



## Asia-Pacific Economic Cooperation

# APEC CONNECTIVITY BLUEPRINT 2015-2025

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**Strengthening comprehensive connectivity and infrastructure development will help open up new sources of economic growth, promote co-operation and mutual assistance, and advance prosperity and the spirit of community in the Asia-Pacific region. Implementation of the APEC Connectivity Blueprint will achieve an overarching goal of strengthening physical, institutional and people-to-people connectivity. This will be done by taking agreed actions and meeting set targets by 2025 with the objective of creating a seamless and comprehensively connected and integrated Asia Pacific. The APEC Leaders at the close of the APEC Economic Leaders meeting endorsed the APEC Connectivity Blueprint 2015-2025.**

## CONTENTS OF THE APEC CONNECTIVITY BLUEPRINT

### Background

In the APEC Leaders' 2013 Declaration, we shared our aspiration to reach a seamlessly and comprehensively connected and integrated Asia-Pacific through the pillars of Physical Connectivity, Institutional Connectivity and People-to-People Connectivity.

Connectivity represents an ambitious target for a diverse

regional organisation such as APEC, but it is precisely that ambition that will drive strong and tangible achievement.

Connectivity will be important not only for Governments and business, but also for APEC as a community. By connecting APEC's developed and emerging growth centres, the region's quality of growth will improve, contributing to

the Asia-Pacific's economic prosperity and resilience.

In this regard, we note with appreciation that significant work has already been done by various APEC forums and working groups in advancing connectivity in the region. APEC economies have also undertaken substantial amounts of work to improve connectivity, both at the domestic and regional levels.



However, despite the many achievements and successes of APEC in promoting connectivity in previous years, many challenges still remain. On physical connectivity, there is still a disparity in access to and quality of physical and Information and Communications Technology (ICT) infrastructure throughout the region.

On institutional connectivity, there is also a significant gap in the ability of existing institutions to promote connectivity due to various regulatory constraints or lack of capacity.

On people-to-people connectivity, much work needs to be done to ease existing barriers to interaction and mobility, and to develop joint endeavours that will support seamless flows of people.

We have, therefore, developed this Blueprint as a strategic guide for current and

future initiatives that will bring the APEC region closer together. It is a high-level framework towards which many APEC work streams should focus their efforts.

### **The Vision of APEC Connectivity in 2025**

As stated above, we commit to strengthen physical, institutional, and people-to-people connectivity by taking agreed actions and meeting agreed targets by 2025, with the objective of achieving a seamless and comprehensively connected and integrated Asia Pacific.

In order to attain this overarching goal, APEC member economies will undertake specific tangible actions at the physical, institutional, and people-to-people pillar levels.

The Blueprint contains

existing connectivity-related initiatives; encourages reviving those initiatives that require further progress; and, proposes future initiatives for more efficient flow of goods, services, capital and people to drive APEC's progress. It is also broad in scope and adaptable to the ever-changing conditions in Asia-Pacific.

We envision the Blueprint accelerating and encouraging balanced, secure, sustainable and inclusive growth, as well as connecting growth poles in the region and bringing APEC closer together as a community.

### **Physical Connectivity**

Under Physical Connectivity, with regard to cross-sectoral issues, we will focus on improving the investment climate, enhancing infrastructure financing through public private partnerships



*We will develop, maintain and renew quality infrastructures, including energy, ICT and transport. We will seek to increase the quality and sustainability of APEC transport networks; increase broadband internet access; promote sustainable energy security; and build resiliency into the energy infrastructure.*

(PPP) and other means in APEC economies. We will adopt comprehensive assessment methods that consider key quality elements in the evaluation of infrastructure project proposals and enhance the application of good practices and people-centred investment for planning and implementing infrastructure projects.

We welcome the substantial work that has been done under the Finance Ministers' Process (FMP) to promote knowledge sharing and capacity building in the area of infrastructure PPPs.

We are pleased to note that the APEC PPP Experts Advisory Panel has launched work under the FMP, which supports, on a voluntary basis, a Pilot PPP Centre based in Indonesia. We note with appreciation the role of the Panel in helping APEC economies tap into private sector sources of funding for infrastructure development, particularly through promoting PPPs, by acting as a repository

of skills that will bring to life good practices in the APEC region and will help channel technical assistance to developing economies seeking such assistance.

