### **EXECUTIVE SUMMARY**

# **SCE Chair's Report to SOM**

# **Background Information**

The SOM Steering Committee on ECOTECH (SCE) meeting was held in Cairns, Australia on 30<sup>th</sup> June, 2007. It was attended by over sixty representatives from twenty APEC economies (all except Papua New Guinea), representatives of the Gender Focal Point Network (GFPN), Tourism Working Group (TWG), Small and Medium Enterprises Working Group (SMEWG), Electronic Commerce Steering Group (ECSG) and the APEC Secretariat.

Mr. Luis Quesada of Peru chaired the meeting.

The Chair reiterated to members the importance of continuing to move forward on the reform agenda by considering the ongoing implementation of the SCE Fora Review recommendations and taking the SCE reform agenda to the next stage.

In relation to the SCE Fora Review, the SCE Chair advised that almost all of our recommendations have been implemented (2007/SOM3/026anxA). SCE noted progress in reviewing the annual fora report and encouraged all members and relevant SCE sub-fora to respond to the survey by 30 July 2007.

The SCE endorsed the new APEC organizational structure incorporating merged fora and reflecting the SCE's role as coordinating the SOM taskforces and Working Groups (2007/SOM3/026anxB) and the meetings timing and calendaring guidance for fora to be included in the updated version of the Guidelines for Hosting APEC meetings (2007/SOM3/026anxC).

The SCE held discussions about the SCE's strategic policy role and considered a range of policy issues including deepening the SCE's relationship with ABAC and multilateral organizations, 2008 Sectoral Ministerial themes, sustainable development and gender.

The SCE endorsed in principle the draft Terms of Reference and Medium-Term Workplan of the Health Working Group (2007/SOM3/SCE/006) with the understanding that finalized TORs will be submitted next year. The SCE also endorsed the HWG's reports to SCE, including the Report on the Implementation of the Action Plan on Avian and Influenza Pandemics, Functioning Economies in Times of Pandemic Guidelines and the Guidelines for APEC Member economies for creating an enabling environment for employers to implement effective workplace practices for people living with HIV/AIDs and Prevention in Workplace settings (2007/SOM3/SCE/004,005 & 011).

The SCE endorsed in principle the proposal to merge the Non-Ferrous Metals Dialogue (NFMD) and the EWG sub-fora Expert Group on Mining, Exploration and Energy Development (GEMEED) as a Mining Taskforce (2007/SOM3/026anxD). Final consultation on this issue is to be held between the SCE Chair and EWG Chair to clarify EWG's position on the proposed establishment of a Mining Task Force.

The SCE endorsed in principle the revised TOR and Work Plan for the SMEWG, as the chairing arrangement is subject to further discussion at the August 2008 SMEWG meeting in Bali, Indonesia.

The SCE endorsed the TWG's revised workplan (2007/SOM3/SCE/015).

The SCE endorsed the progress report of the ACT and its three deliverables which require SOM's endorsement: Code of Conduct for Business; Conduct Principles for Public Officials and the Complementary Anti-Corruption Principles for the Public and Private Sectors (2007/SOM3/SCE/018 Annex A, B and C). The SCE asked the ACT to reconsider their request for an exemption to the fixed two year chairing arrangement.

The SCE noted the GFPN's report to SCE (2007/SOM3/SCE/019) and have included this in the 2007 Fora Report to SOM.

The SCE endorsed in principle the SOM Report on ECOTECH and the SCE Fora Report (2007/SOM3/026anxE & 2007/SOM3/026anxF: 2007/SOM3/SCE/017 & 2007/SOM3/SCE/007) Comments received in the meeting will be incorporated into the report and further comments will be welcome until 14 July.

### Recommendations

It is recommended that SOM:

- 1. Endorse the SCE Chair's Report to SOM.
- 2. Commend the SCE for their progress in implementing the SCE Fora Review recommendations (2007/SOM3/026anxA)
- 3. Endorse the revised APEC organizational structure (2007/SOM3/026anxB) and the meetings guidance for fora to be included in the APEC Hosting Guidelines (2007/SOM3/026anxC).
- 4. Endorse in principle the proposal to merge the Non-Ferrous Metals Dialogue (NFMD) and the EWG sub-fora Expert Group on Mining, Exploration and Energy Development (GEMEED) as a Mining Taskforce (2007/SOM3/026anxD).
- 5. Note the HTF's Report on the Implementation of the Action Plan on Avian and Influenza Pandemics, Functioning Economies in Times of Pandemic Guidelines and Guidelines for APEC Member economies for creating an enabling environment for employers to implement effective workplace practices for people living with HIV/AIDs and Prevention in Workplace settings (2007/SOM3/SCE/04,05 & 011) seeking endorsement under SOM agenda item VII)
- 6. Note the ACT's three core deliverables seeking endorsement under SOM agenda item V
- 7. Endorse the SCE Fora Report and the recommendations it contains (2007/SOM3/026anxE)
- 8. Endorse in principle the 2007 SOM Report on ECOTECH (2007/SOM3/026anx F)

SCE Chair's Report SCEII Meeting 30<sup>th</sup> June, 2007 Cairns, Australia

The SOM Steering Committee on ECOTECH (SCE) meeting was held in Cairns, Australia on 30<sup>th</sup> June, 2007. It was attended by representatives from Australia; Brunei, Canada; Chile; China; Hong Kong, China; Indonesia; Japan; Korea; Malaysia; Mexico; New Zealand; Peru; Philippines; Russia, Singapore; Chinese Taipei; Thailand; the United States, and Viet Nam. Fora representatives from the Gender Focal Point Network (GFPN), Tourism Working Group (TWG), Small and Medium Enterprises Working Group (SMEWG), Electronic Commerce Steering Group (ECSG) and the APEC Secretariat also attended.

Mr. Luis Quesada of Peru chaired the meeting.

# 1. Welcome by SCE Chair, Luis Quesada

The SCE Chair welcomed all members to the third and final SCE meeting of the year.

The Chair reiterated to the members the importance of continuing to move forward on the reform agenda by considering the ongoing implementation of the SCE Fora Review recommendations and taking the SCE reform agenda to the next stage.

### 2. Adoption of the Agenda

The Agenda was adopted.

### 3. SCE Fora Review: implementation and further reform measures

The SCE Chair advised that almost all of our recommendations have now been implemented. He thanked the Working Groups and SOM Taskforces for their hard work in implementing the recommendations and also thanked the Secretariat for their support through the process. The latest update paper was tabled (2007/SOM3/SCE/16).

Details as follows:

**Recommendation 1** (The Social Safety Nets Capacity Building Network (SSNCBN) be merged into the Human Resource Development Working Group (HRDWG)).

The HRDWG has been working with the SSN-CBN to develop their new ToR. SSN-CBN held their last meeting last week. The HRDWG ToR will be submitted to SCE intersessionally. A deadline of 10<sup>th</sup> July was set for the HRD to submit the final ToR.

**Recommendation 2, 4 and 5** which relate to the Independent Assessments of the ATCWG, HLPDAB; MRCWG and GFPN was discussed during the update on the Independent Assessments under Agenda item 7.

Likewise, **Recommendation 3** (the Non-Ferrous Metals Dialogue (NFMD) be incorporated into the EWG sub-fora Expert Group on Mining, Exploration and Energy Development (GEMEED)) was discussed under agenda item 5.

**Recommendation 6** (The Cultural Focal Point Network (CFPN) be disbanded) has been completed subject to the inclusion of culture in the work programs of the TWG and HRD to ensure they have incorporated culture into their workplans.

The TWG updated the SCE that the issue of incorporating culture into their ToR was discussed at the 30<sup>th</sup> TWG meeting and will be further discussed at the 31<sup>st</sup> meeting in November 2007. TWG will report back following the 31<sup>st</sup> meeting.

**Recommendation 7** (improving the operations of the Telecommunications and Information Working Group (TELWG) and Electronic Commerce Steering Group (ECSG) in 2007).

The ECSG Chair updated members on their discussions with the CTI and advised members that CTI has approved the ESCG's transfer to become a CTI sub-fora.

The SCE Chair wished the ECSG all the best in their new endeavour as a CTI sub-fora and announced that the implementation of this recommendation was now complete.

**Recommendation 8** (the Trade Promotion Working Group (WGTP) be incorporated into the Small and Medium Enterprises Working Group (SMEWG)).

The SMEWG Chair advised that significant progress had been made and that they were on tack for completion by August 2007. They have developed a new ToR and workplan (2007/SOM3/SCE/013) for the endorsement of SCE. They requested guidance from SCE regarding complying with APEC guidelines on the chairing arrangements (i.e., Chairs serve a minimum of 2 calendar years). The current revised ToR has a transitional co-chairing arrangement, based on an arrangement agreed at the March 2007 SMEWG meeting where the current host economy chairs and the previous host economy co-chairs, providing a mentoring/coaching role which is in place until 2009 at which time a two-year voluntary chair arrangement commences, but some members of the SMEWG have expressed a preference to continue the chair/co-chairing arrangements.

Philippines noted the importance of SMEs for developing economies and requested that the SMEWG include work on helping "SMEs in the services trade" in its ToR.

In regards to the chairing arrangements, several economies expressed concerns. The two year term was designed to strengthen the coordination, leadership and the effective delivery of programs in fora, which cannot be achieved in a one year time frame. The SCE agreed that the SMEWG could only continue the co-chairing arrangement as a transitional measure as identified in the ToR. The SMEWG would then need to move to a two-year chairing arrangement not tied to the host economy.

Subject to the chairing issue being resolved, the ToR and workplan were endorsed.

**Recommendation 9** (the Tourism Working Group (TWG) remain an independent working group at this stage, but be subject to further review in 2008) is essentially completed. The TWG representative noted that the first independent assessment was complete and that the working group is moving into the second phase of its implementation framework.

**Recommendation 10** (improving the synergies between the Anti-Corruption and Transparency Experts Task Force (ACT) and the Economic Committee (EC)) is complete.

**Recommendation 11** was progressed at SCE2 when we endorsed the transformation of the HTF into the HWG. SCE will be considering the HWG's draft ToR and workplan under agenda item 5.

Almost all of **Recommendation 12** has now been completed. SOM2 endorsed the guidelines for the establishment of new fora, including the guidelines on ToRs; and the guidelines for Lead Shepherds and Chairs.

The Secretariat updated members regarding the final items under Recommendation 12 (2007/SOM3/SCE/8)

The Secretariat conducted a survey of member views on annual fora reporting template and utility of the report. Seven economies and two fora responded to the survey. The deadline for responding to the survey has been extended and a final paper will be submitted to SCE1 next year. SCE noted progress in reviewing the annual fora report and encouraged all members and relevant SCE fora to respond to the survey.

The SCE endorsed the new APEC organizational structure incorporating merged fora and reflecting the SCE's role as coordinating the SOM taskforces and Working Groups (2007/SOM3/SCE/08 Annex C).

The SCE endorsed the meetings guidance for fora to be included in the updated version of the Guidelines for Hosting APEC meetings (2007/SOM3/SCE/08 Annex D).

The SCE Chair noted the important next step of putting the guidelines into practice in order to avoid duplication in reporting and to ensure the change of the Ministers is brought into reality. He noted the importance of reinforcing the point that Working Groups and SOM Taskforces have to report through the SCE, as mandated two years ago. He will write to all Chairs and Lead Shepherds asking them to revise their ToRs, as necessary, and submit them to SCE1 next year for endorsement.

The SCE Chair asked if any economies had any thoughts about further areas for reform. The United States and Canada advised that enhancing the relationship with ABAC on ECOTECH-related issues was a policy area they would like to see included on the SCE agenda.

