

APEC BUSINESS ADVISORY COUNCIL Program of Work, 2001

Founding and Structure of ABAC

The APEC Business Advisory Council, created in November 1995 by the Economic Leaders, is mandated to provide advice on the implementation of the Osaka Action Agenda and other specific business sector proposals, and to respond to various APEC fora requesting information about business-related issues or to provide a business perspective on specific areas of cooperation.

Leaders of each economy appoint up to three members from the private sector who represent the range of business sectors including small and medium enterprises. The economy determines the term of membership of each appointee as well as its own administrative arrangements and staff support.

The ABAC International Secretariat based in Manila, Philippines since the creation of the Council serves all members and all economies and maintains a website. Funding is provided through dues which are structured to reflect the size of each economy following the APEC formula.

Work Program in 2001

In 2001, China assumed the chairmanship of the Council with Brunei Darussalam and Mexico serving as co-chairs following the APEC order. Co-chairs represent the immediate past chair and the incoming chair, respectively.

In Brunei Darussalam in November 2000, ABAC China outlined its priorities for the year under the theme "Common Development through Market Opening, Capacity Building and Full Participation." The approved program of work was organized into five working groups: Finance Task Force, Trade and Investment Task Force, Technology Task Force, Action Plan Monitoring Committee and the SME Caucus.

Four Council meetings were held in 2001: Scottsdale, Arizona (February); Moscow, Russia (May); Singapore (August) and Shanghai, China (October). Over the course of the year, the Chair, Co-Chair and Members of the Council interacted with various APEC fora and meetings: Senior Officials Meeting I (Beijing), SOM II (Shenzhen) and SOM III (Dalian), Trade Ministers Meeting (Shanghai), SME Ministers Meeting (Shanghai), and Finance Ministers Meeting (Suzhou). Members of the Council were also involved in the APEC High Level Meeting on Human Capacity Building (Beijing), a conference jointly chaired by China and Brunei Darussalam, and the APEC Young Leaders and Entrepreneurs Forum (Shanghai), a forum jointly sponsored by China and Canada.

Studies and Related Work

In support of its deliberations, the Council undertook or commissioned research and studied various position papers prepared by different member-economies. These and other research studies and papers can be accessed from the ABAC website (www.abaconline.org).

- APEC Food System Action Plan
- APEC Proposal on Trade Policies for the New Economy
- International Financial Architecture and Crisis Prevention
- Financial System Reforms: A Survey of Financial Sector Industry Associations in APEC Economies (Banking, Life Insurance and Securities)
- Joint ABAC/PECC Financial Markets Development Study of Second Board Markets
- Promoting Best Practices for Credit Rating Agencies in the APEC Region
- Joint ABAC/PECC Study on Impediments to Foreign Direct Investment

In addition, the Council benefited from work undertaken by other organizations: Asia Pacific e-Learning Alliance, Pacific Economic Cooperation Council (Towards Corporate Governance Reforms), Global Business Dialogue on e-Commerce (GBDe Digital Bridges Effort; GBDe Government On-line). Specific documents may be accessed through these organizations' websites.

Future Work

ABAC continues to be committed to providing advise to APEC Leaders as the only mandated private organization that dialogues with them at the annual APEC Meeting. The final report to Leaders reflects the priorities of the Council and the recommendations in pursuit of a business environment focused on the APEC priorities of trade and investment liberalization and facilitation, and capacity-building. Over the years, a number of continuing concerns have dominated the agenda and will continue to do so from the perspective of working towards long-term stability, growth and participation in the APEC region. Among these areas have been finance (from crisis to architecture to systems), small and medium enterprises, and technology. Capacity-building has been recognized by the Council as an important foundation of each economy with emphasis on creating capacities among local institutions to operate in the world that places increasing pressure on world-class systems and global standards.

Glossary of Terms

Bogor Goals

The Bogor Goals revolve around the commitment to achieve free and open trade and investment in the Asia-Pacific no later than the year 2020 for developing economies and 2010 for developed economies. The pace of implementation takes into account the differing levels of economic development among APEC economies.

Capacity Building

Capacity Building is derived from the original goal of economic and technical cooperation in which institutional, individual and system capacities are enhanced and/or developed in order for economies and organizations within economies to better participate in growth from a position of relative competitiveness. The APEC framework for economic cooperation and development highlights six priority areas: human capital, safe and efficient capital markets, economic infrastructure, technologies of the future, environmentally sustainable development, and growth of small and medium enterprises.

Individual Action Plans

Individual Action Plans (IAP) contain the trade and investment liberalization and facilitation measures to be carried out over the immediate, medium and longer term in fifteen specific areas and issues. In developing these plans, member economies adhere to principles of comprehensiveness, WTO-consistency, comparability, non-discrimination, transparency, standstill, simultaneous start, continuous process and differentiated timetables, flexibility and cooperation. IAPs are voluntary submissions by member-economies. (Manila Action Plan for APEC)

Osaka Action Agenda

The Osaka Action Agenda (OAA) followed the declaration of Bogor Goals by outlining the specific areas to be covered by the APEC process. The OAA is formed around the components of (a) trade and investment liberalization, (b) trade and investment facilitation, and (c) economic and technical cooperation. The specific areas covered include: Human Resources Development, Industrial Science and Technology, Small and Medium Enterprises, Energy, Transportation, Telecommunication and Information, Tourism, Trade and Investment Data, Trade Promotion, Marine Resource Conservation, Fisheries, and Agricultural Technology.