

May 18th, 2014

Statement on Supporting Multilateral Trading System

Qingdao, China, 17 - 18 May 2014

1. We, the APEC Ministers responsible for trade, gathering for our 20th meeting in Qingdao, China, recognize the importance of international trade as a key to job creation, sustained economic recovery, and balanced growth and development. We reiterate the value, centrality and primacy of the multilateral trading system and reaffirm our commitment to strengthen a rules-based, transparent, non-discriminatory, open and inclusive multilateral trading system as embodied in the WTO.

2. We share the view that, despite modest global growth and a gradual recovery of world trade, instability and uncertainty in trade and economic recovery still persist. We will remain vigilant against all forms of protectionism because of their impact on weakening trade and slowing down recovery. To this end, we reaffirm the pledge made by our Leaders against protectionism through a standstill which we recommend that they extend through the end of 2018 and rollback of protectionist and trade-distorting measures. We remain committed to exercise maximum restraint in implementing measures that may be considered to be consistent with WTO provisions but have a significant protectionist effect and to promptly rectify such measures, where implemented. In this context, we support the work of the WTO and other international organizations in monitoring protectionism, including the work of the standing WTO bodies which are on the frontline of our efforts.

3. We highly commend the Bali Package achieved at the 9th Ministerial Conference (MC9) in Bali, Indonesia, with its deliverables on trade facilitation, agriculture and development, including LDC issues. The

faithful implementation of this package will greatly benefit the global economy by increasing trade flows and investment; demonstrate that the WTO can play a vital role in creating global trade and economic opportunities; and attest to the strong resolve of WTO Members to complete the Doha Development Agenda (DDA). The entry into force of a revised WTO Government Procurement Agreement represents another indication that negotiations at the WTO can produce tangible, trade-expanding, and development-oriented outcomes. We believe WTO Members need to demonstrate political leadership and continue exploring different and fresh negotiating approaches in order to reinvigorate multilateral trade liberalization, building on and implementing the outcomes achieved in Bali. We stand ready to make a significant contribution to these efforts and urge other WTO Members to act in the same spirit.

4. We support the work of the WTO Preparatory Committee on Trade Facilitation. We will act vigorously to ensure the full achievement of the objectives and timelines set out in the Bali Ministerial Decision on Trade Facilitation Agreement (TF Agreement). In this regard, APEC developing economies undertake to notify all provisions that have been implemented and as many provisions of the TF Agreement under Category A as possible. We remain committed to contribute to the adoption of the Protocol of Amendment by 31st of July 2014, and its acceptance by July 2015. We encourage other WTO Members to do the same. The implementation of the TF Agreement will further APEC efforts to achieve the Bogor Goals and improve connectivity. We call upon donor Members to provide developing Members with assistance and support for capacity building to implement the TF Agreement. We recognize that relevant international and regional organizations also provide assistance and support for capacity building and encourage developing Members to utilize efficiently these channels. We also support follow up on

implementation of other Bali Package elements on agriculture and development, including LDC issues.

5. We urge all WTO Members to sustain the strong momentum of MC9 in preparing a clearly defined work program on the remaining DDA issues, and reaffirm our resolution to complete this work by December 2014. The Work Program will build on the decisions taken in Bali, particularly on agriculture, development and LDC issues, as well as all other issues under the Doha mandate that are central to concluding the DDA. Issues in the Bali Package where legally binding outcomes could not be achieved will be prioritized, and work on issues in the Package that have not been fully addressed will be resumed. The program will be developed in a way that is consistent with guidance provided at the 8th Ministerial Conference, including the need to look at ways that may allow Members to overcome the most critical and fundamental stumbling blocks. We support the six parameters proposed by WTO Director-General Mr. Roberto Azevedo for formulating the work program, namely development centrality; doability; interconnectivity and balance; creativity and open-mindedness; inclusiveness and transparency; and sense of urgency. We also believe that it is essential to continue to respect the Doha mandate and its development dimension, taking note of the progress that has been made towards formulating the Work Programme.

6. We acknowledge that bilateral, regional and plurilateral trade agreements play an important role in complementing global liberalization initiatives. We will continue to work together to ensure that they should contribute to strengthening the multilateral trading system. We underscore the importance of ITA expansion negotiations. We welcome that key participants have committed to find creative ways to move forward so that these negotiations can move towards a commercially significant and balanced conclusion in the shortest timeframe possible. We have taken a

leading role in environmental goods trade and reaffirm our commitment on the implementation of the APEC List of Environmental Goods by the end of 2015. We recognize that liberalizing trade in environmental goods can benefit our environment and support economic growth in the region, and that our leaders have directed us to explore opportunities in the WTO to build upon this ground-breaking commitment. We regard the initiative launched in Davos by a number of APEC economies, among others, as a significant step towards building on this commitment.

7. We welcome the Bali Ministerial Decision on Aid for Trade adopted at the MC9 in Bali, Indonesia, where the continuing need for Aid for Trade was recognized. We will continue to pursue actions in support of this initiative, and welcome the new Aid for Trade Work Program.