

ABAC supports G20's initiatives to address the economic challenges

Meeting in Yokohama, Japan on November 7-10, the APEC Business Advisory Council (ABAC) expressed its support for initiatives of the G20 Finance Ministers and Central Bank Governors, as announced in Gyeongju, Republic of Korea dated October 23, 2010, to pursue structural reforms to boost and sustain global demand, foster job creation and increase growth potential. ABAC also supports G20's initiatives to complete financial repair and regulatory reforms, and to formulate and implement clear, credible, and growth-friendly medium-term fiscal consolidation plans. Regulators should strike a balance between the need for stronger capital requirements, and insuring capital and liquidity flow to businesses. This balance is needed to support growth, including through SMME (small, medium and micro enterprises) and trade finance.

ABAC further supports G20's initiatives to mitigate excess volatility and disorderly movements in exchange rates, and to avoid protectionist measures. ABAC believes that excessive exchange-rate volatility is an impediment to an open multilateral trading system and the free flow of goods, services and capital. ABAC is of the opinion that there still remain uncertainty and threats for global economic stability, and that rigorous efforts across the globe with close coordination should continue to attain structural reforms, financial repair and sound fiscal standing.

ABAC appreciates continued efforts taken by regulators to maintain close consultation and dialogue with the private sector in the formulation and implementation of measures to strengthen financial systems and promote global economic recovery.

ABAC members will discuss these points during their dialogues with APEC leaders on November 13, 2010.

For more information, please contact:

Mr. Naoki Sawaoka, FEWG Lead Staffer, Tel: (813) 3240 7264, Email: naoki_sawaoka@mufg.jp

Mr. Antonio Basilio, ABAC Secretariat, Tel: (63 2) 845-4564, Email: abacsec@pfgc.ph

Ms. Tran Bao Ngoc, APEC Secretariat, Tel: (65) 6891 9616, Email: tbn@apec.org