

## PRESS RELEASE

### **Pacific Economic Cooperation Council Releases 2025 State of the Region Report: Navigating an Era of Rising Protectionism and Economic Uncertainty**

*Gyeongju, Korea, 25 October 2025* — The Pacific Economic Cooperation Council (PECC) today released the *State of the Region 2025* report, offering timely insights into the challenges and opportunities shaping the Asia-Pacific economy amid escalating trade tensions, protectionism, and geopolitical uncertainty.

Drawing on responses from more than 500 thought leaders across government, business, academia, civil society, and media in 24 Asia-Pacific economies, this annual flagship publication presents the pulse of the region’s policy community. It presents an expert assessment of growth prospects, risks to the regional and global economy, and policy priorities for APEC leaders as they meet in the Republic of Korea.

Survey findings reveal widespread concern about the global economy, with many respondents expecting it to be weaker or much weaker in the next few years. “**Increased protectionism and trade wars**” emerges as the most serious risk to their economy’s growth. Survey trends over recent years show a growing number of participants view this issue as a risk to growth. Other risks such as **global supply chain disruption, inflation, and climate change** are also cited, but with a more moderate level of concern.

The report identifies five urgent priorities for APEC Leaders:

1. Ameliorating the risks caused by increased protectionism and trade wars
2. Lowering geopolitical tensions
3. Boosting supply chain resilience and efficiency
4. Facilitating the adoption of emerging technologies and Artificial Intelligence (AI) and managing risks arising from these technologies
5. Supporting the multilateral trading system (e.g. WTO)

PECC Co-Chairs Richard Cantor and Zhang Yongxin noted “the top risks to growth today are global in nature,” they said. “Reducing them will require collective action and renewed trust among regional economies.”

The thematic focus of this year’s report—*Trade Policies in a Disrupted World and the Risk of Disruption*—examines how economic fragmentation and security-driven trade measures are reshaping global commerce. It underscores the need for policies that preserve open markets while strengthening resilience through cooperation. The report calls for reforming the multilateral system, ensuring that regional trade agreements complement global rules, and leveraging the green transition as a unifying agenda for cooperation.

Despite the uncertainty, the report highlights a prevailing belief in the Asia-Pacific’s ability to lead through collaboration. A large majority of respondents expect their governments to enhance Asia-Pacific economic cooperation and integration, particularly through frameworks such as APEC, ASEAN, CPTPP, RCEP, and the WTO.

“Amid fragmentation, APEC’s spirit of open regionalism and consensus-building remains vital,” said Dr. Kaewkamol (Karen) Pitakdumrongkit, Interim Secretary-General of PECC and Coordinator of the *State of the Region Report*. “By fostering dialogue and practical cooperation, APEC can continue to

serve as an incubator of ideas that guide the region toward a more inclusive and resilient economic future.”

The *State of the Region 2025* reaffirms PECC’s commitment to fostering a stable, open, and rules-based Asia-Pacific economy through evidence-based analysis and cross-sector dialogue.

The full report is available at <https://pecc.org/state-of-the-region-2025>

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### ***About State of the Region***

The *State of the Region* report ([www.pecc.org/research/state-of-the-region](http://www.pecc.org/research/state-of-the-region)) is an annual statement of PECC’s views on the major developments affecting Asia-Pacific regional cooperation. The report contains a macroeconomic overview of the current state of the region and related issues. It contains results from its annual survey of opinion-leaders of perceptions on key developments in the region and priorities for APEC. It is useful for gauging converging as much as diverging perceptions of stakeholders from business, government, and the research/ media/ civil society. This year, the survey was conducted from June to August and responses were received from over 500 opinion leaders.

Respondents to the PECC survey are high-profile senior individuals from the academia; business; government; civil society and the media. They are selected by PECC member committees on the basis of their level of knowledge of the Asia-Pacific region. The criteria given for the selection of panelists were as follows:

#### *Government*

Panelists should be either decision-makers or senior advisors to decision-makers. The past government respondents included a number of former and current ministers, deputy and vice-ministers, central bank governors and their advisors for Asia-Pacific issues, current APEC senior officials, and a number of former APEC senior officials.

#### *Business*

Panelists should be from companies who have operations in a number of Asia-Pacific economies or conduct business with a number of partners from the region; this might include each economy's current ABAC members as well as past ABAC members. They may be CEOs, vice presidents for Asia-Pacific operations, and directors of chambers of commerce.

#### *Research Community/Civil Society/Media*

Panelists should be well versed in Asia-Pacific affairs, being the type of people governments, businesses, and the media would tap into for input on issues related to Asia-Pacific cooperation. These include heads of institutes concerned with Asia-Pacific issues, heads of departments, senior professors, and correspondents covering international affairs.

### **About the Pacific Economic Cooperation Council**

The Pacific Economic Cooperation Council (PECC) is a non-profit international organization committed to the promotion of cooperation and dialogue in the Asia Pacific. Founded in 1980, PECC is a tripartite network of 24 member committees comprising individuals and institutions dedicated to this shared mission. Of the 24 member committees, 21 represent the economies of Australia, Brunei Darussalam, Canada, Chile, China, Colombia, Hong Kong (China), Indonesia, Japan, Korea, Malaysia, Mexico, New Zealand, Peru,

the Philippines, Singapore, Chinese Taipei, Thailand, the United States of America, Vietnam as well as the Pacific Islands Forum. The PECC also has one associate member, France (Pacific Territories), and two institutional members, the Pacific Trade and Development Conference and the Pacific Basin Economic Council. As the only non-governmental official observer of APEC (Asia-Pacific Economic Cooperation), PECC provides independent business and research input for the regional policy-making process. [www.pecc.org](http://www.pecc.org)