



APEC Business Advisory Council

The Office of ABAC Chair 2013



6 April 2013

His Excellency

Mr. Gita Irawan Wirjawan

Chair, Meeting of APEC Ministers Responsible for Trade &
Minister of Trade
Indonesia

Dear Minister Wirjawan:

On behalf of the APEC Business Advisory Council (ABAC), I am pleased to share with you and your fellow APEC Ministers Responsible for Trade (MRT) some of our priorities and initial recommendations as we prepare to report to APEC Leaders later in the year.

Our recommendations are made against the backdrop of a global economy that remains fragile. And while global growth is expected to strengthen gradually in 2013 as the constraints on economic activity start to ease, we expect the recovery to be slow. This highlights the need for policies to bolster and sustain growth in the APEC region.

This year, we have adopted the theme “Partnership, Resilience and Building Bridges to Growth”. Our priorities are to deepen regional economic integration, promote infrastructure growth and sustainable development, foster SMME development and entrepreneurship, and promote the development and integration of financial markets. With these priorities, we believe that APEC should stay the course on its path of regional economic integration in response to these economic and financial challenges.

ABAC continues to believe that the WTO must be the cornerstone for underpinning global trade and the regional economic integration of APEC. To maintain business confidence in the WTO, it is vital that the 9th WTO Ministerial Conference in December 2013 agree to a tangible “package” of Doha-related decisions. We urge APEC Ministers Responsible for Trade, led by Indonesia as host of both WTO and MRT meetings this year, to take the lead in developing this Doha package and pushing it to a successful outcome so as to pave the way for the multilateral conclusion of the Doha Round in accordance with its mandate. In the lead up to the WTO Ministerial Conference, ABAC will continue to support APEC Ministers with global and regional advocacy on the primacy of the WTO’s rules-based mechanism.

Over the longer term, ABAC believes that a Free Trade Area of the Asia-Pacific (FTAAP) provides the best mechanism for sustaining regional economic integration. We have been heartened by the progress made in the leading pathways to FTAAP – the Trans Pacific Partnership and the Regional Comprehensive Economic Partnership and also by the emerging Pacific Alliance. We encourage Ministers involved in these sets of negotiations to ensure that the respective agreements remain compatible with the ultimate goal of achieving an FTAAP and the spirit of APEC-wide cooperation.

With deeper economic integration and the rapid development of new value chains, a more complex business landscape is emerging in APEC, driven increasingly by foreign direct investment (FDI). This holds great opportunity for stronger regional growth and higher value jobs. We urge APEC Ministers to increase their focus on ways of facilitating and encouraging further growth in FDI, while convincing

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public stakeholders that openness to FDI brings important benefits for government, business and communities in the economies receiving such investment. We call upon Ministers to take the lead in ensuring that their economies remain open for FDI while explaining the benefits of FDI as a driver of sustainable growth and employment. We further support APEC's work to explore ways by which economies can promote job creation and economic growth without implementing protectionist measures such as local content requirements. For our part, we are developing recommendations on reducing barriers to FDI growth and on improving public perceptions of FDI, to share with APEC Leaders later this year.

The services sector is emerging as a vital part of the new business landscape in both trade and investment. ABAC is therefore keen to see progress on trade and investment liberalization in the services sector to reflect these developments. We are following with interest news from Geneva regarding new plurilateral negotiations on trade in services, which may not only address services market access but also develop new rules in a way that would be complementary to the Doha Round. ABAC is very supportive of these and other efforts to remove barriers to services trade and investment, given the great importance of the services sector to APEC economies. APEC SOM and ABAC will be holding a Dialogue on Services at SOM II to discuss the importance of the services sector and to encourage an active APEC work program on services. We encourage Ministers to consider forming a Services Experts Group drawn from the public, private and academic sectors to make recommendations on ways to improve the global governance of services trade and investment.

ABAC supports the APEC 2013 Chair's leadership in promoting a holistic and coordinated approach to improving connectivity encompassing the physical movement of goods, people-to-people connections and institutional development. This requires bringing together a complex set of trade, investment and services issues, including soft and hard infrastructure, as well as promoting consistency in regulation. ABAC stands ready to work with APEC in mapping out a multi-year agenda to support this initiative and to offer ways to maximize private sector participation, investment and innovation. As a key component of this approach, ABAC recommends greater use of global product data standards and supply chain infrastructure technologies to enhance the efficient flow of goods.

ABAC's work program also includes a number of other initiatives in progress that are relevant to improving the business environment across APEC. An update on these initiatives is attached in Annex A.

We look forward to participating at your meeting in Surabaya to present these recommendations in greater detail.

Yours sincerely,



Wishnu Wardhana
ABAC Chair 2013

Progress Report to APEC Ministers Responsible for Trade – Other Issues

- 1. Expanding the WTO Information Technology Agreement (ITA).** Since its launch in 1996, the ITA has not been reviewed and, consequently, product coverage has not been updated, though the same period has seen unprecedented technological innovation in the Information Communication and Technology (ICT) sector and a growing number of ITA participants. ABAC welcomes the leadership role of APEC in supporting WTO ITA negotiations and its declaration at Vladivostok in 2012 to “work in earnest in order to swiftly achieve a good outcome of the negotiations.” With the support from APEC, there have been frequent WTO ITA informal negotiations held in Geneva. Since September last year, major economies participating in the ITA have joined these informal negotiations and a concrete negotiation on the ITA product list has been launched and is now underway. Given the recent favourable progress in the negotiations, ABAC strongly requests APEC to play a leadership role once again to support (a) the commercially significant expansion of product coverage and the increase in number of participating members in the ITA, and (b) the successful completion of WTO ITA expansion negotiations in Geneva by the first half of this year.
- 2. Promoting regulatory coherence.** ABAC firmly believes that regulatory coherence strengthens and deepens regional economic integration, prevents barriers to trade from occurring, as well as leads to increases in trade and economic growth. APEC should continue to focus on strengthening the implementation of the three good regulatory practices (GRP) endorsed by APEC Leaders in the 2011 Honolulu Declaration including internal coordination of rule-making, assessing the impact of regulations, and public consultations. ABAC encourages APEC economies to report on the progress they are making in each of these areas. APEC should encourage the exploration of additional GRPs for implementation beyond 2013, including transparent and equitable implementation of regulation as well as voluntary alternatives to regulation, in order to reduce or eliminate barriers to free trade and investment. The APEC LSIF Regulatory Harmonization Steering Committee (RHSC) and APEC Harmonization Center (AHC) are examples of how APEC economies can create multi-year public-private partnerships and advance these vital regulatory issues and future trade flows through targeted sectoral regulatory reforms. Specifically, a center of excellence proposed to facilitate the approval of clinical research in APEC economies will bolster near term investment.
- 3. Enhancing supply chain connectivity.** ABAC applauds APEC’s efforts to enhance competitiveness in the region by making it easier, cheaper and faster to conduct trade in goods and services across borders. A University of Southern California Marshall School of Business 2011 Report on APEC Supply Chains estimates that improvements in connectivity could save up to US\$1,307 and 5.6 days per container in transportation costs and time between APEC economies. A 2013 report by the World Economic Forum estimates that raising all countries’ supply chain performance halfway to global best practices on border administration as well as transport and communications infrastructure would increase global GDP by approximately US\$2.6 trillion and exports by US\$1.6 trillion. Due to the significant potential economic gains, ABAC sees a greater APEC role in the leadership, governance and oversight of standardization initiatives within supply chains. ABAC supports the systematic approach to improving supply chain performance, starting with inventories of policies and best practices that APEC economies should have in place as part of the Supply Chain Connectivity Framework. ABAC urges the completion of these inventories at SOM2, and the commencement of diagnostic reports to measure variances between existing domestic policies and regional best practices in order to guide the drafting and implementation of targeted capacity building plans. We encourage APEC to engage with ABAC and the private sector

as a source of expertise on targeted, focused and economy-specific capacity building initiatives to help enable economies to meet the APEC Leaders' 10 percent improvement goal by 2015.

- 4. Fostering the development of SMMEs.** SMMEs are the key drivers of economic growth in the APEC region. They are the main generators of employment, represent more than 95% of total private establishments, contribute about 25% of total exports in each of the APEC economies and represent more than 45% of the region's GDP. ABAC supports efforts to further liberalize trade as these enhance market access opportunities for SMMEs and promote SMME development. ABAC calls for policies that promote entrepreneurship and the creation of new businesses as well as policies that promote innovation and new forms of businesses. APEC economies should promote the use of internet technologies to enhance SMME access to international markets and to promote SMME growth. Capacity building initiatives such as APEC SME Summits are particularly helpful in this respect and we urge APEC Ministers Responsible for Trade to encourage and support the holding of such summits. Steps should also be taken to enhance SMME access to finance as this remains a significant barrier to SMME expansion. ABAC recommends that banking regulators add an appropriate refinement to the Basel rules on risk weighting for trade finance to reflect its low risk feature.
- 5. Engaging Women in the Economy.** Engaging women in the economy is a fundamental element of the inclusive growth that APEC strives to promote and is vital to future competitiveness. The United Nations estimates that various limitations on the economic participation of women cost the Asia-Pacific region US\$89 billion a year. The business community in particular has a vested interest in a diverse, skilled and engaged workforce. ABAC encourages Ministers Responsible for Trade to call on their economies to take further steps to implement the key policy pillars of the San Francisco Declaration by taking steps to promote access to capital and markets for women in the private sector, encouraging capacity and skill building programs, including science, technology, engineering and mathematics (STEM) education for women, and taking steps to address barriers that discourage women from assuming leadership positions in the public and private sectors.
- 6. Strengthening food security.** This year, ABAC is focusing on strengthening food security by overseeing the implementation of the APEC Policy Partnership on Food Security Action Plan for 2013. The latter envisages the development of a strategic, results-oriented roadmap to achieve the long-term goal of setting up a food system structure by 2020 sufficient to provide lasting food security to economies in the region. The roadmap should involve public-private collaboration and parallel cooperation action. ABAC urges Ministers to develop policies and to take concrete actions to ensure the roadmap's effective implementation. In particular, ABAC urges APEC economies to: (a) facilitate the dissemination and absorption of food-related technology; (b) enhance collaboration and investment in R&D for modern farm management; (c) enhance market access and eliminate non-tariff barriers to trade; (d) enhance supply chain connectivity for food including through the use of global product data standards to increase the efficiency, transparency and safety of food trade; (e) reduce food losses and increase food safety through more effective use of cold chain technology; and (f) facilitate and reduce the cost of private sector investment in food-related infrastructure.
- 7. Addressing energy security.** ABAC commends APEC for the groundbreaking agreement on the APEC List of Environmental Goods (EG) in 2012 and urges economies to implement Leaders' commitment and build on this important achievement. ABAC firmly believes that facilitating trade on the 54 items on the List will contribute to reducing the energy intensity of the region. ABAC requests that APEC take steadfast actions to reduce the applied tariff rates for the 54 items to 5% or less by the end of 2015 as agreed by APEC Economic Leaders in the 2012 Vladivostok Declaration. ABAC recommends: (a) an accelerated timetable to implement the tariff reductions on the 54 EG items; (b) a conducive legal and regulatory environment for trade and investment in the energy sector; (c) greater attention to policies to facilitate the development of renewable energy

infrastructure to meet green growth targets; (d) the identification and removal of non-tariff trade barriers for environmental goods and services; and (e) continuing support to efficient regional trade of energy through integrated transmission infrastructure and domestic power grids.

8. **Ensuring water security.** Water is indispensable to human life. Efforts should therefore be made to ensure water security. ABAC notes that the conservation of water resources is the most inexpensive way of promoting water security and recommends the following measures to encourage water conservation: (a) introduction of conservation-enhancing tariff schemes such as shifting from a flat rate to a volume-based rate for agricultural water use and introduction of a punitive tariff rate to discourage excessive water use by municipalities; (b) introduction of water conservation incentives; (c) promotion of the use of water-saving equipment, including through policies designed to encourage their proliferation and to facilitate trade on such equipment in the future; (d) use of recycled water; (e) promotion of leak prevention technology; and (f) establishment of a forum dedicated to water issues within APEC.
9. **Encouraging infrastructure investment.** Infrastructure investment is a critical element to sustainable and inclusive economic growth in the Asia-Pacific region. A recent report by McKinsey estimates that as much as US\$57 trillion in infrastructure investment will be required globally over the next 18 years to sustain economic growth. In order to compete globally for finite FDI flows, APEC economies will need to take deliberate steps to evaluate and improve their investment environments. Successful infrastructure investment outcomes are enabled by bringing together a diverse set of critical policy elements that require a multi-disciplinary approach.

Governments not only need to address barriers to private sector FDI but also effectively harness it through measures such as creating an environment conducive to infrastructure finance, emphasizing long-term planning and cooperation through public-private partnerships (PPP) and facilitating transparent government procurement processes. To bring these multi-disciplinary elements together and encourage further inter-agency dialogue, ABAC is developing a unique infrastructure investment checklist that will serve as an important self-assessment tool for economies. We invite APEC Ministers Responsible for Trade to build on Indonesia's APEC 2013 theme of connectivity by collaborating with ABAC on the development of the checklist.

10. **Improving the environment for PPPs through public-private dialogues.** Public-Private Partnerships have significant potential to help finance the region's enormous infrastructure needs, as well as to improve quality and lower costs of services. This requires the right environment, however, and despite continuing improvements in infrastructure-related policies, key constraints remain in many economies. These include lack of capital market depth, dearth of good quality projects, inadequate regulatory frameworks and need for better understanding of allocating various types of risk between public and private sectors.

Structures enabling parties to frankly and objectively discuss the complex matters involved can help create conducive environments for successful PPPs. In 2010, ABAC initiated the Asia-Pacific Infrastructure Partnership (APIP), bringing together high-level officials, experts from multilateral bodies and private sector panelists actively involved in infrastructure projects from a wide range of relevant fields. Since its establishment, APIP has held dialogues with six economies (Mexico, Peru, Philippines, Vietnam, Indonesia and Thailand) and actively participated in five regional forums. ABAC invites APEC economies to effect further improvements in the environment for PPPs, especially through active engagement with APIP.

11. **Promoting technology dissemination and innovative growth.** ABAC has identified numerous barriers across APEC that prevent businesses from bringing cutting edge technologies to new markets through cross-border trade and investment. To address these issues, ABAC is exploring the potential of an APEC Open Innovation Platform to facilitate the development and

commercialization of cutting-edge technology intellectual property (IP) for SMMEs throughout the region. We encourage Ministers to enhance opportunities for SMMEs to benefit from the development and application of cutting-edge technologies by simplifying legal and regulatory barriers that prevent businesses from bringing technologies to new markets through cross-border trade and investment.

