



Statement on Addressing the Economic Crisis and Positioning for Recovery **Issued by APEC Ministers Responsible for Trade**

We, the APEC Ministers Responsible for Trade, met in Singapore from 21-22 July 2009.

The global economy appears to be bottoming out, but the outlook remains uncertain and significant risks remain. We will therefore persist with efforts to support growth and facilitate trade and investment flows, keep our markets open, and give a new push to concluding the Doha Round. Looking beyond the current economic crisis, we will accelerate our efforts to integrate the Asia-Pacific region, and ensure that our growth strategies are inclusive and sustainable.

Addressing the Economic Crisis

Sustaining trade and investment flows remains critical to our future prosperity. The main threats to a revival of trade flows include rising protectionist pressures, and continued delay in concluding the Doha Round.

Concluding the Doha Round by 2010 will be the most effective way to resist protectionism and strengthen the multilateral trading system. We had frank and open discussions on some of the key outstanding issues and the steps necessary to accelerate the end-game negotiations of the Doha Round for the second half of 2009. We will:

- build on the good progress already made in the negotiations in 2008 and the positive political momentum created by recent Ministerial gatherings;
- accelerate efforts to conclude modalities in Agriculture and NAMA, including Special Safeguard Mechanism (SSM) and Sectorals, while advancing, in parallel, the negotiations in Services, Rules, Trade Facilitation and all other remaining issues;
- utilise all possible avenues of engagement, including bilateral and plurilateral, to encourage greater transparency and understanding of what is on the table to fill the remaining gaps in the negotiations as soon as possible;
- provide clear political direction to senior officials to exercise maximum flexibility in the negotiations; and
- direct senior officials to meet in Geneva to ensure direct engagement within the WTO so that progress can be made prior to the Pittsburgh Summit in September 2009.

APEC Leaders undertook in November 2008 to refrain till end 2009 from raising new barriers to investment or to trade in goods and services, imposing new export restrictions, or implementing WTO inconsistent measures in all areas, including those

that stimulate exports. With this in mind, we discussed the specific trade, fiscal and monetary measures undertaken by APEC economies since the outbreak of the crisis, based on reports from the WTO and APEC Business Advisory Council (ABAC). We agree to:

- design our policy responses to the crisis, including fiscal policy and action in support of the financial sector, in a manner that minimises distortion to trade and investment;
- extend the above commitment for another year (i.e. until 2010) and stand ready to extend this further, if necessary;
- promptly notify the WTO of any measures that fall short of these commitments;
- exercise maximum restraint in implementing measures that may be considered to be WTO consistent if they have a significant protectionist effect and to promptly rectify such measures where implemented;
- regularly review our commitment to free trade and open markets, based on input from the WTO and ABAC; and
- keep our markets open and continue to reduce barriers to trade and investment, using the crisis as an opportunity for reform.

Positioning for Recovery

We will position the Asia-Pacific region for a strong and sustained recovery.

We will strengthen the region's competitiveness by accelerating our economic integration efforts. We reaffirm our commitment towards achieving the Bogor Goals. We will continue to examine building blocks towards a possible Free Trade Area of the Asia-Pacific (FTAAP) as a long-term prospect, and welcome the progress made in deepening analysis and identifying possible vehicles for an FTAAP.

We will take a comprehensive view of regional economic integration. We will accelerate trade "*at the border*" with simpler customs documentation procedures and facilitation of cross-border services trade. We will focus our efforts to reduce or remove regulatory impediments "*behind the border*" to make it easier, faster and cheaper to do business. We will improve connectivity "*across the border*" by identifying the chokepoints in trade logistics and reviewing logistics policies with the aim of improving regional supply chains.

We remain unwavering in our shared belief that trade and investment liberalisation is a key engine for growth. However, we recognise that not all segments of society have benefited from globalisation. We will therefore promote growth that is more inclusive, where the benefits of free trade and investment are shared more broadly. This will build a stronger consensus for further trade and investment liberalisation. APEC will develop an agenda for inclusive growth, focused on broadening access to



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opportunities. This entails facilitating economic restructuring to make our economies more resilient and adaptable, and strengthening social resilience to provide better security for the vulnerable segments of our society.

We recognise that climate change is a growing global challenge and we will ensure that our economic growth strategies are environmentally sustainable. We will use the opportunity provided by our domestic stimulus measures to deploy climate-friendly technologies and encourage energy efficiency. These technologies and efforts can also create new opportunities for growth. We will study how trade can be enhanced in ways that will ensure sustainable growth and development within the region.

We are confident that the APEC economies will emerge stronger and more dynamic from the crisis. By keeping our markets open, spurring trade and investment, and pursuing more inclusive and sustainable growth, we will achieve progress and prosperity for the Asia-Pacific region.

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