



ABAC looks to improve ease of doing business in Asia Pacific

ABAC to make strong case to APEC leaders that the region should build on free trade agreements.

Singapore will pay a pivotal role in discussions relating to the APEC Business Advisory Council (ABAC) as it assumes the chairmanship when the Asia Pacific Economic Cooperation (APEC) group meets in Singapore later this year.

SBF CEO, Mr Teng Theng Dar, will chair ABAC 2009. SBF is the appointed national secretariat for ABAC Singapore.

BiZQ caught up with Mr Teng to get an update of what ABAC has achieved so far and what makes the Singapore leg of the forum all the more important.

Q What have been the most significant achievements of ABAC in the past 12 months?

It is important to note that one cannot zero in and evaluate ABAC's achievements in any one single year. As

ABAC is the only private sector group that complements the goals of APEC, it has to think long term. If you look at ABAC in this perspective, you will see progress made over the years.

One of the pioneering initiatives was when ABAC asked the Pacific Economic Cooperation Council (PECC) to join them in conducting a feasibility study for a proposed Free Trade Area of the Asia-Pacific (FTAAP) in 2006. We believe that the FTAAP offers the highest potential for regional convergence and integration.

After that 2006 FTAAP discussion, Singapore, Canada and Chile signed a free trade agreement. Today we have more than 30 free trade agreements (FTAs) amongst APEC members.

This is a very strong foundation and we believe we can build on this.

Q If progress to be viewed on a long-term basis, what are the current efforts being undertaken?

ABAC, which is the most credible private sector initiative within APEC, is looking at ways to improve the ease of doing business by simplifying business regulations as part of its larger structural reform agenda.

Research suggests that the gains to APEC economies from regulatory reform could outweigh the benefits from further tariff reductions.

Singapore is now part of a bigger effort to conduct a survey on the ease of doing business in APEC. We want businesses to tell us what the barriers are and where regulation and reform can be undertaken.

Our message to businesses within APEC, especially during this financial crisis, is that they should take part in the survey and give good feedback on how we can help make doing business easier.

One other thing we will be doing this year is to identify and prioritise reform efforts to address key behind-the-border barriers, with inputs from the business community. We will make use of international tools and benchmarks such as the World Bank Ease of Doing Business Survey and the APEC-OECD Integrated Checklist on Regulatory Reform to build capacity for reform and ensure tangible benefits from our reform efforts.

Q What can Singapore, as hosts to APEC this year, do to mould and shape positives outcomes in APEC?

For the first time in the history of APEC, there will be an agenda in Singapore and it will carry through to the next two consecutive years, where meetings will subsequently move to Japan and the US.

From Singapore's perspective, this is very significant from the point of view of continuity. In this way, the agenda will stay relevant and continue through.

Q What are the top issues that will be on the agenda at APEC and ABAC in 2009?

The first ABAC meeting of this year was held in Wellington (in February) and we had very strong consensus that we should call on APEC leaders to cement their commitments made in November 2008 in Lima (Peru) with regard to protectionism.

We clearly understand that this year's meetings will take place amidst a challenging global economic environment.

The economic slowdown which began in North America and Europe has spread to emerging developing economies. Global trade volumes are expected to fall, the first decrease since 1982.

The key to recovery and sustained economic growth lies in the governments' ability to create conditions for trade and investment to grow.

One of the biggest risks the world faces is that countries might restrict markets in a misguided attempt to protect jobs. Doing so will only deepen and prolong the global slowdown. APEC economies have an important role to play at this critical juncture.

At ABAC, we see it as our key responsibility, as key members of the private sector, to advise governments that protection is not good. We have to give a clear signal and it must be a strong signal so the APEC leaders understand the voice of business. We must state our case very clearly. +

COMPANIES SHOULD GIVE FEEDBACKS ON WHAT ABAC CAN DO TO HELP THEM.

