



**Asia-Pacific
Economic Cooperation**

CALL TO ACTION: REPORT

BUSINESS ETHICS FOR APEC SMES INITIATIVE

**APEC Small and Medium Enterprises Working Group
March 2024**





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Produced by

Business Ethics for APEC SMEs Initiative

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10

APEC Business Ethics for SMEs Forums held (2014-2023)

214

Health Organizations in Consensus Frameworks

16,130

SMEs Engaged

The Business Ethics for APEC SMEs Initiative is the world's largest public-private partnership to strengthen ethical conduct and drive a level playing field in the biopharmaceutical and medical technology sectors.

INTRODUCTION TO THE BUSINESS ETHICS FOR APEC SMES INITIATIVE

The Business Ethics for APEC SMEs Initiative (“Initiative”) is the world’s largest public-private partnership to strengthen ethical business conduct and create a level playing field in the biopharmaceutical and medical technology sectors. The Initiative also serves as the largest collective action initiative to promote ethics and business integrity across health systems in the Asia-Pacific Economic Cooperation (APEC) region.

Upholding high-standard ethical business practices and sustaining trust is of utmost importance to health systems in all APEC economies, for multinational companies and small and medium enterprises (SMEs) in health-related sectors. The Initiative emphasizes the role of ethical business practices to strengthen economies, businesses, and health systems, demonstrating the diverse and numerous advantages of embracing integrity for all stakeholders in health-related sectors and shifting the conversation to high ethical standards and principles. This creates an enabling environment in which SMEs and biopharmaceutical and medical technology companies can flourish, levels the playing field as companies enter new markets, promotes better business performance, and leads to better health outcomes for patients.

This unique collective action initiative creates trust and collaboration between the life science partners. The Initiative focuses on building mutual understanding, capacity building with clear metrics and accountabilities, and develops long-lasting shared principles among key stakeholders. Its progress is driven by a system of engagement that draws on the expertise of each stakeholder group.

SMEs are key drivers of research and innovation and are vital actors in the delivery of healthcare products and services. These companies play a critical role in the healthcare ecosystem, from conducting ground-breaking research and developing new diagnostic tools, to creating innovative therapies that improve patient health and quality of life, to serving as third party intermediaries in essential healthcare supply chains.

Some companies may struggle to act ethically in health systems if they encounter unethical business practices. However, there is an entire ecosystem to support them that includes core stakeholders such as healthcare professionals, patient organizations, governments and civil society, and other SMEs within the biopharmaceutical and medical technology sectors. Promoting high ethical business practices and standards requires collaboration, engagement, and commitment from all sectors. Through collective action across the health ecosystem, multinational companies and SMEs can shape the business environments in which they operate to promote ethical, transparent, and accountable interactions among stakeholders.

The Initiative enables collaboration between public and private stakeholders across the APEC economies to advance three core lines of effort: (1) identify and set best practices for ethical collaboration; (2) facilitate adoption of these best practices through capacity building and training; (3) and evaluate progress within each APEC economy. The Initiative received core funding from APEC with additional support from the global biopharmaceutical and medical technology community.

The Initiative has demonstrated that high ethical standards are a cornerstone to effective business practices and can result in stronger economic performance and higher retention of quality talent. Ultimately, the trust and shared accountability built within the ecosystem including with patient groups will greatly enhance the acceptance and integration of high ethical standards.

SCOPE OF THE INITIATIVE

The APEC Small and Medium Enterprises Working Group (SMEWG) champions inclusive development of sustainable, resilient and innovative SMEs. The scope of the Initiative has grown steadily since it was launched as an APEC SMEWG project in 2011. From an original focus on addressing corruption in the biopharmaceutical and medical technology industries, the Initiative has expanded its mission to include a broader emphasis on ethical business practices in health ecosystems throughout the APEC region. It does this through **Setting Best Practices, Capacity Building and Training, and Monitoring and Evaluation.**

Each year, the APEC Business Ethics for SMEs Forum (“Forum”) brings together global leaders from the biopharmaceutical and medical technology sectors, local and international industry associations, patient organizations, civil society, government agencies, and healthcare professionals to address ongoing and emerging ethical challenges facing health systems in the APEC region and to reaffirm their commitment to creating a culture of ethical business conduct. They align around a common goal – **to strengthen ethical conduct for health systems** throughout the APEC economies and to **create a level playing field** for SMEs in the biopharmaceutical and technology device sectors.

The 10th annual APEC Business Ethics for SMEs Forum was held in Washington, DC in September 2023 during the United States’ APEC host year. On the occasion of the 10th anniversary of the annual Forum, this publication reviews key milestones and outcomes of the Business Ethics for APEC SMEs Initiative and charts a path for its future.