### 4. Reforming SCE's Policy agenda

The SCE Chair reminded members that the SCE is mandated to provide strategic policy guidance to fora about economic and technical cooperation agenda. To do this effectively, the SCE needs to engage in meaningful policy discussions. The SCE Chair proposed some initial ideas as starting points such as: the importance of work on sustainable development in APEC, themes for 2008 Sectoral Ministerial meeitings and enhancing cooperation with IFIs and other international organizations via another dialogue to be hosted by Peru in 2008. He also suggested the SCE consider its role in supporting the structural reform agenda.

As gender is recognized as a cross-cutting issue in APEC, the GFPN Chair requested that the SCE keep this in mind when moving forward in reforming SCE's Policy Agenda.

Australia and Peru introduced their paper and project on greater engagement with Multilateral organisations survey and dialogue planned for 2008 (2007/SOM3/SCE/003). The survey will help guide APEC's involvement with other multilateral organizations and help inform the dialogue next year.

The SCE members commended the current level of interaction with IFIs and expressed their support and recommended ensure it included broad coverage of multilateral organisations and other APEC fora. The SCE endorsed the joint Australian and Peruvian project.

### Sustainable development

The SCE Chair noted that Sustainable Development has been a long term cross cutting issue in APEC. Of many policy issues that SCE is dealing with, this is one that is becoming increasingly important.

The SCE chair invited Chile to refresh members about the background and conclusions of the High Level Meeting on Sustainable Development, held in 2006. Among its conclussions, it was noted the importance of developing a more structure framework to better coordinate the sustainable development activities in APEC.

### **2008 Sectoral Ministers themes**

The SCE also discussed the upcoming Sectoral Ministerial meetings to strengthen the linkages between the Ministerial meetings and APEC priorities.

Thailand updated members that they would be hosting a Telecommunications meeting in Bangkok in April next year and offered to share the draft agenda. Peru updated members (2007/SOM3/SCE/020) about the Sectoral Ministerial meetings being held in Peru next year including the SMEs, Education, and Tourism. Australia noted the possibility of holding a Meeting for Ministers with responsibility for Structural Reform in 2008.

Chinese Taipei requested the SME Ministerial include problems associated with globalization and strengthening regional SME hubs and local market development. They also recommended that the Education meeting include some elements of ICT.

### 5. SCE to consider new Working Group proposals/mandates

### **Health Working Group**

The SCE welcomed the new Working Group and in particular its focus on cross forum and cross sectoral approaches. The SCE endorsed in principle the HWG's draft Terms of Reference and Medium-Term Workplan (2007/SOM3/SCE/006), as both require further discussion at 2008 HWG1 meeting. The SCE looked forward to receiving the final ToR at SCE1 next year.

### Mining Taskforce

Russia introduced the proposal to merge the Non-Ferrous Metals Dialogue (NFMD) and the EWG sub-fora Expert Group on Mining, Exploration and Energy Development (GEMEED) into a Mining Taskforce (2007/SOM3/SCE/002).

A few economies proposed suggestions for improving the ToR including:

- To include capacity building as part of the objectives of the fora
- To move dot point 2.4.3 on transparency up to become a more substantive point
- To include corporate social responsibility in the ToR
- Ensuring duplication is avoided by consulting with fora and organizations within and outside of APEC

Chile noted the importance of market transparency to be mentioned as a main objective of the future Mining Taskforce, and the need for a written reference to the Mining Policy Principles agreed in the Third Meeting of APEC Ministers Responsible for Mining. This was supported by other economies.

Indonesia noted the importance of "capacity building" to be included as main priority objective of the fora, along with strengthening policy dialogue.

The United States looks forward to further discussion on the scope of activities for the group as well as defining the role of the private sector.

Canada also expressed concerns that mixed signals appeared to be coming from the EWG about whether or not they consider mining to fit within their priorities. Representing the EWG, Australia advised that the EWG did not feel that mining was a comfortable fit for them. The SCE Chair will write to the EWG Chair to confirm that the EWG supports a separate Mining Taskforce.

The SCE welcomed the proposal and endorsed in-principle the establishment of a Mining Taskforce, subject to the comments being considered, and looked forward to receiving the updated ToR for final endorsement.

# 6. Working group and SOM Taskforce items requiring SCE endorsement

The SCE Chair updated members to changes to this agenda item, including the announcement that the HRDWG ToR and SSN-CBN report would have to be submitted at a later stage. The GFPN report was also added for SCE's endorsement, which included their concerns about moving to a 2 year term for Chair.

The TWG representative introduced their revised workplan (2007/SOM3/SCE/015) to SCE. SCE endorsed the workplan.

The SCE endorsed the ACT's progress report and three deliverables requiring SOM endorsement, Code of Conduct for Business; Conduct Principles for Public Officials and the Complementary Anti-Corruption Principles for the Public and Private Sectors (2007/SOM3/SCE/018 annex A,B and C).

The ACT has also requested that the SCE consider granting them an exemption to the two year chair rule based on the fact that corruption affects all economies and the next several host economies expressed interest in keeping the current annual rotation.

Australia noted that from a SCE perspective, they had reservations about granting an exemption on these terms and felt the case as outlined was not strong.

The SCE Chair will write to the ACT and GFPN to reconsider their position with a view to developing a transitional mechanism to the standard APEC chairing arrangements.

The SCE endorsed the HWG's report to SCE, including the Report on the Action Plan for Avian and Influenza Pandemics, Functioning Economies in Times of Pandemic Guidelines and Guidelines for APEC Member economies for creating an enabling environment for employers to implement effective workplace practices for people living with HIV/AIDs and Prevention in Workplace settings (2007/SOM3/SCE/004,005 & 011).

The GFPN introduced their report to SCE (2007/SOM3/SCE/019) and requested that the SCE report their key recommendations to SOM. The SCE Chair noted these would be included in the report to SOM.

The GFPN also advised that they will write to the Executive Director regarding the support of the Secretariat as recommended under recommendation 5 of the review.

# 7. Strengthening the Implementation of ECOTECH Activities

Following extensive delays, which resulted in the TWG submitting their own internal assessment to SCE2, the final independent assessment report was submitted to the 30<sup>th</sup> TWG meeting. The TWG Independent Assessment has now been completed. The TWG Chair has written a letter expressing their dissatisfaction with the quality and timeliness of the final report. The SCE Chair will write to the Secretariat regarding this project and the Secretariat will subsequently conclude the contractual arrangements with the consultant.

The Secretariat noted that the selection of the consultants for the independent assessments had been completed for the GFPN and ATCWG/HLPDAB in consultation with the relevant fora Chairs It was also noted that the process for selecting the consultant for the MRCWG was nearing completion so work on all three of the 2007 SCE Independent assessments would remain on track.

# 8. Disseminating the Benefits of ECOTECH: 2007 SOM Report on Economic and Technical Cooperation

The SCE endorsed in-principle the SOM Report on ECOTECH and the SCE Fora Report (2007/SOM3/SCE/007 & 017). Comments received in the meeting will be incorporated into the report and further comments will be welcome until 14 July.

### 9. Other business

China introduced three papers (2007/SOM3/SCE/009, 010 & 014) on the Port Services Network Symposium and the APEC Sci-Tech Innovation and SME Development Forum.

The SCE noted the draft HLPDAB agenda (2007/SOM3/SCE/012).

The SCE Chair noted that although this was the last meeting for the year, there was a lot of intersessional work to be completed. He wished Singapore a successful chairmanship in 2008 and thanked the Secretariat for their support during the year.

# ${\bf SCE 3}\ update:\ Recommendations\ of\ the\ Review\ of\ For a\ Implementation$

| Recommendation  | Progress in the implementation  | Expected timeline  |
|---|---|--|
| Recommendation 1 The Social Safety Nets Capacity Building Network (SSNCBN) be merged into the Human Resource Development Working Group (HRDWG).   | - The HRDWG and SSN-CBN have endorsed the new ToRThe merged sub-fora will retain the name Labour and Social Protection Network (LSPN) -The new ToR will be presented to SCE3 for approval   | LSPN Chair will co-chair the final SSN-CBN meeting in June. Final ToR to be submitted to SCE by SCE3. Expected completion: July 2007 |
| Recommendation 2 Further consideration be given to merging the High Level Policy Dialogue on Agricultural Biotechnology (HLPDAB) with the Agricultural Technical Cooperation Working Group (ACTWG). | <ul> <li>An independent assessment will be undertaken in 2007 (annex D).</li> <li>SCE members agreed that the scope should be narrow (ATCWG and HLPDAB).</li> <li>Project proposal approved by BMC1 in March 2007.</li> <li>The ATCWG agreed that the High Level Policy Dialogue on Agricultural Biotechnology (HLPDAB) will hold back-to-back meetings with the Research, Development and Extension of Agricultural Biotechnology (RDEAB) The HLPDAB's strong linkages to the private sector should also help enhance RDEAB's activities with the private sector.</li> </ul> | Independent Assessment commenced June 2007  Final Report to be submitted to SCE in 2008.  Expected completion: 2008                  |
| Recommendation 3 The Non-Ferrous Metals Dialogue  | - Mining Ministers met in February 2007 in Perth  | Proposal, including options for the  |

| (NFMD) be incorporated into the EWG      | and Ministers noted the proposal to establish a   | proposed new for a to be submitted  |
|--|---|---|
| sub-fora Expert Group on Mining,         | Mining Working Group.   | to SCEIII.  |
| Exploration and Energy Development       | - Ministers instructed mining officials to work   |   |
| (GEMEED).                                | with the Russian Federation, to develop a detailed proposal for the APEC Senior Officials meeting on 22 June - 3 July 2007, including objectives, terms of reference and operating procedures for submission to APEC Senior Officials and subsequently to the APEC Ministerial meeting in September 2007. | Expected completion: Approval of structure and ToR Sept 2007.  Implementation 2008. |
|  | -NFMD met on 16 April to discuss the merger and agreed that the 'merged group' would cover mining, minerals and metals issues from extraction through to processing and also cover issues of trade and investment.  |   |
|  | -SCE2 instructed that the final proposal to be submitted to SCE III should include a detailed   |   |
|  | case and adhere to the guidelines of establishing   |   |
|  | new fora. The proposal should also include  |   |
|  | discussion on options, including remaining as a   |   |
|  | sub-fora or becoming a task force.  |   |
| Recommendation 4                         |   |   |
| The Fisheries Working Group (FWG)        | FWG and MRCWG meetings were held  |   |
| and the Marine Resource Conservation     | concurrently in 2007.   |   |
| Working Groups (MRCWG) continue to       |   |   |
| collaborate and consult closely,         | Project proposal approved by BMC1 in March  | Project expected to commence in   |
| including through annual joint meetings  | 2007.   | July 2007.  |
| from 2007 onwards. The SCE also          |   |   |
| recommends that the fora revise their    | Deadline extended for the receipt of consultant   | Expected completion: 2008   |
| TORs in consultation to identify how     | proposals due to insufficient response.   |   |
| they will collaborate on areas of mutual |   |   |

