



# APEC INFOCUS

An in-depth glance at the economic forces driving the world's most powerful economies

Since 1989

- AUSTRALIA
- BRUNEI
- CANADA
- INDONESIA
- JAPAN
- REPUBLIC OF KOREA
- MALAYSIA
- NEW ZEALAND
- PHILIPPINES
- SINGAPORE
- THAILAND
- UNITED STATES

1991

- CHINA
- CHINESE TAIPEI
- HONG KONG

1993

- MEXICO
- PAPUA NEW GUINEA

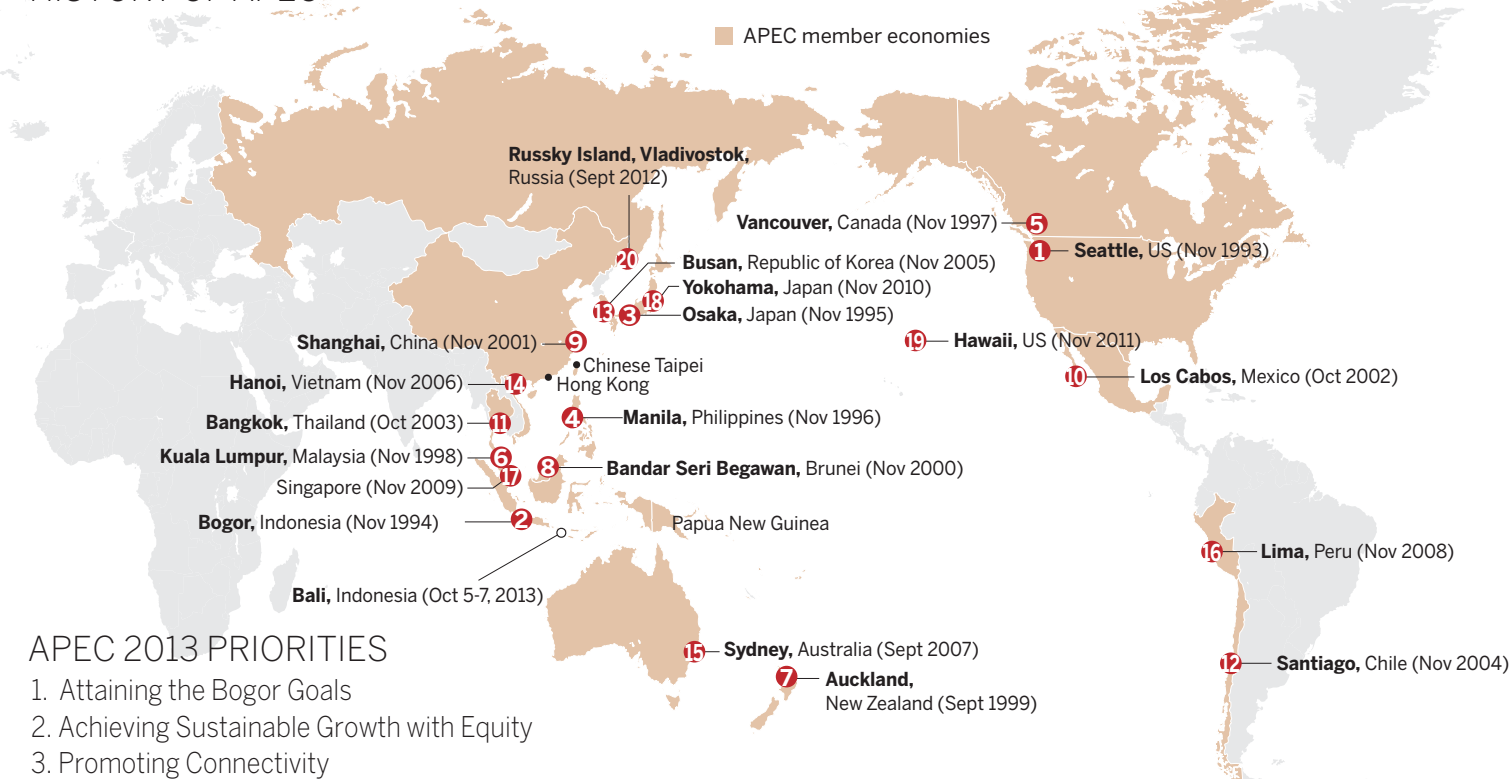
1994

- CHILE

1998

- PERU
- RUSSIA
- VIETNAM

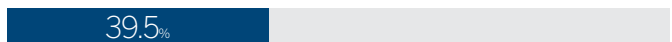
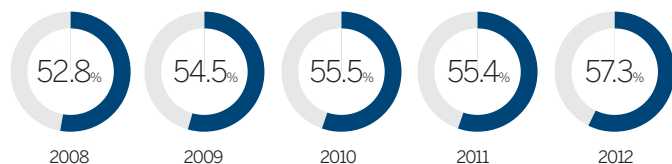
## HISTORY OF APEC



## APEC 2013 PRIORITIES

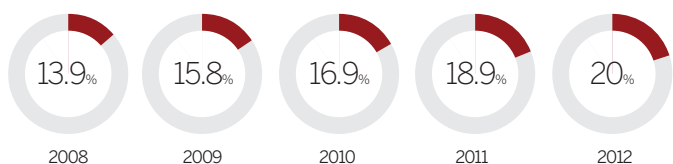
1. Attaining the Bogor Goals
2. Achieving Sustainable Growth with Equity
3. Promoting Connectivity

## APEC COMPARED WITH THE WORLD



## CHINA COMPARED WITH APEC

### GDP



### POPULATION



### TRADE



## Trust 'key' to boosting Sino-ASEAN ties

By LI JIABAO in Kuala Lumpur  
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Given that China and the Association of Southeast Asian Nations are entering a period of enhanced relations amid rapidly growing economic ties, there is an urgent need to build trust in the region, experts said.