SETTING BEST PRACTICES

The Initiative works with health sectors to identify, align, and endorse the highest standard of ethical business practices that mutually support the growth of SMEs and positively contribute to health innovation and patient outcomes.

Adopted by APEC in 2011, the [APEC Mexico City Principles](#) and [APEC Kuala Lumpur Principles](#) outlined best practices for engagement in ethical business conduct in the biopharmaceutical and medical technology sectors respectively. Known collectively as the “APEC Principles,” they serve as a key reference for codes of ethics, which can be defined as an organization’s principles and ethical standards of conduct. Over the past decade, a majority of the region’s industry associations have adopted APEC Principles into codes of ethics that extend to over 16,000 SMEs collectively in the biopharmaceutical and medical technology industry sectors.

For an outline of both the Mexico City and Kuala Lumpur Principles, please see next page.

“Ethical interactions help ensure that medical decisions are made in the best interests of patients.”

- ([Mexico City Principles](#))

“The APEC region’s health systems and stakeholders are extraordinarily diverse. Ethical collaboration among key stakeholders can strengthen ethical business conduct, build trust, promote accountability, and improve patient outcomes.”

- ([Kuala Lumpur Principles](#))



MEXICO CITY PRINCIPLES

- **Healthcare and Patient Focus** means everything we do is intended to benefit patients
- **Integrity** means dealing ethically, honestly and respectfully in everything we do
- **Independence** means to respect the need of autonomous decision-making of all parties, free from improper influence
- **Legitimate intent** means everything we do aligns with the spirit and the values of these Principles and is lawful
- **Transparency** means a willingness to be open about our actions while respecting legitimate commercial sensitivities and intellectual property rights
- **Accountability** means a willingness to be responsible for our actions and interactions

KUALA LUMPUR PRINCIPLES

- **Patients first** means that Companies should prioritize the health and well-being of patients and other users of their products and technologies
- **Integrity** means dealing transparently, honestly, truthfully, and fairly with all parties
- **Independence** means that HCP interactions with Companies should preserve the HCP's medical decision-making being otherwise than in the best interests of the patient
- **Appropriateness** means that arrangements conform to proper and generally accepted commercial standards and are accurate and free from corrupt purposes
- **Transparency** means that Companies and HCPs are open regarding significant financial relationships between the parties
- **Advancement** means that relationships are intended to advance medical technology, innovation, and patient care
- **Responsibility** means promoting a culture that supports social and ethical business practices including protecting patient safety, rights and privacy



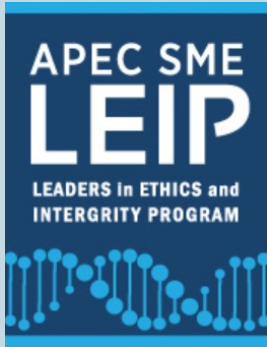
CAPACITY BUILDING AND TRAINING

SMEs that prioritize business ethics build a strong reputation for trustworthiness and reliability, help improve patient and healthcare professional education, drive patient-centered research and innovation, and promote health equity and improved health outcomes. In some cases, SMEs do not have the resources or know-how to develop comprehensive ethics and compliance programs based on industry best practices. Given the growing complexity of the health ecosystem and ongoing resource challenges affecting SMEs in particular, capacity building and training remain critical to driving the Initiative's multi-stakeholder approach and ultimately ensuring better patient health outcomes. To this effect, the Initiative develops and offers capacity building resources to SMEs and the stakeholders with whom they do business, while publishing guidance documents and toolkits that are publicly available and adaptable. These tools and trainings help stakeholders to communicate, both internally and externally, the value of ethical business conduct and to better engage with other stakeholders within the same health system.

Additionally, the Initiative works to ensure that the patient voice is represented in the setting of standards for ethical business conduct, supports governments in their convening power and as stewards of ethical business practices, and equips healthcare professionals with guidelines for ethical interactions with biopharmaceutical and medical technology SMEs. The Initiative works with industry associations and other stakeholders to develop training materials, conduct workshops, and communicate the value of ethical business conduct to their members.

Each year, the annual Forum champions goal-setting and promotes collective action. As the pinnacle of yearly strategic efforts, it fosters connections between stakeholders, sparking continuous dialogue and mentorship opportunities vital for SMEs enhancing their ethics and compliance programs. Here, large companies and industry groups share best practices, guiding SMEs in showcasing ethical leadership and effective communication with external stakeholders.

For a full list of tools, documents, and resources related to the Initiative, please reference the appendix.



THE APEC SME LEADERS IN ETHICS AND INTEGRITY PROGRAM (LEIP)

was launched in 2020 to promote and enhance a culture of integrity within biopharmaceutical and medical technology SMEs. This program included two cohorts: Canada and Chile. The program provides resources, best practices, and a valued network to share experiences and lessons learned, strengthening ethics across both industries. This program and its knowledge-sharing and network-building components is just one example of many SME capacity building efforts created by the Initiative.

