

ABAC Document Overview

USG-ABAC Meetings in Bali

Who: ABAC Members and staffers will meet with senior USG members on the margins of ABAC IV and the CEO Summit.

Objective: The primary purpose of the three meetings is to convey ABAC USA's deliverables for 2013 and objectives for China's hosting year including adoption and integration the infrastructure checklist into APEC's workstream and elevating health on the ABAC agenda. Additionally we can ask about USG goals for the coming year and how ABAC USA can be helpful.

Friday, October 4

4:45-5:15pm Meeting with Secretary of Commerce Penny Pritzker
Venue: Ayana Hotel, Lobby level, Chair's Room

Saturday, October 5

6:15-6:30pm Meeting with USTR Michael Froman
TBC Venue: Nikko Hotel, Room TBD

Friday, October 6

TBC Meeting with Daniel Russel, Assistant Secretary East Asian and Pacific Affairs
Venue: TBC, most likely near the BIIC, the CEO Summit venue

ABAC Meeting Overview

Background, Bios and Talking Points for USG-ABAC Side Meetings

Pritzker

This is the Secretary's first APEC meeting. She will be one of the keynote speakers at the NCAPEC annual dinner on the 6th. She is also attending the ABAC Gala dinner in the 4th.

Penny Pritzker
Secretary of Commerce
United States Department of Commerce

Penny Pritzker was sworn in as the 38th Secretary of Commerce by Vice President Joe Biden on June 26, 2013.

She is a civic and business leader with more than 25 years of experience in the real estate, hospitality, senior living, and financial services industries. Ms. Pritzker served as CEO of PSP Capital Partners, and has previously developed such diverse companies as Vi (formerly Classic Residence by Hyatt), a leader in luxury living for older adults; The Parking Spot, a large U.S. network of off-site airport parking facilities; and Pritzker Realty Group.

President Obama appointed Ms. Pritzker to the President's Council for Jobs and Competitiveness, which formerly advised the administration on economic growth and job creation. Ms. Pritzker previously served on the President's Economic Recovery Advisory Board. She has also served on the boards of Hyatt Hotels Corporation, Wm. Wrigley Jr. Company, Marmon Group and LaSalle Bank Corporation. She is past executive chairman of TransUnion, a global financial services information company.

Froman

Although his first APEC Leaders Meeting since being appointed USTR, Froman was very engaged in APEC in 2011. He will be a keynote speaker at the NCAPEC Annual dinner on October 5th.

Michael Froman
United States Trade Representative

Michael Froman was sworn in as the 11th United States Trade Representative (USTR) on June 21, 2013. As USTR, he is President Obama's principal advisor, negotiator and spokesperson on international trade and investment issues.

Ambassador Froman leads the Office of the United States Trade Representative in its work to open global markets for U.S. goods and services, enforce America's rights in the global trading system, and foster development through trade. Key initiatives ongoing under his leadership are negotiations of the Trans-Pacific Partnership agreement in the Asia Pacific; the Transatlantic Trade and Investment Partnership with the European Union; negotiation of agreements on services, information technology and trade facilitation at the World Trade Organization; and monitoring and enforcement U.S. trade rights, including through the Interagency Trade and Enforcement Center (ITEC).

Secretariat for U.S. Representation to the APEC Business Advisory Council (ABAC)

ABAC Meeting Overview

Prior to becoming USTR, Ambassador Froman served at the White House as Assistant to the President and Deputy National Security Advisor for International Economic Affairs.

Russel

New to this post, Russel is a career State Department official. Russel brings an economic and trade focus, in contrast to his predecessor, Kurt Campbell, who focused more on security issues.

Daniel R. Russel
Assistant Secretary
East Asian and Pacific Affairs

Daniel Russel is the Assistant Secretary of State for East Asian and Pacific Affairs and is a career member of the Senior Foreign Service. Prior to his appointment as Assistant Secretary on July 12, 2013, Mr. Russel served at the White House as Special Assistant to the President and National Security Staff Senior Director for Asian Affairs. During his tenure there, he helped formulate President Obama's strategic rebalance to the Asia Pacific Region, including efforts to strengthen alliances, deepen U.S. engagement with multilateral organizations, and expand cooperation with emerging powers in the region.

Suggested Talking Points

(most salient point highlighted)

FOR Ed

Thank you for taking the time to meet with the ABAC USA members. This Caterpillar's third year serving on the APEC Business Advisory Council, although it's the first year for me. So far in my tenure I've found ABAC is unique in its ability to help shape the agenda of issues that are of critical importance to the participating economies. That, in turn, forms the agenda for APEC in part. The process is deliberate, but things get done in this group and we're pleased to be a part of it.

Bart, would you like to say something here....

FOR BART:

Like Ed, this is my first year on ABAC as well and I am honored to have the opportunity to serve. As the first healthcare company to represent the U.S. on ABAC and as the only ABAC member from the

Secretariat for U.S. Representation to the APEC Business Advisory Council (ABAC)

ABAC Meeting Overview

healthcare industry on the entire ABAC currently I am working to bringing some fresh perspectives to the discussions.

