

## THE 25<sup>TH</sup> APEC ECONOMIC LEADERS' MEETING

Da Nang, Viet Nam  
11 November 2017

### Da Nang Declaration

#### *Creating New Dynamism, Fostering a Shared Future*

1. We, the Leaders of APEC, gathered in Da Nang, Viet Nam under the theme *Creating New Dynamism, Fostering a Shared Future*, determined to take bolder and sustained collective actions to inject new dynamism into APEC cooperation to promote sustainable, innovative and inclusive growth, deepen regional economic integration, realize the full potential of the business sector, particularly micro, small and medium-sized enterprises (MSMEs), and enhance food security and sustainable agriculture.
2. A quarter-century after the first APEC Economic Leaders' Meeting, APEC has proven to be the premier economic forum in the Asia-Pacific, a driver of economic growth and integration, an incubator of ideas for future economic cooperation, a coordinating mechanism of trade agreements, and a global leader in addressing pressing problems. For nearly three decades, APEC has contributed to sustaining growth and advancing economic integration in the Asia-Pacific region, a process that has created millions of jobs and lifted hundreds of millions out of poverty.
3. We meet at a time when the regional and global landscapes have experienced complex and fundamental shifts, coupled with the emergence of far-reaching challenges and opportunities. Regional and global economic recovery is on firmer footing, but medium and long-term risks remain. The Fourth Industrial Revolution and advancements in technology are altering the nature of work, transforming our societies and the ways we connect and interact. Trade and investment have brought unprecedented prosperity to the Asia-Pacific region, but serious challenges persist.
4. We, therefore, recommit to our common purpose – to foster a shared future of a peaceful, stable, dynamic, inter-connected and prosperous Asia-Pacific community. We reaffirm our support for the 2030 Agenda for Sustainable Development, as a framework for inclusive growth.
5. We reaffirm our long-standing commitment to APEC's mission of supporting sustainable economic growth and prosperity in the Asia-Pacific region. Recognizing the significant challenges our economies face, we pledge to work together and take the following actions:

#### **I. Promoting Innovative Growth, Inclusion and Sustainable Employment**

##### ***Quality Growth, Structural Reform and Innovation***

6. We reaffirm our aspirations towards balanced, inclusive, sustainable, innovative, and secure growth in the APEC region through monetary, fiscal and structural policies, individually and collectively, and highlight the importance of achieving quality growth.
7. We underscore that structural reform, including competition policy, ease of doing business, regulatory reform, strengthening economic and legal infrastructure, corporate and public sector governance, and promoting human capital development, is key to balanced, sustainable, innovative and inclusive growth, job creation, productivity and competitiveness. We reaffirm our commitment to foster integrity in the public and private sectors and fighting corruption and bribery, and denying safe havens for corrupt officials and stolen assets. We instruct economic and finance officials to work jointly on the 2018 APEC Economic Policy Report on Structural Reform and Infrastructure.

8. We emphasize the importance of innovation, science and technology as key drivers for economic growth and international trade and investment in the APEC region. We recognize the vital importance of continuing to work for quality and equitable education to enable people of all ages to meet the challenges of rapid changes in today's world. We commit to promoting science, technology, engineering and mathematics (STEM) education and the pursuit of STEM-based entrepreneurship.
9. We resolve to enhance energy security to sustain economic growth in the APEC region. We encourage the facilitation of energy-related trade and investment, enhancement of access to affordable and reliable energy, and promotion of sustainable, efficient, and clean energy sources, which, in particular, would contribute to reducing global greenhouse gas emissions.
10. We note the need for urbanization to be people-oriented, sound and sustainable and encourage knowledge sharing and policy exchange in this area.

### ***Economic, Financial and Social Inclusion in a Globalized World***

11. Recognizing new opportunities and emerging challenges presented by globalization and digital transformation, we resolve to advance economic, financial and social inclusion, with a vision to build an inclusive, accessible, sustainable, healthy and resilient APEC community by 2030, consistent with the 2030 Agenda for Sustainable Development. We endorse the APEC Action Agenda on Advancing Economic, Financial and Social Inclusion (Annex A) to guide our efforts moving forward. We commit to advance progress towards achieving full, productive and quality employment and equal pay for equal work; ensure access to banking, insurance and financial services, and increase financial literacy and capability of all to access finance; and progressively achieve and sustain income growth for all members of society, especially women, and youth, persons with disabilities and other vulnerable groups, and enable them to seize global opportunities. We encourage APEC economies to invest in their health systems to increase productivity and economic growth.
12. Acknowledging that greater economic participation by women spurs economic growth, we encourage economies and the private sector to implement initiatives that enhance women's economic empowerment, improve women's access to capital, assets and markets, increase women's participation in high-growth and high-wage sectors, and promote women's leadership, entrepreneurship, skills and competencies.

### ***Quality Human Resources Development in the Digital Age***

13. We place importance on the need to prepare our people and all workers, especially vulnerable groups, for the changing world of work. We endorse the APEC Framework on Human Resources Development in the Digital Age (Annex B). We are committed to strengthening human resources development, including through education and life-long learning, technical and vocational education and training (TVET), and up- and re-skilling to increase workers' employability, mobility and preparedness for the digital age; and ensure that active labor market policies can better match the needs of the labor market with various aspects of skills training and development.

