



19 April 2018

Honorable Rimbink Pato

Chair, Meeting of APEC Ministers Responsible for Trade
Minister for Foreign Affairs and Trade
Papua New Guinea

Dear Minister Pato:

On behalf of the APEC Business Advisory Council (ABAC), I am pleased to submit to APEC Ministers Responsible for Trade our recommendations on trade, investment and economic growth in the region.

We are deeply concerned at the recent rise in protectionist rhetoric and action in our region. We urge Ministers to continue to promote open markets for trade in goods, services and investment flows.

Our shared goals of sustainable and inclusive growth would be undermined if flows of trade and investment were to be curtailed. The integrity of the global rules-based WTO trading system, including its dispute settlement mechanism and economies' concessions and obligations, must be fully respected. This system has served as the foundation of many decades of improvements in global prosperity and stability, and significant reductions in extreme poverty. It is particularly important for small economies. We urge APEC Ministers Responsible for Trade to take a leadership role on these issues.

Now more than ever, ABAC remains committed to the realization of the Free Trade Area of the Asia-Pacific (FTAAP). We welcomed the conclusion of the Comprehensive and Progressive Agreement for Trans Pacific Partnership (CPTPP) in March 2018, both as a pathway to FTAAP and as an affirmation of the value of continuing trade liberalization in our region. We call on the parties to ratify and implement the agreement as soon as possible. We urge APEC economies to maintain momentum and give priority to pursuing the pathways such as the Regional Comprehensive Economic Partnership (RCEP) and the Pacific Alliance, as well as, but not limited to, the steps outlined in the Lima Declaration to progress towards FTAAP.

ABAC is updating its own positions on substantive FTAAP elements, taking into consideration the increasing importance of the digital economy and the significantly changed trade policy environment since the Lima Declaration. This will be a multi-year effort, but we will provide the initial outcomes to Ministers and Leaders later this year.

ABAC is likewise committed to playing its part in shaping our collective vision for the region post-2020. ABAC is developing ideas for that vision and will share them through high-level dialogues with the APEC Vision Group on this critical topic. We encourage APEC to discuss in particular how to integrate FTAAP as a core element in the post-2020 vision.

While we remain committed to advancing our vision for deeper economic integration and connectivity in the region, we also acknowledge that we must do more both to champion and to broaden access to the opportunities that come from trade liberalization. Government and business each have their respective roles to play in restoring confidence in the contribution that trade and investment make to global growth, to creating jobs, improving living standards and the eradication of poverty. ABAC is undertaking further research this year into the benefits of trade at firm and household levels to help develop a more powerful narrative in support of these goals. However, public debate on these issues has served to underscore that income inequality will remain a source of friction and instability unless it is addressed. In large part, distributional impacts can only be tackled through domestic policy rather than trade agreements; this should be a policy priority for APEC economies.

We acknowledge the value of better engagement with our workforces as our economies transition to new inclusive business models, particularly through digital transformation. We also recognize the critical need to

retrain and upgrade the skills of workers to ensure that employment opportunities are not closed off through structural impediments. We call on Ministers to emphasize policies that support these outcomes. We likewise call on Ministers to implement measures that will facilitate the more successful participation of micro, small and medium enterprises (MSMEs) and women in global value chains and across borders.

In addition, APEC needs to focus on opportunities to implement meaningful and effective structural reforms that can remove barriers to better resource allocation and that will drive efficiencies through market-based competition. These objectives are central to APEC's ongoing work. ABAC urges Ministers to commit to implementing forward-leaning actions and policies that give effect to that agenda. ABAC commits fully to further developing and helping in the implementation of those efforts.

Similarly, eliminating non-tariff barriers on goods and restrictions on services and digital trade is central to ensuring that trade continues to flow efficiently across borders, that MSMEs are not disadvantaged, and that food security is enhanced. We urge APEC economies to adopt the WTO-consistent cross-cutting principles on non-tariff measures which ABAC has developed.

We note the outcomes of the 11th WTO Ministerial Conference in Buenos Aires in December. We welcome the Ministerial Decisions and informal work programs relating to e-commerce and MSMEs. We are disappointed that more ambitious outcomes were not able to be agreed in those areas, and that agreement could not be reached on fisheries and agriculture negotiations. We congratulate all APEC economies for fully ratifying the WTO Trade Facilitation Agreement (TFA).