MONITORING AND EVALUATION

The Initiative monitors and evaluates its progress through annual surveys of biopharmaceutical and medical technology industry associations. With a growing scope throughout the years, the survey has historically assessed the rate of code of ethics adoption by member companies in the associations. Stakeholder engagement, governance, and communication strategies by the associations are evaluated. Information on the monitoring and evaluation findings is published on the Initiative websites for the [biopharmaceutical](#) and [medical technology](#) sectors.

By surveying and interviewing associations, the Initiative is able to support SMEs with:

- Adopting codes or code commitments
- Implementing code or code commitments (governance, training, alignment with APEC principles, and member adherence)
- Engaging with government, patient organizations, healthcare professionals, and third-party intermediaries on ethics



EVOLUTION OF THE BUSINESS ETHICS FOR APEC SMES INITIATIVE

SETTING A VISION FOR THE INITIATIVE 2014-2020

2014

In early 2014, the International Federation of Pharmaceutical Manufacturers and Associations (IFPMA), in collaboration with other global organizations, developed the [International Consensus Framework for Ethical Collaboration](#) (“Framework”) to promote “ethical collaboration between patients’ organizations, healthcare professionals and the pharmaceutical industry, in support of high-quality patient care.”

The Framework set out four overarching principles: **prioritizing patients, supporting ethical research and innovation, ensuring independence and ethical conduct, and promoting transparency and accountability.** It was endorsed by prominent global organizations, including the International Council of Nurses (ICN), IFPMA, International Hospital Federation (IHF), International Pharmaceutical Federation (IPF), International Organizations of Patients’ Organizations (IAPO), and the World Medical Association (WMA).

Later in 2014, the APEC SME Ministers endorsed the [Nanjing Declaration to Promote Ethical Business Environments in the Medical Device and Biopharmaceutical Sectors \(2014-2020\)](#), which set forth a multi-stakeholder vision for the future of the Initiative. With this declaration, patient organizations now had a voice in the guiding principles for interactions between healthcare professionals and industry.



Consensus frameworks are agreements that unite stakeholders within a healthcare system under shared values and principles. These frameworks enable collaboration for education, joint advocacy, public-private dialogues, industry code harmonization, and shared monitoring.

EXPANDING THE STAKEHOLDER ECOSYSTEM FOR BUSINESS ETHICS IN HEALTH

2016

Building on the commitments from APEC ministers and the example from the global Framework, consensus frameworks were developed within two APEC economies in 2016: [Canada](#) and [Peru](#). Multi-stakeholder engagement and consensus frameworks enable collaboration for education, joint advocacy, public-private dialogues, industry code harmonization, and shared monitoring.

From the launch of the global Framework and Nanjing Declaration to the current existence of ten consensus frameworks among the 21 APEC economies, the creation and application of these frameworks have become a hallmark of the Initiative's growth and the enduring success of its multi-stakeholder approach to fostering ethical business practices within the healthcare ecosystem. *A more comprehensive review of consensus framework growth across the APEC region is detailed further within this report.*

The Initiative began with a focus on the relationships and interactions of biopharmaceutical companies, medical technology companies, healthcare professionals, and governments in an effort to address corruption in the health ecosystem. In the last decade, the Initiative has broadened the groups of stakeholders involved to include **patient organizations, hospital groups, third party intermediaries, and civil society organizations.**

2017

Third parties serve an integral role in both industry sectors and in health systems, connecting products and services to healthcare professionals and patients. As a clear example of the Initiative's ongoing commitment to expand multi-stakeholder engagement, the Initiative published [Guidance for Ethical Third Party Intermediary Relationships in the Medical Device Sector](#) in 2017, which supports companies and third party intermediaries (such as distributors, wholesalers, and sales agents) to adhere to ethical principles when interacting with each other and with other health systems stakeholders. At the 2018 Forum, stakeholders launched a three-year [Tokyo Action Plan](#) with measurable goals to advance the guidance for third party intermediary relationships in the region.

2018

Further expanding the involvement of stakeholders, the Initiative introduced the [Guide to Facilitate Multi-Stakeholder Ethical Collaborations in the Medical Device and Biopharmaceutical Sectors](#) in 2018. This guide serves as a valuable resource for all organizations engaged with the biopharmaceutical and medical technology sectors, offering guidance on the development and strengthening of consensus frameworks.

Also, in 2018, the Initiative formalized patient engagement by creating a Patient Network consisting of representatives of patient organizations from across the APEC region. This element of the Initiative helps to secure meaningful patient input on ethical standards for business conduct and supports patient organizations involved in consensus frameworks. The Healthcare Professional (HCP) Advisory Group, another critical element of the Initiative, provides guidance on strategies to encourage evidence-based business conduct. Both groups are crucial components to the Initiative’s multi-stakeholder approach to improve business ethics in the health ecosystem. The active participation of patient organizations and HCPS in the Initiative helps to ensure productive dialogue and provide guidance on how to best center patients in healthcare.

