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APEC
INDONESIA 2013

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Asia-Pacific's strong global position



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EDITOR

For the Same Aim

The 21st APEC informal economic leaders' meeting, held from October 7 to 8 in Bali, Indonesia, attracted widespread attention. Themed Resilient Asia-Pacific, Global Engine of Growth, the regional economic event was viewed as a multilateral platform where leaders from the 21 member economies deliberated on and sketched out future economic development and cooperation for the Pacific rim.

APEC, which stands for Asia-Pacific Economic Cooperation, is seen as the largest and most influential economic forum in the region. Since its launch in 1989, the organization has promoted regional free trade and investment as well as economic cooperation. The APEC region remains a crucial player in the global economy. Its average economic growth during the past two decades surpassed the global average, with regional GDP and trade volume now accounting for 55 and 44 percent respectively of the world total. Given the global economic inertia, alongside East Asian vitality, APEC economies are expected to add weight to the global fight against the current recession.

On the opening day of the summit meeting, Chinese President Xi Jinping, who attended for the first time as head of state, stressed in his keynote speech that APEC economies need to further coordinate their macroeconomic policies and promote win-win cooperation instead of "stepping on each other's feet."

Xi's remarks are seen as a key message to APEC, as diversified interests and pursuits among developing and developed member economies have put the organization's coordinating and cohesive caliber on trial. The United States, for instance, has thrust developing APEC members into a disadvantageous position by failing to fulfill its own commitments to the organization, instead putting forward the Trans-Pacific Partnership to boost its domestic economy.

Reshaping priorities and cooperating for the same aim would be a blessing for APEC economies and make the region the real engine for a speedy recovery and growth of the world economy. ■

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FLOOD WATCH

Citizens struggle to move through waterlogged areas by dinghies in Yuyao, east China's Zhejiang Province, on October 9.

Continuous rainfall brought on by Typhoon *Fitow* inundated most areas of the city, paralyzing transport systems and power supply. Local authorities have proclaimed a state of emergency and commenced rescue and relief efforts.

A Thawing Threat

Sanjiangyuan, the origin of China's three major waterways—Yangtze, Yellow and Lancang rivers, is continuing to heat up and become wetter as a result of global warming, recent monitoring data showed.

The headwaters area, on the remote Qinghai-Tibet Plateau, has seen its temperature rise 1.98 degrees Celsius and an increase in rainfall between 1961 and 2012.

Due to rising temperature, the maximum depth of local permafrost has decreased by an average of 12 cm every 10 years, indicating that most glaciers there are melting.



YANG SHOUDE

Online Whistleblowers

A website that was opened by the top disciplinary agency of the Communist Party of China (CPC) has received an average of 827 corruption tip-offs daily since its launch. The website made the announcement on October 8.

The website, www.ccdi.gov.cn, was run by the Central Commission for Discipline Inspection of the CPC in conjunction with the Ministry of Supervision, in order to improve communication and interaction between the departments and the public.

In the first month since its launch on September 2, a total of 24,800 reports were submitted. In comparison, there was an average of 300 reports received daily between April and August.

As of October 2, the website had had more than 4,200 registered users.

The website hosts 10 services, including an online forum where the public can make proposals, share opinions and ask questions about anti-corruption efforts.

In addition to receiving tip-offs, the website publishes the latest

information on graft investigations.

The public can also access a database of Party regulations and laws related to corruption on the website.

Fund Management

On October 8, the Chinese Government vowed to reinforce management of public funds used for social programs, such as funds for poverty-relief.

According to a statement released by the State Council, recent audits have found that some localities falsified eligibility information

when claiming the funds, embezzled them or otherwise failed to channel the funds to those they were intended for, at the same time implementing weak supervision over their use and allocation.

To effectively manage such funds, the government decided to clarify the responsibilities of authorities at different levels. County-level governments are responsible for assigning funds to various poverty-reduction projects, while provincial and city governments should act as supervisors.

Individuals in need of poverty relief will be entered into a database so that funds can be distributed to villages and households identified by authorities.

Innovative fund management strategies, such as governmental procurement of social services using the funds and financial institution involvement in poverty reduction projects, were encouraged, the statement said.

Warning System

China has revealed plans to develop a system that will be capable of issuing early warnings regarding geological and environmental risks.



