

NZIIA – Japan Economic Foundation Joint Meeting

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Subject: The post-financial and economic crisis and FTA's

ABAC's agenda for free trade as a growth driver and response to the GFC

- A. Re-commit to achieving the Bogor Goals and develop a new vision.
 - i. many APEC member economies have become considerably more open since 1994
 - ii. important steps that have been taken to improve the ease of conducting business within APEC regional supply chains and value chains
 - iii. existence of remaining barriers to trade and investment and the changing nature of modern regional supply chains and value chains mean that more needs to be done
 - iv. develop a new vision that should seek to liberalize flows of goods, services, investment, technology and people across the region and be developed in consultation with business.
- B. Make further progress towards achieving a FTAAP
 - i. ABAC believes that the Free Trade Area of the Asia Pacific (FTAAP) is an aspirational but achievable vehicle for delivering free and open trade and investment within the Asia-Pacific region.
- C. Identify new business requirements.
 - i. future FTAs should address market integration and take into account the needs of the digital economy, the services sector as well as principles for regulatory cooperation and processes for achieving regulatory cooperation and coherence.
- D. Resist protectionism.
 - i. commitment to open markets and to an effective standstill and withdrawal of all new trade restrictive measures, whether WTO-compatible or not.
- E. Conclude the Doha Development Agenda.
 - i. complete the round and ensure the WTO remains relevant to business.
- F. Facilitate investment flows.
 - i. step up efforts to make investing in the region easier, cheaper and faster and maintain an active program to promote liberalization of investment.
- G. Facilitate the flow of goods and services.
 - i. simplify, harmonize and increase the transparency of regulations and processes related to the flow of goods and services across borders
 - ii. identify best practices that will contribute to the facilitation of business operations across the region.
- H. Accelerate SMME capacity building efforts.
 - i. recognition of the economic contribution by small, medium and micro-enterprises (SMMEs).
 - ii. strengthen their role by delivering balanced, inclusive, sustainable, innovative and secure growth.

- I. Ensure food security.
 - i. an APEC Food System that ends subsidies, import restrictions and other distortions in food trade;
 - ii. creation of a high-level entity, that includes the private and research sectors, to coordinate APEC's work on food issues;
 - iii. achievement of a true sense of food security by committing APEC economies to ending all export embargoes, quantitative restrictions and export taxes for food products

- J. Address energy security.
 - i. improving efficiency and conservation
 - ii. wider use of low-carbon fossil fuels;
 - iii. consider nuclear energy as a source of low emissions energy
 - iv. focus on the development and management of renewable energy;
 - v. eliminate distortions and promote efficiencies in energy markets;
 - vi. emphasis on developing 'clean' energy and promote innovation in energy and related technologies.

- K. Address skilled personnel shortages.
 - i. ensure that the lack of skilled personnel does not become an impediment to sustained economic growth.
 - ii. develop and maintain policies and programs to manage talent needs and mobility.

- L. Ensure trade security.
 - i. mutual recognition of Authorised Economic Operators

- M. Harmonize transportation safety regulations.
 - i. harmonization of transportation regulations on an international basis to achieve both safety and the facilitation of trade.

- N. Promote safety in the logistics supply chain.
 - i. undertake the development and application of heavy vehicle safety guidelines to allow for the smooth and safe flow of goods and services.

- O. Enhance competition policy.
 - i. development of transparent and consistent environments which ensure procedural fairness in mergers and other competition policy-related cases.

- P. Further improve business mobility.
 - i. continue to enhance the operation of the ABTC scheme by shortening the processing time for pre-clearance, simplifying the renewal process, improving online service, ensuring recognition of the card at the ports of entry, and providing clearly marked priority lanes.

- Q. Strengthen intellectual property rights cooperation.
 - i. develop a set of framework principles that would govern patent applications work sharing and develop legal and technical modalities necessary for their implementation.
 - ii. improve border enforcement of intellectual property rights.
 - iii. maintain a proper balance between the protection of the intellectual property rights of holders and the rights of the general public.

- R. Increase transparency and fight corruption.
 - i. annual reporting on implementation of transparency and anti-corruption commitments, with benchmarks and timetables for full implementation.
- S. Support industry dialogues.
 - i. focus on principles for best practice chemicals regulation and development of a coordinated approach to the international chemicals agenda by the Chemical Dialogue.
 - ii. focus on green vehicles advanced technologies by the Automotive Dialogue.
 - iii. extension of the landmark Framework Study on the Returns to Investment in Health Innovations by the Life Sciences Innovation Forum to include infectious diseases and their dynamic effects on economic growth.
- T. Promote environmental-friendly goods and services.
 - i. accelerate efforts to promote energy efficiency and conservation actions on the demand side.
- U. Tackle climate change.
 - i. have regard to the impact of GHG reduction measures on food production and distribution, and food safety and security generally;
 - ii. develop standard metrics to assess efficiency, preferably by sector, and assist in measuring progress and quantifying results;
 - iii. develop an APEC Low-Carbon Pathfinder Scheme under which low-carbon policy measures by each economy would be systematically and transparently prioritized and reviewed.
- V. Promote human capacity building.
 - i. promote information communication technology (ICT) applications in human resource development;
 - ii. reform the educational system by institutionalizing a culture of entrepreneurial innovation and creative thinking;
 - iii. give the Voices of the Future Program a more permanent profile in the Leaders' Summit to provide continuity in carrying the APEC program forward with the next generation of Leaders.
- W. Strengthen and deepen the region's capital markets.
 - i. continuous international and domestic efforts to advance capacity building efforts to strengthen and deepen the region's capital markets.