



SINCPEC



Press Release

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Asia-Pacific cooperation has a key role in sustaining global economic recovery

10 October 2009 (Singapore) – The Asia-Pacific region needs to deepen and enhance cooperation to ensure that the economic recovery currently underway is sustained. Regional experts were gathered in Singapore for a conference co-organized by the Pacific Economic Cooperation Council (PECC), Singapore National Committee for PECC (SINCPEC), and facilitated by the Institute of Policy Studies (IPS). “We need to persist with the often domestically difficult structural reforms that are necessary to re-balance the world economy,” said Mr Raymond Lim, Singapore’s Minister for Transport and Second Minister for Foreign Affairs who opened the conference.

“Resolving the current crisis is going to take a lot of sustained regional and global cooperation. Along with the G20, APEC is a part of this process and helps to build consensus at the Asia-Pacific level on the next critical steps” said Mr Jusuf Wanandi, co-chair of PECC.

As an official observer of the APEC process, PECC cautioned that it was crucial that the Asia-Pacific economies focus on sound and well-timed exit strategies as well as structural reforms that would carefully transition the economies to a sustained recovery and growth. While the G20 members in Pittsburgh have committed to working in collectively consistent ways to rebalance growth, APEC has the role of deepening and intensifying such cooperation by bringing real projects and actions to the fore.

“The region’s economies need to look at growth engines, such as regional economic integration; green growth; quality of life; and knowledge and productivity to boost domestic Asian demand and put Asian savings to productive use,” said Peter Petri, coordinator of a PECC task force on a Sustained Recovery.

“This is now the second time that the region has gone through a major economic crisis, we need to think about ways to make our societies more resilient to the inevitable shocks that will occur,” said Ambassador Yoshiji Nogami, President of the Japan Institute of International Affairs and Chair of Japan National Committee for PECC. “This will require a close look at socio-economic issues like safety nets, education and healthcare to ensure that the people of the region are both less vulnerable to downturns but also prepared to compete when economic activity returns,” he added.

Even though growth does seem to be returning to the region, there is a concern that this could be a jobless recovery. Fostering the type of environment that creates jobs and increases people’s sense of security is the fundamental challenge moving ahead. “Poverty reduction will not be able to resume at anywhere near the pace of the pre-crisis years unless we work toward rebalancing our sources of growth more toward domestic demand, and in a way that is more inclusive. It is imperative for the region to find a pathway back to robust but sustainable growth so the poor are not left behind,” said Asian Development Bank President Haruhiko Kuroda.

The APEC Summit comes at an opportune time to build on the momentum from the G20 leaders’ commitment made in Pittsburgh to reach a conclusion to the Doha Round, “the focus is on the remaining pending issues and that there is a road map with a timetable so that there can be progress made by year end or early 2010, to enable concluding negotiations in 2010. So there is also no shortage of efforts to translate political will into a plan of action,” said Indonesian Trade Minister, Dr Mari Pangestu.



In addition to help bring a conclusion to the global trade agenda, the Asia-Pacific also needs to work to minimize the impediments to the flow of trade across the region. This issue has become increasingly important with the complex supply-chains spanning the region. “This is why APEC is focusing on the next wave of economic integration – dealing with the behind-the-border obstacles faced by business so that they can draw fuller benefits from open markets,” said Minister for Trade and Industry of Singapore, Lim Hng Kiang.

The APEC Summit in November will be one of the last gatherings of global leaders before the Copenhagen Conference and presents an ideal opportunity for the institution to show its strength in bringing together developed and developing economies. “There seems to be regional convergence on the idea of ‘green growth’ said Dr Soogil Young, President of the Korean National Strategy Institute and Chair of the Korean National Committee for PECC. “Many governments are adopting green growth strategies in response to the crisis. Getting developing economies engaged in the process through technology transfers funded by carbon credits is one way forward to combating this global problem as well as helping them prepare for balanced and sustainable growth beyond this crisis.”

“The global crisis has accelerated the reform of global architecture – with the designation of the G20 as a main group dealing with economic issues,” said Dr Hadi Soesastro (Center for Strategic and International Studies, Indonesia). “The center of gravity has now shifted to the Asia-Pacific and we in the region need to provide ideas on and leadership on global issues but our institutions remain relatively weak compared to transatlantic ones, APEC needs to be strengthened to be the voice of the region on the global stage,” he said.

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About the organisers

The **Pacific Economic Cooperation Council (PECC)** is an independent non-governmental organization committed to the promotion of cooperation and dialogue in the Asia-Pacific region. Founded in 1980, PECC is a network of 26 member committees composed of individuals and institutions dedicated to this shared mission. www.pecc.org

The **Singapore National Committee for Pacific Economic Cooperation (SINCPEC)** is Singapore's national charter in the Pacific Economic Cooperation Council (PECC). SINCPEC is a tripartite organization consisting of academics, government officials and businessmen. The Chair of SINCPEC is Associate Professor Tan Khee Giap, who is also Co-Director of Asia Research Center, at Nanyang Technological University, Singapore.

The **Institute of Policy Studies (IPS)** was established in 1988 to promote a greater awareness of policy issues and good governance. Today, IPS is a think-tank within the Lee Kuan Yew School of Public Policy at the National University of Singapore. It seeks to cultivate clarity of thought, forward thinking and a big-picture perspective on issues of critical national interest through strategic deliberation and research. It adopts a multi-disciplinary approach in its analysis and takes the long-term view. It studies the attitudes and aspirations of Singaporeans which have an impact on policy development and the relevant areas of diplomacy and international affairs. The Institute bridges and engages the diverse stakeholders through its conferences and seminars, closed-door discussions, publications, and surveys on public perceptions of policy. For more information about the Institute and its activities, please visit www.lkyspp.nus.edu.sg/ips