

Asia-Pacific Business Forum

Regional Integration to Achieve Sustainable Development

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ICC BANGLADESH INTERNATIONAL CHAMBER OF COMMERCE
The world business organization

Mahbubur Rahman
President
ICC Bangladesh

Message

International Chamber of Commerce (ICC) - The world business organization was founded in 1919 by a few visionary business leaders of Europe immediately after the First World War; having its HQs. in Paris. ICC has been promoting Free Market Economy, formulating various rules and guidelines for cross border trade and investment. ICC's 6.5 million member companies in over 130 countries have interests spanning in every sector of private enterprise.

The United Nations (UN) General Assembly has granted Observer Status to ICC at its 71st Session on 13 November held in New York. The new role for ICC means that business will, for the first time, have direct voice in the UN system. The decision paves the way for ICC to contribute directly to the work of the General Assembly and reflects the vital role the private sector will play in implementing the UN's 2030 Agenda for Sustainable Development.

Bangladesh National Committee of ICC, established in 1994, is comprised of major Chambers of Commerce & Industry, Business Associations, Stock Exchange, Banks, Non-banking Financial Institutions, Insurance Companies, Trans-national companies, Law Firms and large Corporate Houses having significant interest in international trade.

The activities of ICC Bangladesh include promotion of foreign trade and investment, trade policy reforms, business dialogues, seminars & workshops both at home and abroad on related policy issues, harmonization of trade law & rules, legal reforms, updating businesses with the ICC rules & standards for cross border business transactions.

ICC Bangladesh has been holding international conferences in Dhaka on various topical issues. It has so far organized five such international events.

At the request of UNESCAP, we are organizing the Asia Pacific Business Forum in Dhaka. In view of the 2030 UN Agenda on SDGs, we have chosen the theme as regional integration to Achieve Sustainable Development.

The Sustainable Development Goals have been based on the outcome of the eight anti-poverty targets of Millennium Development Goals (MDGs) which the world committed to achieve by 2015. Although significant achievements have been made on many of the MDG targets worldwide, progress has been uneven across regions and countries, leaving significant gaps. Millions of people are being left behind, especially the poorest and those disadvantaged because of their sex, age, disability, ethnicity or geographic location. So, SDGs have set target to reach the most vulnerable. Bangladesh is a star performer in relation to the MDGs.

As it is well known that eradicating poverty in all its forms and dimensions, including extreme poverty, is the greatest global challenge and an indispensable requirement for sustainable development. All countries and all stakeholders, acting in collaborative partnership, will implement this plan. Achieving such ambitious goals may sound very challenging, but not impossible.

I firmly believe that the Asia Pacific Business Forum 2017 which is bringing together policy makers, business leaders, expertise from home and abroad will come out with strategy and road map for achieving SDGs in the Asia Pacific Region through Public-Private partnership. It is also an expression of commitment to work hand-in-hand with the Government to overcome all challenges.

We welcome our delegates from abroad to Bangladesh and wish them a pleasant stay in Dhaka.

Mahbubur Rahman
Mahbubur Rahman

Regional Cooperation towards Achieving Sustainable Development

Prospects of Regional Cooperation and Integration

Concerns have been raised about how the 2030 Agenda will be implemented and monitored at the country and regional levels. Governments have been focusing on how to tailor the global goals to national contexts for their successful implementation and tracking progress. Taking the lack of undertaking regional approach in implementing MDGs in some of the sub-regions of the Asia Pacific, it is important to undertake a regional approach for implementing SDGs. Moreover, regional monitoring and review mechanisms is necessary to follow-up the progress of implementing SDGs. A close review of SDGs' means of implementation' reveals that regional perspectives are covered in the areas of poverty, food security, infrastructure, inclusivity, oceans, seas and marine resources and science, technology and innovation (UN, 2015). However, there are also areas in which regional perspectives are not covered - health, energy, economic growth and employment, sustainable production and consumption patterns and global partnership (UN, 2015). Hence actionable regional agenda could be developed by the UNESCAP.

The past decade has witnessed increased economic regional integration in the Asia-Pacific Region. Interregional trade and economic relations are supporting the emergence of the region as the fulcrum of the emerging international trade scenario. Many countries are negotiating major trade agreements, and intraregional foreign direct investment is also expanding in importance. However, the majority of regional cooperation and integration initiatives that have taken place are aimed at market integration, trade liberalization and financial cooperation, leaving behind the political, environmental and socio-cultural aspects of cooperation. While enhanced regional cooperation on trade can provide benefits, such as technology and information transfer and investments in green technologies, it can also impose risks to the environment, such as resource extraction and greater movement of goods and services.