| interest and to indicate a clearer link with broader APEC priorities.   |   |  |
|---|---|--|
| Recommendation 5  | GFPN welcomed the assessment as a means to  | Project commenced in June 2007.  |
| The Gender Focal Point Network (GFPN) work with the Executive Director to establish the level of  | strengthen the work of the network.  GFPN to commence discussions with ED.  | The consultant attended the GFPN and WLN meetings.   |
| Secretariat support available to support<br>the network's work program and to<br>ensure that the support given leads to<br>substantive outcomes related to gender | Project proposal approved by BMC1 in March 2007   | Expected completion: 2008  |
| integration in APEC.  |   |  |
| Recommendation 6 The Cultural Focal Point Network (CFPN) be disbanded.  | - CFPN has been disbanded   | The HRDWG has incoporated culture into its ToR, which is being submitted to the SCE3 for approval. |
|   | -TWG agreed on the integration of cultural issues within its work.  | SCE2 endorsed the TWG's paper outlining proposed next steps for the                                |
|   | - HRD is currently considering cultural issues as part of its agenda and fully agreed with including this topic in its TOR. | fora.  Expected completion: July 2007  |
|   | this topic in its TOK.  | Expected completion. July 2007   |
| Recommendation 7 The SCE recommends that further  | CTI has approved the move of ECSG to become a CTI sub-fora.   | ECSG/CTI to update SCE3  |
| consideration be given to the suggestions for improving the operations of the   |   | TEL component completed.   |
| Telecommunications and Information Working Group (TELWG) and  |   | Expected completion: Once approved by Ministers in September,                                      |
| Electronic Commerce Steering Group (ECSG) in 2007.  |   | implementation will take effect immediately.   |
| Recommendation 8  | - SMEWG presented a strategy for the  | The first meeting of the new   |
| The SCE recommends that the Trade Promotion Working Group (WGTP) be   | incorporation of the WGTP into the SMEWG  | SMEWG will be held in Bali,<br>Indonesia in late August 2007                                       |

| incorporated into the Small and Medium Enterprises Working Group (SMEWG).   | -SCE1 endorsed the proposed strategy to incorporate the WGTP into the SMEWG.  | Expected completion: August. |
|---|---|------------------------------|
|   | The SMEWG tabled an update on their progress for SCE2.  |                              |
| Recommendation 9 The SCE recommends that the Tourism Working Group (TWG) remain an independent working group at this stage, but be subject to further review in 2008. | - TWG expressed its firm resolve to continue to be a separate group and advised that the Group is currently undergoing an Independent assessment.  - TWG submitted a report to SCE2. TWG Chair, Helen Cox, updated the SCE members about the independent assessment. She advised that after extensive delays and although the draft report had still not received from the consultant, the TWG had decided to prepare a report based on the preliminary findings.  This report was tabled for SCE consideration (2007/SOM2/SCE/009).  The SCE endorsed the report and requested that the TWG report back to this Committee on the progress. | For further review in 2008.  |
| Recommendation 10   | The ACT Chair sent a message  | Completed                    |
| The SCE recommends that further consideration be given to possibilities   | (2007/SOM2/SCE/008a) to the Secretariat on 16<br>April reporting on the outcomes of the   |                              |
| for improving the synergies between the   | consultation process with the CTI and EC Chairs.  |                              |
| Anti-Corruption and Transparency  | The Chairs have agreed that the work programmes   |                              |
| Experts Task Force (ACT) and the Economic Committee (EC), taking  | of the three bodies, while mutually reinforcing, are separate and discrete and involve quite individual   |                              |

| account of related work being conducted in CTI sub-fora such as Strengthening Economic Legal Infrastructure (SELI) and the Competition Policy and Deregulation Group (CPDG).       | streams of activity and participating officials. They do not recommend any changes to structure or lines of reporting at this stage.  To maximize synergies and minimize the future scope for duplication, the Chairs have agreed to annually review each others work programmes, and take opportunities to attend meetings of the other two bodies to discuss activities of mutual interest and assess the scope for cooperation and collaboration".  |  |
|--|--|--|
| Recommendation 11  The SCE recommends that further consideration be given to transforming the Health Task Force (HTF) to a Working Group during the review of its mandate in 2007. | HTF discussed the issue intersessionally and prepared a paper for consideration by SCE2 proposing that HTF becomes a Working Group.  The paper tabled by the HTF on this issue entitled HTF Beyond 2007 (2007/SOM2/SCE/05), which responded to the Ministerial recommendation and that agreed the HTF become a Working Group.  SCE members expressed support for the proposal. The SCE requested HTF submit ToR and workplan to the committee for endorsement. The SCE formally endorsed the recommendation that the HTF become a working group. | SCE to submit the proposal to Ministers for final endorsement.  Expected completion: September 2007. |
| Recommendation 12 The SCE recommends that the list of suggestions for improving working arrangements (at Annex A) be endorsed and implemented in 2007.                             | The Secretariat to updated members about the new guidelines under Recommendation 12. (2007/SOM2/SCE/10 & Annexes A-F).   | Annexes A-D completed.  Annexes E and F for consideration at SCE3                                    |
|  | SCE members endorsed:  | Expected completion: July 2007   |

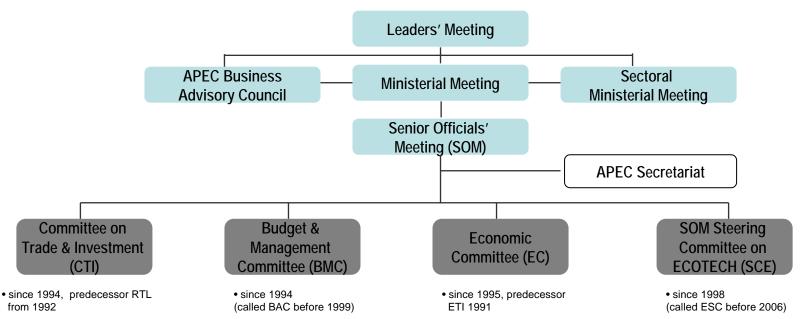
- 1. The Guidelines for Lead Shepherds and Chairs (Annex A)
- 2. The Guidelines for the Establishment of New Fora (Annex B)
- 3. The program of Independent Assessments (Annex D)

On annex E, Chile requested that a clearer reporting line through SCE be included for working groups. The Secretariat advised it would revise the structure and distribute it intersessionally.

The SCE endorsed mechanisms to improve the project management process (Annex C).

The Secretariat invited SCE members to provide feedback on reporting needs through a survey that would be undertaken intersessionally. The Secretariat also requested feedback on suggestions on the calendar reform within 4 weeks (Annex F).

# ASIA-PACIFIC ECONOMIC COOPERATION



Sub-group

EC Outlook Taskforce

#### Sub-committees/Experts Groups

- Sub-Committee on Standards
   & Conformance
- Sub-Committee on Customs Procedures
- Market Access Group
- Group on Services
- Group on Services

Infrastructure

- Investment Experts Group
- Intellectual Property Rights
- Government Procurement
- Mobility of Business People
- Competition Policy/Deregulation
- Strengthening Economic Legal
- Electronic Commerce Steering Group (since 1999)

### **Industry Dialogues**

- Automotive Dialogue (since 1997)
- Chemical Dialogue (since 1998)
- High Level Policy Dialogue on Agricultural Biotechnology (since 2001)
- Life Sciences Innovation Forum (since 2003)

# Sectoral Ministerial Meetings Held Until 2007

• Education 1992, 2000, 2004

• Energy 1996, 1997, 1998, 2000, 2002, 2004, 2005,

2007

• Environment Sustainable 1994, 1996,1997

Development

Finance 1994 and annually
Health 2003, 2006, 2007
Human Resource 1996, 1997, 1999, 2001
Development

MiningOcean-related2004, 2005, 20072002, 2005

- Regional Science & 1995, 1996, 1998, 2004
   Technology Co-op
- Small & Medium Enterprises 1994 and annually
- Telecommunications 1995, 1996, 1998, 2000, 2002, 2005 & Information

• Trade 1994, and annually from 1996 • Transportation 1995, 1997, 2002, 2004

• Women's Affairs 1998, 2002

• Tourism 2000, 2002, 2004, 2006

### Special Task Groups

- Anti-Corruption Task Force (since 2005)
- Counter Terrorism Task Force (since 2003)
- Gender Focal Point Network (called SOM Ad Hoc Advisory Group on Gender Integration, since 1999 but disbanded in Dec 2002)
- Task Force on Emergency Preparedness (since 2005)
- Mining Taskforce (since 2007)

### **Working Groups**

- Agricultural Technical Cooperation (since 2000)
- Energy (since 1990)
- Fisheries (since 1991)
- Human Resources
   Development (since 1990)
- Health Working Group (since 2007)
- Industrial Science and Technology (since 1990)
- Marine Resources Conservation (since 1990)
- Small & Medium Enterprises (since 2000)
- Telecommunications & Information (since 1990)
- Tourism (since 1991)
- Transportation (since 1991)

### SCE for ameeting timing and schedules

Under Recommendation 12, the Secretariat was requested to review timing and schedules for meetings. The aim is to have all fora minimize events and meeting schedules, ensure they are well timed, consistent with APEC processes, and well targeted to ensure relevant participation.

The current meeting agenda and background information on meeting times are listed below.

# **Working Group meetings**

In general each working group has a similar and consistent number of meetings each year, ranging from 1-2 meetings.

The number of participants ranges from a low of under 50 (ATCWG, MRCWG and FWFG) to a high of over 300 (TEL and TPTWG). All fora have reached quorum regularly except for the ATCWG, which has not met quorum for the last four years.

### SOM Taskforce meetings

In general, each SOM taskforce has a similar and consistent number of meetings each year, ranging from 1-2 meetings. CTTF has three meetings a year.

The number of participants ranges from a low of under 50 (SSNCBN and HTF) to a mid range between 50 and 70 (all others).

Issues relating to the numbers of meetings for Working Groups and SOM Taskforces

It is recommended that the SCE-COW consider whether there is an ideal number of meetings to be held per year. One to two meetings appears to be the norm and appears to work successfully. One forum meets three times a year (CTTF). SCE members may wish to consider whether it be recommended to meet less frequently.

### **Timing of meetings**

SOM taskforces hold their meetings in the margins of SOM. In general, Working Groups hold their meetings between SOM1 and CSOM.

### Issues relating to timing

Reporting to Leaders can be complicated for fora that meet later in the year. Therefore, it is more advisable that the final meeting be held in the margins of, or prior to SOM3. Another complication of meeting late in the year is that project work needs to be completed intersessionally to be able to meet BMC deadlines rather than during the meeting itself.

| Month | 2005            | 2006 | 2007             |
|-------|-----------------|------|------------------|
| Jan   |                 |      | CTTF, ECSG, HTF, |
|       |                 |      | SOM1             |
| Feb   | ECSG, HTF, SOM1 | SOM1 |                  |
|       |                 | ECSG |                  |

|        |  | ACT<br>CTTF<br>HTF                                  |  |
|--------|--|---|--|
| March  | EWG, ISTWG, SME,<br>CTTF                         | SME<br>ISTWG<br>BMC1                                | EWG, SME                                 |
| April  | TEL, BMC   | TEL, MRCWG, WGTP                                    | FWG, HRDWG,<br>MRCWG, TEL, CTTF,<br>SOM2 |
| May    | FWG, MRCWG, HRD,<br>TWG, CTTF, SOM2              | EWG, TWG, TPTWG,<br>SOM2, HRDWG,<br>TFEP, CTTF, FWG | ATCWG, ISTWG,<br>TWG, TPT                |
| June   | ATCWG  | ATCWG   | GFPN                                     |
| July   |  |   | SOM3, BMC                                |
| August | EWG, SME, BMC                                    |   | SME                                      |
| Sept   | TEL, TPT, ACT,<br>CTTF, ECSG, GFPN,<br>HTF, SOM3 | TPTWG, ACT, CTTF,<br>HTF, SOM3, GFPN,<br>SME, ISTWG | EWG, CSOM                                |
| Oct    | ISTWG, TWG                                       | EWG, BMC, TWG,<br>TELWG                             | TEL,                                     |
| Nov    | CSOM   | CSOM  |  |

## **Sectoral Ministerial Meetings**

Sectoral Ministerial meetings are held less regularly than Working group meetings and have variable attendance levels.

