



Asia-Pacific
Economic Cooperation

**2013 Meeting of
APEC Ministers Responsible for Trade
Surabaya, 20-21 April 2013**

Statement



1. We, APEC Ministers Responsible for Trade (MRT), met on 20-21 April 2013 in Surabaya, Indonesia under the chairmanship of H.E. Mr. Gita Irawan Wirjawan, Minister of Trade of the Republic of Indonesia.
2. We welcomed the participation in the meeting of the Deputy Director-General of the World Trade Organization (WTO) Mr. Alejandro Jara, the APEC Business Advisory Council (ABAC), the Pacific Economic Cooperation Council (PECC), the Association of Southeast Asian Nations (ASEAN), the APEC Secretariat, and the Member of the Board (Minister) Responsible for Trade of the Eurasian Economic Commission (EEC), Mr. Andrey Slepnev.
3. The tenuous global economic recovery has strained on economies, trade, investment and future prosperity. But history has shown that the Asia-Pacific region bounces back from challenges and has become stronger and more resilient.
4. It is only befitting that APEC's theme for 2013, "Resilient Asia-Pacific, Engine of Global Growth", becomes our call to action—towards a vision of an Asia-Pacific region that is stronger, more buoyant and more robust. And we are called upon to remain resilient and to fulfill our role as the engine of the world's economic growth.

The Global Economy: Looking for Long-term Global Growth Prospects

5. With significant policy actions, the global economy is on a recovery path and tail risks have greatly been diminished. Under this circumstance, the Asia-Pacific region continues to be emerging as the strategic and economic pivot of the world. Significant milestones have been reached through APEC. Through cooperation in trade and investment, APEC has allowed economies to capture the benefits of their comparative advantages, supply chains and markets. APEC economies have taken numerous concrete and bold trade and investment liberalisation measures unilaterally and collectively. Also, APEC economies are committed to further promoting structural reforms. The measures taken by APEC members have contributed significantly to the sustained economic growth in the region ever since.
6. But a number of challenges still lie ahead of us. Slow global economic growth, resulting in decreasing of global trade and investment, connectivity, education, natural disasters, health, poverty and environmental issues, including climate change, could impact our region's economic landscape. These challenges require collective solutions for the benefit of all our people.
7. We share a conviction that we need to be part of a better, more integrated, seamless Asia-Pacific: a regional space where shared responsibility drives our efforts at solving increasingly complex challenges and creating opportunities for a prosperous and stable future. We will strive to bolster our cooperation in order to effectively address challenges as they come and to tap economic potentials of the region. APEC needs to remain

attuned to further opportunities to promote sustainable growth, improve living standards and reduce poverty.

8. As the basis of our discussions here in Surabaya, we shared the understanding of the current state of the global economy and considered the following specific efforts:

Continuing support for the multilateral trading system

9. We adopted separate statement for this purpose.

Continuing on Attaining the Bogor Goals

10. We reaffirm our commitment to attain the Bogor Goals of free and open trade and investment towards 2020. We reiterate our commitment to address remaining issues that will help APEC economies to achieve the Bogor Goals. This includes commitment to bridge and to identify the development gap and assist developing economies to achieve the Bogor Goals by 2020. We also encourage developed economies to take more concrete actions towards attaining Bogor Goals according to the outcomes of the Report on APEC's 2010 Economies' Progress towards the Bogor Goals.
11. We reaffirm the importance of APEC's meaningful contribution, intellectual inputs and leadership guiding the processes of FTA/RTA development in the Asia-Pacific region. We will continue to promote broader integration which includes trade and investment liberalization and facilitation in the APEC region. Taking note of various ongoing capacity building efforts within the framework of setting the stage for an eventual FTAAP, we agreed to report regularly to APEC and share information on developments related to FTA/RTA initiatives, including on the Trans-Pacific Partnership and the Regional Comprehensive Economic Partnership with a view to promoting transparency of various FTA/RTA initiatives and analyzing the issue of openness and convergence within the APEC framework.
12. We strongly support APEC progress in implementation of the action plan framework on capacity building needs initiatives (CBNI).
13. We welcome the trade policy dialogue to discuss the economic impact of local content requirements in promoting economic growth and employment. We take note of the initiative to continue discussion among officials aimed at enhancing better understanding of the issues and formulating a way forward.
14. We reaffirm APEC Leaders' commitment in Vladivostok in 2012 to promote green growth and to seek practical, trade-enhancing solutions to address global environmental challenges, and their commitment in 2011 to reduce tariffs on environmental goods to 5 percent or less by the end of 2015, and we emphasize concrete actions to facilitate steady implementation of our Leaders' commitments. We are convinced that such liberalization will assist us in achieving the Bogor Goals and further contribute to our sustainable development and green growth goals. We further emphasize Leaders' instruction in Honolulu in 2011 to undertake capacity building activities relevant to implementing these actions, including exchanging views, experiences, and best practices to promote EGS trade and investment.