ZHA CHUNMING



BON VOYAGE

A marine displays signal flags as the Chinese naval destroyer *Qingdao* sailed out of Sydney Harbor on October 6, after taking part in an international fleet review in the Australian city



GRACEFUL STRENGTH

A woman gives a Taichi sword performance at the First Jingdezhen Martial Arts Festival, which kicked off on September 29 in Jingdezhen, Jiangxi Province



According to government regulations released on October 8, county-level governments will be responsible for their own systems, which are to be used to publish data and results from monitoring and issue warnings if readings indicate abnormal situations.

The regulations prohibit any organizations or individuals from publishing environmental data before they have been reviewed and approved by relevant county-level government officials.

Local governments are also required to take active measures to prevent possible risks.

Under the new regulations, construction companies must hire appropriate institutions to conduct environmental appraisal before

launching projects, and they will be held accountable for any negative effects caused by their operations.

Vaccine Approved

A Chinese-produced vaccine against Japanese encephalitis has received prequalification from the World Health Organization (WHO), according to a statement made by the China Food and Drug Administration (CFDA) on October 9.

It is the first Chinese-produced vaccine to be added to the WHO's list of prequalified medicines, according to the CFDA.

The move indicates that the WHO has given the vaccine a stamp of approval regarding safety and efficacy, and UN procuring agencies

can source it.

The vaccine has been on the Chinese market since 1988 and about 600 million doses have been administered, reducing the incidence and casualty rates of Japanese encephalitis, the CFDA said.

The vaccine only needs to be administered in one dose, can be given to infants, and is less expensive than other similar products, said a WHO press release, adding that the vaccine will "make the protection of more children in developing countries easier."

Lottery Sales

China's lottery sales had reached 198.69 billion yuan (\$32.43 billion) for the first eight months of this year, according to a Ministry of Finance announcement on October 8.

The figure was up by 17.6 percent, or 29.73 billion yuan (\$4.85 billion), compared with the same period last year. Sales in August alone hit 24.62 billion yuan (\$4.02 billion), up 24.9 percent year on year, with welfare lottery sales reaching 14.03 billion yuan (\$2.29 billion), an increase of 20.2 percent year on year. Sales of sports lottery tickets in August surged by 31.8 percent year on year to 10.59 billion yuan (\$1.73 billion).

The ministry attributed the jump in sales to the promotion of quiz-style games and more outlets for online lottery games.

According to China's regulations

on lottery management, money raised through lotteries is to be used for the jackpot, management fees and public lottery funds only.

Hypertension Sufferers

At least one in five adults in China suffers from hypertension, or high blood pressure, an official with the national disease control agency said on October 8.

A total of 266 million people in China suffer from hypertension and, among those aged 15 and above, an estimated 24 percent have the condition, said Shi Xiaoming, head of the Chronic Diseases Division at the Chinese Center for Disease Control and Prevention.

Approximately 40 percent of patients are not aware of their hypertension and only about 25 percent of patients receive treatment, Shi said.

About 15 percent of adolescents and 30 percent of obese adolescents have blood pressure levels that are higher than the expected level, but still within the healthy range, he added.

Shi warned that arterial diseases in particular have become a serious public health problem in China.

He attributed increased incidences of hypertension to changes in lifestyle and diet, saying that preventing the condition requires not only medication but also people's awareness.

New Talent

Top prize winners of the Fourth Xingyun Awards pose for the media following the prize presentation in Taiyuan, Shanxi Province, on October 4.

The annual event, the only international awards for

Chinese-language sci-fi writers, is organized by the World Chinese Science Fiction Association, which is based in Chengdu, capital of southwest China's Sichuan Province. It was first held in 2010.



A Helping Hand for SMEs

A staff member at an electricity company checks equipment in an innovation park for small and medium-sized enterprises (SMEs) in Shizuishan, Ningxia Hui Autonomous Region.

The innovation park was inaugurated on October 9. The park is aimed at supporting the financing, training and technological innovation of SMEs and startup businesses.



WANG PENG

Bank Supervision

The China Banking Regulatory Commission (CBRC) revised its rules to step up supervision of small and medium-sized rural banks.