Some sectors have had no Ministerial meetings (Agriculture) or have not had one for several years (Labour- although this was originally scheduled to be held in Thailand in 2006 but was deferred). One sector has a Ministerial every year (SMEs). In general, sectoral Ministerials are held every two to three years.

Attendance at Ministerials held less frequently seems to be greater than those held every year. For the last three years, the SME Ministerial has had no more than four full Ministers attend and even when vice-Ministers are taken into consideration, there were only eight in attendance in total. The highest attendance was received for the 2007 Transportation Ministerial (10 full Ministers and 11 vice-Ministers) and the 2005 Telecommunications Ministerial (9 full ministers and 4 vice-Ministers). However, Ministerial attendance for other sectoral ministerial meetings is weak across the board.

### SCE 2

Comments were collated in the lead up to SCE2 resulting in the suggested guidance below. During SCE2, one member queried whether fora should hold more than one meeting a year, however, no comments were received on this issue. No further comments have been received intersessionally. It is therefore presumed that members feel the current meeting schedule to be adequate and that no change is required.

The following recommendations are suggested as guidance for fora to be included in the updated version of the Guidelines for Hosting APEC meetings.

### Recommendations

SCE is invited to consider the following guidance on meeting schedules:

It is suggested that fora

- hold between one and two meetings per year
- hold these meetings prior to SOM3 and BMC2
- consider holding Ministerial meetings as appropriate to help advance strategic interests and lead to substantive outcomes
- ensure Ministerial meetings are well thought out in terms of format and substance of discussion, and planned well in advance to maximise Ministerial participation and substantive outcomes.

### **APPENDIX 1**

### **BACKGROUND INFORMATION: CALENDAR REFORM**

### **WORKING GROUP MEETINGS**

# 1.1.1. Key Findings

- Each working group has a similar and consistent number of meetings each year
- Whilst each working group has a similar and consistent number of economies participating at each meeting, the TEL and TPTWG have a significantly higher number of participants than other working groups
- Most groups, except the ATCWG for all three years and the FWG and MRCWG in 2003, have reached a quorum (defined as a minimum of 14 economies attending) at every meeting over the past three years

Table I

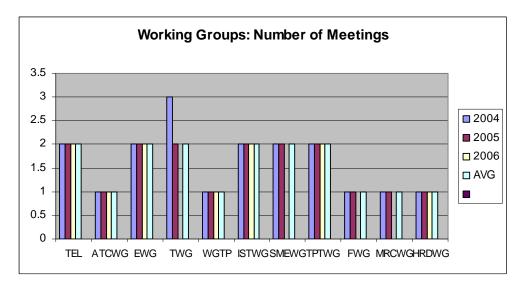


Table 2

Table 3

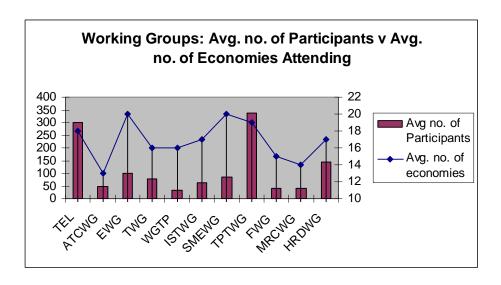


Table 4

| Quorum (minimum of 14 economies) |               |     |     |  |  |  |
|----------------------------------|---------------|-----|-----|--|--|--|
| _                                | 2004 2005 200 |     |     |  |  |  |
| TEL                              | Yes           | Yes | Yes |  |  |  |
| ATCWG                            | No            | No  | No  |  |  |  |
| EWG                              | Yes           | Yes | Yes |  |  |  |
|                                  |               |     |     |  |  |  |
| TWG                              | Yes           | Yes | Yes |  |  |  |
| WGTP                             | Yes           | Yes | Yes |  |  |  |
| ISTWG                            | Yes           | Yes | Yes |  |  |  |
| SMEWG                            | Yes           | Yes | Yes |  |  |  |
| TPTWG                            | Yes           | Yes | Yes |  |  |  |
| FWG                              | Yes           | Yes | Yes |  |  |  |
| MRCWG                            | Yes           | Yes | Yes |  |  |  |
| HRDWG                            | Yes           | Yes | Yes |  |  |  |

# 1.2. SOM TASKFORCE MEETINGS

# 1.2.1. Key Findings

- Each Task Force has a similar and consistent number of meetings each year, noting that the CFPN meets only online
- There are a consistent number of participants and member economies attending the Task Force meetings.
- The number of participants attending is proportional to the number of economies attending the Task Force meetings.
- All groups but one (SSNCBN) have reached a quorum at every meeting over the past three years.

Table 5

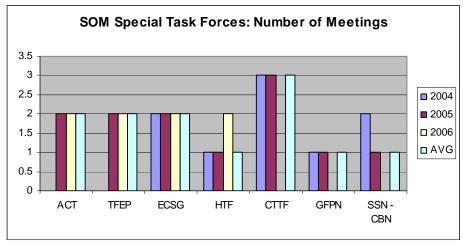


Table 6

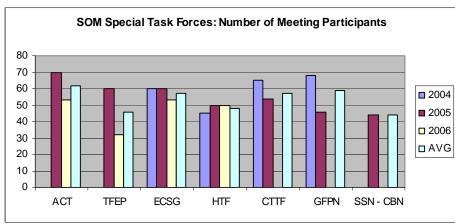


Table 7

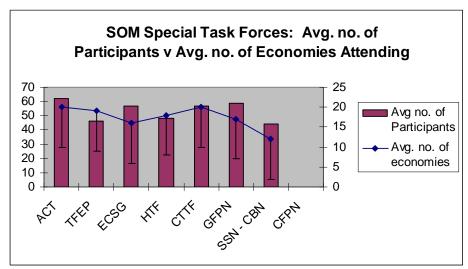


Table 8

| Quorum                           |   |     |     |  |  |
|----------------------------------|---|-----|-----|--|--|
| Task Forces   2004   2005   2006 |   |     |     |  |  |
| ACT                              | - | Yes | Yes |  |  |

| TFEP      | -   | Yes | Yes |
|-----------|-----|-----|-----|
| ECSG      | Yes | Yes | Yes |
| HTF       | Yes | Yes | Yes |
| CTTF      | Yes | Yes | Yes |
| GFPN      | Yes | Yes | Yes |
| SSN - CBN | -   | No  | -   |

# **Sectoral Ministerial Meetings**

Sectoral Ministerial meetings are less regular than Working group meetings and have variable attendance levels.

| Ministerial meetings |        |      |      |      |      |      |
|----------------------|--------|------|------|------|------|------|
|                      | 2002   | 2003 | 2004 | 2005 | 2006 | 2007 |
| TEL                  | 1      |      |      | 1    |      |      |
| EWG (Energy)         | 1      |      | 1    | 1    |      |      |
| EWG (Mining)         |        |      | 1    | 1    |      | 1    |
| TWG                  | 1      |      | 1    |      | 1    |      |
| ISTWG                |        |      | 1    |      |      |      |
| SMEWG                | 1      | 1    | 1    | 1    | 1    | 1    |
| TPTWG                | 1      |      | 1    |      |      | 1    |
| FWG & MRC            |        |      |      |      |      |      |
| (Oceans)             | 1      |      |      | 1    |      |      |
| HRDWG (Labour)       | (2001) |      |      |      |      |      |
| HRDWG                |        |      |      |      |      |      |
| (Education)          |        |      | 1    |      |      |      |
| Health (AI)          |        | 1    |      |      | 1    |      |
| Gender               | 1      |      |      |      |      |      |

# Number of Full Ministers attending (vice-Ministers in brackets)

| <b>U</b> ( |       |           |  |  |
|------------|-------|-----------|--|--|
| 2003       | 2004  | 2005      | 2006   | 2007   |
|            |       | 9(4)      |  |  |
|            |       | 6 (5)     |  |  |
|            |       | 5 (5)     |  | 5 (9)  |
|            |       |           | 3 (4)  |  |
|            | 4 (5) |           |  |  |
|            |       | 4 (4)     | 4 (4)  | 3 (5)  |
|            |       |           |  | 10 (11)  |
|            |       |           |  |  |
|            |       | 6 (5)     |  |  |
|            | 8 (4) |           |  |  |
|            |       |           |  |  |
|            |       |           | 7(6)   |  |
|            | 2003  | 2003 2004 | 2003 2004 2005<br>9(4)<br>6 (5)<br>5 (5)<br>4 (5)<br>4 (4) | 2003 2004 2005 2006<br>9(4)<br>6 (5)<br>5 (5)<br>3 (4)<br>4 (5)<br>4 (4) 4 (4)<br>6 (5)<br>8 (4) |

# Implementation of the SCE Recommendation 3: Incorporation of the Non-Ferrous Metals Dialogue (NFMD) into the Energy Working Group (EWG) sub-fora Expert Group on Mining, Exploration and Energy Development (GEMEED)

# **Proposal for SCE consideration**

(SOMIII June-July 2007, Cairns, Australia)

Issues considered by the NFMD and GEMEED are and will remain a critical component of economic and trade development in the region and will remain so for the foreseeable future. APEC, as a regional forum, has provided a venue where the mining, minerals and metals concerns which affect economic development of member economies can be addressed, coupled with an organisational structure where Leaders and Ministers and Senior Officials can be informed quickly and effectively of emerging trends and coordinated plans to address them.

APEC Member Economies consider these issues relevant, important and related to greater industrial integration of mining operations and applications (supply chain) of mineral and metal products, including:

- Extraction of minerals and associated sustainable development issues for mining;
- Industrial processing and recycling of minerals and metals; and
- Trade and investment issues related to the trade of minerals and metals.

Mining issues have been considered in APEC through GEMEED since 1996 and the NFMD since 2005. The proposed mining forum would replace the activities previously conducted by the GEMEED and the NFMD, and focus on the policy principles agreed by Ministers at MRM3. A single, cohesive mining, minerals and metals forum within APEC will focus the efforts of APEC Member Economies and will ensure greater outcomes for mining and the trade of minerals and metals in the APEC region.

Mining, minerals and metals are a major sector within the APEC region. APEC Members are significant producers and consumers of minerals and metals with the majority of trade and investment occurring in the APEC region. Many economies derive important economic and social benefits from the development, use and trade of minerals and metals. Ministers agreed that the proposed mining forum would advance the mining policy principles adopted in 2007 and address the issues raised by industry through the APEC Mining Industry Forum.

The SOM Steering Committee on Economic and Technical Cooperation (SCE) 2006 Review of APEC Fora considered there was duplication in APEC fora dealing with mining issues, and recommended that: 'the Non Ferrous Metals Dialogue NFMD be incorporated into the Group of Experts on Mineral and Energy Exploration and Development GEMEED under the Energy Working Group'.

### Ministers Responsible for Mining proposal to establish a Mining Working Group

Ministers Responsible for Mining during their meeting on February 14, 2007, in Perth, Australia (MRM3), noted the proposal to establish a Mining Working Group. The Russian Federation agreed to chair the proposed working group for 2007-2008. Ministers instructed mining officials to work with The Russian Federation, to develop a detailed proposal for the APEC Senior Officials meeting on 22 June - 3 July 2007, including objectives, terms of reference and operating procedures for submission to the APEC Senior Officials' Meeting III in July 2007 and, subsequently, the APEC Ministerial Meeting in September 2007.

