



**Asia-Pacific
Economic Cooperation**

2014/SMEWG39/042
Agenda Item: 16.1

Business Ethics for APEC SMEs Initiatives

Purpose: Information
Submitted by: United States



**39th Small and Medium Enterprises
Working Group Meeting
Nanjing, China
3-4 September 2014**

Ms. Lynn Costa

Project Overseer, Business Ethics for APEC SMEs Initiative

Senior Policy Advisor for Global Markets U.S. Department of Commerce

United States



What have we achieved?

APEC Principles for codes of business ethics in three sectors, **setting the highest ethical standards for the region**, each developed by experts from government, industry and academia from all 21 APEC economies.



Endorsement by APEC Ministers (Foreign and Trade Ministers) in the U.S. APEC Host Year



"We applaud the decision of the APEC SME Ministers at Big Sky, Montana in May 2011 to endorse the Kuala Lumpur Principles for Medical Device Sector Codes of Business Ethics. This set of principles for the region's medical devices industry is the first of its kind, and will improve the quality of patient care, encourage innovation, and promote the growth of SMEs that produce medical devices."



Support by APEC Leaders (Heads of State) in the Russia APEC Host Year



*Corruption is "...a tremendous barrier to economic growth, the safety of citizens, and to the strengthening of economic and investment cooperation among APEC...**We will also support the efforts of respective member economies to build capacity to combat corruption...by encouraging the implementation of high standard codes of ethics.**"*

-- November 2012, Vladivostok

Capacity building from 2012 – 2013 to implement the principles

Formation of a network of over 100 ethics trainers, spanning all three sectors and 21 economies!

April 22-24, 2012
Brunei Darussalam




APEC workshop to assist industry associations to draft codes aligned with The KL Principles

July 10-11, 2012
Taipei, Chinese Taipei

APEC workshop to assist industry associations to draft codes aligned with The Mexico City Principles

August 26 – 30, 2013
KL, Malaysia

APEC Train-the-Trainer Workshop hosted by Malaysian Anti-Corruption Academy

Jan/Feb 2012

Mar/Apr 2012

May/June 2012

July/Aug 2012

Sep/Oct 2012

Nov/Dec 2012

Jan/Feb 2013

March/April 2013

May/June 2013

July/Aug 2013

Sept/Oct 2013

April 2012 – today

Monitoring programs and mentor teams in all three sectors are progressing implementation of codes of ethics in preparation.

Making Tools Available to Facilitate Code Adoption & Best Practices







New APEC Business Ethics Websites

Business Ethics for APEC SMEs
Biopharmaceutical Sector

ABOUT US | EVENTS | RESOURCES | WHAT'S NEW | PHOTO GALLERY | APEC CODES OF ETHICS | MEDIA ROOM

APEC Business Ethics Forum
1-3 September 2014 | Nanjing, China
Information for Attendees

Highlight
Welcome to the Business Ethics for APEC SMEs Initiative
The Business Ethics for APEC SMEs Initiative welcomes you to its new online portal to support the implementation of codes of ethics aligned with APEC Principles endorsed by APEC Ministers and Leaders. From here you may access general information and three additional websites for each sector covered under the initiative...

News
06/09/2014 at 10:42 PM
APEC Bulletin: Enhancing SME Business Ethics in the Healthcare Industry
20 June 2014 – The relationship between healthcare companies and providers is complex, presenting potential conflicts of interest that require oversight. Biopharmaceutical and medical device companies operate in a highly competitive market. As a result, some companies may seek an advantage by extending gifts or other inappropriate inducements to healthcare...