The private sector has an essential role in shaping policies that encourage innovation in the APEC region. ABAC welcomes the business community's role in the newly-formed APEC Policy Partnership on Science, Technology and Innovation and will work with the private sector, government and academic stakeholders to promote effective public-private collaboration in joint scientific research and development of effective innovation policy, which are critical to continued economic growth in the region. Building on this effort, ABAC supports concrete measures to implement the 14 non-discriminatory market-driven innovation policies endorsed by APEC Leaders in 2011.

- 12. Promoting transparency and efficiency in government procurement.** Government procurement of goods and services, including essential public services such as clean water, education, healthcare, and infrastructure typically accounts for 10-15% of GDP for developed economies, and up to as much as 20% of GDP for developing economies. This amounts to between US\$8-12 trillion annually on a global basis. Discriminatory and inefficient procurement practices can have a marked impact on international trade patterns.

APEC economies should establish efficient, transparent, predictable and non-discriminatory government procurement processes that account for lifecycle costs to ensure effective allocation of government resources. Elimination of government barriers will lead to a more efficient allocation of resources through increased competition, reduced opportunities for corruption, higher quality procurement and budgetary savings to government.

- 13. Accelerating financial market development to promote growth.** The significant impact on economic activity in the region of disruptions in trade and project finance as a result of recent crises underscores the central role of financial systems in the growth of trade and investment. Most Asia-Pacific financial markets remain inadequately developed to support the region's considerable needs for financing infrastructure, trade and the growth of enterprises, and those needs created by demographic pressures on health, education, ageing and retirement. Unless addressed, the underdevelopment of these markets will pose a serious constraint to future growth, not only in the region but globally as well.

Channeling the region's abundant savings to finance its enormous needs in coming years requires accelerating the development of sound and efficient financial markets across member economies. This should go hand in hand with efforts to promote convergence and greater mutual recognition of standards, regulations and practices as well as to develop market infrastructure and regulatory frameworks for facilitating cross-border transactions. To this end, ABAC has proposed the establishment of the Asia-Pacific Financial Forum (APFF) to serve as a regional platform for enhanced collaboration among regulators, officials, the financial industry and multilateral, standard-setting and capacity building bodies in developing the region's financial markets. Through a symposium hosted by the Australian Treasury in Sydney, ABAC will develop a work program and initial structure for the APFF.



APEC Business Advisory Council

The Office of ABAC Chair 2013



18 July 2013

His Excellency

Mr. Akihiro Ota

Chair, APEC Transportation Ministerial Meeting &
Minister of Land, Infrastructure, Transport & Tourism
Japan

Dear Minister Ota:

The APEC Business Advisory Council (ABAC) is the formal private sector advisory group of the Asia-Pacific Economic Cooperation (APEC) Forum. Representing the business communities of all 21 APEC member economies, ABAC is tasked with supporting the success of APEC by providing private sector insights on how best to achieve APEC's goals, both through APEC's own initiatives, and in dialogue with other international organizations.

ABAC applauds APEC Indonesia's 2013 theme of connectivity and its efforts to improve the region's capacity for infrastructure development, which is a vital requirement for efficient, resilient supply chains and the region's long-term competitiveness. We further support APEC's decision to continue to make this a priority over the next two APEC host years in China and the Philippines. As you prepare for your meeting in Tokyo, Japan, we would like to draw your attention to a number of areas of critical importance to the private sector that will be central to the success of APEC's work in this area.

Promote Transportation Infrastructure and Regional Economic Growth

ABAC is encouraged by APEC's efforts to enhance competitiveness in the region by making it easier, cheaper and faster to conduct trade in goods and services across borders. However, in many economies, the lack of transport infrastructure or the poor condition of existing transport infrastructure is limiting the ability for regions to participate in the global economy. A University of Southern California Marshall School of Business 2011 Report on APEC Supply Chains estimates that improvements in connectivity could save up to US \$1,307 and 5.6 days per container in transportation costs and time between APEC economies. A 2013 report by the World Economic Forum estimates that raising all countries' supply chain performance halfway to global best practices on border administration as well as transportation and communication infrastructure would increase global GDP by approximately US\$2.6 trillion and exports by US\$1.6 trillion. Due to the significant potential economic gains, ABAC sees a greater APEC role in the leadership, governance and oversight of standardization initiatives within supply chains.

Encourage Public-Private Partnerships for Infrastructure Financing

A recent McKinsey study projected that globally \$57 trillion in infrastructure investment will be required over the next two decades and transport infrastructure will comprise a significant portion of this spending. The private sector is an important source of the foreign direct investment (FDI) that is required for infrastructure development. To attract the needed capital and compete globally for FDI, a stable, non-discriminatory and transparent legal, regulatory and investment environment is required to give businesses the certainty and predictability required for long-term, capital intensive investments.

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Additionally, expertise and capital from the business community can be harnessed through Public-Private Partnership (PPP). PPP mechanisms can be utilized to create sustainable and attractive infrastructure projects that are funded throughout their lifecycle, including through measures to reinvest in existing assets through proper maintenance. ABAC encourages APEC to further build capacity in PPPs, including through measures that address best practices related to transparency in project design, contracting, division of responsibilities, performance measures, risk apportionment and neutral and objective mechanisms to prevent and resolve disputes. Further, ABAC invites APEC economies to leverage dialogues that include the private sector such as the Asia-Pacific Infrastructure Partnership that facilitate additional capacity building.

To bring the range of issues that affect private sector investment in infrastructure together and encourage further inter-agency dialogue on effective policies, ABAC is developing a unique infrastructure investment checklist that will serve as an important self-assessment tool for economies. We invite APEC Transportation Ministers to build on Indonesia's APEC 2013 theme of connectivity by collaborating with ABAC on the development of the checklist.

Enhance Regulatory Cooperation and Improve Transportation Infrastructure Efficiency

In addition to building new infrastructure assets, economies can enhance the capacity of existing infrastructure by improving the regulatory environment for transport and logistics services. A 2012 study by the Pacific Economic Cooperation Council (PECC) cited lack of transparency in regulations as the most important issue for Asia-Pacific free trade agreements, and lack of transparency in regulatory practices as most serious challenges to doing business in the Asia-Pacific region. For businesses, higher costs of regulatory compliance hinder international competitiveness and complicate the most efficient deployment of economic resources. Transportation Ministers should strengthen public-private cooperation on the development of a regulatory toolkit that focuses on best practices and capacity building to help APEC economies implement effective regulatory design which achieve intended aims at the least cost to businesses and citizens. ABAC also urges Ministers to review current and new regulatory initiatives with an eye towards the principles of regulatory coherence, including the principles identified in ABAC's Strategic Framework for Regulatory Coherence.

Modern supply chains are global; regulators must take into account that components are sourced across the world. Inefficient regulations in just one economy can impact the entire supply chain and impose significant costs to business. In many circumstances, alternatives to prescriptive regulation may achieve an economic, social or environmental objective more effectively and at a lower cost. The consideration of regulatory alternatives therefore is an important issue. Regulation alternatives should be based on administrative simplicity, flexibility, efficiency, certainty and equity. Ministers should also promote regulations that are trade-friendly to ensure that economic actors can manage risk and operate in a pro-competitive environment. The use of effective and efficient regulatory impact assessments should prevent discriminatory or protectionist practices, improve transparency, preclude divergent, conflicting or multiple requirements, as well as decrease costliness of demonstrating compliance.

Strengthen Supply Chain Connectivity

ABAC supports a systematic approach to improving supply chain performance, starting with inventories of policies and best practices that APEC economies should have in place as part of the Supply Chain Connectivity Framework. Efficient cross-border trade must have all parties making smart use of existing product and e-commerce data. Global data standards and interoperability of information systems can play an important role in eliminating supply chain chokepoints.

ABAC urges Transportation Ministers to strengthen multi-modal and logistics capabilities to handle the region's increasing trade levels. Ministers should engage in dialogues between the public and private

sector on sharing multi-modal transport experience, promote a harmonized legal environment for multimodal transport, and increase cooperation between developed and emerging economies. Ministers should also promote capacity building and knowledge growth to improve IT capabilities, transport tracking systems, and warehouse management skills to elevate economies' capabilities to meet current business requirement. Ministers should encourage a dialogue between economies to share advanced logistics operational experience.

We encourage APEC to engage with ABAC and the private sector as a source of expertise on targeted, focused, and economy-specific capacity initiatives aimed at building a supply chain toolkit to help enable economies to meet APEC Leaders' 10% improvement goal by 2015.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Wishnu Wardhana', with a long horizontal stroke extending to the right.

Wishnu Wardhana
ABAC Chair 2013



APEC Business Advisory Council

The Office of ABAC Chair 2013



2 August 2013

His Excellency

Dr. M. Chatib Basri

Chair, APEC Finance Ministers' Meeting

Minister of Finance

Indonesia

Dear Minister Basri:

On behalf of the APEC Business Advisory Council, we would like to share our key recommendations on finance and economic issues facing the Asia-Pacific region.

Global financial and market conditions have improved since our last report, providing additional support to the economy and prompting a sharp rally in risk assets. These favorable conditions reflect a combination of deeper policy commitments, renewed monetary stimulus, and continued liquidity; as a result, tail risks have been reduced, confidence has been enhanced, and the economic outlook looks brighter. However, global economic conditions remain subdued, and the improvement can only be sustained through further policy actions to address structural reforms and promote continued recovery. We are concerned about the volatile capital flows and unstable financial markets in the Asia-Pacific region, while economies require funding for growth as well as infrastructure investments. It is imperative that all economies continue to implement policies for ensuring stability and growth. This year, ABAC has prioritized the following finance-related objectives: (a) launching the Asia-Pacific Financial Forum (APFF) to assist in developing regional financial market integration and in harmonizing and optimizing regulations; (b) developing strategies to achieve balanced and innovative growth; (c) promoting public-private partnership (PPP) and infrastructure finance, and; (d) promoting practical solutions to encourage financial inclusion to benefit low-income households and small, medium and micro-enterprises (SMMEs).

Creating a Platform of Public-Private Collaboration to Develop the Region's Financial Markets. In 2012, APEC Finance Ministers welcomed ABAC's proposal to explore the creation of an Asia-Pacific Financial Forum, a regional platform for public-private collaboration to help accelerate the development of integrated financial markets. A symposium hosted in Sydney in April 2013 by the Australian Government for this purpose underscored the importance of such collaboration in promoting financial market development that supports the needs of the real economy and regional aspirations for sustained, balanced, inclusive and innovative growth. APFF can add value to ongoing initiatives under various fora by bringing the private sector to work with public officials to identify crucial gaps not yet being addressed and the unintended consequences of new regulations, as well as to help financial authorities take a more active role in shaping global financial regulatory standards. **ABAC recommends that APEC Finance Ministers endorse the launch of the APFF based on the work program priorities proposed in the report of the Sydney Symposium** (Annex to the attached Report of the Advisory Group on APEC Financial System Capacity Building). **ABAC commends the development of the Asia Region Funds Passport (ARFP) and recommends that officials increase their engagement with market participants as the initiative is progressed.**

Expanding Regional Public-Private Partnership for Infrastructure Finance. Significant amounts of savings and private sector know-how can be harnessed to help the region meet its needs for higher quality infrastructure at lower cost to taxpayers and users. However, governments need to work closely together with the private sector and multilateral institutions to provide a conducive environment. Dialogues with several economies undertaken by the Asia-Pacific Infrastructure Partnership (APIP) have highlighted key

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elements: coordination and collaboration among agencies; deeper understanding of risks and which parties are best positioned to assume the various risks involved; strong, credible and creditworthy public institutions; capacity for policy reforms, planning, transactions and viability gap finance; clearly communicating priority sectors and projects; and long-term local currency finance. **ABAC recommends that APEC Finance Ministers establish a regional framework to coordinate capacity building and sharing of best practices in infrastructure finance, with the collaboration of APIP.**

Mobilizing Regional Savings for Long-Term Investments. ABAC initiated a three-year program to enhance transparency and predictability in investment flows. It will also encourage institutional savings held in sovereign wealth funds (SWFs), superannuation, insurance and others to be invested in domestic and cross border long-term infrastructure projects. Research work on this matter is being undertaken for the initial stage to examine the potential role of SWFs. ABAC will convene a dialogue in Beijing in September 2013, involving business, government officials, academia and representatives of SWFs and state-owned enterprises (SOEs). The outcomes and recommendations will be reported to the Finance Ministers as a means of enhancing investment flows in the region. **ABAC recommends that APEC Finance Ministers endorse this three-year initiative to create a framework for sharing best practices in investment as a means of mobilizing institutional savings in domestic and cross-border long-term infrastructure investments, in a transparent and market-based manner.**

Harnessing Innovation to Advance Financial Inclusion. Innovation promotes financial inclusion by significantly reducing the costs and increasing the efficiency of financial services offered to low-income households and small enterprises. The 2013 Asia-Pacific Financial Inclusion Forum hosted by the Indonesian Government and convened by ABAC and its partner institutions identified various measures that can help governments harness innovation to promote financial inclusion (for details, see financial inclusion section of the attached Report of the Advisory Group on APEC Financial System Capacity Building). **ABAC proposes that APEC economies commit to policy reforms to facilitate the delivery of mobile and branchless banking and remittances and to improve the market infrastructure, particularly payment and credit reporting systems and secured lending frameworks; and to undertake capacity building to promote innovative approaches and effective financial education and consumer protection regimes. ABAC calls for the development of government-encouraged funds-of-funds for seeding and growing a private sector-led venture capital ecosystem in the region and collaboration by interested economies and multilateral institutions with ABAC and private sector firms to initiate this process.**

Unintended Consequences of New Financial Regulations. ABAC issued two letters to APEC Finance Ministers in April 2012 and May 2013 to express increasing concerns about the extraterritoriality of new financial regulations, where the impact of certain regulations may hinder the prospects of the region's further development as a crucial engine of global economic growth. Of particular concern is the extraterritorial application of the US Dodd-Frank Act and the EU Financial Transaction Tax. **ABAC recommends that APEC financial regulators closely collaborate with each other on the monitoring and implementation of new financial regulations, in order to address the concerns over unintended extraterritorial effects for the region.**

In conclusion, we recognize that our region continues to face challenges with the current economic environment and progress will require long-term policy initiatives and structural reform, in addition to coordinated action by governments in addressing financial issues in our region. We look forward to our dialogue in Bali this coming September, where we hope to discuss the above recommendations in more details with the objective of promoting balanced, inclusive, sustainable, innovative and secure growth across the Asia-Pacific region.