### Possible options for the establishment of a new fora

In the context of the broader review of APEC structures it is timely to give consideration to a more workable process or structure to gain greater value from the Ministerial dialogue and progress issues between Ministerial Meetings. At SCEII in April 2007 in Adelaide, Australia, the Russian Federation was asked to develop a proposal to look at the options to establish: a Working Group; a Taskforce; or a merged group under the Energy Working Group (EWG).

The SCE review of fora recommended a merged group under the EWG, however, subsequent discussions in the NFMD, GEMEED and in preparation for MRM3 recognised that the EWG did not deal with mining issues. At the 33rd EWG meeting (March 2007), the EWG supported the removal of mining from its responsibilities and noted that mining was not a key priority of the EWG's agenda and there were no plans to address mining issues within its current full energy work plan.

The Guidelines for the Establishment of New APEC Fora note that where it is not feasible to incorporate new tasks into the work of existing fora a task force may be established with a two year mandate to undertake work to determine whether there is scope to develop a medium to long term agenda. While it is recognised that the NFMD and, in particular, GEMEED have been in existence for some time, further work is required to develop a coordinated and feasible medium to long term agenda that merges the work and priorities of both groups.

The mining, minerals and metals sector deals with a wide range of ongoing long term issues that could initially be addressed through a task force. A task force would promote increased dialogue, information sharing on key issues, increased cooperation in the areas of trade and investment, the development of strategies to facilitate business, and increased economic and technical cooperation. At the conclusion of the two year mandate a proposal may be submitted to SOM to either extend the task force mandate or, alternatively, transform into a working group if a medium to long term agenda has been developed.

### Proposed work to be undertaken

Primarily the work of the mining forum would be to begin to implement the 10 Mining Policy Principles as agreed by Ministers at MRM3.

Ministers also agreed that the proposed mining forum would:

• conduct a study into the impediments to greater trade and barriers to investment in the minerals and mining industry (this study is in response to the request by APEC Leaders to undertake studies aimed a promoting regional economic integration in the

- context of considering a regional free trade agreement of the Asia Pacific as a long term prospect); and
- develop an APEC position on sustainable development policies in the mining sector for submission to the United Nations Commission on Sustainable Development (UNCSD) as part of its review of mining in 2010/11.

Ministers recognised the benefits of capacity building initiatives between APEC economies and agreed to 'support capacity building activities for sustainable development so that all APEC Economies are able to maximise the benefits and minimise the impacts from minerals resource development'. In response, the Australian Department of Industry, Tourism and Resources is considering holding sustainable development in mining workshops in November 2007, as follows:

- China 'Stewardship Life Cycle Partnerships'; and
- Indonesia 'Life of Mine Planning for Improved Sustainable Development Outcomes'.

Further, the mining forum would progress two existing APEC projects currently underway:

- Solar Project (EWG 04/2007/T); and
- Minerals Exploration Project (EWG 04/2006/T).

The minerals exploration study will focus primarily on high value, globally traded non-energy minerals significant in the APEC region. Chapter 5 will be devoted to a case study analysis of four selected APEC economies: Australia, China, Indonesia, and Peru. These economies have been selected in consultation with the APEC Secretariat, and represent the economic diversity across the APEC region including the level of development of the mining sector, as well as different institutional and policy settings.

### **Recommendations to the SCE:**

- 1. It is recommended that the SCE agree to the establishment of a Mining Task Force (MTF) with a two year mandate, which merges the NFMD and GEMEED.
- 2. Endorse the proposed Terms of Reference of the APEC MTF based on the appropriate SCE Guidelines.
- 3. Encourage the active participation of relevant sectors from across APEC and APEC economies in the Mining Task Force and, in order to avoid unnecessary duplication of work, maintain contacts with similar intergovernmental groups elsewhere, where the same mining issues are likely to be discussed and in which APEC economies might be members (for example: ASEAN Senior Officials Meeting on Mining, the Intergovernmental Forum on Mining, Minerals, Metals and Sustainable Development, as well as ministerial fora in the Americas (CAMMA) and Africa (African Mining Partnership).

# APEC MINING TASK FORCE<sup>1</sup>

# **Proposed Terms of Reference**

# 1. APEC Mining Task Force (MTF)

The MTF will be mandated for two years to cover the activities in the field of minerals exploration, mining and metals including relevant activities previously conducted by the Group of Experts on Mineral and Energy Exploration and Development (GEMEED) (excluding energy issues) and Non-Ferrous Metals Dialogue (NFMD) and will report to the Senior Officials Meeting, through the SOM Steering Committee on Economic and Technical Cooperation (SCE) and the Ministers Responsible for Mining.

# 2. Objectives

- 2.1. To serve as a platform for Member Economies to strengthen policy dialogue;
- 2.2. To assist in enhancing minerals exploration, mining and metals industry development through action oriented programs and activities that are focused and strategic;
- 2.3. To ensure that mining, minerals and metals-related concerns are adequately addressed within the APEC processes; and
- 2.4. To advance the 10 APEC mining policy principles adopted by Ministers Responsible for Mining during their third meeting on February 14, 2007, in Perth, Australia:
  - 2.4.1. Pursue policies that enhance the sustainable production, trade and consumption of minerals and metals thereby improving the economic and social wellbeing of our people.
  - 2.4.2. Foster regular exchange between member economies about experiences with regulations, policies and practices and about significant developments in each economy's minerals and metals sector.
  - 2.4.3. Promote the best possible functioning of global markets for minerals and metals, through support for market transparency and facilitation of trade. Export restrictions should be employed only in exceptional cases, and in accordance with WTO rules.
  - 2.4.4. Foster investment certainty in the APEC minerals sector through the pursuit of open minerals and metals markets and the articulation of clear and predictable investment policies.
  - 2.4.5. Promote cost effective, evidence based, transparent and objective-based measures which improve the efficiency in the regulation of the minerals industry to contribute to economic, environment and social development outcomes.
  - 2.4.6. Encourage, support and promote initiatives by the minerals and metals industry and stakeholders that contribute to national and international

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<sup>&</sup>lt;sup>1</sup> Name to be confirmed by SOM

- sustainable development goals.
- 2.4.7. Encourage research to develop and apply new minerals exploration, extraction, and pollution control technologies that are more cost effective, efficient, economically sound, environmentally responsible and socially acceptable. Promote information exchange and cooperation on such technologies.
- 2.4.8. In partnership with all life cycle participants, ensure that materials and products made from minerals and metals are produced, consumed, recycled or disposed of in a responsible manner.
- 2.4.9. Encourage all participants in the life cycle of a material or product to take direct responsibility for their area of action, and a shared concern over other stages of the life cycle.
- 2.4.10. Support capacity building activities for sustainable development so that all APEC Economies are able to maximise the benefits and minimise the impacts from minerals resource development.

### 3. Scope of Activities

- 3.1. The MTF will address issues considered relevant and important to Member Economies related to greater integration of mining operations and applications (supply chain) of mineral and metal products, including:
  - Exploration and extraction of minerals and associated sustainable development issues for mining;
  - Industrial processing and recycling of minerals and metals; and
  - Trade and investment issues related to mineral and metal commodities.
- 3.2. The MTF will provide Member Economies with opportunities to exchange information, views, experiences and analyses on mining, minerals and metals-related issues in the APEC Region.
- 3.3. The MTF will address the recommendations of the relevant Ministerial Meetings and Leaders' Declarations as they relate to minerals exploration, mining and metals issues, and other recommendations that may arise within the APEC process, including through the APEC Mining Industry Forum.
- 3.4. The MTF will provide recommendations to the Ministers Responsible for Mining Meeting and the SOM on the short, medium and long term programs that could assist mining, minerals and metals industry development and how to best implement them within the APEC process.
- 3.5. The MTF will ensure that the activities initiated by the Group do not duplicate those undertaken by other bodies within the APEC process.
- 3.6. The MTF will work closely with the business sector and industry bodies to ensure that the Group's work is practical and focused on improving the business climate for entrepreneurs within and among Member Economies.

### 4. Structure of the MTF

- 4.1. The Group will be composed of policy officials of Member Economies responsible for the mining, minerals and metals industry. Industry representatives, including those from the APEC Mining Industry Forum, may be invited to participate in accordance with the *Guidelines on Non-Member Participation in APEC Activities*.
- 4.2. A Chair and Vice Chair will be selected and undertake duties in accordance with the Guidelines for Lead Shepherd/Chair and Deputy Lead Shepherd/Chair of APEC Working Groups and SOM Taskforces..
- 4.3. The MTF will meet at least once a year.

The achievements of the MTF will be reviewed at the conclusion of its two year mandate against its stated objectives and outputs.

# Executive Summary

- 1. In accordance with the endorsement at the Informal Senior Officials' Meeting (ISOM) 2002, the APEC Secretariat developed a standard reporting template for fora reports.
- 2. The APEC Secretariat has compiled reports obtained from 11 Working Groups, namely ATCWG, EWG, FWG, HRDWG, ISTWG, MRCWG, SMEWG, TELWG, TPWG, TPTWG, TWG. The Secretariat also compiled the reports from 7 Task Forces, namely ACTET, SSN CBN, CTTF, ECSG, GFPN, HTF, TFEP

### Recommendations

- 1. **ATCWG, EWG, FWG, HRDWG, ISTWG. MRC, SME,** recommend that the SCE to note the progress of work by those respective working groups.
- 2. The **HRDWG** will submit its new ToR to SCE3 for endorsement
- 3. **TELWG** recommends that SOM:
  - Note progress in the implementation of the APEC TEL Program of Action;
  - Welcome preparations for TELMIN7 to be hosted by Thailand on 20-25 April, 2008
  - Note current work with the OECD on Malware and related threats and approve the
    continuation of collaborative work with this organization to: a) prepare an APEC TEL –
    OECD Analytical Report on Malicious Software and Recommendations with Actions
    Plans against Malware and related Threat; and, b) develop and APEC TEL-OECD Model
    Survey on Indicators for Trust.
- 4. **TPWG** recommended that SCE note the efforts taken in the incorporation into the SMEWG, and to ensure that the major aspects of WGTP be carried into the newly formed group.
- 5. **TPTWG** recommended the SCE III to take note the outcomes of the activities during the reporting period.
- 6. **TWG** recommends that SCE note the outcomes of the TWG activities during the reporting period.
- 7. SOM Special Task Forces **ACTET**, **CTTF**, **ECSG**, **HTF**, **TFEP** recommend that SCE note the progress of work.
- 8. **GFPN** recommends that SOM
  - Explore how APEC can address the vulnerability of migrant women workers and labour mobility.