15. In view of APEC's priorities this year on "attaining the Bogor Goals" and "achieving sustainable growth with equity", we note the aspiration of some economies to further liberalize trade in goods, so as to address development needs, reduce poverty, and facilitate the involvement of SMEs in global supply chains, and that consensus should be built to advance this aspiration. We take note of Indonesia's proposal to include CPO and rubber in the APEC EGs List.
16. We welcome APEC's activities in the area of services trade liberalization and facilitation, including through expansion of the Services Trade Access Requirements (STAR) Database. We also welcome the ongoing practical, business-orientated work aimed at identifying good practice regulation of trade and investment in key services sectors.
17. We confirm the importance of improving the investment climate in the APEC region, including through continued implementation of the APEC Investment Facilitation Action Plan. We instruct officials to intensify efforts to address impediments to increased flows of investment in the region, including those relating to private financing of infrastructure. We welcome the Public-Private Dialogue on Corporate Social Responsibility (CSR) and encourage officials to work with the private sector to build and improve upon CSR practices, including transparency.
18. With regard to the progress of the implementation of APEC New Strategy for Structural Reform (ANSSR), as endorsed by APEC Leaders in 2010 to promote more balanced, inclusive, and sustainable growth and development through targeting behind-the-border barriers to trade, we note the ongoing work of each APEC Economies to report their individual plans in the 2013 ANSSR Mid-Term Progress Report. We trust that the report would reflect the accomplishments of APEC economies, including their challenges in implementing their plans in structural reform towards the achievement of their objectives in 2015.
19. We applaud continuous efforts to implement our Leaders' Agreement in 2011 to strengthen by November 2013, the implementation of Good Regulatory Practices (GRP) initiative, particularly in the areas of ensuring internal coordination of regulatory work, assessing regulatory impact, and conducting public consultation. We support the activities that have been carried out to further this work on strengthening the implementation of the GRP including through capacity building activities and collaborative work with other fora/sub fora and international organizations. We encourage officials to further discuss how to strengthen the implementation of GRP beyond 2013, taking into consideration the circumstances of individual economies.
20. Industry Dialogues continue to enrich our agenda and provide concrete deliverables that contribute to attaining Bogor Goals. We welcome new work to develop principles for life sciences development; facilitate the commercialization of research; and initiatives to support the establishment of a Center of Excellence for regulatory sciences cooperation. We look forward to concrete deliverables to assure the quality and integrity of the medical products supply chain. We note the Chemical Dialogue's intention to deepen work on regulatory cooperation and convergence and welcome the status report on the implementation of GHS in the APEC region. We also welcome the work plan to advance regulatory cooperation and convergence in the food sector.
21. We reaffirm our commitment to promote effective, non-discriminatory, and market-driven innovation policy, including through developing and finalizing implementation practices by October 2013.

Achieving Sustainable Growth with Equity

22. We note the efforts made by APEC this year in the area of Small and Medium Enterprises (SMEs, including youth and women entrepreneurs). SMEs, including entrepreneurs and women, are crucial driving force for employment and development of the economy. To ensure that, SMEs, many of which are women-owned can participate in and benefit from international trade, we reaffirm the importance of addressing trade investment and regulatory barriers for SMEs, and support efforts to enhance SMEs' global competitiveness, business ethics, and their participation in Global Value Chains. We instruct officials to continue dedicating efforts and work in these areas.
23. Recognizing the importance of cross-border mechanisms to disseminate low-carbon technologies to achieve sustainable growth, we take note a Joint Crediting Mechanism Seminar to be held during SOM3.
24. We acknowledge that collaboration between government and private sector, particularly farmers, private investment and the agri-food trade are critical to achieving food security in the region. We welcome the focus of the Policy Partnership on Food Security (PPFS) in aligning farmers, the private sector and governments in the achievement of global food security through strategic partnership that comprises of constructive involvement of the private sector, farmers and government. We note the importance of not applying WTO-inconsistent trade measures in pursuing food security.
25. We instruct officials and encourage the private sector to continue pursuing this initiative and to develop a strategic, results-oriented and comprehensive 2020 Road Map to achieve the long-term goal of setting up a food security structure by 2020 sufficient to provide lasting food security to economies in the Asia-Pacific region. We underscore the importance of PPFS and Committee on Trade and Investment (CTI) coordination on food security issues related to international trade and investment. We agree that agricultural trade plays a key role in achieving food security. To this end we reaffirm the value of an open and rules-based multilateral trading system as it provides predictability and stability in agricultural trade. We agreed on the need to sustain the benefits of globalization and open markets, highlighting the crucial importance of maintaining science-based standards, rejecting protectionism and encouraging the development of regionally integrated markets. We also welcome the efforts to increase agricultural production and productivity on a sustainable basis through boosting investment and actively adopting innovative technologies.
26. We recognize the continued efforts of the Food Safety Cooperation Forum (FSCF) and its Partnership Training Institute Network (PTIN) in developing food safety capacity in the region, contributing to the alignment of domestic regulations with international standards. This work is strengthening food supply chains in the region and providing new opportunities for trading in safe and quality food. We welcome the establishment of the Food Safety Incident Network (FSIN) which will enhance our capacity to deal with food safety events in the region.
27. We welcome the successful launch of the Policy Partnership on Science, Technology and Innovation (PPSTI). We instruct officials to finalize the institutional building process and identify the structure of PPSTI's key priority work areas by AMM in October 2013. Recognizing the importance of science and technology cooperation in fostering innovative growth by continuing to identify practices to promote effective, non-discriminatory and inclusive innovation policy, we instruct officials to take concrete steps in the PPSTI to enhance cooperation among key innovation stakeholders – government, academia, and businesses.

