

**THE 21<sup>st</sup> APEC MINISTERIAL MEETING**  
**Singapore**  
**11 - 12 November, 2009**

**Joint Statement**

We, the Asia-Pacific Economic Cooperation (APEC) Ministers, met on 11-12 November in Singapore. The meeting was co-chaired by H.E. George Yeo, Minister for Foreign Affairs, Singapore, and H.E. Lim Hng Kiang, Minister for Trade and Industry, Singapore.

We welcomed the participation in the meeting of the Director-General of the World Trade Organisation (WTO) Mr Pascal Lamy, the APEC Business Advisory Council (ABAC), the Association of South-East Asian Nations (ASEAN), and the Pacific Economic Cooperation Council (PECC).

Our discussions centred on “Sustaining Growth, Connecting the Region”, the theme for APEC 2009. We reviewed global and regional economic developments, welcomed the progress made towards strengthening regional economic integration (REI), and discussed strategies to sustain economic growth.

The global economic situation has eased considerably. The IMF estimates that world GDP will rise by nearly 3 percent in 2010, and that all APEC economies will shift to positive GDP growth next year. But the recovery remains fragile; the growth profile over the next few quarters is likely to be uneven. Unemployment remains unacceptably high in many of our economies. We will work together, and with other international fora, to ensure that the recovery does not stall and to lay a foundation for growth that is inclusive, balanced and sustainable, supported by innovation and a knowledge-based economy, and anchored on APEC’s core agenda to promote free and open trade and investment. Our confidence in the medium and long-term growth prospects for the Asia-Pacific region remains unwavering.

***Addressing the Crisis, Positioning for Recovery***

***Fostering Inclusive Growth***

We are committed to pursuing economic growth that is inclusive and broad-based, so as to create opportunities for all of our people to enjoy the benefits arising from REI. We endorse our officials’ report on inclusive growth, which recognised structural reform as an important approach towards inclusive growth, mapped existing APEC activities that support inclusive growth, and set out possible areas for APEC to focus on. We note that APEC economies and some APEC work streams are already focusing on human capital development through education and worker retraining, and fostering innovation and entrepreneurship through improved business environments that benefit companies of all sizes, especially SMEs. We will direct our efforts to foster inclusive growth in APEC along two broad dimensions. First, we will facilitate structural adjustments that enhance opportunities for all to benefit from growth, focusing on facilitating SME development and enhancing the functioning of labour markets, while ensuring that these support enhanced opportunities for women workers and entrepreneurs. Second, we will strengthen social resilience, focusing on enhancing individual economic security and designing incentive-compatible social safety net programmes.

We instruct officials to make further progress on existing inclusive growth work streams, better crystallise the key issues and identify existing gaps of the inclusive growth agenda for APEC, develop a multi-year capacity building programme on inclusive growth, and report on the progress at AMM in 2010. They should do so in close consultation with relevant bodies including the Committee on Trade and Investment (CTI), the Economic Committee (EC), the Senior Officials’ Meeting Steering Committee on ECOTECH (SCE) and its subfora, such as the Human Resources Development Working Group (HRDWG), and the SME Working Group (SMEWG).

We look forward to China’s hosting of the 5<sup>th</sup> APEC Human Resources Development Ministerial Meeting in 2010, which will provide a good platform to discuss the design and implementation of inclusive growth programmes, including labour market and skills development policies that result in long-term improvements in labour productivity, and enhance cooperation to address the social dimensions of economic downturns. We also look forward to contributions to the inclusive growth

agenda by the EC High Level Policy Roundtable and the 17<sup>th</sup> SME Ministerial Meeting, which will both be hosted by Japan in 2010.

### *Promoting Sustainable Growth*

We will seek to ensure that economic growth is consistent with sustainable development. Anthropogenic climate change is one of the biggest challenges facing the world. As APEC's key response to addressing this challenge, our sustainable growth agenda will include improved access for Environmental Goods and Services (EGS), development of EGS sectors of APEC economies, enhancing energy efficiency and sustainable forest management and rehabilitation.

The EGS market has a key role to play in fostering sustainable growth and advancing efforts to combat climate change. The Intergovernmental Panel on Climate Change has highlighted that many climate-friendly technologies and goods are already commercially available and that more are expected to be commercialised soon. These technologies will benefit from trade liberalisation. The World Bank has estimated that the removal of barriers for trade in four basic clean energy technologies (i.e. wind, solar, clean coal, and efficient lighting) alone could boost their trade by as much as 13 percent. We welcome APEC's efforts to enhance understanding of remanufactured products, which reuses inputs and uses less energy than manufacturing new goods.

