

**ASIA-PACIFIC ECONOMIC COOPERATION (APEC)  
MINISTERIAL MEETING**

**Manila, Republic of the Philippines  
22-23 November 1996**

**JOINT STATEMENT**

1. Ministers from Australia, Brunei Darussalam, Canada, Chile, the People's Republic of China, Hong Kong, Indonesia, Japan, the Republic of Korea, Malaysia, Mexico, New Zealand, Papua New Guinea, the Republic of the Philippines, Singapore, Chinese Taipei, Thailand and the United States of America participated in the Eighth Asia-Pacific Economic Cooperation (APEC) Ministerial Meeting convened in Manila, Philippines on 22-23 November 1996. Members of the APEC Secretariat were also present. The ASEAN Secretariat, the Pacific Economic Cooperation Council (PECC), and the South Pacific Forum (SPF) attended as observers.

2. The President of the Republic of the Philippines, H.E. Fidel V. Ramos opened the Meeting by extending the warmest welcome to all delegates attending the Eighth APEC Ministerial Meeting. He stated that as this year's APEC Chair, the Philippines has set three leadership tasks for itself, namely: carrying out the Manila Action Plan for APEC 1996 (MAPA '96), strengthening economic and technical cooperation and engaging the private sector in the APEC process. He stressed that APEC has moved from the commitment-making phase of setting vision, goals and agenda to action phase of carrying out individual and collective initiatives. In his remarks, he also emphasized the importance of economic and technical cooperation as an instrument of deepening the spirit of community among APEC economies.

3. The meeting was chaired by H.E. Mr. Domingo L. Siazon Jr., Secretary of Foreign Affairs of the Republic of the Philippines. In his opening remarks, Secretary Siazon cited the significance of MAPA '96, the Declaration on an Asia-Pacific Economic Cooperation Framework on Strengthening Economic Cooperation and Development and the other reports and recommendations of the various APEC fora as measures of APEC's progress toward free and open trade. He stressed the need for APEC to remain a catalyst for harmonizing economic growth and equitable sustainable development to preserve its relevance as well as its future. He called for a stronger commitment to open regionalism which should be the guide for discussions at the WTO Ministerial Meeting in Singapore. Finally, he urged the member economies to foster among them a stronger sense of community in order to realize their common aspiration for regional peace built on prosperity.

4. Speaking on behalf of the Chairman of the Seventh APEC Ministerial Meeting, H.E. Mr. Yukihiko Ikeda of Japan expressed deep appreciation for the Philippines' chairmanship of APEC in 1996. He stressed how APEC this year has steadily addressed the challenge of taking a firm step toward steady implementation of the Osaka Action Agenda. He noted the submission of individual action plans of all members, the steady results in the activities being undertaken in the economic and technical cooperation areas, the discussions on the FEEEP initiative, and the recommendations set forth by ABAC outlining the aspirations of the business sector. He cautioned Ministers not to fall into complacency as APEC is to be maintained as a dynamic, evolving process and enjoined the Ministers to provide the political direction. He emphasized that the tasks of the Manila Meeting are to solidify the prosperity and cooperation in this region and to show the world that the APEC process is worthy of great credibility.

5. Ministers reaffirmed their commitment to the full and effective implementation of the Osaka Action Agenda (OAA) to achieve the APEC goal of free and open trade and investment by 2010 and 2020 and to the principles of comprehensiveness, WTO consistency, comparability, non-discrimination, transparency, standstill, simultaneous start, continuous process and differentiated timetables, flexibility and cooperation. Ministers re-emphasized the importance of taking forward progressively the action plans.

**I        PROGRESS ON THE 1995 APEC ECONOMIC LEADERS' DECLARATION FOR ACTION  
          AND APEC ACTION PROGRAM FOR 1996**

6. In response to the Leaders' mandate at Osaka, Ministers considered the Individual Action Plans (IAPs) and the Collective Action Plans (CAPs) of member economies and the Progress Reports on Joint Activities for Part II of the OAA.

7. Ministers welcomed the progress achieved by Senior Officials in ensuring that this year's outputs reflected a balance and complementarity among the three pillars of the OAA, namely, trade and investment liberalization, trade and investment facilitation, and economic and technical cooperation.

### **The Manila Action Plan For APEC (MAPA)**

8. Ministers adopted the Manila Action Plan for APEC 1996 (MAPA '96) for endorsement to APEC Economic Leaders. MAPA integrates the IAPs, CAPs, and Progress Reports on Joint Activities of APEC members and the various APEC Fora. They also agreed on the importance of private/business sector comments and views, particularly from ABAC, as member economies pursue the evolution of MAPA '96, individually and collectively, towards the goals set by the Bogor Declaration and the OAA.

9. Ministers recognized the value of the APEC Actions Reporting and Monitoring System (ARMS) as a management tool and directed that the APEC Secretariat be immediately given the resources to adopt it in order to assist the Working Groups and APEC Fora in the review of APEC plans and programs.

