



30 July 2023

The Honorable Xavier Becerra

Chair, APEC High-Level Meeting on Health and the Economy
Secretary of Health and Human Services
Department of Health and Human Services
United States

Dear Secretary Becerra,

On behalf of the APEC Business Advisory Council (ABAC), we are pleased to share our key recommendations to APEC Health Ministers ahead of the High-Level Meeting on Health and the Economy in Seattle, Washington.

Health is a fundamental human right and essential to achieving the APEC Putrajaya Vision 2040 of an “open, dynamic, resilient and peaceful Asia-Pacific community by 2040 for the prosperity of all our people and future generations,” including through the implementation of the Aotearoa Plan of Action, which outlines “enable quality and equitable health access and outcomes for all with a view to achieving universal health coverage, including by strengthening health systems”. As we learned from the COVID-19 pandemic the health of our populations is inextricably linked to the success of our economies. To this end, we must remain committed to working together toward improved health outcomes for all.

We commend APEC’s commitment to deepen engagement with ABAC and the private sector through sustained and meaningful engagement opportunities within APEC’s health workstreams. ABAC is supportive of the 2023 High-Level Meeting on Health and the Economy priorities of digital health, the intersection of gender and health and pandemic response, recovery, and preparedness. The recommendations in this letter will focus on digital health and aspects of pandemic response, recovery, and preparedness. In light of the valuable contributions public-private sector collaboration has made in this sector, we urge your swift resolution on the placement of the Regulatory Harmonization Steering Committee, the APEC Harmonization Center and the APEC Health Sciences Academy within the APEC structure. These programs provide tangible and valuable outcomes for medical practitioners and harmonization of health regulations among APEC economies.

ABAC’s key recommendations are as follows:

Digital Health

Aging societies, the rise of infectious and chronic non-communicable diseases, and increased diagnoses of mental health diseases represent some of the most pressing health challenges in APEC economies. Solutions through digital health innovations have the potential to transform the healthcare system and address these challenges while reducing costs and promoting health equity, particularly among underserved and vulnerable populations.

Interoperability and health data

The digitalization of health systems benefits personal and public interests when designed with interoperability in mind. Interoperable digital health records across information technology systems are needed to fully activate these benefits. Patients and medical providers are able to access records faster which expedites pharmaceutical research to invent new medicines, treatments, and personalization of treatment. ABAC recommends that APEC Health Ministers:

- Facilitate the free, trusted and secure flow of data to harmonize data regulations across borders, adoption of electronic health records and employ the use of interoperable data standards within health systems.
- Take the Organization for Economic Cooperation and Development's proposal to establish a health data governance framework and advance the recommendation further to make tangible and concrete progress on this issue within the next year.
- Strengthen the coordination of digital health initiatives, capacity building efforts, and digital literacy programs for digital health opportunities in the Asia-Pacific region.

Artificial Intelligence in healthcare

Use of advanced technology in health care systems can allow patients, medical providers, and professional caregivers to optimize their experience. Artificial Intelligence (AI), virtual reality (VR), the internet of things (IoT), digital therapeutics, advanced networking like 5G and 6G, cloud computing, big data, and AI algorithms are key to enabling smart health care as a new service. Future hyperconnectivity with scalable storage in the cloud will be important to providing real time application, trust, security, and interoperability.

In the new value chain of data-driven economies within digital healthcare more hospitals are collecting data at different rates. Some health systems have big data, and some have small data. The next step is to analyze capabilities around machine learning to turn big data into AI and algorithms for use in new medical devices or other smart health applications. Despite the abundance of data, a digital divide comprised of a lack of digital skills training and infrastructure prevents medical professionals from utilizing this technology. The 2023 ABAC workshop to “Do AI Yourself” coached medical practitioners without an IT background from 19 APEC economies to convert data intelligence to AI for smart health and assist in diagnoses. This workshop is an example of a new practice to understand recommendations and the right technology to apply and accelerate the adoption of the digital health transformation. ABAC recommends that APEC Health Ministers:

- Collaborate to develop clear and comprehensive ethical guidelines for the use of AI in the healthcare sector. These guidelines should address crucial aspects such as data privacy, informed consent, transparency, and algorithmic fairness. By addressing ethical considerations upfront, APEC can lay a strong foundation for the responsible and sustainable use of AI in healthcare, ultimately benefiting patients and healthcare systems in the region.
- Bridge the digital divide and promote equitable access to AI technology in healthcare while minimizing the requirement for specialized IT skills, economies can facilitate collaborations and partnerships between healthcare institutions, AI technology providers, and research organizations to provide no-code AI solutions. By bringing together

stakeholders from different domains, economies can promote knowledge sharing, exchange best practices, and foster innovation in the field of no-code AI in medical health.

