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Prosper Together Under Common Rules: APEC 2026 and the Legal Foundations of the Asia-Pacific Community

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APEC leaders meet in Shenzhen in November under the theme of building an Asia-Pacific community to prosper together. This commentary argues that the summit's real test is legal, not diplomatic: whether its consensus rests on rules that hold, and what Shenzhen's arbitration record already shows about cross-border enforcement.

When APEC's 33rd Economic Leaders' Meeting opens in Shenzhen on 18 to 19 November 2026, it will be more than China's third turn as host, after Shanghai in 2001 and Beijing in 2014. Under the theme "Building an Asia-Pacific Community to Prosper Together," the 21 APEC economies—together some 60 per cent of global GDP—will meet in the city that has served as China's laboratory for opening-up for more than four decades.

What matters most is not the consensus the summit declares, but whether that consensus rests on rules that hold.

This is not a comfortable moment for cross-border trade and investment. Anti-globalization sentiment, geopolitical friction and the reconfiguration of supply chains have made long-term planning harder than at any point in a generation. The Asia-Pacific nonetheless remains the world's principal engine of growth, and the strongest available argument for open, rules-based cooperation.



Shenzhen illustrates the case. In 2025 its GDP reached RMB 3.87 trillion, about USD 540 billion, growing 5.5 per cent, and it expanded a further 5.8 per cent in the first half of 2026. Its goods trade totaled RMB 4.55 trillion, its exports have ranked first among mainland Chinese cities for 33 consecutive years, and it approved 15,906 new foreign-invested enterprises, up 63 per cent. Four decades ago, it was a border town. Today it is the industrial anchor of the Guangdong–Hong Kong–Macao Greater Bay Area and, across the border from Hong Kong, a natural gateway between mainland markets and the world.

That combination of geography, industrial depth and institutional openness is why this summit can differ from its predecessors. Rather than macroeconomic coordination alone, Shenzhen can place industrial innovation, institutional opening-up and cross-border rule of law on a single agenda.

I. What the Summit Can Deliver

The host year has been organized around three priorities: openness, innovation, and cooperation. The record is already taking shape. A separate statement on the Free Trade Area of the Asia-Pacific is being prepared based on May's trade ministers' meeting, and July's APEC Digital Week in Chengdu is feeding outcome documents on artificial intelligence and the digital economy.

Shenzhen has hosted this year's forestry ministerial meeting and will host the final Senior Officials' Meeting immediately before leaders arrive. Chinese officials describe the ambition as drawing a roadmap

for the Asia-Pacific community and building a framework for collective action, and the Shenzhen Declaration, now in final drafting, will be the year's principal outcome.

Yet, APEC's design is also its limitation: it is a voluntary, non-binding forum. Nothing is imposed, so everything it agrees must be genuinely useful and nothing it agrees is enforceable on its own. That is precisely why the legal layer matters.

II. The Missing Link: Legal Connectivity

Cross-border legal connectivity—aligned commercial rules, mutual recognition, reliable dispute resolution—does not determine the pace of regional integration. It determines its depth. Each of APEC's priorities depends on legal frameworks that are robust and compatible. Investment needs protection against arbitrary treatment; trade needs mechanisms for settling disputes; innovation needs intellectual property that is enforced, not merely declared; commercial exchange needs dispute resolution that can be relied on abroad.

The frontier is moving, too. As the digital economy and the green transition shift from aspiration to obligation, they generate rules that must be interpreted, applied, and contested somewhere: cross-border data flows, carbon accounting, green certification, supply-chain due diligence. These are not technical annexes to trade policy. They are the terms on which trade will increasingly be conducted, and they are legible only to those trained to read them.

APEC cannot legislate, but it can encourage convergence—and Asia-Pacific economies have already done much of that work. The Hague Apostille Convention entered into force for China in November 2023, replacing consular legalization with a single certificate across more than 130 contracting parties. The mainland–Hong Kong arrangement on reciprocal recognition of civil and commercial judgments took

effect in January 2024. The New York Convention now binds more than 170 countries, which is what allows an award seated in Shenzhen to travel.