### **Trade and Investment Liberalization and Facilitation**

#### *Individual Action Plans*

10. In Part I of the OAA, Ministers acknowledged APEC's unique approach in advancing liberalization and facilitation through members' individual actions and collective actions covering fifteen (15) specific areas, namely: tariffs, non-tariff measures, services, investment, standards and conformance, customs procedures, intellectual property rights, competition policy, government procurement, deregulation, rules of origin, dispute mediation, mobility of business people, implementation of Uruguay Round outcomes and information gathering and analysis.

11. Ministers welcomed the submission by member economies of Individual Action Plans (IAPs) which generally conform to the principles and guidelines reflected in Part I of the OAA and which show progress toward format standardization taking into account the guidelines developed this year by the Committee on Trade and Investment (CTI). Ministers noted that these Plans represented the members' individual voluntary commitments and the first concrete step taken by individual member economies to put into action their commitment towards achieving APEC's long term goal of free and open trade and investment. Ministers recognized the IAPs as a credible beginning to the process of liberalization and noted the rolling nature of the IAPs and the importance of continuing consultations and annual review in order to sustain the process of voluntary improvements of the IAPs. Likewise, they took note of the importance of ensuring transparency of and comparability among the respective Action Plans and their implementation in conformity with the principles set out in the OAA. Ministers noted the need for the CTI to assist in this process.

12. Ministers confirmed that member economies will implement their IAPs starting January 1997 and that APEC will review implementation of these IAPs and make further improvements in accordance with the OAA. They further welcome views and comments on the IAPs from the business community and other interested private sectors towards future improvements of IAPs.

#### *Collective Action Plans and Trade and Investment Issues*

13. Ministers welcomed the 1996 annual report of the Committee on Trade and Investment (CTI) and endorsed the report's recommendations.

14. Ministers commended the CTI for its comprehensive work in advancing the objectives of the OAA. They noted with satisfaction that the Committee had successfully discharged the major tasks that had been delegated by APEC Senior Officials, namely, management of the preparation and

implementation of CAPs, development of format guidelines for IAPs and preparatory discussions on the proposed Information Technology Agreement (ITA).

15. Ministers welcomed the substantial contribution of the CTI and its sub-groups to advancing the trade and investment liberalization and facilitation agenda, particularly in introducing practical trade facilitation measures and developing innovative cooperative approaches to reducing impediments to trade and investment in the region. Ministers also welcomed the submission by the CTI of the Collective Action Plans (CAPs) of member economies consistent with the objectives, guidelines and collective actions contained in the OAA. The CAPs contain APEC's actions to advance work in the fifteen (15) issue areas and provide a mechanism for both monitoring and progressing work in each area. Ministers acknowledged the initial deliverables and the progress of CAPs as significant achievements which will pave the way for expanded collective actions in the future.

16. Ministers reaffirmed the importance of APEC's collective actions in supporting and complementing IAPs and in assisting all members to achieve the goal of free and open trade and investment by 2010/2020 in accordance with OAA. They recognized that APEC's collective actions would contribute significantly to improving the transparency of trade and investment regimes, developing the capacity of essential infrastructure in areas such as standards and conformance, customs and intellectual property, facilitating the conduct of business activities, supporting the full, effective and timely implementation of UR obligations and lowering transaction costs.

17. Ministers agreed that business facilitation measures offered by CAPs both contribute to and support APEC's work of reducing transaction costs, simplifying administrative procedures, improving transparency and promoting understanding of the trade and investment environment of the region. Examples of these outputs include the APEC Tariff Database, APEC publications on members' investment regimes, customs procedures, rules of origin, business travel, government procurement and intellectual property regimes, an Umbrella Mutual Recognition Arrangement of Conformity Assessment for Food and Food Products, an Arrangement for the Exchange of Information on Toy Safety, a guide for the alignment of members' standards with international standards, and the harmonization of tariff nomenclature and other customs procedures.

18. Ministers also welcomed the successful launching of projects to be funded through the TILF Special Account and encouraged members to further utilize this mechanism to promote trade and investment liberalization and facilitation.

19. Ministers approved the collective actions set out in the CAPs, and stressing the evolving nature of the CAPs, called on the CTI to continue work on expanding and advancing collective actions next year.

20. Ministers stressed the increasing importance of investment as a vehicle of economic growth in the Asia-Pacific region. Business plays a central role in investments. In this regard, Ministers welcomed the progress made in 1996 by relevant APEC fora and directed the Senior Officials to continue their efforts.

21. Ministers welcomed the decision by Australia, Korea, and the Philippines to proceed with a trial of an APEC Business Travel Card in 1997. They noted the value of the APEC Business Travel Card initiative as a contribution to enhancing the mobility of business people in the APEC region. Ministers also welcomed actions of other economies in enhancing business mobility, through among others, visa-waiver arrangements and multiple-entry business visa.