Yours sincerely,



Wishnu Wardhana
ABAC Chair 2013

APEC BUSINESS ADVISORY COUNCIL
REGIONAL ECONOMIC INTEGRATION WORKING GROUP
THIRD MEETING: TUESDAY 9 JULY 2013
KYOTO HOTEL OKURA

MINUTES

1. The Chair, Tony Nowell, ABAC New Zealand, welcomed members and staffers and acknowledged Co-Chairs Hidetoshi Kamezaki, ABAC Japan and Ed Rapp, ABAC USA. He noted the apology from lead co-chair Enrique Gubbins, ABAC Peru. The Chair welcomed the guest speakers.
2. The Chair sought and received approval for the agenda (REIWG 33-026), noting that due to a delayed start and consequent lack of time some items would need to be shortened or deferred until the next meeting.
3. The minutes of the second meeting of 2013 (REIWG 32-025) were approved. There were no matters arising.

TRADE AND INVESTMENT LIBERALISATION

Pathways to FTAAP

What was the issue?

4. Recent developments in the pathways towards a Free Trade area of the Asia Pacific (FTAAP) were highlighted.

What was discussed?

5. Stephen Jacobi (ABAC New Zealand) noted that the 17th round of TPP negotiations had been held in Lima in May and the 18th round would be held in Kota Kinabalu later in July. Japan would be admitted to TPP in the course of the 18th round, which was a major development. Thought was turning to the deliverables from TPP to be announced at the October APEC Leaders' Summit.
6. The first round of RCEP negotiations were held in Brunei in May. Negotiations in the Pacific Alliance were also well advanced. This ABAC meeting coincides with the first round of EU/US negotiations which would have a major bearing on the process of global trade liberalisation.

What was agreed/decided?

7. The Pathways to FTAAP matrix was noted.

Pacific Alliance

What was the issue?

8. The Pacific Alliance under negotiation between Chile, Colombia, Mexico and Peru is another pathway to FTAAP.

What was discussed?

9. Jessica Luna (ABAC Peru) provided an update on the negotiations, noting that the Alliance was aimed at being ambitious, fast moving and high impact. A number of economies from within and outside APEC were observing. Negotiations aimed to be concluded in July with the agreement coming into force in January 2014. There were no product exclusions and the trade liberalisation was accompanied by a number of other economic co-operation elements including stock market integration, joint trade promotion, mutual recognition of qualifications, a roadmap to energy integration and trade facilitation.

What was agreed/decided?

10. The presentation was noted.

ABAC for TPP

What was the issue?

11. The ABAC for TPP group had met on 8 July.

What was discussed?

12. The Chair provided a brief report on the meeting: a report on the Lima round had been given by ABAC Peru, Mr Okayama from the Japan Chamber of Commerce and Industry (JCCI) had spoken about Japanese business ambitions for TPP and a New Zealand report on the positive impact of TPP on Japanese agriculture had been presented. Views on progress in the negotiation had been exchanged.

What was agreed/decided?

13. It was noted that the ABAC for TPP group would meet again in Bali perhaps in association with a further seminar involving business leaders and negotiators.

Pathways to REI: a Japanese business perspective

What was the issue?

14. Mr Kamezaki introduced Mr Kinbara from the Japan Business Federation, Keidanren, who provided a business perspective on Japanese trade policy.

What was discussed?

15. Mr Kinbara drew attention to the difficult public debate about trade in Japan which had been cut through by Prime Minister Abe's decision to join TPP. This had been welcomed by Japanese business which strongly supported the Prime Minister. Japanese business wanted to see a more level playing field in the region and believed that "mega FTAs" like TPP and RCEP could have a major positive impact on the operation of supply and value chains. Such FTAs needed to include strong provisions on investment and intellectual property protection. The Japanese agricultural sector remained opposed but public support for TPP was growing. The Keidanren had published detailed "Policy Proposals for Reshaping Trade Strategy" which advocated a proactive approach to rule making.
16. Members asked Mr Kinbara to comment on the means by which the Japanese Government sought to change public opinion and the significance of agricultural reform. Mr Kinbara said the results of the July Upper House elections were likely to strengthen the hand of the Prime Minister. Japanese agriculture remained largely a political problem rather than an economic one with which the Government would have to deal.

What was agreed/decided?

17. The presentation was noted.

APEC's new IAP process

What was the issue?

18. Mr Kamezaki introduced Professor Ippei Yamazawa from the Japan APEC Study Center who drew attention to the role played by APEC member economies' Individual Action Plans (IAP) in meeting the Bogor goals.

What was discussed?

19. Professor Yamazawa, who had played a key role in the original adoption of the Bogor goals, reminded members that while the REI paradigm in APEC had largely shifted to focus on TPP and RCEP, the IAP process remained significant and required close attention by stakeholders such as ABAC. Through IAPs member economies sought to outline their unilateral actions taken to meet the Bogor goals, but the IAP plans were not 'easy reading'. The APEC Bogor Goals Dashboard was an excellent initiative, championed by ABAC, which provided an excellent summary of economies' progress toward the Bogor Goals. To strengthen the IAP process Professor Ippei recommended adopting a negative list approach to focus on remaining impediments and greater 'peer pressure' applied in the areas of non tariff measures, services and competition.
20. The Chair thanked Professor Yamazawa for his stimulating presentation. He asked members to engage directly with the Professor for further clarification. The Chair suggested the Professor's recommendations should be factored into ABAC's advice to Leaders, Ministers and senior officials.

What was agreed/decided?

21. It was agreed that:
 - a. ABAC should continue to keep a close look on APEC economies' progress towards the Bogor Goal on a collective as well as individual basis.
 - b. ABAC should continue to encourage APEC economies to work towards the APEC Leaders' commitment of the achievement of the Bogor Goals by 2020.

Stakeholder engagement: dispelling myths about free trade

22. The Chair advised that in the interests of time this item would be deferred to the Bali meeting.

Foreign Direct Investment

What was the issue?

23. The Chair provided an update on the progress being made by the Marshall Business School with their project for ABAC on foreign direct investment in the APEC region.

What was discussed?

24. The Chair recalled that the researchers are seeking to identify and quantify the key impediments to FDI, and understand the rationale given for FDI regulations. The students have so far undertaken over 185 interviews in 15 economies with key business executives, trade associations, key thought leaders, and government officials, and have some more to do in New Zealand, Mexico and Canada. The students are analysing the results of the interviews already completed. Based on the insights gained, as well as based on key inputs from the World Bank and other international organisations, the students are creating scorecards for each APEC economy as well as researching the key emerging FDI themes. The main barriers to FDI are being considered in three groups: market access, behind the border and government agencies. Key concerns already apparent to business included stability, corruption, consistency, use of natural resources and the political environment. The full results would be presented in Bali.

What was agreed/decided?

25. The report was noted.

ENHANCING SUPPLY CHAIN CONNECTIVITY

Authorised economic operator (AEO)

What was the issue?

26. Mr Kamezaki provided an update on the status of AEO programmes within APEC which seek to provide a means of clearing goods quickly through customs procedures by striking a balance between security measures and trade facilitation.

What was discussed?

27. Mr Kamezaki drew attention to the 24 AEO programmes currently in operation globally, 10 of which exist within APEC. He outlined the benefits of such programmes which include customs simplification and the provision of 'recognised status' to exporters/importers as a 'secure and safe business partner'. He reminded members of ABAC's past recommendations to enhance the operation of AEO programmes and to encourage their use by business. He proposed a number of recommendations for inclusion in ABAC's report to Leaders (document REIWG 33-029 refers).

What was agreed/decided?

28. The recommendations outlined in document REIWG 33-029 were approved.

APEC SCCP: Development of Authorised Economic Operator

What was the issue?

29. Mr Kamezaki introduced Mr Syarif Hidayat, Chair of APEC's Sub-Committee on Customs Procedures (SCCP) who provided background on the work of APEC SCCP and recent developments in the field of trade facilitation.

What was discussed?

30. Mr Hidayat outlined the history of APEC's involvement in customs matters and outlined the Sub-Committee's work in the area of mutual recognition of AEO programmes and trade recovery.

What was agreed/decided?

31. The presentation was noted.

Global Data Standards

What was the issue?

32. The Chair introduced John Keogh of GS1 who provided an update on progress in securing APEC acceptance of ABAC's global data standards initiative.

What was discussed?

33. Mr. Keogh noted the successful outcomes of meetings at SOM III in Medan where ABAC's proposal for a systematic approach to addressing supply chain chokepoints through global data standards had been outlined. Mr Keogh noted that various economies were already incorporating global data standards into their planning with GS1 acting as an independent and neutral advisor. It appeared CTI had embraced the concept, but there was more work to do to ensure SOM was fully on board. ABAC was now in a good position to begin work with APEC on a capacity building plan.

34. The Chair thanked Mr Keogh, Mr Jonasson and Mr Dodwell for their tireless efforts on

<p>behalf of ABAC and expressed frustration that some economies were taking so long to get over the line on what was clearly seen by business as a workable solution to promote supply chain connectivity.</p>
<p><i>What was agreed/decided?</i></p> <p>35. The report was noted and it was agreed that ABAC in association with GS1 should now begin to develop a more detailed action plan for further discussion and endorsement in Bali.</p>

US Industry Perspective on Supply Chain Connectivity

<p><i>What was the issue?</i></p> <p>36. Bart Petersen, ABAC USA, gave a life sciences industry perspective on supply chain connectivity and regulatory coherence and presented for consideration a draft letter to APEC Ministers of Health.</p>
<p><i>What was discussed?</i></p> <p>37. Mr Petersen drew attention to several initiatives in the APEC Life Sciences Innovation Forum which are relevant to ABAC’s existing priorities. In particular digital serialisation enables electronic tracing of products as they move through the supply chain, thereby enhancing patient safety through coding and traceability. The lack of harmonisation with regard to serialisation provides a significant impediment to trade, for which the adoption of global data standards would be a practical solution.</p> <p>38. Mr Petersen proposed that a letter drawing attention to issues of concern to the industry be sent to Ministers of Health meeting in Bali in September (document REIWG 33-032 refers).</p>
<p><i>What was agreed/decided?</i></p> <p>39. The presentation, and its relevance to the global data standards initiative, was noted.</p> <p>40. The draft letter was endorsed subject to ABAC Japan confirming within 10 days that the text was acceptable. <i>(Note: The draft letter was endorsed by Japan following the meeting).</i></p>

Draft Letter to Transport Ministers

<p><i>What was the issue?</i></p> <p>41. Ed Rapp, ABAC USA, proposed sending a letter to Transport Ministers meeting in Tokyo in September drawing attention to ABAC views on transport infrastructure (document REIWG 33-036 refers).</p>
<p><i>What was discussed?</i></p> <p>42. Mr Rapp and Alex Parle, ABAC USA, noted that the key messages in the letter were:</p> <ol style="list-style-type: none"> a. That APEC economies need to increase investment in infrastructure to maintain and improve existing rates of growth b. That the need for infrastructure is too great for governments to fund all the projects on their own – private sector investment was required c. That in addition to building new infrastructure, economies can maximise the efficiency of existing infrastructure by improving the regulatory environment for transport and logistics services.
<p><i>What was agreed/decided?</i></p> <p>43. The draft letter was endorsed.</p>

INITIATING A NEW SERVICES AGENDA

Skills Mapping Update

44. The Chair advised that in the interests of time this item would be deferred to Bali.

Next steps with ABAC's services agenda

<i>What was the issue?</i> 45. Anthony Nightingale, ABAC Hong Kong, provided an update on recent developments and next steps with ABAC's services agenda.
<i>What was discussed?</i> 46. Mr Nightingale drew attention to the successful outcome of the Surabaya Services Dialogue involving officials, industry and other experts held at SOM II at which ABAC had been well represented. Key messages from the Dialogue were that there are big economic gains to be had from services reform and liberalisation, the barriers are mostly regulatory, value chains increasingly rely on services, services sectors face skill shortages and governments face complexity and political issues. ABAC had also participated in an Indonesian Services Dialogue where the emphasis was on the benefits to other sectors of a more open services regime. 47. Mr Nightingale drew attention to developments in the Plurilateral Services Initiative in Geneva and other WTO and OECD work which ABAC was following closely. 48. In terms of next steps SOM had committed to a further Services Dialogue in 2014 and APEC was keen to engage. ABAC's main recommendations related to capacity building, improving statistics, retaining a high level policy focus, involving local service industry associations, sectoral reforms and behind the border regulation. ABAC would maintain its advocacy in these areas. The need for ABAC members to pay attention to the views of stakeholders in their own economies was highlighted.
<i>What was agreed/decided?</i> 49. This report was noted. The Chair thanked Mr Nightingale and ABAC Hong Kong for their leadership on services issues.

APEC Business Travel Card

<i>What was the issue?</i> 50. Mr Kamezaki provided a brief update on the operation of the APEC Business Travel Card and proposed recommendations for incorporation into ABAC's report to Leaders.
<i>What was discussed?</i> 51. Mr Kamezaki recalled that a survey of ABAC members had been endorsed at ABAC III and carried out by ABAC Japan. Based on the survey results of 35 members/staffers from 18 economies five key issues had been highlighted: a. Encouraging transitional economies towards complete membership in the system b. Extending the validity period from 3 to 5 years c. Linking the card to passport details to avoid the card expiring along with the passport d. Simplifying the renewal/reapplication process e. Considering additional benefits for cardholders
<i>What was agreed/decided?</i> 52. The recommendations were endorsed. The Chair thanked ABAC Japan for their work.

OTHER BUSINESS

Draft Letter and report to Leaders

<p><i>What was the issue?</i></p> <p>53. The Chair sought direction from REIWG on the draft Letter and report to Leaders (document Program 33-012 refers).</p>
<p><i>What was discussed?</i></p> <p>54. The Chair suggested the existing seven paragraphs in the letter devoted to REIWG could be distilled down.</p> <p>55. The Chair noted that the draft letter referred to the proposed APEC Framework on Connectivity which had been mentioned in the plenary and was signalled in the MRT statement. The Chair was comfortable with this reference.</p> <p>56. The Chair referred to the letter from the US Chamber of Commerce which had been mentioned in plenary (Program 33-022 refers). The letter refers to the contribution of corporate investment to advancing development, sustainability and inclusive growth. The Chair suggested the following wording for inclusion in the draft letter to Leaders: “We believe that the increasing contribution of private sector led sustainability and inclusive growth efforts should be acknowledged as part of promoting the benefits of investment”.</p> <p>57. The Chair asked for further comments on the letter to be sent to the REIWG Lead Staffer, Fiona Cooper Clarke.</p>
<p><i>What was agreed/decided?</i></p> <p>58. The Chair’s comments were endorsed.</p>

59. There being no items of other business, the Chair thanked all present for their participation and the guest presenters for their contributions and called the meeting to a close at 12.50 pm.

