

PECC Update
APEC SOM 1 Plenary
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Guangzhou Baiyun International Conference Center
On behalf of Dr Richard Cantor and Ambassador Zhan Yongxin, PECC Co-Chairs

- Ambassador Chen Xu, APEC 2026 SOM Chair, Senior Officials

On behalf of the members of the Pacific Economic Cooperation Council (PECC), we thank you for this opportunity to update you on the work at PECC is undertaking to promote the vision of an Asia-Pacific community. We commend China for its leadership in hosting APEC 2026 under the theme “*Building an Asia-Pacific Community to Prosper Together*” and the three priorities of *Openness, Innovation, and Cooperation*.

Session 1: APEC 2026 Scene-setter

As affirmed in our *2025 Yeouido Declaration*, the Asia-Pacific is being reshaped by rapid technological advancement, profound demographic shifts, evolving trade dynamics, and new imperatives for regional cooperation. These transformations, marked by rising economic uncertainty and a resurgence of protectionism, calls urgently for a renewed dedication to the principles of regional cooperation that have long guided PECC’s work. In this context, PECC supports China’s theme for APEC 2026 and has aligned its work program with three priorities.

Supporting *Openness*, the State of the Region 2025-2026, offers the following insights from our survey of regional experts. First, respondents cite “increased protectionism and trade wars” as the most serious risk to growth over the next few years. Second, respondents identify “ameliorating risks posed by increased protectionism and trade wars” as the highest priority for APEC Leaders. Finally, APEC is viewed as a top regional platform for advancing economic cooperation, reinforcing the forum’s essential role in driving the Free Trade Area of the Asia-Pacific (FTAAP) and supporting the multilateral trading system.

Aligned with *Innovation*, PECC is advancing its work on Artificial Intelligence (AI). During SOM 1, we convened the PECC Workshop on “Enabling AI for Trade Facilitation in APEC”. The discussion covers high-impact AI applications; barriers and enablers; safety, privacy, and cybersecurity; infrastructure and development gaps; and workforce readiness and employment implications. We will produce a report with policy roadmap and recommendations on the use of AI in trade facilitation, which will help contribute to the APEC Digital Weeks and the implementation of the APEC Internet and Digital Economy Roadmap (AIDER).

Regarding *Cooperation*, PECC continues its ClimateTech In Focus project. This year’s theme is “Artificial Intelligence for Sustainability”, which culminates in a report focusing on sustainable solutions powered by AI and how emerging AI technologies are driving

innovation across key industries. The report was launched at Abu Dhabi Sustainability Week 2026 and will be presented to the ABAC meeting. This initiative supports the priority of *Cooperation* to promote collaboration efforts, including the Bangkok Goals on Bio-Circular-Green (BCG) Economy, to achieve balanced, sustainable and inclusive growth.

Finally, we are preparing the 33rd PECC General Meeting, in line with China's APEC 2026 theme. We will share with you further details once confirmed.

Thank you very much again for the opportunity to provide the PECC update.