We commit to further establish dedicated PPP centres in APEC economies, with a view to developing a regional network of PPP centres to share good practices. In the longer term, these centres can play an important role in supporting the establishment of an APEC-wide market for infrastructure financing. We also welcome the Implementation Roadmap to Develop Successful Infrastructure PPP Projects in the APEC Region and the Action Agenda on Promoting Infrastructure Investment through PPP.

We will develop, maintain and renew quality infrastructures, including energy, ICT and transport. We will seek to increase the quality and sustainability of APEC transport

networks; increase broadband Internet access; promote sustainable energy security; and build resiliency into the energy infrastructure.

We will help facilitate the efficient and effective operation of maritime transportation and shipment, especially taking into account that the majority of maritime infrastructure development projects happen on a unilateral basis. We take note of several pathfinder initiatives where future co-operation might produce tangible results.

We will strengthen air transportation co-operation to boost robust trade and people-to-people connections, share experiences and good practices to promote efficiency and security of air connectivity

We note that ICT development has been a focus of APEC's work since its inception in 1989, as increased information sharing and improved communication technology allow for faster and more reliable connections





*Institutional connectivity will address issues of trade facilitation*

between people and organisations throughout Asia-Pacific, facilitating trade and economic growth. We resolve jointly to continue our efforts in enhancing the access to ICT resources by using available technologies to reduce digital divide and increase greater connectivity in the region.

We resolve to tap into APEC's considerable potential in fostering future energy co-operation initiatives, especially in the areas of energy-related trade and environmental sustainability. APEC represents an ideal forum to explore the concept of expanded cross-border energy trade and renewable energy in a non-binding manner. We will further aspire to ensure quality electricity supply for all member economies.

### **Institutional Connectivity**

Under Institutional Connectivity, we will strive to make progress in jointly addressing issues of trade facilitation, structural and regulatory reforms as well as improved transport and logistics facilitation, which are of critical importance to APEC as a regional forum.

We aim to modernise customs and border agencies and enable a whole-of-Government approach in the development of regulations, including co-ordination across regulatory, standards, and trade agencies.

We support APEC's work to encourage each member economy to develop its own Single Window system by 2020 and we encourage efforts

to promote international interoperability between Single Window system and paperless trading.

We will further strengthen the initiatives under the APEC Supply-Chain Connectivity Framework Action Plan (SCFAP) by systematically improving supply chain performance by implementing a capacity building plan to assist economies in overcoming specific obstacles within the eight chokepoints of the SCFAP.

On regulatory coherence, we will implement initiatives that focus on regulatory co-operation by sharing best practices on regulatory issues. We note that industry dialogues are already well advanced in this process. The Internet is a good and effective tool to help economies

strengthen their implementation of good regulatory practices (e.g. ensuring internal co-ordination of regulatory work, assessing the impact of regulations, and conducting public consultations). Economies will further explore using Internet-based tools to strengthen the implementation of good regulatory practices, including new initiatives APEC economies could take to strengthen the conduct of public consultations on proposed regulations in the Internet era.

Under structural reform, the APEC Ease of Doing Business (EoDB) Multi-Year Project (MYP) facilitates tailored capacity building activities to support economies in achieving the target of making it 25% cheaper, faster, and easier to do business. We aim to achieve these goals by harmonising local policies with existing international agreements, and agree to consider the continuation of our work on the EoDB until 2020.

We commit to fostering transparency, safety, competition and better functioning markets, including e-commerce, in the Asia Pacific and aim to expand the application of secure and trusted ICT and e-commerce environment by 2025.

APEC needs to develop a strategy to tackle the policy challenges raised by the Middle-Income Trap (MIT). Improving an economy's competitiveness, productivity levels and its regulatory environment for the ease of doing business can contribute to overcoming some of the issues that underpin the MIT.

Under People-to-People Connectivity, we will strive to facilitate the movement of people across borders, and to facilitate the exchange of innovative ideas. As such, issues of business travel mobility, cross-border education, tourism facilitation, and skilled labour mobility will be addressed under this pillar.

We commit to continue expanding the number of holders of the APEC Business Travel Card (ABTC) and to improve the efficiency and effectiveness of ABTC scheme.

We undertake to improve cross-border education (CBE) co-operation, in recognition that student, academic and provider mobility helps to strengthen regional ties, facilitate people-to-people exchanges and promote economic development through knowledge and skills transfer. We resolve to achieve one million intra-APEC student exchanges per year by 2020, and to increase the number of student exchanges to developing economies.

Tourism is an important part of APEC economic growth strategies, and this is reflected in the many tourism facilitation and promotion initiatives that have been implemented within the APEC region. In this regard, we welcome domestic efforts by several economies to implement measures to ease visa restrictions for tourists as well as initiate programmes to facilitate immigration processing.

