

The 26th APEC Economic Leaders' Meeting

PORT MORESBY, PAPUA NEW GUINEA

18 November 2018

“The Chair’s Era Kone Statement”

1. The Statement of The Chair reflects the chair’s assessment of the prevailing views of all APEC member economies as expressed during discussions at the APEC Economic Leaders’ Meeting held in Port Moresby. Most economies agreed to the following text, while a small number had alternative or additional views on paragraphs 9, 16 and 17.
2. Exactly a quarter of a century after Papua New Guinea joined APEC, which coincided with the historic first APEC Economic Leaders’ Meeting, we, the Economic Leaders of APEC, met in Port Moresby under the theme, “Harnessing Inclusive Opportunities, Embracing the Digital Future”. In this era of rapid technological change, we continue to recognize the importance of international trade to stimulating growth that is inclusive and sustainable, and driving prosperity for all. We reaffirm APEC’s core objectives in promoting free and open trade and investment. To that end, we recommit to advance balanced, innovative, secure, sustainable and inclusive growth and highlight APEC’s work on structural reform and regional economic integration. We seek to ensure that all people of the region can share in the benefits of a digital future.
3. We welcome the global growth achieved in 2018 and the economic outlook for the Asia-Pacific region. However, growth has become less balanced and downside risks have risen. We will continue to promote an open economy in the Asia-Pacific that is responsive to rapidly changing economic conditions and that is conducive for increased investment and job creation.
4. We are optimistic about the future recognizing that 2018 has bridged our efforts to attain APEC’s current goals and setting APEC’s vision beyond 2020. We are resolved to take concrete steps to foster a shared future of a peaceful, stable, dynamic, interconnected and prosperous Asia-Pacific region, through the following actions:
5. We recognise the increasing benefits of the digital economy in all APEC economies whether in the form of internet connection and usage, government services, the growing number of businesses producing digital products and services, or trade in these products and services across borders. Innovations involving the use of digital technologies are increasingly being seen in many sectors of our economies and contribute to economic growth. Furthermore, digital technologies and innovations are increasingly changing the way businesses and government operate across all sectors of our economies.
6. We recognise that APEC economies’ collective efforts on the digital economy have the potential to increase productivity leading to significant gains for our economies as a

whole. We acknowledge that the ability to harness such gains for all in a balanced and equitable manner will also depend on APEC's collective effort in enabling an open, accessible, and secure environment for the growth of, the digital economy. We note, that promoting stability, security, trust, confidence and protection of consumer rights in the use of information and communication technologies (ICTs) are also essential. We emphasize the importance of enabling the free flow of information and data, recognizing legitimate domestic public policy objectives. We recognize the importance of facilitating e-commerce and digital trade, including the identification and reduction of unjustified barriers.

7. To ensure that no one is left behind, we will promote the participation of all groups in the digital economy including women and those from remote and rural areas. The digital economy also has the potential to promote greater engagement by disadvantaged groups in the broader economy. We are committed to making joint efforts to improve digital inclusion and to bridge the digital divide. These efforts will include among others, capacity building, facilitating the construction of and access to secure and resilient digital infrastructure, and the development of skills. We will promote the use of digital technology and innovation for high quality and sustainable development. We recognize that there is significant potential to speed up the pace of development through the facilitation and use of Information and Communication Technology (ICT) and improved internet connectivity.
8. In order to meet such challenges, in 2017 we welcomed the adoption of the APEC Internet and Digital Economy Roadmap. Given the rapid development of digital technologies and their far-reaching implications for all our economies, the implementation of the Roadmap has now become more urgent than ever. We therefore endorse the APEC Action Agenda on the Digital Economy (Annex A) and instruct officials to begin implementing this Agenda starting from 2019. We also recognise that addressing these issues requires a multi-faceted approach and we welcome work with other relevant fora on digital economy issues, including among others WTO, in particular the E-commerce discussion. To implement the Roadmap, we encourage economies to work closely with private sector and other stakeholders.
9. It is imperative that we hasten our efforts towards attaining the Bogor Goals. We urge economies to make maximum progress under their individual action plans by the deadline of 2020. We further urge economies to advance trade in the region in a free, fair, and open manner, in a way that will support non-discriminatory, and mutually advantageous trade and investment frameworks.
10. We reiterate our commitment to developing a strategic, forward looking, and ambitious post-2020 vision that will position APEC to better address 21st Century challenges and opportunities for member economies and our people. This vision would build upon past achievements, address unfinished business, and explore new areas of cooperation to

better respond to new and emerging challenges and pressing issues in the coming decades. We welcome the discussions on the post 2020 vision and note the progress on the ongoing work of the APEC Vision Group (AVG).

