

23 July 2025

Ms. Young-sook Shin

Chair, Women and the Economy Forum
Acting Minister of Gender Equality and Family
Republic of Korea

Dear Ms. Shin,

The APEC Business Advisory Council (ABAC), representing the business community of the Asia-Pacific, writes today with a straightforward message: equalizing the economic playing field for women is not just good policy – it is smart business that drives bottom-line results and regional competitiveness.

The World Economic Forum's 2025 Global Gender Gap Report shows that, while economies have made progress in closing gender gaps, on the current trajectory, we remain 135 years away from parity in economic participation and opportunity. Meanwhile, our region faces ongoing supply chain disruptions, technological upheaval, and the massive capital requirements of the green and digital transitions. Businesses are under extraordinary pressure. Put simply, we cannot afford to leave half of our talent on the sidelines – but APEC economies continue to fall short on fundamentals such as pay equity, STEM education and careers, basic equality under law, free movement and ability to open bank accounts, and women's access to venture capital.

Harnessing Pay Equity for Regional Prosperity

Gender equality in the workplace is a cornerstone of regional prosperity. Inclusive organizations are more profitable, innovative, productive and resilient, and can retain and attract talent. Yet persistent gender pay gaps across APEC economies continue to constrain the region's economic potential. This year, ABAC has commissioned research into employer-level gender pay disparities. The findings confirm that the gap reflects persistent structural challenges: unequal access to leadership, undervaluation of care work, gendered workforce segregation, and a lack of transparency in remuneration practices.

To tackle these challenges, we are proposing a voluntary *Equal Pay Framework* to guide business-led responses that align with the APEC Gender Equality Structural Reform Principles and the La Serena Roadmap. The Framework will enable companies, particularly micro-, small and medium-sized enterprises (MSMEs), to take voluntary, non-regulatory measurement and action. It includes standard metrics and reporting templates that can be adapted by firms across legal systems and development stages.

The implementation of the Framework will support APEC's commitment to inclusive, sustainable economic growth and will unlock the full economic and trade potential of gender equality. The economic rationale is clear: closing the gender pay gap could add up to USD 4.5 trillion in regional GDP, and would make Asia-Pacific supply chains more robust, talent-rich, and globally competitive.

In short, we urge APEC Ministers to recognize and champion gender pay transparency as a foundational step in building fairer, more resilient economies. We encourage APEC Ministers to endorse our Framework, support its uptake across the region, and to task APEC forums to embed gender-responsive approaches into their core agendas, including in the trade, finance, innovation, and structural reform tracks.

Trade: The Structural Game-Changer

Trade can drive the development of new and better economic opportunities for women. APEC economies should center the policies that seek to address structural impediments to full economic participation by women in all trade and economic integration initiatives. This is particularly relevant in our work to realize the Free Trade Area of the Asia Pacific (FTAAP). The initiatives described above can offer “bottom up” deliverables, consistent with the Ichma Statement; in parallel, “top down” efforts should include gender-responsive approaches to trade governance, including through wider adoption of the Global Trade and Gender Arrangement (GTAGA) – of which six APEC economies are already members. The GTAGA promotes gender equality and women’s economic empowerment, builds consensus and provides networking opportunities for women-led enterprises, particularly MSMEs. We urge all APEC economies to consider becoming members of the GTAGA to further support women’s economic empowerment.

In addition, recognizing the catalytic effect that digitalization can have on the growth of women-led businesses, APEC economies should also establish a New Services Agenda to facilitate, enable and promote women’s engagement in trade in digitally-deliverable services.

STEM and the Green Economy: Where the Money is Moving

The digital and green economy transitions represent the largest wealth creation opportunity of our age. Artificial intelligence, biotechnology, clean energy and sustainable infrastructure can generate trillions in economic value – but to do so will require a sizeable, skilled and mobile workforce. Yet women face persistent structural barriers in accessing green, digital and science education and jobs. This calls for deliberate action: a commitment to lifelong education and training for women in green, STEM and digital spheres; gender targets in green transition plans; gender-disaggregated data to inform policy development; and inclusive workplace policies. The economies that crack this code will dominate tomorrow's industries. Those that do not will watch capital and talent flow elsewhere.

Venture Capital: Fixing a Broken Market

Women entrepreneurs receive less than 2 percent of venture capital funding globally, despite generating higher revenue per dollar invested and a distressing lack of impact of at least a decade of efforts to encourage women’s entrepreneurship and access to capital. This is not just unfair—it is economically irrational. It also undermines our collective ability to innovate and achieve resilient growth. Financial institutions and the wider business community have a responsibility and a strong incentive to tackle in-built biases in lending practices, including through deploying gender-responsive approaches and promoting equal access to venture capital. These efforts must be supported by an enabling policy environment, potentially including legislative action on disclosure measures, as appropriate for each market.

APEC Gender Equality Structural Reform Voluntary Principles

Last year, APEC welcomed the APEC Gender Equality Structural Reform Principles, covering education training and skills development, access to capital, assets and markets, labor force participation and economic participation and leadership. ABAC has committed to support and promote implementation of the Principles, and will continue to work to identify ways in which business might contribute to that process.

The Bottom Line

Women's economic empowerment – across jobs, firms, in trade and in the new digital and green economies – delivers significant economic returns. Businesses and economies that get ahead of this trend will capture disproportionate value. Those that lag will find themselves at a structural disadvantage. Year after year, we jointly commit to slightly adjusted targets and promises, with little material change for women in our region. ABAC stands ready to partner with you to advance the initiatives we outline above to enable all of our economies to thrive. Our region has always led through pragmatic innovation. Let us apply that same mindset to unlocking our region's greatest untapped economic resource.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'H. S. Cho', with a stylized flourish at the end.

H. S. Cho
ABAC Chair 2025