Patients are the only why in healthcare.

As consumers of health-related products and services, it is paramount that patients and the patient voice be prioritized in policy decisions, product development, and medical technology design.



2020

In 2020, following the momentum of the founding of the Patient Network, 12 patient organizations issued a [Statement by Patients and Patient Organizations on Reinforcing Ethics and Business Integrity in Healthcare](#) and declared that SMEs are “the lifeblood of innovation and delivery in the products and services that patients depend upon,” and affirmed their commitment to the Initiative.

In recognizing the unique role of governments as stewards of ethical business environments, the Initiative published [Government Strategies to Encourage Ethical Business Conduct](#) in 2020. This publication was designed to assist governments in their multifaceted roles as conveners, procurers of healthcare products and services, enforcers of ethical business conduct, regulators of the healthcare industry, educators, and trade partners. Its aim is to encourage, incentivize, and mandate the highest standards for ethical business conduct among SMEs and other healthcare suppliers in their economies.



Governments can serve as a neutral authority to voluntarily convene diverse, even at times adverse, parties within their economy to encourage collaboration and/or alignment for the benefit of society. This “convening power” is one that few stakeholders in our societies possess and which governments are leveraging to launch consensus frameworks.

Through the publication of guides, statements, and declarations from 2017 through 2020, the Initiative has consistently pursued a path of broadened stakeholder inclusion, a necessary endeavor for further developing ethical business conduct within the health ecosystems across APEC economies. With expanded stakeholder engagement, each group has a part to play in upholding strong ethics and compliance programs.

SETTING A VISION FOR THE FUTURE:

VISION 2025

Having marked the conclusion of the term of the Nanjing Declaration in 2020, representatives from patients and patient organizations, healthcare providers and professional organizations, health ministries and regulatory agencies, SMEs and economic ministries, anti-corruption authorities, biopharmaceutical and medical technology industry organizations, researchers and academia, manufacturers, third party sales and marketing intermediaries from across the APEC region convened virtually to chart an ambitious course of a joint Vision 2025:

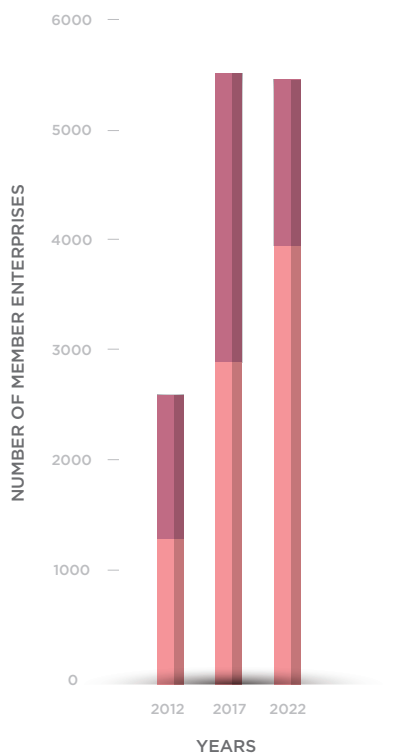
- Adopt a consensus framework in each APEC economy
- Modernize APEC Principles to reflect the highest standards of ethical business practices
- Measure the impact of ethical business practices in the biopharmaceutical and medical technology sectors
- Adopt a code of ethics and implementation for all biopharmaceutical and medical technology industry organizations
- Promote and provide guidance on ethical third-party intermediary relationships in the biopharmaceutical and medical technology sectors
- Promote multi-sectoral strategies to encourage ethical business conduct
- Develop guidance on patient and patient organization interactions with industry



CODE OF ETHICS ADOPTION

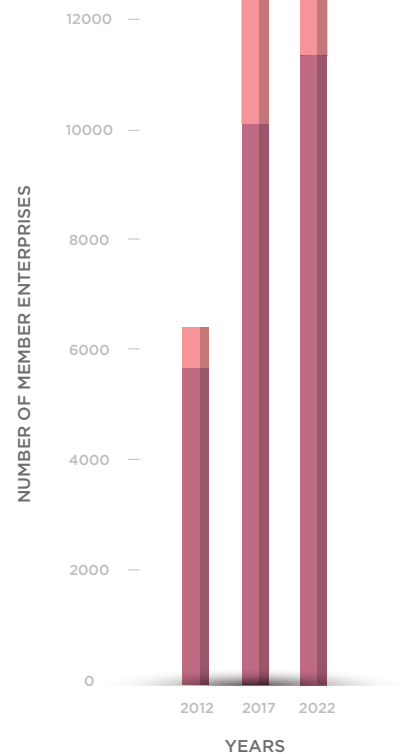
Since 2012, there has been continued growth in the number of industry associations with a code or code commitment. From 2012 to 2022, the percentage of biopharmaceutical and medical technology industry associations with a code or code commitment for ethical business practices almost doubled from 38% to 78% and from 45% to 91%, respectively. Over the years there has been continued growth in the volume of industry associations with a code or code commitment aligned with APEC Principles.

