

Overview:

“Business Ethics for APEC SMEs” initiative

- Small & Medium Enterprises (SMEs) are the engine of economic growth and will continue to serve as a key driver in the APEC region’s economic expansion **as long as they are able to operate, trade, and innovate in ethical business environments.**
- As a result, the *Business Ethics for APEC SMEs* initiative was launched under the APEC SME Working Group in 2010.
- The initiative is led by the United States with active support and participation from **all 21 APEC economies**. Since 2010, initiative programs have been hosted by **China, Malaysia, Indonesia, Philippines, Chinese Taipei, Brunei Darussalam, Mexico, Vietnam, and Japan**. The initiative is strongly supported by the APEC Business Advisory Council (ABAC).

What has been 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.

The cover of the Kuala Lumpur Principles document features the APEC USA 2011 logo in the top right corner. A dark blue horizontal band across the middle contains the title "The Kuala Lumpur Principles" in white, with the subtitle "Medical Device Sector Codes of Ethics" in a smaller font below it. The background is white with faint vertical text on the right side.

The cover of the Mexico City Principles document features the APEC USA 2011 logo in the top right corner. A green horizontal band across the middle contains the title "The Mexico City Principles" in white, with the subtitle "For Voluntary Codes of Business Ethics in the Biopharmaceutical Sector" in a smaller font below it. The background is white with faint vertical text on the right side.

The cover of the Hanoi Principles document features the APEC USA 2011 logo in the top right corner. A dark red horizontal band across the middle contains the title "The Hanoi Principles" in white, with the subtitle "For Voluntary Codes of Business Ethics in the Construction and Engineering Sector" in a smaller font below it. The background is white with faint vertical text on the right side.

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



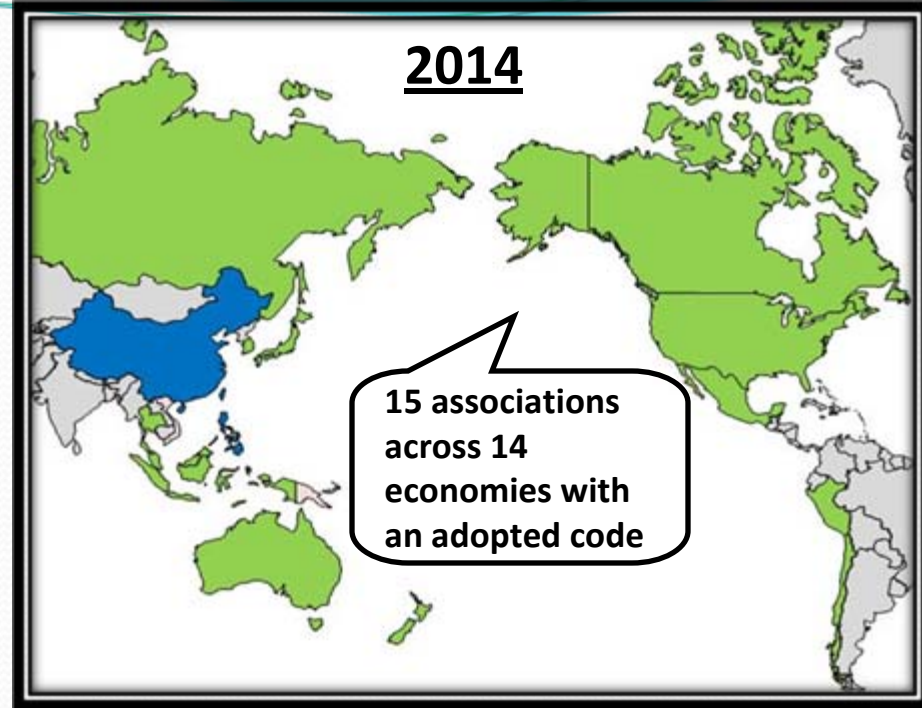
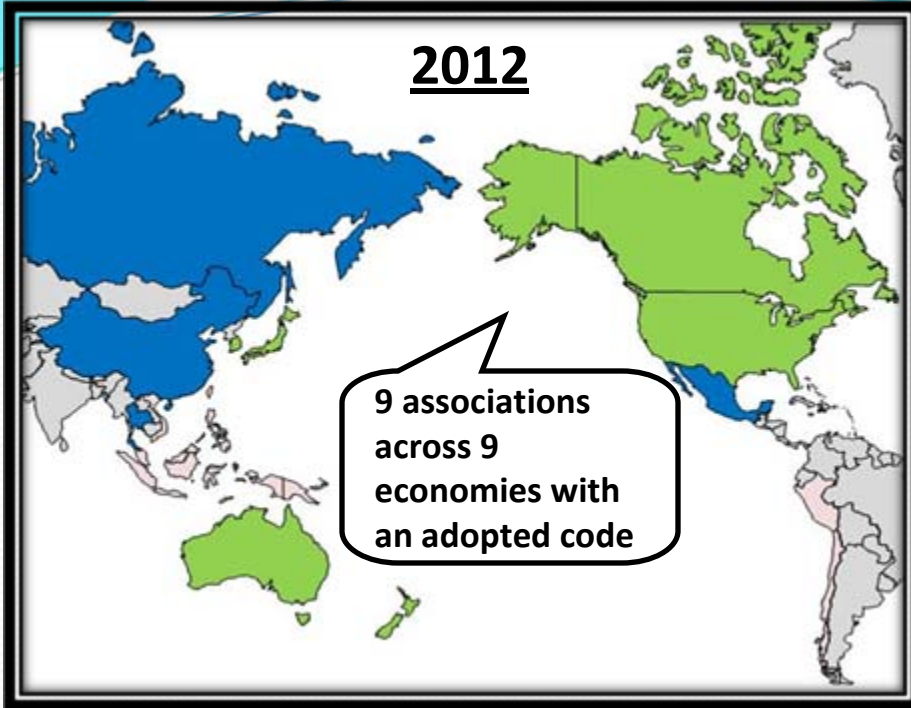
April 2012 – today

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



**Results since the initiative started
monitoring progress in 2012...**

Medical Device Sector: 2012 vs 2014



Code adopted



Code under development / alignment

Industry Associations Monitored	24	
Member Companies	10,542+	
SME Member Companies	6,010+	
STATUS REPORT	2012	2014
Associations with Code	9	15 (↑6)
Member Companies	5,720+	6,773+ (↑1,053+)
SME Member Companies	4,027+	4,740+ (↑713+)

In two years the APEC initiative has supported the development of **18 new 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**)

Business Ethics for SMEs Forum

1-3 September 2014 -- Nanjing, China

- Over **200 participants** representing more than **80 different organizations** – bringing together stakeholders critical to ethical business practices in the healthcare sector (senior representatives from ministries of health, hospital and physician associations, patient organizations, industry and APEC SME Working Group delegates).
- Co-hosted by China and the United States to facilitate regional cooperation, build capacity and **provide strategic vision and recommendations for this initiative through 2020 through drafting the “Nanjing Declaration”.**