The draft document was published on October 9 on the website of the Legislative Affairs Office of the State Council to solicit opinions, which should be submitted before November 9.

The draft specifies conditions for establishing rural banks, stating that shareholders who are natural persons should not buy shares amounting to more than 2 percent of the rural bank's capital stock.

Shareholders who are employees of the bank should not buy shares amounting to more than 20 percent of the bank's capital stock.

Shareholders who are domestic non-financial institutions cannot buy shares exceeding 10 percent of the bank's stock, excluding mergers or restructuring of high-risk rural credit cooperatives.

Overseas banks intending to invest in the Chinese mainland's rural banks should first submit applications to the CBRC, which will adjust criteria for overseas investors based on the financial sector's risk profile.

Registration Starts

A total of 577 people applied to register companies at the newly launched Shanghai pilot free trade zone (FTZ) on October 8, the first day for registration.

Meanwhile, 1,480 people visited the zone's service lobby asking for advice and information that day.

Sun Baohua, a businessman from Wenzhou in neighboring Zhejiang Province, was the first person to apply for a registration.

Sun, who owns a micro-financing company, has rented a 20-square-meter warehouse in the zone as his office. He is expected to get his business license within four days.

"The financial institutions allowed to run businesses in the zone

are all big companies," said Sun. "While my company caters for small and medium-sized enterprises with lower interest rates."

The Chinese Government officially inaugurated the 29-square-km Shanghai FTZ on September 29.

Testing of a convertible yuan and a wider opening of 18 service sectors are expected in the zone, which could usher in wider economic reforms across the country.

Growth Forecast

The World Bank cut its growth forecast for developing economies in East Asia and the Pacific region as a whole in 2013 to 7.1 percent from the previous forecast of 7.8 percent, according to a report the bank released on October 8.

The East Asia and Pacific Economic Update, released every six months, also cut its forecast for China from 8.3 percent to 7.5 percent.

"Growth in China is expected to meet the official indicative target of 7.5 percent this year. The short-term outlook is improving as industrial production data suggests further strengthening of output in the third quarter," said the report.

"China is likely to see further rebalancing of its economy by slow-



LIU SHANCHUAN



MAIDEN SAIL

The ro-ro passenger ship *Straits* sets sail from Pingtan, Fujian Province, to Taipei, Taiwan, on October 9, the day the new route opened. A one-way trip takes 2.5 hours



INFRASTRUCTURE MATTERS

The Enshi-Qianjiang Highway is under construction. The highway connects Enshi in Hubei Province to Qianjiang in Chongqing Municipality. It will be completed by 2014



YANG SHUN

ing credit growth and investment, although the pacing is likely to depend on overall growth," it said.

Bert Hofman, World Bank East Asia and Pacific chief economist, said the slower growth will in a way help China in the medium term as it goes through reforms to restructure the economy.

Coal Gasification

A large coal gasification project will be built in northwest China's Xinjiang Uygur Autonomous Region, said the region's development and reform commission on October 6.

The demonstration project in Zhundong area, Changji Hui Autonomous Prefecture, will be the country's largest with a designed capacity of 30 billion cubic meters annually.

With a total investment of 183 billion yuan (\$29.7 billion), the project will be jointly built by Sinopec, Huaneng Xinjiang Energy

Development Co. Ltd. and some other energy companies in Xinjiang and east China's Zhejiang Province.

The industrial project will need 90 million tons of coal annually. It will provide at least 18,000 jobs.

The coal gas will be transported to Zhejiang and south China's Guangdong Province in the south through pipelines.

The Zhundong area has estimated coal reserves of 390 billion tons and proven reserves of 213.6 billion tons and is the largest coalfield in China.

Outsourcing Base

A newly approved bonded area in southwest China's Guizhou Province aims to build the country's largest outsourcing base for aero-engines.

Construction of a 40,000-square-meter workshop has begun

for a joint venture between AVIC International Holding Corp. and AVIC Liyang Aero-Engine Co. Ltd.

With an investment of \$100 million, the project will provide aero parts for Boeing and Airbus and realize imports and exports of \$200 million in 2015, according to headquarters in the capital Guizhou.

Some production lines belonging to AVIC Liyang Aero-Engine Co. Ltd.'s aviation engine industry base in a hi-tech zone in Guiyang have begun operations. Liyang Aero-Engine will invest 4 billion yuan (\$654 million) in the base.