BIOPHARMACEUTICAL INDUSTRY ASSOCIATION REPRESENTATION



■ SME MEMBERS IN ASSOCIATIONS WITH A CODE OR CODE COMMITMENTS
■ LARGE MEMBERS IN ASSOCIATIONS WITH A CODE OR CODE COMMITMENTS

MEDICAL TECHNOLOGY INDUSTRY ASSOCIATION REPRESENTATION



■ SME MEMBERS IN ASSOCIATIONS WITH A CODE OR CODE COMMITMENTS
■ LARGE MEMBERS IN ASSOCIATIONS WITH A CODE OR CODE COMMITMENTS

Influencing factors of code revision include new regulatory mandates, modernization of the Principles, the [IFPMA Code of Practice](#), industry regulation changes due to global circumstances (e.g. COVID-19), and member company advocacy. Associations with an ethics committee help to uphold code implementation as a priority of senior leadership, while virtual ethics trainings and e-learning tools have increased associations' ability to expand their engagement with governments, patient organizations, and healthcare professionals.

In 2021, the [Mexico City](#) and [Kuala Lumpur](#) Principles were modernized to ensure they reflect the latest high standards for ethical conduct while embracing the expanded role of industry and non-industry stakeholders alike in setting those standards. Efforts continue to achieve the goal of universal code adoption among biopharmaceutical and medical technology industry associations in the APEC region as outlined in Vision 2025.



IMPACT OF COVID-19:

During the COVID-19 pandemic, industry associations witnessed a slowdown in code adoption among their member companies. However, these companies played a leading role in their economies' response efforts to the pandemic and the implementation of APEC Principles significantly enhanced the region's overall resilience. COVID-19 demanded the swift deployment and redeployment of medical resources, vaccines, treatments, and healthcare professionals in the face of numerous pandemic-related challenges. Crucial to the success of these responses were the principles of collaboration, communication, and trusted relationships, all integral aspects of the APEC Principles.

CONSENSUS FRAMEWORKS

The adoption and implementation of consensus frameworks across the APEC region has been a key indicator of the Initiative's growth and success. Ten APEC economies and two non-APEC economies (Brazil, Côte d'Ivoire, and Kenya) have launched consensus frameworks. More are underway as part of the Vision 2025 objective for each APEC economy to adopt a consensus framework. Collectively, consensus frameworks in the APEC region have already convened 214 public and private organizations representing or serving thousands of enterprises, millions of healthcare professionals, and over a billion patients.

Each consensus framework provides a window into the unique challenges in promoting ethical business conduct within each economy. In an effort to compile the key learnings and strategies explored in the growing library of consensus frameworks, the Initiative published a [status report](#) on consensus frameworks in the APEC region in 2022.

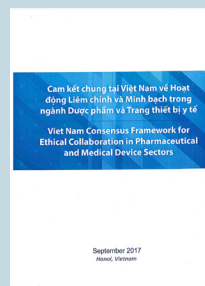
For more information on each consensus framework and its members, please click the consensus framework icons below:



CANADA | 2016



PERU | 2016



VIET NAM | 2017



AUSTRALIA | 2018



CHINA | 2018



JAPAN | 2018



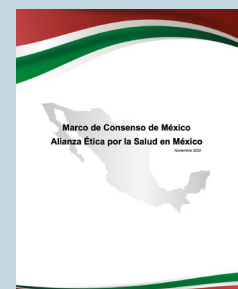
THE PHILIPPINES | 2018



CHILE | 2019



NEW ZEALAND | 2021

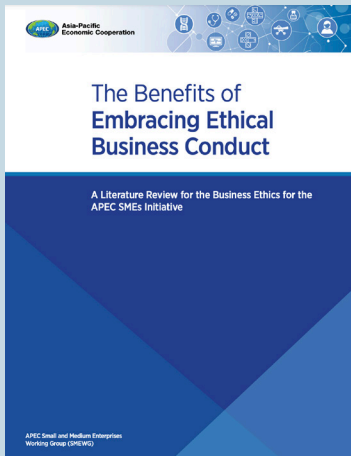


MEXICO | 2022

At the 2023 Forum, the Initiative launched the [Consensus Framework Resource Guide](#). This guide aims to support health sector stakeholders in navigating the planning, launch, governance, communications, and sustainability of their own consensus frameworks. Drawing from the collective input of each stakeholder group, this guide highlights critical lessons learned from other economies and reinforces the importance of collective action and collaboration among APEC economies.