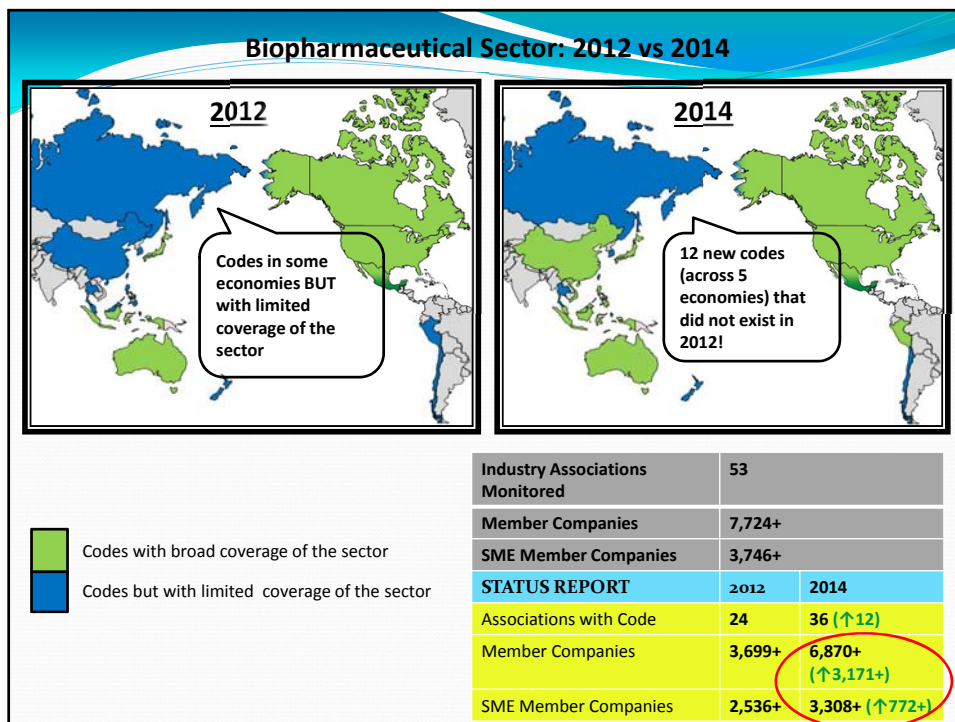
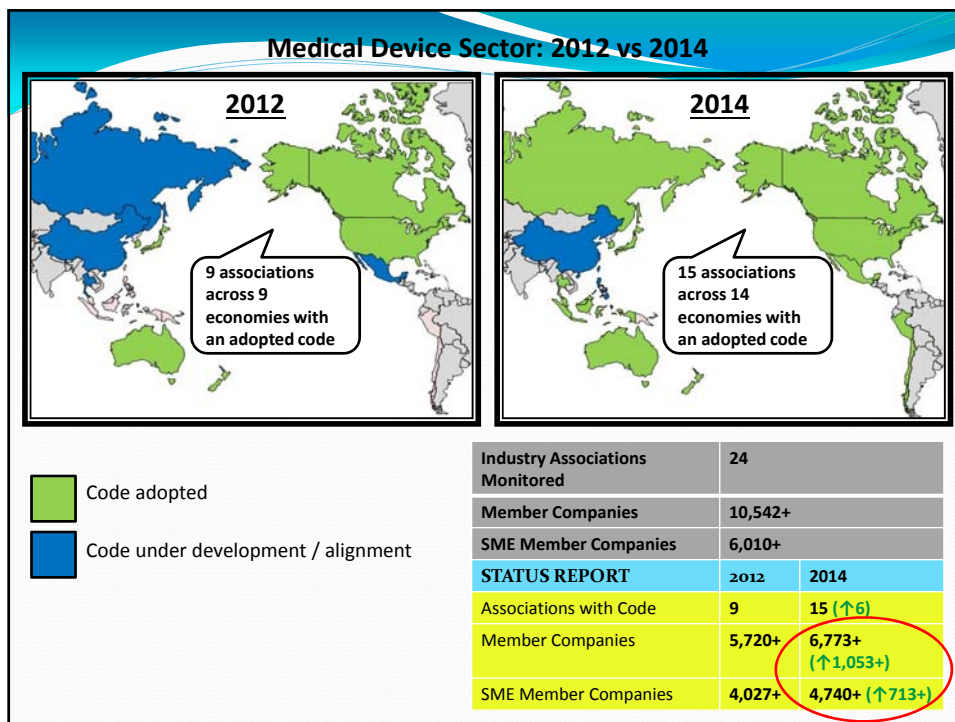
06/09/2014 at 12:58 AM
APEC Ministers Responsible for Trade encourage wider adoption of codes of ethics
APEC Ministers Responsible for Trade met in Qingdao, China on 17-18 May 2014. Their annual statement calls for wider adoption of codes of ethics in accordance with APEC principles. Except: "We will continue to undertake actions to address the barriers that Small and Medium-Sized Enterprises (SMEs) face in trading in..."