We will explore ways to reduce existing barriers to trade and investment, and refrain from introducing new barriers in EGS. We will also take steps to facilitate the diffusion of climate-friendly and other EGS technologies, including through economic and technical cooperation (ECOTECH) and capacity building activities. We welcome the launch of the APEC EGS Information Exchange to promote greater transparency, information sharing, collaboration, and dissemination of EGS in APEC and globally. We endorse APEC's EGS work programme which has helped to raise awareness of what needs to be done to facilitate trade, investment and development in EGS, and instruct officials to report progress on this work at AMM 2010. We reaffirm that an open global trade and investment system is central to our clean development objectives and market opening in the WTO would advance our climate and energy security goals. We recognise that joint research, development, deployment and transfer of low and zero emission technologies will be crucial in our shared efforts to address climate change.

Energy efficiency improvements have resulted in reductions in energy consumption of more than 50 percent over the last 30 years. We will advance work on sharing best practices in energy efficiency, with a view to deploy cleaner and more efficient technologies in power generation, industry, transportation, and residential and commercial buildings. We welcome the implementation of the voluntary APEC Peer Review on Energy Efficiency, and encourage our economies to participate in this Review. We note that Japan will host the 9<sup>th</sup> APEC Energy Ministers Meeting in 2010, which is an opportunity to explore diversified approaches to clean energy production and use.

### *Supporting Trade Finance*

We welcome the efforts made by APEC economies over the past year in response to the trade finance situation. These include the progress in expanding the Asia-Pacific Trade Insurance Network (APTIN) through the establishment of additional bilateral re-insurance agreements among some APEC member economies, as well as discussions to take stock of the situation and to exchange experiences and best practices. APEC has continued to monitor the trade finance situation in the region by conducting a follow-up APEC Trade Finance Survey. We are heartened that the situation in the APEC region has improved since the last survey in July 2009, and that economies expect the situation to ease further over the next 6 months. Recognising the importance of facilitating trade finance to supporting the recovery of the global economy, we encourage officials to sustain efforts to strengthen capabilities in the area of trade finance. We call upon APEC members to continue the implementation of necessary policies and measures to support trade finance and to continue their collaboration with their Finance counterparts.

### ***Supporting the Multilateral Trading System***

#### *Resisting Protectionism*

We remain concerned over the threat of protectionism to our economic recovery. We reaffirm the concrete commitments undertaken at the Singapore Meeting of Ministers Responsible for Trade (MRT) in July 2009 to keep our markets open and resist all forms of protectionism, including the extension of our commitment to refrain from raising new barriers to investments or to trade in goods and services to the end of 2010, and beyond if necessary. We have promptly notified the WTO of any measures that fall short of these commitments. We will continue to do so and urge our trading partners to do the same. Furthermore, we will continue to exercise maximum restraint in implementing measures that may be considered to be WTO consistent if they have a significant protectionist effect and promptly rectify such measures where implemented.

#### *Reviewing Commitments to Open Markets*

We considered the Trade Review report compiled by the APEC Secretariat with inputs from the WTO, ABAC and other relevant bodies, and reviewed the trade, fiscal and monetary measures undertaken by APEC economies since the July 2009 MRT. We note that a pick up in trade and investment were contributing to the recent rebound in global economic activity, but evidence of an increasing use of trade remedies indicates that risks relating to protectionism and recovery remain. We stand by our commitment at the MRT that such reviews will continue in 2010 and instruct the APEC Secretariat to work closely with the said institutions for the reviews. We are pleased that the APEC region as a whole has remained relatively open to trade throughout the global crisis. We recognise the need to calibrate overall policy settings, including temporary support measures, to the pace of recovery and improvement in the global economy. We will continue to undertake regular review of our policies that impact on trade and investment, and reiterate our pledge to maintain free and open markets.

#### *Advancing the DDA*

We remain determined to ensure an ambitious and balanced conclusion to the Doha Round in 2010, based on the progress already made, including with regard to modalities. To this end, we must translate recent political commitments into tangible progress in the negotiations. The Seventh Session of the WTO Ministerial Conference in Geneva from 30 November to 2 December 2009 will be an important opportunity to take stock of progress. We support further intensification of work to reach the 2010 target. In order to do so, we will accelerate efforts to advance into the endgame negotiations in Agriculture and NAMA, and advance in parallel Services, Rules, Trade Facilitation and all other remaining issues in the DDA in accordance with agreed Geneva workplans. We urge greater substantive engagement at all levels utilising all possible avenues, including text-based negotiations under the Geneva Chair led process and direct engagement between Members to evaluate and close the remaining gaps. We note the importance of continued involvement and stand ready to engage directly to ensure momentum is maintained. We agree to direct our officials to exercise pragmatism and maximum flexibility on all issues to narrow gaps and secure convergence on a final package. This will pave the way for Ministers to assess the situation no later than early 2010.

#### *Supporting the WTO*

APEC economies will step up our cooperation with the WTO. We endorse the recommendations by the APEC Secretariat on specific areas for cooperation with the WTO, including greater collaboration in the Aid for Trade agenda. We have instructed the APEC Secretariat to update us on progress in these cooperative efforts. We pledge our support for the 7<sup>th</sup> Session of the WTO Ministerial Conference and the basic principles of full participation, inclusiveness and transparency that will guide its deliberations.

