

**ASIA-PACIFIC ECONOMIC COOPERATION
Telecommunications and Information Working Group**

**TWENTY SIXTH MEETING
(TEL 26)**

CHAIR'S REPORT

**19 – 23 AUGUST 2002,
Moscow, Russia**

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Chair's Report

TWENTY-SIXTH MEETING of the APEC WORKING GROUP ON TELECOMMUNICATIONS AND INFORMATION

INTRODUCTION

The twenty-sixth meeting of the Asia Pacific Economic Co-operation (APEC) Working Group on Telecommunications and Information (TEL) was held in Moscow, Russia, from 19 – 23 August 2002. Seventeen member economies of the APEC region were represented: Australia; Canada; People's Republic of China; Hong Kong, China; Indonesia; Japan; Republic of Korea; Malaysia; Mexico; New Zealand; Philippines; Russia; Singapore; Chinese Taipei; Thailand; USA and Vietnam. Also attending were the Director (Program) of the APEC Secretariat, Observers from the Pacific Economic Co-operation Council (PECC); and representatives of three Guests (AOEMA, INTUG and Macao, China).

Mr Richard Thwaites of Australia chaired the meeting.

PLENARY MEETING REPORT

Review and Adoption of Agenda

The Agenda for the meeting is at Annexe A of this document.

The TEL was preceded by a number of workshops, seminars and Task Force Meetings. The program of all the associated meetings of the TEL is contained in Annexe B.

TELMIN 5 Report

China, as the host of the Fifth APEC Ministerial Meeting on Telecommunications and Information Industry (TELMIN 5), May 2002, provided a report. The document is at Annexe C.

TELMIN 5 produced the Shanghai Declaration and Program of Action (available at <http://www.apecsec.org.sg>). Ministers achieved broad consensus on some current issues of information communication and network security, and adopted the Statement on the Security of Information and Communications Infrastructures, which is attached to the Shanghai Declaration.

The Chair noted that the Shanghai Declaration now provides part of the working principles and priorities of APEC TEL, and should be considered in planning the work of the TEL along with other relevant APEC documents.

APEC Secretariat Report

The Director (Program), APEC Secretariat, Mr Chutintorn Gongsakdi, provided an overview on APEC issues. Document PLEN/02 refers.

In his report, the Director (Program) noted that all four projects lodged by TEL, three for Operational Account funding and one for TILF funding, were approved at the Budget and Management Committee (BMC) meeting in June 2002, with some adjustments made to the amount of funding for each project.

The funding approved for each project is:

Flow-Based Internet Traffic Measurement and Analysis (\$108 080)

- Research into Electronic Commerce Strategies for Rural SME's in APEC (\$19 000).
- Overview of Internet Protocol version 6 (IPv6): Bridging the Digital Divide (\$15 650).

Stocktake of Progress Toward the Key Elements of a Fully Liberalised Telecommunications Sector in the APEC Region (\$98 775).

The BMC agreed TEL can propose projects of up to a total of \$300 000 for funding from the Operational Account. The Chair noted that the BMC had provided comments to all Working Groups concerning better presentation of project proposals, including the need to clearly identify which Member Economies were participating in a proposed project. The Director (Program) stated his willingness to work with member economies in drafting future proposals.

APEC Secretariat will provide a report on implementing the Leaders Statement on Counter-Terrorism through SOM to the 14th APEC Ministerial Meeting (AMM). Ministers responsible for trade had noted the importance of

achieving the twin goals of enhanced security against terrorist threats and continued facilitation of the movement of goods, capital and people by the end of the year.

A list of “pathfinder initiatives” has been identified to advance some APEC objectives in order to meet the Bogor Declaration goals on trade and investment liberalisation by 2010 for developed economies. It is important to note that consensus on pathfinders is required, but not all economies are required to implement them at the same time. There will be a mid-term review in 2005 to assess achievement of progress toward the Bogor goals.

e-APEC Task Force met recently in Mexico to discuss its future. The Task Force developed the e-APEC Strategy. A question has been raised over how implementation of the strategy should be monitored. Four possibilities were highlighted at this meeting and comment has been invited from relevant Working Groups. Outcomes of this discussion are addressed in the “other business” section of this report.

Canada (Peter Ferguson) noted that the future of ECSG was not on the agenda at the e-APEC Task Force meeting. He noted that the ECSG will continue until SOM1 and its future will be discussed at SOM1 in Thailand 2003.

Korea (Y S Lee) is currently drafting Chapter 2 of the Report on implementation of the e-APEC Strategy and has invited input from TEL by the end of August 2002.

The host economy for APEC in 2002 is Mexico. The Deputy Chair requested Steering Groups to give some priority and focus to projects that benefit small, medium and micro enterprises undertaken in the TEL. This information is to be sent to the Chair of SOM as input to the Declaration being prepared for Leaders. Information in the first instance should be sent to the Deputy Chair, Salma Jalife.

Consideration of Steering Group and Task Group Reports

1. Business Facilitation Steering Group Meeting (BFSG)

The Chair thanked participants for attending the final meeting until late the night before.

The Convenor, Mr Makiguchi, introduced his report. Document PLEN/26 refers. A full copy of the report can be found at Annexe D of this report.

The convenor drew attention to item IIIe (discussion on e-government) of the BFSG report highlighting that the BFSG has experience in projects for small and medium enterprises (SMEs) and individuals, who are the users of e-Government. It was noted that there are opportunities for the group to proceed with more concrete and specific projects and activities and the following will be looked at before TEL27.

1. Proceed with discussions following directions from TELMIN5 and consult outcomes from relevant activities such as the High-Level Symposium on e-Government;
2. Asia Oceania Electronic Marketplace Association (AOEMA) has agreed to work with the convenor to develop new projects; and
3. GBDe dialog with TEL should take place.

An APEC Cyber-Security Strategy was proposed by the United States of America (document PLEN/21 refers), to

be sent to the next Senior Officials Meeting (SOM) in October 2002. The strategy addresses the scope of how APEC should be addressing the security statement adopted by Leaders in the Shanghai Declaration.

China raised 4 concerns with the document.

- Page 3-3rd dot point under action items should read member economies.
- Concern over whether the legal terms are commonly used and understood by most people.
- The word should used in the document is a concern as Leaders and Ministers do not instruct the TEL, rather they make recommendations based on the mandate of the TEL.
- The document is proposing work that is outside the scope of the TEL.

The Head of Delegation for the United States of America responded that the word should is used as it is an action verb and that Ministers agreed to implement policies, such as in the Shanghai Declaration, making the word appropriate. The paper does not say who should do the work under the strategy, as this is a decision for SOM. The strategy highlights what activities could be undertaken.

The Chair noted that the paper is making recommendations that go beyond the mandate of the TEL. A cover letter will be attached when the strategy proposal is sent to the SOM, explaining the reason for the document being put forward, the work of the TEL, and what the TEL will do in response to the strategy. The Chair also noted that the paper has been discussed at length in both eSTG and BFGS and that there is support for a statement of need as a proposed action for the whole of APEC.

The Chair of the eSTG suggested that references should be made to the Shanghai Declaration and the Program of Action as many of these issues are identified in the TEL's work plan. The APEC Secretariat stated that the Secretariat is sending a report to Leaders on "Implementation of the Leaders' Statement on Counter – Terrorism" on which the TEL could draw in reporting to SOM on TEL's activities.

The United States of America agreed to incorporate suggested changes and send to Points of Contact after the meeting, for final approval. The Plenary **agreed** to send the final document with a cover letter from the Chair to SOM, once it has been given final approval by member economies through POC's.

Australia recommended that a website accessibility project group be established looking at accessibility guidelines (agenda item VIb). Korea, USA, Canada, Japan, Hong Kong China, AOEMA, Indonesia, and Convenor expressed interest in being members of the group. An invitation has been extended for developing economy members to join. The group participants will be identified by the next meeting.

The Convenor noted that the Deputy Convenor (Y S Lee) will draft a discussion paper on online content issues for presentation at TEL27 (agenda item VIc). The Chair noted that there are sensitivities to online content issues and requested that the discussion paper should be drafted in consultation with other economies. It was **agreed** that a draft discussion paper will be sent to POC's before TEL27 for consideration.

The Plenary approved the TEL website sponsorship guidelines.

The Convenor invited the Chair of the eSecurity Task Group, Mr Steve Orlowski, to present his report, which is an Annexe to the BFGS report.

Five eSTG recommendations were agreed to in BFSG, for consideration in the Plenary. These are

1. A one-day eSTG meeting at TEL27.
2. A possible joint meeting with EESSI at TEL27.
3. New Zealand will compile a list of commonly used standards relating to algorithms, key lengths and applications to assist economies in developing their policies on the use of encryption.
4. Economies should recognise that there are a number of IT security accreditation schemes already developed and that a resource should be developed to assist public and private sector employers in understanding the significance of qualifications issued by existing schemes.
5. A 2 day workshop for CERT awareness raising at TEL27. The host will not need to fund this workshop.

The eSTG Chair reported that the EESSI and eSTG joint meeting held prior to TEL26 was a success and there is scope for the two groups to work together in the future.

The eSTG pointed out that the current work program of the eSTG addresses all items contained in the e-APEC Strategy and the TELMIN 5 declaration.

Workshop proposal

Australia and Japan presented a proposal for a jointly funded two-day CERT workshop to be held prior to TEL27.

The Plenary **approved** the workshop without any further comment.

The Plenary adopted the BFSG report, including the eSTG report.

2. Development Co-operation Steering Group Meeting (DCSG)

The DCSG Convenor, Dr Arnon Tubtiang, reported on the outcomes of the meeting. Document PLEN/28 refers. A full copy of the report can be found at Annexe E. The main outcomes of the meeting were:

- 1) developed and agreed upon three complementary themes for activities:
 - facilitating APEC TEL Digital Divide Blueprint for Action,
 - supporting Micro/SMEs, and
 - considering next-generation technologies and their role in infrastructure development,
- 2) recognised TELMIN's endorsement of DCSG's Digital Divide Blueprint for Action in May 2002, and considered next steps for implementation,
- 3) conducted a review of all newly-proposed and current activities that support Micro/SMEs and added a new Information Exchange agenda item of Technology Support for Micro/SMEs,
- 4) prepared a position on the e-APEC Strategy,
- 5) initiated an Information Exchange session on IP, Broadband and Alternative Technologies for Community-based Networking, welcoming 7 speakers on these topics, and

6) endorsed a series of 3 workshops to explore broadband issues and activities in a developmental context, starting with a one-day workshop at TEL27.

The Chair noted that an important function of the DCSG is information exchange, and highlighted the number of excellent presentation made in the group. The Chair noted that self-funded and funded projects alike are required to be multilateral rather than unilateral in focus, and as the DCSG has a large number of self-funded projects, more economies should register their participation in each project.

The Chair sought clarification as to which economies are involved in the Flow-based Internet Traffic Measurement and Analysis Project (DCSG/25). The economies are Australia, New Zealand, Singapore, Thailand, and China.

The Convenor noted in response to the Chair's request for discussion on the e-APEC Task Force, that the Digital Divide Blueprint is a very useful document and was developed through the TEL before the e-APEC Strategy. It was suggested that this information, along with DCSG's willingness to facilitate implementation of the Blueprint under guidance of SOM and Leaders be included in the letter to SOM when the TEL sends its final response.

The DCSG continues to develop its work program based on mandates passed by Ministers, Senior Officials and Leaders. This work program also includes pursuing new efforts on micro/SME support and next-generation technologies.

The Convenor highlighted the importance of updating the matrix of TEL activities and Internet Statistics (Document DCSG/04/R1 refers). The Deputy Convenor, Ms Diane Steinour, will circulate an updated document at the next TEL meeting.

Workshop proposal

New Zealand joined the United States of America (document DCSG/05 refers) in proposing a 1-day workshop on broadband over each of the next three TEL meetings, starting at TEL27. Canada, Indonesia, Korea, Singapore, Chinese Taipei, and Thailand showed support for the workshop.

The Plenary **approved** the workshop without further comment.

The Plenary adopted the DCSG report

3. Human Resource Development Steering Group Meeting (HRDSG)

Dr Inuk Chung, the HRDSG Convenor provided a summary report of the HRDSG meeting. Document PLEN/27 refers. A full copy of the document can be found at Annexe F of this report.

The HRDSG sought approval for the following workshops to be held prior to TEL27.

- A one-day follow-up APEC TEL Interconnection Training Workshop This workshop follows from the successful one held in Thailand in July - August 2002.
- A one-day follow-up workshop on orientating and training regulators for MRA implementation. This will follow a workshop held in Bali in November 2002.

The Plenary **approved** the workshops without further comment.

New Project Proposal

A self-funded project proposal from Thailand, PECC and ITU on e-University Network in HRD for e-Government with Japanese and Chinese support. Japan thanked PECC and ITU for the proposal.

The Plenary **approved** the proposal.

Project updates.

- E-Commerce Skills Standards Project will complete component 2 by 31 August 2002 (in Thailand) and component 3 by 15 February 2003.
- Overview of Ipv6 will commence a one-day workshop in Thailand prior to TEL27.
- There are still free courses in the APEC Distance Learning Project on Telecommunications Technology by Korea and will continue until October of this year.
- An Orientation and Training Workshop for regulators wanting to implement the MRA will be held in November 2002. The venue will be changed from Jakarta to Bali.

Chinese Taipei apologised that the Deputy Convenor had not been able to attend the meeting. The Chair stated that it is not uncommon for people in a position of responsibility to be unable to attend a meeting, and welcomed Chinese Taipei's support of HRDSG.

The Plenary adopted the HRDSG report.

4 Liberalisation Steering Group Meeting (LSG)

The Convenor, Mrs Kathy Fisher, provided a summary of the report to the meeting. Document PLEN/25 refers. A full copy of the report can be found at Annexe G.