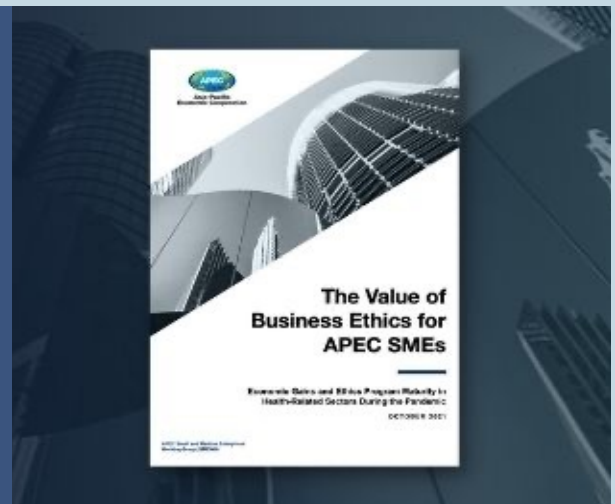
GROUNDBREAKING RESEARCH

In line with the goals set by Vision 2025, the Initiative issued two impact publications: “[The Benefits of Embracing Ethical Business Conduct](#),” and “[The Value of Business Ethics for APEC SMEs](#).” Both publications, as part of the Phase I research, broadly explore the benefits to SMEs engaging in ethical business practices. *Please see below for more information on these publications.*



In 2019, the Initiative published “The Benefits of Embracing Ethical Business Conduct,” a research report demonstrating that firms with a mature ethics and compliance program benefit from improved business performance and are more likely to attract and retain high quality talent. Ethical leadership, or “tone at the top,” permeates a company’s business practices, from research and innovation to marketing and sales, and creates a company culture where teams feel good about their work and are empowered to better meet customer needs.

Published in 2021, this study explored the link between ethics and compliance programs and economic resilience in health SMEs in the APEC region. In surveying participating companies, the researchers found that those with mature ethics programs showed stronger economic performance during the pandemic, regardless of size, emphasizing growth in revenues, international customer base, and market expansion. Notably, 43% of surveyed companies increased their investment in ethics and compliance, citing industry and societal emphasis on these aspects as major reasons.



Most recently, during the 2023 Forum, the Initiative announced a second phase of research research and impact evaluation. Building on the findings from the first phase which described the benefits of compliance and ethics program maturity within health SMEs, the new study will focus specifically on which components of these programs yield the highest economic benefits to these enterprises. These findings will play a crucial role in helping health companies navigate the increasingly complex health ecosystem and continue ensuring better patient health outcomes.

THE FUTURE OF THE INITIATIVE

EMERGING AREAS OF FOCUS

In 2022, surveyed SMEs identified the following issues as important to future ethical considerations:

- Sustainability reporting: How to communicate with the public and with other healthcare stakeholders on steps taken to ensure environmentally responsible supply chains and governance for business sustainability
- Artificial intelligence in healthcare: How to benefit from gains in efficiency, innovation, and insights while avoiding bias, protecting patient data, and verifying accuracy
- Social media: How to preserve confidentiality and privacy, ensure the appropriate use of patient data, and share information responsibly
- Patient privacy: How to ensure that patient data is kept private while enabling the secure transfer of data with patient consent
- Digital health and telemedicine: How to use digital tools and telemedicine platforms to deliver healthcare services and products securely, safely, privately, and equitably

Ethics will continue to be a cornerstone of health system resilience and pandemic preparedness.

At the 2023 Forum, participants spoke of the need to define a “guiding star” for the Initiative that contemplates present challenges and looks ahead to future dilemmas that stakeholders will face. As health systems navigate the growing impacts of demographic change, climate change, and emerging disease threats, and seek to leverage rapid advancements in digital, biomedical, and medical technologies, SMEs will remain at the forefront of innovation helping to navigate the increasingly complex and changing health ecosystems.





REGIONAL FOCUS, GLOBAL IMPACT

The impact of the Initiative reaches beyond APEC. By launching a platform for transparent, trusted collaboration among health sector stakeholders, the Initiative has inspired multisectoral regional ethics Initiatives in Latin America and Africa. There is an opportunity to globalize insights from the Initiative through social media channels, peer-reviewed publications, and, via the Initiative's partner network, at other multilateral platforms. As the world's largest public-private partnership to strengthen ethical conduct and drive a level playing field in the biopharmaceutical and medical technology sectors, the Business Ethics for APEC SMEs Initiative can be a force multiplier that improves ethical practices in health systems around the world.

The Initiative is at an inflection point, where its next phase will be defined by greater involvement from governments, including ministries of health and health regulatory authorities, to multinational corporations, civil society, trading partners, and those most impacted by ethical business practices in the biopharmaceutical and medical technology sectors: patients. It will include both local action and global knowledge-sharing.

