APEC SERVICES COOPERATION FRAMEWORK

We, the Leaders of APEC, gathered in Manila on 19 November 2015 to reaffirm our commitment to achieve inclusive growth in the APEC region. We recognize the important role of services in realizing this goal.

The services sector accounts for a dominant share of our economies, providing high quality jobs and new avenues for growth. Efficient and competitive services sectors provide whole-of-economy benefits.

We acknowledge that international trade in services facilitates the transfer of technology and management know-how, spurs innovation, boosts competition and productivity, raises the standard of domestic services suppliers, reduces costs, and widens the range of choice for consumers.

Recognizing that the development of services including their efficient delivery requires a strategic approach, we therefore adopt this APEC Services Cooperation Framework (ASCF) as follows:

Advancing the Services Agenda

1. As part of our commitment to realizing APEC’s vision as outlined in the Bogor Leaders’ Declaration and achieving APEC’s goal of free and open trade and investment in the Asia-Pacific no later than the year 2020, we recognize the importance of advancing regional cooperation in services.

2. We value APEC’s past and ongoing work on services across the various APEC sub-fora, contributing significantly to efforts towards implementing the APEC Leaders’ Growth Strategy, the APEC Connectivity Blueprint, and the 2014 APEC Strategic Blueprint for Promoting Global Value Chains Development and Cooperation.

3. We welcome the outcomes of the second meeting of the APEC Ministers Responsible for Structural Reform and the emphasis they placed on services.

4. We commend APEC for its work in services trade and investment, such as the Services Action Plan, the APEC Principles for Cross-Border Trade in Services, and the Services Trade Access Requirements (STAR) Database. We also recognize the significant contribution of the Manufacturing Related Services Action Plan, the Environmental Goods and Services Work Programme, the Environmental Services Action Plan, and the establishment of the APEC Public Private Partnership on Environmental Goods and Services (PPEGS) to APEC’s ongoing work on services.

5. We have explored ways to further deepen cross-fora collaboration on services such as through the first joint meeting of the Economic Committee, the Group on Services, and the Pacific Economic Cooperation Council (PECC) on Regulatory Reform and Services held in 2015. The Public-Private Dialogues on Services, initiated by Indonesia in 2013, were undertaken in cooperation with the APEC Business Advisory Council (ABAC) and PECC, to broaden the base for consultation. These dialogues stressed the value of intensified focus on services and facilitated the sharing of regulatory experiences and
challenges, as well as generated views on ways to improve services competitiveness taking into account APEC economies’ circumstances.

6. We recognize the rapid changes taking place in the delivery of services, such as through digitally-enabled trade. To boost services trade and investments in the region, APEC needs to further deepen and build momentum in its work on services.

Vision

7. We agree to set our long-term vision for services in APEC.

8. Recalling the Bogor Goals of 1994, we resolve to strengthen our efforts in services through the following principles of cooperation:

- Free and open trade and investment in services consistent with World Trade Organization (WTO) principles;
- Transparent and improved communication;
- Collaboration and engagement across the APEC platform and with various stakeholders;
- Competitiveness in services through human and institutional capacity building and increased participation of developing member economies; and
- Cross-sectoral and sector-specific approaches.

9. In line with the 1995 Osaka Action Agenda, the 2000 Policy Framework for Work on Services, and the 2009 APEC Principles for Cross-Border Trade in Services, taking into account individual economies' situations, we affirm the importance of the following strategic directions:

- Transparency of laws, regulations, and administrative procedures;
- Progressively reducing restrictions to services trade and investment, including unnecessary localization requirements;
- Non-discrimination between domestic and foreign service suppliers;
- Good regulatory practices and effective competition policy;
- Facilitating the mobility of service suppliers and business persons; and
- Supporting capacity building to develop the ability of economies to competitively supply services.

10. We believe that the 2015 ASCF will play a pivotal role in fully achieving the Bogor Goals, in providing a common strategic direction and in promoting coherence in APEC’s work on services. The ASCF will ensure that APEC’s multi-fora and multi-stakeholder services agenda will remain dynamic and responsive to economic, market, and technological developments of each APEC member economy.
The Way Forward

11. We agree to develop a strategic and long-term APEC Services Competitiveness Roadmap in 2016 with the adoption of a concerted set of actions and mutually agreed targets to be achieved by 2025. The process of drafting the Roadmap will begin with discussion of the elements of the Roadmap followed by deliberations on actions and mutually agreed targets. The Roadmap will, among others:

- Build on APEC’s past and ongoing work on services;
- Promote increased and strengthened APEC cross-fora dialogue and collaboration such as joint meetings, projects, and initiatives;
- Pursue close collaboration with ABAC, PECC, and other stakeholders through regular Public-Private Dialogues on Services;
- Broaden multi-stakeholder engagement through the APEC Virtual Knowledge Center on Services – a virtual knowledge-sharing platform on information and best practices of services-related policies and programs of APEC;
- Foster exchange of good regulatory practices and promote effective competition policy;
- Seek better ways to produce services-related statistics and increase the number of APEC economies with indices for measuring the regulatory environment in services including by providing capacity building and exploring the development of an APEC index, taking into account, as appropriate, existing indices maintained by other fora such as the OECD;
- Regularly organize, through the relevant APEC Working Groups and Committees, discussion fora among services regulators; officials responsible for trade, investment, and competition policies; and the private sector; and
- Leverage partnerships with regional and global bodies such as the World Trade Organization (WTO), United Nations (UN) Bodies, International Trade Center (ITC), the Organization for Economic Cooperation and Development (OECD), the Economic Research Institute for ASEAN and East Asia (ERIA), the Asian Development Bank (ADB), Inter-American Development Bank (IADB), and the World Bank, among other institutions, to implement the Roadmap, and avoid duplication and ensure coherence with existing initiatives.

12. The desired outcomes of the ASCF are:

- Increased services value-adding capacity of APEC economies;
- Cultivation of globally competitive services sectors of APEC economies;
- Expansion of trade and investment in services in APEC Economies via improvements in physical, institutional, and people-to-people connectivity;
• Enhancement of GVC participation of all businesses especially micro, small, and medium enterprises (MSMEs);

• Wider access to more efficient and greater variety of services for APEC and its people;

• Job creation and growth while promoting social inclusion and human development; and

• Addition of measures in pursuit of the APEC Leaders’ Growth Strategy for inclusive, innovative, balanced, secure, and sustainable growth.

13. We urge our Ministers and Senior Officials to mainstream this Framework into the strategic and long-term planning of APEC’s work program through all the relevant Committees and Working Groups, in particular the Group on Services (GOS).

14. Finally, we instruct Senior Officials to develop a mechanism for implementing the ASCF beginning 2016.