APEC economies must take advantage of the opportunities offered by the internet and digital economy. Effective regulatory policies should encourage and not inhibit digital trade and innovation, the free and secure flow of data and information while continuing to protect individual privacy and promote cyber resilience. ABAC welcomes the adoption of the Internet and Digital Economy Roadmap and calls for its expeditious implementation involving both the public and private sectors. We also welcome the APEC Cross-Border E-Commerce Facilitation Framework and call on Ministers to collaborate with ABAC to address important cross-cutting issues. We recognize the importance of the APEC Cross-Border Privacy Rules Framework (CBPR), a voluntary mechanism whose participants seek to expand participation. For APEC to stay relevant, it is imperative that it move substantive work forward on the internet and digital economy, and not get mired down in process.

ABAC recognizes the need to support and strengthen cross-border investment flows to enhance productivity, innovation and infrastructure. We underline the critical role that predictable policy environments, with high standards of governance, play in enhancing and supporting investment. We acknowledge the balance that must be struck between allowing foreign investment and preserving public policy objectives. ABAC will contribute to work initiated in the APEC Investment Experts' Group aimed at further enhancement to APEC's Investment Facilitation Action Plan and to new generation investment principles.

Advances in technology have led to services trade becoming a new frontier for innovation and growth in all our economies, offering real opportunities for MSMEs and women to leap-frog over traditional impediments to participation in cross-border trade. We urge APEC economies to continue to advance the implementation of the APEC Services Competitiveness Roadmap and address issues of services trade liberalization and the interconnection of services within the region, to ensure sustainable growth and facilitate all aspects of trade. ABAC is committed to continue to work with APEC to make substantive progress with the Roadmap's identified action areas.

A more detailed report on initiatives being developed by ABAC this year is provided in the attachment.

I look forward to discussing these recommendations with you in greater detail at your meeting in Port Moresby in May.

Yours sincerely,



David Toua
ABAC Chair 2018

Progress Report to APEC Ministers Responsible for Trade on Relevant ABAC Initiatives

1. Tackling protectionism and eliminating non-tariff barriers. The risks of a reversion to protectionism and closed markets for trade and investment remain very real, and jeopardize the long-established stability and prosperity of our region. This is of deep concern to the business community. ABAC urges APEC Ministers Responsible for Trade to firmly reject any moves to curtail trade and investment flows, including imposition of new tariffs, and to increase efforts to enforce existing obligations under trade agreements. In addition, reducing and eliminating non-tariff barriers to goods and services trade and preventing the development of new non-tariff barriers would demonstrate a commitment to openness and deliver concrete benefits to business, consumers, communities and economies. ABAC's WTO-consistent cross-cutting principles on non-tariff measures (NTMs) should be adopted forthwith in all APEC economies and used as the basis for future trade, including in the proposed Free Trade Area of the Asia-Pacific (FTAAP).

2. Responding to anti-free trade and anti-globalization sentiments, questions of inclusion, and highlighting the benefits of trade. There has been public debate in recent years on the merits of globalization and trade liberalization. While the case for continued trade liberalization remains compelling at the level of individual economies and for the region as a whole in terms of net economic benefits, living standards and poverty reduction, it is equally clear that issues around the distribution of the benefits of trade and of deeper economic integration will remain a source of friction and instability unless they are addressed. In the main, these questions can only be tackled through domestic policy settings to ease the adjustment process and enable individuals and communities to seize the new opportunities that are being created. ABAC believes that this must be a policy priority for economies.

It is also important to develop a more resonant narrative around the benefits of trade. ABAC recognizes that governments and business each have an important role to play in better communicating the demonstrable benefits of trade for our communities. To that end, this year, ABAC is collaborating with PECC to bring together data available on the effects of integration, with business experiences, and to better articulate why trade benefits economies and why economic integration is a core priority for the Asia-Pacific region. Combining available data with the experience of firms which participate in the world economy (both exporting and importing) and those which do not, will provide valuable insights as to how best to facilitate and support participation. This will build on the excellent work done by the Marshall School last year.

ABAC recognizes that business and governments each have their own roles in better communicating the demonstrable benefits of trade for all our communities. These roles must be embraced more effectively if we are to turn around negative public sentiments.

3. Progressing pathways to the realization of FTAAP and the Lima Declaration. The vision of an FTAAP is ABAC's preeminent priority. We are committed to free and open trade and removal of protectionist measures in the region as the best option to deliver sustainable and inclusive growth and prosperity to all our economies and lift our peoples to higher standards of living. While we recognize that it is a long-term vision, we believe that FTAAP offers the greatest opportunity to achieve those goals.