**Sustainable Development Working Group
9 July 2013, Kyoto**

Minutes of the Meeting

Sustainable Development Working Group Chair Mr. Frank Gaoning Ning welcomed members and staffers: Co-Chairs: Ms. Isabelle Courville, Ms. Anna Buduls, Mr. Yoshinori Komamura, Dr. Savaraj Sachchamarga, he also welcomed guest speakers: Mr. Mark Rathbone from PwC, Mr. Minoru Takemura from Toshiba Corporation, Dr. Nigel Preston from CSIRO Food Futures Flagship, Australia.

2013 APEC Innovation Platform research study updated within the ABAC sustainable development initiative

What was the issue?

Dr. Steven Lee, ABAC Chinese Taipei provided an update on the APEC Innovation Platform Research Study.

ABAC Chinese Taipei has completed the second phase of research for its study aimed at investigating the feasibility of creating an APEC Open Innovation Platform to facilitate cutting-edge technology development and dissemination for SMMEs throughout the region.

The second phase of this study featured the results of an in-depth survey of 111 Chinese Taipei SMMEs to find out their strategies, practices, and policies in the following areas:

- IP development and utilization
- IP acquisition and licensing
- IP protection and litigation

It also included two cases studies examining the challenges faced in facilitating the development, dissemination, and commercialization of agricultural technology within APEC. These two case studies covered the following industries:

- Orchid cultivation
- Grouper breeding

Based on the findings of the survey and case studies, ABAC Chinese Taipei made the following recommendations for facilitating cutting-edge technology dissemination and development in APEC:

- Develop the appropriate dissemination systems, mechanisms and policies to encourage technology innovation among SMMEs
- Facilitate cutting-edge technology development and dissemination for SMMEs throughout the APEC region by creating an Open Innovation Platform
- Propagate leading models and best practices for intellectual property management and planning systems for SMMEs

What was discussed?

The Chair expressed strong support for the APEC Open Innovation Platform project.

What was agreed/decided?

Noted and endorsed.

PPSTI progress report: Initial thoughts from Medan SOM3

What was the issue?

David Dodwell, ABAC China Hong Kong, provided a progress report on the PPSTI following the first PPSTI meeting in Surabaya earlier this year and the second one at SOM3 in Medan in early July.

Although PPSTI has prepared an APEC PPSTI Strategic Action Plan 2013 – 2015 and established three Sub-Groups focused on Capacity, Innovation, and Connectivity, David Dodwell expressed a number of key concerns about PPSTI that were also raised in a recent report from Nicholas Brooke, Principal Advisor, PPSTI. These include:

- Although a work program has been established, it is more like a laundry list of projects than a clear strategy or policy vehicle
- The position of the principal advisor is ambiguous as he cannot speak directly on behalf of ABAC
- The lack of support from the private sector, only three representatives attended PPSTI session at SOM3 in Medan

David Dodwell pointed out the need for more constructive engagement between ABAC and PPSTI, and suggested that the role of Principal Advisor should be put on a more formal footing so that he can officially represent ABAC at PPSTI meetings with a clear mandate and report to ABAC on progress.

What was discussed?

ABAC Hong Kong pointed out that PPSTI has failed to capture the imagination of ABAC since it was raised at ABAC Vladivostok at the end of 2012. He recommended that ABAC should find a graceful way of withdrawing support for PPSTI if there is no support for it within ABAC.

ABAC Australia noted that there had been great reluctance among ABAC members to promote support for the PPSTI among the business community because of the challenges experienced in establishing PPFS.

ABAC New Zealand commented that, unlike PPFS, PPSTI lacks a clear objective and that it is vital to ensure that it established a clear purpose.

ABAC Canada agreed that PPSTI needs a clear mission and structure and that it needs leadership from the private sector.

ABAC New Zealand said that PPSTI needs to offer something new. He questioned whether this could be achieved if it is government-run only and concluded that it needs to be based on true partnership between government and the private sector.

ABAC Japan commented that PPSTI should develop a new action plan in order to make its objectives clear similar to PPFS

ABAC Hong Kong suggested looking at the LSIF Dialog as an alternative model.

ABAC Indonesia pointed out that there was limited support for PPSTI from ABAC Indonesia. The Co-Chair, ABAC Canada, pointed out that PPSTI has a structure but no content. The content needs to be developed first, which will require a huge amount of work.

The Chair concluded that ABAC should reconsider whether to continue its support of PPSTI.

What was agreed/decided?

It was agreed to raise the question of whether ABAC should continue its support of PPSTI at the Closing Chair's Meeting and Closing Plenary.

Report to ABAC: Readout from Medan PPFS plenary meeting

What was the issue?

Ms. Barbara Hazzard, ABAC USA reported on PPFS progress: Readout from the PPFS plenary meeting in Medan.

The APEC Policy Partnership on Food Security (PPFS) held the plenary June 22-24 in Medan, Indonesia. PPFS adopted a strategic "Road Map to 2020 (version 2013)" that lists 81 areas that need to be addressed to reach the PPFS goal of "a food system structure by 2020 sufficient to provide lasting food security to the APEC member economies." With the strategic goals in place, PPFS agreed to develop a "business plan" that would prioritize and time-phase the 81 areas and delineate specifically who will do what, when, where and how -- and how those will be financed.

What was discussed?

ABAC Canada commented that the question is how to make it more meaningful. only with business around table and government in the back. that's an excellent idea. when it comes to the PP, when there are 2 chairs, at least one should represent business in order to have a real dialogue.

ABAC New Zealand Will the Dialogue structure affect effectiveness of PPFS? ABAC could review the current dialogue structure and needs some reform to make it more scientific and reliable.

ABAC Japan said that as the PPFS Roadmap was endorsed at the PPFS plenary meeting in Medan, ABAC should go into specific area and provide concrete suggestions.

What was agreed/decided?

It was agreed that ABAC write a letter to PPFS Chairman and Management Council.

PwC report to ABAC: Barriers to business investment in APEC

What was the issue?

The chair invited ABAC Indonesia to introduce the guest speaker, Mark Rathbone from PwC to share their preliminary findings of the special study on infrastructure and investment in the Asia Pacific. PwC as the knowledge partner of ABAC Indonesia present this report for consideration.

The report showed the findings as following:

APEC needs investment in infrastructure. Emerging Asia needs new, greenfield investment in infrastructure, while developed Asia needs to upgrade ageing infrastructure. The region also needs to work on its free trade deals, upgrading them to reflect the way that globalisation and technology are re-shaping business.

Based on the findings of the study, PwC made the following recommendations:

On infrastructure, governments must double their efforts to build the roads, power stations, ports and water systems that will drive future growth. If the current under-investment continues, trend rates of economic growth in Asia will fall markedly.

The biggest barrier to infrastructure investment is the regulatory environment, which is largely uncertain, needs strengthening and inadequately managed. Yet places like the UK, Australia and Singapore have shown what good regulations look like. Governments in APEC must be encouraged to follow these models.

Trade deals in APEC are outdated. They focus too heavily on goods and ignore services (yet services are becoming the most important part of cross-border trade). And where goods are concerned, trade deals focus too much on tariffs and not enough on non-tariff barriers. They also don't acknowledge that global supply chains have fragmented in recent years, calling for a different approach to managing cross-border trade. Governments in APEC must be encouraged to harmonise and upgrade the sub-standard trading environment that is currently emerging.

What was discussed?

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What was agreed/decided?

Noted.

ABAC Enablers of Infrastructure Investment Checklist

What was the issue?

Mr. Ed Rapp, ABAC USA updated on ABAC Enablers of Infrastructure Investment Checklist. In 2012 ABAC developed the report "Policy Recommendations to Strengthen the Role of the Private Sector in Infrastructure Development." This document highlighted policies that APEC economies should implement to promote the participation of the private sector in meeting the infrastructure needs of APEC economies.

To further leverage existing work and ABACs' recommendations, at ABAC I in Manila ABAC USA proposed that ABAC, in collaboration with APEC economies, create an "Enablers of Infrastructure Investment Checklist" and a complementary report with further details on the

Checklist's policy recommendations. The Checklist will serve as a self-evaluation tool that economies could use to assess the extent to which existing policies promote the participation of the private sector in infrastructure investment. The content of the Checklist is based on existing infrastructure recommendations as well as input from other experts and references existing work in institutions such as the World Bank and Asian Development Bank.

Currently the Checklist contains assessment questions and key performance indicators under 4 overarching categories:

- Augmenting Government Project Planning and Coordination Mechanisms
- Building a Strong Financial and Financing Environment
- Developing Robust PPP Mechanisms and Frameworks
- Creating and Maintaining a Strong Investment Environment to Attract Foreign Direct Investment (FDI)

After gathering additional feedback at ABAC 3, ABAC USA intends to circulate the Checklist and an initial draft of the accompanying policy report for intersessional review and endorsement. The target date for a final version of both documents is July 29, 2013, which will enable us to send our recommendations to APEC Senior Officials in time for them to incorporate our input into their negotiations on the APEC deliverables for Bali.

What was discussed?

ABAC USA concluded its presentation by inviting further input from other ABAC economies. ABAC Russia suggested leveraging the B-20's work on infrastructure and offered to circulate its most recent report.

What was agreed/decided?

ABAC economies will provide input into the Checklist and Report intersessionally. Once inputs are collected, a final version will be circulated for endorsement at the end of July. Subsequently the Checklist and Report will be sent to APEC Senior Officials and other stakeholders in time to provide feedback for their discussions in Bali.

Water Security Solution

What was the issue?

The chair invited Mr. Yoshinori Komamura, co-chair of SDWG to introduce the guest speaker, Minoru Takeuchi from Toshiba Corporation to do the presentation on smart water solution.

The report focused on the solution of water issues through the use of smart communities, learning from the examples of Toshiba.

Global population is expected to grow from the current 7 billion to 8 billion by 2025, and to 9 billion by 2050. It is also a known fact that water demand will increase at a rate exceeding that of the population growth.

According to Morgan Stanley, water accounts for 55% of the \$41trillion needed for infrastructure by 2030. Filling in this need is not only a socially responsible undertaking but also a great business potential.

Toshiba recognizes Smart Community as a balance between the comfort of individuals

and the creation of a sustainable community. It is understood that there is a huge business potential in developed as well as developing economies.

ABAC Japan believes that combining simulation technology and operation know-how with ICT-based technology such as those held by Toshiba will facilitate the creation of a sustainable hydrological circulation system.

The report recommended that APEC Economic Leaders to recognize that water conservation is the least expensive way of promoting water security and promote:

Introduction of conservation-enhancing tariff schemes: i.e. volume-based rate for agricultural water use and punitive tariff rate to discourage excessive municipal water use

Introduction of water conservation incentives

Use of water-saving equipment and ICT, including policies designed to encourage their proliferation and to facilitate their trade

Use of recycled water

Promote leak prevention technology

What was discussed?

-

What was agreed/decided?

Noted and endorsed.

Blue Economy: What are the grand marine challenges facing Australia and the implications for the APEC Region?

What was the issue?

The chair invited Ms. Anna Buduls, co-chair of SDWG to introduce the guest speaker Dr Nigel Preston from CSIRO Food Futures Flagship of Australia to deliver a presentation on the Blue Economy: What are the grand marine challenges facing Australia and the implications for the APEC Region?

Blue Economy is a brand-new topic for ABAC, which has never been discussed so far and involves many other subjects. It requires ABAC to identify business sector priorities and possible initiatives from business perspectives. At the 1st ABAC meeting in Manila ABAC china made a presentation on the concept, scope and possible areas of cooperation in the Blue Economy and to initiate discussions on this topic for this year; At the 2nd ABAC Meeting in Singapore, the CSIRO presentation on the role of aquaculture in the Blue Economy captured a forward-looking point of great business potential; At this meeting, Dr Nigel Preston from CSIRO Food Futures Flagship of Australia presented overview of the blue economy to enable ABAC to consider if other aspects (in addition to or instead of aquaculture and fishing) should be pursued next year.

The presentation was based on a report prepared by the Australian Oceans Policy Science Advisory Group (OPSAG) “Marine Nation 2025: Marine Science to Support Australia’s Blue Economy”. The OPSAG report identified six interconnected grand marine challenges facing Australia:

1. Sovereignty, security and natural hazards
2. Dealing with changing climate
3. Energy security

4. Food security
5. Biodiversity conservation and ecosystem health
6. Optimal resource allocation

This presentation illustrated some examples of collaborative opportunities and strategies to optimise the Blue Economy of the APEC region and recommended that APEC economies should commence and further participate in marine data gathering and sharing with close involvement of the private sector, particularly as regards food security issues.

What was discussed?

-

What was agreed/decided?

Noted and endorsed.

Leverage APEC's Connectivity Agenda to Promote Energy Market Integration in the Asia-Pacific

What was the issue?

Mr. Nael Brahmana, ABAC Indonesian updated on the Leverage APEC's Connectivity Agenda to Promote Energy Market Integration in the Asia-Pacific.

As Chair of APEC, the Indonesian government has made connectivity a priority issue for 2013. ABAC Indonesia proposes that ABAC develop recommendations on how APEC's connectivity agenda can be leveraged to promote connectivity in the energy sector, in the context of moving towards energy market integration. With energy an input into almost every good and service produced in the economy, the benefits of energy market integration would be substantial. In the absence of an APEC Energy Ministerial Meeting, ABAC should directly alert APEC Leaders to the potential benefits of energy market integration when they meet later this year.

This proposal discusses the benefits of improving energy market integration and the potential role that APEC can play in contributing to energy market integration in the Asia-Pacific region.

The major recommendations from the reports were outlined:

- Develop a framework to consider relevant issues from EMI perspective instead of creating new work streams
- Develop a mechanism to track APEC economies' progress toward EMI
- Promote capacity building and technical cooperation in area of clean energy

What was discussed?

-

What was agreed/decided?

Noted and endorsed.