Project updates

The draft Regulatory Structures Project report will be circulated to POC's with a final comment requested by the end of September 2002.

Workshops

The LSG sought approval for the following workshops to be held prior to or at TEL27.

- A one-day WTO Workshop to be conducted before TEL27.
 - Singapore thanked the Convenor and highlighted that under agenda item 2.3, it states that one of the reasons to have this workshop is "the need to stay focused on areas where APEC TEL can make a contribution". Singapore noted that there are some areas, such as EMC and EMI that are addressed in APEC fora and APEC CTI.

- A one-day MRA meeting to be held before the MRA Task Force Meeting – noted in the HRDSG report as well.
- A one-day MRA Task Force Meeting
- Half a day MRA Joint Committee meeting during TEL27.
- A Regulatory Roundtable to be held at TEL27 with Singapore to coordinate the agenda.
 - The Philippines proposed the name of the roundtable be changed from “**Regulators Roundtable**” to “**Policy and Regulatory Roundtable**”, as regulation and policy are often conducted by separate agencies within economies and it is difficult for both groups to be present if the meeting is directed at regulators only.
 - Singapore and China supported the Philippines request.
 - The USA stated that most of what the TEL does is policy based and the meeting is a way of trying to include regulators. This is also reflected in TELMIN statements, which have expressed a desire to get regulators together.
 - The Chair suggested that the function of the regulator is to implement policy, and policy makers advise on the rules the regulators have to implement. Regulators should have a voice in review of policy. The roundtable to date has been effective in providing such a forum on regulatory issues.
 - Japan suggested the title of the roundtable should be “Regulatory Roundtable”.
 - Philippines accepted this and the name change was **adopted** by the Plenary.

The Plenary **approved** the workshops.

The Chair noted that the e-APEC Strategy covers some liberalisation issues that LSG could have investigated. The Convenor stated that the Steering Group did not discuss these issues in the group but trusts the Chair to include any liberalisation issues when responding to the SOM on the e-APEC Task Force.

The Plenary adopted the LSG report.

Discussion/Approval of New Project Proposals/Priority Setting

No new projects requesting funding were proposed.

Workshops - TEL27

Steering Group	Subject	Time requested	Status	Funding
BFSG	eSTG	1 day	Approved	Hosts
	EESSI	1 day	Withdrawn	
	CERT	2 days	Approved	Self Funded
DCSG	Broadband	1 day	Approved	Host
HRDSG	Interconnection	1 day	Approved	Self Funded

	MRA Training	1 day	Approved	Host
LSG	Regulatory Roundtable	1 day	Approved	Host
	WTO workshop	1 day	Approved	Host
	MRA Task Force	1 day	Approved	Host
	MRA Joint Committee	½ day	Approved	Host

The Chair noted that it is normal practice for hosts to provide for two days of workshops and three days of meetings and any more than this can be difficult for the host to arrange. It is also important to take into account that small delegations sometimes want to attend all workshops, which they can not do if there are more than 2 workshops running at one time. The Chair requested whether workshop proposals could be reduced.

The Chair of the eSTG recommended withdrawing the EESSI joint meeting. The Plenary agreed that no other workshops could be altered in length.

The Chair's office will discuss with the hosts what arrangements can be made to accommodate these requests.

Presentations by Economies of Their Recent Regulatory and Policy Developments

The Chair stated that regulatory updates are very important and are becoming a useful source of information. The Chair encouraged economies to continue to lodge these updates at each meeting. The Chair of eSTG requested that authentication and security related topics be included in future economy updates.

The Chair invited First Vice Minister Koroktov to present Russia's recent regulatory and policy development update (Document PLEN/10 Refers), and then opened the floor for others to present.

A full set of these reports can be found at www.apectelwg.org and www.aprectel26.org.ru.

Brief Voluntary Statements by Observers and Guests

Observers and guests were invited to present their voluntary statements.

International Telecommunications Users Group

Document Plenary/03 refers.

Pacific Economic Cooperation Council

Document Plenary/xxx refers.

Asia-Oceania Electronic Marketplace Association

AOEMA reported on the High Level Meeting on Micro Enterprises (HLMME) that took place in Mexico prior to TEL26. AOEMA presented to the meeting the work of the TEL in micro enterprises. Some of the key themes of the HLMME were human capacity building, Institutional building and ICT infrastructure development.

The Convenor of the DCSG invited AOEMA to present at the Steering Group meeting on the outcomes of the HLMME.

Discussion of Future Meetings

The Chair Welcomed Malaysia as the next host and invited the Head of Delegation to report on planning of the next meeting.

Malaysia looks forward to hosting TEL27 and welcomes delegates and families to the meeting, which will be held in Kuala Lumpur. The dates of the meeting will be at the end of March 2003, either 17-21 March or 24-28 March, subject to the final program. The website is expected to be running by the end of January 2003.

The Chair thanked the host and is looking forward to the meeting being held in Malaysia.

The Chair noted that discussions are continuing on who will host the next Ministerial Meeting. The Deputy Chair is in discussion with member economies and will advise as soon as possible.

Other Business

The Chair of the e-APEC Task Force requested input from the TEL on the future of the e-APEC Task Force and oversight of the e-APEC Strategy. His letter suggested four ways that oversight of the e-APEC Strategy could be undertaken. They are:

1. Dividing the work between different APEC bodies: The Economic Committee would look after Chapter 1, Electronic Commerce Steering Group would have oversight of Chapter 2, and the TEL would manage Chapter 3.
2. Continuing with the e-APEC Task Force.
3. Having one body monitor and co-ordinate implementation of the Strategy, with individual fora being responsible for implementing specific parts. ECSG?
4. Having the Strategy monitored and assessed by an external academic group.

The Chair requested that Steering Groups consider these options for discussion in the Plenary. Frank March, Deputy Convenor of the BFSG lodged a paper on recommendations made in the BFSG, document PLEN/24 refers. The Deputy Convenor stated that the topic was discussed extensively in the meeting but no agreed text, apart from the beginning of the document, was developed.

Points of initial agreement were identified as:

1. A clear distinction should be made between groups with a mandate to implement work programs and those with oversight/monitoring responsibilities.
2. Responsibility for oversight, coordination, and issues associated with the implementation of the e-APEC Strategy should lie with Working Groups and expressed through the SOM.
3. Each Working Group is responsible for identifying elements of the e-APEC Strategy that fall within its mandate and undertake activities to respond to those elements.
4. When an area of work not currently being undertaken is identified, it should be referred to the group with a work program most appropriate to the subject matter.

Korea suggested that another option is that a single group is created to oversee the e-APEC strategy as a whole.

Japan expressed that the general consensus in the meeting was that a group with coordination functions should deal with e-APEC issues.

The Chair noted that all comments raised in the Plenary and Steering Groups will be included in a draft letter to the SOM and sent to delegates for final input. Delegates were encouraged to contact the Chair's office for any additional points before the final letter is sent to SOM for its meeting in October 2002.

On behalf of the TEL, the Chair expressed his thanks to all the members of the host economy TEL25 Organising Committee for their efforts in hosting a successful meeting. The meeting facilities and arrangements had been excellent and the Chair noted that Steering Group reports had never before been finalised and printed before the beginning of the final Plenary and he was impressed that the organisers were able to do this.

The Head of Delegation, Mr Koroktov, expressed his warmest appreciation to TEL delegates for coming to Russia and he hoped that the future work between Russia and APEC would be fruitful.

J. Process for review and Adoption of Chair's Report

The Chair informed the meeting that a first draft of the Chair's report would be circulated electronically to all TEL points of contact. The draft will include Steering Group Convenor reports.

The Chair then declared the meeting closed.

ANNEXE A

Plenary Agenda

0930 – 1230 WEDNESDAY 21st AUGUST 2002

0930 – 1230 FRIDAY 23rd AUGUST 2002

A. Review and Adoption of Agenda

B. APEC Secretariat Report on APEC Developments

Director, Program, APEC Secretariat

C. TELMIN 5 Report

Head of Delegation, China

D. Steering Group and Task Group Meetings and Reports

1. Business Facilitation Steering Group Meeting (BFSG)
2. Development Co-operation Steering Group Meeting (DCSG)
3. Human Resource Development Steering Group Meeting (HRDSG)
4. Liberalisation Steering Group Meeting (LSG)

Steering Group Convenors

E. Discussion/Approval of New Project Proposals/Priority Setting

Chair

F. Presentations by Economies of their Recent Regulatory and Policy Developments

Heads of Delegations

G. Brief Voluntary Statements by Observers and Guests

H. Discussion of Future Meetings – TEL 27

I. Other Business

J. Process for review and Adoption of Chair's Report

ANNEXE B

List of Workshops and seminars at TEL26

Saturday 17 August

Legal Framework for Combating Cybercrime

Sunday 18 September	Legal Framework for Combating Cybercrime
Monday 19 September	European Electronic Signatures Standard Initiative Meeting Mutual Recognition Arrangement Task Force meeting
Tuesday 20 September	World Trade Organisation Workshop eSecurity Task Group
Thursday 22 September	Mutual Recognition Arrangement Joint Committee

ANNEXE C

Report on the Fifth APEC Ministerial Meeting on Telecommunications and Information Industry

The Fifth APEC Ministerial Meeting on Telecommunications and Information Industry was held from May 27 to 30, 2002 in Shanghai, China. Around 350 delegates, including government officials, representatives of telecom industries and academics from 21 APEC economies in the field of communication and telecommunications participated in the meeting. His Excellency, Mr. Wu Bangguo, Vice premier of China attended the opening ceremony. With strong support from Chinese government and active participation of each economy, this meeting was concluded successfully.

This meeting was the first APEC ministerial meeting on telecommunications and information industry held in the new century and it took place at a crucial period when world economic growth slowed down and global information and communications industry was undergoing restructuring. Around the theme of *Leveraging Digital Opportunities to Promote Common Development*, live discussions were held and extensive consensus's were reached on topics such as *Information Communications Infrastructure, Telecommunications and Information Policies, Market Regulation, Information Communication and Network Security* and *Human Capacity Building* during the four day meetings. The participating economies shared a great concern to the current economic situation and the development of information communication industries within the Asia Pacific region, and expressed confidence that the future of the ICT industries is promising, full of vigour and vitality.

The meeting adopted Shanghai Declaration and Program of Action, which are two important policy statements on the current situation, future development and strategic goal of information communications in the Asia Pacific region, calling on all economies to strengthen cooperation and mutual exchange, seize the digital opportunity and bridge the digital divide with a view to realising common development. These two documents also set out concrete goals for APECTEL to accomplish in the coming two years.

The meeting also achieved broad consensus's on the issue of information communication and network security and adopted the Statement on the Security of Information and Communications Infrastructures, which has highlighted the importance of protecting the information communications infrastructures and proposed further studies, exchanges and cooperation in the area of policies, emergency response and

technical standards.

ANNEXE D

BUSINESS FACILITATION STEERING GROUP REPORT

Note) Underlined parts are the decisions made by the BFSG.

I) Adoption of Agenda (Attachment A)

The Convenor, Mr Eiji Makiguchi, welcomed participants. (Participants List, see Attachment B) He briefly discussed the context of the meeting and the work for the BFSG. Thanked government of Russia for the excellent facilities. Introduced deputy convenors Y.S. Lee from Korea and Frank March from New Zealand.

Korea asked that agenda item V (e) should be changed to read "Global B2B Interoperability Project".

Added to VII item (d) Russian Telemedicine Projects for Asia Pacific Region (Russia)

Agenda accepted

II) Discussion of Issues for BFSG

a) TELMIN5 telwg26/BFSG/10

Convenor submitted the results of the TELMIN5 for information for the BFSG participants.

b) Cybercrime Workshop

United States reported on the Cybercrime workshop held on Saturday and Sunday 17th and 18th August in Moscow.

19 economies attended and there were 60 delegates. The meeting was briefly summarised and it was reported to be a success.

Hong Kong China mentioned that there was a suggestion that the seminars might be repeated on economy level. The United States supported the idea of economy level seminars and would work with economies on ways to achieve this. The convenor said that he would report to the plenary on the suggestion.

The convenor thanked the United States for their work on this successful workshop.

c) EESSI/APEC Joint Meeting

Steve Orłowski, reported on the outcomes of the meeting. It was agreed that standing invitations to each other's meetings would be extended.

d) eSTG - telwg26/BFSG/14 (eSTG Minutes, see Attachment C)

The eSTG convenor reported on the meeting. The detail can be found in document number mentioned above. The Convenor put 5 recommendations to the BFSG for consideration.

Before these items were considered it was suggested that item VI (a) be moved to this point in the agenda.

ITEM VI (a) CERT awareness raising and capacity building. telwg26/BFSG/02

Australia reported on the project proposal

It is recommended that the TEL endorse a project to:

- Raise awareness about the need for Computer Emergency Response Teams in member economies
- Develop Guidelines for establishing Computer Emergency Response Teams in member economies.
- Develop a Communications Framework to facilitate the CERT global network
- The project would be further developed at TEL 27 with an awareness-raising workshop to be held in conjunction with that meeting.

US and Canada supported the project proposal.

The recommendation were then considered.

1. A request was made for a one day eSTG meeting at TEL27. This was agreed.

2. A possible joint meeting with EESSI in conjunction with TEL 27 was to be explored. This was agreed.

3. It was recommended that APEC economies consider the OECD cryptography policy guidelines in developing their policies for the use of encryption. It was also recommended that eSTG compile a list of commonly used standards relating to algorithms, key lengths and applications to assist economies in developing their policies on the use of encryption. New Zealand undertook to compile the list. This was agreed.

4. It was recommended that economies,

- Recognize that there are a number of IT security accreditation schemes already developed;
- Recognize the role of the private sector in providing such schemes;
- Recognize the importance of practical training to supplement course work in such schemes;
- Recognize the role of continuing assessment due to the rapid changes in IT security.