LOOKING AHEAD

From cutting edge research, to the spread of consensus frameworks across the APEC region, to ongoing multi-stakeholder engagement and inclusion and more, the Initiative has made significant progress over the years, but there is more work to be done. Achieving Vision 2025 requires commitments and action from all stakeholders.

Each of the key stakeholder groups has unique but interrelated responsibilities:

PATIENTS AND PATIENT ORGANIZATIONS:

- Educate health-related stakeholders on the needs of patients and patient organizations
- Collaborate to develop and implement guidance for health-related industries' interactions with patients and patient organizations
- Personalize consensus framework goals and their impact on patients and patient organizations
- Communicate the contributions of patients and patient organizations to governments and other health sector stakeholders

HEALTHCARE PROFESSIONALS:

- Promote the adoption of consensus frameworks and code of ethics in each APEC economy
- Educate early career healthcare professionals
- Align professional codes, related policies and practices, and communications with APEC Principles

INDUSTRY ASSOCIATIONS

- Convene and train member companies and external stakeholders on ethics and compliance
- Measure the adoption and implementation of codes by member companies
- Promote the value of ethical business conduct internally and among external stakeholders

GOVERNMENT

- Promote the adoption and implementation of best practices for ethical collaboration in the health sector
- Convene health sector stakeholders to commit to collective action for ethical business practices
- Facilitate collaboration among stakeholders for patient health and well-being
- Implement strategies to encourage ethical business conduct

Collectively, health sector stakeholders can champion the adoption and implementation of best practices, contribute to capacity building for SMEs, and monitor and evaluate progress, all toward ensuring that health systems operate ethically and for the best interests of patients.

The Business Ethics for APEC SMEs Initiative is a powerful example of what can be achieved through multi-stakeholder commitment and collective action. The Initiative is key to preventing costly corruption in health systems, enhancing trust, and improving healthcare outcomes across the APEC region. With the collective engagement of thousands of stakeholders across APEC economies through consensus frameworks, each economy has the opportunity to profoundly influence the ethics of their health systems and better serve patients.

STAKEHOLDERS IN EACH ECONOMY CAN:

- Promote the values espoused in the APEC Principles
- Commit to making each consensus framework more inclusive through the number and diversity of members
- Engage across stakeholder groups and economies, sharing knowledge, best practices, and experiences
- Continue to advocate for high-standard business practices in the health sector

This Call to Action is a call for engagement, a call for knowledge sharing, and a call for commitment. This is an invitation to join the largest collective action initiative to promote ethics and business integrity across health systems in the APEC region.

For more information:

[APEC Business Ethics for APEC SMEs in the Biopharmaceutical Sector](#)

[APEC Business Ethics for APEC SMEs in the Medical Device Sector](#)



GLOSSARY

Anti-corruption: Designed to eradicate or prevent dishonest or fraudulent conduct

Asia-Pacific Economic Cooperation (APEC): A [regional economic forum](#) established in 1989 to leverage the growing interdependence of the Asia-Pacific

Biopharmaceutical sector: Comprised of pharmaceutical and biopharmaceutical companies engaged in researching, developing, manufacturing, and distributing drugs for use in the diagnosis, cure, mitigation, treatment, or prevention of disease and products intended to affect the structure or any function of the body ([International Trade Administration](#))

Codes of ethics: A guiding set of values and principles by which individuals or an organization should abide

Collective action: When people and organizations work together to achieve a common objective

Compliance: adherence to regulatory, statutory, and or organizational rules that govern your organization, industry, and or practices

Ethical leadership: Otherwise known as “tone at the top,” whereby senior leaders of an organization set clear expectations for ethical behavior and model ethical conduct

Ethics: Principles of conduct governing an individual or a group

Healthcare professionals: Professionals who diagnose, treat, prevent, and provide advice for medical care; includes physicians, nurses, pharmacists, and allied healthcare workers, among others

Integrity: Uprightness of character; implies trustworthiness and incorruptibility

Medical technology sector: An industry sector comprised of companies engaged in developing, manufacturing, or distributing medical devices — an instrument, apparatus, implant, machine, tool, in vitro reagent, or similar article — and technology used in the diagnosis, prevention, mitigation, treatment, or cure of disease or other conditions through physical, structural, or mechanical action but not through chemical or metabolic action within or on the body

Patient organizations: Non-profit organizations that advocate for, represent, and support patients and their caregivers

Small and Medium Enterprises (SMEs): [Engines of growth and innovation](#) in the APEC region accounting for over 97 percent of all businesses and employing over half of the workforce across the [APEC economies](#)

Stakeholder groups: Categories of organizations with a vested interest in the ethics and performance of health systems, to include biopharmaceutical and medical technology sectors, government agencies, healthcare professionals and associations, patient organizations, and third-party distributors, among others

Transparent: Characterized by visibility or accessibility of information especially concerning business practices

APPENDIX

OVERVIEW OF PREVIOUS LIGHTHOUSE AWARD RECIPIENTS

The Lighthouse Award is an annual award selected by the Project Overseer for the Business Ethics for APEC SMEs Initiative. This award recognizes an individual, organization, or economy that has served as a bright and steady light to strengthen the ethical business environment in the APEC region.