22. Ministers also welcomed the fact that technical assistance programs developed by the Sub-Committee on Customs Procedures for key customs issues will be delivered in 1997.

23. In the area of Intellectual Property Rights, Ministers commended the IPR Get-Together for its substantial progress this year which contributed to the enhancement of APEC-wide cooperation in this new and challenging area.

24. Ministers commended the work of the Experts' Group on Government Procurement in advancing the transparency of members' government procurement regimes, thereby facilitating

access to government procurement opportunities and contributing to the evolution of work on government procurement in multilateral fora.

25. In the area of Dispute Mediation, Ministers noted the report contained in Annex II of the CTI's annual report and welcomed the fact that APEC will publish a list of arbitration, mediation and conciliation services available in member economies.

26. Ministers welcomed the holding of a second successful workshop on competition policy and deregulation in Davao in August. They thanked New Zealand for organizing it and noted that a further workshop would be held in 1997 with a view to continuing the exchange of views and policy dialogue in these important areas.

#### *Contributions to the WTO Singapore Ministerial Conference*

27. The Ministers reaffirmed the primacy of the multilateral trading system in global trade liberalization. Ministers reiterated their commitment to the multilateral liberalization process and affirmed APEC's commitment to play a significant reinforcing and complementary role in that process, drawing on the dynamism of its own vision and goals.

28. Ministers emphasized their strong support for the success of the first WTO Ministerial Conference in Singapore. They stressed the importance they attach to the full, effective, and timely implementation of the Uruguay Round agreements and commitments to realize the full potential of trade liberalization. In this regard, Ministers endorsed APEC's active role in providing assistance to member economies and directed the CTI to undertake further work in this area. Ministers agreed that the Singapore Ministerial Conference should take concrete actions to strengthen the multilateral system, particularly through attention to Uruguay Round implementation and to launching a practical and forward-looking work program.

29. Ministers emphasized the commitment to successfully completing the WTO ongoing negotiations on financial services, basic telecommunications and rules of origin within the agreed timeframes. Similarly, Ministers look forward to the resumption of negotiations on other services, including on maritime transport, which are scheduled to begin in due course.

30. Ministers agreed that the built-in agenda provide the basis for a balanced work program for the WTO, stretching into the next century. They agreed that further work - the process of analysis and information exchange - would proceed before undertaking negotiations and reviews mandated in the Uruguay Round agreements according to the timetable set.

31. Ministers welcomed initiatives to pursue freer and non-discriminatory trade in goods and services. In recognizing the importance of the information technology sector in world trade, Ministers endorsed the efforts at WTO to conclude an information technology agreement by the Singapore Ministerial Conference and urged all other members of the WTO to work toward that end.

32. Ministers stressed the importance of the WTO as a dynamic forum to play a central role in ensuring that the multilateral trading system continues to respond to developments in world economy. They also considered it essential that the many existing and emerging regional trade agreements be consistent with the WTO and look forward to the work of the committee on Regional Trade Agreements. Ministers encouraged the acceleration of the substantive negotiations on protocol issues and market access with a view to achieving universality of WTO membership.

#### **Economic and Technical Cooperation**

##### *Progress on Joint Activities and Results of Relevant Ministerial Meetings*

33. Ministers welcomed the more than 320 projects that the various Working Groups/Fora have undertaken. These projects are described in their Progress Reports on Joint Activities, which also provide an indication of the impact that these projects have created upon APEC goals and objectives. Ministers recognized the value of monitoring and assessing the impact of these projects on a continuing basis. The Ministers commended the Working Groups/Fora for their collective efforts to

reduce economic disparity among APEC economies, improve the economic and social well-being of the people, and to achieve sustainable growth and equitable development in the Asia-Pacific region.

34. Ministers also welcomed the successful launching of the Partners For Progress (PFP) projects and encouraged all the member economies to further utilize PFP mechanism to promote economic and technical cooperation in APEC.

35. Ministers acknowledged the tangible benefits that the member economies can derive from the APEC Center for Technology Exchange and Training for SMEs (ACTETSME), the Asia Pacific Energy Research Centre (APEREC), APEC Labor Market Information (LMI) System, Trade and Investment Data Database (TIDDB) System, Asia Pacific Information Infrastructure (APII) and the seminars, symposia, workshops, training sessions, surveys and studies, trade fairs, publications and other forms of practical cooperation taken up by the member economies. The Ministers urged the Working Groups/Fora to carry out among themselves close coordination and collaboration towards the effective and efficient implementation of joint activities to address cross-cutting issues and broader themes or objectives in APEC.

36. Ministers directed the Working Groups and APEC Fora to address the challenges they have identified in their progress reports and to report on the outcomes of their efforts and activities to the Senior Officials.