It was recommended to develop a resource to assist public and private sector employers in understanding the significance of qualifications issued by existing schemes. This was agreed.

5. It was recommended to bid for a 2 day workshop slot for the CERT awareness raising at or immediately prior to TEL 27. It was mentioned that it would not be the host's responsibility to fund this workshop. This was agreed.

There were no new project proposals as the CERT project will be submitted at TEL27.

III) Reports and Discussion on e-Government

a) BFSG Stocktake (Convenor) telwg26/BFSG/05

The stocktake was reported to TELMIN5 and was well received by the ministers.

The document also includes recommendations from the ministers and suggestions from the convenor regarding the future work of BFSG.

The full document is available on the TEL web site and the address is given in the telwg26/BFSG/05.

b) High-Level Symposium (Korea) telwg26/BFSG/12

A report on the symposium including “Strategy Report on Promoting e-Government in APEC” was given by Korea. Korea, as the host of the symposium, suggested that TEL needs:

1. to support this high level efforts to be accelerated and continued with its consistent involvement and inputs, and
2. to build upon the result of the symposium, especially the ‘Strategy Report on Promoting e-Government in APEC ’ when it considers its possible actions to strengthen the e-government cooperation within the region.

The deputy convenor (Korea) mentioned that a paper on TEL's e-government activities was submitted to the symposium. The paper can be found at telwg26/BFSG/21.

The convenor thanked Korea for the report noting that our discussion and activities on e-Government should be closely cooperated with the symposium.

c) E-Commerce in Government (Korea)

Five economies have replied to the questionnaire so far. The convenor noted that this information is important for the e-procurement and e-payment side of E-government and encouraged economies to submit their replies to Korea as soon as possible.

d) Integrated e-Government for Local Governments (Indonesia) telwg26/BFSG/13

Presentation of progress report of this project was given. The objectives of the project were

- Improve local government management profile
- Improve service quality
- Improve HR quality
- Narrow digital divide
- Improve SME's

A questionnaire has been included at the end of the document and Indonesia asks all member economies to help by filling out the questionnaire.

Vietnam asked 1) how much the smart card costs the people in relation to their income, 2) what type of certification is issued and how, and 3) does the student access to e-learning through dial up or leased line?

Indonesia replied 1) the reader is the problem not necessarily the card. Also pricing is not determined as this is still a pilot project. 2) system of certification was already introduced but the regulation should be completed by the end of the year. 3) E-learning is on internet so students can use any way they like to connect. e-learning is through discussion fora, not real time.

USA suggested that the survey include questionnaires on the security that economies use.

Chinese Taipei asked how they protect the personal information on the smart card because many people worried that their information will be misused. Indonesia answered that this is not finalized yet as it is a pilot project they are still evaluating the results well.

Canada noted that ECSG held a workshop on E-Gov. and had discussion on public-private partnership. The report will be supplied. Liaising with GBDe is useful.

e) Discussion (Convenor) telwg26/BFSG/05

Convenor introduced his suggestions considering the activities achieved so far and the resources and advantages that BFSG might have:

- 1 Projects for the facilitation of e-Government from the users' point of view
- 2 Collaboration between Government and Business
3. Development of Telecom Network

Convenor also mentioned that it is time to proceed some more concrete and specific projects and activities. BFSG has many experiences in projects for SMEs and individuals, who are the users of e-government. It is useful to have dialog with private sector, especially GBDe, on some specific issues on e-government within the next BFSG meeting. With many participants from Telecom Ministry, we might have advantage to share information and exchange policy views regarding the improvement of telecom networks as infrastructures.

Hong Kong, China expressed interest. USA noted the themes covered important areas and suggested that because the three identified themes are so broad, it will be necessary to look at specific project proposals. Korea mentioned that BFSG should delve deeper into the issues.

Chinese Taipei expressed their concern on the dialog with business. If dialog should be held at the high level meeting rather than TEL, correct person would not be available for the discussion. We should also discuss with other APEC fora. Convenor suggested having the dialog at the working level, not necessarily at high level.

Korea emphasized and suggested that we should figure out TEL projects in responding to TELMIN5 and High-Level Symposium on e-Government, and should proceed its own work on this area.

GBDe expressed its hope to have a dialog with TEL.

AOEMA offered to work with the convenor on developing projects before TEL27.

USA supported the idea of discussion addressing the issues, which should be identified. The US took an example of e-security, and Canada and Australia supported the suggestion.

BFSG agreed that:

- 1- We proceed with discussions following the direction from TELMIN5 and consulting the outcomes from relevant activities such as the High-Level Symposium on e-Government.
- 2- AOEMA will develop project.
- 3- GBDe dialog should take place.

IV) Other Discussions

a) eATF & ECSG merging and BFSG priority telwg26/BFSG/24

There was an intensive and prolonged discussion of the draft response from TEL to SOM on the future of e-APEC.

There was a concern expressed from several economies about the clarity of the draft response to be sent to the SOM. Revised text (telwg26/p/24) will be referred to the plenary for further discussion.

b) APEC Cyber-security Strategy (USA) telwg26/BFSG/22

The USA introduced a revised document which was taken into consideration at the eSTG meeting with comments from economies. Viet Nam expressed concern about the linkage between

some recommendations and the Council of Europe Cybercrime Convention. Following suggestions of a number of minor amendments, the BFSG agreed to present a revised text (telwg26/p/21) to plenary for action.

V) **Project Reports**

a) **TEL Website (Korea) telwg26/BFSG/14**

Korea presented some new functions of TEL Website such as email reflector service and content management system.

Mexico and Australia expressed appreciation for the work done by Korea.

Korea presented the sponsorship guidelines proposal and asked the BFSG to approve the guidelines noting that proposed charges are provisional. Chinese Taipei noted the need to consult with the APEC secretariat about who should sign contracts.

Secretariat (Sam) noted that TEL is free to set directions as there are no APEC-wide guidelines finalised yet.

BFSG approved the guidelines.

b) **EC Strategies for Rural SMEs in APEC (AOEMA/Philippines)**

AOEMA reported that the APEC funding for this project has been approved and that the project should be completed before the TEL27. Jan Gessin was introduced as the project manager for this work.

c) **Protecting Yourself in Today's Internet Society (AOEMA) telwg26/BFSG/09**

AOEMA presented the booklet that has been created . This booklet is designed for SME's and individuals in order for them to establish procedures that will protect them when using the Internet. 200 copies of the booklet will be posted to all member economies' points of contact through their Singapore embassy.

Each economy will have its own page of useful links to find information about the topics and all economies are asked to cooperate with AOEMA in order to produce the links for their economy.

Any economy wanting to distribute this widely should contact AOEMA to discuss the arrangements

AOEMA thanked FMCC for providing the funds for this project.

The convenor thanked AOEMA for their work as did Australia, Canada and Korea.

d) **E-Commerce Awareness Seminar (AOEMA/Japan) telwg26/BFSG/08**

AOEMA presented the information on the latest series of seminars held since the last TEL. These seminars were made available through the help of Japan MPHPT, Australian DFAT, FMCC Japan and Critical Path Hong Kong.

AOEMA reported that the data gathered from the seminar participants provided a useful insight into the situation of EC and SME's in these regions.

The convenor thanked AOEMA for its work as did Australia, Canada and Japan, and hoped that these seminars could continue.

e) **Global B2B Interoperability Project (Korea) telwg26/BFSG/17**

A paper has been submitted and participants are advised to read about the current status of this project.

f) Electronic Commerce Capacity Building Project (Thailand) telwg26/BFSG/11

A paper has been submitted and participants are encouraged to read about the current status of this project.

VI) New Project Proposal**a) CERT Awareness raising telwg26/BFSG/02**

This item was covered earlier in the meeting.

b) Web site accessibility telwg26/BFSG/07

Australia provided information on accessibility guidelines used in Australia and elsewhere by both government and non-government web users. It is recommended that the BFSG support further work on this issue by establishing a small project group.

The USA Supported the idea of a small group. Government should not get into proprietary issues.

Korea mentioned that there is a role for the TEL web site to play.

Korea, the US, Canada, Japan, Hong Kong, AOEMA and Convenor expressed to be involved in the small group. Invitation is open to a few developing economies. (Indonesia showed its wish to join the small group at the closing Plenary.)

Scope will be further defined off line and presented at TEL27.

c) Discussion of online Content Issues (Deputy Convenor-Korea) telwg26/BFSG/20

The Deputy Convenor (Korea) presented a paper on online Contents. The proposal was to draft discussion papers on content promotion and content regulation. The US and Canada expressed their concern about the scope of the discussion papers. The Deputy Convenor replied that the scope of the papers will be determined as the work progresses in consultation with the interested economies. The TEL Chair noted that the relationship of the agenda to the Steering Groups within TEL should be considered during the drafting of the discussion papers. Canada has expressed its willingness to contribute to the discussion papers. BFSG agreed to proceed with the proposal.

VII) Information Items**a) Guidelines for ISPs (Australia) telwg26/BFSG/03**

Australia submitted a paper on Guidelines for ISP's. These have been produced through the industry in an effort to raise awareness of the expectations that consumers and ISP's should have regarding the performance standards of ISP's. In response to questions about governments role in commercial processes, Australia noted that this was not intended to be a regulatory effort but an example of industry self regulation that has been brought about by consumer complaints in an unregulated ISP environment.

New Zealand and Canada noted that similar issues have arisen in their economies and would be looking forward to closely examining the Australian work.

Korea outlined the similar activities underway in Korea on self-regulation. Hong Kong, mention that security level of ISPs should also be examined as they are the weak link in the chain with regards to issues such as distributed denial of service.

The convenor thanked Australia for the information.

b) Micro-Enterprise Meeting (AOEMA) telwg26/BFSG/15 telwg26/BFSG/16

AOEMA had no more information to add to this item over what was presented in the plenary session. Participants should be informed that document numbers telwg26/BFSG/15 and telwg26/BFSG/16 contain the presentation made by AOEMA and the draft conclusions of the HLMME.

The Convenor thanked AOEMA for attending this meeting on TEL's behalf and noted for participants that AOEMA was able to send both Michael Baker and Yuichi Tosaki to the meeting.

c) Toward a Cross-border Paperless Trading Environment-Actions for Trade Facilitation (Chinese Taipei) telwg26/BFSG/01

BFSG participants are encouraged to read the paper submitted by Chinese Taipei on this topic. Canada stated that this project is close to the work of the CTI and the ECSG and has considerable ramifications to the facilitation of trade in our region.

d) Russian Telemedicine project for Asia Pacific region (Russia) telwg26/BFSG/23

The convenor thanked Dr. Michael Natenzon for the presentation of this project and welcomed the ability to be able to share information on such a valuable project.

VIII) Other Business**a) BFSG Work Roadmap(Deputy Convenor-Korea) telwg26/BFSG/19**

The Deputy Convenor (Korea) presented a paper which followed upon the paper 'Discussion Paper on Current and Future BFSG Work Areas' (TELWG25/BFSG23). The paper is a simple roadmap of possible BFSG work areas. Australia commented that the paper should take into account the declarations and programs of action at TELMINs and the e-APEC Strategy. The Deputy Convenor (Korea) replied that it would be reflected in the future versions and noted that the paper will be continuously updated to assist BFSG in charting its future course.

b) Improving the Operations of BFSG: toward higher goals(Deputy Convenor-Korea) telwg26/BFSG/18

The Deputy Convenor (Korea) presented a paper on which he elaborated on the possible ways to improve the operation of BFSG. There were earnest discussions and BFSG took note of many ideas in the paper as possible future actions.

BFSG meeting was closed at 11:00pm.

(Attachment A)

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(Attachment B)

BFSG Agenda

I) Opening

- a) Review/Adoption of Agenda

II) Discussion of Issues for BFSG

- a) TELMIN5
- b) Cybercrime Workshop
- c) EESSI/APEC Joint Meeting
- d) eSTG

III) Reports and Discussion on e-Government

- a) BFSG Stocktake (Convenor)
- b) High-Level Symposium (Korea)
- c) E-Commerce in Government (Korea)

- d) Integrated e-Government for Local Governments (Indonesia)
- e) Discussion

IV) Other Discussions

- a) eATF & ECSG merging and BFSG priority
- b) APEC Cyber-security Strategy (USA)

V) Project Reports

- a) TEL Website (Korea)
- b) EC Strategies for Rural SMEs in APEC (AOEMA/Philippines)
- c) Protecting Yourself in Today's Internet Society (AOEMA)
- d) E-Commerce Awareness Seminar (AOEMA/Japan)
- e) Global B2B Interoperability Project (Korea)
- f) Electronic Commerce Capacity Building Project (Thailand)

VI) New Project Proposal

- a) CERT Awareness Raising and Capacity Building (Australia)
- b) Web Site Accessibility (Australia)
- c) Discussion of Online Content Issues (Deputy Convenor-Korea)

VII) Information Items

- a) Guidelines for Internet Service Providers (Australia)
- b) Micro-Enterprise Meeting (AOEMA)
- c) Toward a Cross-border Paperless Trading Environment-Actions for Trade Facilitation (Chinese Taipei)
- d) Russian Telemedicine Project for Asia-Pacific Region (Russia)

VIII) Other Business

- a) BFSG Work Roadmap (Deputy Convenor-Korea)
- b) Improving the Operations of BFSG (Deputy Convenor-Korea)

IX) BFSG Report to the TEL

eSecurity Task Group Report

ELECTRONIC AUTHENTICATION

AGENDA ITEM 1. Meeting with European Electronic Signatures Standardization Initiative (EESSI)

The Chair of the meeting hosted by EESSI on 19 August reported that the meeting had been extremely productive (EESSI/01, 02). Four areas of common interest were identified and it was agreed that liaison points be established to facilitate cooperation on these projects. The projects and APEC liaison points were:

Provision of status information on trust service providers	Steve Orłowski, Australia
Harmonised certificate policies	Jane Hamilton, Canada Francis Goh, Singapore
Compendium of IT security standards and best practice guidelines	Andrew Mason, New Zealand
Harmonisation of assessment processes/criteria	Steve Orłowski, Australia (interim)

It was also agreed to cooperate on standards relating to cryptography and to share experiences on pilot testing PKI interoperability.