- The Joint Statement of the 18<sup>th</sup> APEC Ministerial Meeting recognised the need for research on the differential impact on women of Regional Trade Liberalisation and Free Trade Agreements. The GFPN recommends that APEC Senior Officials ask relevant fora to pursue this research and develop projects to educate women about the impact of, and opportunities arising from, trade agreements and trade preference programs. The GFPN also asks Senior Officials to note the value of the Human Resource Development Working Group seminar *Trade Preference Programs Benefiting Women* in this regard.
- Senior Officials endorse the continuation of Gender Analysis Training Workshops for APEC officials and Digital Economy Forums for Women.
- Senior Officials note that the Small and Medium Enterprises Working
  Group and the Budget Management Committee provided reports to the
  GFPN on their efforts to integrate gender into their activities. The GFPN
  asks Senior Officials to encourage APEC fora to increase their attention to
  gender issues in their work.
- Senior Officials take gender into account in the development of policy papers, and note that the GFPN will be pleased to provide assistance in this regard.
- 9. **CTTF** recommended that SCE note its report; the work plan adopted and decision points are requested from SOM.
- 10. **SSN-CBN** recommends that SCE note its progress on work in 2007 and its imminent merger with the LSPN

# **Summary of APEC Fora's Reports to SCE III**

# Tabled by the APEC Secretariat at SCE III, Cairns, Australia June 2007

# I. Backgrounds

- In accordance with Senior Officials' endorsement at the Informal Senior Officials' Meeting (ISOM) 2002, the APEC Secretariat developed a standard reporting template for fora reports. This template was designed to (a) reduce the burden of fora reporting; (b) provide a reporting guideline for APEC fora; (c) share comprehensive information in APEC on fora's activities; and (d) secure a standard of assistance from the APEC Secretariat with regard to fora's reporting tasks.
- 2. In this line, SCE has developed intensive efforts to reduce the numbers of reports and also de monitor the achievement of the APEC for therefore APEC working groups and task forces activities and deliverables are required to be reported on once a year, through SCE to SOM and to Ministers.
- 3. From 2006, the APEC Fora Report is submitted to SCE prior to SOM and incorporates the SOM Special Task Forces which were not initially considered in the scope of this report line.
- 4. At this stage, an internal consultation is been developed among SCE members in order to improve the focus of the content and, if it needed, the fields address in the standard report template. In this end, a survey was circulated among SCE members seeking for their inputs in the reported areas through the Fora Template.
- 5. The APEC Working Groups and Task Forces which have submitted their report under this template comprises:

# Working Groups:

- 1. The Agricultural Technical Cooperation Working Group (ATCWG);
- 2. The Energy Working Group (EWG);
- 3. The Fisheries Working Group (FWG);
- 4. The Human Resources Development Working Group (HRDWG);
- 5. The Industrial Science and Technology Working Group (IST);
- 6. The Marine Resource Conservation Working Group (MRC);
- 7. The Small and Medium Enterprises Working Group (SMEWG);
- 8. The Telecommunications and Information Working Group(TELWG);
- 9. The Trade Promotion Working Group (TPWG);
- 10. The Transportation Working Group (TPTWG)
- 11. The Tourism Working Group (TWG);

### Task Forces:

- 1. The Anti Corruption and Transparency Experts Task Force;
- 2. The Counter Terrorism Task Force;
- 3. The Electronic Commerce Steering Group;
- 4. The Gender Focal Point Network;
- 5. The Health Task Force;
- 6. The Social Safety Net Capacity Building Network;
- 7. The Task Force for Emergency Preparedness.

# II. Summary of the Reports of APEC Working Groups submitted at SOM III

# II-1. Agricultural Technical Cooperation Working Group (ATCWG)

# Summary of recent progress:

Progress Reports of the sub-group priority areas were presented for 6 of the seven sub-groups, namely: 1) Conservation and Utilization of Plant and Genetic Resources; 2) Research, Development and Extension of Agricultural Biotechnology; 3) Utilization of Agricultural Technology Transfer and Training Networking Systems; 4) Plant, Animal Quarantine and Pest Management; 5) Cooperative Development and Agricultural Finance Systems; and 6) Sustainable Agriculture and Related Environmental Issues.

The meeting was informed of the latest status of the process for an Independent Assessment instructed by SCE. The ATCWG agreed to align priorities and activities with the broader APEC priorities and direction, especially in respond to SCE's concern about the effectiveness of the ATCWG. The Independent Assessment of the ATCWG- HLPDAB is scheduled to start in 2007 and the conclusion are planned to be deliver in 2008.

The 2007 ATCWG meeting also stressed the importance of focusing on the ATCWG's future strategic direction. The Meeting referred to the outcomes of the survey, undertaken by the Lead Shepherd, and discussion papers submitted by member economies, as a way of assisting the ATCWG in its consideration of current priorities and activities.

In this line ATCWG initiated a process to identify its priorities as follows:

- Agricultural Biotechnology and Avian Influenza continued to be issues of relevance to the broader APEC agenda and therefore remain priorities of ATCWG;
- The ATCWG took on board new priorities such as:
  - Domestic Structural Adjustment which was the most frequently identified as a priority. Such a focus is consistent with APEC's broader focus on Structural Reform as agreed by Leaders.
  - Sustainable Land Management was the second most frequently identified new priority area followed by Post-harvest Losses and Bio-fuels.

As a further response to SCE's concerns, the ATCWG agreed to the recommendation proposed by the High Level Policy Dialogue on Agricultural Biotechnology (HLPDAB) to hold back-to-back meetings with the Research, Development and Extension of Agricultural Biotechnology (RDEAB), a sub-group of the ATCWG.

The high level of engagement of ATCWG member economies to advance the agriculture and food sector issues is reflected in 18 new project proposals (including 2 self funded initiatives) and 12 members in the Quality Assessment Framework (QAF) group which helps to improve the quality of projects. The ATCWG endorsed the ranking of projects.

In planning for 2008 meetings, the ATCWG was informed that Peru will discuss with its high level officials the possibility of Peru proposing to host a meeting of a possible ministerial level meeting (APEC Agriculture Ministers) during 2008. The ATCWG also welcomed Indonesia's offer to host the 12<sup>th</sup> ATCWG meeting in Bali in June 2008.

### Recommendation:

The ATCWG recommends that SCE note its progress on work in 2007.

# II-2. The Energy Working Group (EWG)

# Summary of recent progress:

At the 32<sup>nd</sup> Meeting of the Energy Working Group (EWG 32) was held in Yuzhno-Sakhalinsk, Russian Federation on 4<sup>th</sup> and 5<sup>th</sup> of October 2006. EWG members noted the 6<sup>th</sup> report on Implementation of *Energy Security Initiative (ESI)* and the use of ESI Factsheets in the report. In order to have a more comprehensive document, Members endorsed the suggestion that the Fact Sheets be complemented at EMM8 with fact sheets on the Expert Groups and Task Forces, APERC and the EBN.

Under the ESI Short-term Measures, members discussed:

- 1. Progress by member economies in reporting energy data to the Joint Oil Data Initiative (JODI);
- 2. Report of the Real-time Emergency Information Sharing System, including the "chattrial" on biofuels in August 2006 and future chat in November 2006 on oil stockpiling;
- 3. A synopsis of the EGNRET project, "Evaluation of the Role of Village Power Applications in Response to the Tsunami Recovery Effort" in the Emergency Preparedness/Infrastructure document; and
- 4. Combining the APEC sessions on APEC Stockpiling and New Stockpilers into one APEC session at Petrostocks 2007 (New Orleans, January 2007).

Under the ESI Long-term Measures, members noted:

- 1. The report on progress of the Task Force on Energy Efficiency and Renewable Energy Financing;
- 2. Pledge and Review Reports under the first component (Information Sharing on the Implementation and Impact of Energy Efficiency Policies and Programs within Member Economies) and second components (Annual update of an economy's nominated policy/program);

- 3. Two workshops on energy indicators to be held in Japan (October 2006) and Australia (November 2006) to progress data gathering, analysis and policy needs of APEC economies:
- 4. The United States presentation on energy efficiency policies in the transport sector;
- 5. The progress report by Chinese Taipei of the LNG Public Education and Communication Information Sharing Initiative, and also the development of a website;.
- 6. Progress report by the APEC Biofuels Task Force;
- 7. Korea' report on participation in its Nuclear Training Program;
- 8. Members' endorsement of Australia's self-funded project, "Establishing a Regional Association of Safeguards' Authorities";
- 9. Statements on notable energy developments since EWG31; and
- 10. Progress reports presented by the five Expert Groups (Energy Data & Analysis; Clean Fossil Energy; Energy Efficiency & Conservation; New & Renewable Energy Technologies; and Minerals and Energy Exploration and Development)

The Group also considered the Terms of Reference and noted they were approved by SOM on the proviso that reference be made to minerals and energy exploration and development.

Members noted the reports from the APEC and EWG Secretariats, the Asia Pacific Energy Research Center (APERC), and the APEC Energy Business Network.

In the constant effort to increase the collaboration with other organizations, the International Energy Agency (having been granted Guest Status) gave a presentation on IEA energy technology initiatives and perspectives. The IEA also reported on hydrogen and fuel cells workshop and the launching by the International Partnership for Hydrogen Activity (IPHE) of a strategic planning activity to look at infrastructure requirements of the hydrogen economy.

Four additional meetings and forums held immediately prior to EWG32.

- 1. 1<sup>st</sup> Meeting of the EMM8 Steering Committee
- 2. APERC annual workshop
- 3. 17<sup>th</sup> Meeting of Expert Group & Task Force Chairs and APERC
- 4. 15<sup>th</sup> Meeting of the APEC Energy Business Network and following Energy Business Forum on "Cooperation between International and National Oil Companies".

### Recommendation:

The EWG recommends that SCE note the progress of work by the Group in 2007.

### II-3. The Fisheries Working Group (FWG)

### Summary of recent progress:

This annual FWG meeting provided an opportunity for APEC member economies to review existing initiatives and prioritize future activities that support the Bali Plan of Action.

Main topics of reporting included National Programs of Action (NPOAs), Illegal, Unreported and Unregulated (IUU) fishing, Monitoring, Control and Surveillance (MCS) measures, and the role of Regional Fisheries Management Organizations (RFMOs).

During the Fisheries Management session, further discussions were held on the threat posed by IUUs, and the continuing importance and need to review the performance of RFMOs. A representative from the UN Food and Agriculture Organization (FAO) also gave two presentations on current initiatives – first, on the Fisheries Resources Monitoring System (FIRMS) which is a formal partnership arrangement currently including regional fisheries bodies aimed at monitoring the state of world fishery resources and status and trends of fisheries and their management. And second, on the FAO FISHCODE-STF project which includes a structured assessment process that utilizes domestic inventories of data collection systems, marine resources and fisheries with a special focus on small scale fisheries.

In the session on Aquaculture, economies shared experiences and expressed views and particular concern in the following areas - food safety; marketing and investment; the high cost of production in certain, especially, developed economies; market access; diversification of species for aquaculture; biosecurity issues; feed issues and the potential to learn from standards used for organic aquaculture; environmental issues especially addressing concerns regarding global warming; the impacts of aquaculture on coastal regions, and the increasing costs of access to coastal areas; and finally, the role of aquaculture in poverty alleviation.

Finally, on trade and investment liberalization and facilitation, FGW discussed issues relating to fish products trade, such as traceability and subsidies. It was also agreed that a more structured three-step approach to dealing with trade issues in future meetings would include:

- An annual overview paper prepared for the meeting detailing trade developments in other international forums (relating to trade in fisheries products) for the previous 12 months:
- That future FWG meetings focus on one or two trade issues in greater depth. Priority issues for the next FWG meeting would be determined intersessionally. This may include inviting a key speaker to address the meeting; and
- That the FWG consider proposing at least one dedicated trade related project per funding cycle.

The meeting also discussed progress reports on five ongoing projects, and heard proposals for five new projects. After a round of comments, a draft Terms of Reference will also be finalized inter-sessionally.

A new Lead Shepherd was selected from Canada in the person of Ms Lori Ridgeway, who has now taken over from Mr. James Sha of Chinese Taipei.

The  $19^{th}$  FWG meeting will be held in Peru in 2008 (dates to be finalized), to be immediately followed by the  $7^{th}$  Joint FWG and MRCWG meeting.

# Recommendation:

SCE to take note of this report and thank Mr. Sha for his work as Lead Shepherd and welcome the new Lead Shepherd from Canada, Ms. Lori Ridgeway.

