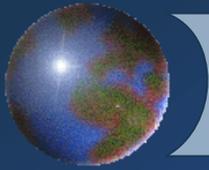


*Recommendations for Connecting the
Connectivity-related initiatives within the
Asia-Pacific Region*

By Liu Chenyang

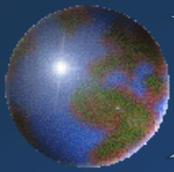
APEC Study Center of Nankai University

Sep 27 2016, Yangzhou



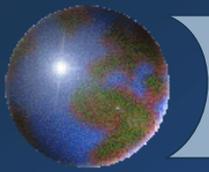
Expectation

- ❖ **Basing on the pioneering efforts and successful experiences of APEC, a common understanding on the great significance of connectivity cooperation is expected to be reached not only among APEC members, but also among all the economies in the Asia-Pacific region.**



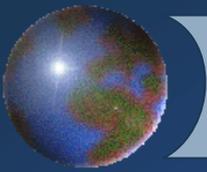
Significance of Connectivity Cooperation in the Asia-Pacific Region

- ❖ **Narrowing the geographic, physical and institutional gap among economies;**
- ❖ **Deepening and enhancing trade and investment relations among economies, facilitating them to better integrate into the regional value chain system, and enhancing the competitiveness of the economy of the whole region;**
- ❖ **Making remarkable contribution to the recovery and healthy development of the world economy in the long term.**



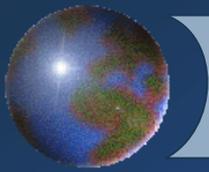
Suggestion 1

- ⊕ **APEC is expected to take the responsibility to further enhance its leading and exemplary role in promoting Asia-Pacific connectivity cooperation.**
- **In the long term, APEC should strengthen the top-level design and mainstream connectivity cooperation as a new pillar for its process in the post-Bogor era;**
- **In the short and medium term, APEC should take more effective measures to realize the goal of the Connectivity Blueprint for 2025, such as quantifying related targets and designing evaluation indicator system, so that the connectivity cooperation in the whole region could be driven in a result-oriented manner.**



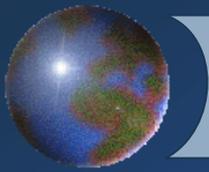
Main Challenges for Asia-Pacific Connectivity Cooperation

- ❖ **Institutional obstacle: lacking of connection mechanism among different connectivity cooperation frameworks;**
- ❖ **Conditional obstacle: shortage of fund, especially in the field of physical connectivity or infrastructure development.**



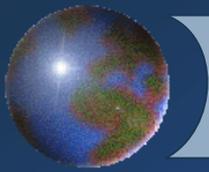
Suggestion 2

- ❖ **APEC may play a coordinating role and encourage related parties and stakeholders to establish a mechanism-based cross-organizational platform for connectivity cooperation.**
 - **The main function of the platform may include policy and experience exchanging, capacity building, progress assessment.**
 - **Separate working mechanisms on physical connectivity, institutional connectivity and people-to-people connectivity could be established. An effective horizontal liaison mechanism should also be set up among the three pillar areas.**
 - **The platform may take the form of ministerial meeting, high-level policy dialogue or summit in the early stage, and then continuously improve its organizational structure according to actual progress.**
 - **Through the platform, APEC could also strengthen cooperation and coordination with other regional and international organizations such as PECC, G20, ASEAN, Eurasian Economic Union, and PA.**



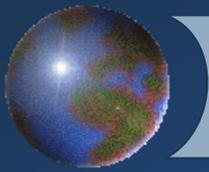
Suggestion 3

- ✦ **To establish a systemic, rational and efficient investment and financing mechanism, become key factor influencing the prospect of connectivity cooperation in the Asia-Pacific region.**
- **The public-private-partnership (PPP) model should be widely utilized to fully mobilize social resources and raise funds;**
- **The newly established AIIB has both responsibility and capacity to play an active role in promoting financing innovation to boost the infrastructure development in the Asia-Pacific region;**
- **When conditions are mature in the future, the AIIB, ADB and other related financial institutions in the Asia-Pacific region, as well as international financial institutions such as the World Bank, could cooperate in establishing an Asia Pacific Connectivity Development Fund.**



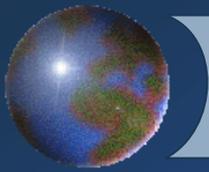
Suggestion 4

- ❖ **To promote the connection of connectivity through the construction of Economic Corridors.**
- **Economic Corridors connect economic nodes or hubs along a defined geography. They are not mere transport connections along which people and goods move, but are integral to the large amount of economic resources and actors surround it. They are very ideal arena to carry out comprehensive connectivity cooperation;**
- **The networking of Economic Corridors will not only promote the trade and investment in the Asia-Pacific region, but also provide good opportunities to enhance the connection of different connectivity cooperation.**



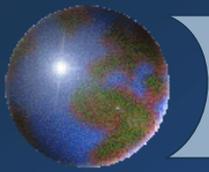
Suggestion 5

- ❖ **A set of basic principles should be formed and followed to guarantee the common interests of the economies participating in connectivity cooperation.**
 - **Maintaining flexibility, gradualism and inclusiveness;**
 - **Ensuring effectiveness;**
 - **Upholding openness;**
 - **Advocating win-win cooperation**



Suggestion 6

- ❖ **PECC could list the topic “Connecting the Connectivities in Asia-Pacific” among the flagship research projects over the next few years, and continue to play an active role of incubator on this issue in the future.**



Thank you

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