It was agreed that both parties would be invited to each other's meetings. It was agreed to explore the possibility of a further meeting in conjunction with TEL 27. The Chair thanked EESSI for hosting the meeting.

agenda item 2. Electronic Authentication Issues Paper

The Chair reported that the BMC had approved funding for the publication of the electronic authentication issues paper (ESTG/01). The paper had been circulated prior to the meeting (ESTG/02, 04). The text of the paper was agreed subject to the inclusion of additional material arising from the second round of the CA mapping exercise, Agenda Item 3 (a). The Group thanked the Chair for his work in preparing the paper.

agenda item 3. PKI Interoperability Expert Group

(a) Second round of CA mapping exercise

The Co-Chairs, Canada and Singapore, reported on the outcomes of the second round mapping exercise (ESTG/12, 13, 14, 15). The exercise had identified a number of consistencies and inconsistencies. Several economies had submitted late responses to the study and it was agreed that these be included in the mapping.

(b) Future activities

The Co-Chairs presented two options for future work. The first was to develop a set of broad principles for the establishment of PKI schemes in member economies. The second was to undertake a more detailed mapping of existing schemes using RFC 2527 as the basis for the mapping. This would build on existing mappings between Australia, Canada and Singapore and between the US and the European Union. The mappings would result in a best practice guide for economies establishing schemes and could lead to formal cross recognition agreements.

It was agreed that Canada and Singapore would develop option one with the assistance of other economies. It was further agreed that the Chair work on option two as an interim measure but that Canada and Singapore would undertake the work on completion of option one.

AGENDA ITEM 4. TELMIN 5 – Mapping of eSTG Work Against TEL Program of Action

The Chair introduced a mapping of eSTG work against the eAPEC Strategy and the TELMIN 5 Declaration (ESTG/10). It was agreed that current activities address all the items contained in the Strategy and Declaration.

agenda item 5. Economy Updates

Australia advised that it had produced a guide Trusting the Internet. It also advised that six organisations had received full Gatekeeper accreditation as CAs or RAs. The term of the National Electronic Authentication Council had expired however the National Office for the Information Economy is continuing consultations on the policy directions for a national framework for authentication technologies. Details can be found at <http://www.noie.gov.au>.

Canada advised that it is developing guidance principles for the public and private sectors on the use of authentication. A draft is expected to be available in the next six months. Details can be found at <http://ecom.ic.gc.ca/english/authen/members/index.html> (user name: WG Password: dialogue)

Hong Kong, China advised it had four recognised CAs of which three were operated by the private sector. It is undertaking consultations as part of the review of its electronic transactions ordinance.

Indonesia advised that it will have electronic transactions legislation by the end of the year. Indonesian CERTS are growing.

Japan advised seven CAs in the private sector had been accredited and a further two were under examination. Three Ministries were operating CAs and others were preparing.

Korea advised that six CAs had been accredited and there are a further thirty CAs not accredited. 19 million certificates have been issued.

Malaysia advised that it had two accredited CAs. It is deploying a single multipurpose smart card incorporating PKI. The implementations will be audited by independent third parties.

New Zealand advised (ESTG/21) that two companies were issuing keys under its government scheme. There are currently no private sector schemes. It is now investigating the use of PKI to authenticate websites. 90% of government agencies will be using PKI by the end of the year mainly for email. The NZ Cabinet has approved an all government approach to electronic authentication. It noted that it was proceeding cautiously due to concerns regarding privacy and the potential for electronic identity cards. Options will be developed by June 2003. Information can be obtained at <http://www.e-government.govt.nz>.

The Russian Federation advised that its digital signature law was signed earlier this year. It is now in the process of defining the responsible authority. Documents on implementation are under discussion and a decision is expected in two months.

Singapore advised that the licence of one CA had been renewed and one CA was about to be examined.

Chinese Taipei advised that in April 2002 two regulations were passed to support the laws passed in October 2001. One regulation provided for approval prior to issuing certificates. The other established that foreign certificates would be equivalent to domestic certificates if they were of reasonably equivalent standard.

Thailand advised that in October 2002 a new structure would include a department for the management of CAs and RAs. It also expects to have guidelines for PKI interoperability in the near future.

The United States advised that it had placed a new emphasis on e-government by establishing an e-government office. It managed 24 initiatives of which one was e-authentication. The US has developed guidelines for Federal entities on identity assurance. The Federal Bridge CA is operational and has four cross certification policies. The Bridge policy has been amended to interoperate with the private sector. There are now several private sector bridges looking at cross certifying with the Federal Bridge CA.

The European Electronic Signature Standardization Initiative (EESSI) advised that the European Union is implementing the Electronic Signatures Directive and all Member States now have legislation in place. A number of supervisory schemes, either public or private sector, are being established and some are completed. Two independent voluntary approval schemes are also well established, one in the UK (*tScheme*), the other in the Netherlands (TTP.NL). EESSI has completed a number of standards that have been published and their availability notified to the European Commission. EESSI noted the importance of business models as a number of CAs have recently closed. Italy now requires online filing of corporate regulatory information and this is expected to lead to the issue of 2.5m certificates.

It was agreed that member economies be asked to include items on electronic authentication and information and network security in their regulatory updates prepared for the TEL Plenary.

agenda item 6 New Project Proposals

Privacy and Electronic Authentication, liaison with eCommerce Steering Group

The Chair advised that privacy implications of electronic authentication were causing some concern (ESTG/11). It noted that Australia had tabled its PKI Privacy principles at TEL 25. Canada also noted that it was undertaking work in this area. The eCommerce Steering Group (eCSG) Chair advised that there

would be privacy discussions at the meeting prior to SOM 1. It agreed that electronic authentication privacy would be added to the agenda for that meeting. The eCSG Chair agreed to provide the results of those discussions.

SECURITY OF INFORMATION INFRASTRUCTURE AND NETWORKS

agenda item 7. Report on International Workshop on Legal Frameworks for Combating Cybercrime

The United States reported that the workshop it conducted on 17 and 18 August had been extremely successful (ESTG/20). This view was supported by members of the Group that had attended. Indonesia invited experts to conduct similar workshops in Indonesia. It was agreed that the workshop papers and presentations be placed on the TEL 26 website.

agenda item 8. Report to Ministers on the implementation of UNGA 55/63

The Chair reported that the Report to Ministers on the Implementation of the Ten Issues Identified in United Nations General Assembly Resolution 55/63 (ESTG/09) had been presented at TELMIN 5. Ministers in their Declaration agreed to support the implementation domestically of the ten issues. The United States noted that the Council of Europe Cybercrime Convention could serve as a useful model in such implementations. It was agreed to update the report by asking economies to provide details of the specific laws they have introduced in implementing UNGA 55/63 using the Council of Europe convention as a model. The updated report could be brought to the attention of Ministers out of session.

Agenda Item 9 Survey of Encryption Policies

The Chair introduced the results of the survey of encryption policies (ESTG/07). The importance of encryption had been noted in the TELMIN 5 Declaration. It was agreed to recommend that APEC economies consider the OECD Cryptography Policy Guidelines in developing their policies for the use of encryption.

It was further agreed that the eSTG compile a list of commonly used standards relating to algorithms, key lengths and applications to assist economies in developing their policies on the use of encryption. New Zealand undertook to compile the list.

A number of economies provided updated material and the survey will be updated to include this and reflect the agreed recommendations/work.

Agenda item 10 Survey of Existing IT Security Skills Certification Schemes

The Chair introduced the results of the survey of IT security training schemes (ESTG/08). The importance of IT security certification had been noted in the TELMIN 5 Declaration. It was agreed that it would not be practical to develop a formal process of cross border recognition of IT security qualifications.

It was agreed that economies:

- Recognise that there are a number of IT security accreditation schemes already developed;
- Recognise the role of the private sector in providing such schemes;
- Recognise the importance of practical training to supplement course work in such schemes;
- Recognise the role of continuing assessment due to the rapid changes in IT security.

It was agreed to develop a resource to assist public and private sector employers in understanding the significance of qualifications issued by existing schemes.

A number of economies provided updated material and the survey will be updated to include this and reflect the agreed recommendations/work.

agenda item 11 Compendium of IT Security Standards

New Zealand introduced the final draft of the Compendium of IT Security Standards (ESTG/18). It was agreed that the period for submission of standards be extended to allow economies to include their domestic standards that may be of interest to other economies. The final version will be submitted to TEL 27. The importance of IT security standards and practice guides had been noted in the TELMIN 5 Declaration.

It was agreed to develop an electronic search capability to facilitate extraction of relevant standards on particular topics.

The Chair thanked New Zealand for its work in compiling this resource.

Agenda Item 12 Establishment of Website of Infrastructure Protection and Electronic Authentication Resources

Australia advised that it is in the process of establishing websites of information and network security resources and electronic authentication resources. These will be able to be accessed through the APEC TEL website. Economies were invited to provide links to resources for these websites.

Agenda Item 13 Revision of OECD Guidelines for the Security of Information Systems

The United States advised that the OECD Guidelines for the Security of Information Systems (ESTG/19) had been revised. It was agreed that these would be useful in assisting economies in developing their policies and strategies. The OECD work in producing the guidelines had been noted in the TELMIN 5 Declaration.

The United States noted that its Federal Trade Commission had developed a two day seminar and training material based on the Guidelines. It also advised that it would be considering converting the document into a paper to go to the United Nations General Assembly.

agenda item 14 Development of IT Security Training Material Project

The United States demonstrated some of the training material now available to economies. The material is available at <http://apec.isu.edu> (NO www). It also noted the continuing problem for academic institutions in obtaining and retaining faculty to undertake training. The Chair thanked the United States for its work in developing and hosting the material.

agenda item 15 Computer Emergency Response Teams (CERTs)

(a) Asia Regional CERT Meeting

Malaysia reported on the Asia Regional CERT meeting held in Japan (ESTG/17,18). As a result of that meeting it is proposed to establish an Asia Pacific Regional CERT Forum. This would facilitate interaction with other regional CERT groups thus providing global coverage and 24/7 response. The Group expressed its support for the Forum.

(b) CERT Capacity Building Project Proposal

Australia introduced a proposal for a CERT capacity building project (ESTG/06). The project would be in two parts. The first would be a workshop funded by Australia and Japan and conducted prior to TEL 27. The second would be an APEC funded project for development of guidelines for the establishment and operation of CERTS and the development of a communications framework in which they would operate. The role of CERTS had been recognised in the TELMIN 5 Declaration. Malaysia noted the importance of providing assistance to CERTS in developing business models for their operations.

The United States raised the possibility of including a segment on 24/7 law enforcement response capabilities in the workshop. It was agreed to bid for a workshop slot at or immediately prior to TEL 27.

It was also agreed to further develop the funded project proposal and the revised version would be presented at TEL 27 for inclusion in the budgetary process.

agenda item 16 Cyber Security in the Global Business Dialogue on Electronic Commerce

Representatives of the Asia/Oceania region of the Global Business Dialogue on Electronic Commerce (GBDe) outlined their organisation and its activities (ESTG/05). GBDe includes a working group on cyber security. The representatives expressed an interest in a continuing involvement with eSTG to bring a business viewpoint to discussions. It was agreed that GBDe be invited to future eSTG meetings. The Chair thanked the representatives for their presentation.

agenda item 17. TELMIN 5 – Program of Action and Statement on the Security of Information and Communications Infrastructures

The Chair introduced a mapping of eSTG work against the eAPEC Strategy and the TELMIN 5 Declaration (ESTG/10). It was agreed that current activities address all the items contained in the Strategy and Declaration.

The United States introduced a paper proposing the development of an APEC strategy on cybersecurity (ESTG/16). As the paper would be relevant to other APEC groups beyond TEL, it would be referred to senior officials and possibly to Leaders. While the approach was agreed a number of delegations expressed concerns about some of the contents. It was agreed that the paper would be revised taking into account comments from these economies and forwarded to BFGS for consideration.

agenda item 18. Economy updates

Due to time constraints it was not possible to obtain economy updates. Economies were invited to submit written updates.

Australia advised that in June 2002 \$A24.9m was provided to support the E-Security National Agenda. It has developed a national approach to e-security based on the strategic goal of creating a secure and trusted electronic operating environment for both the public and private sectors. It had convened a task force to bring together key decision makers from the public and private sectors to discuss efforts to protect the key infrastructure.

Indonesia advised that under its arrangements separate ministries were responsible for infrastructure security and for content. It presented information on its computer investigation activities and requested assistance in strengthening that capability.

Japan advised that a National Incident Response Team(NIRT) was established in the Cabinet Secretariat in April, 2002. NIRT conducts technical studies and furnishes advice with respect to IT security measures to be implemented by government ministries and agencies should unauthorised access to their information systems threaten to create serious disruptions to public livelihood and social and economic activity. In June 2002, the Ministry of Public Management, Home Affairs, Posts and Telecommunications (MPHPT) published a report which sets out partnerships with the private sector on countermeasures to Cyber-terrorism of critical infrastructure and further enhancement of the emergency response system in the information communication field. Based on the report, Telecom-ISAC, which is the first Incident Sharing and Analysis Centre in Japan, was established among telecommunications Industries in July 2002.

New Zealand advised (ESTG/21) that it published its government security manual with greater emphasis on information security particularly of non-classified information. Minimum security standards for Internet-based systems had recently been published.

