

2017/SOM3/DIA/015

Continued Work for APEC

Submitted by: PECC



Dialogue on Regional Trade Agreements and Free Trade Agreements Ho Chi Minh City, Viet Nam 27 August 2017



APEC SOM Dialogue on RTAs/FTAs Session 5: Continued Work for APEC

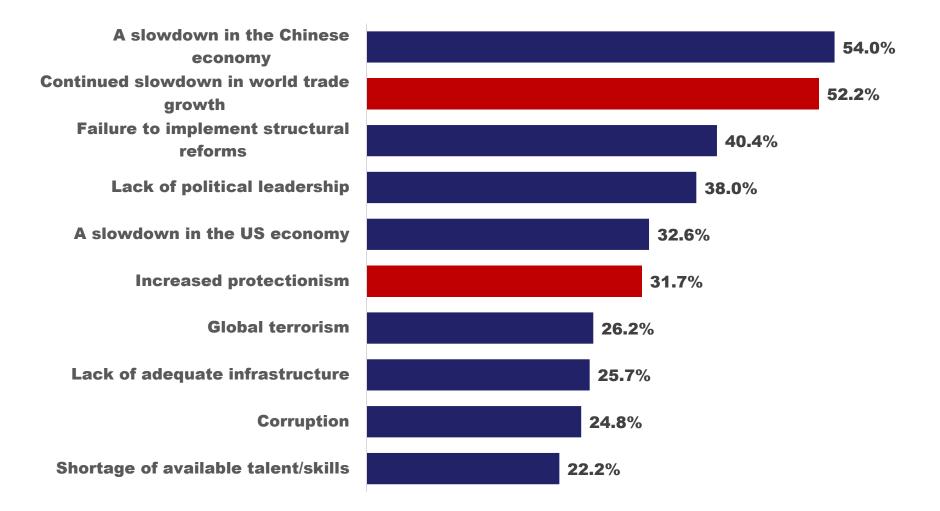
27 August 2017 Sheraton Sai Gon

Eduardo Pedrosa Secretary General Pacific Economic Cooperation Council

The views expressed here are his own and do not necessarily reflect those of the PECC nor its members.



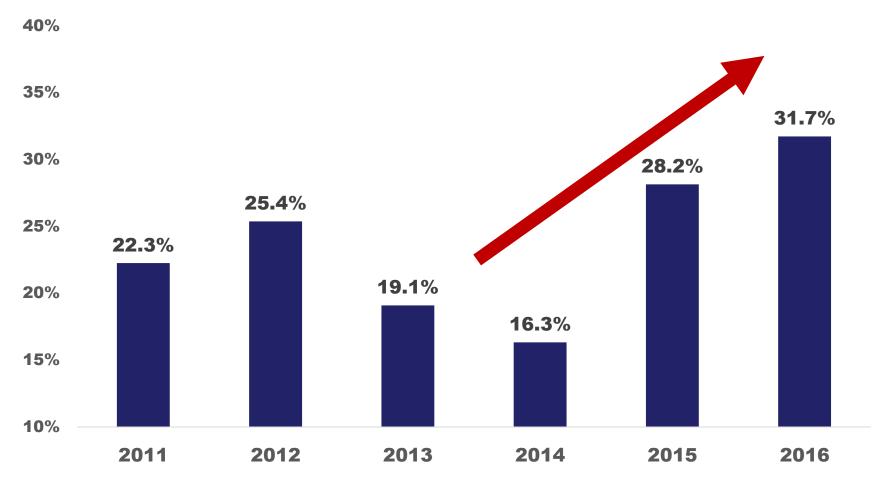
Top Risks to Growth



Question: Please select the top five risks to growth for your economy over the next 2-3 years.



