



APEC BUSINESS ADVISORY COUNCIL (ABAC)

U.S. MEMBERS:

Gary Benanav, Chairman and CEO, New York Life International
Michael L. Ducker, Executive Vice President, International, FedEx
Robert Prieto, Chairman, Parsons Brinckerhoff

WTO SERVICES OFFERS OPEN WAY FOR COMPREHENSIVE ECONOMIC GROWTH

JOINT STATEMENT BY THE U.S. MEMBERS OF THE APEC BUSINESS ADVISORY COUNCIL (ABAC)

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SEATTLE, W.A., April 2, 2003 — As the U.S. members of the APEC Business Advisory Council (ABAC), we welcome and support the action taken earlier this week by the United States to move forward in the Doha Round with initial offers for increasing global access to U.S. services markets. Services are fast becoming the major engine of growth in the global economy. They represent almost 80% of U.S. GDP, and more than 50 percent of combined APEC GDP.

Liberalizing trade in services through the WTO negotiations can be expected to pay large dividends for the world economy as a whole. The WTO is the only place where 145 countries can work together to remove key barriers to the movement of goods and services around the world.

Services have a unique role in the way they spur economic growth. Because services provide the essential framework tying all sectors of an economy together, liberalizing services results in efficiency gains for the entire economy. Because of the cross-cutting effects of services, benefits from their reform flow to many sectors simultaneously, generating faster growth across the board and lowering costs to consumers.

This is an especially important message for developing countries, which comprise the majority of the WTO's membership, and are key participants in the new WTO negotiations, formally the "Doha Development Agenda." We can think of no better way to give a major boost to economic development in the Asia Pacific region and around the world than open services markets.

At our March 2-5 ABAC meeting in Lima, Peru, ABAC identified services as a critical area for action and collectively called on APEC Leaders to promote open markets as an important step to promote increased economic growth throughout all APEC countries, particularly in developing economies.

We join U.S. Trade Representative Robert Zoellick, who announced the U.S. services offer on Monday, in calling for ambitious results from the WTO negotiations on services in the current global trade talks. We will be taking this message to our next ABAC meeting in May in Tokyo.

The Asia-Pacific Business Advisory Council comprises up to three senior business representatives from each of APEC's 21 member economies appointed by their respective heads of economy to advise APEC Economic Leaders and Ministers on issues affecting business. The three US ABAC Members are G. Gary Benanav, Chairman and CEO, New York Life International; Michael Ducker, Executive Vice President, International, FedEx; and Robert Prieto, Chairman, Parsons Brinckerhoff.