
Asia Pacific Business Leaders to Press APEC Leaders to Accelerate Regional Economic Integration

Auckland, 14 February 2014 – Achieving the Free Trade Area of the Asia Pacific (FTAAP) and strengthening connectivity and infrastructure development will be among the key recommendations that the APEC Business Advisory Council (ABAC) will be presenting to APEC Leaders when they meet face-to-face during the APEC Leaders’ annual summit under China’s chairmanship in November.

ABAC is comprised of the Asia-Pacific region’s top business leaders appointed by their respective Leaders to provide business inputs to APEC. They have gathered in Auckland for the first of four meetings as they prepare for their dialogue in Beijing with the 21 Leaders of APEC economies.

Ning Gaoning, ABAC Chair for 2014 said that deepening regional economic integration will underpin ABAC recommendations. Regional economic integration, the ultimate goal of APEC, has been credited for the phenomenal growth and prosperity of the Asia Pacific region over the last two decades. He said that APEC governments set policies to promote economic integration but it is the business sector that ultimately puts this into action.

“It is important that we provide the business perspective so that we can ensure that these policies are effective, practical and benefits everyone. This year we started this process by meeting with APEC Senior Officials here in Auckland and we will continue this engagement with the APEC official process at various levels through the year,” said Ning.

Prime Minister John Key, in remarks he made at a dinner for ABAC member last night, affirmed ABAC’s critical role in APEC’s progress and the success achieved so far by providing advice and direction that benefit the growth of regional business.

Achieving FTAAP

The concept of FTAAP was recommended by ABAC in 2004 and eventually adopted by APEC in 2006 as a long term vision. Because APEC is a voluntary and non-binding forum, several pathways to FTAAP have been developed outside the APEC framework including the Trans-Pacific Partnership (TPP) where negotiations are in full swing, the Regional Comprehensive Economic Partnership (RCEP), where negotiations are gathering momentum and the Pacific Alliance, comprising four Latin American economies, which will soon enter into force.

“Even though these negotiations are taking place outside the APEC process it is our goal to ensure that there is coherence among these pathways so that they remain true to the concept of an FTAAP, the end game” said Tony Nowell, ABAC member of New Zealand and who chairs the ABAC Regional Economic Integration Working Group.

Speaking before ABAC members, Hon. Tim Groser, New Zealand’s Trade Minister, shared New Zealand’s experience in opening up its economy and pursuing its integration into the global economy. New Zealand is a founding member of TPP and is engaged in negotiations for its expansion and is also a participant in the RCEP negotiations.

Connectivity and Infrastructure Development

“While FTAAP provides the vision and vehicle for regional economic integration, actions need to be undertaken on the ground to reduce impediments to such integration, said Ning. “For ABAC, connectivity and infrastructure development are key undertakings. The world is now dominated by global value chains, where the production of a good or provision of a service no longer takes place exclusively within one economy but incorporates inputs from all over the world. The ease with which the inputs move across national borders impacts on the final cost of the product to the consumer. Physical infrastructure including ICT infrastructure for emergency and disaster preparedness and services like transportation are key, but domestic regulations and standards are also equally important. Economies which can provide the best conditions are more likely to benefit from these global supply chains.”

Addressing the issue of connectivity, ABAC will develop policy recommendations on domestic regulatory reform and business and skills mobility and urges APEC economies to move forward on pilot projects in global data standards. Infrastructure development will focus on practical measures which aim to enhance private sector participation by improving the investment climate, and promoting public private partnerships, and helping governments more effectively plan and implement infrastructure projects.

Other core business interests that ABAC will be addressing include implementing the WTO agreement package reached in Bali last December; advocating for the expansion of the WTO Information Technology Agreement, liberalizing trade and investment in services, addressing impediments to foreign direct investments, fostering innovation and addressing food and energy security.

Inclusiveness is an important principle in ABAC’s work and to this end it has taken initiatives towards the internationalization of SMMEs and the empowerment of women entrepreneurs.

Strengthening the region’s financial markets is a key element of ABAC’s comprehensive approach to economic integration and for 2014 it will focus on infrastructure financing and enhancing investment flows and long term savings, and supporting measures leading to the integration of the region’s financial markets.

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.

For further information please contact:

Mr. Xia Bing, ABAC Executive Director 2014, Tel: (86 10) 8807 5736 Email: xiabing@ccpit.org
Mr. Antonio Basilio, ABAC Secretariat, Tel: (63 2) 845 4564, Email: abacsec@pfgc.ph