We reiterate our support for the early accession of the Russian Federation to the WTO and underline the importance of efforts to expedite these negotiations.

#### ***Reaffirming Commitment to Bogor Goals***

We reaffirm APEC's commitment to the Bogor Goals of free and open trade and investment. APEC will work towards reducing barriers not only within APEC, but also with other non-APEC economies. Noting that the industrialised economies in APEC are targeted to achieve the Bogor Goals by 2010, we agree to the establishment of a credible and meaningful mechanism by which to assess their achievement of the Bogor Goals as set out in the *Work Plan of the Assessment on Achievement of*

*the Bogor Goals by the APEC Industrialised Economies.* We commend officials for their preparatory work in this regard, and instruct them to report on the final result of this assessment at AMM 2010.

We reaffirm the importance of APEC's Individual Action Plans (IAPs) and IAP Peer Reviews as a means to drive progress towards the Bogor Goals. We endorse the 2009 IAPs. We welcome the successful conclusion of the 2009 IAP Peer Reviews of Brunei Darussalam, Indonesia, Malaysia, Papua New Guinea, the Philippines, the Russian Federation, Thailand and Viet Nam, and the successful completion of the third cycle of IAP Peer Reviews which commenced in 2007.

### ***Exploring Building Blocks towards a Free Trade Area of the Asia-Pacific***

We welcome work in 2009 to continue to explore building blocks towards a possible Free Trade Area of the Asia-Pacific (FTAAP) in the future. These include the *Further Analytical Study on the Likely Impact of FTAAP* which illustrated the possible economic benefits and challenges of establishing an FTAAP; the updated inventory of issues that would need to be addressed as part of a preparatory process for a possible FTAAP including, inter-alia, the possible pathways to an FTAAP; and the expansion of the study on identifying convergences and divergences in APEC's regional and bilateral trade agreements to cover additional agreements and chapters. We instruct officials to take forward this work by exploring a range of possible pathways to achieve FTAAP and provide a progress update to AMM 2010.

### ***Accelerating Regional Economic Integration***

We reaffirm our commitment to accelerating work on APEC's core agenda of strengthening REI. We have taken a comprehensive approach to REI in 2009, focusing our work on trade liberalisation "at the border"; improving the business environment "behind the border"; and enhancing supply chain connectivity "across the border". We welcome the updated matrix of steps to accelerate REI on a multi-year basis. We also welcome the steps taken by officials to promote greater convergence in the areas of Rules of Origin (ROOs) and services. We instruct officials to widen their work to promote convergence on other core FTA chapters, including investment, trade facilitation, and standards.

We endorse the 2009 Committee on Trade and Investment (CTI) Annual Report to Ministers, which provides an overview of APEC's work in advancing the Bogor Goals and strengthening REI.

### **INTEGRATION "AT THE BORDER"**

#### ***Making Rules of Origins More Business Friendly***

We welcome the work to make ROOs more business-friendly, to address the high level of divergences among regional and bilateral free trade agreements and the resulting compliance costs faced by businesses. We applaud the participation of Australia, Canada, Japan, Korea, New Zealand, Singapore and the United States in the Self-Certification of Origin Pathfinder. This adds to APEC's ongoing work to simplify ROOs documentation and procedures, such as the existing Electronic Certificate of Origin Pathfinder. We also note the agreement to collect information on other elements related to this agenda, including reasonably long validity periods and waivers of certificates of origin or declarations for low value shipments. We instruct officials to continue with their work in this area and provide a progress update at MRT 2010.

#### ***Facilitating Trade in Products and Services***

We welcome progress under the APEC Services Initiative (ASI), which seeks to facilitate services trade in the Asia-Pacific. We endorse the APEC Principles for Cross-Border Trade in Services, which will build greater convergences among APEC economies with respect to their policy frameworks relating to trade in services. We also endorse the Services Action Plan which will provide direction to APEC's work to promote trade in sectors which are in the interest of member economies. Taken together, the Services Principles and the Services Action Plan will provide a strong foundation for APEC's future work to promote services trade.

We note the 2004 *Statement to Implement APEC Policies on Trade and the Digital Economy*, and instruct officials to continue work to promote the digital economy.

## INTEGRATION “BEHIND THE BORDER”

### *Improving Ease of Doing Business and Implementing Structural Reform*

We have launched an APEC Ease of Doing Business (EoDB) Action Plan that identifies priority areas for reform, sets targets to measure improvements in these areas, and includes capacity building work programmes to achieve the targets.

