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I want to thank Dr. Harold Shapiro, Chairman of the NBAC, and other Commissioners for a thoughtful report that will contribute significantly to the efforts of my administration as we establish the highest ethical standards for the conduct of human stem cell research.

The Auckland Challenge: APEC Economic Leaders' Declaration

September 13, 1999

We, the Economic Leaders of APEC, celebrate here in Auckland ten years of unprecedented cooperation in our region, in pursuit of a vision of stability, security and prosperity for our peoples. We shall continue to exercise leadership to reach our goals and to meet the challenge we have set ourselves.

We welcome the improved performance and prospects of our economies since we last met, and commend the actions taken to reform those economies affected by the crisis. The cooperative growth strategy we adopted in Kuala Lumpur, and sound macroeconomic policies in key economies, have supported the restoration of confidence and growth, and have allowed us to share growing confidence about our prospects.

We are not complacent about the risks that might impede recovery and sustainable growth and we will sustain the momentum for reform. Continued multilateral and bilateral support is still important. We welcome and endorse the efforts of Ministers through the year in pursuit of APEC's goals. As Leaders, we accept responsibility for resisting protectionism, opening markets further, and addressing structural and regulatory weaknesses that contributed to the economic downturn from 1997. We will achieve this by strengthening our markets through regulatory reform and enhanced competition and by improving the international framework governing trade and investment flows. To this end we commit to the launch of a new Round of negotiations in the World Trade Organisation.

All people in our communities have a stake in the success of APEC. We want to ensure they achieve their full potential for improved economic and social well being. We particularly welcome the more active participation of women and business in APEC's work this year.

Supporting Growth through Strong and Open Markets

Improved competitiveness through ongoing reform is the road to recovery and sustainable growth. Through APEC, we seek to expand opportunities for business and employment growth, build strong and open markets and ensure that our communities and economies can participate successfully in the international economy. Open, transparent and well-governed markets, both domestic and international, are the essential foundation of prosperity and enable enterprises to innovate and create wealth.

We will strengthen our markets by:

- providing greater transparency and predictability in corporate and public sector governance
- enhancing the role of competition to improve efficiency and broaden participation by enterprises
- improving the quality of regulation and the capacity of regulators to design and implement policies for sustainable growth
- reducing compliance costs and facilitating business growth
- building a favorable regional and international environment for free and fair competition

In reconfirming our commitment to achieve the Bogor Goals of free and open trade and investment by 2010/2020, we endorse the attached APEC Principles to Enhance Competition and Regulatory Reform. These principles provide a core part of the framework for strengthening our markets which will better integrate individual and collective actions by APEC economies to achieve those goals.

We accept Ministers' proposals for an initial work programme to strengthen markets. This gives priority to strengthening market infrastructure and human capacity in our economies and enterprises, especially in developing economies. It also calls for specific implementation strategies in areas such as natural gas and e-commerce. We call upon

the private sector, including the APEC Business Advisory Council (ABAC) and the APEC Financiers' Group, to contribute to these efforts.

We welcome and endorse the work of our Finance Ministers, and encourage their efforts to strengthen domestic financial markets and secure the foundation for the return of capital to the region by:

- enhanced supervision of financial markets, including through improved training of supervisors and regulators
- developing domestic bond markets based on the just published Compendium of Sound Practices
- developing and applying agreed corporate governance principles

The alignment of the APEC Finance Ministers' process with the APEC Leaders' process offers new opportunities for cooperation. We instruct our Ministers to pursue greater links among APEC fora and their work programmes. We look forward to receiving a report from Finance Ministers of further progress in dealing with financial market issues when we next meet.

We reaffirm that individual actions by economies are the principal means by which APEC's goal will be attained. We acknowledge that progress towards the Bogor Goals has been uneven, and undertake to continue concrete actions to fulfill our commitment. We also accept the views of ABAC and other business representatives who have called for action plans to be more specific, transparent and comprehensive, and welcome the initiative by Ministers to review and strengthen processes for individual and collective actions under the Oaska Action Agenda.

