

**Joint Statement on the 2023 APEC Finance Ministers' Meeting  
San Francisco, California, November 13, 2023**

1. We, the APEC Finance Ministers, convened our 30<sup>th</sup> annual meeting in San Francisco, California on November 13, 2023, with Janet Yellen, the United States Secretary of the Treasury as the chair. Also in attendance were representatives from the Asian Development Bank, the Inter-American Development Bank, the World Bank, and the International Monetary Fund, as well as the Secretary General of the OECD and the APEC Business Advisory Council Chair.
2. Under the APEC 2023 theme of “Creating a Resilient and Sustainable Future for All,” we reiterate our strong commitment to achieve the APEC Putrajaya Vision 2040, including through implementation of the Aotearoa Plan of Action, to realize an open, dynamic, resilient, and peaceful Asia-Pacific community by 2040, for the prosperity of all our people and future generations.

*Strengthening Global Growth*

3. APEC economies have remained resilient since we last met, with positive signs in many economies that necessary disinflation is underway alongside a soft landing for economic activity. Supply chains have largely stabilized, labor markets generally remain strong, and service sector activity continues to grow in many economies. However, the medium-term outlook for global and regional economic growth remains uneven and weaker than prior to the pandemic. Downside risks include a rise in geoeconomic tensions and sustained tighter global financial conditions.
4. In this context, we acknowledge that our policy efforts should focus on safeguarding macroeconomic and financial stability and growth in the near term, using well-calibrated policy tools to reinvigorate growth over the medium and long term, highlighting the mutually reinforcing role of macroeconomic, structural, trade, and investment policies in achieving this goal. We reaffirm our 2021 exchange rate commitments. We also reaffirm the importance of continuing to work together to deliver a free, open, fair, non-discriminatory, transparent, inclusive, and predictable international trade and investment environment, with the WTO at its center, and emphasize its importance to economic growth, innovation, job creation, and development, as well as economic integration in the region.
5. We support efforts to gradually rebuild fiscal space, particularly in economies where inflation remains above target and where public finances are strained coming out of the pandemic. In this context, we also acknowledge the importance of maintaining fiscal sustainability and effectively addressing debt vulnerabilities, including through the joint efforts by official and private borrowers and creditors to improve debt transparency. At the same time, we acknowledge that fiscal policy should be efficiently calibrated and targeted at crucial priorities, such as supporting food security amid commodity price volatility, reducing poverty, and making needed investments to accelerate progress towards global net-zero greenhouse gas emissions/carbon neutrality. We note that continued economic cooperation among APEC members is key to achieving these priorities.
6. We commit to policy efforts to help APEC members and the global economy achieve strong, balanced, secure, sustainable, and inclusive growth. We reaffirm the importance of the APEC Finance Ministers' Process (FMP) as an active forum for fostering policy cooperation and exchange of experiences among economies in the region. Through the 2023 FMP, we discussed the critical role APEC plays in advancing sustainable and inclusive growth through the incorporation of modern supply side economics, the mobilization and alignment of finance to achieve our climate and sustainability goals, and support for the responsible development of digital assets.

### *Modern Supply Side Economics*

7. We commit to support macroeconomic policies that promote resilient, inclusive, and sustainable long-run growth, which we discussed under the heading of Modern Supply Side Economics (MSSE). MSSE seeks to use policies to address market failures that hold back the supply of key economic inputs, including labor supply, human capital, public infrastructure, research and development, and environmental quality. These policies are often able to boost long-term growth in a way that also reduces inequality and helps address climate change. We appreciate the ongoing supply side efforts by APEC economies in this area and commit to promoting the drivers of long-run growth to achieve the Putrajaya Vision 2040, including through continuing to share experiences and lessons learned.