#### **a. Human Resources Development (HRD)**

37. Ministers commended the Human Resources Development Working Group for its work to date, particularly for the development and implementation of over 80 joint activities, which is anchored on the Action Program on HRD and the Ministerial Statement - Call for Action on HRD. Ministers thanked the Philippines for hosting the First HRD Ministerial Meeting in January 1996.

38. Ministers noted the results of the Ministerial Meeting on HRD which accorded priority attention and action to the following areas of the HRD Action Program: analysis of labor market issues, management and strengthening of small and medium enterprises, expansion of project initiatives on mutual recognition of skills qualification, provision of better opportunities for cross-member investment in the delivery of educational services and skills training, and continuous development of leadership skills for managers.

39. Ministers welcomed the priority accorded to Labour Market Information (LMI), including the launching of the LMI database, Canada's hosting of an LMI best practices seminar, the identification of LMI focal points for each member economy, the establishment of a LMI home page on the Internet and the launching of the Education and Telecommunication Network (EduNet) program. Ministers also noted the University-Industry Linkages as a significant undertaking to promote HRD for sustainable development.

40. Ministers further directed the HRD Working Group to sustain and continue its initiatives based on the Action Program and the HRD Ministerial Meeting results and to develop specific objectives in support to the HRD Ministerial theme of "Preparing the APEC Workforce for the 21st Century". Ministers also tasked the HRD Working Group to closely collaborate its efforts with other APEC Working Groups and fora in order to ensure that the cross-cutting nature of HRD is addressed.

Ministers welcomed the decision to hold the Second HRD Ministerial Meeting in Korea in September 1997.

#### **b. Industrial Science and Technology (IST)**

41. Ministers acknowledged the progress accomplished in the Ministers' Conference on Regional Science and Technology Cooperation, as well as in the IST Working Group Meeting, and expressed satisfaction that IST Working Group had taken significant steps to respond to the challenge of developing a Clean Production/Clean Technology Strategy. Ministers directed the Senior Officials to consider its Terms of Reference, which will be formally reviewed for approval at the 12th Meeting of the IST Working Group, to ensure effective coordination between the IST Working Group and the other APEC Working Groups/Fora, and to oversee the Strategy's future implementation. Ministers

welcomed the Handbook for Members including APEC IST Joint Research Promotion Guidelines which will lead to efficient and effective operation of the IST Working Group.

42. Ministers thanked the Republic of Korea for hosting the Second Ministers' Conference on Regional Science and Technology Cooperation in November 1996. Ministers noted the focus on researcher exchange and human resource development which focused on the theme "Creativity and Mobility of Researchers Across APEC". Ministers also took note of the goals set by the Seoul Declaration to promote greater sharing of S & T information, training and research programs and research facilities; to strengthen the exchange of scientific and technical men and women across the region through measures that might include lowering institutional and non-institutional barriers and developing new and enhanced mechanisms for exchange; and to attract creative and talented young people to take up careers in science and technology.

Ministers welcomed the decision to hold the next Ministers' Conference in Mexico in 1998.

### **c. Small and Medium Enterprises (SMEs)**

43. Ministers thanked the Philippines for hosting the Third SME Ministerial Meeting in September 1996 and noted with satisfaction the developments achieved at that meeting and Policy Level Group Meetings and agreed that SME Action Program should focus on initiatives that would result in direct benefits to SMEs in all APEC member economies. Ministers further encouraged an enhanced partnership with the private sector, a sustained collaboration with other APEC Working Groups/Fora and an active participation of support groups contributing to the development of SMEs to enable APEC to address the growing challenges and opportunities facing SMEs, including concerns of women entrepreneurs and SMEs in rural areas. Ministers also called for the incorporation of SME priorities throughout the APEC agenda.

44. Ministers endorsed the recommendations of SME Ministers for member economies to reach out to SMEs in the region and to strengthen APEC work to bring the greater benefit for SME activities through participation of support groups contributing to the development of SMEs.

45. Ministers welcomed the progress in the implementation of the SME Action Program, noting the completion of ten projects by APEC economies. They took special note of the successful establishment of the APEC Center for Technology Exchange and Training for SMEs (ACTETSME) at Los Baños, Laguna, Philippines. Ministers also noted that the 1997 SME Ministerial will promote the continued development of SME priorities through the APEC agenda.

### **d. Energy**

46. Ministers welcomed the vigorous approach taken by the Energy Working Group (EWG) to meet the major energy challenges confronting the region. Ministers thanked Australia for hosting the First Energy Ministers Meeting in August 1996, and noted with satisfaction that Energy Ministers at their meeting in Sydney had approved a number of initiatives to meet these challenges.