ABAC Accomplishments this year:

- **INFRASTRUCTURE INVESTMENT**- APEC has long recognized that well-designed, sustainable and resilient infrastructure development and investment can enhance economic growth and increase productivity as well as provide significant spillover effects including improved access to markets, job creation and manufacturing growth. In an effort to expand regional connectivity and provide technical assistance and advisory services to economies at different stages of economic development, in 2013 APEC officials began work on a multi-year action plan on infrastructure investment and development. To complement and inform this important work, the ABAC has developed an “Enablers of Infrastructure Investment Checklist”, a self-assessment tool developed by the business community. The Checklist will enable officials to assess the extent to which their regulatory environments attract and harness foreign direct investment in infrastructure.
- **HEALTH** - As a key plank of economic growth, Health has gained increasing prominence on APEC’s agenda as partnerships have evolved and official participation has increased. APEC has facilitated a number of key public private initiatives that have achieved remarkable progress, such as efforts to achieve regulatory harmonization for medical products and convening a meeting of health ministers and private sector experts to discuss strategies for creating a fiscally sustainable healthcare system with universal coverage. In its outreach to Health Ministers from APEC economies, the ABAC has also highlighted a number of key issues that are essential for robust health systems, such as the need for an APEC wide data standard for pharmaceutical product serialization and verification, which will help ensure timely access of medicines in the region as well as the prevention of counterfeit and substandard medicines from reaching distribution.
- **WOMEN IN THE ECONOMY** - Women’s economic empowerment has become an area of focus for APEC as economies are looking for ways to increase inclusive economic growth. The just published ABAC report on women in the economy focuses on the business imperative of more fully engaging women in the workforce. As noted in the report, according to a recent UN study, the Asia-Pacific region could gain upwards of \$US 47 billion in output annually by increasing women’s participation in the labor market.
- **SUPPLY CHAIN CONNECTIVITY**- ABAC has advocated for greater use of global data standards to address supply chain connectivity and complexity challenges, including an APEC wide data standard for pharmaceutical product serialization and verification. The private sector has made significant progress in developing global data standards that allow companies to use a “common language” to

Secretariat for U.S. Representation to the APEC Business Advisory Council (ABAC)

ABAC Meeting Overview

optimize supply chains, expedite business processes, and increase supply chain resiliency. The implementation of these data standards will require APEC to engage with ABAC and the private sector as a source of expertise on targeted, focused, and economy-specific capacity initiatives. ABAC has also encouraged APEC to develop inventories of policies and best practices that economies should have in place as part of the Supply Chain Connectivity Framework (SCCF) and strengthened public-private sector cooperation on supply chain connectivity.

- **CREATION OF ASIA PACIFIC FINANCIAL FORUM** APEC established the Asia-Pacific Finance Forum (APFF) as a regional platform for public-private collaboration to promote greater synergy in financial markets, identify and address gaps, build institutional capacity, as well as accelerate the evolution of regional cooperation toward greater consistency and coherence in the development of regional financial markets. The APFF will engage with all relevant public and private entities whose activities have significant impact on the development and integration of the region's financial markets.
- **SMALL, MEDIUM AND MICRO-ENTERPRISE FINANCING**- Addressing the credit gap for SMMEs is essential to ensure growth. ABAC has provided detailed recommendations to APEC to expand non-banking lending instruments, and is currently developing a Strategic Framework for SME Financing.
- **ANTI-CORRUPTION AND TRANSPARENCY** ABAC has strengthened ethical standards for business conduct through implementation of APEC principles for voluntary codes of business ethics. ABAC worked with APEC governments to develop sectoral codes of conduct for SMEs in the construction, medical device and biopharmaceutical industries. ABAC has encouraged regulatory and anti-corruption authorities, as well as relevant professional organizations to advance ethical collaborations consistent with the APEC principles, supporting the enforcement of these principles through effective anti-corruption legislation or regulation, and creating a permanent forum to deliver ongoing capacity building, and share best practices.
- **GOOD REGULATORY PRACTICES** - ABAC is encouraging APEC to strive for a balanced approach to good regulatory practices that take into account the benefits that regulation can bring to an economy, as well as the cost and economic inefficiencies that it can impose. This includes increasing transparency in enforcement and implementation, strengthening regional coordination on regulations, encouraging alternatives to prescriptive regulation, promoting trade friendly regulations.

ABAC Meeting Overview

Issues and Objectives for 2014

- INFRASTRUCTURE - Increase support and buy-in for the enablers of infrastructure investment checklist
- HEALTH - Build support for elevating Health on the APEC Agenda by obtaining APEC Leaders' endorsement for an overarching goal of improving health in APEC by 2020
- WOMEN IN THE ECONOMY - Promote the development and utilization of economic indicators that promote a better understanding of the impact of women's engagement in economic activities. Develop a business toolkit that showcasing best practices for companies to emulate