



**Asia-Pacific
Economic Cooperation**

2020/SOM1/008
Agenda Item: 2.5

**Report on the First ABAC Meeting,
12-15 February 2020, Sydney, Australia**

Purpose: Information
Submitted by: ABAC



**First Senior Officials' Meeting
Putrajaya, Malaysia
20-22 February 2020**



APEC Business Advisory Council

ABAC 2020

Report on ABAC I

Dato Rohana Mahmood
ABAC Chair 2020

First APEC Senior Officials' Meeting (SOM1)
21-22 February 2020, Putrajaya, Malaysia

www.abaonline.org

ABAC Theme: Integration. Innovation. Inclusion

Key Priorities:

Integration

- Accelerating trade and investment liberalization and facilitation by enabling FTAAP
- Strengthening APEC's commitment to the rules-based multilateral trading system
- Promoting trade and services competitiveness and facilitation

Innovation

- Shaping a versatile and sustainable APEC Innovative Society through digital transformation, notably through AI adoption
- Maximizing human capital potential for the digital future
- Advancing digital transformation, including the shift to a low-carbon economy

ABAC Theme: Integration. Innovation. Inclusion (cont'd)

Inclusion

- Promoting inclusive economic growth for MSMEs, social enterprise, women, youth and underrepresented groups via facilitating entry into global markets and new innovation in the digital era
- Building resilient and sustainable communities by promoting green growth, addressing climate change, and strengthening food and energy security
- Driving a seamless and comprehensively connected Asia-Pacific balanced on physical connectivity, institutional connectivity and people-to-people connectivity

Regional Economic Integration

- Trade and investment liberalization and facilitation, progressing the pathway agreements and working towards realization of FTAAP
 - USC Marshall School Study: NTBs in Digital Trade in the Asia-Pacific
 - RMIT Study: Blockchain and International Trade
 - Competition Policy Study
- Support and advocacy for the rules-based multilateral trading system
 - WTO: Work Program for 2020
 - Digital Trade: WTO Negotiations on E-Commerce and Moratorium on Customs Duties on Electronic Transmissions

Regional Economic Integration (cont'd)

- Strengthening services trade and investment in the region including through implementation of APEC Services Competitiveness Roadmap
 - APEC Index for Measuring the Regulatory Environment in Services Trade
 - WTO Joint Statement Initiative (JSI) on Domestic Regulation (DR)
 - Public-Private Dialogue on Services: “The Future of Services”

Digital & Innovation

- Enable a seamless digital market through regulatory cooperation and collective efforts to build trust in Artificial Intelligence (AI) and other digital technologies
 - Preliminary findings: Assessing the Regulatory Landscape for Data Flows in APEC
 - Data flows use case: Marine Logistics
 - Artificial Intelligence
- Nurturing human capital to promote digitally-driven entrepreneurship and enterprise growth
- Enhance digital connectivity and access to technology to promote economic inclusion and expand economic opportunity

MSME & Entrepreneurship

- Enhancing MSME Readiness for the Digital Future
 - ABAC Monde B2B Marketplace
 - Utilization of digital technologies to help MSMEs in GVCs
- Stimulating resilient, inclusive ecosystems and non-discriminatory trade enablers
 - Impact Fund
 - Cross-border mobility of human resources
 - APEC Women in STEM Principles and Action
- Advancing green, sustainable and innovative growth opportunities for MSMEs
 - Best practice principles for advancing MSMEs towards green, sustainable and innovative growth opportunities

Sustainable Development

- Energy security and sustainability
 - Improve the diversification, cleanliness and efficiency of energy supply, and lead the way for low-carbon development via innovation in technology and business model
- Circular Economy and Climate Change
 - Make practical efforts to address climate change by promoting circular economy, employing policy tools such as carbon pricing mechanism, company voluntary arrangements, and propelling sustainable development of natural resources
- Food Security and Smart Agriculture
 - Enhance food security, smartization of agriculture, promote agriculture production and trade to be more open, innovative and inclusive

Finance & Economics

- Advancing financial inclusion, innovation and integration through financial connectivity
 - Promoting financial innovation for the Bottom of the Pyramid (informal sector, rural populations, micro-enterprises)
 - Open banking in emerging markets to expand MSMEs' and consumers' access to finance
 - Innovative solutions (RegTech) to lower costs and speed up process of KYC for consumers, MSMEs in global supply chains

Finance & Economics (Cont'd)

- Promoting ESG finance in APEC developing economies
 - Facilitate and encourage ESG finance (addressing taxonomy, tools, framework, criteria)
 - Promote responsible banking/raise ESG awareness

ABAC-SOM Dialogue and Post-2020 Discussion

- ABAC-SOM Dialogue discussed the issues of integration, innovation, inclusion, and sustainability and possible areas of collaboration between ABAC and APEC.
- In addition to the Dialogue, ABAC held a discussion on the post-2020 Vision for APEC which focused on ABAC's views on the AVG Report.



ABAC 2020

Report on ABAC I

Dato Rohana Mahmood

ABAC Chair 2020