

Juan F. Raffo
ABAC Chair 2008

August 18th, 2008

The Honorable Minister Rafael Rey
Chair, APEC SME Ministers Meeting
Ministry of Production
Peru

Dear Minister Rey:

As representatives of the APEC business community, ABAC members are very aware that the region has become the engine-room of global economic growth. During the last four years, the APEC region has been growing at 5% on average although a number of economies have performed much above average. Poverty levels that for decades resisted all efforts to lower them have now begun to respond to the positive forces of change. As good as these achievements have been, there remain significant differences between developed and developing economies within the region. There is also a gap within economies between those people who have benefited from growth and globalization and those who have not.

My ABAC colleagues and I are conscious of the rise in regional expectations. The business community accepts a serious responsibility to contribute to meeting those heightened aspirations. This is why the Theme for ABAC in 2008 is "Mind the gap: making globalization an opportunity for all". Our work this year is focused on developing recommendations for concrete measures to transform growth into lasting development to spread the benefits of globalization more widely between and within APEC economies. This work will be approached through three sub-themes, as follows:

- **Achieving trade and investment liberalization**
- **Facilitating business**
- **Capacity Building for sustainable growth and development**

We believe that the region's continued economic transformation depends on individual APEC economies being globally competitive. Since Small and Medium Enterprises (SMEs), including micro-enterprises, are the backbone of most of our economies, ABAC has as one of its main priorities for this year the enhancement of SME development. As part of this effort, ABAC has recently endorsed a Statement on SMEs calling for the implementation of special support programs on technological infrastructure, financing capacity building and training, which I am pleased to present to you and is attached to this letter.

We look forward to discussing the attached recommendations with APEC SME Ministers when we meet in Chiclayo next week.

Sincerely,



Juan F. Raffo
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