ABAC Australia



Ms. Anna Buduls

Tenure: ABAC Member (2012 – Present)

Title: Owner and Chairman

Company: Tramada Systems

Background: Through her corporate advisory work and 17 years of non-executive company directorships, Ms. Buduls has gained wide commercial experience across a broad range of companies and industries. Having worked as a financial journalist with the Financial Review, Anna moved on to become a corporate adviser at Macquarie Bank and head of investor relations at Westpac. She has been a non-executive director of listed companies SAI Global Ltd

since October 2003 and Centro Properties Group and Centro Retail Limited since October 2009. In late 2011 she was appointed to the Board of Elders Limited and the Australian Social Inclusion Board.

Tramada Systems is one of Australia's leading providers of technology to the travel industry, delivering innovative operational and reporting solutions for our clients in Australia & New Zealand.



Mr. John W. H. Denton

Tenure: ABAC Member (2008 – Present); Chair, Sustainable Development Working Group (2009 – 2010); Finance and Economics Working Group Chair (2011-2012)

Title: Partner and Chief Executive Officer

Company: Corrs Chambers Westgarth

Industry: Law

Background: Mr. Denton advises commercial, government and humanitarian groups. He is a board member of the business Council of Australia and Chair of its Global Engagement Taskforce. John was appointed by the Prime Minister and Treasurer as one of two Australian

delegates to the newly formed B20, the business reference group as of the G20. He is a board member of the Commonwealth Business Council and the Asia Society Australasia Centre.

Corrs Chambers Westgarth is one of Australia's leading law firms and is recognized as one of Australia's most innovative law firms. Corrs has offices in Sydney, Melbourne, Brisbane, and Perth. The firm acts for clients internationally and has links with law firms throughout Asia, the Americas, Middle East and Europe.



Mr. Mark Johnson

Tenure: ABAC Member (2003 – Present); Co-Chair, Financial Stability Working Group (2003); Chair, Finance and Services Working Group (2004); Chair, Finance Working Group (2005 – 2006); Chair, Advisory Group on APEC Financial System Capacity Building (2011-2012); ABAC Co-Chair (2006, 2008); ABAC Chair (2007)

Title: Senior Advisor

Company: Gresham Partners Limited

Industry: Investment

Background: He is Chairman of the Australian Financial Center Forum, an Australian

Government initiative directed to ensuring that Australia has an open and competitive financial services sector. He retired as Deputy Chairman of Macquarie Bank in 2007.

Gresham is a leading independent Australian investment and advisory house with offices in Sydney, Melbourne and Perth. Gresham was established in 1985 by James Graham and Graham Rich (retired in 2011) and is owned by its senior executives along with its Foundation Co-investor, Wesfarmers Limited. Over the past 25 years the Group has built a solid reputation for independence and innovation and has a track record including many of the largest and most complex transactions completed in the Australian marketplace.

Brunei Darussalam



Mr. Javed Ahmad

Tenure: ABAC Member (Beginning February 2010)

Title: Managing Director

Company: Bank Islam Brunei Darussalam Berhad

Industry: Finance

Background: His banking career spans over 20 years working in London, Bahrain, Kuala Lumpur, Riyadh and now in Bandar Seri Begawan. He has a long track record of successful transportation finance and corporate finance transactions in Islamic finance. Mr. Ahmad holds an MBA from the University of Bradford.

Bank Islam Brunei Darussalam Berhad is the largest financial provider in Brunei Darussalam. As a market driven Islamic financial institution that constantly strives to address the needs of its customers in a highly competitive environment, BIBD also aims to maximize returns for its shareholders through customer retention and customer acquisition. BIBD also has two subsidiaries namely Takaful BIBD Shd Bhd which primarily provides insurance coverage and BIBD At-Tamwil Berhad, a finance company, which provides hire purchase financing for vehicles and consumer products.



Ms. Haslina Taib

Tenure: ABAC Member (Beginning February 2010)

Title: Chief Executive Officer

Company: Brunei Accenture Group (BAG) Networks

Industry: Global management consulting, technology services and outsourcing.

Background: She spent 20 years in Europe and North America and has held top positions in audit, IT implementation, project management, forensic, tax, treasury management, and real estate at KPMG, Panel Kerr Foster, Andersen, WPP, Hill Knowlton Europe and the Dorchester Group of Companies. She has MBAs from Harvard and Cranfield. With BAG Networks, she contributes to Brunei's GDP by increasing skills and expertise in the ICT industry.

BAG Networks Sdn. Bhd. (The Brunei Accenture Group) is a leading IT consulting and outsourcing services provider in Brunei Darussalam. Formed as a joint venture between the Brunei Government and Accenture in 2001, it plays an essential role in supporting the country's e-Government initiative through our set of comprehensive business solutions.



Hafimi bte Abdul Haadii @ Frances M. C. Lo

Tenure: ABAC Member (Beginning 2012)

Title: Director/Shareholder

Company: LVK Group of Companies

Industry: Trading Company, Import/Export

Background: During the course of her secondary and tertiary education, she gained valuable architectural experience in Buchan Liard & Bawden, a well-established architectural firm in Geelong, Victoria and worked in London, with Whinney Mackay-Lewis Partnership, an established architectural practice in the United Kingdom. In 1998, after spending more than 10 years in Australia, she returned to Brunei to apprentice and train in various position in several family companies and was confirmed in the position of Executive Director for LO International Sdn Bhd in 2000.

LVK Group of Companies has over thirty years grown into a group of companies, with diverse interests from travel services, interior design and trading to international trade, project management and integrated initiative projects.

Canada



Isabelle Courville

Tenure: ABAC Member (2009 – Present); Co-Chair, Sustainable Development Working Group (2012)

Title: Chairman of the Board

Company: Laurentian Bank

Industry: Finance

Background: An engineer and a lawyer, Ms. Courville has spent most of her career in the telecommunications industry, where she has held a number of executive-level positions. She served as President of the Enterprise business segment of Bell Canada, President and CEO of Bell Nordiq Group Inc. In 2005, 2006 and 2008, she received Canada's Most Powerful Women: Top 100 Award, granted by Women's Executive Network (WXN). In February 2007, she received the McGill Management Achievement Award for her contribution to the business world and the community.

Laurentian Bank is a pan-Canadian financial institution recognized for its service excellence, simplicity and commitment to maintaining proximity to its clientele with 4,200 employees devoted to meeting the financial needs of its clients efficiently and with total integrity at more than 235 service points across Canada, including 155 bank branches, 38 commercial banking centres and 16 brokerage offices.



Mr. V. Paul Lee

Tenure: ABAC Member (2010); Co-Chair, SMME & Entrepreneurship Working Group (2012)

Title: Managing Partner

Company: VanEdge Capital Partners Ltd.

Industry: Venture capital fund

Background: Mr. Lee is the former President of Electronic Arts, Inc. (EA), the global leader in interactive computer and videogame software, and was responsible for its Worldwide Studios group. Mr. Lee was recognized as one of the "40 Under 40" business leaders by Business in Vancouver in 1994. Mr. Lee graduated from the University of British Columbia (UBC) in 1987 with a Bachelor of Commerce (with Honors) Degree and was one of six students selected to enter the prestigious Portfolio Management Fund program at the UBC Sauder School of Business. He is a Leslie Wong Fellow and is also a designated Chartered Financial Analyst.

Vanedge Capital is a sector specific fund that will focus on interactive digital media, particularly companies that can build long-term value by creating compelling interactive consumer digital experiences. VanEdge plans to invest throughout North America, with a primary focus within Canada. Vanedge Capital holds over \$100 million in committed capital from partners that include Teraly Capital, BC Renaissance Capital Fund, BDC Venture Capital, Nicola Wealth Management Ltd., as well as additional institutional investors and a select group of individual investors.



Mr. Philip Leong

Tenure: ABAC Member (2012)

Title: Vice President and Director

Company: Royal Bank of Canada Dominion Securities

Industry: Banking/Investment

Background: Prior to RBC Dominion Securities, Philip was Vice President for another major Canadian investment firm, and before this spent six years as a derivatives specialist for another Canadian firm. He has held trading roles for International and Asian financial institutions.

RBC Dominion Securities is the brand used by Royal Bank of Canada for full service brokerage services primarily in Canada. It forms part of RBC's Wealth Management division. Established in Toronto in 1901, it originally focused on government and municipal but diversified into war bonds during World War I. By the 1950s, it had developed a network with branches in every major city in Canada.

Chile



Mr. Rafael Guilisasti

Tenure: ABAC Member (2010 – Present)

Title: President

Company: Viñedos Emiliana S.A.

Industry: Wine

Background: He joined Viña Concha y Toro in 1978 and was the Export Director from 1985 to 1998, a period of great expansion for the Company in the international markets. Mr. Guilisasti is the General Manager of Viñedos Emiliana S.A., a company mainly focused on wine exports; and serves as Director of Frutícola Viconto, a fruit exporting company; Viña Almaviva. He is member of the Directive Board of Sociedad de Fomento Fabril (the Chilean manufacturers' association) currently in the position of Second Vice President of the Elective Council.

The Emiliana Winery firmly believes that using sustainable, organic, and biodynamic agricultural practices results in better-balanced, healthier, and more productive vineyards, which in turn results in better quality grapes and therefore better wines. Their mission is to provide the consumers with the highest quality wines with a unique expression of terroir achieved through the benefits of using organic and biodynamic agriculture.



Mr. Gerardo Jofré

Tenure: ABAC Member (2012 – Present); Alternate Member (2011-2012)

Title: Chairman of the Board

Company: Chilean Copper Corporation
Chilean Corporación Nacional del Cobre (CODELCO)

Industry: Mining

Background: From 2005 until today, he had been Director of several companies and an independent investor. He is a director of ENDESA Chile, Construmart S.A., Chairman of Fundación Saber Más and is a member of the Investment Council of Santander Real Estate Funds. He was recently a Director of D&S S. A., Viña San Pedro Tarapacá S. A., Inmobiliaria Parque del Sendero S. A. and Inmobiliaria Titanium S. A.

CODELCO is currently the largest copper producing company in the world. CODELCO has more than USD 16.039 billion in assets, and in 2009, its equity totalled USD 5.309 billion. It produced 1.78 million tonnes of copper in 2009, 11% of the world total. Total income from these sales of copper and subproducts amounted to USD 16.988 billion dollars. It owns the world's largest known copper reserves and resources. At the end of 2009 it had a total of reserves of 77 million tonnes of copper in its mining plan, and had 19,359 employees.



Mr. Andrónico Luksic Craig

Tenure: ABAC Member (2000 – Present); Co-Chair, Business Facilitation Task Force (2002)

Title: Vice Chairman

Company: Banco de Chile,

Industry: Banking

Background: Mr. Luksic is Vice Chair of Quiñenco S.A. and a member of the Board of Directors at Compañía Cervecerías Unidas S.A., Sociedad de Fomento Fabril and Bolsa de Comercio de Santiago. He serves on the International Business Leaders' Advisory Council for the Mayor of Shanghai. He is a member of the Advisory Board of the Panama Canal, as well as a member of the Chairman's Advisory Council for the Council of the Americas.

Banco de Chile is the second biggest banking group of Chile. In 2009 it had revenue USD 1.6 billion, a net income USD 508.2 million, and total assets of USD 34.3 billion. It has a Market Capitalization USD 7.9 billion. It has generated a global banking network through a strategic alliance with Citigroup.

People's Republic of China



Mr. Ning Gaoning

Tenure: ABAC Member (2011 to Present) Alternate Member (2011); Chair, Sustainable Development (2012)

Title: Chairman

Company: COFCO Corporation

Industry: Agribusiness

Background: He joined China Resources in Hong Kong in 1986 and worked to the role of Vice Chairman and President till the end of 2004. Under his leadership, COFCO had a series of acquisitions and takeovers and has grown into China's largest diversified product and service supplier in the agribusiness and food industries. Mr. Ning was named the *2009 Asia Business Leader* by CNBC Asia Pacific for inspiring growth in his company while keeping in step with global trends. He has been recognized five times as one of the *25 Most Influential Leaders* by the Chinese Entrepreneur Magazine.

COFCO was founded in 1952 and is one of the largest SOEs of the 49 directly administrated by China's State Council. Between 1952 and 1987, it was the sole agricultural products importer and exporter operating under direct control of the central government. Today, COFCO is a \$26 billion conglomerate with over 100,000 employees and a spot on the Fortune Global 500. The company currently has four subsidiaries listed in Hong Kong: China Foods, China Agri-Industries Holdings, COFCO Packaging, and Mengniu Dairy, and three others in the Chinese mainland. COFCO has developed itself into a diversified conglomerate, involving planting, cultivation, food-processing, finance, warehouse, transportation, port facilities, hotels and real estate. It is one of the top 500 enterprises chosen by Fortune Magazine.



Ms. Wang Lili

Tenure: ABAC Member (1998 – Present) ABAC Co-Chair (2000) Co-Chair, Action Plan Monitoring Committee (2002, 2006) Co-Chair, Finance & Economics Working Group (2007 – 2010, 2012)

Title: Executive Director and Senior Executive Vice President

Company: Industrial and Commercial Bank of China Limited (ICBC Ltd.).

Industry: Banking, Financial services, Investment services

Background: She oversees international business, global financial markets, asset management business, assets and liabilities management, and legal affairs. She acts as Vice Chair of China Chamber of International Commerce, Vice-Chair of China International Finance Society, Vice-Chair of National Debt Association of China, and Non-Executive Director of Hong Kong Mercantile Exchange.

ICBC is China's largest state owned bank, and the 6th largest bank worldwide based on total assets. At the end of 2009, total assets amounted to USD 1.794 trillion, with a net profit of USD 19.69 billion dollars. ICBC has 3.61 million corporate clients and 216 million individual customers through 16,232 outlets across China, 162 overseas subsidiaries and a global network of more than 1,504 correspondent banks. At the end of 2009, ICBC had 386,723 employees under payroll.



Dr. Yang Yunsong

Tenure: ABAC Alternate Member (2007 – Present); Chair, SMME & Entrepreneurship Working Group (2011), Co-Chair (2012)

Title: Chairman

Company: Xuan Yuan Industrial Development Co., Ltd. (XY Group)

Industry: Agriculture

Background: Vice Chair of Beijing Global Safety Technology Co. Ltd., Member of the Chinese People's Institute of Foreign Affairs, Member of the China-US Business Dialogue. He previously worked with the China Academy of Railway Sciences, and Ministry of Railways of China. Dr. Yang holds a Ph.D. in Economics, Masters of International Business, and Bachelor of Engineering.