We have set an APEC-wide aspirational target to make it 25 percent cheaper, faster and easier to do business within APEC economies by 2015 in the five priority areas, determined with reference to the World Bank’s EoDB indicators. The five areas are: Starting a Business, Getting Credit, Enforcing Contracts, Trading Across Borders, and Dealing with Permits. These targets represent tangible potential gains for businesses, for example: this could potentially reduce on average the cost of importing and exporting a container of goods by up to US\$450; reduce on average the time taken to start a business by one week; and remove on average five procedures to obtain a construction permit. As an interim target, we aim to achieve a 5 percent improvement by 2011. We task officials to monitor and regularly review progress towards these targets, and urge officials to work closely with ABAC to identify ways in which the private sector can contribute towards the achievement of these aspirational targets. We also welcome the capacity building work programmes led by “champion economies” and designed to assist APEC in achieving the targets collectively. The champion economies are New Zealand and the United States for Starting a Business, Japan for Getting Credit, the Republic of Korea for Enforcing Contracts, Hong Kong, China and Singapore for Trading Across Borders and Singapore for Dealing with Permits.

We endorse the EC’s 2009 APEC Economic Policy Report (AEPR), with its timely coverage of regulatory reform. As the Leaders’ Agenda to Implement Structural Reform (LAISR) will end in 2010, we instruct officials and the EC to conduct a stocktake of achievements under the LAISR Forward Work Programme (FWP) in 2010 and explore the possible scope of a post-LAISR agenda to respond to medium-term challenges, such as the need to foster more inclusive growth. Structural reform is essential to strengthen long-term growth, ensure inclusive growth and narrow the development gap between economies. It complements trade and investment liberalisation and contributes to promoting deeper REI. Progress on structural reform will be critical for ensuring a sustained recovery in APEC economies from the global economic crisis. We will strengthen APEC’s focus on its structural reform agenda.

We welcome the completion of various training courses, workshops, seminars, roundtables and studies in 2009 under the LAISR FWP and the report on prioritisation of capacity building programmes in EC as a response to the request by the APEC Ministerial Meeting on Structural Reform (SRMM) held in August 2008, and look forward to the commencement of the process of voluntary review of economies’ institutional frameworks and processes supporting structural reform, a seminar on the sidelines of EC1 discussing the economic impact and benefits of structural reform in key infrastructure sectors, and ABAC’s proposal to hold a roundtable on procedural fairness in competition cases at the Competition Policy and Law Group (CPLG) meeting.

### *Facilitating Investment*

We welcome the work undertaken, with the help of the Policy Support Unit (PSU), to identify a set of key performance indicators and establish a methodology to measure progress in the implementation of APEC’s Investment Facilitation Action Plan (IFAP). We look forward to this work being finalised by MRT 2010. We note the completion of the second phase of the study on core elements of investment agreements and encourage further capacity building activities to improve member economies’ abilities to formulate high quality investment agreements.

### *Strengthening Intellectual Property Rights*

We reaffirm the importance of effective, comprehensive and balanced intellectual property systems for the sustainability and promotion of knowledge-based activities and investments. We recognise the

desirability of taking comprehensive and strategic approaches to building a global IP infrastructure for the promotion of innovation, including human resource development, cooperation in patent examination, and development of IT-based networks among IP agencies. We also recognise the importance of building capacities in this area. We welcome the *Report on Copyright Limitations and Exceptions*, as well as the progress achieved in patent cooperation, including the work done on the APEC Cooperation Initiative on Patent Acquisition Procedures. We will take concrete steps to stop the proliferation of counterfeit and pirated goods through cooperative efforts such as the APEC Anti-Counterfeiting and Piracy Initiative and related capacity building activities, and information sharing between IPR authorities and stakeholders. We note the efforts to advance work on exploring ways to address satellite and cable signal theft.

We reaffirm the importance of ongoing international discussions, especially in the WTO, including the relationship between the TRIPS Agreement and the UN Convention on Biological Diversity, regarding genetic resources, and the protection of traditional knowledge and folklore, and encourage continued work on awareness raising and advancing shared objectives regarding these issues.

#### *Aligning Standards and Improving Conformance*

We will reinforce our engagement in international standardisation activities and promote greater alignment with relevant international standards where appropriate, particularly in areas that would contribute to innovation, safety, security, and solutions to energy and environmental issues. Recognising the importance of the involvement of all stakeholders in standardisation activities, we instruct officials to develop a long-term strategy on business engagement in standards and conformity development in 2010. We encourage continued discussions on improving and better aligning toy safety requirements.

We welcome the study on models and practices deployed by APEC economies in helping their businesses, particularly SMEs, to gain access to information on technical regulatory requirements and overcome technical barriers to trade. We look forward to the outcomes of these efforts at SOM1 in 2010, and the development of a best practices model. We also welcome efforts to promote awareness and understanding of the APEC Pathfinder initiative on the APEC Electrical and Electronic Equipment Mutual Recognition Arrangement (APEC EE MRA), and the commitment by regulators implementing the APEC EE MRA to facilitate trade of these products through greater dialogue and cooperation.