For a full list of previous Lighthouse Award Recipients click the link below:

[APEC Business Ethics for SMEs Forum \(splashthat.com\)](https://www.splashthat.com)

OVERVIEW OF THE GENDER EQUITY IN ETHICS AWARD

The inaugural Gender Equity in Ethics Award was presented during the 2023 Business Ethics for APEC SMEs Forum to a leader who embodied the spirit of women's empowerment in ethics in their economy and across the APEC region.

For more information on the Gender Equity in Ethics Award click the link below:

[APEC Business Ethics for SMEs Forum \(splashthat.com\)](https://www.splashthat.com)

RESOURCE LIST

Best Practices and Capacity Building

[2021 APEC Kuala Lumpur Modernized Principles](#)

[APEC Mexico City Principles for Voluntary Codes of Business Ethics in the Biopharmaceutical Sector](#)

[APEC Principles for Voluntary Codes of Business Ethics in the Medical Device Sector \(The Kuala Lumpur Principles\)](#)

[Modernizing the Kuala Lumpur Principles](#)

[Modernizing the Mexico City Principles](#)

[APEC Guidance for Ethical Third Party Intermediary Relationships in the Medical Device Sector](#)

[Business Ethics for APEC SMEs Initiative Strategic Assessment of 2020 Commitments](#)

[Communicating the Value of High-Standard Business Ethics: Within a Small and Medium Sized Enterprise \(SME\)](#)

[Compliance Program Outcomes: A tool to build upon the 6 elements of a compliance program including ideas, examples, outcomes, measurements, and materials](#)

[Data on Ethical Performance](#)

[Draft Healthcare Professional Action Plan for Vision 2025](#)

[Draft Patient Action Plan for Vision 2025](#)

[Government Strategies to Encourage Ethical Business Conduct: A Resource Guide for Economies from the Business Ethics for APEC Initiative](#)

[Global Distributor Compliance Toolkit](#)

[Guidance for Ethical Third-Party Intermediary Relationships in the Biopharmaceutical Sector](#)

[Guide to Facilitate Multi-Stakeholder Ethical Collaborations in the Medical Device and Biopharmaceutical Sectors \(English\)](#)

[IFPMA Note for Guidance on Patient and Patient Organization Interactions](#)

[Statement by Patients and Patient Organizations on Reinforcing Ethics and Business Integrity in Healthcare](#)

[The Benefits of Embracing Ethical Business Conduct: A Literature Review for the Business Ethics for the APEC SMEs Initiative](#)

[The Nanjing Declaration to Promote Ethical Business Practices in the Medical Device and Biopharmaceutical Sectors \(2014-2020\)](#)

[The Value from and Responsibility for ensuring Ethical Codes of Conduct: Industry and Association Responsibilities](#)

[Tokyo Action Agenda Recommendations](#)

[Vision 2025](#)

Consensus Frameworks

[Australian Consensus Framework for Ethical Collaboration in the Healthcare Sector](#)

[Canadian Consensus Framework for Ethical Collaboration](#)

[Chilean Consensus Framework](#)

[China Consensus Framework](#)

[Japanese Consensus Framework for Ethical Collaboration](#)

[Mexican Consensus Framework](#)

[New Zealand Consensus Framework](#)

[Peruvian Consensus Framework for Multi-Stakeholder Ethical Collaboration in the Medical Device and Biopharmaceutical Sectors](#)

[Philippines Framework for Ethical Collaboration](#)

[Viet Nam Consensus Framework for Ethical Collaboration in Pharmaceutical and Medical Device Sectors](#)

Initiative Reports

Biopharmaceutical Sector

[2022 Report on Code of Ethics Implementation by APEC Biopharmaceutical Industry Associations](#)

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[2022 Report on Code of Ethics Implementation by APEC Medical Technology Industry Associations](#)

[2021 Report on Code of Ethics Implementation by Medical Device Industry Associations in the APEC Region](#)

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[2022 Status Report on Consensus Frameworks in the APEC Region](#)

[2020 Status Report on Consensus Frameworks in the APEC Region](#)

[2019 Status Report on Consensus Frameworks in the APEC Region](#)

APEC Leaders and Ministerial Endorsement Statements

[APEC Leaders and Ministerial Endorsements from 2012 - 2022](#)



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