

2023/MRT/JMS

## Statement of the Chair - Ministers Responsible for Trade Meeting 2023



Ministers Responsible for Trade Meeting Detroit, United States 25-26 May 2023

## 2023 APEC Ministers Responsible for Trade Statement of the Chair Detroit, The United States | 26 May 2023

All APEC ministers responsible for trade agreed to paragraphs 1 - 3 and 5 - 13.

- We, the Asia-Pacific Economic Cooperation (APEC) Ministers Responsible for Trade (MRT), met in Detroit, Michigan, the United States of America from 25-26 May 2023, chaired by Ambassador Katherine Tai. We welcomed participation in the meeting of the Director-General of the World Trade Organization (WTO), the APEC Business Advisory Council (ABAC), the Pacific Economic Cooperation Council (PECC), and the Association of Southeast Asian Nations (ASEAN). We express our collective appreciation to the City of Detroit for the warm welcome extended for this meeting.
- 2. We reiterate our strong commitment towards the achievement of the APEC Putrajaya Vision 2040, including through the implementation of the Aotearoa Plan of Action, to realise an open, dynamic, resilient and peaceful Asia-Pacific community by 2040, for the prosperity of all our people and future generations. We reaffirm our determination to deliver a free, open, fair, non-discriminatory, transparent, inclusive and predictable trade and investment environment. We also reaffirm the importance of and commit to upholding and further strengthening the rules-based multilateral trading system, with the WTO at its core. We will continue to work to ensure a level playing field to foster a favourable trade and investment environment to keep markets open and to address supply chain disruptions.
- 3. Taking inspiration from the APEC 2023 theme of "Creating a Resilient and Sustainable Future for All," and the policy priorities of building a more interconnected, innovative, and inclusive APEC region, we discussed the critical role APEC plays in advancing sustainable and inclusive trade and investment in the Asia-Pacific region. In doing so, we reaffirmed our Leaders' 2022 commitment in the Bangkok Goals on Bio-Circular-Green Economy, particularly on the importance of advancing sustainable and inclusive trade and inclusive trade and investment. We encourage all economies to take actions in support of the full implementation of the Bangkok Goals.
- 4. As our Leaders highlighted last November, we have witnessed the war in Ukraine further adversely impact the global economy. There was a discussion on the issue. We reiterated our positions as expressed in other fora, including the UN Security Council and the UN General Assembly, which, in Resolution No. ES-11/1 dated 2 March 2022, as adopted by majority vote (141 votes for, 5 against, 35 abstentions, 12 absent) deplores in the strongest terms the aggression by the Russian Federation against Ukraine and demands its complete and unconditional withdrawal from the territory of Ukraine. Most members strongly condemned the war in Ukraine and stressed it is causing immense human suffering and exacerbating existing fragilities in the global economy constraining growth, increasing inflation, disrupting supply chains, heightening energy and food insecurity, and elevating financial stability risks. There were other views and different assessments of the situation and sanctions. Recognizing that APEC is not the forum to resolve security issues, we acknowledge that security issues can have significant consequences for the global economy.<sup>[1]</sup>
- 5. The rules-based multilateral trading system continues to catalyse our region's extraordinary growth. In that regard, we will continue to support necessary reform to improve all of the WTO's functions, so that Members can better achieve the WTO's foundational objectives and address existing and emerging global trade challenges. We reiterate our commitment to the reform pathway that was agreed at the Twelfth WTO Ministerial Conference (MC12), such as the commitment to conduct discussions with the view to having a fully and well-functioning dispute settlement system accessible to all WTO members by 2024. Respective APEC member participants welcome the substantial progress made on the Joint Statement Initiative (JSI) on E-Commerce and the JSI on Investment Facilitation for Development as well as efforts to implement the JSI on Services Domestic Regulation. We also reaffirm our commitment to promoting sustainable agricultural production and food systems and to facilitating trade to minimize disruptions and address food insecurity and climate challenges facing economies around the world. We look forward to the timely and effective implementation of MC12 outcomes. As WTO Members work toward positive outcomes at the Thirteenth WTO Ministerial Conference, we will continue to lend our

support through our leadership and our role as an incubator of ideas.