## **II. Creating New Drivers for Regional Economic Integration**

### ***Advancing Free and Open Trade and Investment***

14. We commit to attaining the Bogor Goals of free and open trade and investment in the Asia-Pacific region. We agree to accelerate efforts to address WTO-inconsistent barriers to trade and investment and take concrete actions towards the achievement of the Bogor Goals by 2020. We also note the importance of non-discriminatory, reciprocal and mutually advantageous trade and investment frameworks. We will work together to make trade more inclusive, support improved market access opportunities, and address unfair trade practices. We urgently call for the removal of market-distorting subsidies and other types of support by governments and related entities.
15. We are committed to carrying out further actions to promote an enabling and conducive environment for investment in the Asia-Pacific region.

16. We will work together to realize the potential of the internet and digital economy, including through appropriate regulatory and policy frameworks, and taking into account fair competition to encourage investment and innovation. We welcome the adoption of the APEC Internet and Digital Economy Roadmap and the APEC Framework on Cross-border E-commerce Facilitation. We will consider actions to facilitate the development of the internet and digital economy, including e-commerce and digital trade.
17. We are committed to further actions to increase APEC's competitiveness in the services sector by 2025 and intensifying our efforts to address barriers that inhibit our businesses from competing or trading in services markets.

#### ***Free Trade Area of the Asia-Pacific (FTAAP)***

18. We reaffirm our commitment to advance in a comprehensive and systematic manner the process toward the eventual realization of an FTAAP to further APEC's regional economic integration agenda. We commend the efforts of economies to advance work related to the eventual realization of an FTAAP, including capacity building initiatives and information sharing mechanism. We encourage economies to make further progress and to develop work programs to enhance APEC economies' ability to participate in high quality, comprehensive free trade agreement negotiations in the future.

#### ***Multilateral Trading System***

19. We welcome the entry into force of the World Trade Organization (WTO) Trade Facilitation Agreement (TFA) and call for its full implementation, recognizing that it helps bring about meaningful and widespread benefits for all economies and businesses. We commit to work with other members of the WTO towards a successful 11<sup>th</sup> WTO Ministerial Conference.
20. We underline APEC's crucial role in support of a rules-based, free, open, fair, transparent, and inclusive multilateral trading system. We commit to work together to improve the functioning of the WTO, including its negotiating, monitoring, and dispute settlement functions, to adequately address challenges facing the system, bringing benefits to all of our people and businesses. We will work to ensure the effective and timely enforcement of the WTO rules.
21. We note the importance of bilateral, regional and plurilateral agreements, and commit to working to ensure they complement the multilateral trade agreements.
22. We will strive for a climate conducive to investment and job creation. We will work to ensure a level playing field through continuing APEC's leadership in pursuing open markets. We recall our pledge to extend our standstill commitment until the end of 2020 and recommit to fight protectionism, including all unfair trade practices, recognizing the role of legitimate trade defence instruments.

#### ***Fostering Regional and Sub-regional Comprehensive and Inclusive Connectivity***

23. We reaffirm our commitment to build a seamless and comprehensively connected and integrated Asia-Pacific by 2025. In this regard, we welcome economies' efforts in promoting cooperation to advance policy collaboration, trade facilitation, connectivity, financing, and people-to-people exchanges. We reiterate the importance of quality infrastructure for sustainable economic growth and pledge to promote infrastructure in terms of both quantity and quality through adequate investment and strengthened public-private partnership. We encourage further collaboration and synergy among various connectivity initiatives and work on advancing economic development and integration of sub-regional, rural and remote areas in the region, including efforts to develop safe, secure, resilient, efficient, affordable and sustainable transportation systems.
24. We underline the need to develop policies that take full advantage of global value chains. We encourage further actions to enable better participation, greater value added and upward mobility of developing economies and MSMEs in GVCs. We appreciate initiatives such as Asia-Pacific Model E-port Network and APEC Green Supply Chain Network and their positive contribution to supply chain connectivity.

25. We commit to promote sustainable tourism, and explore its potential for development in remote areas as an important part of APEC economic growth strategies and enhanced people-to-people connectivity. We are determined to reach the target of 800 million APEC tourist arrivals by 2025.
26. We express concern over the growing threat of terrorism in the APEC region, which stems from ISIL, Al-Qaida and other terrorist organizations, and is exacerbated by the cross-border travel of foreign terrorist fighters and emerging sources and channels of terrorist financing. APEC economies commit to continually and effectively respond to the terrorist challenges in the region and their economic impact, as guided by APEC's strategy to secure supply chains, travel, finance, and infrastructure.
27. As the Asia-Pacific is highly exposed to natural disasters, we commit to strengthen cooperation, including with the private sector, to enhance resilience to disasters through effective mitigation, preparedness, disaster risk reduction, response and recovery efforts. This includes advancement in policy, innovation, science and technology, business continuity planning, early warning systems, and search and rescue. We underline the importance of financial instruments and policies against disaster risks.

