

## Minister John Deng's Intervention at 2022 ABAC-MRT Dialogue

### Public Private Dialogue on the FTAAP in the COVID-19 pandemic and beyond (MRT & ABAC)

*In light of the COVID-19 and its impact on economy, what should APEC review its FTAAP agenda to ensure that it remains on course to achieve its original objectives, and how could FTAAP works contribute to economic recovery and growth in a sustainable manner and to ensuring that is adequately prepared for similar future crises? (09:30-12:30, May 21, 2022)*

Dear Chair, colleague ministers, and ABACs:

1. The pandemic has not only changed our lives, but also has an impact on how we do business.
2. In particular, lockdown directly affects the supply chain. Port congestions, delayed delivery, and production disruption seem to be the new normal.
3. How to coexist with the pandemic, to restore gradually the people-to-people connection, and to reopen the borders are the questions we must consider.
4. We cannot avoid these factors when we reformulate our ways to achieve the goals of FTAAP.

**First, supply chain resilience should be included in the discussion of FTAAP.**

5. Therefore, in the discussion of FTAAP, “enhancing the competitiveness and business facilitation” in the supply chain is something we can consider.
6. Best practices can be found through public-private dialogues and cooperation with other international organizations/think tanks, in areas such as the resilience of supply chains, facilitating regional production while reducing costs, managing the supply chain bottlenecks, and enhancing the supply chain safety and stability.
7. In some FTAs such as CPTPP, this element is now a chapter where members can establish a platform to collaborate. We stand ready to strengthen the regional supply chain resilience with CPTPP trading partners when we officially become a Member.

**Second, digital element is essential to FTAAP discussions in enhancing supply chain management and good governance**

8. The efforts to improve efficiency in the private sector are quite obvious. Digital technology can substantially help us to provide better pandemic data collection, medical services/consultancy, logistics solutions, etc.
9. Customs management and systems must be upgraded simultaneously in order to ensure smooth trade.
10. In 2015, we are one of the earliest Members that ratified the WTO Trade Facilitation Agreement (TFA), which took effect

in 2017.

11. In 2021, we further started our intelligent, e-customs program by using artificial intelligence (AI) to assist our tariff classification, so as to streamline the customs process and facilitate trade with new technology.
12. Mega FTAs such as the CPTPP, USMCA, and RCEP already have rules on e-commerce/digital trade and customs procedures, and we expect future regional economic integration frameworks such as FTAAP can also intensify related discussions based on those models.
13. For cross-border e-commerce to continue flourishing and for digital tools to work, we need to develop new rules in the WTO and future economic integration discussions. These may include how we handle the data as well as how we protect our personal information and privacy.
14. Although digital and trade facilitation has become one of the major topics in the WTO and in the regional economic integration discussions, the government must also change its mentality on border management in terms of implementation. Simplifying the procedures with an open mind and embracing new technology can avoid creating a bottleneck in the process.

Thank you.