

14/11/2000

Abac backing for WTO

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AS Apec leaders from the 21 member economies descended on the capital of the smallest member nation for their 12th annual meeting, their businessmen got together to talk.

The Apec 2000 CEO Summit started yesterday with a recommendation from Apec's private sector business advisory arm, Apec Business Advisory Council (Abac) that the economic grouping should give its full support to the World Trade Organisation (WTO) and to a new round of multilateral trade talks.

The recommendation comes in a report prepared by Abac for consideration by leaders when they sit for their informal pow-wow - the two-day Apec Summit scheduled to start

Malaysia will be represented by Prime Minister Datuk Seri Dr Mahathir Mohamad. He will be joined by other world leaders including US President Bill Clinton, Russian President Vladimir Putin and Japanese Prime Minister Yoshiro Mori.

Abac, made up of a high profile group of 60 business leaders from the Apec business community, began its plenary sessions yesterday.

In a report to be presented to their economic session, Abac said it has two key messages for Apec leaders this year.

First, Apec must stay on track in its trade and investment liberalisation and facilitation agenda because trade and investment are central to the prosperity of the region and the world.

Second, Apec must remain a strong voice in the world for a "healthy multilateral trading system underpinned by the WTO.

"It must remain committed to its goal of abolishing all barriers to free trade and investment within its developed (members) by 2010 and for other members (developing countries) by 2020."

Apec, founded in 1989 on the mantra of open trade and investment, has publicised many facts and figures to show why it is doing such a good job amidst scepticism that the grouping is deteriorating into a "talkfest".

Among them: The economies of Apec member countries have generated nearly 70 per cent of global growth and as a region has consistently outperformed the rest of the world.

Apec has facilitated regional trade through, for example, mutual recognition agreements and the development of paperless customs procedures. And Apec economies are said to have created about 195 million new jobs due to its borderless market concept.

In fact, Apec's open trade and investment policies are credited as having facilitated an export-led recovery in economies affected by the Asian financial crisis.

This year Abac has studied the progress made in implementing three key areas of Apec's so-called Individual Action Plan - customs procedures, standards and the mobility of business people.

"The study discovered incomplete information in the IAPs of many members and also a fundamental inconsistency between IAP reports and on-the-ground experience by business.

"For example, while Apec members report significant progress in the area of customs procedures, over half of the business people surveyed ranked them still as the most serious trade impediment."

The Abac report also recommended the IAP structure to include a new policy to monitor and encourage e-commerce readiness, seeing how

information technology is transforming the conduct of business within the Apec region.

Other recommendations include "benchmarking" in which financial institutional frameworks can be assessed against internationally recognised standards.

Abac also suggested that Internet possibilities be exploited for easing and broadening access to learning.

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