### **III. Strengthening the Capacity and Innovation of MSMEs**

28. We commit to strengthen the ability of MSMEs to compete in international markets and participate in global value chains through the following actions:
  - Increase MSME's innovation capacities, including by facilitating their access to finance, technology and capacity building, especially for women and youth-led businesses;
  - Improve access to the internet and digital infrastructure;
  - Enhance MSMEs digital capabilities, competitiveness and resilience;
  - Create an enabling environment for MSMEs, including by promoting business ethics; and
  - Support start-ups through establishing an innovative start-up ecosystem with conducive regulatory frameworks that promote a business-friendly environment, ensuring access to resources, and building start-up networks and partnership.
29. Acknowledging efforts to promote supporting industries, we encourage economies to enhance competitiveness and facilitate industries' participation in global value chains.
30. We welcome the endorsement of the APEC Strategy for Green, Sustainable and Innovative MSMEs.

### **IV. Enhancing Food Security and Sustainable Agriculture in Response to Climate Change**

31. We underscore that APEC can play a key role in ensuring food security and sustainable agriculture, aquaculture and fisheries in the Asia-Pacific region and beyond, particularly in the context of climate change and rural-urban development. We reiterate our commitment to achieve a sustainable APEC food system by 2020. We welcome the adoption of the Food Security and Climate Change Multi-Year Action Plan 2018-2020. We urge economies to work together to promote sustainable agriculture, aquaculture and fisheries to assess and reduce food loss and waste, enhance food safety, agricultural productivity and resilience against climate change, and reduce greenhouse gas emissions, where appropriate.
32. We commit to take actions to enhance regional food markets, food standards and supply chain connectivity to reduce costs of food trade, improve market transparency and help both importing and exporting economies adapt to food price volatility. We recognize that APEC can contribute to addressing challenges to food security, including by taking steps to integrate food producers into domestic and global food supply and value chains, address chokepoints arising from infrastructure gaps, and burdensome and unnecessarily restrictive trade measures. We underscore the need for an enabling policy and regulatory environment to facilitate investment in rural infrastructure, logistics and agro-industry to improve the connectivity of food markets. We support public-private partnerships on strengthening rural-urban development at the economy and regional levels. We welcome the adoption of the APEC Action Plan on Rural-Urban Development to Strengthen Food Security and Quality Growth.

33. We reaffirm our commitment to promote sustainable management of natural resources in achieving sustainable food security and higher productivity of the agriculture, aquaculture and fisheries sectors. We commit to continue to foster APEC cooperation on sustainable use and integrated management of land, forest, marine and water resources, through trans-boundary cooperation and collective efforts.

#### **V. Fostering a Shared Future**

34. We appreciate deliberations on APEC toward 2020 and beyond that started in Peru in 2016 and furthered in Viet Nam, as the Bogor Goals target date approaches and APEC is about to enter its fourth decade. We look forward to APEC intensifying efforts to achieve free and open trade and investment in the region by 2020 and setting a strategic, aspirational and action-oriented vision for its future.
35. We reaffirm our enduring commitment to underwrite dynamism, inclusiveness and prosperity of the Asia-Pacific region and to build a responsive, responsible and people- and business-centered APEC toward a shared future – resilient to challenges and accountable to its businesses, workers and people. We pledge to uphold the Asia-Pacific partnership based on mutual respect and trust, inclusiveness and mutually beneficial cooperation. We recognize APEC’s contribution toward achieving sustainable development. We further encourage the participation of relevant stakeholders in APEC cooperation so that cooperation achievements can benefit larger population across the Asia-Pacific.
36. We are committed to carrying out further concerted actions to maintain APEC as a key driver of regional and global economic growth and integration and a major contributor to the regional economic architecture. We welcome members’ initiatives that promote trade and investment in the region. In an increasingly interconnected world, we pledge to enhance synergy and complementarities with other regional and international institutions and fora. In this connection, we congratulate the ASEAN on its 50<sup>th</sup> Anniversary and commend its contributions to regional development and prosperity. We will strengthen APEC's global leadership in addressing the most pressing economic challenges.
37. We welcome the establishment of the APEC Vision Group to assist Senior Officials in shaping the post-2020 Vision, including through consultations with relevant stakeholders. This Vision would build upon past achievements, addresses unfinished business, and explore new areas of cooperation to better respond to new and emerging challenges and pressing issues in the coming decades.
38. We highlight the importance and welcome the contribution of capacity building efforts by member economies. In this regard, we note with appreciation new initiatives, including the establishment of the Women and the Economy Sub-fund, and encourage more contributions, especially untied contributions.
39. We thank Viet Nam for its leadership this year, eleven years after its first hosting of APEC, in advancing the APEC process built on the vision and work of the previous APEC hosts.
- We look forward to meeting again in Papua New Guinea in 2018.

---

#### **Annexes:**

Annex A: APEC Action Agenda on Advancing Economic, Financial and Social Inclusion

Annex B: APEC Framework on Human Resources Development in the Digital Age