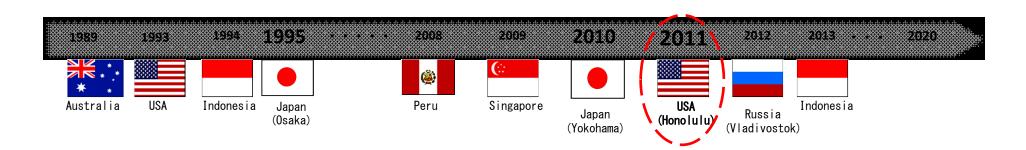
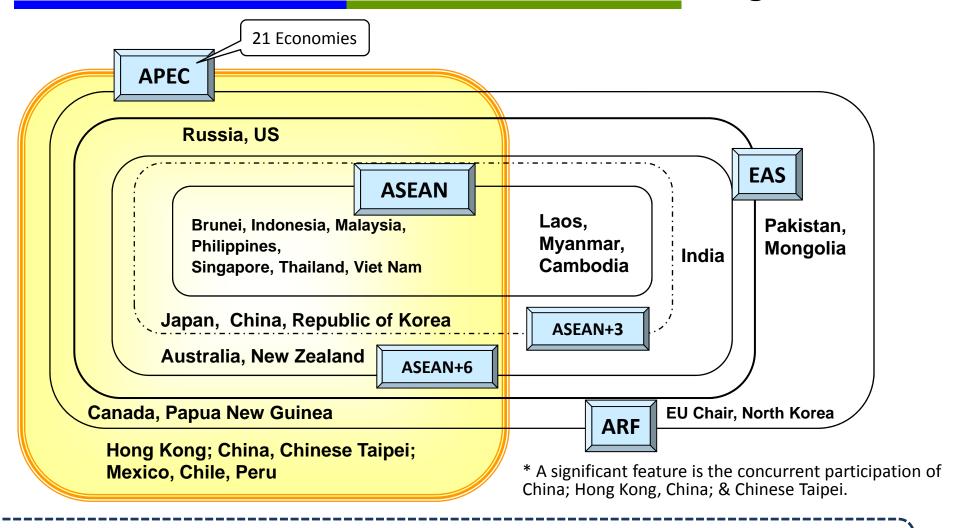
APEC 2011



Asia-Pacific Economic Cooperation



International Frameworks in the Asia-Pacific Region



<u>APEC participating countries and regions</u> (Economies)

- "Center of global growth": with an economic magnitude accounting for more than 50% of the world GDP, 40% of both the world's population, and 50% of global trade.
- Its economic integration reaches the same level as EU. (Both APEC and EU's dependence on intra-regional trade is around 70%.)
- Division of labor is developed in Asia-pacific region by distributing production bases and the outsourcing of services.

Importance of APEC

What's APEC?

- APEC's characteristics
 - ☆ "Open Regionalism"

The benefits of APEC's activities such as free and open trade and investment are shared not only within the region but also with nations and regions beyond the Asia-Pacific area, creating an effect of "open regionalism."

- ☆Cooperative and voluntary actions (non-binding, voluntarism)

 It is a framework for loose inter-government cooperation which promotes the individual self-motivated initiatives of each economy on trade and investment liberalization and facilitation.
- Promotion of the substantive regional economic partnership such as the preparing the environment toward a Free Trade Area of the Asia-Pacific (FTAAP) is the current trend.
- One of the characteristic of APEC is its strong linkage with the business sector. ABAC provides APEC Leaders and Ministers with advice on specific business sector priorities.

Meaning of APEC for Japan

The cooperative and voluntary nature of APEC enables it to, through consultation and information exchanges, deepen common understanding on the importance of liberalization and facilitation of trade and investment. Through this, APEC aims to establish an open and market-driven trade and investment system.