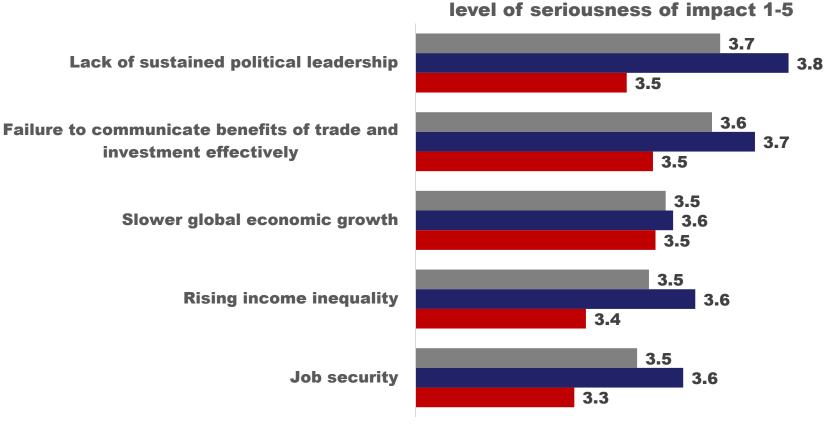
Risk of Protectionism on an Upward Trend



■ % of respondents who selected protectionism as a risk to growth

What impacts attitudes towards trade and investment?







Question: Please rate each of the following from 1 to 5 on the impact they have on attitudes towards freer trade and investment in your economy.

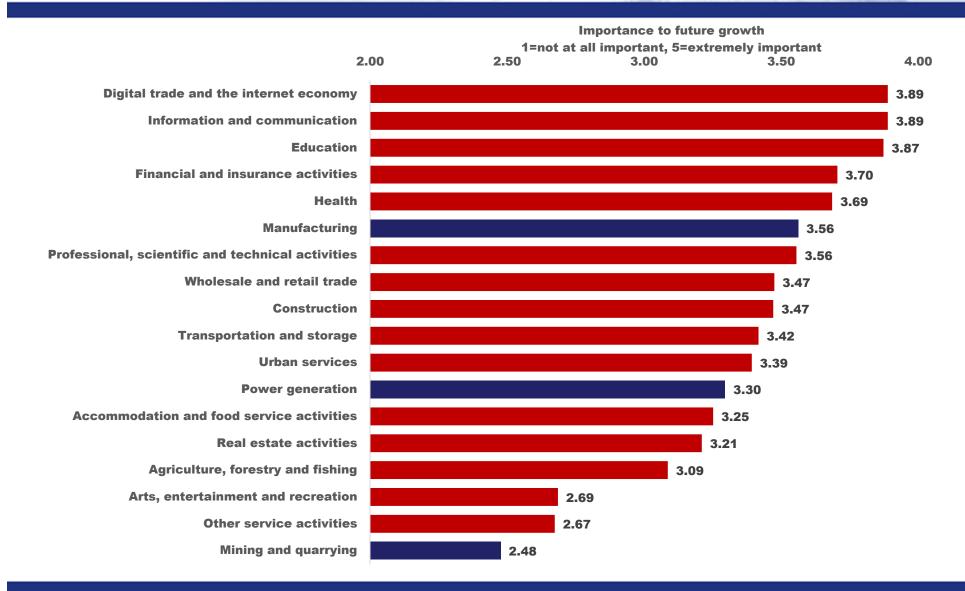


Priority Issues for promoting inclusive growth

	0%	20%	40%	60%	80%
Education and vocational training for workers displaced by trade and technological changes					73.4%
Structural reforms to improve the functioning o markets	f				70.5%
Trade-related infrastructure (eg ports, airports logistics services)	, 				70.4%
Policies that assist SMEs in entering into globa supply/value chains	1			64	.5%
Effective and fiscally sustainable social safety net	s			61.8	8%
Labor market reforms to allow greater flexibilit	y			59.1%	, D
Effective and progressive tax policies	s			56.4%	

