



**Asia-Pacific  
Economic Cooperation**

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Agenda Item: 2

## **APEC Study Center Consortium Letter to APEC Ministerial Meeting**

Purpose: Information  
Submitted by: ASCC Chair



**26<sup>th</sup> APEC Ministerial Meeting**  
**Beijing, China**  
**7-8 November 2014**

## **ASCC Letter to APEC Ministerial Meeting**

Dear Ministers,

As a unique academic network organization which has been making great efforts to promote the development of APEC process, APEC Study Center Consortium (ASCC) has the pleasure to convey to you our recommendations for APEC 2014.

2014 marks the 25th anniversary of APEC. As one of the largest regional economic cooperation organizations of the world, APEC has manifested itself a highly effective mechanism to strengthen the Asia-Pacific regional economic integration process. Now it is time for APEC member economies to start a new voyage of cooperation through fostering closer partnership.

Regional economic integration (REI) has become a standing priority of APEC in recent years. Keeping in mind the central role of the WTO in global trade regime, APEC economies are pursuing REI progress through FTAs without undermining the integrity and authority of the WTO. To further promote Asia-Pacific REI, it is suggested that the mega-FTAs in the region be open to more economies, so as to optimize their economic benefits. APEC should also further promote investment liberalization and facilitation in the region, which will be of great significance to achieve a higher level of Asia-Pacific REI.

In fact, some important ideas and mechanism designs for Asia-Pacific REI, such as FTAAP, originally came from scholars of ASCC. We believe that APEC has the responsibility and is capable of playing a more active and effective role in realizing FTAAP. APEC is expected to support as soon as possible a FTAAP framework that defines the goals, principles, standards and content of the agreement while in consideration of the diversity of the economies. The future FTAAP agenda should be pursued in a comprehensive approach covering issues at the border, across the border and behind the border.

With an FTAAP as an overall target, we expect that APEC take more

effective measures than before to promote global value chains cooperation to facilitate freer flowing of goods, services, capital and people in the region. Accordingly, APEC member economies should give full play to their comparative advantages, optimize the economic resource allocation, improve the industry layout, and make joint efforts to foster a big Asia-Pacific market where benefits are shared by all.

We notice that it is the first time for APEC to put innovative development, economic reform and growth together as a priority. It is the financial crisis and weak world economic growth that highlight the need to address the three in an integrated way. We suggest that APEC develop a diversified cooperation framework in this area in order to fulfill the need of member economies at different stages of economic development. APEC member economies are expected to improve their training and education mechanisms in responding to the rapidly evolving business environment of the region and changing technologies, and to strengthen cooperation on those priority areas including but not limited to the five pillars, namely: the Economic Reform, New Economy, Innovative Growth, Inclusive Support and Urbanization.

We believe that comprehensive connectivity and infrastructure development cooperation will improve the quality and effectiveness of Asia-Pacific REI, substantially strengthen the implementation efficiency of the FTAs/RTAs in the region, and help to create a transparent, stable and efficient trade and investment environment with lower transaction cost. Therefore, we suggest that APEC take practical measures to promote investment in infrastructure through Public Private Partnership. It is also suggested that service trade liberalization and facilitation be promoted under a comprehensive APEC connectivity initiative.

We would also like to emphasize that the tripartite cooperation among governments, business sectors and academia is an important part of Asia-Pacific partnership. The abundant academic resources stored in ASCC should be fully exploited and utilized. ASCC will carry out practical self-reform toward a coherent organization to enhance dialogue and cooperation with other sub-forums of APEC, APEC Secretariat and

business sectors. Meanwhile, it is suggested that APEC provide ASCC with necessary support to make it a more effective think-tank network, empowering it to make more contribution to the development of APEC process.

We appreciate APEC's openness to ASCC contributions and to the increasing interaction we have with SOM throughout the year.

Yours sincerely,

Liu Chenyang  
ASCC Chair 2014