APEC's trade facilitation programmes are already delivering substantial benefits—in customs harmonisation, standards and conformance, and increased mobility of business people. We welcome the agreed new initiatives, and instruct Ministers to give priority to this work next year, in consultation with business, and to better communicate the value of APEC's trade facilitation role.

Enhanced economic and technical cooperation is essential if we are to lift our peoples into prosperity, and narrow the development gap among Asia/Pacific economies. The financial crisis has underlined the importance of cooperation in human and institutional capacity building, science and technology exchanges and development of infrastructure. We direct our Ministers to give special attention in the coming year to improving effective and coordinated delivery of APEC's Ecotech and capacity building programmes, in accordance with the Manila Declaration.

We welcome Ministers' report on the APEC Food System proposed by the APEC Business Advisory Council, and endorse its recommendations on the development of rural infrastructure, dissemination of technological advances in food production and processing, and promotion of trade in food products. A robust regional food system that efficiently links food production, food processing and consumption, is a vital contribution to meeting the objectives of APEC. We instruct Ministers to implement the recommendations taking into account ABAC's submission this year, and monitor annually progress towards achieving the APEC Food System.

We recognise the key role that electronic commerce will play in linking our economies. APEC must continue its efforts to create a favourable environment for e-commerce in cooperation with the private sector.

In a little over 100 days, APEC economies will face the challenges and risks of the century date change. Intense activities in economies and throughout the region have lessened risks but more cooperative planning must occur. We recognise that global interdependence means we must continue our efforts to prepare, accelerate cross-border contingency planning, and enhance transparency about readiness as a matter of the highest priority. We adopt the APEC Y2K 100 Days Cooperation Initiative to intensify cooperation for responding to potential Y2K events. We agree to share information and expertise about Y2K impacts on critical infrastructures during and after the date change.

APEC in the Global Economy

APEC will continue to play a leadership role in strengthening the global economy, especially the multilateral trading system.

Strong financial systems are fundamental to achieving robust, open and growing economies. We welcome the report from our Finance Ministers on developments in

strengthening the international finance architecture and are encouraged by the progress made. The establishment of the Financial Stability Forum and the new informal mechanism to enhance dialogue among the systematically important economies should advance cooperation on strengthening the international financial system. We support ongoing efforts to improve crisis prevention and crisis resolution, and urge prompt action to improve transparency of highly leveraged institutions. We also support the developing consensus on the need to ensure that reforms of the international financial system, and domestic financial markets, are mutually reinforcing. APEC's diverse membership provides a special contribution to discussions on domestic and international financial reforms. In respect of both the public and private sectors, APEC advocates:

- greater transparency and openness including improved reliability and timeliness of information
- clearer accountability for decisions and judgements

This year, APEC has a unique opportunity to give impetus to deliberations in the World Trade Organisation (WTO). We will give the strongest possible support at Seattle to the launch of a new Round of multilateral negotiations within the WTO, and endorse the positions adopted by Ministers. We recognise the need to build public confidence in this process and to improve coordination on trade related matters among relevant international organisations. We agree on the importance of ensuring full implementation of existing WTO agreements. We see continued growth in international trade and investment as the best means of achieving prosperity and security.

In particular, we agree that the new Round should:

- include comprehensive market access negotiations covering industrial tariffs in addition to the already mandated negotiations on services and agriculture
- lead to timely and effective improvements in market access to the benefit of all participating economies, particularly developing economies and, consistent with this objective, provide scope to review and strengthen rules and disciplines
- have a balanced and sufficiently broad-based agenda and be concluded within three years as a single package which does not preclude the possibility of early results on a provisional basis

We support, as one of the important objectives of the negotiations on agriculture, the abolition of agricultural export subsidies and unjustifiable export prohibitions and restrictions.