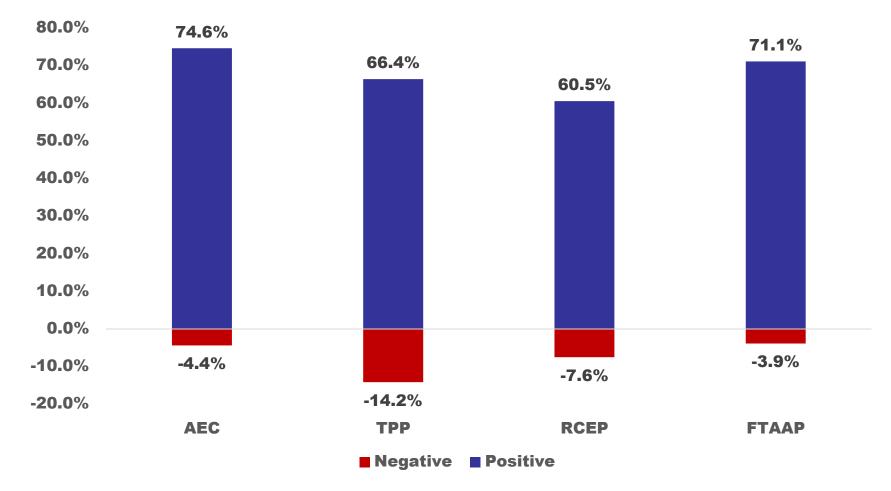
New Economy Will Drive Future Growth







Perceptions of Impact of RTAs Overwhelmingly Positive

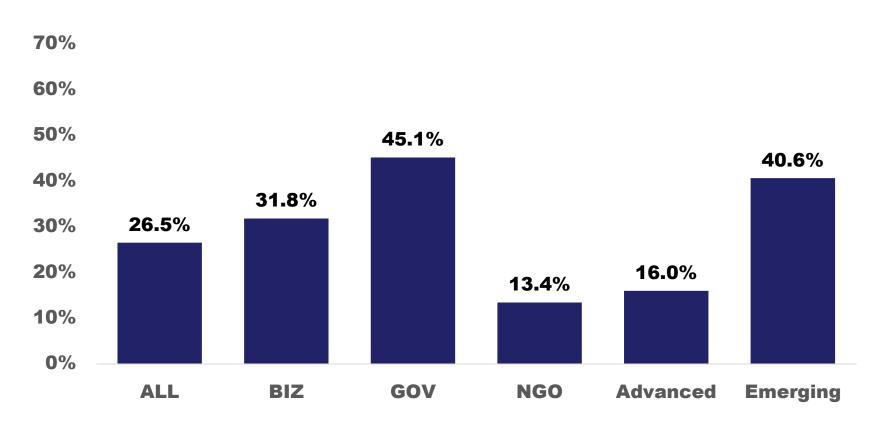


Question: How do you think each of the following initiatives, if they are achieved, will impact your economy?



Assessment of Political Environment for Freer Trade in the Region

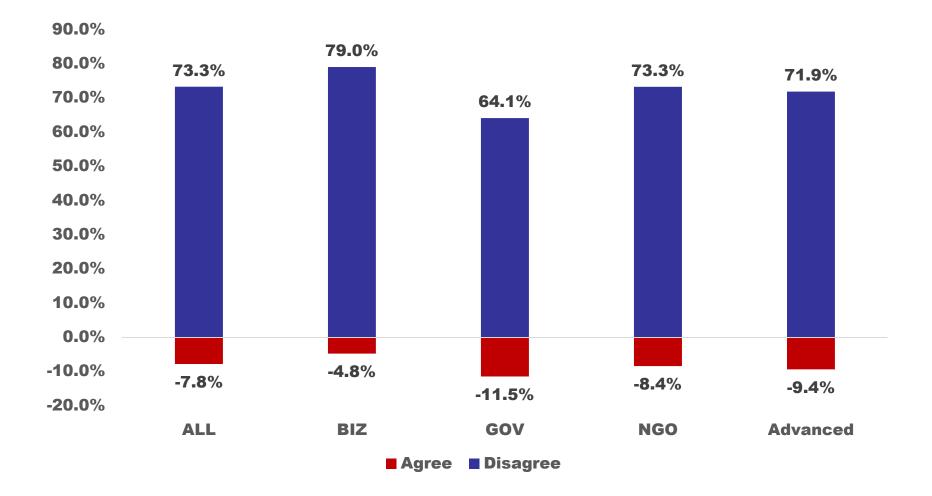




Question: How do you assess the political environment for Asia-Pacific freer trade and investment in the coming five years?