Chinese Taipei advised that it was in the process of drafting cybercrime laws.

As noted under Agenda Item 5, economies have been asked to include Information and Network Security section in their regulatory updates to TEL Plenary.

agenda item 19. New Project Proposals

There were no formal new project proposals as the CERT project proposal will be submitted at TEL 27.

DEVELOPMENT COOPERATION STEERING GROUP REPORT

1. DCSG MEETING: Major Results

The Development Cooperation Steering Group (DCSG) meeting was held on 22 - 23 August 2002. There were about 40 participants attending the meeting (see Attachment D). The Convenor (Dr. Arnon Tubtiang, Thailand) welcomed all participants to the meeting, extended his appreciation to Russia for its great meeting arrangement, and finally welcomed Deputy Convenor (Ms. Diane Steinour, USA).

At this meeting, the DCSG:

- 1) developed and agreed upon three complementary themes for activities:
 - facilitating APEC TEL Digital Divide Blueprint for Action,
 - supporting Micro/SMEs, and
 - considering next-generation technologies and their role in infrastructure development,
- 2) recognised TELMIN's endorsement of DCSG's Digital Divide Blueprint for Action in May 2002, and considered next steps for implementation,
- 3) conducted a review of all newly-proposed and current activities that support Micro/SMEs and added an item of Technology Support for Micro/SMEs,
- 4) prepared a position on the e-APEC Strategy,
- 5) initiated an Information Exchange session on IP, Broadband and Alternative Technologies for Community-based Networking, welcoming 7 speakers on these topics, and
- 6) endorsed a series of 3 workshops to explore broadband issues and activities in a developmental context, starting with a one-day workshop at TEL27.

Further details at the meeting follow.

2. REVIEW AND ADOPTION OF AGENDA

The meeting reviewed the draft agenda of DCSG meeting, and agreed to revise it as shown in Attachment E.

3. DISCUSSION SESSION

3.1 Digital Divide Activities

The DCSG noted that the TELMIN in May 2002 endorsed the TEL's contribution to resolve the digital divide in the region, through the TEL's Digital Divide Blueprint for Action. The group also noted the APEC Secretariat liaison's comments on how the Blueprint serves a key part of the e-APEC strategy, and the role that TEL can play to help address issues of infrastructure development and human capacity building. The final version of the Blueprint was provided for the DCSG record (telwg26/DCSG/06, 17).

The DCSG decided that it should continue to update three sections of the Blueprint: 1) the Matrix Update for all TEL projects, to reflect DCSG projects and activities; 2) the External Stocktake of digital divide activities in other forums, to reflect activities that APEC economies pursue as members of other international and regional forums; and 3) the Internet Access Statistics, to benchmark economy-level access in response to Ministers and Leaders call to triple access levels by 2005. For the Matrix, the Deputy Convenor will await the outcome of the TEL 26 to update the matrix for both DCSG and other Steering Groups' activities. She will circulate the Matrix to TEL POCs prior to TEL 27 for final review. For the External Stocktake, again the Deputy Convenor will circulate the May 2002 version for updating prior to TEL 27, as there will be several relevant activities occurring inter-sessionally.

As there were several late submissions to the record for the Internet Access statistics, there are now 3 versions (telwg26/DCSG/04 and 2 Revisions). Several economies and the PECC observer made comments regarding what are the best measures of Internet access, as well as the source and reliability of statistics. This led the group to recommend that economies make an effort to provide clear and timely data to assist in this benchmarking effort. The group will continue to consider ideas as to categories tracked and appropriate format for future updates.

3.2 Response to TELMIN guidance (telwg26/DCSG/18 - Convenor)

After DCSG reviewed telwg26/DCSG/18, the circulated document of Shanghai Declaration and Program of Action (from TELMIN5 in China 2002), Convenor stated the 3 main focuses of DCSG in: 1) Digital Divide Blueprint for Action, 2) next generation technologies, and 3) Micro/SMEs. However, DCSG will also continue its activities to fulfil APEC TEL objectives.

DCSG welcomed AOEMA to detail its work on High Level Meeting on Micro-Enterprises (HLMME) which will be relevant to DCSG activities. AOEMA provided DCSG related materials which are telwg26/DCSG/27 and telwg26/DCSG/28. DCSG agreed to focus more on activities which will support activities on Micro/SMEs in the future. USA also recommended that the following 4 themes be added permanently to the Information Exchange session agenda - IP, Broadband, Alternative Technologies for Community-based Networking, and Technology Support for Micro/SMEs.

4. INFORMATION EXCHANGE: Next-Generation Technologies and Applications

The DCSG new session of Information Exchange fully supported the focus of TELMIN5 to voluntarily transfer technology and knowledge among APEC members. There were 7 speakers sharing their experience in this session under the topic of IP, Broadband, and Alternative Technologies for Community-based Networking. The followings are their presentation summary.

4.1.1 Perspectives of IPv6 on Next Generation Internet Development in Chinese Taipei (telwg26/

DCSG/19 - Chinese Taipei)

Dr. Lung-Sing Liang, President of Chunghua Telecommunication Laboratories, presented the “Perspectives of IPv6 on Next Generation Internet Development in Chinese Taipei”. This presentation described the up-to-date Internet subscribers, broadband Internet access and GSM Users in Chinese Taipei. Although Chinese Taipei has been in rather difficult time in economical situation for past one year, it still has a rather good growth rate both in Internet and cellular phone services. The speaker also mentioned about IPv6 development in HiNet for commercial service trial as well as the academic applications such as TANet, ASNet and CCL. Due to rather good development in broadband as well as mobile services, Chinese Taipei will create a good environment for IPv4 migration to IPv6. A state-level IPv6 steering committee was established in October 2001.

4.1.2 Current Internet Status and Trends in Russia, Brief Survey and Analysis (telwg26/DCSG/32 - Russia)

Dr. Sci. Andrei S. Mendkovich from Academic and Research Network FREEnet, Russian Academy of Science, presented a brief Russian computer networking, i.e. the first Russian IP network, Russian Internet, etc.; the current status of Russian Internet, i.e. number of Russian Internet users, the levels of competition of the Internet services at city market; and the long distance telecommunication market. Most companies have accelerated the regional networks development. The successful development of Russian Internet remarkably contributed by Russian Academic and Research Networks which play the important role of training personals and validating technology for commercial ISPs.

4.1.3 IPv6 Research in Japan (telwg26/DCSG/24 - Japan)

Japan explained the various IPv6 research activities on Intelligent Traffic System, Network Appliances and Interactive Professional Live Concert using IPv6 Multicasting. These applications are based on the IPv6 promotion video by IPv6 Promotion Council of Japan, which is supported by Ministry of Public Management, Home Affairs, Posts and Telecommunications.

4.2 Broadband

4.2.1 Network Optimization – the First Step to Next Generation Network (telwg26/DCSG/29 - Russia)

Mr. Alexei Shalaginov from Huawei Technologies Co., Ltd. explained the service development trend that competition between telecom operators is the service competition. This means that the ability to provide the customer oriented and industry-specific services now becomes the key factor for operators to survive on the competitive telecom market. He also mentioned about problems of existing network for telecom carriers are complex network structure, poor service capability, “last mile” bottle neck and poor operation and maintenance. To solve these problems, Huawei has introduced a concept of network optimization. It is not just the replacement of out-of-date equipment. It means the integrated optimization of network structure, service providing capability and network O&M mode. The purpose of network optimization is to help the carrier to enhance network efficiency and provide continuous network development with relatively low investment. It aims first to enhance the existing structure of PSTN and to prepare a ground for smooth and investment safe transition to broadband packet NGN.

4.2.2 Broadband Development in Chinese Taipei (telwg26/DCSG/21 - Chinese Taipei)

Ms. Vivien Wang from DGT, Chinese Taipei reported on its broadband development. Since 1999, broadband subscribers in Chinese Taipei have quadrupled annually. Internet access cost was reduced by one-twentieth within 6 years (from 1996 to 2002). Chinese Taipei launched e-Taiwan initiatives with ambitious goals such as reaching six million broadband subscribers by 2007, 50 percent Internet penetration, 70 percent of Internet subscribers using broadband and 250 Gbps international backbone capacity, etc. In order to make broadband cheaper, easier usage and more use, Chinese Taipei plans to issue more fix-line licenses in March 2003, to launch TV-based infotainment broadband services by the end of 2002, and to allocate NTD 10.7 billion budget over six years to develop digital content industries.

4.3 Alternative Technologies for Community-based Networking

4.3.1 The Development of Broadband Services in New Zealand (telwg26/DCSG/20 - New Zealand)

A goal of the New Zealand Government is to ensure access to broadband technologies for all communities. A stock-take of “work in progress” in early 2000 revealed a remarkable number of local community-based initiatives. To support these development, New Zealand Government, in partnership with regional groups, part funded five regional broadband pilots, set up to enable selected regions to explore alternative and divergent service provision models - from perspective of alternate technology, delivery systems, ownership and governance structures.

In May 2002, the Government announced that “tens of millions of dollars” has been budgeted for an initiative to introduce broadband technology throughout New Zealand by the end of 2004. Building on the lessons learned in the pilots and initially emphasising the needs of education, the infrastructure will extend over time to the delivery of most government services including health, policing, social services and conversation. The project, seen as being critical in New Zealand’s regional economic and social development, is scheduled for completion in December 2004.

4.3.2 Indonesia’s experience: Using GMPCS – ACeS Technology for Unserved Area (telwg26/DCSG/31 - Indonesia)

Indonesia presented a description of a method for using resources, i.e. GMPCS (Global Mobile Personal Communication by Satellite network), which is already commercially launched, to provide telephone network in unserved areas. With fast network deployment and low investment cost/users, this modified fixed-satellite terminal, called PASTI, has proved that installed 1000 units in less than a month in project “Ringing Minahasa”, North Sulawesi. With 45,000 villages as unserved areas across Indonesia, currently satellite technology (mobile or fixed) is an appropriate solution for “bridging digital divide”, closing the gap of information for countries which have geographical and demographical conditions similar to Indonesia. Government committed to play as a main factor to the success of USO program, especially in regulations and policy, and to provide the necessary fund.

5. DCSG PROJECTS

5.1 New Project Proposals

5.1.1 The Workshops of Broadband: New Technologies and Evolving Needs (telwg26/DCSG/05 - USA)

While New Zealand indicated an early interest in proposing a different broadband workshop, they instead joined the USA's proposal as outlined in telwg26/DCSG/05. Based on several presentations during the DCSG's Information Exchange on Broadband, and on Alternative Technologies for Community-Based Networking, there is strong interest in DCSG in pursuing detailed work and activities on these complementary themes. The USA requests a series of workshops for TEL 27, 28, and 29, which the USA is willing to organise in cooperation with New Zealand and Peru. The workshops will focus on real-world examples, as well as rural and underserved applications, and can move into other issues over time. After the three workshops, the DCSG can assess whether there is a need for a statement or conclusions to send to TEL ministers (TELMIN6). Canada indicated its support by suggesting a theme of sustainability. Indonesia recommended the participation of an expert in broadband technologies for developing economies. Other DCSG members (Canada, Indonesia, Korea, Singapore, Chinese Taipei, Thailand) showed such strong support that the DCSG will now request a one-day, not a half-day, workshop to accommodate speakers and themes. Suggested agenda items, themes, and speaker nominations should be sent to the USA and/or the Deputy Convenor.

5.2 Current Project Reports

Information service and knowledge transfer:

5.2.1 APII Cooperation Center (telwg26/DCSG/11 - Korea)

Dr. Bo-Hyun Seo, the Executive Director of APII Cooperation Centre outlined the purpose and objectives of the Centre and briefly reported on the current projects being undertaken by the centre. According to his presentation, there are three kinds of APEC TEL projects: "APII Testbed" project in DCSG, "APEC Distance Learning Project on Telecommunications Technology" which is an APEC funded project in HRDSG, and the "APEC TEL Website Maintenance" project in BFSG. Furthermore, the APII cooperation Centre is also providing some IT training programs aimed at bridging the digital divide called the "Human Resources Development Programs in HRDSG. Dr. Seo finally introduced the newly published APII brochure is now available, which contains general trends and main activities of the APII Cooperation Centre.

5.2.2 APII Technology Centre (telwg26/DCSG/15,14 - Japan)

An engineer-training program was held at the APII Technology Centre in February to March 2002. In the last seven programs, a total of 89 trainees were invited from 36 different countries in the Asia Pacific area. The curriculum included such subjects as Internet utilisation technology and next generation Internet technology. In addition, lectures with JICA were provided on tele-education utilising the DVTS system over the IPv6 Network. The project overseer was changed from Dr. Shin-ichi Nakagawa to Mr. Kiyoshi IGARASHI.

5.2.3 Development and Financial Resources Catalogue (telwg26/DCSG/01 - USA)

USA presented telwg26/DCSG/01, and noted its relevance to two ongoing DCSG priorities – implementation of the Digital Divide Blueprint, and support for SMEs and micro-enterprises. As this project has entered its fifth year, the coordinator recommends that it move from a semi-annual to an annual updating process. The USA is happy to receive updates from economies at any time. The catalogue is viewable on the TEL website.

5.2.4 Spectrum Policy and Management Database (telwg26/DCSG/02 - USA)

Telwg26/DCSG/02 describes the project's intention, to provide up-to-date information on spectrum allocations and licensing policies in each economy. The USA noted this too is responsive to DCSG's support for overcoming the digital divide, and to support micro/SMEs. Also, as this project has entered its fifth year, the coordinator recommends that it move from a semi-annual to an annual updating process. The database can be found on the TEL website.