Xuan Yuan Industrial Development Co., Ltd. (XY Group) is a leading Chinese company specializing in railways and other infrastructure development. For more than two decades, XY Group has focused on transportation and infrastructure projects and equipment, especially in the railway field, and has successful operations in Europe, North America, Middle East, Africa etc. The main businesses of XY Group International include: Transnational Investment & Project Management, Railway & Mass Transit, Public Safety & Emergency Response System, Oil Machinery & Equipment, Overseas Project Contracting and Infrastructure Investment.

Hong Kong, China



Mr. Richard Li

Tenure: ABAC Member (2009 – Present)

Title: Chairman and Chief Executive

Company: Pacific Century Group

Industry: Investment

Background: Mr. Li is a Non-Executive Director of The Bank of East Asia, Limited. He is a member of the Center for Strategic and International Studies' International Councilors' Group in Washington, DC, and a member of the Global Information Infrastructure Commission.

Pacific Century Group (PCG) is an Asia-based private investment group founded in 1993 with interests in technology, media and telecommunications (TMT), financial services, infrastructure, property and other investments



Mr. Vincent H. S. Lo

Tenure: ABAC Member (2009 – Present)

Title: Founder and Chairman

Company: Shui On Group

Industry: Property development, construction and construction materials

Background: He is also the Chairman of both Shui On Construction and Materials Limited and Shui On Land Limited. Mr. Lo was awarded the Gold Bauhinia Star (GBS) in 1998 and appointed Justice of the Peace in 1999 by the Government of the Hong Kong Special Administrative Region. He was named Businessman of the Year at the Hong Kong Business Awards in 2001, and won the Director of the Year Award from The Hong Kong Institute of Directors in 2002.

the Director of the Year Award from The Hong Kong Institute of Directors in 2002.

Shui on Land is the flagship property company of Shui On Group. It is engaged in developing large-scale city-core development projects and integrated residential development projects in major cities in China, including Shanghai, Wuhan, Chongqing, Hangzhou, Dalian and Foshan. Total revenue for 2009 amounted to USD 983.647 million and total assets exceeded USD 5.462 billion dollars.



Mr. Anthony Nightingale

Tenure: ABAC Member (2005 – Present) Co-Chair, Action Plan Monitoring Committee (2006) Chair, Facilitation Working Group (2007 – 2008) Co-Chair, Facilitation Working Group (2009 – 2010); Chair, Action Plan & Advocacy Working Group (2011-2012)

Title: Director

Company: Jardine Matheson Holdings Limited

Industry: Services

Background: He serves as Chairman of Jardine Cycle & Carriage, Jardine Motors and Jardine Pacific; and a Commissioner of Astra. He is also Managing Director of Dairy Farm, Hongkong Land, Jardine Strategic and Mandarin Oriental. In Hong Kong, he is Chairman of the Business Facilitation Advisory Committee formed under the Financial Secretary's office, a Non-Official Member of the Commission on Strategic Development, Vice President of the Real Estate Developers Association of Hong Kong and a Council Member of the Employers' Federation of Hong Kong. Mr. Nightingale graduated from Peterhouse, Cambridge with a Bachelor's degree (Honors) in Classics.

Jardine Matheson is a diversified business group focused principally on Asia. Its businesses comprise a combination of cash generating activities and long-term property assets. Jardine Matheson achieved an underlying profit in 2009 of US \$1.010 billion. The revenue of the Group in 2009, including 100% of associates and joint ventures, was USD 36.0 billion.

Indonesia



Mr. Anindya Novyan Bakrie

Tenure: ABAC Member (Beginning January 2010); Lead Co-Chair, Infrastructure Development Working Group (2012)

Title: Chairman

Company: PT. Bakrie Global Ventura

Industry: Investment

Background: He also controls Bakrie Group, a group of Indonesian companies, ranging from mining, oil & gas, plantations, telecommunications, media, property & infrastructure. He is taking the lead in his family's foundation, which is involved in health, sports, natural disaster relief efforts, and most significantly, education. He holds an MBA from Stanford University and a Bachelor of Science from Northwestern.

PT Bakrie Global Ventura (Bakrie Global) is part of the Bakrie group of companies whose business interests span oil and gas, mining, agribusiness, telecommunications, metals, infrastructure, many of which are publicly listed under one of Indonesia's largest diversified groups, PT Bakrie & Brothers.



Ms. Karen Agustiawan

Tenure: ABAC Member (2012 – Present)

Title: President Director & CEO

Company: PT. Pertamina (Persero)

Industry: Energy

Background: Graduated from Physics Engineering of Industrial Engineering Faculty at the Bandung Institute of Technology in 1983. She began her career as Business Development Manager (1998-2002) at Landmark Concurrent Solusi Indonesia and Halliburton, followed by a position as Commercial Manager for Consulting and Project Management at Halliburton Indonesia (2002-2006). Her career at PT Pertamina (Persero) began when she was appointed as the Expert Staff to the President Director of PT Pertamina (Persero) for the Upstream Business (2006-2008). She was appointed Upstream Director on 5 March 2008. Since 5 February 2009, she has been appointed as PT Pertamina (Persero) President Director while still holding her position as Upstream Director.

PERTAMINA conducts business activities in the field of energy and petrochemicals divided into two sectors, namely upstream and downstream, and supported by the activities of subsidiaries and joint ventures



Mr. Wishnu Wardhana

Tenure: ABAC Member (Beginning January 2010); ABAC Chair (2013)

Title: President Director

Company: PT Indika Energy Tbk.

Industry: Energy

Background: Mr. Wardhana is the current President Director of Teladan Resources and IIC. Other positions currently held include: President Commissioner of IIC; Commissioner of PT Indika Mitra Energi (since 2005); Commissioner of PT Indoturbine (2005 - present); Commissioner of PT Kideco Jaya Agung (since 2005); Commissioner of PT Tripatra Engineering and PT Tripatra Engineers & Constructors (since 2007). Mr. Wardhana holds a Bachelor of Arts in Economics from Pepperdine University.

Indika Energy is publicly listed on the Indonesian Stock Exchange (IDX) with a market capitalisation of USD 1.2 billion with subsidiaries and associated companies concentrating in its three business pillars of energy resources, energy services, and energy infrastructure. As of 31 December 2009, Indika Energy's consolidated net worth stood at USD 607.80 million, total revenues of USD 286.70 million, and net income of USD 83.22 million. The company and its subsidiaries now employ 2,529 employees nationwide.

Japan



Mr. Hidetoshi Kamezaki

Tenure: ABAC Member (2012)

Title: Corporate Advisor

Company: Mitsubishi Corporation

Industry: operates businesses across virtually every industry including industrial finance, energy, metals, machinery, chemicals, foods, and environmental business. .

Background: Hidetoshi Kamezaki served as Senior Executive Vice President of Mitsubishi Corp. since 2005 and its Chief Information Security Officer since 2004 and also its Chief Regional Officer since 2002. Mr. Kamezaki also served as Corporate Functional Officer of Mitsubishi Corp. since 2004. He served as an Executive Vice President of Mitsubishi Corp. He joined Mitsubishi Corporation in 1966. He has been Member of the Policy Board of Bank of Japan since 2007. Mr. Kamezaki served as Representative Director of Mitsubishi Corp. He served as Director of Mitsubishi International Corporation. He holds B A in Economics from Yokohama National University in 1966 and Completed Advanced Management Program from Harvard Business School in 1990.

Mitsubishi Corporation (MC): is a global integrated business enterprise that develops and operates businesses across virtually every industry including industrial finance, energy, metals, machinery, chemicals, foods, and environmental business. MC's current activities are expanding far beyond its traditional trading operations as its diverse business ranges from natural resources development to investment in retail business, infrastructure, financial products and manufacturing of industrial goods.



Mr. Yoshinori Komamura

Tenure: ABAC Member (2012 - Present); Co-Chair, Infrastructure Development Working Group (2012)

Title: Senior Advisor

Company: Komatsu Ltd.

Industry: Manufacturing

Background: Mr. Komamura leads the global construction/mining equipment operations at Komatsu. He is also member of Keizai Doyukai (Japan Association of Corporate Executives) where he co-chairs committees on Development and Utilization of Human Resource, Reform of Electric Power Systems and Europe-Japan Relations.

Komatsu Ltd. is a leading manufacturer of construction, mining and industrial equipment. With headquarters in Tokyo, Japan, Komatsu operates globally with manufacturing facilities in Japan, Asia, Americas and Europe and is represented in over 150 countries and territories.



Mr. Yoshihiro Watanabe

Tenure: ABAC Member (2007 – Present) Co-Chair, Finance & Economics Working Group (2008) Chair, Finance & Economics Working Group (2009 – 2010), Co-Chair, (2011-2012)

Title: Advisor

Company: Bank of Tokyo-Mitsubishi UFJ, Ltd.

Industry: Banking

Background: Mr. Watanabe started his career at the Bank of Tokyo, Ltd. in 1970. He took up the post of CEO for Asia and Oceania as Senior Managing Director and Chief Executive of the Global Corporate Banking Business Unit. Mr. Watanabe serves as Chairperson of the Standing Committee of the India-Japan Business Cooperation Committee at the Japan Chamber of Commerce. Mr. Watanabe is a graduate of the Faculty of Law of the University of Tokyo where he received his Bachelor's degree.

The Bank of Tokyo-Mitsubishi UFJ, Ltd. is the largest bank in Japan, which was established on January 1, 2006, with the merger of the Bank of Tokyo-Mitsubishi, Ltd. and UFJ Bank Ltd. It is the ninth largest bank measured by assets in the world. The bank has assets of USD 2.04 trillion, a net income of USD 4.48 billion, total equity of USD 115.04 billion, and has 34,902 employees.

Republic of Korea



Mr. Jin Roy Ryu

Tenure: ABAC Member (2011)

Title: Chairman and CEO

Company: Poongsan Corporation

Industry: Non-ferrous metal production, fabrication

Background: He is actively involved with numerous business organizations as Chairman of the Korea-Pacific U.S. States Economic Committee; Vice Chairman of the Business and Industry Advisory Committee to the OECD; Vice Chairman of the International Wrought Copper Council; Vice Chairman of the Korea-U.S. Economic Council; Vice Chairman of the Korea Defense Industry

Association; Vice Chairman of the Federation of Korean Industries; Vice Chairman of the Korea International Trade Association; and as a member of the Trilateral Commission.

Poongsan Corporation makes copper and copper alloy products, including sheets and strips, pipes and tubes, rods, wires, and bars. It is one of the top global makers of coin blanks used to make circulating and commemorative coins. Established in 1968, the company, as of 2009 has USD 1.55 billion in annual sales, assets of USD 1.24 billion and employs almost 3,000 people.



Ms. Sung-Joo Kim

Tenure: ABAC Member (2013)

Title: Chairperson, CEO & Chief Visionary Officer

Company: SUNGJOO Group & MCM Holding AG

Industry: Fashion

Background: Ms. Sung-Joo Kim is the founder of Sungjoo Group, and is internationally known and respected for her achievements in business. She has been involved in the fashion industry for more than 20 years. She has received wide recognition and was featured in numerous publications and media broadcasts including Forbes, Asiaweek, BBC, CNN and CNBC. Ms. Kim

holds degrees from Amherst College (BA in Sociology), London School of Economics (MSc in International Relations) and Harvard University (MTS in Business Ethics & Economics). She was also awarded an Honorary Doctorate Degree by Amherst College.

Sungjoo Group stands as a solid fashion conglomerate with brands such as MCM and Marks & Spencer. In addition to 90 stores across the globe that employ more than 500 employees and grosses more than 120 billion won annually, Sungjoo also operates shopMCM - an online shopping mall.



Mr. Seung Jun Oh

Title: Chief Executive Officer

Company: SE Lab, Inc.

No background of company information available at this time.

Malaysia



Dr. Ahmad Tajuddin Ali

Tenure: ABAC Alternate Member (2009) ABAC Member (March 2010); Co-Chair, Sustainable Development Working Group (2012)

Title: Chairman

Company: UEM Group Berhad

Industry: Energy

Background: He is also chairman of UEM Land Holdings Berhad and Malaysian Oxygen Berhad. He also sits on the board of Sime Darby Berhad, and is Chairman of the Malaysian Standards and Accreditation Council, a member of the Governing Council of the International Organization for

Standardization, Geneva and the Joint Chairman of the Malaysian Industry-Government Group for High Technology. He holds a degree in Mechanical Engineering from King's College, University of London and a doctorate in Nuclear Engineering from Queen Mary College, University of London.

UEM Group has more than 40 major operating companies, including 10 public listed companies. Has total assets of more than USD9 billion, with shareholders' funds standing in excess of USD2.4 billion, as at December 31, 2009. Presence in 20 countries around the world including Brunei, Indonesia, India, Australia, New Zealand, Canada, the United Kingdom, Middle East and North Africa. UEM Group employs more than 16,000 people including 4,000 multidisciplinary professionals.



Mr. Azman Hashim

Tenure: ABAC Member (1999 – Present) Co-Chair, Trade & Investment Task Force (2001) Co-Chair, SME Task Force (2002) Co-Chair, Financial Stability Working Group (2003) Co-Chair, Finance Working Group (2005 – 2006) Co-Chair, Finance and Economics Working Group (2007 – 2010, 2012)

Title: Chairman

Company: AmBank Group

Industry: Investment Banking,

Background: He is Chair of the National Productivity Corporation, Board of Trustees Perdana Leadership Foundation, the United Nations Economic and Social Commission for Asia and the Pacific Business Advisory Council, and recently, Chairman Emeritus, Pacific Basin Economic Council International. He is President of the Malaysia South-South Association, and Malaysia-Japan Economic Association. He is also the Leader of the ASEAN-Japanese Business Meeting (Malaysia Committee, Keizai Doyukai) and is on the Board of Advisors, AIM Center for CSR.

AmBank Group is one of Malaysia's premier financial services group with leadership positions in the commercial banking, investment banking and insurance sectors. The company's total Assets are USD 34.68 billion, with a profit after tax of USD 339 million, and staff strength of over 10,000.



Mr. Radzi Mansor

Tenure: ABAC Member (2005 – Present) Co-Chair, Technology & Information Working Group (2007 – 2008)

Title: Chairman

Company: Kumpulan Fima Berhad

Industry: Investment holding and property holding

Background: He is also President Commissioner of PT XL Axiata Tbk., Indonesia, Director of Pos Malaysia Berhad and Multimedia Development Corporation Sdn Bhd (MDeC). Tan Sri Radzi holds a Diploma in Electrical Engineering from Faraday House Engineering College, London and a

Masters in Science (Technological Economics) from the University of Stirling, Scotland.