Regional integration should, therefore, address promoting and mainstreaming sustainable development to "make existing regional integration efforts in trade, investment and infrastructure consistent with sustainable

development." For example, trade integration could establish mechanisms to promote resource productivity and sustainability across the entire production and supply chain and allow freer movement of labour to help reduce inequalities between countries. This megatrend interrelates with all the Sustainable Development Goals and will dramatically benefit from regional integration in approaching the set targets.

Bangladesh: A Development Surprise

Bangladesh has been the Star Performer in achieving most of the Millennium Development Goals (MDGs), out of the eight goals Bangladesh has achieved four. Analysts agree that Bangladesh has made major progress in the following areas such as reducing headcount poverty and the poverty gap ratio (more than 45 per cent of the extreme poor have been pulled out of the poverty trap); decreasing malnourishment and the number of underweight children under five years of age; attaining gender parity in primary and secondary education in both rural and urban areas; increasing the net enrolment ratio at the level of primary schools; lowering infant mortality rates and the maternal mortality ratio; increasing the percentage of one-year old children immunized against measles and polio, reducing deaths from malaria and tuberculosis and in the provision of improved drinking water. Taking the lessons of MDGs and thereby devising specific Goals, would be better approach to achieve different targets of SDGs.

While many developing countries may face the challenge of mainstreaming the SDG framework in national development plans and policies, Bangladesh however would face less challenge because of its better preparedness in the course of formulating long term policies including Seventh Five Year Plan and various sectoral policies and measures. However, out of the 17 SDGs, eight goals are better integrated into the existing national prioritization processes.

Implementation of SDGs would not be easy for Bangladesh. According to experts financing will be a major challenge for Bangladesh to attain the SDGs. We all know that the private sector is not only a source of financing, but it is also an actor in development.

Its role, especially when motivated by long-term sustainability interests, lies in core operations and the wide impact of business, and relates directly to UN values, poverty eradication and the spectrum of issue areas covered by the proposed SDGs. This dynamic role as a driver of sustainable economic growth brings with it opportunities in value creation as well as important responsibilities for business as a driver of sustainable economic growth.

Conclusion

Turning SDGs into reality is primarily the responsibility of countries, but it will also require new partnerships and international solidarity. Everyone has a stake and everyone need to make its own contribution. At the regional level, countries will share experiences and tackle common issues, while on an annual basis at the United Nations, the High-Level Political Forum on Sustainable Development (HLPF), will take stock of progress at the global level, identifying gaps and emerging issues, and recommending corrective measures.

Achieving the SDGs in all countries will require additional resources which is amounted to in the range of US\$5 trillion to US\$7 trillion per year. Developing countries will need between US\$3.3 trillion and US\$4.5 trillion a year. At the current level of public and private investment, there is an annual financing gap of US\$2.5 trillion (3.4% of world GDP). The cross-border flow of the global proceeds from criminal activities, corruption and tax evasion is estimated to be between US\$1 trillion and US\$1.6 trillion per year which if possible to capture, could significantly meet the requirement of domestic resources for implementing SDGs.

The Asia Pacific Region should have a regional and sub-regional framework of cooperation with regard to implementing SDGs. Under the framework, an actionable agenda should be set on monitoring the progress of regional cooperation between different stakeholders concerning different targets of sustainable development.

The private sector of the Region should develop their codes of conduct and other strategies taking into account the SDGs. A regional initiative under the auspices of UNESCAP could better supplement the national plans and strategies taken by the countries to achieve the sustainable development.



UNITED NATIONS ESCAP
Economic and Social Commission for Asia and the Pacific

Dr. Shamshad Akhtar
Under-Secretary-General of the United Nations & Executive Secretary of The Economic and Social Commission for Asia and the Pacific to the Asia-Pacific Business Forum

Message

With the adoption of the 2030 Sustainable Development Agenda in September 2015, United Nations Member States has agreed to end extreme poverty, fight inequality and injustice and protect the planet, achieving the 17 Sustainable Development Goals (SDGs). However, this effort presents major challenges and requires the active participation of all stakeholders, in particular the private sector. Indeed, it would be impossible to accomplish the SDGs without active cooperation from business, which is a chief engine of growth and development through innovation, job creation and income generation.

The SDGs require new commitments and partnerships that go beyond traditional North-South financial and technical assistance. They must address crucial issues of inclusivity, resilience and sustainable development. Government, business and civil society must productively collaborate to meet social and environmental needs that none of them cannot meet alone. In particular, a more enabling investment environment at the national, subregional and regional levels is required. This would help to build solid public-private partnerships that focus on finding innovative ways to enhance access to financing for inclusive regional development, to promote science, technology and innovation in the digital economy era, to mitigate and adapt to climate change and to forge regional cooperation to harness sources of renewable energy. In this context, the protection and empowerment of micro, small and medium-sized enterprises (SMEs) takes on particular importance, given their role as job creators and innovators. SMEs face critical challenges that could be tackled with innovative financial mechanisms and the development of effective cross-border value chains through trade and transport facilitation and harmonization.

