

## **Apec to tackle nitty-gritty of doing business**

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***Esther Teo, 11 October 2009***

Let's get down to business.

That is why the new agenda for Asia-Pacific Economic Cooperation (Apec) economic integration will focus on day-to-day obstacles faced by businesses, rather than big-picture issues such as the lowering of tariffs.

Mr Ravi Menon, permanent secretary of the Ministry of Trade and Industry, said the nitty-gritty details of making businesses cheaper, easier and faster will be key to facilitating the next wave of economic integration.

Speaking on the second day of an economic conference organised by the Pacific Economic Cooperation Council (PECC) yesterday, he noted: 'Amateurs discuss strategy, professionals discuss logistics. I think this is true not only in war, but also in trade.

'We need plumbers to unblock some of these arteries that are clogged and not architects to build new grand edifices and structures.'

Minister for Trade and Industry Lim Hng Kiang said last Friday that compared to cutting tariffs, these reforms will be administratively and technically more complex, requiring economies to have the capacity and will to implement them.

He cited the example of bilateral and regional free trade agreements (FTAs). Though they have increased rapidly in Asia, they have been inaccessible to businesses due to excessively tedious processes, raising the cost of compliance.

A recent Asian Development Bank survey shows that among 609 firms in East Asia, only 22 per cent had taken advantage of FTAs.

Mr Lim suggested that making regional supply chains smoother and more efficient, and improving the business and regulatory environment are ways in which Apec can contribute to the next tide of trade policy-related reforms.

After two days of deliberation, three major agendas were recommended by the PECC for the Apec Summit in the coming month.

It emphasised the important role that Apec plays as a representative of countries that are not part of the Group of 20 (G-20).

The G-20 is a group of industrialised and developing countries that account for almost 90 per cent of world economy.

The PECC also stressed the need to boost domestic demand and find new growth engines as well as provide a greater sense of security about the future through social-safety nets.

With the summit as the last chance for leaders to meet before the Copenhagen Climate Change Conference in December, it also recommends that Apec members develop their road maps for addressing the issue and work towards sharing best practices.