- 6. We remain actively engaged in overcoming shared challenges related to the environment, including climate change, food security, supply chain disruptions, and impacts of the global pandemic, and recognise the positive role that trade can play in building greater resilience to confront these and future challenges. We encourage the promotion of trade and investment in products that lead to positive environmental outcomes, such as those which are energy- and resource-efficient and reduce waste and greenhouse gas emissions, including through circular economy approaches. We instruct officials to begin work to develop a Framework of Discussions for Producing an APEC Reference List of Environmental Goods in support of developing a new, voluntary, non-binding APEC Reference List of Environmental Goods in accordance with the agreed recommendations. We welcome continued implementation of the APEC Work Plan on Environmental Goods and cooperation in the area of environmental goods. As a means to achieve sustainable and inclusive growth, building on our previous work, we are also committed to promoting intellectual property rights through policies and programs that advance innovation and creativity. We recalled our commitment to rationalise and phase out inefficient fossil fuel subsidies that encourage wasteful consumption, while providing those in need with essential energy services.
- 7. We are committed to ensuring the benefits of trade and investment extend to all our people, including through the full and accelerated implementation of the La Serena Roadmap on Women and Inclusive Growth. Understanding the significant benefits trade and investment can offer to communities within the APEC region, we are committed to promoting trade policies and supporting technical cooperation and capacity building that value inclusivity, foster the transition to the formal economy, and remove barriers to trade, to enhance participation in local, regional, and global economies including for MSMEs, women, and other groups with untapped economic potential including Indigenous Peoples as appropriate, persons with disabilities and people from rural and remote areas. We further acknowledge the importance of stakeholder engagement when developing trade policies, including trade agreements. Only by recognising the unique needs and interests of all stakeholders can we ensure that trade equitably benefits all of our people and economies and that the policies we are advancing are inclusive. We welcome the work done thus far in APEC and task officials to build off this and our discussion in Detroit with an aim to identify practical ways to integrate inclusion and sustainability into trade policy by the end of this host year.
- 8. We underscore our commitment to advance economic integration in the region in a manner that is market-driven, including through the work on the Free Trade Area of the Asia-Pacific (FTAAP) agenda. To this end, we will enhance our capacity building and technical cooperation efforts in support of economies' readiness to participate in high quality and comprehensive regional undertakings. In support of the FTAAP agenda Work Plan, we ask the PSU to prepare a review of the work done by APEC in moving forward the FTAAP agenda and to prepare a study on areas of convergence and divergence across all chapters of relevant trade agreements in the region, consistent with Leaders' and Ministers' instructions including the Aotearoa Plan of Action. We thank ABAC and PECC for their advocacy and analysis to advance the FTAAP agenda.
- 9. Digital technology and innovation have a greater role to play in advancing inclusive and sustainable growth. We reaffirm our call to accelerate the implementation of the APEC Internet and Digital Economy Roadmap, which prioritizes actions that support inclusive, sustainable and innovative economic growth, including the facilitation of e-commerce and advancing cooperation on digital trade. We welcome the 'Principles for the Interoperability of Electronic Invoicing Systems in the APEC Region' (Annex 1), which promote interoperable approaches and the use of digital technologies to facilitate trade and investment. We will accelerate digital transformation and cooperate on facilitating the flow of data and strengthening business and consumer trust in digital transactions, including through cooperation on regulatory approaches regarding the internet and digital economy as well as consumer protection in the digital infrastructure and facilitating access to information and communication technology goods and services, and ensuring that no one is left behind by equipping all people with the necessary skills needed to thrive in the digital economy.

- 10. We acknowledge the benefits of Good Regulatory Practices (GRP) in supporting greater transparency and predictability in the regulatory environment. Efforts to make public consultations more inclusive, use technology to facilitate access to regulatory information, improve internal coordination and planning, and other actions lead to a more connected, sustainable, innovative, and dynamic region. In this regard, we welcome work by economies towards finalisation of the GRP Blueprint and look forward to a successful 16th Conference on Good Regulatory Practices. We also recognise the valuable role regulatory cooperation can play in facilitating trade, promoting greater regulatory compatibility among APEC economies and in meeting shared challenges.
- 11. We underscore the critical role trade plays in building a resilient and interconnected region that advances inclusive economic prosperity. We will further implement the APEC Connectivity Blueprint (2015-2025). We will strengthen physical, institutional and people-to-people connectivity as well as take advantage of digital connectivity, and will intensify efforts to promote regional, sub-regional and remote area connectivity through quality infrastructure development and investment. We continue to support progress on the Phase Three of the Supply Chain Connectivity Framework Action Plan (SCFAP III) to address chokepoints that hinder the ability of our businesses to establish secure, resilient, sustainable, and open supply chains. We commend the Committee on Trade and Investment's work with the APEC Policy Support Unit (PSU) to develop targeted and measurable benchmarks for the SCFAP III. We also reiterate our commitment to accelerate the implementation of the WTO Trade Facilitation Agreement, including provisions that support disaster response and recovery and that speed the flow of humanitarian relief shipments. We recognize APEC's efforts to adopt enabling technologies to facilitate efficient and seamless business travel in the region and welcome economies' uptake and acceptance of the virtual APEC Business Travel Card.
- 12. We reiterate the importance of implementing the APEC Services Competitiveness Roadmap (ASCR) to achieve its targets by 2025. To that end, we welcome the cross-fora cooperation among the Group on Services (GOS), the Economic Committee, and the Digital Economy Steering Group on structural reform in the services sector in favor of openness, balance, transparency, and inclusivity, as well as the related work in GOS on services domestic regulation. We also welcome the work on logistics services that support the movement of essential goods and capacity building activities on mutual recognition of professional qualifications, licensing, and accreditation for facilitating trade in professional services. We welcome the APEC Non-binding Guidelines on Services that Support the Clean-up of Marine Debris set out in Annex 2 to engage services in addressing the problem of marine debris, as referenced in the APEC Roadmap on Marine Debris. We welcome intensifying efforts this year on the APEC Index on the Regulatory Environment of Services Trade.
- 13. We thank the United States for hosting the APEC MRT meeting and look forward to advancing this conversation in November.

<sup>&</sup>lt;sup>[1]</sup> Paragraph 4 of this document, taken from the APEC Bangkok Leaders' Declaration from November 19, 2022, was agreed to by all member economies except the People's Republic of China and the Russian Federation.