MEDIA/CTV/PRINT/DOC **WHAT'S NEW** **PHOTO GALLERY**

<http://businessethics.apec.org>

<http://mcprinciples.apec.org>

Results since we first started monitoring progress in 2012...



In summary, in two years we have supported the development of **18 new industry codes** across **9 economies** where they previously did not exist, expanding high standard APEC principles to nearly **14,000 companies** (of which over **8,000 are SMEs**)

Nanjing Declaration

Promoting Ethical Environments in the Medical Device and Biopharmaceutical Sectors through 2020

Recognizing our shared commitment to acting in the best interest of patients, we agree on a collective vision for the future of this initiative ...We declare our intention to ... achieve the following goals and call upon APEC economies and stakeholders to undertake the following actions to achieve them...

Goal	Actions
<p>For industry: Double the number of medical device and biopharmaceutical industry associations that have adopted codes of ethics from 33 in 2012 to 66 or more by 2015 and work toward universal adoption and implementation of the APEC Principles by 2020.</p>	<ul style="list-style-type: none"> ✓ Convene annual APEC Business Ethics Forum ✓ Establish task force to secure funding to support Forum and capacity building ✓ Formalize working groups to identify training priorities, manage trainer network and monitor progress ✓ Review KL and MC principles to ensure they remain relevant ✓ Develop a code compendium

<h2 style="text-align: center;">Nanjing Declaration</h2> <h3 style="text-align: center;">Promoting Ethical Environments in the Medical Device and Biopharmaceutical Sectors through 2020</h3>	
Goal	Actions
<p>For industry: Implementation of association codes by a majority of member companies by 2017</p>	<p>Working groups to:</p> <ul style="list-style-type: none"> ✓ convene a best practices exchange to support member company code implementation ✓ develop training materials ✓ monitor progress ✓ report on status in 2016 and 2017
<p>For governments: Support and endorse local partnerships between relevant government ministries/agencies and the medical device and biopharmaceutical industries to advance industry's voluntary efforts to strengthen ethical business practices.</p>	<ul style="list-style-type: none"> ✓ Support and endorse local partnerships (examples: associations forming integrity pacts with relevant government ministries/agencies, formation of a local business ethics centre) ✓ Leverage working groups to recommend and implement capacity building required

<h2 style="text-align: center;">Nanjing Declaration</h2> <h3 style="text-align: center;">Promoting Ethical Environments in the Medical Device and Biopharmaceutical Sectors through 2020</h3>	
Goal	Actions
<p>For governments: Support and endorse local partnerships between relevant government ministries/agencies and healthcare professional organizations.</p>	<ul style="list-style-type: none"> ✓ Support and endorse local partnerships between relevant ministries/agencies and healthcare professional organizations ✓ Leverage working groups to recommend and implement capacity building required
<p>For Healthcare Professionals : Support development and implementation of HCP codes of conduct consistent with the APEC Principles, working towards regional alignment by 2020.</p>	<ul style="list-style-type: none"> ✓ Develop an "APEC Consensus Framework for Ethical Collaboration" between the region's medical device and biopharmaceutical industries and healthcare professional organizations; establish a work plan for joint collaboration to implement the Consensus Framework, including the development and implementation of HCP codes of conduct ✓ Leverage working groups to recommend and implement capacity building required

Nanjing Declaration Promoting Ethical Environments in the Medical Device and Biopharmaceutical Sectors through 2020	
Goal	Actions
<p><i>For non-government organizations, in particular patient organizations:</i> Promote ethical environments in the medical device and biopharmaceutical sectors</p>	<p>✓ Support partnerships with government agencies, HCPs and industry associations</p>

<u>United States seeks SME Ministers':</u>
<ul style="list-style-type: none"> - endorsement of the “Nanjing Declaration - Promoting Ethical Environments in the Medical Device and Biopharmaceutical Sectors through 2020” - calling for the doubling of the number of codes of ethics between 2012 and 2015, working toward universal implementation of the APEC Principles by 2020 - expression of support for the Manila Declaration to advance implementation of the APEC Principles for the Construction and Engineering Sector

THANK YOU...

- China Ministry of Industry & Information Technology
- Previous APEC member economy hosts: Malaysia, Indonesia, Philippines, Chinese Taipei, Brunei Darussalam, Mexico, Vietnam, and Japan
- APEC SME Working Group and Delegates
- Mentors and trainers from companies and associations
- 2015 APEC Host Philippines



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