ABAC is working with consultants to update our 2015 report, "The FTAAP Opportunity", to consider a business perspective on the development of FTAAP, while acknowledging the significant changes in the trade policy environment in recent years, including the impact of technology, and the rise in anti-free trade and globalization sentiments in the region. We will also be working on business priorities in relation to next generation trade issues and their role and representation in a future FTAAP. ABAC hopes to report to APEC Ministers and Leaders on this work later in the year.

ABAC supports the direction provided by Leaders in the Lima Declaration, and asks Ministers to stay the course in working progressively towards the realization of FTAAP, despite the challenges confronting global trade at present, including finishing the FTAAP progress report and submitting it to APEC Leaders in time. ABAC urges continued commitment to work to address issues of divergence and

convergence in RTA/FTA practice, to undertake a stock take of how next generation trade and investment issues are dealt with in existing FTAs and RTAs in the region, and to develop initiatives to close the gap between different treatment of these issues, all to enable a clear pathway to FTAAP. We support work focused on measures affecting the achievement of the Bogor Goals, including but not limited to tariffs, NTMs, services, investment and rules of origin.

The pathway agreements offer different models and cover a different range of issues. ABAC urges parties to these agreements to ensure that they are compatible, that they do not compete with one another and allow the prospect of expanded membership, ultimately furthering the path to convergence. The Comprehensive and Progressive Agreement for Trans Pacific Partnership (CPTPP) provides a comprehensive, rigorous template with coverage of many issues prioritized by business. The Regional Comprehensive Economic Partnership (RCEP)'s provision of a common framework of rules, which takes into account the different levels of development and variation in ambition and coverage of existing FTAs in the region, provides an inclusive approach. The Pacific Alliance has demonstrated the impact of strong political will and determination to achieve greater economic integration within a short timeframe and an openness to progressive expansion of membership. All of these provide valuable lessons for an eventual FTAAP.

ABAC applauds member economies of the CPTPP who have reached an important milestone by signing the agreement on 8 March 2018 and encourage them to ratify and implement the agreement as soon as possible. We hope that additional economies will be invited to join as parties to the CPTPP in the future, as the agreement represents a comprehensive coverage of trade and investment issues, and is a significant movement towards sharing the benefits of free trade within the APEC region.

ABAC welcomes the commitment of the RCEP member economies to intensify efforts to conclude the negotiations in 2018. ABAC strongly supports these efforts and the commitment to achieve a modern, comprehensive, high-quality and mutually beneficial economic partnership agreement as soon as possible.

ABAC salutes the progress of the Pacific Alliance at its new stage of negotiations, with the addition of four APEC economies as Associate States. ABAC supports prompt conclusion of the negotiations, maintaining a consistent level of ambition. ABAC looks forward to the outcomes of the upcoming Pacific Alliance Summit in July 2018.

We also acknowledge the contribution that other regional initiatives and arrangements have made towards freeing up trade and investment and creating a trade liberalization-supportive environment, including the ASEAN Economic Community and the Eurasian Economic Union, among others.

4. Developing the APEC Vision Beyond 2020. Recognizing the imminence of the Bogor deadline, ABAC urges APEC to accelerate the efforts to achieve free and open trade and investment in the region, consistent with our fundamental goals. ABAC is developing ideas on our vision for the region post-2020, offering a unique business perspective on future goals for APEC. Members are eager to contribute substantively to this process, including by participating in multi-stakeholder dialogues, the APEC Vision Group and direct engagement with Ministers and Leaders, and by working in partnership with economies to ensure that we continue to enjoy inclusive and sustainable growth in our region.

5. Enhancing regional investment flows. The benefits of access to capital, technology and expertise as a result of investment in the region, are key drivers of development and prosperity, for all our economies but of particular impact for our developing members. Establishing and encouraging long relationships with investors provide the greatest benefit for sustained economic growth. We know that investment decision making is strongly influenced by political risk and that the unpredictability of government action is of greatest concern. Accountability, transparency and predictability will all impact upon an investor's willingness to invest in an economy. Stable and favorable policy environments, with high standards of governance, are key factors in enhancing investment flows around the APEC region.

ABAC acknowledges the role of investment agreements and RTAs/FTAs, including investment provisions, as important in providing some of the certainty that investors seek. To the extent that these agreements encourage parties to establish stable and predictable domestic policy environments and provide rules for determining disputes, they are of significant value.

