

The 30th Pacific Economic Community Seminar
“Improving Supply Chain Connectivity towards a Seamless Regional Community”

September 23-24, 2015

Organizers: Chinese Taipei Pacific Economic Cooperation Committee (CTPECC)

Taiwan Institute of Economic Research (TIER)

Introduction

It has been recognized by most that regional economic integration (REI) is one significant process promoting trade in goods and services and facilitating foreign direct investment (FDI) across economies. Nevertheless, how the REI is advancing and transforming production networks and supply value chains in the Asia Pacific region is becoming more complicated. Enhanced trade and market access stimulated by liberalization commitments created opportunities for export-oriented economies and meanwhile favored economies absorbing imports for manufacturing and for their own local markets. On the other hand, the establishment of reliable and efficient value chains is significant in promoting REI and the degree of engagement in global value chains (GVCs) is increasingly related to the competitiveness of economies in the global arena.

The progress of GVCs has been with the unprecedented expansion of trade in parts and components, speedy movement of capital, extensive widespread of technologies and notable increase of economic interdependence among economies with respect to the imperative trend of REI. As GVCs are currently a major facet of the global trade, the estimation of value added final products moving across economies would be a brand new benchmark that governments need to enact more effective policies to meet the changing processes.

For accelerating development of global value chains and promoting REI, the G20 priorities for this year give special importance on global value chains and better integration of SMEs. On the other hand, APEC Economic Leaders also encouraged APEC economies to achieve the ten percent improvement goal on supply chain performance in terms of time, costs and uncertainty by the end of 2015.

In response to APEC Leaders' instructions, PECC emphasize the importance of

promoting connectivity for the REI agenda. Connectivity should be seen as an essential work enhancing ability of people to enjoy the benefits of the economic integration process. Accordingly, it is recommended that the connectivity work should be seen through the inclusive growth lens to enable Asia Pacific region to reach the global market, which corresponds with the APEC's priority this year.

To identify opportunities and challenges of REI and GVCs in responding to the emerging seamless regional economy, CTPECC and TIER in response to opinion leaders to share their views and exchange ideas on the theme of "Improving Supply Chain Connectivity towards a Seamless Regional Community" since 2014. This year, we will continue to hold intensive discussion on investigating the correlations between GVCs, integration of SMEs and inclusive growth with respect to REI in the Asia Pacific region.

Program

Day 1, September 23, 2015

Venue: Noble House, 1F, Regent Taipei

08:50-09:20 Registration

09:20-09:35 **Opening Session**

Session Chair

Chien-Fu Lin, Chairman, CTPECC

Welcome Remarks

Distinguished Guest from Ministry of Foreign Affairs(TBD)

Alan Bollard, Executive Director, APEC Secretariat

Group Photo

Guests, Speakers and Discussants

09:35-10:00 Coffee Break

10:00-12:00 **Session 1 “Global Value Chains and Trade Policy”**

Global Value Chains (GVCs) are emerging as a dominant feature of the global economy and international trade. The new “trading tasks” imply that evaluation of value added of final products by travelling between economies serve a new lens through which governments can realize a more effective policy and regulatory infrastructure for global trade. How GVCs are changing macro economic and trade policies and institutions in the Asia Pacific region will be discussed in this session.

Session Chair

Chien-Fu Lin, Chairman, CTPECC

Speakers (20 mins for each speaker)

Andrew Elek, Research Associate, Australian National University

M. Hassan Wafai, Professor, Royal Roads University

Discussants (15 mins for each speaker)

Patrick Low, Vice President of Research, Fung Global Institute

Chen Ho, Associate Research Fellow, Chinese Taipei APEC Study Center

Q & A (30 mins)

12:00-13:30 Lunch

13:30-15:30 **Session 2 “ Opportunities and Challenges of Integrating SMEs into Global Value Chains”**

Considering that SMEs account for over 97 percent of all enterprises and employ more than half of the workforce in APEC economies. They could nurture new business ideas, enhance productivity, improve economic structure, and lead economic development on a more resilient and sustainable path. As a result, improving SMEs’ engagement in GVCs is crucial to promote REI in a comprehensive and inclusive manner. In this session, we will review significant opportunities and challenges of integrating SMEs in GVCs.

Session Chair

Sheng-Cheng Hu, Academician Academia Sinica, Institute of Economics,
Academia Sinica

Speakers (20 mins for each speaker)

Henry Wai-chung Yeung, Professor, National University of Singapore

Kenji Watanabe, Professor, Department of Management and Information Systems
Science, Nagaoka University of Technology

Discussants (15 mins for each speaker)

Chul Chung, Vice Chair, KOPEC

Robert Feenstra, Professor, Department of Economics, University of California,
Davis

Q & A (30 mins)

15:30-15:40 Coffee Break

15:40-17:40 **Session 3 “ Global Value Chains Towards Inclusive Growth”**

Promoting regional connectivity is essential to build capacity of people to participate in the global economy and enjoy benefits of REI. In response to APEC Leaders’ instruction on building an inclusive, integrated APEC community, this session will share views on strategies of promoting regional inclusive growth in the context of GVCs for the APEC region. Our discussion will associate with and contribute to promotion and advancement of inclusive growth in the Asia Pacific region, the theme of APEC 2015.

Session Chair

Antonio I. Basilio, Chair, PPECC

Speakers (20 mins for each speaker)

Ganeshan Wignaraja, Director of Research, Asian Development Bank Institute

George Manzano, Professor, University of Asia and the Pacific Faculty and Management

Discussants (15 mins for each speaker)

Kenichi Kawasaki, Consulting Fellow, Research Institute of Economy, Trade & Industry, IAA (RIETI)

Jersey Chen, Special Assistant to Chairman, MiTAC-SYNNEX Group

Q & A (30 mins)

Day 2, September 24, 2015

Venue: VIP Room 5, 4F, Regent Taipei

09:00-10:00 **Registration**

10:00-12:00 **Roundtable Session**

In this session, we will discuss the role of PECC as an official observers and a forerunner of APEC in promoting seamless region community. Moreover, how APEC should concert current works and assist economies on enhancing supply chain connectivity which would contribute to a more integrated APEC community will also be discussed.

Session Chair

Chien-Fu Lin, Chairman, CTPECC

and

Alan Bollard, Executive Director, APEC Secretariat

Discussants (5 mins each)

All speakers, discussants and Chinese Taipei participants