We will make efforts to achieve 800 million APEC tourist arrivals by 2025, and commit to establishing an APEC-wide Code of Conduct for Travel Providers

in order to reduce travellers' costs and uncertainties relating to tourism.

We will intensify co-operation within APEC in promoting cultural exchanges, by aiming to hold at least one cultural awareness event by each APEC economy in every other APEC economy per year by 2017.

We resolve to advance work on cross-border science, technology, and innovation exchanges. We note with appreciation the annual APEC Science Prize for Innovation, Research and Education (ASPIRE) which recognises young scientists who have demonstrated co-operation with scientists from other APEC member economies, as well as a commitment to excellence in scientific research.

On professional and skilled labour mobility, we welcome initiatives to benchmark qualifications in the transport and logistics industry, allowing businesses within the region to have more certainty over the skill sets of workers from other economies. There are various bilateral Mutual Recognition Agreements (MRAs), and going forward, APEC can undertake work to help expand the number of bilateral and multilateral MRAs in the region. Mutual recognition of skills and credentials can play an important role in facilitating skilled labour mobility. Timely and accurate information on skills gaps and labour market imbalances will also need to be gathered and analyzed to ensure responsive policymaking in this area.

We commit to strengthen people-to-people connectivity





*The annual APEC Science Prize for Innovation, Research and Education (ASPIRE) recognises young scientists*

through human resources development and welcome the APEC Action Plan for Promoting Quality Employment and Strengthening People-to-People Connectivity through Human Resources Development.

#### **Strategies for Implementation: Capacity Building and Private Sector Co-operation**

Economic and technical co-operation (ECOTECH) is one of

the key pillars of APEC, focusing on narrowing the gap between developed and developing APEC economies. To help implement the connectivity agenda, we will direct ECOTECH activities at upgrading skills and institutions by providing relevant capacity building activities for APEC economies and adhering to key ECOTECH objectives. In this regard, ECOTECH is an important tool for implementing the Blueprint.

The development and implementation of connectivity initiatives will require a significant amount of information on APEC economies' needs, expectations, gaps, and on market direction and imbalances. Information on what infrastructure projects are needed, what gaps exist in institutional frameworks, and where skills imbalances lay in the labour market will be crucial to support economies in achieving connectivity targets.

To gather this information, economies should work with the private sector. In this regard, the APEC Business Advisory Council (ABAC) and APEC's policy partnerships and industry dialogues can contribute significantly by providing private sector feedback or insights on market needs, trends and expectations.

We urge the private sector, with co-ordination from ABAC, to provide direct support for many of the more bankable connectivity initiatives being undertaken in the region. In addition to PPP for infrastructure projects, the private sector could help support capacity building programmes as well as educational and cultural exchanges. The private sector could also help in proposing and producing connectivity-enhancing innovations in the region.

International organisations have taken initiatives and launched projects on physical, institutional and people-to-people connectivity in the Asia-Pacific. These efforts could help advance the implementation of this Blueprint, and where



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possible and appropriate APEC should look to co-ordinate and collaborate with these organisations to ensure we avoid duplication of efforts.

#### **Monitoring, Evaluation and Review**

In order to reach the overarching goal of strengthening physical, institutional, and people-to-people connectivity by taking agreed actions and meeting agreed targets by 2025, with the objective of achieving a seamless and comprehensively connected and integrated Asia Pacific, we instruct Ministers and Senior Officials to oversee the implementation of the

Blueprint on a yearly basis, particularly in reviewing the targets and objectives.

We direct Ministers and Senior Officials to develop a dedicated arrangement to monitor, review and evaluate implementation of the Blueprint, and to conduct a mid-term review of the Blueprint in 2020. We further direct Ministers and Senior Officials to work with APEC fora to develop additional ambitious and measurable actions and targets under each of the connectivity pillars. These actions and targets need to be forward-looking and directed towards the vision of APEC Connectivity in 2025.

#### **Future Development**

The Connectivity Blueprint will spur more economic activities as detailed in the APEC 2014 Joint Ministerial statement on areas such as APEC Port Service Network (APSN), transportation Connectivity Map, Cross-Border Education Co-operation and Tourism Co-operation. The recent announcement of new funds such as the Asia Infrastructure Investment Fund, the 21<sup>st</sup> Maritime Silk Road Fund and Special Fund for ASEAN are seen as part of enabler of the Connectivity Blueprint. ■