The State Council in September approved the establishment of the comprehensive bonded zone in Guiyang with an area of over 3 square km. It will be put into operation in September next year.

Numbers

\$7,000

Average amount each Chinese traveler spent in the United States in 2012, making it the top spending destination for Chinese tourists

51.1

Purchasing managers' index (PMI) for the manufacturing sector in September, above the 50-demarcation line between contraction and expansion and also the highest since May 2012

55.4

China's non-manufacturing PMI in September, the highest level in six months

Buy Me with WeChat

A customer uses the social messaging smartphone application WeChat to pay for drinks in a Beijing subway station on October 9.

A total of 300 automatic vending machines have been installed in Beijing subway stations. The WeChat payment option is available on those machines as mobile payment has become a hot new trend.



WANG SHEN

\$1.75 trn

China's net foreign financial assets at the end of June

THIS WEEK WORLD



CAMBODIA

A girl sits on makeshift raft amid rising floodwaters. More than 80 people have died during recent flooding



XINHUA/AFIP



XINHUA/AFIP



ITALY

On October 6, soldiers carry the body of a victim of a ship loaded with 518 people that sank three days earlier in the Lampedusa harbor. The rescue operation saved 155 passengers



SWEDEN

A photo taken on June 25, 2009, in Dublin, Ireland shows Canadian author Alice Munro who has been awarded the 2013 Nobel Literature Prize, the Royal Swedish Academy announced on October 10 in Stockholm

XINHUA/AFIP





EGYPT

A man waves a national flag in Cairo's Tahrir Square in celebration of the 40th anniversary of the 1973 October War between Arabian and Israeli forces



INDIA

Indian Air Force soldiers march past a C-130J aircraft during a parade at the Hindon Air Force station on the outskirts of New Delhi on October 8



PAKISTAN

A vendor shows off his sheep to customers on October 9, during a livestock sale to celebrate the upcoming festival Eid al-Adha, also called Feast of the Sacrifice

“The law will greatly enhance awareness of China’s local authorities in protecting the interest of tourists, as it makes clear that the government is responsible for the supervision of local tourism safety.”

Dai Bin, head of the China Tourism Academy, in response to the country’s first tourism law that took effect on October 1



“There are so many reality shows today, but they are all similar and unappealing. A show that is over hyped, but with mediocre contestants, only makes me want to turn off the TV.”

Dai Guangxiu, 49, who feverishly followed the second season of *Super Girl* in 2005, commenting on dozens of similar TV talent contests that vie for the attention of increasingly picky audiences, on September 29



“Many rural residents who flock to cities are unskilled or unable to adapt to urban life. They can’t find jobs like other migrant workers and thus become homeless. Meanwhile, many city governments lack effective measures, like job training, to properly handle this group of people.”

Xia Xueluan, a sociology professor with Peking University, in response on October 3 to the increasing urban homeless population, which has become a prominent issue as China experiences rapid urbanization



“It is our job to respond to disasters, earthquakes and traffic accidents, life-and-death matters, but the reality is that half of our missions, or even more, are not emergencies.”

Li Jin, Deputy Director of Beijing Fire Control. As of July 20, firefighters in the capital had been called to assist 3,119 cases of people locked out of their homes, closely followed by cases such as searching for lost pets and removing rings from people’s fingers



BEST VOICE OF CHINA



Li Qi, 23, championed Zhejiang Satellite TV’s second season of the talent show *Voice of China* on October 7. He was coached by Taiwanese singer A-Mei, one of four vocal coaches serving the show. Li graduated from the Department of Music at Jiangsu Normal University in 2012.

Last year, the first season of the show attracted an average of 4 percent of the total mainland TV audience, making it the most popular show of its kind that year.



SHANGHAI FTZ DIRECTOR



Ai Baojun, Deputy Mayor of Shanghai, was appointed director of the managing committee of the Shanghai pilot free trade zone (FTZ).

Ai, 53, was born in northeast China’s Liaoning Province and had been the general manager of Baosteel Group, China’s largest steel maker.