28. Recognizing the increasing role of the oceans and fisheries in our daily livelihood and their contribution to economic growth, we welcome the initiatives and activities promoting the mainstreaming of ocean-related issues in APEC in various areas of cooperation, including through existing regional initiatives such as the Coral Triangle Initiative on Coral Reefs, Fisheries and Food Security ranging from, among others, exchanging best practices in combating Illegal, Unreported and Unregulated (IUU) fishing to food security, sustainable fisheries management and trade, including trade in sustainably harvested fisheries products and aquaculture, energy, tourism, science and technology, transportation and marine connectivity in achieving sustainable and inclusive growth.
29. We are also mindful that healthy oceans are crucial for achieving sustainable ocean and marine resources and therefore we encourage officials to continue working on ways to address challenges in this area.
30. We take note of Indonesia's initiative to develop an APEC Ocean-related Activities Work Plan for 2013 that promotes cross-fora collaboration and will be circulated after SOM 2 for further discussion at SOM 3. The work plan would be essential to propose and implement concrete activities, initiatives and capacity building projects on the mainstreaming of ocean-related issues in APEC.
31. We recognize there is a clear and important role for APEC member economies to show leadership towards rationalizing and phasing out inefficient fossil fuel subsidies that encourage wasteful consumption, fulfilling the commitment in reducing fossil fuel energy consumption as outlined in the 2011 Leaders' Declaration. In this respect, we note Indonesia's initiative to hold a Conference on Clean, Renewable, and Sustainability in the Asia Pacific prior to the AELM, which focuses on boosting investments in the renewable energy sector; capacity building and technical cooperation; and fostering cooperation among APEC member economies and with private sector partners in clean and renewable energy development projects.

Promoting Connectivity

32. We are committed to working towards a more connected and resilient Asia-Pacific to ease the flow of goods, services, capital, and people in the region. Greater physical, institutional and people-to-people connectivity will strengthen regional economic integration, contribute to economic growth as well as being a significant factor towards enhanced trade.
33. We instruct Senior Officials to develop a unifying, forward-looking, and ambitious APEC Framework on Connectivity this year to deepen and broaden the region's connectivity around and across the Pacific Ocean and within APEC's archipelagic and continental regions.
34. The Framework will also bring greater coherence, and add impetus to ongoing connectivity-related work in APEC, including physical infrastructure, the Supply Chain Connectivity Framework, trade facilitation, structural reform and good regulatory practices, the cross-border education initiative, science and technology, as well as the movement of people, which may include tourists, business people, professionals and workers, women and youth.