We call on all WTO members to join us at Seattle in a commitment not to impose new or more restrictive trade measures for the duration of the negotiations, as applied during the Uruguay Round. We pledge not to impose any such measures before the Seattle WTO Ministerial meeting.

Support for ongoing WTO negotiations will remain a key area of APEC's work throughout those negotiations. In particular we resolve to work actively in the negotiations to ensure that APEC and WTO are mutually reinforcing. To respond fully to the challenges and opportunities of today's interdependent world for the benefit of all our peoples and to avoid fragmentation of the international trading system, we need to ensure convergence between regional and multilateral liberalisation initiatives.

In order to achieve universality of membership, we also seek early progress in the accession negotiations to the WTO, including for those APEC economies that are not yet WTO members. We issue a strong call for these accession negotiations to be concluded at the earliest opportunity, if possible prior to commencement of the new WTO negotiations.

Participation in Prosperity

As Leaders, we recognise our responsibilities to ensure full and successful participation by all of our populations in the modern economy. Technological change has irreversibly integrated global markets for goods and services, and finance. The effective development and application of knowledge will be a key driver of future economic success, and we pledge to ensure that APEC economies are to the forefront of building and sharing

their expertise in this vital sector. Cooperation in such fields as e-education, science and technology and life-long skills development should be strengthened. Globalisation must become an opportunity for all.

We commit to ensuring that APEC takes a leading role in enabling developing economies to participate successfully in the global economy, through enhancing human and institutional capacities and progressively opening markets. We recognize that income and wealth disparities between and within economies can pose a challenge for social stability. Appropriate social safety nets play a role in facilitating economic and social adjustment. We welcome efforts by APEC economies, and other institutions, to address social safety net issues, and encourage further efforts to maintain employment and environmentally sustainable growth. In that regard, we welcome the outcomes of the Human Resources Development and Small and Medium Enterprises Ministerial Meetings. APEC economies will pursue enhanced dialogue and continue to seek policy approaches that encourage inclusion and economic advancement, as well as initiative and innovation.

We welcome the Framework for the Integration of Women in APEC, which is a significant step to enhance the ability of women to contribute to and benefit from prosperity of the region. We shall review implementation of the Framework when we next meet.

In 1999, we have enhanced opportunities for business, especially smaller enterprises, to make their views known in APEC. Those views are of keen interest to us. Further dialogue with the private sector, at all levels, is essential to maintain the dynamism and relevance of APEC. We also look to the private sector for support for reform.

Once again, we welcome the recommendations from the APEC Business Advisory Council, ABAC, and thank members of the Council for their contribution in areas such as capacity building, finance, food, e-commerce and air services. We instruct Ministers to take the ABAC recommendations into account during their work in 2000. We support implementation of the eight steps for more competitive air services, and the identification of further steps to liberalise air services in accordance with the Bogor Goals. Tourism and air services have a large contribution to make to development and community building in the region.

Conclusion

As Leaders, we recognise that our role in APEC, as in our own economies, is to set the course which will allow for sustainable development and which will deliver a strong social dividend to their populations. We acknowledge that economic adjustments may be difficult, and that there is social cost which must be reduced. But we are united in our belief that the path to increased prosperity requires continual reform and adjustment of our policies and outlook. An open regional framework, within which competition and cooperation flourish, is the best means of building a prosperous future together. We embark on APEC's second decade confident that a deepening and enduring spirit of openness, partnership and community is being built. The challenge we collectively face is to maintain our momentum and deliver on our commitment. We accept the challenge.

NOTE: This declaration was made available by the Office of the Press Secretary but was not issued as a White House press release. An original was not available for verification of the content of this declaration.

Message to the Congress Transmitting a Report on United States Activities in the United Nations

September 13, 1999

To the Congress of the United States:

I am pleased to transmit herewith a report of the activities of the United Nations and of the participation of the United States therein during the calendar year 1998. The report is required by the United Nations Participation Act (Public Law 79–264; 22 U.S.C. 287b).

William J. Clinton

The White House,
September 13, 1999.