



**Asia-Pacific
Economic Cooperation**

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**Chair's Statement on the Free Trade Area of the
Asia-Pacific, the COVID-19 Pandemic and Beyond -
Ministers Responsible for Trade Meeting 2022**



**Ministers Responsible for Trade Meeting
Bangkok, Thailand
21-22 May 2022**

**APEC Ministers Responsible for Trade (MRT) Chair's Statement
on the Free Trade Area of the Asia-Pacific, the COVID-19 pandemic and beyond**

1. The diverse inputs were presented and discussed at the Public Private Dialogue (PPD) between APEC Ministers Responsible for Trade (MRT) and APEC Business Advisory Council (ABAC), which was held on 21 May 2022 at the margin of the APEC MRT Meeting in Bangkok, Thailand. The MRT Chair presented the following un-unified but prevailing views of APEC economies.
2. The PPD had an engaging discussion on the Free Trade Area of the Asia-Pacific (FTAAP) and implications of the COVID-19 pandemic on APEC's future work on the regional economic integration agenda.
3. The COVID-19 pandemic has presented our region with unprecedented challenges, yet not let the progress towards the attainment of APEC's collective aspiration and long-term goal of free and open trade and investment in the Asia-Pacific be jeopardised. Therefore, it is important to ensure that APEC's work on FTAAP contributes to our region's economic recovery and growth in a sustainable and inclusive manner and to ensure that the region is well-prepared for similar future crises.
4. To take stock of progress, considerable work were undertaken following the Lima Declaration on FTAAP in 2016, including the implementation of more than 120 initiatives addressing both traditional and next generation trade and investment issues, for instance, in the areas of non-tariff measures, services, customs procedure, digital trade and e-commerce, and environment.
5. Recent developments are noted on regional undertakings including not only those which have long been regarded as the FTAAP pathways, but also newer initiatives where the work on FTAAP could usefully draw upon. The work on the FTAAP agenda may cover trade facilitation and e-commerce—which are particularly helpful in addressing pandemic-induced shocks to the region and ensuring that the work on FTAAP remains on course.
6. Cognizant of APEC's role as an incubator of ideas, there remains challenges, gaps and areas of divergence among APEC economies in regard to some elements of the FTAAP agenda, but, at the same time, an emerging consensus is on the need for a refreshed conversation on FTAAP in the light of the pandemic.
7. ABAC, a longstanding key stakeholder, articulated the business sector perspective and priorities and called for, *inter alia*, convergence of high-quality approaches in pathway agreement, ratification and implementation of the RCEP, development of high-quality rules in next generation and investment issue, economic participation for MSMEs, women and other underserved groups and trade policy approaches for climate change.

8. Meanwhile, the meeting highlighted the need to address both traditional trade and investment issues—such as non-tariff measures, trade in services, customs procedure and trade facilitation, and transparency rules—whose continued relevance is amply manifested by their importance in tackling the immediate economic consequences of the pandemic, as well as next generation issues which may include, for example, e-commerce, digital trade and digital economy, MSMEs, women, trade and environment, supply chain connectivity, and response to climate change.
9. APEC is well-regarded for its strengths and breadth of experience in capacity building and information sharing and such tools are appropriate for pursuing future, updated work on FTAAP. The works on FTAAP agenda could be carried out through different modalities including capacity-building, technical assistance and knowledge sharing, in view of supporting Leader’s mandate in the APEC Putrajaya Vision 2040 and the Aotearoa Action Plan (APA).
10. To this end, it is considerable that APEC needs to take forward the work on FTAAP in a manner that reaffirms the importance of equal partnership, shared responsibility, mutual respect, and common interest and benefit. In this respect, the meeting encouraged officials to continue their works on FTAAP to reopen and reconnect the economy in the region in a balanced manner