47. These initiatives included the adoption of non-binding energy policy principles to give impetus to regional initiatives to reform the energy policies for incorporation into member economies' domestic energy policy deliberations; the implementation, in conjunction with the business sector, of a program of reform designed to mobilize business investment in power sector infrastructure; the adoption of a strategic approach to reducing environmental impacts of energy supply and use; and the development of a work program for increased cooperation on energy standards. Ministers also welcomed the establishment of the Asia Pacific Energy Research Centre in Tokyo and noted that the Centre will provide a valuable input to future policy deliberations. Ministers welcomed the decision that Canada and Japan will host the meetings of Energy Ministers in 1997 and 1998, respectively.

48. Ministers noted that energy policy principles have implications beyond the energy sector. In this regard Energy Ministers agreed that they should be brought to the attention of APEC Economic Leaders. Similarly, because of the importance for APEC as a whole of the work underway on power infrastructure investment, Energy Ministers have sought the support of APEC Economic Leaders to expedite the proposed work program.

## **e. Transportation**

49. Ministers were pleased with the progress made by the Transportation Working Group (TPT) during 1996 towards its goal of increasing the efficiency and improving the safety of the regional transportation system. In particular, they expressed satisfaction with the Transportation Congestion Points Study which will be completed in 1996, the Road Transport Harmonization Project, its survey of aviation personnel licensing requirements in the region, the first meeting of the Working Group's Urban Transport Forum and an options paper on more competitive air services with fair and equitable opportunity which had been transmitted to Transportation Ministers and included in the MAPA.

50. Ministers noted the priorities for cooperation and action identified by Transportation Ministers during their first meeting in Washington in June 1995 and noted the advice that the Transportation Ministers are to meet again in June 1997 in Victoria, Canada.

51. Ministers also expressed appreciation for the efforts of the TPT to address cross-cutting concerns in areas such as infrastructure, sustainable development, human resource development and electronic data interchange.

## **f. Telecommunications**

52. Ministers commended the Telecommunications Working Group (TEL) for advancing work on the Osaka Action Agenda and took note of its move to restructure the TEL Working Group.

53. Ministers thanked Australia for hosting the 2nd Ministerial Meeting on Telecommunications and Information Industry in September 1996, at which the Gold Coast Declaration and the Joint Statement were adopted. Ministers welcomed the Declaration's renewed commitment to implement the five objectives and the ten principles of the Asia Pacific Information Infrastructure (APII) and its Program of Action that included thirteen (13) Collective Actions. They also recognized the progress the Telecommunications Working Group made in adopting a "Reference List of Elements of a Fully Liberalized Telecommunications Services Sector", and a growing range of cooperative activities and pilot projects in the telecommunications and information sectors. Ministers encouraged the TEL to move forward its cooperative activities to include developing on an elective basis a model Mutual Recognition Arrangement (MRA) for trade in telecommunications equipment; conformance, where appropriate, with APEC guidelines for trade in International Value-Added Network Services (IVANS) by 1998; general conformance, where appropriate, with APEC guidelines for harmonization of equipment certification; and implementing the APII. Ministers further encouraged the TEL to expand collaboration with other Working Groups and fora in its cross-cutting efforts to facilitate the development of business in the region and to develop human resources.

54. Ministers welcomed plans to hold the next Ministerial Meeting in Singapore in 1998.

## **g. Tourism**

55. Ministers noted the initiatives of the Tourism Working Group (TWG) in the conduct of joint activities identified in the Osaka Action Agenda. Among the major accomplishments of the TWG include a study on impediments/barriers to tourism, a report and symposium on major ecosystems of importance to tourism, management strategies and techniques available for tourism.

56. Ministers further noted the on-going work on the economic impact of tourism in the region, and welcomed initiatives to develop and implement a communication plan in the long term to enhance understanding and awareness of the economic impact of tourism in the region. Ministers also noted the work on a feasibility study on a decentralized electronic database on tourism information/statistics.

57. Ministers noted the proposal of the Philippines to host a Meeting of Ministers in-charge of Tourism in an effort to provide greater focus and coherence to the TWG's initiatives and welcomed projects geared towards promoting human resources development in the travel and tourism industry. Ministers also encouraged the TWG to develop and establish programs that would promote the understanding of cultural heritage of APEC member economies in order to further sustain tourism development and growth in the region.

58. Ministers further directed the TWG to look into the recommendations of the report on the impediments to tourism development and results of the symposium on environment and tourism in order to further promote social and economic sustainability of tourism in the region. They further encouraged the collaboration of the TWG with the private sector and other sectors in order to address priorities outlined in the Action Program.

#### **h. Trade and Investment Data (TID)**

59. Ministers recognized the progress made in the Trade and Investment Data Working Group (TID), with special regard for the Trade and Investment Data Database (TIDDB) System, a state-of-the-art tool which can be used to supply, load, store, present and analyze any statistical data and expressed appreciation for the demonstration of a major deliverable. Through the database system, the TID proposes to provide the region's policy makers and advisers with the most consistent and up-to-date statistical measures of trade and investment between APEC member economies. Ministers called for closer cooperation among member economies to ensure the supply of the latest annual bilateral data on merchandise trade and to improve the availability, consistency and supply of bilateral data on services, trade and investment. Ministers encouraged coordination between the TID and the Tariff Database Task Force to explore the expansion and compatibility of their work programs.

