

Dear IPBA Members,

In times of widespread economic turmoil, our focus inevitably narrows to the near-term objectives of retrenchment and survival. The global financial crisis has significantly diminished the volume of international trade, commerce and investment within the Asia-Pacific region that not very long ago had been hailed as auguring the "Pacific Century." The world's major economies - especially the U.S. and Japan - have been in severe economic distress, with grave consequences for the exporting countries especially in this region of the world. Even China and India, whose economies continue to show resilience, have not been immune from adverse impacts of decreased export demand.

Nonetheless, a longer view into the future strongly suggests the continuation of transformational changes within this region. These forces contain in themselves major challenges but also exciting opportunities that have important implications for the growing roles of law and of lawyers. Underlying much of these challenges and opportunities are the intensifying trends toward the rule of law as it is being expressed and institutionalized within the countries of this region. These transformational forces include the following:

First, the process of globalization continues in its economic dimensions to broaden the integration of the Asian and the Pacific economies as well as this region and the rest of the world. Initially, the positive impacts of globalization were cited as evidence that economic integration benefits all countries by accelerating economic development and thereby significantly reducing poverty. More recently, however, globalization's "dark side" has been recognized, pointing out the need for social safety nets, corporate social responsibility and more responsible and inclusive economic development. The rule of law is now seen more than ever as critical in helping to shape how globalization is transforming societies.

Second, signs of the global economic recovery appear to be emerging, although the process of recovery will probably be a prolonged one, and its rate and intensity will vary in each economy and economic region. Continuing reforms affecting the international financial system will also have substantial national and regional impacts.

Third, in December 2009 the world's attention will center on Copenhagen and what will be the successor to the Kyoto Protocol, which expires in 2012. The Asia-Pacific region will likely be a major geographic focal point in these discussions, complementing negotiations on possible future commitments expected of the developed countries listed in Annex I of the U.N. Framework Convention on Climate Change.

Fourth, issues of international trade, including the future after the Doha round, remain unresolved and had been pushed to the aside, in part due to the onset of the global financial crisis. The proliferation of bilateral free trade agreements, and the strengthening of regional economic trade groupings and agreements, continue and may very well intensify as the global economic recovery picks up momentum.

Other forces, trends and emerging issues could also be mentioned. These encompass the spreading use of the Internet and e-commerce; the allocation of rights to and use of increasingly scarce natural resources such as clean and potable water; the establishment of effective legal regimes for environmental protection and the prevention of environmental pollution and degradation; and similar issues that previously were not deemed to be of direct interest to business lawyers. This is changing, however. The boundaries between business, economic activity, and environmental and social concerns are becoming less distinct; the interrelationships among these dimensions are becoming more apparent; and the indirect impacts and consequences of business and economic transactions and activities are becoming better known. These have broadened the perspectives of business law and business lawyers and also reflects the broadened range of business and business firms and organizations.

These transformational changes and their future direction are directly relevant to the IPBA, for they comprise the rich and constantly changing environment within which we and our business clients operate, plan and invest. This is also the context within which the IPBA continuously seeks to identify the cutting edge issues that affect our interests and concerns as legal professionals as well as persons living in, and

otherwise interested in, this Asia-Pacific region. The IPBA's Strategic Plan expressly builds on this recognition.

At its Annual Conference on April 29-May 2, 2009, in Manila, the IPBA explored diverse issues affecting legal practice and how to deal with diversity and change. IPBA's next Annual Conference, scheduled for May 2-5, 2010, in Singapore, will deal with *Climate Change and Legal Practice*. This will be the first conference of lawyers in Asia to deal with this vital issue. The science of climate change continues to be debated, but a widespread consensus has emerged that human activities have within recent history significantly contributed to the emission of certain greenhouse gases and resulting adverse impacts on climate change. Policy implications and political decisions on climate are already being made on national and international levels. For the IPBA, an understanding of the implications of climate change, and policy actions taken in response to climate change, for business and the practice of business law is of paramount importance. These implications are still being identified and acted upon, and whatever will be the results of the Copenhagen meeting in December 2009 will have profound results for our future in general and our future practice of law.

The IPBA is able to pursue these cutting edge issues, and explore their impacts on our members' present and future law practice, because of the commitment of IPBA's members to the future of the Asia-Pacific region, their participation in and contributions to the practice of law in this region, and their ultimate promotion of the rule of law as a fundamental pillar of economically dynamic and growing societies. We continue to draw this strength from our membership and in this way to continue to build the IPBA.

We look forward to the future, especially in these presently difficult times, and welcome your continuing and expanded involvement with the IPBA. We welcome your suggestions and ideas for how the IPBA can be even more effective.

With all best wishes,

Gerald A. Sumida
Secretary General
September 7, 2009