

Asia-Pacific Business to APEC Leaders: ‘Accelerate Growth, Create Jobs, Aim for Long-Term’

[Honolulu, Hawaii] November, 10 – The APEC Business Advisory Council (ABAC) today announced that it will offer APEC Leaders a three-point plan to create the conditions for prosperity and sustainability. ABAC brings together business leaders from across the Asia-Pacific and held its final meeting for the year in the U.S. city of Honolulu, Hawaii ahead of a dialogue with 21 APEC Leaders on Sunday, during which they will highlight the priority issues for businesses in the region.

“Global economic growth is being hampered by strains on financial markets and the lack of progress in global rebalancing, resulting in high levels of debt and low growth. This situation has created disincentives for private sector investment and discontent among the general public,” ABAC Chair Deb Henretta said. “Our three-point plan aims to spur growth, create jobs and ensure more people across the region benefit.”

The ABAC plan calls for economies to increase access to finance for small-, medium- and micro-size enterprises, the engines of innovation and economic growth in the region. Taking APEC as a whole, SMEs make up roughly 90 percent of all businesses and employ nearly 60 percent of the work force, but they only account for around 30 percent of exports. Clearly, there is a need to implement policies that will enable SMEs to grow. ABAC sees access to finance as the top barrier to SME trade.

The plan further calls for APEC Leaders to ensure future trade agreements address emerging or “next generation” issues in the area of services, investment, innovation, supply chain and regulatory coherence among others. For instance, services play a critical role in the APEC economies, and are making a stronger contribution to overall growth than any other sector – making up more than 50 percent on average of APEC members’ GDP and generating more than 60 percent of jobs in the region especially for women and young people.

Amongst the “next generation” issues, improving supply chain efficiency has real impact for APEC economies. In a study commissioned for ABAC customs clearance, regulatory transparency, and infrastructure were assessed as the most significant barriers for business. ABAC wants APEC economies to be at the leading edge in the development of trade agreements that are relevant to the way business is done today. Action on these issues will put APEC in the best position to achieve a comprehensive and high quality Free Trade Area of the Asia Pacific.

Finally, the plan calls for APEC Leaders to commit to further measures to promote green growth. Options include addressing tariffs and non-tariff barriers in environmental goods and services (EGS), creating effective market-based mechanisms to improve access to green technologies, and sharing best practices among APEC members will facilitate greater technology and product diffusion. ABAC set an ambitious work agenda in 2011 and delivered strong results, including two policy partnerships with government and private sector participation, one to address food security and the other to promote the role of women in the economy. Further achievements include an update to APEC’s non-binding investment principles, development of a supply and value chain framework to guide regional economic integration, the establishment of the ABAC Women’s Forum and the completion of studies on investment, energy security, regulatory coherence, services and innovative growth.

About ABAC

ABAC brings together up to three business leaders from each of the APEC's 21 economies. They are appointed by APEC Leaders to provide insight to the priorities and concerns of the business sector.

The fourth ABAC meeting was held from November 8 – 10 in Honolulu, Hawaii.

Editors's note: For a link to the (a) Letter submitted to leaders or (b) a summary of 2011 ABAC deliverables go to <https://www.abaonline.org/v4/download.php?ContentID=2609958>.

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