The Shanghai pilot FTZ was officially initiated on September 29 to nurture changes through experiments in a wide range of areas, including testing of a convertible yuan, wider opening of 18 service sectors, and a negative list approach in governing foreign investment. After trial operation, successful experiences will be applied to other parts of China and help escalate its economy in the face of current domestic slowdown.



Is Loosened Land Transfer Possible?

Caijing Magazine
October 7

As the Third Plenary Session of the Central Committee of the 18th Communist Party of China draws near, expectations are high that transfer of collectively owned rural land will be loosened.

However, according to the Ministry of Land and Resources, China's land management system won't undergo large reforms because on the one hand, transfer of collectively owned rural land will cause farmers to lose their land, leading to social unrest; on the other hand, local government opposes such reforms because free transfer of collectively owned rural land

will weaken local government dominance of land sales.

Despite these obstacles to reform, land transfer experience in south China's Guangdong Province has provided insight into how land transfer might become possible. In the 30 years since China's reform and opening-up drive kicked off, land transfer in the Pearl River Delta area has provided not only buildings for Hong Kong and Taiwan factories, but also homes to workers swarming the region. It is this illegal land transfer market that pushed forward industrialization and urbanization in the area.

Digital Scrawl

Beijing Youth Daily
October 8

Starting from the National Day holiday on October 1, tourists can scrawl wantonly across a large digital screen inside the Yellow Crane Tower, a famous historical building situated on the Yangtze River bank in Wuhan, central China's Hubei Province.

As is known, many Chinese tourists have a habit of writing on cultural vestiges. The Yellow Crane Tower has undergone its fair share of scrawling since ancient times, with famous Tang Dynasty poet and scholar Cui Hao (704-754) leaving a beautiful poem on its walls.

However, the situation has escalated in recent years, causing much damage. Though many scenic areas have made efforts to prohibit visitors from writing on walls, etc., the problem persists.

During the week-long holiday, the newly equipped digital screen has drawn a lot of attention, featuring a WiFi system that enables visitors to store and email their musings. It also includes an interactive map. Due to its positive impact, local authorities plan to equip more scenic spots around the city with similar devices.

Food Safety for Students

Yanzhao Evening News
September 27

Local authorities in Tongchuan City, northwest China's Shaanxi Province, recently introduced new regulations that mandate school principals eat with their students in an attempt to guarantee food safety.

However, how should such an initiative be implemented?

For a long time, lack of supervision has been a key reason behind cases of food poisoning at schools. Without a proper management system in place, long-term progress will be limited.

In nature, the new regulations reveal a common reliance on leadership, and not an effective system, to resolve problems. However,

who is to oppose school principals should they decide to ignore the law or take measures into their own hands?

Thus, the initiative will unlikely resolve food safety issues at school. What is needed is comprehensive supervision covering the purchase, processing and storage of school meals, alongside a third party observer, to ensure adequate transparency.

Chinese Investment Faced With Obstacles

Oriental Outlook
October 10

Although direct overseas investment in the world is declining due to the weakened global economy, China's overseas investment, especially that in the United States, is growing faster. In the first half of 2013, China's investment in the United States increased by 290 percent.

For example, Shuanghui International Holdings Ltd., China's largest meat producer, offered to buy U.S. pork giant Smithfield Foods Inc., while China National Offshore Oil Corp. Ltd. acquired Canadian oil and gas company Nexen.

However, despite fast growing investment, Chinese investors are facing strict examination by the United States.

Oriental Outlook journalists have explored the system and functions of the Committee on Foreign Investment in the United States, an inter-agency committee authorized to review transactions that might jeopardize national security in the United States, to help Chinese companies better expand overseas.



OPPLE



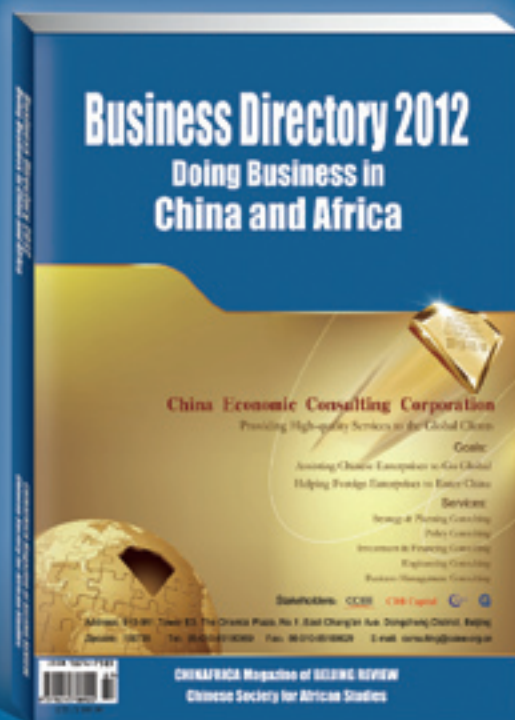
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COVER STORY

