



**Asia-Pacific  
Economic Cooperation**

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**2014/TPTWG/WKSP/002**

## **Opening Remarks**

Submitted by: United States

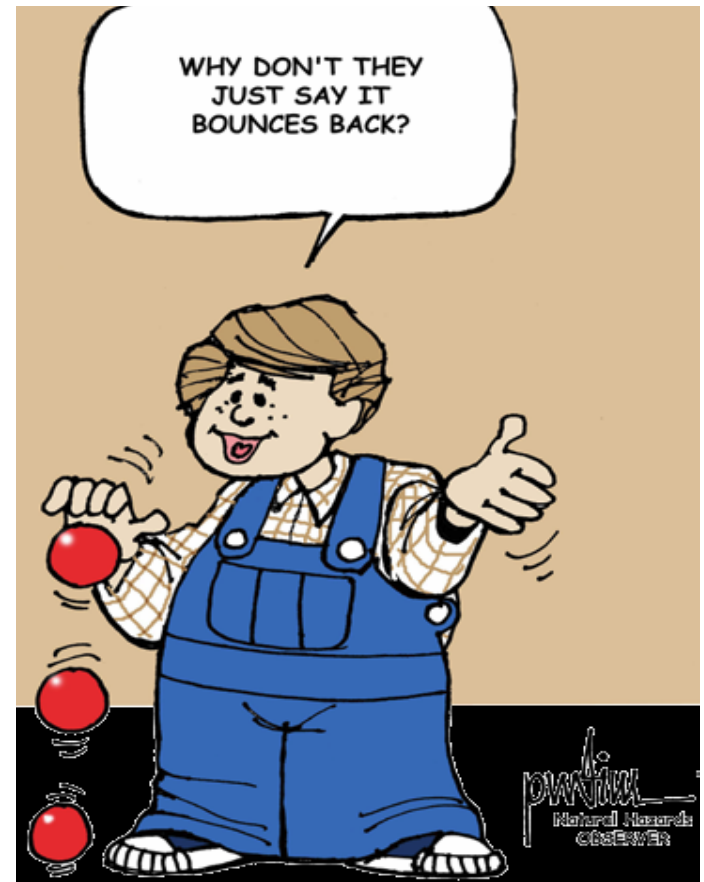


**Workshop on Improving Global Supply Chain  
Resilience: Advancing the Seven APEC  
Principles in Your Organization  
Christchurch, New Zealand  
26-28 March 2014**

# ***Global Supply Chain Resilience***

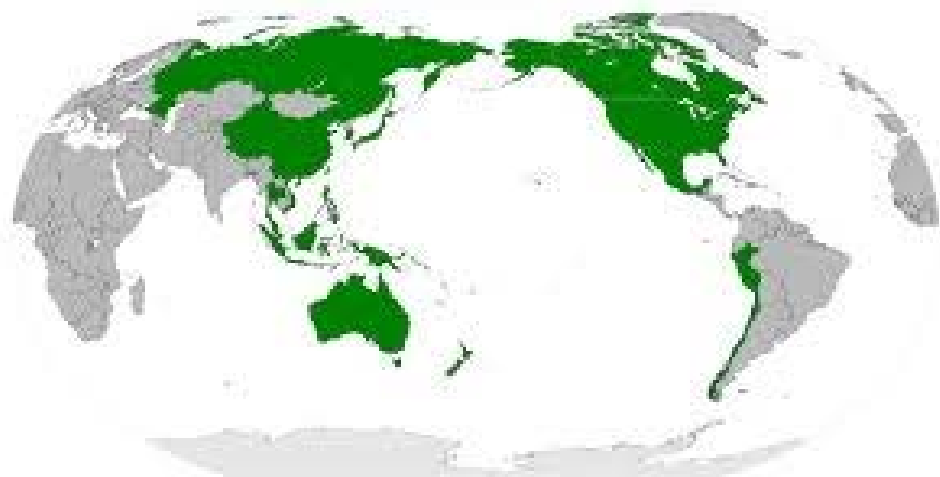
**What is it?**  
**Why do we care?**

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# ***Why APEC?***

Although the APEC economies comprise only about **40%** of the world's population, we experience nearly **70%** of natural disasters!