In order to actively engage the business sector, the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP) organizes the Asia-Pacific Business Forum (APBF) as an annual multi-stakeholder forum in the region. Since its inception in Shanghai in 2004, the Forum has provided a stage for regional dialogue between the public and private sectors on the role that business occupies in achieving desired socioeconomic development and is steered by the ESCAP Business Advisory Council (EBAC) and the Sustainable Business Network (ESBN). Graciously hosted by Bangladesh, ESCAP is proud to support the 2017 session of the Forum, which will be held in Dhaka, Bangladesh, on 8 and 9 February 2017. ESCAP is very grateful to the National Organizing Committee which includes the Ministry of Commerce of Bangladesh, the International Chamber of Commerce Bangladesh (ICCB) and other governmental and business agencies, for their significant contribution to this year's Forum. They have led diverse development activities including the promotion of foreign trade and investment, trade policy reviews and development, business dialogues and harmonization of cross-border trade rules and procedures. At this year's Forum, senior government officials, business leaders, industrial experts, academics, representatives of multilateral agencies and other professionals will discuss how they can collaborate to achieve the SDGs while providing technical, financial and political support.

I wish the Asia-Pacific Business Forum 2017 successful deliberations.

Dr. Shamshad Akhtar
Dr. Shamshad Akhtar



Romi Ganchan Thakali
Minister
Commerce Government of Nepal

Message

I am pleased to note that ICC Bangladesh is bringing out a Special Publication on the occasion of Asia Pacific Business Forum meeting focusing the role of regional integration to achieve Sustainable Development Goals (SDGs) in Asia Pacific Region.

The Asia Pacific region is diverse in geography, economic status and social well-being. This region is also endowed with immense natural resources. Most of the LDCs in the region are facing with formidable challenges of poverty, unemployment, malnutrition, illiteracy and low human development. Hence, our efforts should be geared towards liberating our poor people from the poverty trap. The region is also confronting a wide range of interrelated challenges, such as terrorism, transnational crimes, human and drug trafficking, climate change, food insecurity and so on. Therefore, we need to consolidate our strengths and energy for capitalizing opportunities of trade, tourism, hydro-power, agriculture, mineral and marine resources for bringing a positive change in the life of our people.

Overcoming infrastructure bottlenecks particularly smooth supply of energy and promoting connectivity in terms of road and railway networks, air-links, ports and inland waterways, as well as communication networks are critical for promoting trade and investment in the South Asian region. We need to strengthen our partnership for the effective implementation of SDGs and help eradicate poverty from the region at the earliest.

Nepal continues to be an active member of the global initiative for sustainable development and is fully committed to achieve SDGs by 2030. SDGs have been well integrated into the Fourteenth Periodic Plan of the country, and the Government of Nepal is determined to achieve the set goals by the stipulated time frame.

I am confident that this publication puts forward comprehensive and insightful views from political as well as business leaders, experts and academia from the region regarding regional integration to achieve SDGs. It certainly helps strengthen partnership and collaboration between Governments and private sectors in the region. I congratulate the whole team of this special publication for producing such a useful document.

Romi Ganchan Thakali
Romi Ganchan Thakali



ICC INTERNATIONAL CHAMBER OF COMMERCE
The world business organization

Sunil Bharti Mittal
Chairman
International Chamber of Commerce (ICC)

Message

It's clear that the global challenges we face in 2017—from climate change to extreme poverty to jobless growth—call for enhanced dialogue and cooperation between business and governments.

ICC is the world's leading business organisation: representing more than 6 million members in over 100 countries. We play a vital role in representing businesses at the global level in processes that effect not only the bottom line of companies, but the global economy—and society—as a whole.

We are the leading representative of business at the World Trade Organisation and the United Nations—indeed, we are the only business organisation to have been granted Observer Status at the UN General Assembly.

Over the coming year, ICC will continue to play a vital role in representing industry in many international regulatory processes—ensuring that global policies support and enable private sector led growth and job creation.

Our role as the world business organisation has never been more vital or important. And under my chairmanship I am committed to ensuring that the voice of industry is heard where it matters most—and to ensuring that business is a genuine force for good in addressing the pressing global challenges we face today.

Sunil Bharti Mittal
Sunil Bharti Mittal



Mukhisa Kituyi
Secretary-General

Message

The world economy expanded by just 2.2 per cent in 2016, its slowest rate of growth since the Great Recession of 2009. Underpinning this sluggish growth are the weak pace of global investment, dwindling world trade growth, flagging productivity growth and high levels of debt. Low commodity prices have exacerbated these factors in many commodity-exporting countries since mid-2014, while conflict and geopolitical tensions continue to weigh on economic prospects in several regions. Amidst this continued slow growth, East Asian and South Asian economies have been increasingly driven by domestic consumption but have also seen continued growth in investment, especially in infrastructure. UNCTAD data shows Developing Asia saw FDI inflows increase by 16 per cent to \$541 billion in 2015 - a new record. However, the slowdown in private sector investment growth in some countries raises concerns, as it suggests that the significant increases in corporate debt burdens, particularly in East Asia, have failed to deliver a comparable increase in productive capital stock.