#### INTEGRATION “ACROSS THE BORDER”

##### *Enhancing Transport, Logistics and Digital Connectivity*

We welcome progress made on trade logistics reform through enhanced supply-chain connectivity and endorse the Supply-chain Connectivity (SC) Framework which has identified eight chokepoints in regional supply chains and suggested actions to address these chokepoints. We welcome in particular the *Transparency for Ease of Doing Logistics Business* initiative and APEC's efforts to make available online contact points and websites on the full range of issues affecting door-to-door delivery. We also welcome work to study the economic impact of enhanced multi-modal connectivity to improve the flow of goods and services across land, air, and sea. We commend the strong collaboration among the CTI, EC and Transportation Working Group (TPTWG) in developing the SC Framework.

We welcome the PSU's report on developing measurable performance targets for the SC Framework. We task officials to further develop the SC Framework in 2010, in close cooperation with relevant APEC fora and ABAC, and look forward to outcomes of the first phase of its development by end 2013.

Beyond physical connectivity, we recognise the importance of connectivity in the digital realm in advancing REI, and instruct officials to continue work on enhancing digital connectivity by building upon work carried out on the Digital Prosperity Checklist.

Public-Private Partnerships (PPP) has emerged as a useful approach to infrastructure development in the APEC region. In this regard, we encourage officials to explore the feasibility of utilising PPPs for

the upgrading of transport infrastructure that contributes to the enhancement of supply chain connectivity in the region.

#### *Enhancing Trade Facilitation*

We commend the good progress made by officials in the implementation of the Second Trade Facilitation Action Plan (TFAP II). We welcome the TFAP II progress report which sets out the approach and methodology to be used for quantifying the impact of TFAP II. We are pleased with the assessment that APEC is overall on track to reduce trade transaction costs by an additional 5 percent by 2010, having already reduced transaction costs by 3.2 percent between 2006 and 2008. We note that several recommendations to improve upon TFAP II have been made in the progress report, and instruct officials to consider and report on this at MRT 2010. We look forward to the final assessment of the TFAP II outcomes in 2011.

We note the progress made towards the implementation of international trade "Single Windows" by member economies, and encourage continued experience sharing and discussion of implementation issues in this area.

#### *Securing Regional Trade*

We support the findings and recommendations of the APEC Trade Recovery Programme (TRP) Pilot Exercise. The pilot exercise demonstrated the actions that would help economies minimise the economic impact of a disruption to the supply chain and facilitate the quick recovery of trade in the event of a terrorist attack. We recognise the need to build communication mechanisms to activate and execute the APEC TRP and the importance for economies to establish Authorised Economic Operator (AEO) programmes, as advocated by the World Customs Organisation (WCO). We also note the value of having trusted relationships based on existing international concepts that the APEC TRP embraces, and of recognising AEO programmes to gain mutual benefits to facilitate trade and trade recovery. The findings and recommendations of the APEC TRP Pilot Exercise will provide economies with useful insights into processes to facilitate the resumption of trade expeditiously and smoothen processes such as customs and border controls.

We further welcome the creation of an AEO working group at the Sub-Committee on Customs Procedures (SCCP), and instruct SCCP to address the development of AEO programmes among APEC economies in alignment with the WCO SAFE Framework of Standards.

#### *Strengthening the Digital Economy and Information Networks*

We welcome the work to examine how elements of the Digital Prosperity Checklist can contribute to increasing trade flows and achieving broad-based economic growth. To this end, we instruct officials to expand on this work by facilitating implementation of the Checklist among APEC economies, including by completing a gap analysis of current APEC work on elements in the Checklist and a survey of APEC economies' practices in relation to the policy goals outlined in the Checklist. We look forward to receiving a progress report at MRT 2010.

We encourage efforts towards sustaining ICT-enabled economic growth, using ICT to address socio-economic issues, and realising the goal of achieving universal access to broadband in all APEC economies by 2015 as set out at the 7<sup>th</sup> APEC Ministerial Meeting on the Telecommunication and Information Industry. We recognise the progress made during the second phase of the APEC Digital Opportunity Center (ADOC 2.0) Initiative.

We endorse the APEC Cooperation Arrangement for Cross-Border Privacy Enforcement and associated documents, a key step in establishing a voluntary system of cross-border privacy rules based on the APEC Privacy Framework. We encourage all economies to continue the development of this system to allow for effective privacy protections while avoiding barriers to information flow and the promotion of trade, investment and economic growth.

#### *Strengthening Economic and Technical Cooperation*

We reaffirm our commitment to a strategic, goal-oriented and multi-year approach to capacity building programmes that assist member economies in achieving the Bogor Goals and common prosperity. We also reaffirm our commitment to the Manila Framework, which serves as the basis for the implementation of the ECOTECH activities outlined in the Osaka Action Agenda. We note the progress made in strengthening the policy agenda of the SCE, including towards the development of a comprehensive framework to guide ECOTECH activities and a reform plan of SCE's operations. We welcome the contributions made by Japan, the United States and Chinese Taipei to the APEC Support Fund (ASF) to promote energy efficiency activities in the region, the contribution of Russia to the ASF to enhance cooperation in strengthening human security and promoting science and technology development, as well as Australia's contributions to both the ASF General Fund and the Subfund on Human Security which will increase capacity building initiatives focused on developing economies. We also welcome the contributions made by China and Korea to the ASF.

