

APEC Insights

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Meeting Recaps

- *APEC Business Advisory Council (ABAC) - May 12-14 - Brunei Darussalam*
- *APEC 2011 Sectoral Planning Sessions*

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ABAC Urges Vigilance on Protectionism

The APEC Business Advisory Council held its second meeting of 2009 in Brunei Darussalam from May 12 - 15. Under the leadership of Singapore, the Council advanced work on deliverables and recommendations for APEC Leaders in November and approved two communiqués, a letter to APEC Leaders with recommendations for immediate action on the global economic crisis and a letter to APEC Ministers Responsible for Trade which highlighted a broader set of recommendations for APEC. Both of the letters reflected a strong desire by the business community to see APEC Leaders stand by the APEC



US ABAC Member Deb Henretta with ABAC members Chong Siak Ching from Singapore (left) and Tony Nowell from New Zealand (right).

and G20 commitments to refrain from implementing new barriers to trade in response to the crisis. ABAC also advanced its efforts to develop a mechanism to monitor these commitments.

After some discussion, the Council determined that it could best add value to APEC by highlighting the findings of ex-

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APEC Trade Ministers to Meet in Singapore

APEC Trade Ministers will conduct their annual meeting 21-22 July in Singapore. Among the many subjects likely to dominate the discussion will be the role of APEC in resisting protectionism and restoring growth through creation of an environment that enables business and trade. In its role as co-chair of the U.S. APEC Business Coalition, the National Center is working with its partners to arrange a series of events on the margins of the MRT for business delegates to interact with the Ministers and staffs gathering in Singapore for these meetings.

Both Ministers and business agree on the need to continue to encourage direct dialogue between businesses and policy makers to ensure APEC work priorities remain informed by, and relevant to, the real needs of the companies and individuals who will drive a return to growth by doing business in the region.

To facilitate this, the Ministers have agreed to participate in a Business Luncheon at noon on July 22nd. This event, co-hosted by the U.S. APEC Business Coalition and the Singapore Business Federation, will bring top business leaders from around the region together with the APEC Trade Ministers for a discussion on key issues of the day. Topics for discussion will include the strategic value and relevance of APEC, regional economic integration efforts through 2011, and how APEC can stay connected to business priorities. A special panel including USTR Ambassador Ron Kirk, Singapore Minister for Trade and Industry Lim Hng Kiang, and Japanese Minister of Economy, Trade and Industry Toshihiro Nikai, will provide comments on these topics and take questions from the

business guests. Other APEC Trade Ministers will also attend the event and join the business delegates for discussion.

Later that evening at 5 pm, USTR Kirk will meet separately with U.S. business representatives to discuss U.S. trade priorities in APEC, and to take further questions and input from the U.S. business community. This will be Ambassador Kirk's first major APEC event, and he is



USTR Ron Kirk (top left) and Trade Ministers Nikai (top right) and Lim (bottom left) will speak at a business luncheon with APEC Trade Ministers on the margins of their upcoming meeting in Singapore.

expected to offer an initial perspective on how APEC will fit into overall U.S. trade priorities, and what objectives will be prioritized in the years leading up to 2011.



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NCAPEC Leadership Corner



Passing of the Baton – U.S. APEC Senior Official

Over the years, the National Center – and indeed the whole of the U.S. business community – has been fortunate that the U.S. Government has named enthusiastic and dynamic representatives to serve as the U.S. Senior Official for APEC. It always seems, however, that the APEC SOM's tenure is shorter than we'd like. It is time once again to bid farewell and give a sincere note of thanks to the outgoing U.S. Senior Official, Ambassador Patricia M. Haslach. Pat has brought extraordinary energy to her work on behalf of U.S. interests in APEC, and now has been asked to bring her talents to bear on the highly demanding work in Iraq as Ambassador Chris Hill's special Deputy Chief of Mission for development and reconstruction.

Pat leaves the APEC SOM office at the

U.S. Department of State in the highly capable hands of Kurt W. Tong. Kurt is no stranger to APEC, having served as the APEC Coordinator in Seoul during the Korea APEC year in 1995. He later served as the NSC's point man for APEC from 2006-2008, guiding the White House through the Vietnam and Sydney APEC meetings and working closely with USTR during the KORUS negotiations. Kurt is representing the United States at SOM III as we go to print. We wish him every success and pledge our support as he advances the U.S. agenda in APEC for 2009, and lays the crucial groundwork for success as the U.S. takes the reins of APEC in 2011.

- Monica Hardy Whaley, President



NCAPEC Welcomes New U.S. APEC Senior Official

Members of NCAPEC's Board of Governors held an initial meeting with the new U.S. Senior Official for APEC, Kurt Tong, at the offices of Procter & Gamble on Tuesday, July 7th. The meeting was conceived as an opportunity for members to express their priorities and bring Mr.

