

**APEC BUSINESS ADVISORY COUNCIL
ADDRESS TO TE TAUMATA
WHAKATŪ, 24 NOVEMBER 2020
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ABAC CHAIR 2021**

In these unpredictable times it is challenging to think ahead.

Certainly no one thought that, come 2021, when Aotearoa New Zealand assumes both the Chair of APEC and ABAC we would need to do so virtually.

It is a shame we will not have the opportunity to showcase Aotearoa in the way previously envisaged, but the great news is, we still have an enormous opportunity to help shape the economic direction of the region and the future wellbeing of not just of Asia-Pacific businesses, but of our *communities* for years to come.

That's a challenge in which I and my fellow ABAC New Zealand members, Toni Moyes and Malcolm Johns are wholly invested.

ABAC is the voice of business in APEC.

We gather as three leaders from each of APEC's 21 economies – and each of the private sector business participants is appointed by the leader of that economy.

As mentioned, alongside me are Malcolm Johns and presently Toni Moyes; plus we have the amazing support of Stephen Jacobi, Stephani Honey, and the inimitable Carrie Stoddart Smith.

So we have a great team.

ABAC members meet four times a year, we exchange views and we make recommendations to Leaders.

ABAC's recommendations are carefully built up over these four meetings each year by Working Groups established in the areas of:

- regional integration
- sustainability
- economy
- inclusion
- digital

It's the art of diplomatic, subtle yet persistent pressure and influence to bring about the sort of inclusive, sustainable and prosperous region where all kinds of businesses can thrive, whether large or small.

ABAC has a direct channel of advice to the APEC Economic Leaders and Ministers.

That advice is provided in an annual report to Leaders but also importantly an end-of-year Dialogue with the Leaders themselves during APEC Leaders' Week.

The line of reporting direct to the Leaders themselves is, as it sounds, pretty unusual but also of immense value. It's our job to ensure that APEC's work programme and its agenda for sustainable and inclusive economic growth makes sense to business and is grounded in our reality.

It's no surprise that this year our work programme has been heavily disrupted due to Covid. But our stream of advice has not stopped.

Throughout this time, things important to ABAC NZ have been:

- how to avoid protectionism and keep open markets for essential medical and food supplies;
- how to minimise supply chain disruption and keep trade flowing and support the WTO;

- how best, drawing on our own experience, to provide help to small and medium sized enterprises which meets their specific circumstances;
- how to make sure that digital methods of communication and supply are used to maximum effect;
- how to prevent the health crisis leading to a food security crisis;
- how to keep the urgent need to address climate change at the forefront of our thinking in this new era; and
- how to deliver a vision for the future of APEC that is relevant to the new and uncertain circumstances we find ourselves in.

This year it was Malaysia’s turn and they pursued an ambitious work programme under the theme of “Integration, Innovation, Inclusion”.

Next year the task of chairing ABAC and leading the development of recommendations to Leaders and Ministers will fall to us.

Our theme for 2021 is **“People, Place and Prosperity.”**

Or as we like to think of it:

“Tāngata, Taiao, me te Taurikura”

To give you a flavour for how the themes might influence our priorities:

People (tāngata) is at the heart of this new agenda – their well-being, their hopes and aspirations for a future beyond Covid.

We hope that next year we can keep the needs of our fellow citizens and their social and economic progress firmly in our sights, building greater inclusion for women and indigenous people and continuing to find ways to build the capabilities of MSMEs.

If this current crisis has taught us anything, it is not to ignore the environment and **place (taiao)** in which we live.

The pandemic may have led to a brief pause in the rise of global temperatures, but the trajectory and the risks are still very clear.

Despite a contested political and economic context, we have the opportunity to show leadership in addressing and mitigating climate change and building a more sustainable, lower carbon future.

We need in particular to consider how to expand the development of renewable energy, level the playing field for environmentally responsible goods and services and build a more holistic trade-friendly and digitally enabled food system.

As businesses too we know a lot about the creation of value over time – this value is what gives rise to economic and social progress and shared **prosperity (taurikura)**.

In 2021, as we look on the damage done to our economies, we need to think more purposefully than ever before about what is needed for us to do business successfully and seamlessly in the Asia Pacific region and to deliver value to our communities.

Successful business is underpinned by effective trade rules, by processes and negotiations which reduce barriers over time and by an enabling environment for the uptake of new technology, especially in the digital space.

Today our businesses are constrained by the pandemic, but we need to look to tomorrow and the ways in which our economies can be rebuilt and revitalised.

These are the considerations which will guide our work programme in 2021 and help us articulate how we can make progress, as we have advocated to APEC this year, towards a seamless, dynamic, resilient, sustainable and inclusive Asia Pacific economic community.

So, when I said earlier that this mahi is deeply relevant to all of business, I hope that list gives you a flavour for why.

As an island nation sitting at the edge of the earth, we need the world.

But, I also whole heartedly believe we are the best thing FOR the world.

As exporters, we rely on being able to move about the world in a fair, open, transparent, rules-based trading environment.

We rally against environmentally harmful, trade distorting subsidies such as you might find in various countries agriculture or fishing portfolios.

As a primary producer, food security and international access is immensely important.

As we all move into a new world, climate change is a shared burning platform. As humans, but in this context, as business.

So, it's relevant.

And as an indigenous economy, we're at the heart of what moves the dial. Like so many indigenous economies around the world we are a developing economy inside one which is already developed.

What's good for us is good for all – and that is true world round. If I had to really lean into one thing in the coming year, it's raising the profile of indigenous peoples, looking towards programmes like Supply Nation, and really thinking about how we use our learnings to empower the uprising and inclusion of indigenous economies around the world.

In terms of how we're doing that, thus far we have produced a comprehensive ecosystem report on the Maori economy; we have bought our critical Maori thinker

Carrie into the mix; we have an alternate member proposal in the works to broaden the bench strength of Maori; we're working with APEC on their Maori programme; we're developing a rangatahi Maori programme ride along style; and we've formed a group called Kahui Arahi to provide some direction to the conversations.

And, ABAC NZ needs you...I need you...

Taking up the challenge of crafting a meaningful agenda, turning this into practical recommendations and engaging with our ABAC colleagues virtually is no small undertaking.

Sessions like today are about how we engage with *you*, our own Maori business community to make sure that what we are advocating at the regional level makes sense locally.

I'm not going to lie, it's tough to penetrate and influence the work programme - that became very apparent to me, very quickly.

But I wouldn't be doing it if I didn't think I and we could make a difference – and that I couldn't present a view that had Maori, and the NZ business community at heart.

While not a fan of group think, I am a firm proponent of collective thought, and I welcome yours.

One thing I can tell you from the meeting I attended in Sydney in February: New Zealand is extremely highly regarded in ABAC, due to the hard work of former Members and our executive team, and there is a lot of anticipation about our year – both in terms of the way we ourselves do business and the substance of what we will be recommending to APEC Leaders.

So, please – I invite you to share your views with us (to info@nzibf.co.nz) and look out for opportunities to engage through Te Taumata, your local business association or sector group – we appreciate your contributions and participation.