



## **APEC NEWS RELEASE** Issued by **The APEC Business Advisory Council (ABAC)**

### **Asia-Pacific businesses urge APEC Leaders to act on equity, sustainability and opportunity in an increasingly challenging landscape**

30 July 2023 - Meeting in Cebu, the Philippines, this week, the APEC Business Advisory Council (ABAC) stressed the need for action in an increasingly fragmented and difficult operating environment.

“Our theme for this year is ‘equity, sustainability, opportunity’. Achieving these goals has never been more vital, nor more challenging, as we face ongoing economic instability, grave climate impacts and disruption from emerging technologies such as generative Artificial Intelligence,” said 2023 ABAC Chair Dominic Ng.

The Chair explained that ABAC had finalized its recommendations to APEC Leaders this week, which it would present formally to the Leaders at their meeting in San Francisco in November. It had also prepared detailed recommendations to Ministers of Finance, Health, Food Security, Women, and small businesses.

His Excellency President Ferdinand Marcos, Jr opened the meeting on July 28 with an address in which he highlighted the importance of public-private sector collaboration in tackling the major challenges facing the Asia-Pacific region. Opening remarks from Secretary for Trade and Industry Alfredo Pascual similarly stressed the importance of working together on economic integration and trade facilitation, including in the WTO.

“In our Report to Leaders, we have identified a range of concrete actions that would advance equity by making it easier for groups with untapped economic potential, including micro-, small and medium-sized businesses, women and Indigenous entrepreneurs, to engage in commerce. We have also developed a ‘dynamic toolkit’ to boost supply chain resilience, drawing on the lessons of the disruptions of the last few years, which will be an important resource for small businesses,” noted Ng.

“Recent heatwaves in North America highlight the need to prioritize responses to the climate crisis and other sustainability challenges,” the Chair said, noting that the world experienced the hottest week in recorded history earlier in July.

“Market-based policies, trade in environmental goods and services and renewable energy, and initiatives that leverage private sector capital, ingenuity, and leadership have considerable promise, but policymakers also need to act urgently to reduce emissions, adapt to a low-carbon economy and energy, and ensure a just transition for all in our communities.” ABAC will keep a close watch on the development of carbon border adjustment measures, on which it commissioned a report this year, and remains wary of the potential impacts of ‘green protectionism’.

ABAC also made a range of recommendations designed to boost economic opportunities, by fostering a more seamless business environment, including by continuing to work towards a Free Trade Area of the Asia Pacific. “Besides getting the trade policies right, digital technologies will be key to this. We have developed some important action points on paperless trade and financing, cybersecurity, and other areas”.

He added that ABAC is calling for new policies to increase the number of women engaging in STEM careers. “This just makes sense, not only for greater inclusion, but also better digital outcomes.”

“We also discussed the emergence of generative artificial intelligence. This raises new concerns about ethical governance, responsible development and workforce impacts, along with potential economic and productivity gains,” he added. “Policymakers are scrambling to respond – the business community needs to be part of the conversation.”

Ng expressed his gratitude to ABAC Philippines colleagues, led by Sabin Aboitiz, for hosting the meeting and creating opportunities for ABAC delegates to engage with senior government representatives from central and local government agencies as well as entrepreneurs and business leaders from Cebu.

The ABAC meeting was preceded by a supply chain resilience capacity building workshop co-organized by ABAC USA and ABAC Philippines with support from the Cebu Chamber of Commerce and Industry. Nearly 200 representatives from Cebu-based companies attended the session to learn about ways to make their businesses more resilient in the face of uncertainty.

Concurrent with the session, ABAC launched an online MSME Supply Chain Resilience Toolkit that companies can use to assess strengths and vulnerabilities in their operations. The Toolkit can be accessed here <https://supplychainresiliencetoolkit.ncapec.org/>

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APEC Member Economies: Australia; Brunei Darussalam; Canada; Chile; China; Hong Kong, China; Indonesia; Japan; Korea; Malaysia; Mexico; New Zealand; Papua New Guinea; Peru; Philippines; Russia; Singapore; Chinese Taipei; Thailand; United States of America; and Viet Nam.

*ABAC was created by APEC Leaders in 1995 to be the primary voice of business in APEC. Each economy has three members who are appointed by their respective Leaders. They meet four times a year in preparation for the presentation of their recommendations to the Leaders in a dialogue that is a key event in the annual Leaders Meeting.*

*Under USA’s leadership, ABAC is pursuing a work program under the theme “Equity. Sustainability. Opportunity.” to respond to the challenge of maintaining the economic vitality of the Asia-Pacific Region and ensure it benefits all.*

*ABAC 2023 Chair is Dominic Ng (USA) and the Co-Chairs are Kriengkrai Thiennukul (Thailand) and Julia Torreblanca (Peru), with three (3) working group chairs, namely: Anna Curzon, Economic Integration Working Group (EIWG); Ning Gaoning, Sustainable Growth Working Group (SGWG); and Janet De Silva, Digital and Innovation Working Group (DIWG); and two (2) Task Force Chairs, namely: Hafimi Abdul Haadi, Inclusion Task Force (ITF); and Hiroshi Nakaso, Finance Task Force (FTF).*

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