35. A key pillar of the connectivity framework is the development of physical infrastructure. We are committed to facilitating growth in our region through infrastructure development and investment, in line with the five growth attributes of the 2010 APEC Leaders' Growth Strategy: Balanced, Inclusive, Sustainable, Innovative, and Secure Growth.
36. Well-designed, sustainable and resilient infrastructure development and investment can enhance economic growth and increase productivity, and provide significant positive flow-on effects including improved access to markets, job creation and manufacturing growth.
37. APEC economies need to develop and to improve existing transport, information and communications, energy and other physical infrastructure to deepen regional economic integration and help ensuring sustained growth. Given the scale of infrastructure requirements across a number of sectors in our region over the next decade and beyond, we emphasize the importance of private sector involvement to realize these needs.
38. We recognize the importance of developing a coordinated approach to promoting infrastructure development and investment within and between our economies through the creation of a multi-year plan to improve physical connectivity in Asia-Pacific. We emphasize the importance of building capacity to design, develop and execute public private partnerships. We also urge economies to emulate, adapt and link best practices and models existing in the region and create value added to those work building on APEC strengths and sub-regional linkages.
39. We request officials to develop an overarching framework that outline work streams and key areas of focus and establish practical and concrete ways to overcome current impediments to infrastructure investment and development. We recognize that the work streams that flow from it will complement the important work in this area being undertaken in the G20 and other fora.
40. To improve physical connectivity, we suggest that the Transportation Ministers produce a concrete outcome with a view to promoting more sustainable and resilient transportation related infrastructure in the coming 8th TMM in Tokyo.
41. We also reaffirm the growing importance of submarine cables to regional and global connectivity, and encourage increased awareness and continued cooperation within APEC.
42. We support continued work on the APEC Supply-Chain Connectivity Framework Action Plans towards achieving our shared commitment of a ten percent improvement in supply chain performance in terms of reduction in time, cost, and uncertainty of moving goods and services through the Asia-Pacific region by 2015, taking into consideration circumstances of individual economies. We welcome the interim assessment of the Supply Chain Connectivity Framework Action Plan undertaken by APEC's Policy Support Unit that shows some progress has been made in the overall performance of supply chain transactions. In this regard, we reiterate the importance of further simplification of customs procedures in line with the international standards such as ones developed by the World Custom Organization (WCO). We look forward to the multi-year project on Enhancing Logistic Performance through Training and Networking for APEC Local/Regional Logistics Sub-providers.

43. We note the progress made to adopt a more systematic approach to reaching our supply chain performance target through needs analysis and capacity building, and to this end, we request officials to inject new momentum to their work in addressing existing chokepoints in supply chains, to ensure we are able to fulfill our ambitious APEC-wide 2015 supply chain performance target, in particular to facilitate SMEs participation in global trade.
44. We share the importance to enhance value chain resilience, and to advance work to establish more interconnected and resilient APEC region. We emphasize the importance of work on improving reliability of supply chains connectivity through effective risk management and response.
45. We reaffirm the importance of enhancing the emergency preparedness and disaster resiliency of APEC economies, communities and businesses. In this context, we stress the need for cooperation between crisis management centers within the APEC framework. We also welcome the efforts on elaboration and consideration of the APEC Emergency Response Travel Facilitation Initiative to explore the opportunities to build a more safe and secure APEC Region.
46. We agree that deeper education cooperation will serve to strengthen regional ties, build people-to-people links and promote economic development through knowledge and skills transfer.
47. We are committed to implement the 2012 Leaders' instruction on promoting cross border education cooperation by developing on a voluntary basis cross-border cooperation and facilitation of exchange in education services within APEC in enhancing the mobility of students, researchers, education providers, and the existing network of bilateral agreements.
48. We welcome APEC's work in developing a work plan on promoting cross border education cooperation and instruct officials to advance the work to enhance the mobility of students, researchers, and education providers in the APEC region on a voluntary basis, while taking into consideration the circumstances of individual economies.
49. We welcome the continued enhancement of the APEC Business Travel Card Scheme to further facilitate the mobility of business people in the region and promote people-to-people connectivity.

Strengthening APEC

50. We are fully committed to maintaining APEC's profile as the premier forum for advancing free and open trade and investment in the Asia-Pacific. Enhanced business engagement in APEC is important in achieving APEC's goals. We welcome ABAC's close collaboration with and contribution to APEC's work. We note the significant value that public-private activities have made to APEC work, and instruct officials to find ways to increase these interactions with ABAC and other stakeholders, including ways to synergize work and work programs.
51. Recognizing the vital role of capacity building in strengthening and supporting the trade and investment liberalization and facilitation agenda, we reaffirmed the Leaders' commitment to the implementation of Economic and Technical Cooperation (ECOTECH). We instructed officials to evaluate the effectiveness of capacity building

activities across APEC and to identify ways to ensure these activities deliver more meaningful, targeted and effective results, particularly for developing APEC economies.

Towards Bali

52. We welcome the report of the Chair of the APEC Senior Officials' Meeting (SOM) on the progress of APEC work. We encourage Senior Officials to continue their efforts by building upon our discussion in Surabaya and to bring forward meaningful deliverables by the time we meet again for the APEC Ministerial Meeting (AMM) in October. We will make the AMM in Bali an occasion to explore the future of a more resilient Asia-Pacific and submit recommendations to Leaders.

--o0o--