

Meeting of APEC Ministers in Charge of Trade

Jakarta, 6 October 1994

JOINT MINISTERIAL STATEMENT

1. APEC Ministers in charge of trade or their representatives (“Ministers”) from member economies of Australia, Brunei Darussalam, Canada, the People’s Republic of China, Hong Kong, Indonesia, Japan, the Republic of Korea, Malaysia, Mexico, New Zealand, Papua New Guinea, the Republic of the Philippines, Singapore, Chinese Taipei, Thailand, and the United States of America participated in a Meeting in Jakarta, Indonesia on October 6, 1994. The Executive Director of the APEC Secretariat was present at the Meeting. The ASEAN Secretariat, the Pacific Economic Cooperation Council (PECC), and the South Pacific Forum (SPF) attended as observers.
2. The Meeting was chaired by His Excellency Mr. S. B. Joedono, Minister for Trade of the Republic of Indonesia.
3. The Meeting was convened as a follow up of the decision of the Fifth APEC Ministerial Meeting which was held in Seattle, United States in November 1993. As stated in paragraph 22 of the Joint Ministerial Statement, the main purpose of the Meeting was to review the results of the Uruguay Round and its implications for the region, and consider next steps for regional and global trade liberalization, bearing in mind the vision of APEC Leaders at their informal Meeting in Seattle.
4. Ministers recognized that the conclusion of the Uruguay Round offered an historic opportunity for the world trading system to advance under a strengthened transparent set of rules and procedures and significantly liberalized access to markets. They reaffirmed their collective commitment to the multilateral trading system and the new World Trade Organization.
5. Throughout their discussions, Ministers took note of the four priority themes of the forthcoming APEC Sixth Ministerial Meeting in Jakarta on November 11–12, 1994: development of infrastructure between and within APEC economies; human resources development; enhancing the competitiveness of small and medium enterprises; and promotion of business/private sector participation in APEC activities.
6. The Meeting was formally opened by His Excellency President Soeharto. In his opening remarks, His Excellency President Soeharto underlined that [the] Asia Pacific region has a very large potential in terms of the GNP, high per capita income as well as a large population, and is moving very dynamically. With its commitment to open markets, APEC plays a very important role in global trade. H.E. President Soeharto reminded the Delegations that the region is also very heterogeneous and that the level of the member economies’ dependence on trade is also not the same. He stated that regardless of the vast disparities, all member economies share the view that trade amongst nations is one of the essential supporting elements [of] their respective economies. He also hoped that the Trade Ministers will reach agreement on concrete steps to implement the results of the Uruguay Round Negotiations as well as on

cooperative programmes in the fields of investment and trade to be carried out jointly by APEC members.

7. Ministers held discussion on topics as follows:

- Review of the Uruguay Round Results and their Implications for the Region
- Effective and Full Implementation of the Uruguay Round Results, consist[ing] of:
 - Common approach in the implementation of the Uruguay Round results, including on commitment to early ratification/accession to GATT/WTO.
 - Cooperation Programmes in the implementation of the Uruguay Round, with particular emphasis on technical assistance and training.
- Exchange of views for Further Regional and Global Trade Liberalization, concerning, *inter alia*:
 - trade impediments with a view to expanding trade and investment in the region;
 - development of consultative procedures for regional trade problems and for further global discussions.
- Rapid actualization of trade and investment facilitation programmes.

8. Ministers reviewed the Uruguay Round results from different perspectives and agreed that the region will benefit substantially from both the strengthened rules and disciplines and improved market access. In order for APEC members to benefit fully from the results, Ministers were mindful that all World Trade Organization members must faithfully act in accordance with both the letter and the spirit of the Uruguay Round results.

9. Ministers observed with satisfaction that their efforts in Seattle had positively contributed towards the successful conclusion of the Uruguay Round. Consistent with the commitment to the multilateral trading system, Ministers affirmed their determination to achieve full and on going implementation of the Uruguay Round and to demonstrate leadership by making maximum efforts in each of their economies to ensure the early ratification of the World Trade Organization so that it is operational by 1 January 1995. Ministers expressed their strong support to non-GATT members of APEC to complete the negotiations as soon as possible to enable them to become original members of the WTO. Ministers affirmed that these negotiations should be based on substantive and commercially meaningful commitments.

10. Ministers also agreed that it was important to work together to evolve common understanding of Uruguay Round obligations, provide transparency of Uruguay Round legal provision on implementation, and collectively monitor implementation of the Uruguay Round results.

11. To this end they agreed to take initiatives within the context of APEC's work programme beginning in early 1995 aimed at facilitating full and effective implementation of the Uruguay Round outcome.

12. They agreed to identify specific areas where Uruguay Round implementation might present particular challenges or difficulties. Ministers endorsed the initiative developed for a series of APEC seminars or workshops designed to exchange views on and explore scope for common regional approaches on implementation issues. The seminars should also help identify priority areas for more specific work. Ministers called for proposals aimed at addressing concerns raised by members, focusing on programs of technical assistance and training of personnel, particularly in the areas of interest to the developing member economies. Ministers agreed that such programs would be particularly valuable in helping to implement Uruguay Round results in the areas of among others, anti-dumping, services, intellectual property rights, customs and rules of origin.