We welcome Singapore's launch of a series of capacity building programmes aimed at specific priority areas such as trade facilitation and services over the next three years. We also welcome the activities of the APEC Climate Centre to promote capacity building on climate science and research. We note the SCE's efforts to strengthen APEC's engagement with other multilateral organisations and ABAC, and welcome the Programme of Independent Assessments of all SCE Fora.

## ***Enhancing Human Security***

### *Countering Terrorism*

The recent terrorist attacks in the region remind us of the international imperative to fight against terrorism. We commend the active role that the Counter Terrorism Task Force (CTTF) has continued to play to improve the environment for safer trade and investment in the APEC region. We reaffirm the importance of our initiatives in areas such as trade security, port and aviation security, anti-terrorist protection of energy and information infrastructure, countering terrorism financing, and protecting the food supply from terrorist contamination, and in this regard encourage all economies to update their Counter Terrorism Action Plans (CTAPs), which will provide useful information for identifying capacity building needs and prioritising actions accordingly.

We recognise the need for aviation security within the APEC region. We look forward to the upcoming *APEC Air Cargo Security Workshop*, which will be held in Singapore during the summer of 2010. We commend APEC's efforts to promote further exchange of best practices and lessons learned in the area of air cargo security, and to explore available technological solutions to the unique challenges of air cargo security.

### *Preparing for Emergencies*

Recent catastrophes in the region – such as the devastating typhoons that hit China, Japan, the Philippines, Chinese Taipei and Viet Nam, and the earthquakes in Indonesia – remind us of the importance of APEC's work in disaster management, relief and recovery. We welcome the renewed mandate and work of the Taskforce on Emergency Preparedness (TFEP) this year on strengthening business and community resilience, enhancing PPPs, and reducing disaster risks. We welcome the outcomes of the 3<sup>rd</sup> APEC Emergency Management CEOs' Forum held in Hanoi in September, and the APEC principles on disaster damage and loss assessment and the APEC principles on integrating disaster education into school curricula. We also welcome the upcoming *Workshop on the Framework of Long-Term Capacity Building for Disaster Risk Reduction* hosted by Chinese Taipei from 30 November to 1 December 2009 to encourage collaboration between regional institutes and strengthen regional emergency management capacity, as well as Japan's offer to host the 4<sup>th</sup> APEC Emergency Management CEOs' Forum in January 2010. We encourage the establishment of the APEC SME Crisis Management Center proposed by Chinese Taipei as a mechanism to help APEC SMEs enhance their capacity to overcome the impact of crises.

### *Improving Food Security*

Responding to food security challenges in the region remains a major priority for APEC. Building on the *APEC Senior Officials' Work Plan on Food Security*, we instruct relevant APEC sub-fora to undertake capacity building projects and other practical initiatives, review best policies and best

practices, and report back to APEC Leaders in 2010. We welcome Japan's offer to lead a review of APEC food security activities. We recognise the importance of promoting technologies that make food storage, transportation and distribution systems more efficient. We encourage the adoption of WTO consistent and science-based regulation of new advanced technologies, including biotechnology, to promote utilisation of such technologies. We recognise the importance of promoting efficient and well-functioning markets in agricultural products and avoiding trade policies that impede the international trade of these products. We will ensure that we use our fresh water, marine and terrestrial resources efficiently and sustainably. We express support for the L'Aquila Joint Statement on Global Food Security.

#### *Strengthening Food Safety*

We commend the considerable progress made to improve information sharing and the coordination of APEC food safety capacity building efforts, including the successful meeting of the Food Safety Cooperation Forum (FSCF) held in July 2009. We also note the successful inaugural workshop by the FSCF Partnership Training Institute Network (PTIN) on *Examination of Hot Issues in Risk Analysis* held in August 2009 in Singapore. The network seeks to build capacity in the use of international standards and best practices in food safety for regulators, manufacturers and producers. We strongly support activities planned for the FSCF and the FSCF PTIN in 2010, including the launch of the first reproducible training modules in 2010. We note APEC's collaboration with the World Bank on food safety and encourage future collaboration with international organisations on future APEC food safety activities.

#### *Ensuring Health*

We reaffirm the strong relationship between health, economic development and security. The emergence of the 2009 H1N1 pandemic underscores the need for international cooperation to prepare for and respond to public health threats. We commend APEC for facilitating regional dialogue on H1N1 and other pandemic response and encourage continued work to strengthen pandemic preparedness, including the leveraging of health innovations such as health information technology, to strengthen health systems, treatments, and disease surveillance. We further support APEC expert collaboration to address the possible health impacts of environmental change and the impact of the global financial crisis on health systems. We urge economies to recognise that investing in health systems and health innovations have significant economic benefits due to the increased productivity of a larger and healthier workforce. In this regard, we also recognise the Health Working Group (HWG)'s recommendations regarding HIV/AIDS prevention and management in the workplace.