6. Advancing the implementation of the APEC Services Competitiveness Roadmap. Driven by new and ever greater advances in technologies, services have become a key component of trade for all economies. As all APEC economies struggle to keep up with the regulatory requirements of technology, so too must the realities of the interconnection of services within the region be addressed, as they facilitate all aspects of trade.

Noting the disappointing and continuing lack of progress in multilateral and plurilateral services negotiations, ABAC acknowledges the importance of regional trade agreements for the advancement of the services agenda. We urge APEC economies to continue to push services liberalization and facilitation in the region, through agreements such as the CPTPP, RCEP and the Pacific Alliance, and through APEC's own work, particularly in the Group on Services (GOS).

ABAC welcomes the development of a matrix to keep track of the implementation of the APEC Services Competitiveness Roadmap (ASCR), and appreciates APEC's effort to reach out to ABAC for inputs on business needs to facilitate trade in services in the region. ABAC reconfirms its commitment to support and collaborate with APEC and other relevant organizations, such as the Asia-Pacific Services Coalition, in ensuring the successful implementation of the roadmap by providing timely and relevant business inputs to the ASCR implementation matrix on an ongoing basis.

Recognizing the numerous number of programs and initiatives (17 APEC-wide action areas) now contained in the ASCR for implementation by APEC, ABAC also commits to help APEC identify areas of focus for implementation that are practical and relevant for business. ABAC will continue to organize relevant public-private dialogues (PPDs) with the aim of putting forward policy recommendations in specific services sectors that would support the implementation of the ASCR.

ABAC calls for the speedy development of the APEC Index to Measure the Regulatory Environment in Services Trade that aims to analyze each APEC economy's services trade restrictions in order to identify common regulatory barriers to services trade at the sectoral level. We encourage the development and use of indicators aimed at reducing or eliminating barriers to services.

7. Harnessing the internet and digital economy to promote inclusion. Trade, investment and economic integration in the region are now significantly driven by the advances in digital technology. Effective integration into the internet and digital economy requires significant investments in digital infrastructure, technology and skills training, as well as internet literacy to prepare our populations for a future characterized by digitization, automation, and increased connectivity. Developing international cooperation and consistent regulatory policies are of highest priority. We urge APEC to ensure a regulatory and policy environment that responds to the rapid change in technology – addressing barriers that impede the adoption of digital technologies and protecting resources and parties to digital trade. This year, ABAC is working with the APEC Economic Committee on the APEC Economic Policy Report (AEPR) on structural reform and infrastructure, by contributing business perspectives on regulation of the internet and digital economy. The outcomes of that work will be available for reporting to Leaders later in 2018.

In order to ensure that the benefits of digital transformation are enjoyed by a wide spectrum of the APEC community, we urge APEC economies to work closely with ABAC in narrowing the digital divide by enhancing human resources adaptation to modern digital technology on inter- and intra-economy basis. ABAC believes that maximizing the benefits from digital trade will enhance economic growth and help ensure an inclusive society.

ABAC recognizes the power of the internet and cross-border e-commerce in supporting the internationalization of micro, small and medium enterprises (MSMEs) and in growing regional trade. We must ensure that cross-border e-commerce continues to be successful, delivering the end-to-end seamlessness, ease and customer experience that is expected from the digital economy. ABAC calls on Ministers to put in place the five pillars identified in the APEC Cross-Border E-Commerce Facilitation Framework, not forgetting the importance of addressing emerging and cross-cutting issues. ABAC looks forward to collaborating closely with Ministers to address identified cross-cutting issues critical to the sustainability of cross-border e-commerce.

The number of restrictions to cross-border data flow and data storage is growing rapidly which impact on highly integrated global value chains (GVCs). We call on governments to ensure the free and secure flow of data and information throughout the region, while continuing to protect individual privacy and promote cyber resilience, to ensure that the benefits of the digital economy will be extended to all sectors, including MSMEs and start-ups in all our economies.

One important way APEC is trying to address the flow of data and information in the region in a safe and secure manner is through the APEC Cross Border Privacy Rules System (CBPR), a voluntary mechanism whose participants seek to expand participation. ABAC encourages more economies and businesses to join, and we encourage governments to highlight to their local business communities the benefits of joining CBPR.