#### **i. Trade Promotion**

60. Ministers commended the progress made by the Working Group on Trade Promotion (WGTP) in implementing projects in the five priority areas established at Osaka and took special note of the incipient efforts along the line of facilitating strategic business alliances among enterprises in the APEC region. Ministers likewise commended the efforts of the WGTP to engage the private/business sector in its work by holding its meetings back-to-back with meetings of the APEC Trade Promotion Organizations.

#### **j. Marine Resource Conservation (MRC)**

61. Ministers noted the progress being made in the Marine Resource Conservation Working Group (MRC) Action Program as reported during their meetings in Kaohsiung, Chinese Taipei on 23-25 April 1996 and in Phuket, Thailand on 27-29 September 1996.

62. Ministers commended the MRC for its response to the recommendations made by Ministers during the Ministerial Meeting on Sustainable Development held on 11-12 July 1996 in Manila. Ministers endorsed the "Strategy to Address Sustainability of the Marine Environment within APEC" adopted by the working group. Ministers noted that the MRC is directed to take the lead role in developing APEC's efforts to improve dramatically the sustainability of the marine environment in the APEC region, as endorsed in the Sustainable Development Ministerial Declaration and the Action Program for Sustainable Development in APEC. In this regard, Ministers instructed the MRC to take into account activities in other relevant international and regional organizations.

#### **k. Fisheries**

63. Ministers acknowledged that the implementation of the Action Program of the Fisheries Working Group (FWG) is progressing as scheduled. Ministers noted that the new projects adopted by the FWG in its seventh meeting held in Santiago, Chile on 29 May-2 June 1996, will further advance its goals and priorities as reflected in the Osaka Action Agenda.

64. Ministers also called for closer collaboration between the FWG and the MRC WG in the conduct of joint activities that are cross-cutting in nature. Particularly noted in this respect is the need for collaboration on joint activities which should address concerns that cut across marine resources and the marine environment. Ministers welcomed the offer of Mexico to host the next meeting of the FWG in May 1997.

#### **l. Agricultural Technical Cooperation (ATC)**

65. Ministers welcomed the creation of an Experts Group in Agricultural Technical Cooperation which would implement the ATC Action Program outlined in the Osaka Action Agenda. Likewise,

Ministers noted the refinements in the ATC Action Program which included the addition of sustainable agriculture as a priority area and the clustering of the priority areas on technology into agricultural technology transfer and training. The ATC has agreed that it would work closely with the EC Task Force on Food to ensure complementarity of their work. Ministers took note of the ATC joint activities, all of which are progressing as scheduled.

66. Ministers thanked Australia and the Philippines for graciously hosting the 2nd ATC Experts Meeting in May 1996 and the Special ATC Meeting in October 1996, respectively, given the short notice. Ministers also expressed appreciation to Chinese Taipei for its efforts in making a significant contribution at these two meetings.

### **m. Sustainable Development**

67. Ministers thanked the Philippines for hosting the First Ministerial Meeting on Sustainable Development in Manila in July 1996. Ministers especially commended the Ministerial Declaration and Action Program for Sustainable Development in APEC and endorsed its recommendations including the themes of sustainability of the marine environment, clean production/clean technology, and sustainable cities. They noted that APEC's work on sustainable development underscores the complementarities between trade liberalization, economic development and environmental protection.

68. Ministers also noted the progress of sustainable development work in various APEC fora and the contribution of, inter alia, the MRC WG and IST WG meetings held in September 1996 and the Senior Environment/Economic Officials Meeting held in October 1996, toward ensuring a sustained effort in addressing the themes of Sustainability of the Marine Environment, Clean Technology/Cleaner Production and Sustainable Cities.

69. Ministers called upon the Ministerial Meeting on Sustainable Development which will be held in Canada in 1997 to develop concrete recommendations that would set clear directions on how the various APEC fora could advance sustainable development work called for in the Declaration and the Action Program. As a cross-cutting concern in APEC and as a priority consideration in APEC goals and objectives, Ministers directed the Senior Officials to further explore opportunities for collaborative work on Sustainable Development in APEC's over-all action program in its economic, social and environment scope.

70. Ministers agreed that Senior Officials shall undertake an annual review of and dialogue on sustainable development work in APEC. In this regard, the APEC Secretariat shall come up with an annual compilation of all sustainable development work undertaken by the various APEC fora. The Senior officials may further task the Economic Committee to do analytical work, if necessary.