Shenzhen's own legal infrastructure has become part of that architecture. The Qianhai Rule of Law Demonstration Zone, the Shenzhen Court of International Arbitration (SCIA) and a growing cluster of cross-border mediation and foreign-law ascertainment bodies have made the city a regional hub for dispute resolution. In the 2025 International Arbitration Survey, Shenzhen entered the top preferred seats for the first time, tying with Paris in the global rankings at 19 per cent, and SCIA's rules were named among the ten most preferred worldwide.

III. What the Record Already Shows

Enforcement is no longer hypothetical. In *MRLED Inc. v. Sound Bridge Acoustic Labs, Inc.* (N.D. Tex., No. 3:24-cv-01922), two American companies—one from California, one from Texas—chose SCIA with Shenzhen as the seat. The U.S. District Court for the Northern District of Texas confirmed the award under the New York Convention, holding the proceedings fair and the award valid and confirmable. In *Weijie Xu v. Chenshi Zhuang et al.* (C.D. Cal., No. 2:24-cv-08671), a SCIA award was confirmed in 2025 and judgment entered for USD 4.63 million. Because the respondents had moved their assets out of China, the California court also froze their property in the state to secure enforcement. And in *ChicV International Holding Ltd. v. N and J USA, Inc.* (C.D. Cal., No. 5:24-cv-01720), the court rejected a challenge to the sufficiency of notice—the respondent had been served at its last known business address and, in any event, received the notice by email—and, on the same order, a parallel objection to the constitution of the tribunal, and confirmed the award.

The significance is not the size of any single recovery. It is that a party can obtain a remedy in Shenzhen and

collect on it in California or Texas or somewhere else in the world. For a company weighing a Chinese counterparty, that combination—a workable seat in China, and enforceability at home—is often what makes an agreement bankable at all.

IV. The Role of Chinese Lawyers

Chinese lawyers stand at the point where these two systems meet, and much of the profession's daily work consists of exactly that: advising foreign companies on their China-related affairs and advising Chinese companies on everyone else's. Advising on inbound investment, intellectual property and outbound expansion remains the core of the work, but it now runs in both directions at once. A European manufacturer needs to know what Chinese enforcement looks like; a Chinese battery maker needs to know which patent filings in Southeast Asia will survive a challenge. Neither answer can be read off a statute.

That has produced three distinct functions. The first is translation, turning rules that exist in different languages, procedures, and legal traditions into advice a board can act on. The second is prevention, structuring transactions to withstand scrutiny, mapping regulatory and intellectual property exposure before capital is committed abroad, and building compliance systems that hold up when a regulator asks questions. The third is resolution, handling disputes through arbitration and mediation rather than litigation, in forums whose awards travel.

The third function is where the shift is most visible. A decade ago, a contract with a Chinese counterparty was often drafted around the assumption that enforcement in China was the hard part. That assumption is weakening. Awards seated in Shenzhen are being recognized by courts in California and Texas or somewhere else in the world, on terms parties can plan around—and lawyers are the ones who make that

planning possible, from the drafting of the arbitration clause onwards.

There is a fourth role, less visible but more consequential: feeding practice back into policy. Through APEC legal forums and regional legal-service alliances, practitioners bring the friction they encounter daily—divergent standards, service of process, recognition of judgments, electronic evidence—into conversations otherwise conducted only between governments. Rules drafted without that input tend to be elegant and unimplementable. Practitioners who work in both systems are well placed to say what will work.

V. Common Prosperity Needs Common Rules

Common prosperity is the goal and common rules are how it is reached.

A summit can produce consensus, but only law produces commitments that hold when interests diverge.

If Shenzhen advances regulatory alignment alongside its economic deliverables, it will have achieved something its predecessors did not and set a template the next host can follow.

For companies operating across the Asia-Pacific, most of them headquartered outside China, the practical point is this. Shenzhen is no longer only a market and a manufacturing base. It is increasingly a place where cross-border disputes are resolved, where awards are enforced, and where the rules of regional cooperation are tested and refined. The three awards discussed above are what that looks like in practice: a rule that held because it was tested, in California and Texas, by courts applying the same Convention that made it portable in the first place. Foreign businesses entering or expanding in China need advisers who can work in both legal systems, not only their own—and the city's

legal profession has spent four decades building exactly that capability.

When the Shenzhen Declaration is signed in November, the measure of the summit's success will not be the length of its annexes. It will be whether the next contract, the next filing, and the next award rest on rules that both sides can rely on. That is worth watching in November.

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