Tong up to speed on key issues of concern in APEC as he transitions into his new role and prepares for his first SOM as U.S. Senior Official in Singapore later this month.

In addition to his new role Mr. Tong at present remains Acting Deputy Assistant Secretary and Director for Korean Affairs. Previously, he served as Director for Asian Economic Affairs at the National Security Council from 2006 to 2008, and has been actively involved in APEC affairs



for many years. Prior to that, he served as Minister-Counselor for Economic Affairs at the U.S. Embassy in Seoul and was involved in the launch of Free Trade Agreement negotiations between the United States and South Korea. Before arriving in Seoul, Mr. Tong had assignments at the U.S. Embassy in Beijing from 2000 to 2003 as well as the U.S. Embassy Tokyo from 1996 to 1999.

Mr. Tong is a member of the Senior Foreign Service, and the recipient of the 2005 Herbert Salzman Award for Excellence in International Economic Performance, awarded by the Department of State for outstanding contributions in advancing United States international relations in the economic field.

Mr. Tong replaces Ambassador Pat Haslach, who departed on July 1st for a new posting as Deputy Chief of Mission at the U.S. Embassy in Iraq.

ABAC (continued)

isting monitoring exercises being undertaken by the World Bank and World Trade Organization, instead of duplicating these efforts.

The ABAC USA team, led by Deb Henretta (P&G), Peter Scher (JPMorgan Chase) and Nick Reilly (General Motors) made progress on a number of issues identified by NCAPEC members as priorities for 2009 and beyond. ABAC USA members also met with their colleagues from Japan to discuss cooperation in ABAC leadership in 2010 and 2011 when Japan and the US will chair the ABAC, respectively.

The third ABAC meeting of the year will be held from August 24 - 27 in Da Nang, Vietnam. ABAC members will finalize the 2009 ABAC Report to Leaders and Report to Finance Ministers, and will discuss key messages for the APEC Dialogue with Leaders which will be held in Singapore on November 14.

Five Companies Join NCAPEC Board

The National Center would like to welcome five new companies to its Board of Governors: Apple Inc., Freeport-McMoRan Copper & Gold Inc., JPMorgan Chase & Co., Kraft Foods and Liberty Mutual



Private Sector Organizes to Promote Food Security

In 1999 it was the business community, through the ABAC, that first proposed the creation of an APEC Food System (AFS), a mechanism for guiding efforts to promote trade in food with the ultimate goal of creating a single open market for food within APEC. In light of the dramatic spike in commodity prices in 2008 and subsequent renewed concern within APEC on the issue of food security in the region, the private sector is once again looking to play a key role in helping government develop successful, well-prioritized approaches to solving the real problems faced in this area.

In late 2008 the National Center, in conjunction with Board Member Cargill, Inc. and other organizations such as the Grocery Manufacturers Association and the U.S. Council on International Business,

NCAPEC Advances Recommendations on Customs Procedures

A group of NCAPEC Board Member companies, including Boeing, FedEx, GM and IBM, has compiled a comprehensive list of recommendations for improvements and reforms customs agencies in APEC should implement to expedite the flow of goods across borders. Many studies have shown that trade facilitation is an area where reforms have the potential to lead to significant cost reductions for businesses and consumers.



ABAC USA presented the list of recommendations at the May ABAC meeting in Brunei. These were endorsed and will be presented to APEC's Sub Committee on Customs Procedures (SCCP) at their upcoming meeting in August. A document detailing the recommendations is available from the National Center's website, www.ncapec.org.

organized a grouping of companies to develop a cohesive business position on how APEC can improve its efforts to promote regional food security, with a focus on full implementation of the AFS. The NCAPEC Food and Ag Industry Consortium produced a framework document entitled "Food Industry Objectives for APEC 2009", a series of priorities and concrete, short-term objectives APEC officials could work towards as stepping stones towards a larger, regional food solution.

In addition to this effort, within the ABAC U.S. members, in conjunction with several other ABAC delegations, have called for a review and rewrite of the AFS, with an aim to releasing an updated version of the document to Leaders in November. This will underscore businesses' continued commitment to the fundamental belief that addressing food security issues is a core requirement for promoting stable, sustainable growth regionally.

At present, both ABAC and the NCAPEC Consortium are working to collaborate on commissioning an independent study to conduct this rework of the AFS and develop further proposals to guide its implementation in APEC over the coming years, including through U.S.



hosting of APEC in 2011.