Kumpulan Fima Berhad is a Malaysia-based investment holding and property holding company that operates in seven business segments: manufacturing; bulking; warehousing and transportation, and customs forwarding services; plantation; food; trading; property investment; and others segment. Kumpulan Fima Berhad's revenue for 2009 was USD 121.86 million, with assets in excess of USD 215 million.

Mexico



Mr. Mauricio Millán Costabile

Tenure: ABAC Member (2008 – Present) ABAC Alternate Member (2007) Co-Chair, Capacity Building & Action Plan Working Group (2009 – 2010); Co-Chair, Action Plan & Advocacy Working Group (2012)

Title: Vice Chairman

Company: Coraza Corporacion Azteca, S.A. de C.V.,

Industry: Holding company with investment in industrial, real estates, foreign trade, technology, financial and consulting enterprises.

Background: He is a member of the Board and partner of Consultores Internacionales, S.C., and member of the Board of Banco de Tecnologías, Renopac, and Coraza Internacional, S.A. de C.V. Mr. Millan is an Industrial Engineer with a post-graduate certificate in Advanced Management. He undertook studies at the Universidad Iberoamericana in Mexico, Harvard University in the United States, and Cambridge University in the United Kingdom.

Coraza Corporacion Azteca, S.A. de C.V. participates in joint ventures with national and international firms. It buys and/or sells companies in various productive sectors to promote strategic alliances to increase the potential projects that it is involved with.



Mr. Alejandro Ramírez Magaña

Tenure: ABAC Member (2010 – Present)

Title: CEO

Company: Cinépolis

Industry: Film

Background: He is Chairman of the Morelia International Film Festival and President of the Cinépolis Foundation, which finances cataract surgeries in Mexico's rural sector, and Vice-President of Mexicanos Primero, an initiative to raise the quality of public education in Mexico. He serves on the boards of “Deworm the World” a YGL initiative that advocates school based deworming in developing countries, and of Filmaid, an organization that uses the power of film to reach the world’s most vulnerable communities with messages that effect social change.

Cinépolis is the biggest cineplex chain in Mexico with 205 theaters in 65 cities, and they have become the largest chain in Latin America with 230 theaters, 2,160 screens and over 15,000 employees throughout Mexico, Guatemala, El Salvador, Costa Rica, Panama, Colombia, Brazil, Peru and India. Cinépolis is the 5th largest multiplex operator in the world and 4th largest in number of screens.

New Zealand



Mr. Wayne Robert Boyd

Tenure: ABAC Member (2012)

Title: Chairman

Company: Vulcan Steel

Industry: Steel

Background: **Wayne Boyd** is currently the Chairman of Vulcan Steel. He is the former Chairman of New Zealand's largest telecommunications company Telecom where he presided over the de-merger of the company into separate businesses. He was also the Chairman of Auckland International Airport and of New Zealand's largest energy company, Meridian. Previously, Mr. Boyd was an independent Director of Ngai Tahu Maori Trust for a period of ten years and Chairman of both Shotover Jet and the New Zealand Blood Service. He is a Fellow of the Institute of Directors in New Zealand and a Member of the Australian Institute of Company Directors.

Vulcan Steel, one of New Zealand's largest privately owned companies, has enjoyed substantial growth in market share, not just in New Zealand but in the highly competitive Australian market. Some of this growth was due to acquisition. This meant that along with new companies, Vulcan Steel also acquired legacy IT infrastructure, applications and domains.



Mr. Anthony John (Tony) Nowell

Tenure: ABAC Member (2006 – Present) Chair, Liberalization Working Group (2009 – 2010); Chair, Regional Economic Integration Working Group (2011-2012)

Title: Founding Director

Company: Valadenz Limited

Industry: Trade and export development

Background: In 2008, he established two new businesses: Valadenz Limited, a company focused on facilitating the export and trade development of New Zealand SMEs, and Collaborenz Limited, a business focused on the development of collaborative opportunities for medium-sized New Zealand food and beverage businesses seeking to invest and grow internationally. Mr. Nowell is Chair of New Zealand Food Innovation (Manukau). He is the former CEO of Zespri New Zealand Ltd, the world's largest exporter of kiwifruit, Past Chair of the New Zealand Food & Grocery Council, the New Zealand Government Food & Beverage Task Force, the ASEAN New Zealand Combined Business Council, and the New Zealand Packaging Accord Governing Council.

Valadenz Limited provides affordable products and services related to trade and export development, allowing SMEs to plan a sensible development progression, as and when circumstances permit. We aim to provide New Zealand SMEs with easy access to the tools required to be fully 'Export Fit' and successful via best practice application, innovation and networked development



Ms. Maxine Simmons

Tenure: ABAC Member (2010 – Present); Co-Chair, SMME & Entrepreneurship Working Group (2012)

Title: Managing Director

Company: BioCatalyst Ltd.

Industry: Management services for biotechnology companies

Background: Maxine established BioCatalyst Ltd to use her experience to provide project management, business development advice and interim management services to early and later stage businesses, particularly biotechnology companies. She is currently a member of the NZBio/Auckland Committee, NZBio and New Zealand Institute of Directors She holds a BSc and MSc (Hons) in Biochemistry and Pathology from the University of Auckland.

BioCatalyst Ltd. advises early stage biotechnology ventures on commercialization and raising capital. Established in 2005, BioCatalyst Ltd. is well positioned to assist bioscience companies in optimizing the business opportunity for their technology. It provides assistance in startup and later stages of company development and provides advice and interim management expertise as required.

Papua New Guinea



Mr. Wayne Kenneth Golding

Tenure: ABAC Member (1996 – Present) Co-Chair, Action Plan & APEC Resources Working Group (2008) Co-Chair, Capacity Building & Action Plan Working Group (2009 – 2010); Co-Chair, Finance and Economics Working Group (2012)

Title: Executive Co-Chairman

Company: 2G Development Co Ltd.

Industry: Property Development

Background: He also holds public office in various boards and committees, notably the impediments to business and investment under the auspices of the Prime Minister's department. On a regional basis, Mr. Golding is a member of the Trade Expert Advisory Group representing the 14 countries of Pacific Islands in their negotiations with the European Union. Mr. Golding is a non-practicing accountant by profession.



Sir Joseph James Tauvasa

Tenure: ABAC Member (2009 – Present)

Title: Chairman

Company: South Pacific Brewery Ltd. (SPB)

Industry: Beverage Producer

Background: He is also a Director of New Britain Palm Oil Limited. SPB and NBPOL are leaders in manufacturing, employment and two of the major investors in PNG. Sir Joseph served as: Chairman of Air Niugini Ltd.; Chairman of the Civil Aviation Authority; Director of Lihir Gold Ltd.; Director of Westpac Bank (PNG) Ltd.; and Director and General Manager of Shell PNG Ltd. In 2006, he received the high honor of Knight Commander of the Most Excellent Order of the British Empire (KBE) for services to Government, Commerce and manufacturing in PNG. Sir Joseph holds a Bachelor of Arts Degree (major in Economics and Politics) from UPNG, a Masters of Business Administration and Aeronautical Science from the Embry-Riddle Aeronautical University.

South Pacific Brewery is the largest beer company in Papua New Guinea.



Mr. Matthew W.E. Tjoeng

Tenure: ABAC Member (2003 – Present)

Title: Managing Director

Company: Shine Way Development Ltd.

Industry: Exporter

Background: From 1979 to 1984, he served as General Manager of Gamut Enterprises Ltd. He holds a bachelor's degree from Brisbane St. Peter's College in Australia. He did his post graduate studies at the University of Papua New Guinea and the Queensland University in Australia.

Shine Way Development Ltd. is an export company. The company was established in 1992. Its major export markets are Australia, North America, and Western Europe.

Peru



Mr. Enrique M. Gubbins

Tenure: ABAC Member (2001 – Present) Co-Chair, Liberalization Working Group (2007) Co-Chair, Facilitation Working Group (2008 – 2010); Co-Chair, Regional Economic Working Group (2012)

Title: Chairman of the Board

Company: Sudamericana de Fibras S.A.

Industry: Acrylic fiber producer

Background: He is Chairman of Metalúrgica Peruana S.A., and is a Board member of several companies involved in the retail and financial sectors of Perú. He is on the Board and Executive Committee of the Peruvian Foreign Trade Association (COMEXPERU), and a Board member of the Peruvian Chapter of the Chilean-Peruvian Business Council. He is also a member of the Peruvian Institute of Economics. Mr. Gubbins represents the Private Sector in the Board of the Peruvian National Port Authority (APN) and has been the Private Sector representative in the Board of the Peruvian Workers' Health System (ESSALUD).

Sudamericana de Fibras S.A. is the only company engaged in the production and marketing of dry spun acrylic fibers in the American Continent. Sudamericana de Fibras S.A. supplies more than 200 companies in the textile industry, on the market of Andean Community(CAN), MERCOSUR, Europe and Asia.



Mr. Alfonso Garcia Miro

Tenure: ABAC Member (2011 – Present)

Title: CEO

Company: IPN Investments

Industry: Investment

Background: Mr. Alfonso Garcia Miro also leads Empresa 8576, a Peruvian real estate development firm and Swissport GBH Honduras, an airport handling services company. Mr. Garcia Miro is also Chairman of COMEXPERU; Vice Chairman of CONFIEP – the Peruvian Confederation of Private Enterprises, and of the Peruvian Chapter of the Chilean-Peruvian Business Council. In addition, Mr. Garcia Miro is Board Member of Instituto Proeducación, an educational NGO, the Peruvian Institute of Economics, and of the Lima Art Museum. Mr. Garcia Miro has been Sponsor, Chairman and CEO of GBH Investments, Swissport GBH Perú and Aeropuertos del Perú, which won the concession of 12 regional airports in Peru while he was in charge.

IPN Investments was founded in 2010. The group is comprised of professionals specializing in management services, evaluation and development of projects that implement infrastructure solutions and real estate..



Mr. Juan Francisco Raffo

Tenure: ABAC Member (2001 – Present) Co-Chair, Action Plan Monitoring Committee (2003 – 2006) ABAC Co-Chair (2007, 2009) ABAC Chair (2008); Chair, SMME & Entrepreneurship Working Group (2012)

Title: Honorary Chairman

Company: Raffo Group

Industry: Consortium (Minig, Real Estate, Tourism, etc)

Background: He is also a board member of Atlas Copco Peruana, founding Chairman of the Peruvian Foreign Trade Association (COMEXPERU). He is Chairman of the Peruvian Chapter of the Chilean-Peruvian Business Council. Mr. Raffo is also a member of the Peruvian Institute of Economics, a private think-tank.

Raffo Group includes Caudalosa S.A., Mining Company, whose main production is zinc, lead, silver and copper; L.P. Holding; and Los Portales S.A., a leading company in real estate development which involves parking concessions and hotel operations in Peru.

Philippines



Ms. Doris Magsaysay-Ho

Tenure: ABAC Member (2006 – Present) Co-Chair, Facilitation Working Group (2008, 2010)

Title: President and CEO

Company: A Magsaysay Inc.

Industry: Human Resources Company

Background: Doris Magsaysay Ho joined Magsaysay Maritime Corporation in 1979 and assumed the position of Chief Executive Officer (CEO) in 1981. Under her leadership and guidance, the company found its niche in the ship manning business.

Magsaysay Group of Companies has expanded from its roots in shipping to people resource providers. Magsaysay is present in the Philippines, Indonesia, China, Eastern Europe, Central America and North America. The company prepares its people for a diverse range of positions for the maritime, cruise, healthcare, hospitality, engineering and other industries. Its shipping arm, Magsaysay Transport and Logistics Group, is the largest shipping operator amongst Philippine container liner and tanker services.



Mr. Tony Tan Caktiong

Tenure: ABAC Member (2010 – Present)

Title: Chairman and CEO

Company: Jollibee Foods Corporation (JFC)

Industry: Restaurant

Background: Tony is a Director of First Gen Corporation and Philippine Long Distance Telephone Company. He is involved in non-profit work as Chairman of Jollibee Foundation and as a member of the Board of Trustees of St Luke's Medical Hospital, Asian Institute of Management, Philippine Business for Education and the Temasek Foundation of Singapore. Tony is also a member of the Chief Executives' Organization Inc, USA and World Presidents' Organization. He holds an honorary degree of Doctor of Humanities from Southwestern University and St. Paul University, and an honorary degree of Doctor of Science in Business Management from Far Eastern University in the Philippines.

Jollibee Foods Corporation is the Philippines' leading fast food chain. It has grown exponentially on all aspects on operation and now boasts 686 restaurants in the Philippines and 57 in other countries employing 29,216 workers. In 2010, Jollibee generated retail sales of USD 1.62 billion, and a net income of USD 71.37 million.



Mr. Jaime Augusto Zobel de Ayala

Tenure: ABAC Member (2010 – Present)

Title: Chairman and CEO

Company: Ayala Corporation

Industry: Holding Company

Background: Mr. Zobel is Chairman of Globe Telecom, Bank of the Philippine Islands, and Integrated Microelectronics Inc.; Vice Chairman of and member of the Executive Committee of Ayala Land, Inc.; Vice Chairman of Manila Water Co.; He is a member of the J.P. Morgan International Council, Mitsubishi Corporation International Advisory Committee, Toshiba International Advisory Group, Harvard University Asia Center Advisory Committee, Board of Trustees of the Asian Institute of Management, National Council member of the World Wildlife Fund (US), and Chairman of World Wildlife Fund (Philippines).

Ayala Corporation is the holding company of one of the oldest and largest business groups in the Philippines. It maintains a tradition of excellence, and integrity has run continuously through seven generations, adhering to the principles and ideals that had brought it to existence 175 years ago. Ayala achieved record earnings of USD 124.28 million on all-time high revenues of USD 869.97 million. Ayala Corporation's net income in 2010 grew by 37% to USD 257.76 million.

Russian Federation



Mr. Oleg V. Deripaska

Tenure: ABAC Member (2004 – Present)

Title: Chairman of the Supervisory Board

Company: Basic Element

Industry: Diversified Investment Company

Background: He is also CEO of UC RUSAL and En+ Group. Mr. Deripaska is Vice President of the Russian Union of Industrialists and Entrepreneurs, Chairman of the Executive Board of the Russian National Committee of the International Chamber of Commerce, and a member of the Competitiveness and Entrepreneurship Council, an advisory body

to the Russian Government. Mr. Deripaska is a co-founder of the National Science Support Foundation and the National Medicine Fund. Mr. Deripaska holds a degree in Physics (with honors) from the Moscow State University. He received a Master's degree from the Plekhanov Academy of Economics in Moscow.