# II-4. Human Resources Development Working Group (HRDWG)

# Summary of recent progress:

The 29<sup>th</sup> Human Resources Development Working Group meeting was held in Brisbane, Australia from 17-20 April 2007. The meeting was chaired by the Dr Alan Ginsburg, Lead Shepherd and co-chaired by Linda Lipp, Department of Employment and Workplace relations. The three network meetings were chaired by Nigel Haworth (Capacity Building Network Coordinator), Chris Watson (Labour and Social Protection Network Coordinator) and Dr Kim Young Hwan (EDNET Coordinator).

107 delegates attended the meetings from sixteen economies including Australia, Brunei, Canada, Chile, China, Indonesia, Japan, Korea, Malaysia, New Zealand, Peru, the Philippines, Chinese Taipei, Thailand, United States and Vietnam. Two APEC Secretariat staff attended the meeting, Michelle Lowe outgoing (PD) and Eduardo Menez (incoming PD).

The first day thematic sessions were under the themes of 'Recognising Quality' and 'Labour and Social Protection for Growth'. The plenary focused on finding a new vision and Terms of Reference for the group and implementing recommendation 1 of the SCE Fora Review to merge the Labour and Social Protection Network and the Social Safety Nets Capacity Building Network.

Members heard project proposals for seven projects seeking funds from the Operational Account, two projects seeking TILF support and five self-funded projects.

### Recommendation:

The HRDWG will submit its new ToR to SCE3 for endorsement

### II-5. The Industrial Science and Technology Working Group (ISTWG)

## Summary of recent progress:

The 32<sup>nd</sup> Industrial Science and Technology Working Group (ISTWG) meeting took place in Vladivostok, Russia on 15<sup>th</sup> and 16<sup>th</sup> of March 2006.

Six side meetings took place before the plenary session: 1) Forum on the best practices and international networking for greener industries, 2) Sub-group A (Human Resources Capacity Building), 3) Sub-group B (International Science and Technology Network), 4) Sub-group C (Connecting Research and Innovations), 5) Sub-Group D (Technological Cooperation and Strategic Planning), and 5) Forum on Public Awareness on Seismic Hazard Mitigation and Disaster Preparedness.

And internal review of the ongoing activities was carried out during this 32<sup>nd</sup> meeting. In total, twenty seven projects or activities were reported and discussed in side meetings.

Since this was the first ISTWG meeting in 2007; the purpose of this meeting was to discuss new project proposals, and review progress of current ISTWG activities.

New project proposals were also tabled during this meeting, been in total ten project proposals seeking 2008 funding (two for TILF, four for OA and ASF respectively) as well as eleven self-funded projects proposed by six member economies

#### Recommendation:

The ISTWG recommends that SCE note the progress of work by the Group in 2007.

### II-6. The Marine Resource Conservation Working Group (MRCWG)

### Summary of recent progress:

The MRCWG met for its 20<sup>th</sup> meeting in Gold Coast Australia. The meeting provided an opportunity for participants to update each other on key domestic efforts to advance the implementation of the Bali Plan of Action and the MRCWG Strategic Framework, as well as, present new project proposals. There was also extensive discussion on action to be taken on the SCE Fora Review recommendations directly affecting the working group i.e. a 2007 Independent Assessment, and the revision of the MRCWG Terms of Reference.

There were two presentations from invited guests. Dr. Alistair Hobday from CSIRO Australia spoke on Climate Change and its impact on marine ecosystems, and Dr. Srisuda Jarayabhand of UNEP-COBSEA highlighted activities on marine litter, which include the review of existing status in the COBSEA region, development of a regional plan of action and a regional workshop to be held on 8-9 May 2007 in Jakarta, Indonesia.

Four new projects from the MRCWG were presented and endorsed for 2008 APEC funding as follows:

- Workshop on Sharing Policy, Experiences and Practices in Sea Level Rise Adaptation for Small Islands/Archipelagos proposed by Indonesia
- Satellite application in knowledge-based economies (SAKE 2008) proposed by Chinese Taipei
- Agrochemicals and Environmental Sustainability: Capacity Building Workshop for APEC Economies proposed by the Republic of Korea
- The Climate Change Processes and Their Effects on Coastal Ecosystems proposed by the People's Republic of China

A self-funded project from Chinese Taipei - "The Ninth Roundtable Meeting of the Involvement of Business/Private Sector in Sustainability of the Marine Environment" was also presented and endorsed by the MRCWG.

The 21<sup>st</sup> MRCWG meeting will be held in Peru in 2007, to be immediately followed by the 7<sup>th</sup> Joint FWG and MRCWG meeting.

### Recommendation:

SCE to note this report and thank Dr. Soesilo Indroyono for his work as Lead Shepherd.

## II-7. The Small and Medium Enterprises Working Group (SMEWG)

### Summary of recent progress:

23rd SMEWG Meeting was held in Hanoi Vietnam, 26 - 27 September 2006. The Chair reported on progress made in the SMEWG 2006 Work Plan. A large number of activities were completed and new proposals were received.

The SMEWG Chair informed delegates that a number of member economies had contributed to the preparation of the *Hanoi Declaration on SME Competitiveness for Trade and Investment* prepared by Vietnam, and good progress was made on the Internship Support Systems for Learning Best Practices in the Development of Micro and Small Enterprises implemented by Chile, the Study of Existing Financial and Policy Assistance for Micro Enterprise Development undertaken by Vietnam, the USA Initiative on Intellectual Property Rights, and the APEC Seminar on SME Financial Institutions held in Vietnam in July 2006.

USA private sector delegate presented an informational guide on Pandemic Preparedness Planning and Implementation for Small Businesses. Member economies were invited to share their own initiatives in developing a future, APEC best practices/guidelines for business continuity in case of an avian influenza outbreak/pandemic.

In the same priority, Australia introduced the Pandemic Planning Checklist for Small Businesses and the related website for information of delegates.

24<sup>th</sup> SMEWG Meeting was held in Hobart, Australia 4th and 5th March. The Chair informed the main changes introduced in conducting the SME meetings in line with the decision adopted in Hanoi to streamline processes leaving the routine reporting for inter-session work and the decision items for the in-session discussion.

The SMEWG 2007 Work Plan, containing the 2007 SME theme was endorsed, establishing as main topic for the year: *Driving SME Growth Through Economic Reform* Sub-themes were also developed and agreed by members in the meeting:

- Making it Easy to Start and Grow a Business
- Driving SME Innovation
- Cutting Costs and Saving Time for SMEs
- Encouraging SME Innovation in Developing a More Energy Efficient Industry t o Assist in
- Cutting Greenhouse Gas Emissions

The Micro-enterprises Sub-Group (MESG) Chair, Mr Tony Greenwell, reported on the outcomes of the MESG and presented the MESG 2007 Work Plan. SMEWG's general consensus was reached that the MESG should be merged into the SMEWG, as it would streamline administrative processes and remove duplication, while ensuring Micro Enterprises (MEs) continue to be a high priority. This commitment to MEs would be reflected in the new SMEWG Terms of Reference and in Work Plans.

In preparation for next year Ministerial Meeting, Peru provided an overview of its plans for the 2008 SME meetings, explaining that the March SMEWG meeting would be held in Chinese Taipei and the September SMEWG and Ministerial Meeting would be held in the city of Chiclayo, Peru.

#### Recommendation:

SCE to note the progress of the work carried on by the SMEWG during 2007.

#### II-8. The Telecommunications and Information Working Group (TELWG)

## Summary of recent progress:

The 34<sup>th</sup> TELWG meeting met to review progress in the implementation of the APEC TEL Program of Action; new project proposals; and internal guidelines on the rotation and responsibilities of Convenors and Deputy Convenors. This was the first TEL meeting under the new structure adopted at TEL33 and new leadership of Convenors and Deputy Convenors.

TEL approved a new urgent project proposal Deployment of GCIO Training Model and Networking for e-Government Development seeking Operational Account funds and agreed to resubmit as an urgent project proposal the project Voice over IP (VoIP) Security Guidelines not funded at BMCII.

TEL Heads of Delegation considered the Discussion Paper on review of APEC Fora and welcomed the suggestion to incorporate appropriate and relevant ECSG activities into the TEL to enhance synergy in policies and activities within sectors.

TEL agreed to seek SOM approval regarding the participation of the TEL Chair in the ITU Telecomm World 2006 held in Hong Kong, China 4-8 December 2006; and join activities with OECD and ASEAN at TEL35 in Manila.

The TEL hosted five side events: Workshop M-Opportunity for All; Telematic Workshop; Workshop on WTO GATS Domestic Regulation; Asia Pacific Information Society Vision Workshop; Industry Futures Roundtable "Evolution in the Telecommunications Ecosystem".

The 35<sup>th</sup> TELWG reviewed the progress in the implementation of the APEC TEL Program of Action and advance its work in preparation for TELMIN7 to be held in Thailand on 20-25 April. The group discussed possible deliverables for the year and also considered new project proposals as well as the election of a new Vice Chair.

As a result of the discussion held at the APEC-OECD Malware Workshop, the next course of action proposed in the collaborative work with the OECD on Malware is the APEC TEL - OECD Analytical Report on Malicious Software and the recommendations with Action Plans against Malware.

TEL and the OECD also agreed to work on Indicators for Security and Trust. The objective of the work is to develop an APEC TEL-OECD Model Survey on Indicators for Trust. It will guide the development of national surveys for indicators of security and trust targeted at governments.

TEL agreed to seek SOM's approval for the continuation of the collaborative work with the OECD on Malware and Indicators for Security and Trust.

Dr Inuk Chung from Korea concluded his two years term as TEL Chair then, being the established practice, Dr Arnon Tubtiang, the Vice-Chair from Thailand became the TEL Chair for the period 2007-2009. Mr Liu Ziping from China was elected by consensus as the new Vice-Chair and according to TEL practice; Mr Liu will become the TEL Chair in 2009.

The TEL hosted six side events: 1) APEC-OECD Malware Workshop; 2) APEC-ASEAN Joint Workshop on Network Security; 3) Implementing WTO Domestic Regulation Disciplines for ICT; 4) Interconnection workshop; 5) Industry Roundtable; and 6) Regulatory Roundtable.

#### Recommendation:

TEL recommends that SOM:

- 1) Note progress in the implementation of the APEC TEL Program of Action;
- 2) Welcome preparations for TELMIN7 to be hosted by Thailand on 20-25 April, 2008
- 3) Note current work with the OECD on Malware and related threats and approve the continuation of collaborative work with this organization to: a) prepare an APEC TEL –OECD Analytical Report on Malicious Software and Recommendations with Actions Plans against Malware and related Threat; and, b) develop and APEC TEL-OECD Model Survey on Indicators for Trust.

## **II-9.** The Trade Promotion Working Group (TPWG)

### Summary of recent progress:

The main purpose of the 2007 TPWG meeting was to review developments since the last plenary meeting in April 2006, Singapore, and consider further steps of the group's activities in 2007. As the Lead Shepherd was unable to attend the meeting, the Deputy Lead Shepherd from Australia co-hosted the meeting.

The group focused its work in theme for APEC 2007 "Strengthening our community, building a sustainable future"

The work groups undertook an inventory of project from 2005-2007:

#### Reports of 2005 APEC Projects:

Anthology of Trade Promotion Practices of Selected APEC Economies (Philippines) had as objective to produce a compendium of trade promotion practices and success stories of exporters from selected APEC member economies and to analyse the current 'public-private sector alliances.

