APEC Business Advisory Council

21 July 2026

His Excellency Wang Hongzhi
Chair, APEC Energy Ministerial Meeting
Administrator of National Energy Administration
People's Republic of China

Dear Minister Wang,

The APEC Business Advisory Council (ABAC), as the voice of business in the Asia-Pacific, offers the following recommendations as economies work to strengthen energy security, enhance competitiveness, and advance practical pathways for the energy transition.

As demand rises and energy systems evolve, APEC economies will require policies that promote investment, innovation, and resilient energy systems. Meeting future energy needs while advancing cleaner growth will require substantial investment in energy infrastructure, emerging technologies, and the minerals and metals supply chains that underpin the transition.

ABAC's theme this year, "Openness, Connectivity, Synergy," reflects our belief that open markets, stronger connectivity, and regional cooperation are essential to building a more resilient, secure, sustainable and competitive Asia-Pacific. In this spirit, ABAC encourages Energy Ministers to advance policies that mobilize private capital, strengthen regional cooperation, accelerate innovation, and support reliable, affordable, and sustainable energy systems, including through trade and investment in green goods and services and renewable energy, and the greening of trade systems, standards and processes.

ABAC recommends that Energy Ministers:

• **Mobilize private capital to finance the energy transition.** Each economy will require comprehensive investment to promote energy transition depending on their readiness level. Public resources alone will not be sufficient. ABAC encourages economies to improve regulatory certainty, reduce investment barriers, simplify regulatory processes, and strengthen transparent and tax-competitive energy transition frameworks, as key enabling conditions for attracting private investment and giving businesses the confidence to deploy capital. Public-private partnerships, blended finance, loan guarantees, and co-investment mechanisms can help de-risk large energy projects and accelerate investment in sustainable energy systems, including renewable generation, transmission, storage, hydrogen, carbon capture, smart grid infrastructure, and the mineral supply chains necessary to support these technologies. Stronger investment frameworks will accelerate the energy transition while supporting energy security, resilience, competitiveness, and access.

• **Advance regional energy connectivity and infrastructure.** Energy security and economic resilience will increasingly depend on better-connected systems across the region. ABAC encourages Energy Ministers to advance regional energy infrastructure, including electricity interconnections, LNG and natural gas infrastructure, hydrogen corridors, and transmission projects. Stronger regional connectivity can reduce barriers, improve system reliability, support new energy technologies, and deepen cooperation across APEC economies. In doing so, a careful balance will need to be struck between economic growth, competitiveness, energy security and environmental integrity.

• **Support sustainable mining and resilient minerals and metals value chains.** Minerals and metals play an important role in supporting energy systems, industrial development, technological innovation, and economic growth. ABAC encourages APEC economies to promote responsible resource development, facilitate investment, innovation, and cooperation across mineral value chains, and strengthen transparency and resilience in international mineral trade. Given their growing importance for energy security, competitiveness, and resilience, ABAC encourages Energy Ministers to support enhanced high-level engagement within APEC on mineral-related opportunities, challenges, and policy coordination and to note the ABAC Roadmap on Sustainable, Responsible and Competitive Mining Sector in APEC.

• **Promote carbon markets as an alternative financing tool.** Affordable financing options are essential for a realistic, cost-effective, secure, and just energy transition. Carbon markets can help mobilize private investment, support emissions reduction projects, and create new incentives for businesses to participate in the transition. ABAC encourages regional coordination to stimulate the use of carbon market mechanisms as alternative financing instruments while supporting transparency, credibility, and interoperability across economies. ABAC recommends the creation of a structured forum for an APEC dialogue on carbon markets and the development of an APEC Transition Roadmap to better understand and improve the knowledge and readiness gap in the region for enabling international cooperation to tackle climate change and unlock financial support for developing economies.

• **Advance artificial intelligence for sustainable growth and energy transformation.** ABAC welcomes growing regional attention to the role of artificial intelligence (AI) in energy systems. AI can improve risk prediction, energy optimization, manufacturing efficiency, logistics performance, and climate adaptation. The responsible deployment of AI across energy systems can help economies improve resource efficiency and strengthen competitiveness. At the same time, use of AI can pose data risks, and increased energy and resource consumption. Therefore, ABAC encourages Energy Ministers to support governance approaches that promote trust, accountability, and inclusion while enabling innovation. Long-term institutional capacity, better data infrastructure, and flexible regional coordination will be essential to ensuring that AI adoption supports energy and sustainability objectives across economies.

• **Accelerate the transition to zero- and low-carbon mobility.** Decarbonizing transport is important for energy security, emissions reduction, and industrial competitiveness. ABAC encourages Energy Ministers to support electrification and zero- and other low-emission mobility solutions across land, maritime, and aviation transport where feasible. This will require enabling infrastructure, including charging and fueling networks, smart grid upgrades, energy storage solutions, fuel supply systems, recycling, and circular economy practices. Greater harmonization of technical standards, interoperability frameworks, and safety requirements can reduce fragmentation and support economies of scale. Ministers should also support open and resilient supply chains for zero- and low-emission transport technologies, fuels, and related materials so that economies can pursue practical pathways toward decarbonization.

• **Support greener trade and investment.** Many of the topics listed above depend at least to some degree on cross-border trade. However, fragmented policy frameworks, misaligned technical standards, and mounting green barriers impede the free flow of environmental goods, services, technologies and investment in the region. ABAC underscores the necessity of establishing a Greener Trade Framework, based on a set of WTO-consistent principles, reflecting ABAC's Climate Leadership Principles of Reduction, Adaptation and Just Transitions, and enabling a comprehensive green transformation of the trade system, including liberalizing trade in green goods and services, the greening of trade processes and standards, and coherent approaches to carbon footprint methodology and certification. ABAC also recalls its previous proposed Roadmap for Trade and Investment in Renewable Energy.

ABAC stands ready to work with Energy Ministers, officials, the Energy Working Group, and relevant APEC fora to advance practical solutions that support reliable, affordable, and cleaner energy systems across the Asia-Pacific and contribute to shared objectives on energy security, innovation, connectivity, and economic growth.

ABAC welcomes the opportunity to discuss these recommendations and looks forward to continued collaboration.

Yours sincerely,

Li Fanrong
ABAC Chair 2026