AMBITIOUS APEC

APEC leaders agree that a vigorous Asia-Pacific will remain the driver of the world economy By Ding Ying

COLORFUL REGION: APEC leaders and their spouses pose for a group photo on October 7 in Bali, Indonesia



Amid a slow global economic recovery in recent years, the Asia-Pacific region, consisting of the most dynamic and hopeful economies on the globe, has maintained vigorous economic growth.

Under the theme Resilient Asia-Pacific, Engine of Global Growth, this year's series of Asia-Pacific Economic Cooperation (APEC) meetings were held from October 7-8 on the Indonesian resort island of Bali. Chinese President Xi Jinping participated in the APEC informal economic leaders' meeting, equipped with proposals to boost regional economic ties and assertions that

China will continue pursuing economic reform.

China's role in APEC

During the meeting, the Chinese president exchanged views with leaders of APEC members. He called on all regional members to further restructure their economies, oppose trade protectionism, and boost cross-Pacific interconnectivity. Xi also proposed that members increase the openness of their economies, as well as promote policy coordination, common development and the integration of interests in the area.

These proposals will help the region handle

current challenges and formulate plans for the future, said Chinese Foreign Minister Wang Yi. Wang believes China's active role will help the region continue serving as an engine for world economic growth.

As the biggest developing country and emerging economy in the world, China's economy and its development plans have been a subject of worldwide concern. In an address at the APEC meeting on October 7, Xi warned against a world trade regime fragmented by various competing free trade arrangements, and called for resuming the long-stalled Doha Round of global trade talks by the World Trade Organization (WTO). He also noted that as the ►►



international community works to advance the Doha Round, various free trade arrangements in the Asia-Pacific region are advancing in parallel, each with different rules, standards and preferred paths.

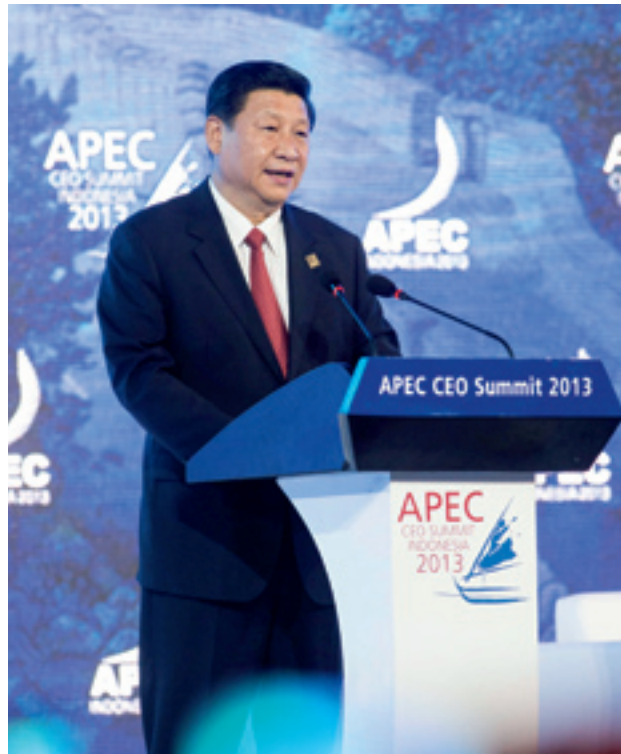
China believes that “the arrangement should lead to a cooperative relationship, not a confrontational one; an open mindset, not an exclusive one; win-win results, not a zero-sum game; and integration, not fragmentation,” as Xi said, promising that China is willing to provide capital assistance to developing countries in the region for their infrastructure construction projects.