#### *Improving Governance and Transparency*

We recognise that corruption is a complex economic, political and social challenge that threatens democracy, sustainable development, the rule of law, the welfare and health of our citizens, our environment, and global security across our economies. We welcome the Anti-Corruption and Transparency Experts' Task Force's Singapore Declaration on Combating Corruption, Strengthening Governance and Enhancing Institutional Integrity, as well as the APEC Guidelines on Enhancing Governance and Anti-Corruption. We encourage economies to implement measures to give practical effect to the Declaration and Guidelines. We also welcome the outcomes of the *Workshop on Applying APEC Anti-Corruption Principles, Preventing Conflicts of Interest*, co-hosted by China and the United States in October 2009 in Beijing.

We commend the comprehensive capacity building efforts with regard to enforcement of laws and regulations, setting of strategies, systems of compliance and promoting standards of governance and ethical behaviour. In view of the threat of cross-border illicit criminal networks and its linkages with corruption nodes, we encourage member economies, where applicable, to ratify the UN Conventions against Corruption and Transnational Organised Crime, and take measures to implement their provisions, in accordance with economies' legal frameworks.

#### *Welcoming Sectoral Initiatives*

##### *Small and Medium Enterprises*

We welcome the outcomes of the 16<sup>th</sup> APEC SME Ministerial Meeting held in Singapore on 8-9 October 2009, which discussed policies and initiatives to help SMEs overcome the global economic crisis and access global markets. We note the progress made in the implementation of the four-year SMEWG Strategic Plan 2009-2012 and welcome various projects and initiatives under the strategic plan's six priority areas. In this regard, we encourage the training of SMEs in good business practices that will ensure their sustainability as suppliers to overseas markets.

### *Transport*

We welcome the outcomes of the 6<sup>th</sup> APEC Transportation Ministerial Meeting held in the Philippines from 27-29 April 2009. We support the call by Transport Ministers for APEC to recognise the long-term benefits of open markets and economic integration, and to continue to work towards agreements or other means to achieve air services liberalisation in the region. We also support the activities undertaken by member economies to enhance maritime trade, including the APEC Port Services Network (APSN) Conference on Port Development held 2-3 November 2009 in China to facilitate communication and cooperation among ports and related sectors, and promote greener, safer and more secure development of ports and shipping industries in the Asia-Pacific region. We also support the call by the Transport Ministers to encourage further concerted efforts to fight against piracy and welcome the activities undertaken by TPTWG, including the piracy workshop held on 29 July 2009 in Singapore. We encourage the TPTWG to continue their work to promote sustainable transportation, including the sustainable expansion of air transport services through the work of the APEC Aviation Emissions Task Force, cooperation with the Energy Working Group to identify and adopt energy efficient policies, practices, and technologies, and with the Agricultural Technical Cooperation Working Group to promote the development of next-generation biofuels.

### *Women*

We welcome the recommendations arising from both the 7<sup>th</sup> Gender Focal Point Network Meeting (GFNP) and the 14<sup>th</sup> Women Leaders Network (WLN) Meeting held in Singapore, in particular, that to maximise economic opportunities for women by investing in targeted policies and programmes that promote gender equality and women's economic security in the current economic climate. These include facilitating women's access to capacity building programmes, technology and infrastructure; and supporting measures to promote safe employment for women in informal and vulnerable sectors, access to financing, growth in women-led SMEs, and support for social enterprises for women. We welcome the efforts of the Human Resources Development Working Group (HRDWG) to provide new information on promising practices in ensuring gender equity in mathematics education during the 2010 mathematics education conference supporting essential skills of the 21<sup>st</sup> Century workplace.

### *Tourism*

We welcome the efforts of the Tourism Working Group (TWG) in facilitating the development of the tourism industry in the Asia-Pacific region. We recognise the valuable contribution that tourism makes during all stages of the economic cycle, and that tourism is vulnerable but responds quickly to changed economic circumstances. As we recover from the crisis, tourism will be a key driver for sustained economic growth, increasing business activity and integration across the region.

### *Marine Resources and Fisheries*

We note that Peru will host the 3<sup>rd</sup> APEC Oceans-related Ministerial Meeting (AOMM3) in 2010, which will build on the Bali Plan of Action and the recent review of its implementation. We welcome the ongoing work of the Fisheries Working Group and Marine Resource Conservation Working Group which will support the AOMM3. We also welcome the holding of the World Ocean Conference and support the resulting Manado Ocean Declaration. We underline the importance of the role of the ocean in climate change, and an integrated coastal and ocean management approach to prepare for and adapt to the effects of climate change as well as other threats on the coasts and oceans. We welcome the discussion of climate change, ecosystem based management and food security at the AOMM3.

