



**Asia-Pacific
Economic Cooperation**

APEC AND THE PHILIPPINES



PHILIPPINES
APEC NATIONAL SECRETARIAT
INTERNATIONAL ECONOMIC COOPERATION
Department of Foreign Affairs

APEC Spark

AUS PM Bob Hawke Policy Speech, Jan 1989

- Government-level edition of the second track vehicle to the Pacific Economic Co-operation Conference
- An Asia Pacific version of the OECD
- Rise of newly industrializing economies



Source: APEC Australia

APEC Agenda

- **1994 Bogor Goals:** attaining free and open trade and investment in the Asia-Pacific by **2010 for industrialized economies** and **2020 for developing economies**; Open Regionalism
- **APEC Putrajaya Vision 2040:** Our Vision is an open, dynamic, resilient and peaceful Asia-Pacific community by 2040, for the prosperity of all our people and future generations. Remaining committed to APEC's mission and its voluntary, non-binding and consensus-building principles, we will achieve this Vision by pursuing the following three economic drivers: Trade and Investment, Innovation and Digitalization, Strong, Balanced, Secure, Sustainable and Inclusive Growth.

APEC Agenda

1. Trade and Investment Liberalization

- ✓ Tariff and non-tariff barriers
- ✓ Regional economic integration

2. Business Facilitation

- ✓ Ease of Doing Business
- ✓ Structural reform
- ✓ Supply chain connectivity

3. Economic and Technical Cooperation

- ✓ Capacity building

APEC Agenda Expanded Scope

- ✓ **Counter-terrorism**
- ✓ **Health pandemics**
- ✓ **Emergency preparedness**
- ✓ **Climate change mitigation**

APEC: Evolving Landscape

1989–1999



A word cloud for the period 1989-1999. The most prominent words are 'economic', 'trade', 'development', 'investment', 'regional', 'growth', 'cooperation', and 'multilateral'. Other visible words include 'liberalization', 'international', 'business', 'financial', 'future', 'wto', 'open', 'new', 'action', 'capital', 'private', 'social', 'global', 'ministerial', 'technology', and 'markets'.

2000–2009



A word cloud for the period 2000-2009. The most prominent words are 'trade', 'economic', 'development', 'investment', 'regional', 'growth', 'cooperation', and 'business'. Other visible words include 'financial', 'agenda', 'new', 'open', 'action', 'goals', 'capacity', 'energy', 'security', 'wto', 'bogor', 'social', 'global', and 'progress'.

2010–2018



A word cloud for the period 2010-2018. The most prominent words are 'development', 'economic', 'growth', 'trade', 'investment', and 'sustainable'. Other visible words include 'reform', 'inclusive', 'address', 'free', 'vision', 'agenda', 'wto', 'global', 'regional', 'services', 'energy', 'goals', 'open', 'security', 'ftaap', 'enhance', 'new', 'future', 'continue', 'digital', 'innovation', and 'building'.

Source: APEC policy Support Unit

We Belong: APEC and the World

- The APEC region is home to an estimated 2.9B people, or **38% of the 2018 global population**.
- The region's combined nominal GDP was USD51T in 2018, or **60% of the global GDP**.
- APEC Accounted for **47% of global trade** in merchandise goods and commercial services in 2018.
- APEC members referred to as “**member economies**,” underpinned by concept of custom territory not sovereignty
- Predominantly concerned with trade and economic issues, with members engaging with one another as economic entities

We Belong: Philippines and APEC

- We are a founding member of APEC
- Majority of PH economic and commercial transactions around the world occurs within the confines of the 21 member economies of APEC.
 - 11 of the Philippines' top 15 trading partners are APEC members.
 - Over 5.7 million out of 10.2 million, or 56% of Filipinos abroad call the APEC region home. They are responsible for about 57% of remittances making its way into the Philippine economy.
 - APEC economies account for 84% of the total trade of the Philippines worldwide; 82% of total PH exports worldwide; and 85% of total imports from the world.
 - About 64% of FDI into the Philippines come from APEC.
 - Visitors to the Philippines from APEC comprised 83% of tourist arrivals.
- There are 33 Philippine Government partner agencies engaged in APEC's broad agenda ranging from trade and investment, customs procedures and regulatory reform to women's economic empowerment, mental health and health industry ethics.

We Benefit

APEC and Capacity Building

- Access to capacity building projects across APEC valued at nearly USD50 million in the last 5 years.
- Over 1,600 Capacity Building Projects since 1993
- Includes Workshops and seminars
- Conducted by APEC Working Groups and Task Forces
- From 2014 to 2019, 38 PH projects received direct APEC funding worth USD2.4 million

Trade and Investment Facilitation

- APEC Business Travel Card (ABTC) serves as a visa in 19 economies; and a privilege card for fast-track immigration lanes.
- APEC makes doing business cheaper, easier, more predictable
- APEC Cross Border Privacy Rules (CBPR) System, 2019 (a data privacy certification demonstrate compliance by companies of with internationally-recognized data privacy protections)

Economic Reform (Setting up Standards and Sharing Best Practices)

Ease of Doing Business, Regulatory Reform, Competition Policy, Fiscal Transparency, Public Sector Governance, Strengthening economic and legal infrastructure



We Are Being Heard

4. Philippine Advocacies in APEC

➤ 1996 Hosting

- The Manila Action Plan for APEC (MAPA) on Trade and Investment Liberalization and Economic and Technical Cooperation is adopted

➤ 2015 Hosting

- Micro, small, medium (MSMEs) enterprises took center stage.
- Boracay Action Agenda to Globalize MSMEs
- Iloilo Initiative to Grow MSMEs for Inclusive Development
- Cebu Action Plan (a Ten Year Roadmap building an APEC community that is more financially integrated, transparent, resilient and connected)

PH Online Initiatives: APEC Trade Data Repository, MSME Marketplace, APEC Virtual Knowledge Center on Services

Other PH Initiatives: The 2015 APEC Strategy for Strengthening Quality Growth (ASSQG), APEC Disaster Risk Reduction (DRR) Framework

APEC State of Play

2 B R Ø 2 B

Source: Kurt Vonnegut

APEC State of Play

- Existential Issues on rules-based Multilateral Trading System
- Trade Tensions Between US and China
- Bogor Goals and APEC Putrajaya Vision2040
- Indo-Pacific Region or Belt and Road
- Fourth Industrial Revolution
- Globalization 4.0
- Rising Inequality
- Circular Economy and the Blue Economy
- Covid-19 Pandemic

Recommendations

- Utilize trade agreements and trade facilitation
- Upgrade domestic facilities to meet global standards
- Align domestic regulations.
- Maximize the economy's participation to APEC by adopting policies and best practices applicable for the Philippines.
- Participation by Philippine stakeholders in seeking for APEC project funding could be strengthened through regular information dissemination activities and relevant government support.
- Information dissemination activities.
- Requirements on the issuance of an ABTC for Philippine citizens could undergo a review.



**Asia-Pacific
Economic Cooperation**

Mabuhay!



PHILIPPINES

APEC NATIONAL SECRETARIAT
INTERNATIONAL ECONOMIC COOPERATION
Department of Foreign Affairs