The Secretary of State has made clear that food security remains a priority issue for the U.S., and incoming U.S. Senior Official Kurt Tong has reiterated the government's commitment to welcoming private sector input and working together with business to come up with practical approaches to be pursued in the APEC context. Through its work in ABAC and with the Consortium, NCAPEC will continue to provide companies with an important opportunity to be a part of this dialogue.

Copies of the Consortium objectives paper as well as relevant AFS links are available through the National Center. If your company is interested in joining others who are already a part of this effort, please contact Rob Modarelli.

APEC 2011 Sectoral Planning Sessions

From June through early July, the National Center and the APEC office of the Office of the United States Trade Representative, in collaboration with 2011 partner organizations, held a series of sectoral planning sessions to kick-off discussions about program and policy deliverables for the US hosting of APEC in 2011. To date meetings have been held on trade facilitation, services, environmental goods and services, energy security, and information and communication technology. In August, NCAPEC will schedule meetings on intellectual property rights, food security, standards, investment and health & life sciences.

The meetings have served as an excellent forum for representatives from a range of industries to meet with USG agencies to share ideas on objectives for 2011. NCAPEC will continue to work

with its members, USG and partner organizations to lay the foundation for these objectives during the Japan APEC hosting in 2010.

NCAPEC Board Meets with Japanese Senior Officials

On May 13, National Center Board Members met with Japan's APEC Senior Officials Mr. Kenji Hiramatsu of the Ministry of Foreign Affairs and Mr. Makoto Shiota of the Ministry of Economy, Trade and Industry to discuss themes and priorities for Japan's hosting of APEC in 2010. Japan is an important partner for the US in APEC. In addition to being host of the forum during the year prior to the US hosting, US and Japanese companies share many of the same policy concerns and objectives in the Asia Pacific region.

ABTC Legislation

Introduced in Congress

The APEC Business Travel Cards Act of 2009, H.R. 3192, was introduced by Representative Rick Larsen (D-WA), co-chair of the House APEC Caucus, on Monday, July 13th. The act will authorize the Department of Homeland Security, in cooperation with the State Department, to issue ABTCs to qualified U.S. business persons who routinely travel to APEC economies for business purposes. NCAPEC released a press statement strongly supporting the bill and encouraging its swift passage.

The bill was co-sponsored by the three other APEC Caucus co-chairs, Representatives Joe Crowley (D-NY), Kevin Brady (R-TX) and Wally Herger (R-CA).

H.R. 3192 is an important step that, if passed, clears the final administrative



hurdle to allowing U.S. citizens to enjoy the benefits of the ABTC program, including expedited processing at international ports of entry via special ABTC immigration lanes.

NCAPEC will continue to monitor progress of this bill and subsequent implementation of the program, including development of eligibility criteria and issuance guidance. We welcome input from companies regarding their priorities and concerns for this program. A copy of the NCAPEC press release is available from the Center.

2009 Calendar of Upcoming Events

July 15-19	Senior Officials' Meeting	Singapore
July 21-22	Trade Ministers' Meeting	Singapore
July 22	Luncheon with APEC Trade Ministers	Singapore
	US Business Meeting with USTR Kirk	Singapore
July 30	APEC Customs Business Dialogue	Singapore
July 30-31	Trading Ideas (APEC IPR Seminar)	Singapore
July 30-31	STAR (Secure Trade) Seminar	Singapore
August 3	Standards Seminar	Singapore
August 25-27	ABAC III	Vietnam
September 2-3	NCAPEC Board Retreat	Seattle
October 7	CEO Roundtable	D.C.
October 8-9	SME Ministerial	Singapore
November 8-11	ABAC IV	Singapore
November 12	NCAPEC Annual Luncheon	Singapore
November 12	Finance Ministers' Meeting	Singapore
November 12	NCAPEC Energy Seminar	Singapore
November 11-12	Joint Ministerial Meeting	Singapore
November 12- 14	APEC CEO Summit	Singapore
November 14-15	APEC Leaders' Meeting	Singapore

Job Announcement

The National Center for APEC is seeking a qualified candidate for an opening on our professional staff as a Program Associate. Excellent writing skills, international experience and superb attention to detail are required to support our mission of facilitating U.S. private sector engagement in the APEC and in support of our work as Secretariat to the U.S. representatives to the APEC Business Advisory Council (ABAC). A detailed job description is available on the National Center's website.

SAVE THE DATE

National Center for APEC Annual Luncheon

November 12, 2009

Singapore

The National Center for APEC will be hosting its Annual Luncheon in Singapore immediately prior to the 2009 APEC CEO Summit. Details on the program and venue will be available in the near future. In years past Luncheon speakers have included World Bank President, Robert Zoellick and Singapore Minister for Trade and Industry Lim Hng Kiang. Table sponsorships are still available. Please call the National Center for more information.