8. Promoting economic development and integration of remote areas. Sustainable industrial growth and connectivity in the region requires strengthening cooperation in the field of economic development and integration of remote areas that can contribute to the increase in productive capacity and rational use of human and natural resources. ABAC supports work on remote areas in the APEC region and suggests paying special attention to the improvement of the investment climate, supporting MSMEs and promoting public-private partnerships (PPP); creating favorable conditions for the development of new competitive industries; and developing transport, energy and telecommunications infrastructure in remote areas.

9. Enhancing connectivity. We underscore the significance of strong and deep supply chain connectivity for regional economic integration and inclusive growth, especially for developing economies and MSMEs in the region, and in this regard, welcome efforts to implement the APEC Connectivity Blueprint for 2015-2025. ABAC welcomed the final APEC Policy Support Unit Report on Global Data Standards (GDS), recognizing the contribution that GDS can make to supply chain efficiency and functioning, and encourages economies to adopt GDS region-wide.

10. Enabling MSMEs to engage more successfully across borders. The modest levels of engagement by MSMEs (and women-led MSMEs) in cross-border activity and GVCs is sub-optimal for the sustained economic growth of the region. ABAC has commissioned the University of Southern California's Marshall School of Business to examine through a business perspective on what more could be done by policymakers and the business community to enable greater success for MSMEs in cross-border activity and GVCs. We believe that the study will make an important contribution to provide a full range of tools that business and policymakers can use to enhance the participation of MSMEs in cross-border activity and in GVCs.

MSMEs comprise the majority of APEC businesses and contribute significantly to employment. ABAC recognizes the numerous programs and initiatives which cover trade facilitation (customs procedures, transparency in NTMs), financing, e-commerce and ICT, institutional/capacity building and enhancing women-led MSMEs undertaken by APEC economies to increase MSMEs' capacity to participate in global trade. We commend APEC's efforts in collectively carrying out concrete and practical programs and activities to advance the Digital Economy Action Plan and Work Agenda (DEAP) developed by the APEC SME Working Group in 2015 and the efforts by the APEC Electronic Commerce Steering Group (ECSG) to develop the APEC Cross-Border E-Commerce Facilitation Framework. We applaud the launch of the APEC MSME Marketplace in September 2017 which sought to serve as a "bigger voice" for MSMEs to harness the potential of the internet and digital economy and the APEC Canada Growing Business Partnership for building the potential of MSMEs and aspiring entrepreneurs in APEC economies to foster sustainable growth and poverty reduction through innovation.

11. Promoting MSMEs' access to finance. Building MSMEs' capacity to grow requires addressing a key constraint – access to finance. Efforts are ongoing to enable lenders to use transaction data and a wider range of collateral to expand lending to MSMEs and promote their participation in global supply chains. Reforming personal bankruptcy laws by facilitating efficient restructuring, insolvency and discharge procedures based on international best practices is needed to encourage the establishment of more start-up enterprises. Financial technology (fintech), particularly in marketplace lending and electronic payments, is creating new ways for MSMEs to access finance. The Asia-Pacific

Financial Forum (APFF) provides a platform for dialogue among regulators and industry experts to help create an enabling ecosystem for fintech, develop innovative debt- and equity-based financing and payment mechanisms for MSMEs, and facilitate the use of digital technology to promote inclusive and efficient financial services for enterprises and households, including those in the informal sector. We ask Ministers to support these efforts.

12. Expanding infrastructure. As contemplated by the Trade Facilitation Agreement, greater investment in infrastructure is needed to support more businesses to access markets and participate in global supply chains. This in turn requires improved public sector capacity to bring bankable projects to the market, the development of deep and liquid local currency bond markets, and the expansion of the long-term investor base through wider participation of insurers, pension funds and Islamic financial institutions in funding infrastructure. We ask Ministers to support ongoing efforts to meet these objectives.

13. Improving energy security. Balancing sustainable development and economic competitiveness is a challenge faced by all APEC economies. Actions toward utilizing low-carbon energy can have a positive effect environmentally as well as increase energy security by diversifying supply. APEC economies are encouraged to deepen the level of engagement on expanding and stimulating renewables and emphasize efforts to shift to more environmentally-friendly fuel sources and adopt high-quality energy infrastructure. To overcome challenges such as output fluctuation and maldistribution of suitable sites to expand renewable energy (wind/solar), ABAC recommends promoting energy management with digitization that allows for the smart adjustment of energy supply and demand¹, enables energy interchange in wide areas and the reinforcement of the grid infrastructure. Reducing barriers in energy trade and investment is important to increasing investment in energy infrastructure and enhancing the resilience and sustainability of the energy sector, along with the optimization of liquefied natural gas (LNG) management and transactions. In addition, ABAC supports the use of the “APEC Guidelines for Quality Electric Power Infrastructure” in order to secure stable energy supply and the quality of infrastructure in the APEC region.