13. Recommendations arising from initiatives and programmes related to the Uruguay Round implementation should be reported to the Seventh Ministerial meeting in 1995.

14. Ministers noted the importance of APEC's contribution to global trade, investment and economic growth, and emphasized the importance of maintaining the momentum of trade liberalization. They agreed that, in the post-Uruguay Round environment, there was ample opportunity to start working towards greater liberalization consistent with the basic principles of GATT/WTO while taking into

account the diversity and different levels of economic development of APEC members.

15. Ministers also noted the efforts under way in APEC to obtain views of the EPG and the APEC business community, including the Pacific Business Forum on their post-Uruguay Round priorities.

16. Ministers agreed to advance work aimed at identifying key trade impediments in the region, with such measures identified by type of trade barrier, and by sector. This work should seek to build upon the important progress made to date in the CTI on regional non-tariff barriers (Administrative Aspects of Market Access). They believed that improved information would promote the development of a more systematic and sequential approach to future facilitation/liberalization work in APEC. Such an exercise would not prejudge at this stage how barriers would be addressed, this being an issue that would require further deliberation.

17. They called for a report to be prepared for [the] APEC Ministerial Meeting in 1995, including recommendations on where work aimed at addressing impediments should be initiated.

18. Ministers underlined the importance of APEC ameliorating trade tensions, and endorse[d] the efforts to promote the APEC Trade Policy Dialogue. In this regard, they agreed that APEC could play a role in discussing and resolving problems in a constructive and amicable manner. To this end, they endorsed the future exploration of effective methods which are flexible and voluntary in nature within the APEC process. Such efforts should not duplicate or detract from the GATT/WTO Dispute Settlement process. Ministers agreed to the examination of all appropriate options and the development of specific recommendations for the Seventh Ministerial Meeting in 1995.

19. Ministers supported further efforts to facilitate trade and investment liberalization in the region. The work under way in the CTI on investment, standards and customs facilitation currently provide an initial basis for concrete progress toward this goal. Ministers recognized the need for APEC to consolidate and expand its trade and investment facilitation work programme in a balanced manner to ensure maximum benefit to business through early concrete trade facilitation results. In doing so, members will bear in mind the mandate given by the Declaration on an APEC Trade and Investment Framework and take into account facilitation activities already under way.

20. In developing the CTI programme for presentation to the Annual Ministerial Meeting in November 1994, attention will need to be given to rigorous setting of priorities and establishment of timetables for implementation of the proposals included in the work programme. A mid-year report should be presented to Ministers by the CTI [o]n progress in implementation of the programme as agreed, in November.

21. Ministers welcomed the progress made in developing non-binding investment principles in accordance with the initiatives taken by the informal meeting of APEC Leaders in Seattle in 1993, for submission to the APEC Ministerial Meeting in November this year.

22. Ministers recognized the crucial importance of the standards and conformance issues for facilitating trade in the region, and noted the encouraging progress made to date. They called for the early endorsement of a standards and conformance framework and the priorities and approaches it would set out for APEC's medium-term agenda. Ministers agreed to a work program for closer cooperation on conformance infrastructure development for consideration at the 1994 annual ministerial meeting. Ministers also agreed to commence discussions in 1995 on broadening mutual recognition arrangements in the region and that work should begin on sectoral studies aimed at promoting closer alignment of members' standards with international standards.

23. Ministers welcomed the progress made on customs issues and encouraged members to press ahead with projects of relevance to regional business. They also encouraged customs administrations to move forward with proposals for immediate and long-term APEC projects, particularly those that would enhance regional trade flows.

24. Ministers welcomed the efforts to bring practical trade information to business and supported the proposals to implement a pilot project for an APEC Tariff Database in 1995. They agreed that in the

event of the successful completion of the pilot, APEC should proceed to full and cost-effective implementation of the project and to explore the scope to extend the range of tariff-related and trade information carried in the database.

25. Ministers also addressed other issues related to APEC's trade and investment work. In this context they reaffirmed the importance of APEC's work in areas such as SMEs, HRD and Infrastructure and pointed to the emerging interlinkages between these areas and APEC's trade and investment agenda. In particular, Ministers recognized the critical importance of SMEs in the rapidly changing pattern of economic growth in the APEC region and agreed that the strengthening and fostering of the development of this sector is a key objective that must be accorded high priority. Under this scenario the issues of financing and investment technology, research and development, information and market access were important elements which Ministers recommended for further work.

26. Ministers instructed their APEC officials and the APEC Secretariat supporting them to implement these decisions.

27. Ministers expressed sincere appreciation to all their officials for their excellent preparation for this meeting.

SOURCE: Asia-Pacific Economic Co-operation Secretariat, Singapore.