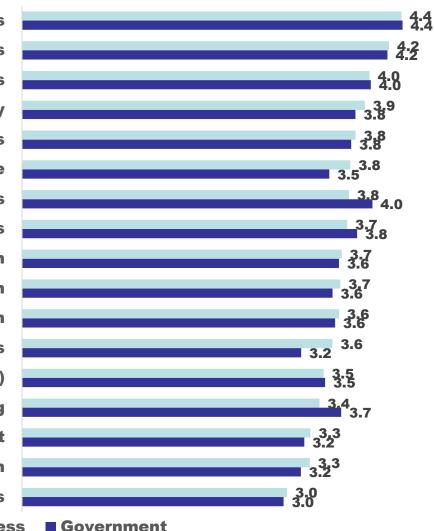


APEC should focus its work on trade policy to achieving a Free Trade Area of the Asia-Pacific (FTAAP)



What issues should Asia-Pacific Trade Agreements Address?

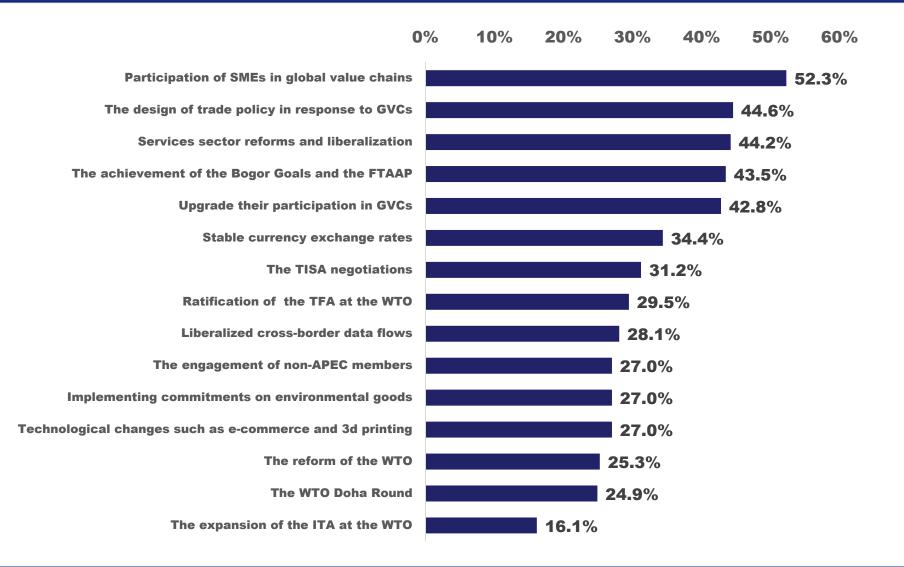




Transparency in regulations Investment access Services market access **Intellectual property Manufacturing market access E-commerce Agricultural market access Consistent product standards Environmental protection** Simple rules of origin Competition **Movement of persons Sanitary and Phytosanitary Standards (SPS) Cooperation, capacity building Government procurement** Labor protection **State-owned enterprises** Business

...but top trade issues...







Conclusions

- Rising protectionism and slower trade growth seen as top risks to growth
- Factors influencing attitudes towards trade differ
 - higher income economies stress jobs and inequality more
 - emerging economies more on communicating benefits
- Services sector especially internet/digital economy growth driver
- Economic benefits of RTAs seen as positive but political economy challenging
- FTAAP as a concept should be central focus for APEC work BUT business community puts higher priority on other issues
 - How to move forward
 - Keep momentum going in the pathways
 - Multiyear work programs next generation issues especially promoting more inclusive trade
 - More focus on 'cooperation' what are we doing domestically next generation issues?
 - 'organ donors'?