### *Economic and Cross-Cutting Issues*

71. Ministers welcomed the report of the Economic Committee (EC) and noted the important contributions of the EC in providing analysis and study of issues relevant to achieving sustainable growth and equitable development within the APEC region. Ministers commended the EC on the excellent work done on the *1996 APEC Economic Outlook* and *The State Of Economic and Technical Cooperation in APEC*. Ministers found *The State of Economic and Technical Cooperation in APEC* useful in providing an overview of the wide-ranging and cross-cutting issues and information on all the activities currently underway within APEC. The report suggested how these projects could be more effectively coordinated for better results and higher impact on the region.

72. Ministers also noted the on-going projects/activities of the task forces under the Economic Committee that address the various issues in the areas of economic and technical cooperation, trade and investment liberalization and facilitation. In particular, they welcomed the high priority being given to infrastructure by the committee. Ministers emphasized the importance of APEC cooperating with other regional and multilateral fora active in this area and the need to add value in its work. This can be achieved by avoiding duplication of existing activities and increasing involvement in areas not yet adequately covered. Furthermore, they thanked Indonesia and the United States for considerably advancing exchange of information on best practices in infrastructure development during the "Best Practices" Roundtable at Seattle. They welcomed the offer by Mexico to host a third APEC Public-Private Sector Roundtable in 1997 focused on infrastructure planning. Ministers approved the Action

Program on Infrastructure and agreed to append it to the Osaka Action Agenda, taking note of the emphasis on cross-cutting issues. They also commended the publication of a compendium of "Best Practices" as a result of the Roundtable at Seattle in July 1996.

Ministers welcomed the initiative to launch a cooperative dialogue among export credit agencies at the annual infrastructure roundtables to identify best practices and to contribute to APEC's efforts to facilitate privately-financed infrastructure projects.

73. Ministers tasked the Working Groups and APEC Fora to consider the structural issues identified in The State of Economic and Technical Cooperation in APEC in the development and implementation of joint activities. The Working Groups and APEC Fora were further directed to explore the possibility of collaborative work on issues that are cross-cutting in nature.

74. Ministers called for closer coordination among the different APEC Fora that have cross-cutting and inter-locking concerns in order to maximize the prospects of promoting sustainable growth and equitable development in the region. Ministers noted with satisfaction that the Economic Committee had completed a productive first two years in support of APEC's trade and investment liberalization and facilitation agenda, as well as its large and diverse economic and technical cooperation activities. Ministers also endorsed its renewed mandate and revised Terms of Establishment as recommended by Senior Officials.

*Progress of Work on the Long-Term Inter-related Issues of Food, Energy, Environment, Economic Growth, and Population (FEEEP)*

75. Ministers welcomed the Economic Committee's brief report on progress made in advancing the Leaders' Initiative on the Impact of Expanding Population and Economic Growth on Food, Energy and the Environment (FEEEP).

76. Ministers were pleased to note that the newly created EC Task Force on Food (TFF) under the auspices of the Economic Committee, co-chaired by Japan and Australia, had agreed on its work plan. TFF will initially examine regional food issues in order to promote the understanding within APEC of these issues as called for by Leaders. Thereafter, TFF will explore possible options for initiating joint action to deal with regional food challenges that could arise in the future.

77. Ministers noted also the relevance of work arising from the Ministerial Declaration and Action Program for Sustainable Development in APEC and the activities of the APEC Fora and Working Groups such as the Human Resources Development, Marine Resources Conservation, and Fisheries Working Groups which would help advance the FEEEP initiative.

78. Ministers also noted the work undertaken by the Energy Working Group which has relevance to FEEEP, particularly its efforts to reform and liberalize regional energy markets, to ensure that energy does not become a constraint on the region's economic growth and the expected APEC regional energy outlook to be prepared by APERC. Ministers also noted the relevance to FEEEP of its work to identify expected trends in energy demand and supply, and to reduce the environmental impacts of energy supply and use.

79. Ministers welcomed the commitment of the relevant APEC Fora to contribute to FEEEP work in a timely manner to report to Leaders at their meeting in Vancouver in 1997. Ministers supported the possible involvement of relevant APEC fora in FEEEP-related work. Ministers also welcomed Canada's offer to host a Symposium on FEEEP in September 1997 to allow for broader public input into APEC's consideration of these issues. Ministers expressed their appreciation for the work that has been done to put in place a process to respond to the Leaders' call at Osaka. They also noted that the work in the related fora as well as in the symposium could contribute in particular to the global environmental issues to be discussed internationally next year.

## **II STRENGTHENING ECONOMIC COOPERATION AND DEVELOPMENT IN APEC**

80. Ministers recognized the importance of strengthening economic and technical cooperation in APEC toward the attainment of sustainable growth and equitable development and improving the economic and social well-being of the people in the region.

81. Ministers endorsed the Declaration on an APEC Framework for Strengthening Economic Cooperation and Development. The Declaration identifies the themes, priorities, specific goals and guiding principles that will govern the nature and character of a strengthened economic and technical cooperation towards an Asia-Pacific community.