5.2.5 The Cross-country Smart Card-Based Secure Electronic Commerce Project (telwg26/DCSG/09 (R) - Singapore)

Singapore presented the brief progress report to the meeting. In the efforts to investigate the systems and security aspects of cross-economy secure electronic commerce systems and to study the feasibility of adopting smart card technology to support electronic-commerce transactions, survey questionnaires had been designed and distributed to the participating member countries (China; Hong Kong, China; Indonesia; Malaysia; Singapore; Chinese Taipei and Thailand) by late March 2002. Although there were some delays due to slower than expected responses from some of the economies, the work would still be on schedule to be completed by December 2002. Currently, the work has entered Phase II - "Analysis of Survey Results and Drafting of the Report" and a draft report will be ready by the end of October 2002. The final report to the APEC Secretariat and to the APEC TEL will be submitted at the end of December 2002, and the results will be published in the APEC website.

5.2.6 Virtual Environments for Manufacturing and Technology Project (telwg26/DCSG /07(R),08 - Singapore)

Singapore, the project overseer, briefed the meeting that this project aimed to provide for expensive resources such as specialised machines to be "shared" over the Internet, for resource sharing and training among institutions, and their partners. Numerous modules had been completed (which enabled the prototype to be developed and tested). The remaining modules are currently been designed and developed, and are expected to be completed on schedule, by the end of 2002. Both a local and a Pan-Asia trial were also successfully conducted in June 2002 and August 2002 respectively. Moving forward, DCSG will explore the possibility of conducting a live demonstration during TEL 27. APEC economies were also invited and encouraged to visit the website at <http://vemart.tp.edu.sg> to find out more about the VEMAT project. Similarly, the project overseer would like to invite comments from APEC economies on how the outcomes of the project could be utilised in their economies.

5.2.7 Asia Pacific Grid Implementation Project (telwg26/DCSG/30 - Korea)

Korea, the project overseer reported on the progress of the Asia Pacific Implementation project. The ultimate goal of an Asia Pacific Grid is to enhance the economic competitiveness of the region by making a better use of the resources in the region. APEC AP Grid will connect computers, scientific instruments, and experts in the region together with high-speed networks. These resources are scattered all over the region, and an AP Grid will allow people in the region to access the connected resources as a single system, and making efficient use of the connected resources. Grid is also providing an excellent environment for human collaboration in the region. It is also expected that it will help in reducing the digital divide in the region by making these resources available to more groups of people. The current project can be considered as the first

step for a region-wide Grid implementation.

Products from the project will be: functioning Grid testbed, which will be available to member economies, technologies for building and operating Grid, and joint Grid projects among member economies. The progress since the last APEC TEL meeting includes: 1) Grid computational testbed is nearly completed, 2) progress in middleware and application R&D including web based portal (N*Gate) has been made, and 3) international collaboration including activities of PRAGMA are being carried out.

5.2.8 IP-based WLL for Bridging Digital Divide in Rural Area Project (telwg26/DCSG/ 23 - Japan)

The domestic project in the Amamis, Japan, for pre-analysis, has been expanded to cover 4 islands in July 2002 including 3 primary & junior high schools as well as three clinics. The surge current observed at thunderstorms was found to be the major cause to degrade the durability of WLL base stations. The project took several measures to cope with this problem.

Survey, study and individual research:

5.2.9 Optimal Topology of Test beds (research networks) and Simplified Commercial Networks in APEC Region (telwg26/DCSG/10,10(II) - Korea)

Korea reported the resulting first phase of project of collecting data. The basic data collected by the contractor has reported and presented. This data covers each economy's current network status, accessibilities and populations. Finally, a synthetic choice of selecting candidate cities was made based on three factors mentioned above. The connecting submarine cables will be carried out in the next phase of this project with cities selected at this phase using computer simulations. Before continuing toward the 2nd phase of the project, reviewing, updating, correction and speedy reporting to researcher regarding on those reported data were strongly requested by the researcher.

5.2.10 Flow-based Internet Traffic Measurement and Analysis (telwg26/DCSG/25 - Korea)

Korea briefed the progress report to the DCSG. The project can benefit several bodies in various aspects: Internet service providers, telecom services providers, regulatory authorities in the economies will be able to obtain clear and accurate information on the Internet traffic patterns and the usage patterns about their domestic and international links. And these data may play a critical role for drawing up policies, regulations and arrangements relating to the Internet.

The project currently on implementation phase, more specifically passed the BMC with a slightly reduced amount of budget and is expecting SOM endorsement. The project overseer officially requested for participation of member economies as a role of collaboration partner and as an oversight committee member as well.

Test bed service:

5.2.11 APII Test Bed Project (telwg26/DCSG/22 - Korea)

Korea outlined the three purposes of this project: 1) to build the advanced information infrastructure, 2) to assist in conducting joint R&D, and 3) to test interconnectivity and interoperability. Further, Korea briefed

about the progressive works of Trans-Eurasia Information Network (TEIN), which recently shows a strong demand to expand APII Testbed, especially to South East Asia. In this regard, the project overseer asked for more active cooperation from this region. After explaining eight on-going international research collaborations using the APII Testbeds, including IPv6, high energy physics, etc., Korea introduced National Computerisation Agency (NCA) as a co-working organisation to support and facilitate international research collaborations on APII Testbeds under the guidance and purposes of the APII, as has been and will be developed in APEC TEL.

5.2.12 Advance Satellite Test-bed Project (telwg26/DCSG/03 - Japan)

Japan presented the progress of 3 project key topics, which are technology development, application development, and co-operation with Asia-Pacific region for application development. Japan was making steady progress towards the planned launch in 2005 on the key equipment development. About 200 participants and 10 Japanese experts joined “i-Space Workshop”, held by NASDA in Tokyo in July 2002. The workshop was aimed to facilitate an exchange of views and information among people in satellite industry, medicine and education fields in Japan. To promote co-operation with other economies in Asia-Pacific region, Japan will hold the Fourth International Forum on Advanced Satellite Communications in November 2002 in Tokyo.

5.2.13 APII IPv6 R&D Testbed Project (telwg26/DCSG/13,14 - Japan)

In May 2002, an international conference was held in Korea, some Japanese attendants participated in the conference by using the videoconference application with DiffServ (a QoS controlling function) through the APII link. The participants experienced satisfactory video quality. The project overseer was changed from Dr. Shin-ichi Nakagawa to Mr. Kiyoshi IGARASHI.

6. OTHER BUSINESS

6.1 Micro/SME Issues

6.1.1 DCSG Activities related to Micro/SME

DCSG considered its ongoing activities which can be related to Micro/SME issues. DCSG found that the Digital Divide Blueprint for action and 4 projects of DCSG, which were 1) Development and Financial Resources Catalogue (USA), 2) Spectrum Policy and Management Database (USA), 3) The Cross-country Smart Card-Based Secure Electronic Commerce Project (Singapore), and 4) Virtual Environments for Manufacturing and Technology Project (Singapore) were very supportive to Micro/SMEs. DCSG input for the future works will focus on this issue as well, in part through a new agenda sub-item on Technology Support for Micro/SMEs.

6.1.2 AOEMA Work

AOEMA (www.aoema.org) presented “Safety Net”, a just-ready material, which would be a practical guide for beginners as well as experienced users to safeguard against fraud in the online world. The material also was a good handbook for Micro/SMEs who would like to go online. AOEMA welcomed any economies to join in this project such as translating and distributing the “Safety Net” in their own native language.

6.2 Consideration of DCSG Activities Toward e-APEC Strategy

APEC Secretariat liaison emphasised APEC's continued reliance upon TEL to implement the Digital Divide Blueprint. The DCSG recognises that, no matter the future management structure to implement the e-APEC strategy, the DCSG will facilitate the Blue Print and pursue new efforts on micro/SME support and next-generation technologies. The DCSG continues to base its work program on mandates developed by TEL in response to TEL Ministers, Senior Officials, Ministers and Leaders.

6.3 Information Exchange/Outreach on Other Multilateral Institutions - Upcoming Meetings: APEC – OECD Joint Forum on the Digital Economy, January 2003 (telwg26/DCSG/26 - USA)

The USA provided for the record (DCSG/26) a description and draft program for the forum, prepared by OECD staff for the APEC Senior Officials Meeting 20-21 August 2002. The USA noted a similar joint forum conducted with APEC in 1995 (in conjunction with TEL's meeting in Vancouver), and drew attention to the relevance of the agenda for the DCSG in particular (information infrastructure development and ICT assistance/cooperation as two draft program items), as well as other TEL SGs. Regarding participation, speaker nominations, and contributions to agenda and output documents, the USA clarified that interested economies should approach organisers through their own senior officials, and/or they could contact the current leader of the e-APEC Task Group, USA's senior official Larry Greenwood. The DCSG has no particular recommendation for topics and speakers at this time; however, Korea suggested that the results of the June 2002 OECD Broadband workshop in Seoul may be a relevant input. The USA requested that the document be brought to the TEL Plenary's attention, and will submit it for the Closing Plenary's consideration.

7. CLOSING

The meeting was closed with the convenor's appreciation to member economies' participation, collaborations and contributions, especially to Deputy Convenor's. Convenor also thanked our host, Russia, for excellent arrangement.

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Attachment D

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Attachment E

DCSG Agenda

OPENING

- Review and Adoption of Agenda

DISCUSSION SESSION

- Digital Divide Activities
- Updating the APEC TEL Digital Divide Blueprint for Action
 - § Matrix Update to Reflect DCSG Projects/Activities
 - § External Stocktake
 - § Continued Monitoring of Internet Access (USA)
- Response to TELMIN guidance

INFORMATION EXCHANGE: Next-Generation Technologies and Applications

- IP
- Perspectives of IPv6 on Next Generation Internet Development in Chinese Taipei (Chinese Taipei)
- Current Internet Status and Trends in Russia, Brief Survey and Analysis (Russia)
- IPv6 Research in Japan (Japan)
 - Broadband
- Network Optimization – the First Step to Next Generation Network (Russia)
- Broadband Development in Chinese Taipei (Chinese Taipei)
 - Alternative Technologies for Community-based Networking
- The Development of Broadband Services in New Zealand (New Zealand)
- Indonesia's experience: Using GMPCS – ACeS Technology for Unserved Area (Indonesia)

DCSG PROJECTS

- New Project Proposals
- Workshops Proposal: New Technologies and Evolving Needs: The Case for Broadband Adoption in All APEC Economies (USA)

Current Project Reports (Information Paper)

Information service and knowledge transfer:

- APII Cooperation Center (Korea)
- APII Technology Center (Japan)
- Development and Financial Resources Catalogue (USA)

- Spectrum Policy and Management Database (USA)
- The Cross-country Smart Card-Based Secure Electronic Commerce Project (Singapore)
- Virtual Environments for Manufacturing and Technology Project (Singapore)
- Asia Pacific Grid Implementation Project (Korea)
- IP-based WLL for Bridging Digital Divide in Rural Area Project (Japan)

Survey, study and individual research:

- Optimal Topology of Test beds (research networks) and Simplified Commercial Networks in APEC Region (Korea)
- Flow-based Internet Traffic Measurement and Analysis (Korea)

Test bed service:

- APII Test Bed Project (Korea)
- Advance Satellite Test-bed Project (Japan)
- APII IPv6 R&D Testbed Project (Japan)

OTHER BUSINESS

- Micro/SME Issues
- DCSG Activities related to Micro/SME
- AOEMA Work
 - Consideration of DCSG Activities Toward e-APEC Strategy
 - Information Exchange/Outreach on Other Multilateral Institutions
- Upcoming Meetings: APEC – OECD Joint Forum on the Digital Economy, January 2003

CLOSING

ANNEXE F

HUMAN RESOURCE DEVELOPMENT STEERING GROUP REPORT

1. OPENING REMARKS

At the start of the HRD Steering Group meeting, held on August 22 at the Renaissance Hotel in Moscow, Russian Federation, the Convenor of the HRDSG, Dr. Inuk Chung, Senior Research Fellow at KISDI, Korea, welcomed the participants [**Attachment F**] and asked the Steering Group members continued

support to the Group activities. After preliminary remarks, the draft Agenda was presented for review and adoption.

2. REVIEW AND APPROVAL OF THE AGENDA [telwg26/HRDSG/08] and [Attachment G]

The draft agenda [telwg26/HRDSG/08] was reviewed and the revised agenda was adopted and Agenda item 4 was discussed as the next to the last item.

3. PROGRESS AND STATUS REPORTS ON PROJECTS

3.1. APEC TEL Interconnection Training Project: Australia [telwg26/HRDSG/01]

Australia made a progress report on this project which would assist APEC member economies to develop effective interconnection arrangements to support the development and competition of the telecommunications services market. Australia briefly reported that a very successful workshop was held in Bangkok, July 30-1 August 2002, hosted by the Telephone Organization of Thailand. Australia described the workshop which has involved a mixture of formal presentations and interactive exercises, which proved to be very effective and encouraging participants to consider a range of complex issues from a diversity of viewpoints. Project overseer informed that all materials, including a wealth of information have been lodged on the project website (<http://interconnect.ovum.com>). Project overseer also requested the encouragement and extension of this activities and a possible one-day pre TEL workshop in TEL 27 as a follow-up measure. Canada and Hong Kong China endorsed the extension of this project.

3.2. E-Commerce Skills Standard Project: Australia [HRDSG/04]

This e-Commerce Skill Standards project aims to provide a framework and benchmarks to facilitate the uptake of e-commerce to facilitate global need for the skill standards and framework for rapidly expanding technology and business environment for E-commerce. For this, two day workshop was held on August 8-9, 2002 in Manila, with over 25 education and subject matter experts from the Philippines, Thailand, PR China, Indonesia, and Australia, the self-fund provider. Through the Workshop, 72 draft skill standards were validated and 10 additional standards are to be developed. It is reported that the Component 2 will be completed by August 31, 2002 and the Component 3 completion date is now set as February 15, 2003.