11. Today, as we gather in Papua New Guinea, the only APEC member economy in the region that physically connects the Pacific to Asia, we reaffirm our commitment to implement the APEC Connectivity Blueprint, which aspires to build a seamless and comprehensively connected and integrated Asia-Pacific by 2025. We welcome the progress of quality infrastructure initiatives in APEC. We are committed to pursuing all ongoing commitments in progressing work on connectivity, including sub-regional, remote area connectivity and rural urban development and will identify future areas of cooperation.
12. We commit to bringing member economies and people closer together through policy and regulatory cooperation and coherence, trade facilitation and people-to-people exchanges. We resolve to developing better regional networks in ICT infrastructure.
13. We reiterate the importance of APEC's regional economic integration agenda. We welcome progress to date to implement the Lima Declaration on Free Trade Area of the Asia Pacific (FTAAP) and urge further progress on issues identified by economies in order to enhance APEC economies' ability to participate in high quality, comprehensive free trade agreements in the future. We instruct officials to report progress to us in 2020.
14. We welcome ongoing progress on developing statistics in Trade in Value Added (TiVA). This cooperation will produce tools to assist economies to better understand global production networks.
15. We are committed to further actions to increase APEC's competitiveness in the services sector by 2025 and intensifying our efforts to address barriers and facilitate services trade that will better enable our businesses to compete or trade in services markets.
16. We recognise the importance of working toward achieving free and open markets and the significance of international trade and investment in delivering prosperity for our people. We reaffirm the importance of trade liberalisation and facilitation in achieving sustainable global economic growth and creating jobs in our economies. We recognise the contributions that the multilateral trading system has made towards that end. We support a well-functioning WTO that provides a transparent, and non-discriminatory framework for progressive trade liberalisation, based on rules agreed upon by its members.
17. In order to improve the functioning of the WTO and to deliver for all its members, we commit to work together to improve its negotiating, monitoring and dispute settlement functions. We also encourage APEC economies to increase their participation in the WTO to advance its work.
18. We reaffirm our commitment to promote sustainable and inclusive growth that benefits our people, raises living standards, lifts people out of poverty, and harnesses and develops

our resources sustainably in collaboration with the private sector. Recognizing the interconnectedness of the economy with our societies and the environment, APEC should take a comprehensive approach to its work to advance sustainability and inclusion in the region, and put our peoples' economic prosperity and well-being at the center of our considerations. In this regard, we reaffirm our commitment to APEC's agenda on advancing economic, financial and social inclusion through APEC initiatives. These initiatives complement and are consistent with our individual economy efforts as well as those undertaken in other frameworks, such as the 2030 Agenda on Sustainable Development.

19. Recognizing the critical importance of energy security to support sustainable economic growth in the APEC region, we commit to enhance access to affordable, sustainable, reliable and clean energy, including clean and advanced fossil fuels and technologies by facilitating energy-related trade and investment, reducing energy intensity, enhancing energy resilience to avoid disruptions to the energy sector, and scaling up deployment of efficient and clean energy sources.
20. We underscore that it is crucial to improve the business environment for Micro, Small and Medium Enterprises (MSMEs) as part of our efforts to advance inclusive growth.
21. We emphasize the importance of the economic empowerment of women and girls. We underscore the need to bridge the digital divide between men and women and the gender pay gap thereby increasing opportunities for women and girls towards fully realizing their potential and enabling them to increase their participation in the digital economy. In this regard, we welcome further initiatives to implement APEC's work on human resources development in the digital age. We recognise the importance of further promoting the full advancement of women and girls as a means of realising sustainable development, economic growth and gender equality.
22. We recognise the importance of science, technology and innovation in enabling inclusive, sustainable economic growth for the region.
23. We recognise the critical importance of structural reform as a driver to strengthen inclusive, innovative and quality economic growth. An effective and holistic approach to structural reform improves the functioning of markets, enables deeper market participation by all segments of our society and advances our broader APEC goals. Improvements to the regulatory environment, including through strengthening competition policy, removing behind the border barriers, and facilitating the ease of doing business, can increase cross-border trade, finance and investment, as well as boost innovation and support the emergence of groundbreaking technologies. We welcome work on structural reform and infrastructure and encourage officials to undertake work in 2019 on structural reform and digital economy.

24. We reaffirm our commitment to foster integrity in the public and private sectors. We recognise the importance of our efforts to combat and prevent corruption, promote transparency and good governance and strengthen the rule of law.
25. We welcome the outcomes of the APEC Finance Ministers' Process, particularly the Finance Ministers Joint Statement, and the progress of accelerating infrastructure development and financing, advancing financial inclusion, fostering international tax cooperation and transparency, and further developing disaster risk financing and insurance.
26. Under our Era Kone Declaration, we hereby commit to take forward the above actions which will harness inclusive opportunities, and allow our people to benefit from the digital future. We are committed to carrying out further actions to maintain APEC as a key driver of regional and global economic growth and we will strengthen APEC's global leadership in addressing the most pressing economic challenges.
27. On this historic occasion, we congratulate Papua New Guinea for its leadership this year in hosting APEC for the first time, and significantly promoting future work on the Internet and Digital Economy and APEC's Post-2020 Vision.
28. We thank the APEC Business Advisory Council (ABAC) for its continued cooperation, advice and support.
29. We look forward to meeting again in Chile in 2019.