### *Sustainable Finance*

8. We commit to achieving environmentally sustainable growth, appreciating that the APEC region remains one of the most vulnerable to climate change and natural disasters, which can pose serious risks to environmental, social, and economic outcomes. We acknowledge the role of finance ministries and international financial institutions to help enable energy transition efforts, which will vary across economies. We recall previous APEC commitments to rationalize and phase out inefficient fossil fuel subsidies that encourage wasteful consumption, while recognizing the importance of providing those in need with essential energy services. We recognize the necessity to respond to the unique needs and interests of all stakeholders to realize transitions that benefit and generate new opportunities for all our people. We continue to support transition efforts and note that the 13th APEC Energy Ministers Meeting recognized that more intensive efforts are needed for economies to accelerate their clean, sustainable, just, affordable, and inclusive energy transitions. We also continue to support implementation of the Bangkok Goals on Bio-Circular-Green Economy.
9. We recognize that we will only effectively reach our net-zero greenhouse gas emissions reduction/carbon neutrality targets by or around midcentury, while taking into account the latest scientific developments and in line with different domestic circumstances, through mobilizing and aligning finance urgently and systematically, at scale, and from all sources, including through comprehensive climate-related policies, creative tools, and continued dialogue and cooperation among stakeholders. We recall and reaffirm the commitment made by developed economies to the goal of mobilizing jointly USD 100 billion of climate finance per year by 2020, and annually through 2025, to address the needs of developing economies, in the context of meaningful mitigation action and transparency in implementation. We acknowledge the role of authorities in designing and implementing clear frameworks and policies that enable public and private sector investment to achieve climate goals including climate adaptation. We also recognize the role of private sector engagement in the development and use of market-based sustainable finance mechanisms and innovative financing instruments. We appreciate the complementary role that voluntary carbon markets, in addition to compliance markets and other tools, can play in lowering emissions and channeling finance to support mitigation projects. We recognize the role that authorities can play in promoting and improving the credibility, depth, efficiency, and interoperability of voluntary carbon markets. We also support the development of tools, taking into account the latest scientific developments and different domestic circumstances, to align financing with climate goals, such as transition plans and pathways, taxonomies, and investment benchmarks, while also exploring ways to enhance interoperability among approaches. We commit to further our dialogue and collaboration with the private sector, international organizations, and other stakeholders to promote and support sustainable finance as one of the drivers of long-term growth.

### *Digital Assets*

10. We recognize the remarkable global growth in the development and use of digital asset technologies. We note that many economies in the APEC region are at the forefront in terms of the adoption of digital assets. To support resilient, inclusive, and innovative digital asset ecosystems, consistent with each jurisdictions' laws and regulations, we commit to efforts to maintain high regulatory standards, close regulatory and data gaps, and promote financial stability as the digital asset landscape evolves. We also uphold our commitment to continued communication, information sharing, and consultation among member economies to achieve these outcomes. We encourage economies to engage with international organizations and standard-setting bodies, as appropriate, about recommendations for the responsible development of digital assets, while also respecting applicable domestic legal frameworks. We welcome continued engagement with the private sector, a key driver of innovation in this space, as we work toward these goals, while mitigating potential risks, including those related to consumer protection, financial integrity, and financial stability. We also acknowledge the importance of strengthening digital infrastructure, accelerating digital transformation, and reducing the digital divide as articulated in the Putrajaya Vision 2040.

### *A Vision for Engagement*

11. We support continued collaboration and dialogue among finance ministries, international financial institutions, private sector organizations, and other stakeholders within the FMP to achieve our shared goals. We acknowledge the progress made by member economies in the implementation of the Cebu Action Plan and the Aotearoa Plan of Action, and we welcome the continued work of APEC initiatives, projects, and reports throughout the year, as listed in the accompanying Annex. We welcome continued collaboration with the APEC Business Advisory Council (ABAC), and other private sector contributors, and we appreciate their support in enhancing FMP discussions and in driving the implementation of the Cebu Action Plan. We also acknowledge ABAC for its recommendations to Finance Ministers. We appreciate the continuous support from the Asian Development Bank, the Inter-American Development Bank, the International Monetary Fund, the Organisation for Economic Co-operation and Development, and the World Bank Group to the FMP's work.

### *The Road Ahead*

12. We thank the United States for hosting the 2023 APEC Finance Ministers' Process this year and we look forward to meeting again for our 31<sup>st</sup> meeting in Peru in 2024.

## ANNEX: 2023 Deliverables, Initiatives, and Reports to Finance Ministers

1. We welcome the reports to APEC Ministers on Modern Supply Side Economics and Voluntary Carbon Markets, and the Note to Ministers on the U.S. Champion Economy Initiative on Financing a Just Energy Transition.
2. We acknowledge and appreciate the efforts and progress made by APEC economies and the Working Group on Regional Disaster Risk Financing and Insurance (DRFI-WG), co-chaired by Japan and the Philippines, particularly on the 2023 Workplan. We emphasize the importance of disaster risk financing and insurance to mitigate and respond to present and future disasters or shocks. We thank ABAC, the ADB, OECD, and WBG for their leadership on this FMP workstream.
3. We welcome the progress of public-private collaboration in the Asia-Pacific Financial Forum, the Asia-Pacific Financial Inclusion Forum, and the Asia-Pacific Infrastructure Partnership.
4. With the aim of starting the review of the Cebu Action Plan and the discussion on the eventual new roadmap for the Finance Ministers' Process during APEC 2024, we commission Peru, next year's host, to initiate consultations with the Policy Support Unit (PSU) in undertaking these tasks.