appropriate capacity building initiatives to implement WTO agreements. We call for expedited progress in the on-going WTO negotiations on fisheries subsidies. APEC member participants in Joint Statement Initiatives (JSI) call for progress in the lead-up to the 12th WTO Ministerial Conference (MC12), recognising the e-commerce initiative is particularly important in supporting COVID-19 recovery.

We will further advance the economic integration in the region, in a manner that is market-driven, including through the work on the Free Trade Area of the Asia-Pacific (FTAAP) agenda, which will contribute to high quality and comprehensive regional undertakings. We underscore the importance of improving regional connectivity through quality infrastructure development and investment based upon relevant APEC work.

We proclaim the APEC Putrajaya Vision 2040, a new vision that primarily charts the future of our region. Our Vision is an open, dynamic, resilient and peaceful Asia-Pacific community by 2040, for the prosperity of all our people and future generations. We task our Senior Officials to complete a comprehensive implementation plan for our consideration in 2021. Read the full 2020 Leaders' Declaration [here](#).

Highlights of Vision statement

To ensure that the Asia-Pacific remains the world's most dynamic and interconnected regional economy, we acknowledge the importance of, and will continue to work together to deliver, a free, open, fair, non-discriminatory, transparent and predictable trade and investment environment. We reaffirm our support for agreed upon rules of the WTO in delivering a well-functioning multilateral trading system and promoting the stability and predictability of international trade flows. We will further advance the Bogor Goals and economic integration in the region in a manner that is market-driven, including through the work on the Free Trade Area of the Asia-Pacific (FTAAP) agenda which contributes to high standard and comprehensive regional undertakings. We will promote seamless connectivity, resilient supply chains and responsible business conduct.

To maintain APEC's unique position as the premier forum for regional economic cooperation as well as a modern, efficient and effective incubator of ideas, we will embrace continuous improvement of APEC as an institution through good governance and stakeholder engagements. We will advance the APEC Putrajaya Vision 2040 with a spirit of equal partnership, shared responsibility, mutual respect, common interest, and common benefit. We will achieve the Vision by 2040, with an appropriate implementation plan and review of its progress. Read the full Putrajaya Vision 2040 [here](#).