

NEWS / *Story of the day*

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'STAND UNITED'

PM: APEC MUST LEAD POST-PANDEMIC RECOVERY

'21 members must trade, invest their way out of economic downturn brought about by Covid-19'

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ASIA-PACIFIC Economic Cooperation (Apec) member countries, constituting about 60 per cent of the global gross domestic product, must assume a central role in spearheading post-pandemic economic recovery, said Prime Minister Tan Sri Muhyiddin Yassin.

He said all 21 members must trade and invest their way out of the economic downturn brought about by the Covid-19 pandemic.

Speaking at the Apec Economic Leaders' Meeting yesterday, he said member states must stand united to combat the pandemic, adding that it was vital that people around the world had access to vaccines and health technologies in an affordable, accessible and equitable basis.

"Admittedly, the Covid-19 pandemic has had a lasting impact on the way we view trade and economic priorities within Apec.

"Today, as we work together as a region to mitigate the impact of Covid-19, the relevance of Apec has become even more pronounced.

"As we pursue regional solutions that help us strike a delicate balance between our health priorities and economic needs, we are reminded not of our divergences, but of our similarities, and of the fundamental fact that, even in calamity, humanity will find a way."

He said all members must come together and work constructively towards navigating the region along a path of robust, inclusive

and sustainable economic recovery and growth.

Muhyiddin said Malaysia's involvement in Apec continues to strengthen business growth in the country through intra-regional trade expansion, with Apec economies contributing 78 per cent of Malaysia's total trade.

He said the expansion of trade had brought progress to Malaysia's economy, with positive spillover effects for Malaysians in the form of job creation, knowledge transfer and the strategic placement of micro-, small- and medium-sized enterprises in the global value chain.

He said Malaysia's trade with Apec member economies had increased by more than seven-fold in the past decade.

"In 2019, Apec economies had collectively contributed 78 per cent of Malaysia's total trade.

"Similarly, Apec economies, as a grouping, were the largest source of foreign direct investment (FDI) into Malaysia, and this represents 91 per cent of Malaysia's total FDI flow for last year."

Since the Bogor Goals were articulated in 1994, total trade between Apec economies and the rest of the world had increased by more than four times, he said, adding that the bloc represented almost 50 per cent of global trade.

Muhyiddin said more than two-thirds of world trade by Apec economies were with other Apec economies, with capital inflow into member countries increasing by two-thirds and capital outflows tripling.



"We now constitute half of the world's top 10 FDI recipients.

"From a regional perspective, the World Bank's Doing Business database indicates that Apec has made strides towards elimination of non-tariff barriers, too, by way of streamlining processes, reducing costs and time, with regard to carrying out trade activities.

"These regulatory reforms have further enhanced the ease of doing business in Apec."

He said Apec was an incubator and enabler that provided the right framework for implementing economic ideas on a voluntary, non-binding and consensus basis.

It was due to this foundational philosophy behind Apec, he said, that member economies had often pursued new and novel concepts within the platform even when there was reluctance and hesitation at other multilateral fora.

He said member economies had been swift in embracing the tools offered by Apec in advancing the economic agenda within the region, subsequently furthering the prosperity of the people in the Asia-Pacific region.

He called on member states to embrace the Shared Prosperity