Current Status of APEC 2011

Preferred Outcome at APEC 2011

To achieve a market-driven and open trade-investment system (seamless regional economy), APEC 2011 will focus on realizing concrete results on the following 3 priority areas:

Three priority areas of the APEC 2011

- ①Strengthening Regional Economic Integration and Expanding Trade
 - APEC will work to promote efficient, indiscriminate and market-driven innovation that contributes to the promotion of trade and investment.
- 2 Promoting Green Growth

APEC will accelerate efforts to eliminate barriers to trade in goods that reduce the burden to the environment ("Environmental Goods") (such as wind-driven generators and optical equipments that can be used for solar energy generation).

(3) Expanding Regulatory Cooperation and Advancing Regulatory Convergence

Each APEC economy will work to introduce 1) internal coordination, 2)

regulatory impact assessment, and 3) conducting public consultation in their rule-making process to improve transparency, effectiveness and efficiency of regulatory environments.

Overview of APEC Ministerial Meeting(AMM)

APEC Ministerial Meeting

November 10 APEC Ministers' Dinner with U.S. Secretary of State Hillary Rodham Clinton and U.S. Trade Representative Ron Kirk

November 11

[APEC Ministerial Meeting] AM Foreign Ministers and Trade Ministers' Joint Session

【Foreign Minister's Meeting】 AM High Level Policy Dialogues on Disaster Resiliency,
Open Governance and Economic Growth (Luncheon)

Trade Minister's Meeting AM Support to the Multilateral Trading System AM APEC 2011's priorities

APEC AMM (Foreign Minister Meeting)'s main issues and Japan's position

High Level Policy Dialogue on Disaster Resiliency

- Discuss fostering greater public-private cooperation to strengthen resiliency toward natural disasters in the Asia-Pacific region which shares an intimate supply chain.
- ➤ Japan will share its experience of the East Japan Great Earthquake with APEC economy and emphasize the importance of enhancing work toward disaster prevention.

High Level Policy Dialogue on Open Governance and Economic Growth

- > Promote open governance in order to foster the Innovation and Economic Growth in the Region.
- ➤ In order to pursue increased economic growth in the region, promotion of the regulatory reform that enables free and open economic activity is vital and relentless efforts will be necessary for this purpose.

AMM (Trade Minister Meeting)'s main issue and Japan's position

1 Support for the Multilateral Trading System

➤ Discuss contributions that APEC could make for progress of the Doha Development Agenda. In addition send out a strong message on the prevention of protectionism.

②Strengthening Regional Economic Integration and Expanding Trade

- ➤ Discuss next generation trade and investment issues. Especially discuss and commit to the establishment of regionally shared principles regarding innovation policy (such as non-discrimination, ensuring transparency, and utilization of the international standards).
- ➤ Discuss the enhancement of supply chain connectivity, barriers to SMEs trading in the Region, and lead efforts in APEC regarding strengthening food security.

3Promoting Green Growth

➤ Discuss measures to spread the use of Environmental goods (goods that reduce the burden on the environment) and facilitate trade in remanufactured products. Push forward high growth industries in the environmental sectors and realize "green growth".

(4) Expanding Regulatory Cooperation and Advancing Regulatory Convergence

Recognizing the importance of predictability for the further progress of trade and investment, discuss the implementation of the assessment of regulatory impacts and conducting public consultation in the establishment, revision and elimination of regulations. Develop common understanding on recommendations for the technical standard (such as those on smart grid).

AELM (APEC Economic Leaders' Meeting) main issues and expected discussions

APEC Economic Leaders' Meeting

November 12 PM APEC Leaders' Dinner

November 13 AM APEC Leaders' Meeting

ABAC Dialogue with Leaders

Working Lunch

PM APEC Leaders' Meeting

Concluding Press conference

Growth and Job Creation

Discuss measures that APEC could take to for growth and job creation in the Asia-Pacific Region. Japan will describe its steadfast efforts to promote economic partnerships and its growth strategy.

Regulatory Reform and Competitiveness

Discuss the concept of regulations from the perspective of enhancing growth in the Asia-Pacific Region. Japan will describe the importance of a business environment that promotes regulatory reform and innovation for increasing productivity.

Energy Efficiency and Energy Security

Discuss measures to realize "green growth". Japan will promote efforts in the Asia-Pacific Region by sharing its experience in reaching the highest level in the world in energy efficiency over the past years.