### **Engaging the Business Community**

We support continued public-private dialogues and interactions to improve the business environment in our region. In this regard, we welcome the enhanced engagement between ABAC and APEC officials this year, particularly in the areas of resisting protectionism, accelerating REI, and improving the ease of doing business in APEC. We express our appreciation to ABAC for their continued work to provide views, proposals and recommendations to help ensure tangible benefits in the pursuit of APEC goals.

APEC's established dialogues with the automotive, chemical and life sciences industries have also helped APEC move forward our trade and investment liberalisation and facilitation agenda. In this regard, we welcome and support the continuation of the work by the Life Sciences Innovation Forum (LSIF) to assess returns to the economy of investment in health innovations, and create an enabling environment for private sector investment in these innovations. We commit to further deepening work streams to support health innovation in 2010. We commend Singapore for being the first economy to complete the LSIF Enablers of Investment Checklist and encourage other APEC economies to complete the checklist in order to identify capacity building needs. We welcome the development of a multi-year strategic plan and projects for achieving regulatory harmonisation, where appropriate, for both medicines and medical devices.

We welcome the report and recommendations of the 11<sup>th</sup> APEC Automotive Dialogue (AD) and in particular, the AD's strong support for the commitment made by APEC Leaders in November 2008 to refrain from raising new barriers to investment or trade in goods and services, or implementing WTO inconsistent measures, particularly in the automotive sector.

We welcome the active role of the Mining Task Force (MTF) in fostering cooperation in mining, particularly its constructive contribution to efforts to enhance sustainable development in the sector. We encourage relevant APEC fora to initiate a productive dialogue with the European Commission towards establishing a science-based methodology for the classification of nickel alloys as dangerous substances.

We encourage the Chemical Dialogue (CD) to continue promoting best practices and information exchange in chemicals regulation and management in the APEC region, and welcome its contributions to the global Strategic Approach to International Chemicals Management (SAICM). We further encourage the CD to share information to assist members with implementation questions on chemicals management regulations, including the European Union's Registration, Evaluation, and Authorization of Chemicals (REACH), and move forward work that contributes to sustainable growth. We note the work of the CD on a common approach to simplify ROOs in the chemicals sector, including the completion of a comparative study on ROOs in the 32 FTAs in the region, and consideration of exploratory work on the development of business friendly guidance on ROOs.

### ***Strengthening the APEC Secretariat***

We will continue to strengthen the operational and institutional capacities of the APEC Secretariat. We welcome the successful selection and appointment of the Secretariat's first Executive Director for a fixed term (FT-ED). The establishment of the FT-ED post constitutes a huge step forward in our ongoing efforts to professionalise the Secretariat and to ensure that it is well-equipped to meet the growing demands of member economies.

We commend the Secretariat's efforts to improve the fiscal sustainability of the Secretariat and in supporting the efforts of the Budget and Management Committee to introduce project management reforms to make APEC's project assessment and monitoring processes more transparent and aligned with our strategic goals. We approve the recommendation that APEC maintain three project approval sessions per year. We welcome the new branding strategy, together with the mission statement and tagline, and commend the Secretariat's efforts in implementing the revitalised APEC Communications and Outreach strategy. We encourage the APEC Secretariat to seek collaborative technology solutions similar to the HRDWG wiki website, which can serve as a model for collaborative communications and the dissemination of Open Education Resources.

We are encouraged by the PSU's performance since it commenced operation in August 2008. Since its establishment, the PSU has grown to ten staff members and completed thirteen research projects. The PSU has provided useful contributions to APEC's policy deliberations on logistics and effective

responses to the global economic crisis as well as the assessment of APEC's progress towards the implementation of our trade and investment facilitation action plans. Studies on *Improving Food Markets in APEC Economies* and *Good Regulatory Practices for Goods and Services Necessary or Desirable for Climate Change Mitigation and Adaptation* will inform the development of APEC work in these areas. We are pleased with the PSU's creation of the APEC economic indicators database, which for the first time provides members with a single source of comprehensive data relating to APEC economies, including bilateral trade and investment linkages. We are also pleased with the PSU's paper on *Trade Creation in the APEC Region*. We remain committed to supporting the PSU post-2010. We further welcome any voluntary contributions from member economies in this regard.

We welcome the contribution to the APEC Secretariat by the US-APEC Technical Assistance and Training Facility (TATF) in helping to strengthen the Secretariat and its operations, train staff to improve project quality and the project management process, upgrade the Secretariat's information technology, and promote cooperation with the ASEAN Secretariat. We also welcome Australia's Effectiveness Grant.

We endorse the 2009 SOM Report on APEC's work programme including the recommendations contained therein, note the 2009 Annual Report of the APEC Secretariat Executive Director, and approve the 2010 APEC Budget and member contributions. We welcome the preparations underway for APEC 2010 in Japan.