Qu Xing, President of China Institute of International Studies (CIIS), pointed out that the president's promise shows China's full confidence and sincerity behind regional cooperation. By speaking of an Asia-Pacific community with a common destiny and shared values, President Xi's suggestions indicated practical goals for regional cooperation, said Qu. He said that an infrastructure construction investment bank, if established and put into operation, would greatly help make full use of APEC members' extra capital, promote economic development of regional economies, and narrow gaps between them.

Liu Chenyang, a researcher on APEC studies with Tianjin-based Nankai University, said, “Regional cooperation must be based on principles such as voluntariness and common interests.” He went on to add that, “China has shown its influence and leadership in the region, not only because of its heightened economic strength, but also because its proposals satisfy most APEC members' growth demands.”

The Chinese president also said China will continue deepening its reforms to ensure stable economic growth, stating his full confidence in the vitality of the Chinese economy. “I am confident first and foremost because China's growth rate is within the reasonable and expected range,” said Xi, adding that “everything has been going as expected and nothing has come as a surprise.”

China's economy recently underwent a slowdown, decreasing from the previous double-digit growth rates to 9.3 percent in 2011, 7.8 last year and 7.6 in the first half of this year. President Xi said such a growth speed is accept-



CHINA'S CONFIDENCE: President Xi Jinping states China's stance on regional economic development on October 7 in Bali, Indonesia

increased consumption will likely lead to a higher economic growth rate.

“China is drawing up a master plan for the deepening of reform in all respects,” said Xi. He added that challenges cropping up in development and institutional obstacles will be targeted, so as to create new impetus for economic expansion through reform in a balanced manner. To overcome those challenges and obstacles, China will improve its basic economic system, reform the administrative system and enhance innovation, Xi said.

Kuang Xianming, Director of the Research Center for Economy with the China Institute for Reform and Development, said Xi's comments struck a tone for the country's reform and policy making in the coming years. “The robust domestic consumption engines are most important in a country like China, with its huge population,” Kuang said. “Xi's speech expressed a determination to push reforms while remaining alert to potential risks,” he added.

able. An annual speed of 7 percent is enough to realize China's goal of doubling GDP and per-capita income between 2010 and 2020.

Yuan Gangming, a researcher with Tsinghua University, agreed that the slowdown was temporary and noted that the huge potential for

Key functions of APEC

APEC leaders conducted extensive discussions on issues most related to the region's growth, agreeing on strategic points about regional development. Indonesian President Susilo Bambang Yudhoyono said the APEC meeting

About APEC

As a 21-member forum, APEC seeks to boost free trade and economic cooperation throughout the Asia-Pacific region.

APEC is an inter-governmental organization that works on the basis of non-binding commitments, open dialogue and equal respect for the views of all participants. It now accounts for approximately 55 percent of global GDP, 44 percent of global trade, and 40 percent of the world's population, according to data provided on its official website.

The first APEC Ministerial Meeting was held in 1989 in Canberra, Australia.

At the meeting in 1994 in Bogor, Indonesia, APEC leaders adopted the Bogor Goals that targets free and open trade and investment in the Asia-Pacific by 2010 for industrialized economies and by 2020 for developing economies.

APEC's institutional framework consists of the Economic Leaders' Meeting, the Ministerial Meeting, the Senior Officials' Meeting, a committee and special working groups.

APEC currently groups 21 members, namely Australia, Brunei, Canada, Chile, China, China's Hong Kong, Chinese Taipei, Indonesia, Japan, Malaysia, Mexico, New Zealand, Papua New Guinea, Peru, the Philippines, Russia, Singapore, South Korea, Thailand, the United States and Viet Nam. The location of the meeting rotates annually among APEC members.

(Source: Xinhua News Agency)

was "successful" and "very productive." Chinese observers believed that APEC's function is irreplaceable in the region, suggesting this inter-governmental organization will play a bigger role after innovations are implemented.

The 21st informal economic leaders' meeting of APEC asserted that a strong multilateral trading system is a key driver for economic growth, job creation and sustainable development. According to a joint declaration of APEC leaders, they remain committed to attaining the Bogor Goals by 2020. The goals, with open and free trade and investment as main objectives, will serve to promote economic cooperation among APEC members in sharing and providing opportunities among stakeholders.