14. Promoting food security. Food security remains a critical threshold issue for the prosperity and stability of the APEC region, particularly in the face of challenges such as growing demand for adequate, safe and nutritious food supplies, pressure on natural resources and adverse impacts from climate change. The APEC Food Security Roadmap Towards 2020 provides important direction to APEC and ABAC’s efforts in this area.

ABAC continues to encourage APEC economies to support more open trade and investment in order to link food supply with increasing demand and to provide the optimal conditions for the success of business and smallholder farmers alike. In particular, ABAC encourages APEC economies to further reduce tariffs on food and agriculture; to work to minimize and eliminate non-tariff barriers affecting food trade, including by giving concrete effect to the WTO-consistent cross-cutting principles recommendations in the report commissioned by ABAC in 2016 from the University of Southern California’s Marshall School of Business on NTBs affecting food trade; and to foster the most enabling and open policy settings for trade in services that support food trade.

This year, ABAC will develop recommendations aimed at enhancing efficiency in food production, securing assets in both agriculture and fisheries and increasing investment and removing trade barriers.

In addition, ABAC underscores the important role of the private sector, in partnership with APEC Leaders and economies in ensuring food security. ABAC notes that the potential role of the APEC Policy Partnership on Food Security (PPFS) in engaging private sector has not been fully realized, which requires further structural adjustments to PPFS and more business-minded leadership of the PPFS Management Council. Without meaningful involvement from the private sector, our shared objectives for food security in the region cannot be achieved.

¹ For example, through the use of Smart Meters as one of the devices and Demand Response as one of the mechanisms.

15. Tackling climate change. Climate change has become an urgent issue on a global scale. While economic growth is expected to continue in the APEC region, energy consumption will increase at the same time. In order to achieve the global goal of reducing greenhouse gas emissions as established by the Paris Climate Agreement, ABAC encourages APEC economies to continue to work toward the goals of i) doubling the share of renewables in the APEC energy mix by 2030, and ii) reducing 45% of energy intensity by 2035, as established by the APEC Energy Ministers.

ABAC appreciates APEC's efforts on Environmental Goods and Services (EGS) and suggests that the capacity building that accompanied this commitment should now be leveraged so that the EG list can be further developed.

In managing an efficient transition to a low-carbon economy and the deployment of renewable energy technologies in energy markets, the role of carbon pricing mechanisms should be considered as one of the options while fully considering the situation of each economy.

Finally, ABAC affirms its commitment to support the voluntary recommendations of the industry-led Financial Stability Board (FSB) Task Force on Climate-related Financial Disclosures (TCFD) in accord with the statement of support. To enable investors to better assess and price climate-related risk, ABAC recommends APEC economies support and build on the recommendations of the TCFD, in particular through harmonized metrics endorsed by relevant industries and associations in each economy.

16. Fostering innovation development. ABAC participates in activities to formulate inclusive and impactful science, technology and innovation policy recommendations to meet economic goals in the APEC region. ABAC welcomes the APEC Policy Partnership on Science, Technology and Innovation projects devoted to high-growth innovative firms' acceleration, innovative clusters cooperation and forming new technology markets of the future.

17. Promoting inclusive growth through the extractive industry. Mining remains a critical part of many APEC economies' markets. Seventy percent of all mining output is produced and consumed in the APEC region, and the industry is a critical one for local work forces and communities. As such, ABAC believes it is vital that APEC continue its robust dialogue on strengthening the regional mining industry and promoting public-private exchange on factors that could impact on this valuable market.

Given the importance of this sector to APEC economies, ABAC supports the Mining Task Force (MTF)'s ongoing work to foster inclusive growth opportunities in the mining sector, promote community engagement, introduce innovations and technologies, and strengthen environmental sustainability. Toward this end, ABAC calls on officials to extend the MTF's charter so that it may continue its important activities through 2020 and beyond. This year, ABAC will develop proposals based on futuristic assessments of the energy and minerals sectors, investment needs going forward and taking into account demand and supply and the impact of technology in these sectors.