# ***Disasters Are Bad for Business***

**43%** of US companies experiencing disasters never re-open, and **29%** of the others close within 2 years

US Department of Labor



# ***A Small Example of Widespread Impact***

Volcanic eruption in Iceland  
(2010) impacted

- Nearby ponies
- European air passengers
- Auto assembly plants in  
the US, Germany, & Japan
- Rose growers in Kenya
- Manufacturers worldwide





# ***ELEMENTS OF RESILIENCE***



# ***Robustness***

Ability of the supply chain to withstand incidents

- Building bridges that don't collapse in an earthquake
- Taking extreme weather events into consideration when establishing key transport hubs
- Making sure our software and cyber systems are not vulnerable to hacking



# *Redundancy*

More than one route to deliver goods from Point A to Point B

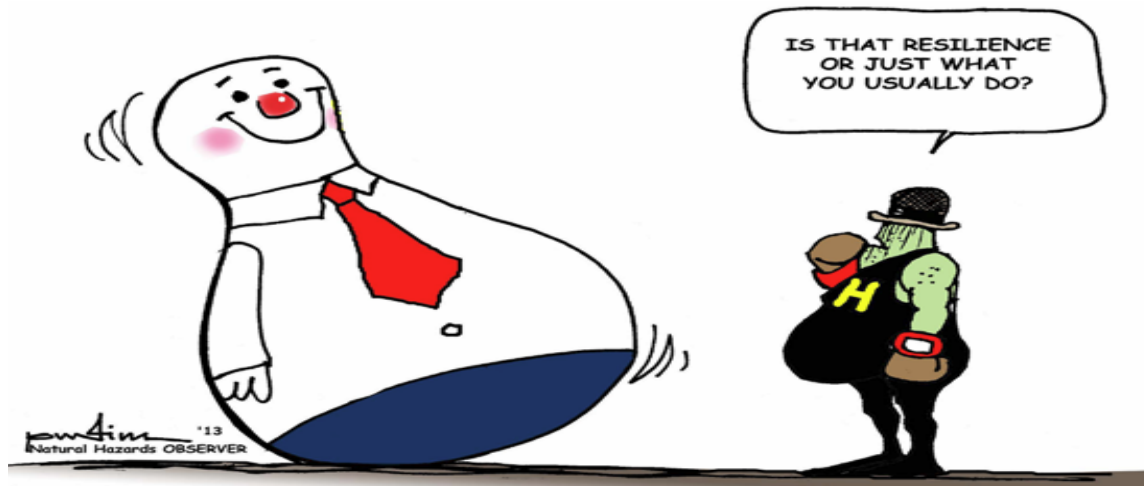
- We must be creative in finding alternatives
- New ways to solve problems
- Alternate routes

Our industry partners are leaders in this area, and government needs to learn from them.



# Resourcefulness

- Beyond “thinking outside the box”
- How can we put our collective heads together to develop new ideas to solve emerging problems?





# ***Rapid Restoration***

How can we learn to restore our supply chain systems quickly when incidents occur?

- Parts that are more standardized
- Pre-staging repair materials near vulnerable areas
- Using not only our workforce but our entire citizenry in ways we may not have thought of before