Telemedicine

While telemedicine allows more people to access care, there remains a digital divide among certain demographics, geographies, standards, and economies. The progress of telemedicine will fortify healthcare networks and promote greater cross-border collaboration. ABAC recommends that APEC Health Ministers:

- Establish a resilient regional framework that empowers smart medicine while fostering positive health outcomes. Digital trust and security will enhance the telemedicine framework through a collaboration with health big data in the APEC region and needs to consider privacy, security, the format, and protocols.

Pandemic Preparedness and Response

The economic impact of the COVID-19 pandemic

The economic effects of the COVID-19 pandemic are still significantly felt today as APEC economies transition to the endemic phase of the disease. The economic burden placed on APEC economies from COVID-19 due to both the direct and indirect costs is estimated to be in the range of billions of dollars across the region. Direct economic costs are associated with public infrastructure, hospital visits, and use of treatments while indirect economic costs are linked to a loss in productivity because of absenteeism from work caused by being ill or caring for dependents affected by the disease. We urge APEC Health Ministers to maintain a continued state of vigilance and warn of the risks of “pandemic amnesia” leaving health systems unprepared to address the threat of a new pandemic or resurgence of COVID-19 now or in the future. ABAC recommends that APEC Health Ministers:

- Take up the ongoing monitoring of direct and indirect costs of the economic burden that COVID-19 places on populations and economies.
- Establish a framework of best practices and sharing to identify ongoing COVID-19 infections and monitor the impact of COVID-19 economic response and recovery initiatives being implemented.
- Take a whole-of-government approach, ministries and departments can collaborate to address the economic impact of COVID-19.
- Adopt coherent approaches to regulatory authorization and approvals for vaccines and other therapeutics, like readily available oral anti-viral medicines, will enable greater access to available treatments.

Supply chain resilience in healthcare

While healthcare companies ‘flexed’ their supply chains to address unprecedented demand during the COVID-19 pandemic, the challenges underscored the importance of strengthening collaboration and mutual understanding between governments and business to jointly address vulnerabilities in supply chains in order to build greater responsiveness and resilience into

healthcare systems. ABAC commends Health Ministers for taking time to identify supply chain resilience lessons from the COVID 19 pandemic. ABAC calls on APEC Health Ministers to:

- **Keep trade flowing** by building flexibility in supply chains. Healthcare supply chains in APEC are deeply integrated and interdependent. It was international trade and global interdependence that established flexibility in supply chains allowing critical medical products such as Personal Protection Equipment (PPE) supplies to get to Asia in the early days of the pandemic, and then back to the Americas a few months later. Unimpeded product flows are critical because healthcare supply chains are complex, with multiple parts and components required to create finished goods. This includes contributions of multiple tiers of suppliers whose inputs in the value chain are critical to ensure hospitals, clinics, and community centres are well equipped to fight a pandemic.
- Create an enabling environment that balances efficiency with resilience of supply chains. To build further resilience, healthcare businesses are focused on integrating visibility, connectivity and robustness into their supply chains to ensure appropriate supply for critical medical goods and their inputs. These aspects require the private sector to balance trade-offs between resilience and efficiency. To support healthcare supply chains in this process, ABAC requests economies to focus on **creating the enabling environment** for businesses to maximize efficiency while ensuring resilience across R&D, sourcing, production and distribution.
- **Accelerate work to improve global regulatory harmonization** for healthcare products. During the pandemic, access to vaccines and therapeutics could have been faster with more regulatory flexibility, reliance and harmonization for regulatory audits, product approvals or even customs clearance.
- Double down on supporting policies that advance greater **digitization of supply chains** including data used in the normal course of doing business to be transferred to support serialization, real-time visibility, and collaboration.
- Enhance air cargo, land, ocean, and multi-modal; **transportation connectivity** including cross-border and last mile **cold-chain** capabilities to improve access to critical medical products.

We thank you for your inclusion and support of the private sector in the Health Working Group activities and the High-Level Meeting on Health and the Economy this year. We stand ready to collaborate with you.

Yours sincerely,



Dominic Ng
ABAC Chair 2023