Basic Element is Russia's leading diversified investment company striving to conduct business in Russia and around the world in an effective and responsible manner. Basic Element's main assets are concentrated in five economic sectors - Energy, Manufacturing, Financial Services, Construction and Aviation. The total number of employees at Basic Element's enterprises in Russia is about 290,000. Approximately 14.5 million people out of Russia's total population of 142 million are directly or indirectly dependent on the activities of Basic Element. Basic Element's total sales revenue for 2010 came to over USD 24 billion.

Mr. Andrey L. Kostin



Tenure: ABAC Member (2004 – Present); Finance and Economics Working Group Co-Chair (2012)

Title: Chairman and Chief Executive Officer

Company: JSC VTB Bank (formerly Vneshtorgbank).

Industry: Banking

Background: In 1995, Mr. Kostin was elected First Deputy Chairman of the National Reserve Bank. In 1998 and 2001, he was awarded with the Russian Government's Honorary Diplomas for his contribution to the nation's economic development. In 1999,

he was granted a state award, Order of Honor, to pay tribute to his foreign economic and international banking achievements. In 2006, Mr. Kostin was decorated with the Order of Merit to Motherland (Fourth Class).

JSC VTB Bank is one of the largest financial institutions in Russia. It is the main entity of the VTB Group, a leading universal Russian banking group offering a wide range of banking products and services in Russia, the CIS, Western Europe, Africa and Asia. In 2009 it posted a core income of USD 6.07 billion, with assets in excess of USD 126.83 billion.

Mr. Kirill Dmitriev



Tenure: ABAC Member (2013– Present)

Title: Chief Executive Officer

Company: Russian Direct Investment Fund

Industry: Investment

Background: Prior to his appointment to lead RDIF, Mr. Dmitriev was President of Icon Private Equity, a major private equity fund with over \$1 billion under management. Prior to establishing Icon, Mr. Dmitriev was co-managing partner and CEO of Delta Private Equity Partners, a leading private equity fund in Russia with over \$500 million under

management. Previously, he was an investment banker at Goldman Sachs in New York and a consultant at McKinsey & Co.

Russian Direct Investment Fund is a \$10 billion fund established by the Russian government to make equity investments. In all of its investments, the fund is mandated to co-invest alongside leading and most sophisticated investors globally – thus acting as a catalyst for direct investment in Russia.

Singapore



Mr. Gautam Banerjee

Tenure: ABAC Member (2011); Co-Chair, Regional Economic Integration Working Group (2012)

Title: Chairman

Company: Blackstone Singapore

Industry: Investment and Advisory

Background: Gautam Banerjee is a Senior Advisor to Blackstone and a member of the International Advisory Board. He is also Chairman of Blackstone Singapore.

Previously, Mr. Banerjee served as Executive Chairman of PricewaterhouseCoopers (PwC) Singapore for nine years until his retirement in December 2012. He spent over 30 years with the firm in various leadership roles in Singapore, India and East Asia. Mr. Banerjee is a Vice Chairman of the Singapore Business Federation and is a Board member of the Economic Development Board, the APEC Business Advisory Council, Yale-NUS College, Singapore Airlines Limited and The Straits Trading Company Limited.

Blackstone® is a premier global investment and advisory firm that strives to provide solutions that create lasting value for its investors, the companies in which it invests and society at large. It is a firm of nearly 1,800 employees in 24 offices worldwide, and its portfolio companies employ over 730,000 people across the globe, making it a major factor in economies around the world.



Mr. Ho Meng Kit

Tenure: ABAC Member (2012)

Title: Chief Executive Officer

Company: Singapore Business Federation

Industry: Business Collective

Background: Newly appointed Chief Executive of Singapore Business Federation, Mr Ho has acted as the Ministry of Foreign Affairs' deputy secretary, while he has also served as Singapore Broadcasting Authority and Land Transport Authority chief.

Singapore Business Federation, The Singapore Business Federation is the apex business chamber that champions the interests of the Singapore business community in trade, investment and industrial relations. It represents more than 18,000 companies as well as the local and foreign business chambers and key national and industry associations from business sectors that contribute significantly to the Singapore economy.



Mr. Jackson Yap

Tenure: ABAC Member (2012)

Title: Group Managing Director & CEO

Company: United Engineers Limited (UEL)

Industry: Property Management

Background: Mr Jackson Chevalier Yap Kit Siong joined the Board in 1999 and was last re-elected as director of UEL in 2009. Mr Yap serves as member of the Executive and Development Committees. He joined UEL as Chief Operating Officer in 1997 and was appointed as Group Managing Director and CEO in 2001. As CEO, Mr Yap is responsible for leading the management team to implement strategic goals and directions set by the Board. Prior to joining UEL, he spent many years working in the oil and petrochemicals industry and his last position was Planning Manager in Exxon Chemical Singapore. Currently, Mr Yap is a director of Apex Healthcare Berhad, UE E&C Ltd. and United Wearnes Technology Pte Ltd.

United Engineers Limited (UEL): The Group provides integrated property services with capabilities including property development and property rental and services, which comprises asset management services for commercial and industrial properties, hospitality management services for serviced apartments and serviced offices and facility management. Our property development track record extends across commercial, residential and industrial projects in Singapore and Malaysia with expertise in undertaking build-to-suit ("BTS") projects and mixed-use developments.

Chinese Taipei



Mr. Matthew F. C. Miao

Tenure: ABAC Member (2009 – Present) Co-Chair, Facilitation Working Group (2009 – 2010); Co-Chair, Regional Economic Integration Working Group (2012)

Title: Chairman

Company: MiTAC-Synnex Group

Industry: IT Conglomerate

Background: A graduate of U.C. Berkeley, California, Mr. Miao received his bachelor's degrees in Electronic Engineering and Computer Science and later received his MBA degree from the Santa Clara University. In 2002, Mr. Miao was awarded an Honorary

Ph.D. by the National Chiao Tung University in Chinese Taipei.

The MiTAC-SYNNEX Group has grown into a global conglomerate of 40 companies including five listed companies in Taiwan and one on NYSE. The Group is a global IT-based enterprise, with 22,000 employees and more than 40 companies incorporated. With sustaining innovation and improvement, the Group provides products and services in four major markets - electronic chemicals, IT product design and manufacturing, system integration and web services, and global distribution and fulfillment - having generated over than USD18 billion in revenue in the year of 2008.



Mr. Hong-Tu Tsai

Tenure: ABAC Member (2009 – Present)

Title: Chairman

Company: Cathay Financial Holdings and Cathay Life Insurance Co., Ltd.

Industry: Finance

Background: Mr. Tsai became Chairman in 1990. After graduating from the National Taiwan University in 1974, Mr. Tsai received a Juris Doctor degree from Southern Methodist University in Dallas, Texas in 1978 and passed the Washington, D. C. Bar in 1979. Mr. Tsai received a Distinguished Alumni Award from Southern Methodist

University in 1998.

Cathay Financial Holdings is the largest financial holding company and largest life insurance company in Chinese Taipei. The company operates its businesses principally in Taiwan, Mainland China, Vietnam, the United States and Malaysia. In 2008 it had revenue of USD 26.81 billion, profit of USD 935.9 million, assets in excess of USD 113.5 billion, and employed over 38,000 people.



Ms. Cher Wang

Tenure: ABAC Member (2009 – Present); Co-Chair, Sustainable Development Working Group (2012)

Title: Chairman

Company: VIA Technologies, Inc. and HTC Corp.

Industry: IT

Background: She is on the board of directors of numerous other firms. Ms. Wang founded VIA Technologies, Inc. in California in 1987, which became a leading developer of PC core logic chipsets. In 1997, Ms. Wang co-founded HTC Corp. A graduate of the

University of California, Berkeley, Ms. Wang has been widely recognized for her business achievements, and was selected as an 'Innovator' in Business Week's 2005 Stars of Asia: 25 Leaders on the Forefront of Change and one of the ten executives to watch in Asia.

HTC is a Taiwan-based manufacturer of smartphones. In 2010 is posted revenue of USD 9.57 billion, operating income of USD 1.54 billion, net income of USD 1.35 billion and total assets of USD 6.53 billion USD (2010). HTC employs approximately 5,500 staff. **VIA Technologies, Inc.** is a foremost supplier of x86 processor platforms. VIA employs approximately 2,200 staff worldwide. 2008 sales were USD 282.8 million, and gross profit was USD 96.85 million.

Thailand



Dr. Savaraj Sachchamarga

Tenure: ABAC Member (2004 – Present) Co-Chair, Capacity Building Working Group (2005); Co-Chair, Sustainable Development Working Group (2012)

Title: Chairman and CEO

Company: JFP Co. Ltd.

Industry: Industry

Background: He is also an Executive Board Member of Gemopolis, and Advisor of Bangkok Diamonds and Precious Stones Exchange. He is a member of the Board of Trustees of the University of the Thai Chamber of Commerce, and President of Texas A & M Club in Thailand. He holds a degree in Financial Administration from Chulalongkorn University. He was awarded a Fulbright Scholarship to pursue Masters and Doctorate studies in Economics in the United States.

Information on JFP Co. Ltd. not available. Dr. Savaraj Sahchamarga was previously Vice Chairman of **The Thai Chamber of Commerce**, which works closely with governments to develop the Thai economy, strengthen members and businesses in both central and regional areas, and educate on the needs of the business. The Chamber works to strengthen the capacity of businesses to compete internationally.



Mr. Vichit Tantianunanont

Tenure: ABAC Member (2006 – Present)

Title: Member of the Board

Company: Federation of Thai Industries

Industry: Industrial Business Association

Background: He is also Chairman of the Auditing Committee. His other positions are as follows: Advisor to the Board of Lion Corporation (Thailand) Limited; Executive Director of Lion Services Co. Ltd.; Member of the Board of Directors and Executive Committee member of Sampo Japan Insurance (Thailand) Limited; and Member of the Board of Directors of Siam Tree Development Co. Ltd. He graduated from the Commercial School of the Assumption Commercial College in Bangkok. He also took the Joint Venture Management Course at the Insead University.

The Federation of Thai Industries (FTI) came into existence on December 29, 1987. It was a transformed body of Association of Thai Industries (ATI), which was created in 1967. FTI is a private sector organization that brings together industrial leaders to promote Thailand's socio-economic development. The main objectives of FTI are to represent Thai manufacturers at both national and international levels, to help promote and develop industrial enterprises, to work with the government in setting up national policies, and to offer consulting services to members.



Mr. Twatchai Yongkittikul

Tenure: ABAC Member (1996 – Present) Co-Chair, Financial Stability Working Group (2003) ABAC Co-Chair (2004) Co-Chair, Finance Working Group (2005 – 2006) Co-Chair, Finance & Economics Working Group (2007 – 2010)

Title: Secretary-General

Company: Thai Bankers' Association

Industry: Banking

Background: He is Executive Director of the Thai Asset Management Corporation, and a Director of the Deposit Protection Agency. Dr. Twatchai earned his Ph.D. in Economics from the University of Illinois.

Vietnam



Mr. Hoang Van Dung

Tenure: ABAC Member (2005 – Present) ABAC Co-Chair (2005, 2007) ABAC Chair (2006) Co-Chair, Liberalization Working Group (2009 –2010); Lead Co-Chair, Action Plan & Advocacy Working Group (2012)

Title: First Vice Chairman and Executive Vice President

Company: Vietnam Chamber of Commerce and Industry (VCCI).

Industry: Trade Association

Background: He is Chair of Vietnam-Korea Business Council, Vietnam-Taiwan Business Council, and Vietnam-Sweden Business Council. He has a Bachelor's degree from the Hanoi Foreign Trade University, Ho Chi Minh National Political Institute, and a Master's in Economics and Business Management from Thames University, UK.

The Vietnam Chamber of Commerce and Industry is a national organization representing employers and business associations of all economic sectors in Vietnam. VCCI protects and assists business enterprises, and contributes to the socio-economic development of the country, and promotes economic, commercial and technological co-operations between Vietnam and the rest of the world on the basis of equality and mutual benefit. VCCI is an independent, non-governmental, non-profit organization.



Mr. Nguyen Thanh Hung

Tenure: ABAC Member (2007 – Present)

Title: Chairman

Company: Sovico Holdings

Industry: Investment

Background: Dr. Hung is a leader in the Vietnamese business community. He is a member of the Forum of Young Global Leaders (recognized at the 2007 Davos WEF) and Vice-Chair of Japan- Vietnam Association. He is a graduate of Kharkov University with a degree in Electrical Engineering, has a doctorate from the Russian Academy of Sciences.

He is an academician of the International System Research Academy-Russia.

Sovico Holdings is a diversified group of companies founded in 1992 with investments in financial services, real estate and industry. Among its real estate assets, Sovico wholly owns Furama Resort DaNang, and is developing high-end residential properties, high-rise office buildings and additional hotel and resort properties. It is also investing heavily in power generation, mining and rubber plantation. Sovico is the founder and majority shareholder of the first private airlines licensed in Vietnam, VietJetAir.



Mr. Tam Dang Thanh

Tenure: ABAC Alternate Member (2006 – 2007) ABAC Member (2007 – Present)

Title: Chairman

Company: Saigon Invest Group (SGI)

Industry: Investment

Background: Mr. Dang is an advisor to the Vietnam Government on WTO Action Plans and a member of HCMC People's Council. He is Co-Chair of the Vietnam-Japan Business Forum, member of the Young Presidents' Organization and Chairman of Vietnam Golden Star Club, an organization of Vietnam's top 1,000 businesses. He was awarded with second and third class labor medals by the Vietnam President and three-time awardee of the Merit Certificate from the Prime Minister. Mr. Dang holds a BBA, a Bachelor of Law and a Diploma in Business Management from Henley Management College.

Mr. Dang holds a BBA, a Bachelor of Law and a Diploma in Business Management from Henley Management College.

Saigon Investment Group comprises 40 companies across a spectrum of industries. It is involved in real estate (KBC), energy, banking, investment fund, insurance, hotel & resort, ICT, high-tech parks, rubber plantation, furniture, and plastics. It owns 20 industrial parks and 10 residential areas in strategic parts in Vietnam. SGI owns Navibank, Western Bank, Saigontel (SGT), and Kinhbaccy (KBC). In 2008, KBC & SGT accounted for 8% of Vietnam's stock market value.