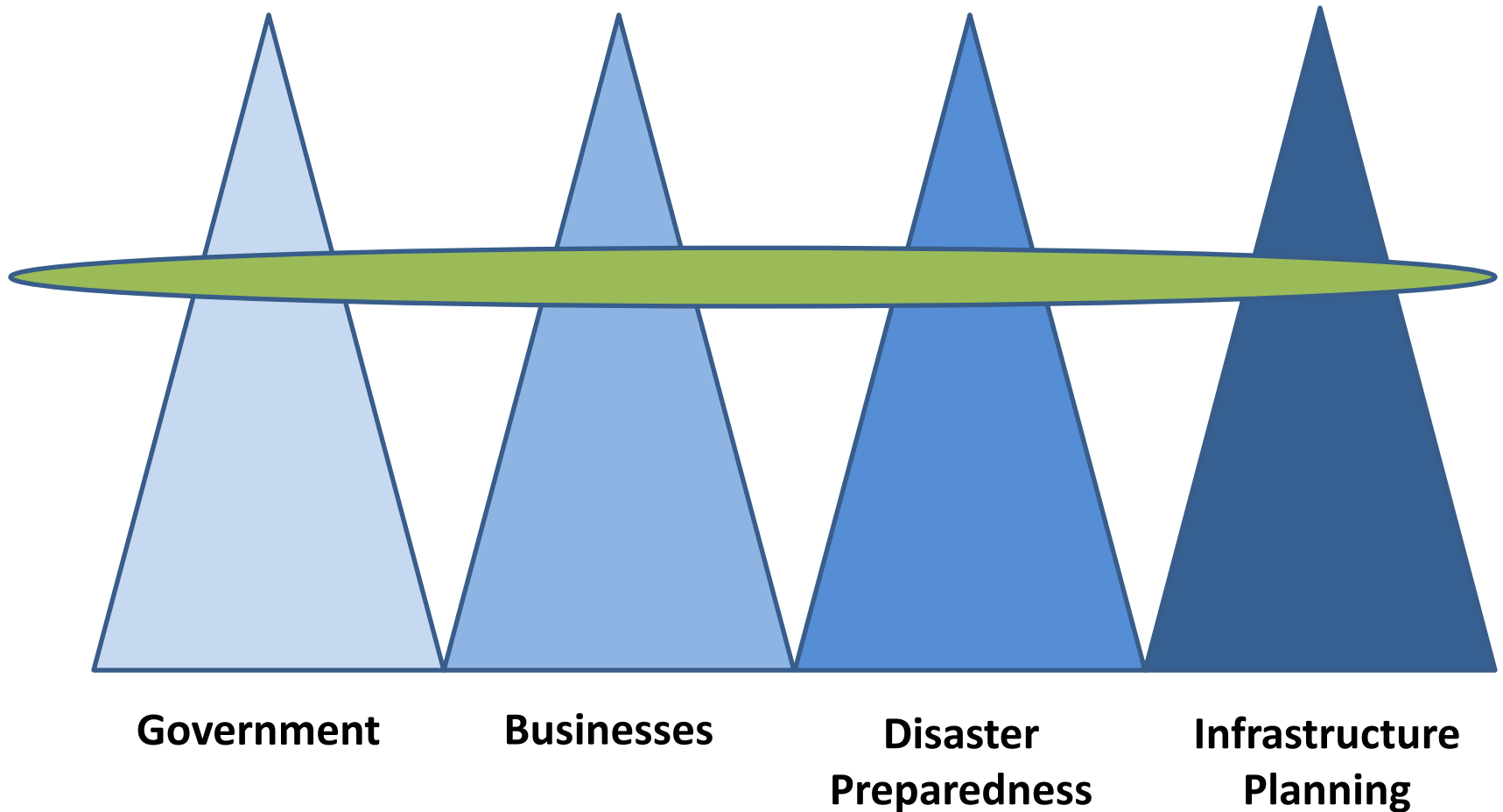


# ***Our Vision***

**To improve the viability of businesses and the physical and social infrastructure in the APEC region and its member economies by enabling the resilience of the supply chain for disaster situations.**

- *Participants at the 1<sup>st</sup> APEC Workshop on Global Supply Chain Resilience; Bali, Indonesia; 28 June 2013*

# *Supply Chain Resilience*



# *Seven Principles*

1. Information Sharing
2. Disaster Risk Management and Hazard Mapping
3. Planning and Business Continuity Management
4. Policy and Regulations
5. Regional Cooperation
6. Critical Infrastructure and Intermodalism
7. Human Resources Capacity Management

# ***Developments Since Last Workshop***

- Continued partnership between the Transportation Working Group & Emergency Preparedness Working Group of APEC
- APEC Sponsorship and funding for this workshop
- Partnership and co-sponsoring by OECD International Transportation Forum
- Cooperation with US Office of Foreign Disaster Assistance, Asia Disaster Research Center, World Bank and others
- USAID commitment for Five-Year program (this is the first year)



# ***Our Workshop Goal***

**Develop a**  
**Four-Year Action Plan**  
**to**  
**Implement the Seven Principles**  
**and**  
**improve supply chain resilience**  
**in the APEC Economies**

# ***How This Workshop Will Work***

## Introductions

### Speakers

- Businesses
- Government
- International Organizations
- Non-governmental Organizations

### Break out Groups

- Identify Issues
- Propose Solutions/Best Practices
- Establish Priorities

### Determine Sequencing & Shepherding Responsibilities

### Pilot Projects for Global Supply Workshops in and for YOUR Economy



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# ***Self Introductions***

- **Name**
- **Economy**
- **Position**
- **Why you are here**