3.3. APEC-HRD Project: Orientating and Training Regulators for MRA Implementations: Canada [HRDSG/11]

Co-sponsoring Australia reported the progress for the projects which is designed to conduct a range of human resource development activities including workshops, expert support and training resource material to assist with the implementation and uptake of the APEC TEL MRA. Mr. Leo Van Neuren reported that training materials are currently being drafted are intended to be validated by government experts in regulatory matters. Indonesia has offered to host the Asian Regional Workshop which is planned to be held in Bali, Monday to Wednesday, 4 - 6 November 2002 to be followed by a one day seminar for industry and other stakeholders. He also requested that a one day Pre-TEL Workshop to be held in TEL 27, 2003.

3.4 Overview of Ipv6: Bridging the Digital Divide: Canada

Canada informed that this project proposal on overview of IPv6: Bridging the digital Divide was approved

by the APEC BMC and is eager to launch this project. In that spirit, Canada informed that Thailand agreed to host a Pre TEL meeting at Bangkok, possibly about a week before the TEL 27 for policymakers and regulators for IPv6 training.

3.5 APEC Distance Learning Project on Telecommunications Technology: KOREA [HRDSG/05]

Korea made a progress report that KT HDC, the project leader has completed web programming for two subjects and developed a new platform in JAVA language for better performance on Distance Learning Project on Telecommunications Technology. KT HRDC had conducted the pilot service until 15 July, 2002 and started to provide the distance learning service from 16 July, 2002 on the website (<http://apec.kt.co.kr>) which is linked to the APEC TEL WG website (<http://www.apectelwg.org>). So far, about 100 people have registered for these free courses which last from July to October 2002. To date, the project has been making progress according to its original schedule.

3.6 Human Resource Development Program: KOREA [HRDSG/09]

Korea reported the progress of its three self-sponsoring human resource development programs, "International Information and Telecommunication Human Resource Development Program," "APT Training and Study Visit and Training Program," and "Fellowship Program for Next Generation Telecom Leader." Korea reported the aim of the programs which are to bridge the digital divide between the digitally disadvantaged and the advantaged and provide appropriate IT training programs and shares experiences of Korea's IT policy, industry, and application methods on the newly emerging economies. In 2002 alone, more than 250 people from APEC member economies will be participated in the programs. It is also reported that, with ever-increasing demand for the Programs, number of courses delivered and trainees invited has been growing every year.

3.7 Vendor Training Material Database: USA:

The progress report on vendor training material database was given by the Professor Schou. This project is to provide a single source for site for accessing IT training materials from vendors from all economies. Project overseer showed a material from Ericsson as an example and informed that the site allows participating organizations to provide a material on the site, in addition to their own sites with minimal administrative interaction. He reported that several organizations have agreed to submit vendor material for the site, including negotiation with Cisco, Microsoft, and Intel, and more solicitation for broader participation are under way.

3.8 Status Report: EduPACT: PECC [HRDSG/10]

PECC gave a status report on EduPACT Phase III: Realizing the Benefits of Research and Relationships. Among brief description of the their products in 2002, Development of an IT literacy and Skill White Paper, e-Government Workshop and Summit Series, and Formalization of an IT literacy for Women Leaders Initiative and Development of a four-part series on IT literacy programs were highlighted. Especially, PECC is very much delighted to be a co-sponsor for the project proposal on e-University network in HRD for e-Government for TEL.

4. DISCUSSION OF ISSUES FOR HRDSG

4.1 Review of HRDSG Projects and Activities

[HRDSG/07]

Based on the information by TELWG Chair's Office and the HRDSG Convenor, HRDSG participants agreed to review and classify the projects into two categories: past projects and activities and current projects and activities. Then the Convenor will collect the results of those reviews and classification to update HRDSG projects and activities for future reference.

4.2 Review of Matrix of TEL Activities-HRDSG

[HRDSG/06]

With the consent of delegations in HRDSG, the Convenor will update and revise a Matrix of TEL Activities, which was made based on the Shanghai Declaration in the TELMIN 5, for the reference of the future activities and directions.

4.3 Review of Shanghai Declaration and APEC TEL Program of Action

The HRDSG briefly reviewed the Program of Action adopted by APEC TEL Ministers in Shanghai TELMIN 5 and agreed to use the instructions from Ministers to guide future work of the HRDSG. In particular, the HRDSG proposed one new project proposal in TEL 26 and three potential proposals, which may be tabled at TEL27 which further the work of human capacity building in the TEL, as instructed by Ministers:

(1) One new project proposal in TEL 26: Thailand- PECC-ITU proposal for an “E-University Network in HRD for E-Government”

Utilizing the concept of inter-networking for educational institutions, as well as networking among government agencies, universities and business entities, this project aims to provide human resource development for e-government initiatives. Thereby facilitating cooperation among governments, businesses, and educational and social institutions in human resource training as instructed by Ministers;

Three potential proposals to be developed and presented at TEL27, which are guided by the Shanghai Program of Action include:

(2). Australia proposes a “SME Internet Safety Training Program” project focusing on capacity building for e-security among APEC economies. The objective of this potential proposal would be to develop on-line training material for raising awareness of internet security issues amongst SMEs. The ultimate goal is in keeping with the Leaders Declaration to “triple the number of people having access to the Internet within the APEC region by 2005” as increased awareness of security issues will increase user confidence in online transactions/ communications.

(3). Hong Kong China proposes a “Learning Packages for Developments in Third Generation Mobile Communication” project. The aim of this potential project is to bridge the gap in various phases of third generation mobile communication developments in member economies. This potential project takes into consideration instructions from Ministers with regard to Telecommunication and Information Policies and Market Regulation in that it aims to facilitate “dialogue among policy makers and/ or regulators” in “new technologies such as wireless” communications.

(4). Canada will also explore building upon the work of the LSG with regard to Convergence and Regulatory Structures, through the possible development of a regulatory training program as a result of best

practices and discussions generated from LSG Regulatory Workshops. Taking instructions from Ministers with “support training activities that assist member economies to develop pro-competitive regulatory frameworks and that facilitate broad and constructive participation by all member economies,” further work will be done to explore coordination of such efforts between the HRDSG and LSG Regulators Roundtable.

Finally, the HRDSG will continue to support human capacity building initiatives by maximising existing training resources and ongoing HRD projects and programs as they relate to TEL priorities.

5. DISCUSSION OF ISSUES RAISED FOR HRDSG WITH OTHER STEERING GROUPS

5.1 Accreditation Survey: ESTG

[HRDSG/02]

Mr. Steve Orłowski, the Convenor of the e-Security Task Group(e-STG), delivered the results of the survey of IT security training schemes. It is also informed that it would not be practical to develop a formal process of cross border recognition of IT security qualifications. Recommendations from the survey by the eSTG are also informed.

5.2. Critical Information Protection Awareness Raising and Education Requirements: eSTG

The project overseer reported that there has been some progress that offered full motion video from the site since May, 2002 and the USA, Canada and Australia offered to make available education modules on computer ethics/behavior awareness, literacy, training, and education to the APEC economies for use in programs at the high school through postgraduate levels. Since implementation, there were over 2,7000 individual ‘hits’ on the site that browsed more than the ‘surface’ pages and 643 individuals have downloaded information from the site. Results will be measured directly by the dispersion of such education programs, and indirectly by increased attention to critical information security needs in all sectors of participating APEC economies.

6. NEW PROJECT PROPOSAL

6.1 e-University network in HRD for e-Government: Thailand-PECC-ITU [HRDSG/03]

Thailand, in coordination with PECC and ITU proposed the project proposal on e-University network in HRD for e-Government. This project is proposed with the aim to help bridge the gaps in implementing e-government initiatives among APEC member economies, through collaboration in human resource development. This is a concept to provide the necessary education and training for implementing e-government initiatives, through networking among educational institutions in APEC member economies as well as trilateral networking among educational institutions, government agencies and business entities in the participating economies. This will be a self-funded project in phase one with the total cost of \$80,000. Among them, \$50,000 will be from Waseda University, Japan and the remaining \$30,000 from ITU-CoE, and in-kind contribution from the participating universities. Then, subject to TEL 27, this project will seek the APEC Central Funds for later phase. The HRDSG supports this idea and endorsed this project proposal to the Plenary session for consideration.

7. INFORMATION ITEMS

7.1 Safety Net: Australia:

Mr. Leo Van Neuren introduced a booklet called "Safety Net," by the AEOMA, which contains some e-security matters for the SMEs. He suggested that with conjunction with AEOMA, Australia will put forward a project proposal in the next TEL 27 to develop a training material about internet security for SMEs, based on this booklet.

7.2 Learning Packages for Developments in the 3rd Generation Mobile Communications: Hong Kong China

Mr. W K Leung introduced an idea to develop a programme that would bridge the gaps in various phases of the third generation mobile communication development in the member economies. This programme will assist APEC member economies to develop and implement the 3rd generation mobile communication by delivering symposium and training course directed at senior regulatory manager levels in government agencies, existing business sectors linking to mobile communications and new market entrants, which will eventually further develop into distance learning packages. Hong Kong China will put forward a project proposal in the next TEL 27, based on this idea.

7.3 APII Cooperation Center: Korea

The Executive Director of the APII Cooperation Center in Korea, Dr. Bo-Hyun Seo informed that the new brochure of the Center is available to the delegation for the further information, which includes objectives and recent major activities, in addition to IT HRD programs.

8. OTHER BUSINESS

8.1 Convenorship Arrangements

The Convenor raised some concern on the inability of the participation of the Deputy Convenors to the meeting and some adjustment will be sought for improvement in the future.

9. HRDSG Report to the TEL: Summary of Priorities and Recommendations

The HRDSG discussed the agenda items, progress reports, and proposed projects in the meeting and decided to make the following recommendations to the Plenary for the consideration:

1. Project Proposal:

One from Thailand, PECC, and ITU on e-University Network in HRD for e-Government [**telwg26/HRDSG/03(new)**]:

2. Request for the pre-TEL Workshops:

Two(2) Requests for one(1) day pre TEL workshops in TEL 27 which are the requirement of the project contracts:

- (1) APEC TEL Interconnection Training Project;
- (2) APEC-HRD Project: Orientating and Training Regulators for MRA Implementations

Participants List for HRDSG

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Attachment G**HRDSG Agenda****1. Opening Remark****2. Reviews and Adoption of the Agenda****3. Progress and Status Reports on Projects**

3.1 APEC TEL Interconnection Training Project: Australia

3.2 E-Commerce Skills Standard Project: Australia

3.3 APEC-HRD Project: Orientating and Training Regulators for MRA
Canada Implementations:

3.4 Overview of Ipv6: Bridging the Digital Divide: Canada

3.5 APEC Distance Learning Project on Telecommunications Technology: Korea

3.6 Human Resource Development Program: Korea

3.7 Vendor Training Material Database: USA

3.8 Status Report: EduPACT: PECC

4. Discussion of Issues for HRDSG

4.1 Review of HRDSG Projects and Activities

4.2 Review of Matrix of TEL Activities-HRDSG

4.3 Review of Shanghai Declaration and APEC TEL Program of Action

5. Discussion of Issues Raised for HRDSG with other Steering Groups

5.1 Accreditation Survey: eSTG

5.2 Critical Information Protection Awareness Raising and Education Requirements: eSTG

6. New Project Proposal

6.1 e-University Network in HRD for e-Government: Thailand-PECC

7. Informational Items

7.1 Safety Net: Australia

7.2 Learning Packages for Developments in the 3rd Generation Mobile Communications: Hong Kong China

7.3 APII Cooperation Center: Korea

8. Other Business

8.1 Convenorship Arrangements

9. HRDSG Report to the TEL: Summary of Priorities and Recommendations

ATTACHMENT H

New Project Proposal

Contribution by Thailand and PECC (Japan) Human Resource Development Steering Group (HRDSG)

Promoting Human Resource Development in Implementing E-Government Programs In the APEC Region

Proposal

This project is proposed with the aim to help bridge the gaps in implementing e-government initiatives among APEC member economies, through collaboration in human resource development.

In this regard, Thailand and PECC (Japan) is taking the initiative to propose, for consideration and discussion at APEC TEL 26, a project to establish an e-University **network** in human resource development for e-Government.

This is a concept to provide the necessary education and training for implementing e-government initiatives, through networking among educational institutions in APEC member economies as well as trilateral networking among educational institutions, government agencies and business entities in the participating economies.

Issue for Consideration and Discussion

Thailand and PECC (Japan) would welcome discussion of the proposal including questions of:

- Scope of the project;
- links to other APEC TEL projects; and
- other suggestions.

Proposed Scope of the Project

- The project will utilize the concept of inter-country networking of educational institutions, as well as domestic trilateral networking among government agencies, universities and business entities in providing human resource development for e-government initiatives.
- This project will use IPv6 technology as a testbed for networking among participating institutions.
- The participating institutions would develop a framework for cooperation, create standardized teaching modules and materials and share information on the development and application of IPv6 technologies in e-government programs.
- E-learning or distance learning will be used as one of the teaching methods.

Background

APEC leaders meeting at Brunei in 2000 launched the Action Agenda for the New Economy, and established e-APEC Task Force to further develop and expand the Agenda. Promoting e-Government was presented by the Task Force as an action item toward the implementation of e-APEC. Consequently, e-Government Ministers urge the TEL to encourage information sharing and collaboration on e-government initiatives in the Action Plan at the TELMIN4 and 5. Therefore this project is proposed as a response to this directive. The project aims at providing the necessary human resource development in developing and implementing e-government programs. This project will promote the best practices, share successful experiences of setting up the framework of the e-Government, and build cost effective applications for e-Government, including implementing e-Government in various sectors of the government for APEC TEL member economies. The project also will find ways to handle bottle-necks of implementing the e-Government. This project will strongly accelerate the functioning of e-Government in the region with the involvement of educational institutions. The project will also have joint efforts together with BFSG.