Qu of CIIS pointed out that this year's APEC meeting has revived Asia-Pacific economies' confidence in regional development. The United States has recently delayed its plan to quit quantitative easing, showing a lack of confidence in its domestic economic recovery, added Qu.

The leaders agreed to fight against protectionist and trade-distorting measures while recognizing the Doha Round of multilateral trade talks is at an impasse. The leaders also reached a consensus on speeding up institutional and people-to-people connectivity to improve the business climate, reduce production and transportation costs, and improve supply chains in the region. Qu believed that trade protectionism under the international economic and financial crisis has betrayed the WTO's basic principle of free and just trade. The APEC leaders' decision to deepen multilateral trade is very significant ahead of the upcoming WTO ministerial meeting.

Vice President of CIIS Ruan Zongze stressed that pursuing the Bogor Goals is highly important to the organization. He pointed out that trade protectionism has emerged in various countries and regions in the post-crisis era. In protesting trade protectionism, APEC has boosted its cooperative momentum and promoted its future global economic function, Ruan added.

In 1994, APEC members convening in the Indonesian city of Bogor set the goal of free and open trade and investment in the Asia-Pacific region, which has since remained the impetus behind APEC's agenda. The Bogor Goals, which acknowledge members' varying levels of socio-economic development, set 2010 for developed members and 2020 for developing members as time-

Chinese President Calls for Regional Connectivity

Chinese President Xi Jinping called for building a framework of connectivity across the Asia-Pacific region through a four-point proposal at APEC economic leaders' informal meeting on October 8 in Bali.

First, APEC economies should establish a connectivity network covering the whole Asia Pacific, so as to help bolster the construction of economic corridors in various sub-regions and foster a vast Asia-Pacific market covering 21 economies and 2.8 billion people. Efforts should be made to secure the free flow of production materials in the region and steadily enhance the coordinated development among Asia-Pacific members in order to achieve regional integration.

Second, APEC economies should remove the bottlenecks barring connectivity, and establish investment and financing partnerships with extensive participation from governments, private sectors, and international institutions. China stands ready to explore and expand investment and financing channels for infrastructure construction and proposes the establishment of an Asian infrastructure investment bank.

Third, APEC members should promote connectivity and infrastructure construction within the framework of regional and international cooperation. All members should enhance communication and actively participate in cooperation in the spirit of mutual benefit, complementary advantages, and adhering to the principle of open, transparent, and win-win cooperation.

Fourth, APEC members should take advantage of connectivity to help people in the Asia-Pacific region establish closer links in economy and trade, finance, education, science and culture, and enhance mutual understanding and trust.

Boosting Regional Development

Chinese President Xi Jinping made a three-point proposal on regional development in his key-note speech on October 8 in Bali:

First, APEC members should strengthen coordination on macroeconomic policies and jointly promote regional development.

Second, unremitting efforts should be made to maintain financial stability in the Asia-Pacific region. Countries should prevent financial risks from triggering political and social unrests.

Third, members should deepen economic restructuring to inject more vitality into sustainable development.

(Source: Xinhua News Agency)

lines to achieve free trade and investment. According to a 2012 progress report issued by APEC Policy Support Unit, the average tariff in the region has been reduced from 17 percent in 1989 to 5.8 percent in 2012, much lower than the average 10.3 percent in other regions. APEC member economies have been working to open their service trade, improve investment conditions, align with international standards, strengthen intellectual property rights and competition systems, and push for regulatory reforms in past years.

The Asia-Pacific's contribution to the world economy is self-evident. APEC's 21 member economies are expected to grow by 6.3 percent in 2013 and 6.6 percent in 2014, according to the International Monetary Fund (IMF). In July, the IMF revised downwards its

growth forecasts for global output. World GDP is expected to grow 3.1 percent in 2013 and 3.8 percent in 2014.

The 2014 APEC meeting will be held in Beijing. China hopes to use that opportunity to work closely with all parties to encourage APEC economies to build closer partnerships and make APEC play a greater leadership role in mapping out the long-term development goals of the Asia-Pacific region, Xi said.

In 2001, the APEC meeting was held in Shanghai under the theme of Meeting New Challenges in the New Century: Achieving Common Prosperity through Participation and Cooperation. ■



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