To help bolster business prospects in this constrained global environment, economies in Asia and the Pacific can take steps to make investment in the region more sustainable. Such efforts should include a continued focus on deeper regional economic trade integration and infrastructure, stronger national and regional investment policies, including improved investment facilitation measures, as well as targeted measures to support young entrepreneurs and the expansion of the digital economy, particularly for small and medium-sized businesses. These steps will not only strengthen the region as a growth engine for the world economy by improving productive capacity, but they will also help eradicate poverty and move Asia and Pacific economies onto a low-carbon growth path.

Mukhisa Kituyi
Dr. Mukhisa Kituyi



Roberto Azevedo
Director-General
World Trade Organization

Message

The adoption of the 2030 Sustainable Development Agenda was a historic moment for the global community. It represents an important commitment towards improving lives and promoting shared prosperity across the planet. Now we must turn that promise into reality.

Cooperation on all levels will be key if we are to achieve the the Agenda and its Sustainable Development Goals. Initiatives like the Asia-Pacific Business Forum can be an important platform to foster this debate, and explore how the public and private sectors can join forces. I would like to commend you for this initiative, and wish you a successful event.

Trade, and World Trade Organization Members, must play their full part in implementing the 2030 Agenda. With the right policies, trade can help to bring in new investment, create jobs, and provide access to technologies. And all of this can transform lives.

A healthy trading system requires progress and engagement at all levels. Regional initiatives can play an important role here, helping to spread the benefits of trade. However, global deals can deliver greater benefits, and at the WTO, we have made important progress over recent years.

In 2013, WTO Members agreed the Trade Facilitation Agreement, which will cut trade costs by an average of 14.5 per cent, and the biggest benefits will be felt by the poorest countries. In 2015, Members abolished export subsidies in agriculture, the biggest reform in agriculture trade in 20 years. These are very important achievements, but of course there is much more to do.

WTO Members are now discussing how we can make progress in a wide range of areas, including agriculture, services, fisheries subsidies and many more. Members are looking at the next WTO Ministerial Conference, to be held in Buenos Aires in December 2017, as an opportunity to make further progress.

It is vital to continue working together to strengthen the trading system and ensure that it can deliver for jobs, growth and development. I look forward to working with you in this effort.

Yours sincerely,
Roberto Azevedo
Roberto Azevedo



Victor K. Fung
Chairman, Li & Fung Group
Former Chairman
International Chamber of Commerce (ICC)

Message

It was a momentous event when the world's nations came together in 2015 to agree on the UN Sustainable Development Goals. These 17 measurable Goals will guide the development of our global society until 2030, including how we deal with our planet and create prosperity for all.

A unique feature of these Goals is the recognition that the participation of Business - in partnership with Government and Civil Society - is essential to success. But it is not enough for Business to participate only in the consultation process. To create the world we want, Business has to continue to be engaged throughout implementation.

In this context, I commend the organisers of the 2017 APBF for choosing the theme of Linking Business with the Sustainable Development Goals: What can we do? I would also like to pay tribute to Mr Mahbubur Rahman, Chairman of ICC Bangladesh, for his leadership.

Victor K. Fung
Victor K. Fung



Lise Kingo
CEO & Executive Director
UN Global Compact

Message

I send my warmest greetings to the Asia Pacific Business Forum, and commend this gathering of government, corporate, civil society and UN leaders who are so dedicated to putting the Sustainable Development Goals into action.

With the SDGs and the Paris Climate Agreement in force, we have a powerful common agenda for achieving peace and prosperity on a healthy planet by 2030 - with an essential role spelled out for business.

Business is the change agent that can spur innovation, unleash investments and power sustainable growth across the planet. The task now is to raise awareness of the SDGs with businesses and inspire concrete action and partnership everywhere.

Every company can take steps to improve our world - and it starts by doing business responsibly in line with the universal principles. Let's spread the word far and wide that responsible business is a force for good.

Your advocacy and example play an important role in driving more action on our shared goals. Working together we can accelerate change in order to meet the 2030 Agenda for Sustainable Development.

I wish you a very successful meeting.

Lise Kingo
Lise Kingo

Platinum Partners: BIDA Bangladesh Investment Development Authority, Standard Chartered

Gold Partners: BIA Bangladesh Insurance Association, City Bank, Shasha Dennis Ltd.

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