Fact sheet

(Tick Ü one) **Project seeking APEC funding** **Progress Report** **Evaluation Report**

(Tick Ü one) **Operational Account** **TILF Special Account**

Project number:	Date received by Secretariat:	Late/Not late
Name of Committee/Working Group: Human Resource Development Steering Group		
Title of Project: e-University network in HRD for e-Government		
Proposing APEC Member: Thailand (in conjunction with Pacific Economic Cooperation Council (Japan) and ITU(ASP CoE))		
Co-sponsoring APEC Member(s): Japan, China		

Project Overseer: Name, Title and Organization (M / F) 1. Sudaporn Vimolseth 2. Prof., Toshio Obi-Nakamura, Waseda University		
Postal address: 1. HRD, TOT Corporation Public Company Limited, Bangkok, Thailand 2. Waseda University, 12-3-1, Seta, Setagaya, Tokyo, Japan		1. Tel: 66-2-580-2246 Fax: 66-2-580-2097 Email: sudaporv@tot.or.th Tel: +813-3707-7332 Fax: +813-3707-7332 Email: nakamura@sn.catv.ne.jp
Financial Information	Total cost of proposal (US\$):110,000 Phase 1: (Self fund: \$50,000/FY 2003 from Waseda University, Japan, \$30,000 from ITU-CoE, and in kind contributions from the participating universities).	Phase 2: to be sought from APEC Central Fund (subject to TEL 27 approval)
Type of Project: seminar/symposium short-term training course v survey or analysis and research æ database/website æ others (<i>Please specify</i>) Investigation + Course material development + Workshop/Seminar		
Project start date (Phase 1) 2003/01/01		Project end date: 2005/12/31
Project Purpose: 1. To establish APEC "e-University networks" as a center of excellence in HRD for e-government through e-learning system by using networking technology. 2. To promote strong partnership and interactive collaboration among academic institution, government and industry in supporting HRD requirements in the new economy. 3. To implement ICT training and research programs for fulfilling the need of the new environment of digital society.		
Signature of Project Overseer: (<i>Separate written confirmation acceptable for email submission</i>) Date:		
Signature of Committee Chair/WG Lead Shepherd: (<i>Not applicable to Progress Report and Evaluation Report</i>) (<i>Separate written confirmation acceptable for email submission</i>) Date:		

ANNEXE G

LIBERALIZATION STEERING GROUP REPORT

1. Opening

The Liberalization Steering Group met on August 21 and 22, 2002. The Convenor, Ms Kathy Fisher of Canada, welcomed the participants and introduced the Deputy Convenors, Mr. Colin Oliver of Australia and Mrs. Koesmarihati of Indonesia.

In her opening remarks, the Convenor indicated that this would be the first meeting in the TEL's new cycle of work. The Convenor reminded us, following the Plenary Session, about the importance of meeting project and proposal deadlines if they wish to be funded by BMC.

The agenda was reviewed and modified to include two additional items. Following a discussion in plenary, all Steering Groups were requested to identify key areas of their work that would support small and medium-sized enterprises (SMEs) and microenterprises. This item was added under Section 5, Other Business. In addition, a report on the MRA joint project was added to Section 4.

2. Discussion Session

2.1 Regulatory Structures Project - consideration of future work

The Project Overseer, Mr. Colin Oliver of Australia, gave a presentation on the Regulatory Structures Project. The project is now in its final stage, and funding expires at end of this year. An earlier phase provided us with a regulatory survey. The latest versions of the studies were circulated to Points of Contact over the past six weeks. Overall, there is a good level of satisfaction with the quality of the work. Changes to the conclusions, as well as additions to the section detailing options for further work, were discussed. More relevant case study information would be helpful, particularly with reference to developing economies as they establish and grow their regulatory agencies. Many countries rely increasingly on competition policy and case studies in this area could be added to the report.

Follow up: Colin Oliver will send an email to request that further comments from LSG participants be received by the end of September 2002.

2.2 Regulatory Roundtable

The Project Overseer from Singapore, Mr. Cheah Sin Liang, presented a series of proposed topics for the TEL 27 Regulatory Roundtable (see document LSG 23 for further reference). The proposal identified a number of options for discussion, which were tabled and explored throughout the meeting. Participants noted that one of the proposed topics, broadband deployment, is being addressed in a proposal to DCSG. Based on this, DCSG are encouraged to consider this interest. In addition, a proposal from Canada (see document LSG 32 for further reference) was presented with the intent to focus the discussion and build on the Singapore proposals, as well as ideas from many APEC member economies.

Following considerable and thoughtful debate, the proposals were reshaped and **a consensus was reached to hold a Regulatory Roundtable** that would attract regulators from APEC member economies. While the program remains to be defined, the scope of the Roundtable would focus on case studies of regulators in various stages of establishment. This would allow for discussions dealing with rule-making, interconnection, enforcement, universal service, etc.

Singapore has expressed a continued interest in coordinating the Roundtable with support from LSG member economies.

2.3 WTO Workshop (TEL 26 workshop report and consideration of future work)

The Project Overseer from Singapore, Mr. Cheah Sin Liang, presented a report on the WTO Workshop held August 20, 2002 (see document LSG 28 for further reference). The workshop generated a number of ideas on possible future work relating to the WTO, which were listed in the report. They include:

- providing assistance in capacity building to aid non-WTO members in their accession to the WTO;
- exploring further study on the issues relating to providing universal services to rural areas;
- discussing ways in which non-tariff measures such as EMI/EMC compatibility and application could be eliminated or reduced so as to facilitate greater and faster flow of global trade in IT products;
- examining classification issues for convergent ICT products;
- working on the product list for sectoral zero for zero initiative as one of the possible modalities for tariff reduction as part of the Doha industrial tariff negotiations;
- facilitating efforts by non-ITA participants in APEC to accede to the ITA;
- looking into subsequent activities (e.g., workshops, study groups) to share ideas and experiences on the details of how to implement the Reference Paper. If useful, such activities could also serve as the basis for the development of best practices to facilitate economies' implementation of the Reference Paper.

The LSG deliberated about the content and timing of the next WTO workshop. The **decision to proceed with a one-day workshop at TEL 27** was guided by a number of factors:

- implementing those commitments; the negotiating timetable for the GATS negotiations;
- linkages with other LSG projects;
- APEC member economies' desire for more capacity-building on emerging issues;
- the need for practical discussion on WTO commitments, and in particular on the implementation of the Reference Paper;
- the agreement within the LSG to report on WTO commitments and progress made towards
- the need to stay focused on areas where APEC TEL can make a contribution.

Singapore has expressed a continued interest in coordinating the WTO workshop with support from LSG member economies.

2.4 Reference List – Elements of a Fully Liberalized Telecommunications Sector: review of key issues and needs

The Project Overseer, Mr. Colin Oliver of Australia, reported that the project recently received funding approval from Budget Management Committee (BMC).

Following BMC approval, there are other processes to go through and funding will not be available until May 2003. A consultant could be hired soon after May and a workshop held prior to the September 2003 TEL meeting would review the work undertaken by the consultant.

Mr. Oliver suggested that there be a preliminary discussion of the project and its links to related LSG activities at TEL 27.

3. Information Exchange

3.1 Unbundling of the local loop: Broadband in Japan – Policies and Deployment

Mr. Imai Kenichi, Ministry of Public Management, Home Affairs, Post and Telecommunications

A delegate from Japan, Mr. Imai Kenichi, made a presentation of broadband deployment in Japan and the unbundling of the local loop (see document LSG 26 for further information).

3.2 Organizational and decision-making issues in liberalized markets

Mr. Kester Gordon, Senior Advisor, Telecommunications Policy, Ministry of Economic Development, New Zealand

- A delegate from New Zealand, Mr. Kester Gordon, made a presentation on New Zealand's recent regulatory reform.

Ms Anita Dey, Regional Specialist, International Bureau, Federal Communications Commission, United States

- A delegate from the United States, Ms Anita Dey, introduced two documents recently prepared by the Federal Communications Commission (FCC). Document LSG 22 is a study which provides a cross-country analysis of the decision-making procedures and ethical guidelines by four leading telecommunications regulators: the Canadian Radio-Television and Telecommunications Commission (CRTC), Hong Kong's Office of the Telecommunications Authority (OFTA), the United Kingdom's Office of Telecommunications (OfTel) and the United States' Federal Communications Commission (FCC). The second document is a list of documents from the eight example decisions made by these four regulators (see document LSG 21 for further reference).

3.3 Wireless commercial services

- **Wireless developments in Malaysia: Dr Abbas, Celcom, Malaysia**

A delegate from Malaysia, Dr. Abbas, made a presentation on wireless developments in Malaysia (see document LSG 29). In particular, the SMS Revolution, the introduction of GPRS in Malaysia and 3G developments in Malaysia were addressed.

- **Comparative Assessment of the licensing regimes for 3G Mobile Communications in the EU and their impact on the Mobile Communications Sector – presentation of key findings: Mr. Ewan Sutherland, Executive Director, INTUG**

A delegate from INTUG, Mr. Ewan Sutherland, made a presentation assessing the licensing regimes for 3G mobile communications in the European Union. He focused on the various challenges affecting the deployment of 3G mobile communications, including both external (political, financial) and internal (regulatory) challenges.

- **The FCC's Spectrum Policy Task Force: Ms Anita Dey, Regional Specialist, International Bureau, Federal Communications Commission, United States**

A delegate from the United States, Ms Anita Dey, made a presentation on the new Spectrum Policy Task Force recently launched by the Federal Communications Commission (see documents LSG 12 and LSG 14 for further reference). The purpose of the Task Force is to identify and evaluate changes in spectrum policy that will increase the public benefits derived from the use of radio spectrum. Further information on the Task Force, including a link to all comments submitted to the Task Force, is available online at www.fcc.gov/sptf.

- **Third Generation Mobile Service – Licensing and Market Outlook in Chinese Taipei**
Ms Vivien Wang, Directorate General of Telecommunications, Chinese Taipei

A delegate from Chinese Taipei, Ms Vivien Wang, gave a presentation on Third Generation Mobile Service – Licensing and Market Outlook in Chinese Taipei (see LSG 24 for further reference). In particular, the presentation highlighted Chinese Taipei's 3G licensing rules and procedures, the electronic bidding system associated with the 3G auction, and the outcome of the auction itself.

4. LSG Activity Reports

4.1 Interconnection Training Project

The Project Overseer, Mr. Colin Oliver of Australia, presented a report on the Interconnection Training Project (see document LSG 4 for further reference). Mr. Oliver provided an overview of a workshop on interconnection, held in August, 2002, and hosted by the Telecom Authority of Thailand. **A follow-up session is planned to take place at TEL 27 in March, 2003.**

4.2 Mutual Recognition Arrangements Task Force meeting report

The Chair of the Mutual Recognition Arrangements (MRA) Task Force, Mr. Andy Kwan of Canada, presented a report of the MRA Task Force meeting held on Monday, August 19 (see documents LSG 10 and LSG 27 for further reference).

- Highlights from the report include:

- Sixteen economies participated;
- Twelve economies will be in Phase 1 by the end of 2002 (more than ½ the members of APEC);
- Five economies are participating in Phase 2 procedures;
- Two MRA regional training workshops are being planned for November, 2002.

The Chair of the MRA Task Force requested that 3 ½ days be set aside for the Task Force: two days for the follow-up training workshop (weekend prior to the TEL meeting), one day for the MRA Task Force pre-TEL meeting, and a half-day MRA Joint Committee during the TEL meeting.

4.3 MRA Management System

The Project Overseer, Mr. Colin Oliver of Australia, provided an update on the MRA Management System (see documents LSG 3, LSG 5 and LSG 6 for further details). During the meeting, the need for further industry sponsorship was highlighted to keep the system maintained.

4.4 MRA HRD Progress Report

A delegate from Australia, Mr. Theo Polites, made a presentation on the Human Resources Development project (see document LSG 30 for further reference). He noted that a training session is scheduled for November 4-6 in Jakarta, Indonesia (note – an incorrect date of November 5-7 is reflected in the document). In addition, the Indonesian hosts have made special dietary considerations, given that the meeting occurs within the Ramadan period.

5. Other Business

5.1 Review of Osaka Action Agenda

In response to a request from the TEL Chair to review relevant sections (pages 35-37 and 89-90) of the Osaka Action Agenda, the Deputy Convenor, Mrs. Koesmarihati of Indonesia, will be coordinating comments that LSG members may wish to make. She will require these comments not later than September 6, in order to provide them to the Chair by September 9.

Mrs. Koesmarihati can be reached at koes98@elga.net.id.

5.2 Update matrix of LSG activities in response to TELMIN 5 guidance

The Convenor, Kathy Fisher of Canada, reminded participants that the proposed matrix (see document LSG 8 for further reference) serves as a working tool to map our work against guidance provided at TELMIN 5. LSG participants were encouraged to review the document as it will be discussed at the next TEL meeting.

5.3 ITU-D survey on Satellite Regulation in Developing Countries

A delegate from the United States and liaison for ITU-D Study Group 1, Mr. Matt Botwin of PanAmSat,

introduced the survey being undertaken by ITU-D. The survey focuses on satellite regulation in developing countries (see document LSG 11 for further reference). Member economies were encouraged to complete the survey and provide the results to ITU-D as soon as possible.

5.4 Review and update of collective actions

No changes were made to the Collective Action Plan as it captures the work the LSG will undertake during the next period (see document LSG 32 for further reference).

5.5 LSG work regarding SMEs and microenterprises

Pursuant to the request from the chair at the opening plenary session, the LSG identified the APEC MRA, and future work on standards related to the MRA, as a key area of work that supports SMEs and microenterprises. The Convenor thanked the participants for their contributions and hard work, and thanked the two Deputy Convenors for their support. The meeting was adjourned.