"The key thing is building trust. It will enhance the relationship in the region. Once we have trust, it's easy for us to move on," Li Yao, chief executive officer of the China-ASEAN Fund, said during a panel session of the fifth World Chinese Economic Forum, themed "Global Economic Partnerships: Realizing Opportunities, Connecting East & West" in Kuala Lumpur.

The forum was held on Thursday and Friday.

Ong Keng Yong, Singapore's high commissioner to Malaysia and a former ASEAN secretary-general, stressed that peace comes before business and overall peace in the region as well as trust between regional countries should be maintained.

"For relations between China and ASEAN to move on, greater efforts should be devoted to the building of trust. And we should have more cooperation, especially in technology, research and development," he said.

The past 10 years have seen an exponential rise in bilateral trade and two-way investment between China and ASEAN. In 2012, China-ASEAN trade totaled \$400 billion, compared with \$54.77 billion in 2002. Cumulative two-way investment tripled in the past decade.

China is ASEAN's largest trade partner and ASEAN is China's third-largest. Total



A Malaysian coffee vendor shows off his trademark move at the 10th China-ASEAN Expo in Nanning, in the Guangxi Zhuang autonomous region, on Sept 3.

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ONG KENG YONG  
SINGAPORE'S HIGH COMMISSIONER TO MALAYSIA

trade in the first half of this year rose 12.5 percent to \$284.31 billion from a year earlier.

Premier Li Keqiang said at the opening ceremony of the 10th China-ASEAN Expo in early September that China and member countries of ASEAN have the ability to build a "diamond decade".

"We need to upgrade the China-ASEAN free trade agreement to make it more current, as it does not cover elements in ASEAN's later FTAs with other economies," Ong Keng Yong said.

The modernization of the China-ASEAN free trade agreement, which is being discussed, will focus on improving trade while adding investment rules. The move will not only ease procedures for businessmen but also reduce costs in regional trade, he said.

Qu Yingpu, deputy editor-in-chief of China Daily, said in the panel session, "In order to create a diamond decade, we need to properly manage our differences."

Qu said: "If we don't handle the disputes in the South China Sea properly, that will become a challenge for China-ASEAN ties. Tariff and

non-tariff barriers within the China-ASEAN framework should be further cut, while the platform of the China-ASEAN FTA should be better used. In addition, the media should play its part in improving China-ASEAN ties."

Regional political conflicts may also dent the internationalization of renminbi, according to Wu Chung-Shu, president of the Chung-Hua Institution of Economic Research in Taiwan.

"China has some political conflicts with other countries in the region, including Japan, Vietnam and the Philippines. It's not easy to resolve them in a short time. Renminbi internationalization is an inevitable trend. But without mutual political trust in the region, the process of renminbi internationalization will be very slow," Wu said.

## China, Malaysia lift bilateral cooperation

By WU JIAO in Kuala Lumpur and ZHAO YANRONG in Beijing

China and Malaysia have designated 2014 as a year of friendly exchanges when the two countries plan to celebrate the 40th anniversary of the establishment of diplomatic relations.

The agreement was made as President Xi Jinping paid his first visit to the Southeast Asian country, which is China's largest trading partner within the 10-member Association of Southeast Asian Nations.

The visit has seen the two countries upgrade their ties and sign a blueprint for economic cooperation.

According to a joint media release issued on Saturday, China and Malaysia will undertake a series of activities next year, including exchanges of youth groups and art troupes, and increase cooperation in the fields of education, culture and tourism.

"Both sides agreed that the arrival of the giant pandas in Malaysia signified a new level of partnership between the two countries," the release said, referring to a gift made by the Chinese government.

The release also said that the two nations will set up new consulates in each other's country.

China will set up Consulates General in the Malaysian cities of Kota Kinabalu and Penang. Malaysia will also establish a Consulate-General office in Nanning, Guangxi Zhuang autonomous region, to enhance



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JOINT RELEASE BY THE CHINESE AND MALAYSIAN GOVERNMENTS

person-to-person exchanges and cooperation at the local level, it said.

Malaysia is the first country among the ASEAN nations to establish diplomatic ties with China, and will soon become China's third-largest trade partner within Asia, after Japan and South Korea.

To further strengthen ties with Malaysia, Xi arranged a packed schedule, meeting the country's leaders while reaching out to Chinese Malaysians and business leaders.

Before leaving Malaysia, Xi met Mahathir Mohamad, who was Malaysia's prime minister from 1981 to 2003, the country's longest-serving political leader. Xi noted Mahathir's important contribution to promoting friendly cooperation between China and Malaysia and called him "a respected old friend of the Chinese people".

Mahathir said the people of Malaysia appreciate China's peaceful development and "good neighbor" policy. He said he was optimistic about

China's economic development, adding that Malaysia looks forward to developing its comprehensive strategic partnership with China.

He said Malaysian business society is preparing for the foundation of the "Zheng He Association", which will aim to promote bilateral trade and investment between the two countries.

Zheng He, a renowned Chinese navigator visited Malacca, now a historic city in Malaysia, five times more than 600 years ago during his naval expeditions. His story has often been cited as testimony to the history of friendly exchanges between the two countries.

Wang Yizhou, deputy dean of the School of International Studies at Peking University, said Mahathir played an important role in developing Malaysia as China's largest trading partner among the ASEAN countries.

"During his administration, Mahathir made great efforts to develop Malaysia's relations with China. He also worked hard on developing relationships between different ethnic groups in Malaysia and maintained the country's stable development," Wang said.

Xi left Malaysia on Saturday to attend the 21st informal economic leaders' meeting of the Asia-Pacific Economic Cooperation, held in Bali, Indonesia.

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