82. Ministers agreed that economic and technical cooperation in APEC must be goal-oriented and that activities have specific milestones and performance criteria. They gave priority to joint cooperative activities which (1) develop human capital, (2) develop stable, safe and efficient capital markets, (3) strengthen economic infrastructure, (4) harness technologies for the future, (5) safeguard the quality of life through environmentally-sound growth, and (6) develop and strengthen the dynamism of SMEs. Ministers also emphasized the need for collaborative efforts between the private/business sector and the public sector in the development and implementation of economic and technical cooperation activities in APEC.

83. Ministers also emphasized the mutually complementary and supportive relationship between liberalization, facilitation, and economic and technical cooperation and urged that APEC's activities reflect this balance.

### **III PRIVATE SECTOR PARTICIPATION**

84. Ministers took note of the recommendations of the APEC Business Advisory Council (ABAC) and welcomed ABAC's role in providing high-level private/business sector advice to the APEC process. They expressed appreciation for the ABAC report which ABAC will present to the APEC Economic Leaders.

85. Ministers expressed their appreciation for the excellent work done by ABAC under the able leadership of the ABAC Chair and Co-Chairs.

86. Ministers encouraged Senior Officials, Working Groups, and other APEC fora to study its recommendations in their work.

### **IV ORGANIZATIONAL AND BUDGET ISSUES**

#### **APEC Secretariat**

87. Ministers expressed deep appreciation for the exemplary work done by Ambassador Armando Q. Madamba, Executive Director of the APEC Secretariat, the directors and the staff of the Secretariat in supporting the various APEC Committees and Working Groups and the APEC process as a whole. Cognizant of the need to harmonize the relationship between the APEC Secretariat and the various APEC fora, Ministers endorsed the recommendations of the Task Force on Management Issues and instructed Senior Officials to implement the recommendations as soon as possible.

#### **Membership and Participation Issues**

88. In Manila in 1996, Ministers decided not to extend the moratorium with the view to admitting a limited number of new members. Ministers reiterated that APEC is an open and evolving process. The Ministers agreed that in Vancouver in 1997, the set of criteria for evaluating applications will be adopted after being refined and updated. The Ministers further agreed that in Kuala Lumpur in 1998, new members will be announced based on the adopted criteria. The new members will be admitted in Auckland in 1999.

89. Ministers discussed the issue of non-member participation in APEC Working Group Activities and adopted the Consolidated Guidelines relating to this matter which was endorsed by the Senior Officials. These guidelines will replace the existing rules that govern the process of non-member participation in APEC Working Group activities.

#### **Budget and Administrative Issues**

90. Ministers commended the Budget and Administrative Committee (BAC) for its work during the year in evaluating project proposals, streamlining procedures, and enhancing operational and administrative efficiency and effectiveness. Ministers approved the 1997 Budget of US\$8,090,917 as proposed by the BAC and recommended by Senior Officials. Ministers also approved the 1997 contribution of US\$2,947,000 and the formula for calculating individual member's contribution levels, as proposed by BAC and recommended by Senior Officials. Ministers expressed appreciation to Japan for its contributions to the 1997 TILF Special Account.

## **V OTHER MATTERS**

### **Appreciation to the SOM**

91. Ministers commended the Senior Officials for their dedicated work and excellent outputs in 1996.

### **Preparation for the Ninth Ministerial Meeting**

92. Ministers thanked Canada for the valuable briefing on the preparations for the Ninth APEC Ministerial Meeting to be held in Vancouver in 1997.

### **Venues for future APEC Meetings**

93. The Tenth and Eleventh Ministerial Meetings will be held respectively in Malaysia in 1998 and in New Zealand in 1999. Ministers welcomed the offer of Brunei Darussalam to host the Twelfth Ministerial Meeting in the year 2000.

94. Ministers noted the statements delivered by the ASEAN Secretariat, Pacific Economic Cooperation Council (PECC) and South Pacific Forum (SPF).

95. In his closing statement, Secretary Siazon expressed satisfaction for the achievements made during the year including the Manila Action Plan for APEC 1996, the Declaration on an Asia-Pacific Framework for Strengthening Economic Cooperation and Development, the decision on APEC membership, the consideration of WTO-related issues and the discussions that have brought APEC forward, thus setting the ground for the Leaders' meeting in Subic.

He called on the Ministers to keep on moving forward and think of other initiatives that will keep the spirit of APEC shining bright. He welcomed Canada's Chairmanship next year and expressed appreciation to all the Ministers for their patience, diligence and good humor that made it easier to accomplish so much in such a short time. He also thanked the Executive Director and the staff of the APEC Secretariat. Finally, he offered deepest appreciation to the hard-working officers and staff of the Philippines' APEC National Organizing Committee who have made the Philippine hosting of APEC a success.