#### Progress of 2006 APEC Projects

- 1) Integrated Trade Services Models: Best Practices in eTrade Finance (Canada). It has as objective: provide a better understanding of the nature and impact of successful or emerging e-business practices associated with trade facilitation services, with a special focus on e-trade finance and SMEs.
- 2) APEC Brand Marketing Seminar (Korea) has a objective to learn about brand management and to encourage knowledge sharing in the APEC region
- 3) Forum on International Trade in Professional Services in APEC Economies (Malaysia) it has as a objective to provide networking opportunities for professional service providers from APEC economies and to promote business collaboration through better understanding of the latest practices
- -The Electronic and Information Technology Industries Survey in APEC Economies (Mexico) its objective is to provide a specialized survey of the electronic and information technology industries within APEC economies

## Progress of 2007 APEC Projects

As part of the expected 2007 outcomes, TPWG updated the members on ongoing proposals:

| 2007 TPWG Project  |   |  |
|--|---|--|
| Initiative   | Objective   | Deliverables   |
| Pilot multi media case studies<br>of entrepreneurial SME<br>businesses (Australia)   | Build economic capacity in developing APEC economies by providing teaching resources to assist with export and international business education.  | DVD and teaching resources books   |
| Best practices for SMEs<br>Internationalisation (Chile)  | Enhance the capacity of APEC developing economies through the promotion of SMEs export potential; to generate information   | Seminar on free trade and market access, access to finance and IT, trade barriers for SMEs, access to support programs and best practices in export promotion programs for SMEs.   |
| Specialised capacity building for APEC Trade Commissioners (Malaysia)  | Enhance the knowledge and skills of APEC trade commissioners or trade representatives and create a networking experience on cultures, business and trade practices.   | Seminars, panel discussions and a site visit. Discussion topics will include trends in international trade, skills for effective trade commissioners, leveraging technology, effective overseas office management and tools for trade promotion. |
| Seminar on Meeting, Incentive travel, Conventions/congress, Exhibition/event (MICE) Opportunities in APEC economies (Chinese Taipei) | Advance international trade developments in the Asia Pacific region; strengthen cooperation to build the region into the leading global MICE destination; reduce regional economic disparities; and, realise shared prosperity. | Seminar  |

Regarding project planning for 2008, the TPWG discussed on the preparation of the proposal to be promote next year, the group undertook an assessment of the main initiatives and objectives. The following initiatives were endorsed by the group:

1) New Generation TPO Strategies – FTA Real World Application (Philippines)

Objective: define strategies linking trade engagements to trade promotion; address disparity between trade policies and trade promotion programs; continue the flow of information on trade negotiations and engagements, tariffs and trade barriers as triggers for TPO strategies

- 2) Technical Workshop of Export Branding Strategy (Indonesia).
- Objective: enhancing the knowledge and skill of entrepreneurs to gain the competitiveness of products through utilizing brand strategy
- 3) Best Practices for Public-Private Networking for Export Development (Peru)
  Objective: share experiences and good practices of APEC Economies integrating their internal capacities from a systematic perspective
- 4) Experience Exchange in the Promotion of Services Exports (Peru)
  Objective: exchange experiences among APEC members about management, tools and instruments to promote the exports of services, as well as set up a network to facilitate services exports in the APEC Region

In the implementation of the SCE for review recommendations, the Chair reported on the developments to incorporate WGTP into SMEWG (joint paper prepared by Deputy Lead Shepherd and SMEWG Chair). The discussion paper reviewed the key areas such us: membership; meeting schedule; terms of reference; strategic priorities and work plan; project work.

The review outcomes of merger discussions in SMEWG meeting held in March 2007 were also advised to the TPWG members, highlighting important areas:

- Membership: meeting participants decided by each economy, no limit to size of delegation
- Meeting Schedule: once or twice a year, twice preferred during transitional period
- TOR: Established a small group including WGTP dedicated to forming the new TOR
- Strategic Priorities and Work Plan : focus trade promotion activities on SMEs
- Project Work : establish a Standing Committee to encourage high quality projects

The internal debate in the TPWG brought up the some details of the merging process to be considered by members. These topics can be summarized as follows:

- Capacity building, an important aspect of WGTP, should be included in the TOR
- Terminology updates, such as 'trade promotion' to 'international business development'
- Name of the new group should reflect trade promotion aspects
- Private sector representation could be fortified with closer relationship with ABAC
- Increase flexibility in Chairing arrangements
- Schedule, duration and agenda of the newly merged SMEWG meeting

### Recommendation:

SCE to note the efforts taken in the incorporation of WGTP into the SMEWG, and to ensure that the major aspects of WGTP be carried into the newly formed group

### II-10. The Transportation Working Group (TPTWG)

#### Summary of recent progress:

The 28<sup>th</sup> TPTWG meeting was held in 5-6 of September 2006 in Vancouver, Canada.

Meeting endorsed the appointment of Mr Michael Daniel (USA) as Deputy Chair of the Aviation Experts Group, taking over from Mr John Doherty (Australia) who took up the position of Lead Shepherd from 1 July 2006.

Recommendation from the Philippines was endorsed that, rather than appointing a special HRD adviser, each Modal Expert Group include a special section summarizing HRD issues and activities in its report to the Closing Plenary. This would allow Heads of Delegations (HODs) to monitor HRD activities and consider areas of common concern and opportunities for coordinated action. The reporting template for Modal Expert Groups was amended accordingly and the new arrangements were brought into effect for TPT-WG 28.

All Modal Groups finalized proposed terms of reference in a consistent format based on the template agreed at TPT-WG 27 (May 2006 in Ha Noi, Viet Nam). It was agreed that the documents would be given a final check to ensure they comply with APEC requirements, with the Lead Shepherd to notify final endorsement.

HODs agreed to the updated papers (New Structure; Management) which outline the working arrangements for the TPT-WG since the restructure. It was agreed that in accordance with recent practice in TPT-WG, the final report (Chair's Report) on each TPT-WG meeting will be the responsibility of the Lead Shepherd rather than the host economy.

The group confirmed that the role of the Intermodal/ITS Experts Group is broad, encompassing the whole supply chain. Technology and ITS are important elements of this, but the Group's focus is wider.

Delegates noted the transfer of responsibility for the TPT-WG website to China from Chinese Taipei and expressed appreciation to both economies.

China, in consultation with Australia, agreed to further update the website to reflect the TPT-WG new structure and to examine implications of the proposed APEC Portal for the next TPT-WG29.

A revised reporting template was endorsed to assist with consistency and to ensure that the reports cover the full range of significant issues addressed by the Groups.

Modal Groups Chairs should ensure sufficient details on projects and initiatives are provided in their meeting reports to allow HODs to assess the projects and their relative priority.

The following projects were approved by HODs for submission for BMC funding consideration in October 2006:

- Intermodal Skills Seminar: Developing Core Competencies and Leadership Skills in Planning and Managing Intermodal Systems and Technology (Viet Nam) for \$US49,000 (TILF);
- Facilitation of International Shipping Competition Policy Related to Liner Shipping (Canada) for \$US130,000 (TILF).

HODs accepted the offer by Chinese Taipei to host TPT-WG 29 in May or June 2007 in accordance with established APEC working arrangements.

Singapore presented the outcomes of Stage 2 of the Roadmap Survey – Economy Reports.

Australia presented a proposal for six directions for recommendations arising from the Roadmap report, representing Stage 3 of the exercise. The TPT-WG28 thanked the taskforce for its work on the report.

The papers on Roadmap Stages 2 and 3 (2006/TPT-WG-28/hod/008\_v2; and 2006/TPT-WG-28/HOD/005) were also discussed and it was noted that the Roadmap arose from an express directive from the APEC Transportation Ministerial Meeting in Bali, and that some agreed recommendations should be developed for the Ministerial Meeting. It was agreed:

- Economies to provide comments on the Stage 2 report and Stage 3 recommendations;
- The thrust of the Stage 2 outcomes and interim recommendations to be included in the draft papers for the Ministerial Meeting, in particular the discussion paper on Liberalisation and the report on the work of the TPT-WG;
- A further discussion of the Roadmap recommendations could be conducted at the TPT-WG29 in conjunction with the discussion of directions from the Ministerial Meeting.

Korea gave a presentation on the 3rd UNESCAP Ministerial Conference and associated events to be held from 6-11 November 2006. All economies were encouraged to participate, if possible.

Mr Bob Lange, Executive Director – Structure and Safety Integration, General Motors Corporation, made a short presentation on the proposal by the Automotive Dialogue to stage a summit on road safety in Adelaide, Australia immediately before the Ministerial Meeting in March 2007. The proposal received support from HODs in their consideration of the Ministerial Meeting.

Singapore presented the outcomes of a major APEC symposium on supply chain security held in Singapore in July 2006 and advised that a report was to be provided to SOMIII in light of the implications for the APEC Counter Terrorism Task Force as well as the TPT-WG. The TPT-WG28 agreed that:

Lead Shepherd monitored the outcomes of the SOM III report and implications for future work that might be undertaken by the TPT-WG;

Modal Expert Groups and relevant Sub-groups take the findings into account in their work. The Lead Shepherd advised that a letter had been received from Mr Jack Short, Secretary-General of the European Conference of Ministers for Transport (ECMT). The letter outlined recent work in ECMT, including the proposal to open the proceedings of ECMT to a broader International Transport Forum from 2007, and invited ongoing cooperation with the TPT-WG.

Presentation was provided by Thailand on the new international airport near Bangkok – Suvarnabhumi to be opened on 28 September 2006.

More presentations were made by:

- Canada made a presentation on the present situation on maritime transport in Canada;
- Russia presented a paper on developments in Trans-Siberian Landbridge and container terminal in Vostochny Port;

- Australia made a presentation on a recent study by the Australasian Rail Association on the attraction and retention of employees in the Australian rail industry developed in response to impending skills shortages;
- Malaysia: the Integrated Transport Information System (covering 243 square kms of Malaysia's capital city Kuala Lumpur) that enables public transport operators and road users to obtain real-time information from the ITS website, ITS Call Centre, visual display boards and radio;
- Japan: the newly established Aviation Safety Promotion Office, oversighting air operators;
- New Zealand: the national aviation security training program and confidential reporting system;
- Hong Kong, China: the adaptation of ICAO model legislation on unruly passengers; in the context of promoting liberalization of trade and facilitation, one-stop security concept for transfer passenger and baggage;
- USA: the new cargo security requirements in the USA; and the latest security requirements for US-bound flights as a result of the recent security event in the UK and the latest security screening technology;
- Korea: Towards better safety of national highways;
- A number of economies provided reports on progress of vehicle standards harmonization: Australia; Japan; Korea; Philippines; Singapore; Chinese Taipei; and the USA.

#### Recommendation:

The Plenary recommended the SCE III to take note the outcomes of the TPTWG activities during the reporting period.

### II-11. The Tourism Working Group (TWG)

#### Summary of recent progress:

Summary of recent progress of the APEC TWG at the 29<sup>th</sup> and 30<sup>th</sup> TWG meetings, 13-14 October 2006 in Hoi An, Viet Nam and 16-17 May 2006, on the Gold Coast, Australia.

At the 29<sup>th</sup> meeting the group discussed the work done to date on the independent review of the TWG, was briefed on progress made on APEC TWG projects and activities and discussed and refined priority issues in preparation for the 4<sup>th</sup> APEC Tourism Ministerial meeting (TMM) on 16-17 October 2006 in Hoi An, Viet Nam. The group provided input to the Hoi An Declaration outlining the future direction of the TWG. The Hoi An Declaration released by Tourism Ministers following the TMM focussed on the Promotion of Tourism Cooperation in the APEC region. This included:

- Holding, on a voluntary basis, an APEC Tourism Fair in conjunction with a major APEC event:
- Hosting on voluntary basis an APEC Tourism Investment Forum on the sidelines of Tourism Ministerial meeting; and
- Organising for the promotion of tourism, joint activities for youth and sister cities exchange to nurture mutual understanding and appreciation to cultural values as well as customs and traditions.

At the 4<sup>th</sup> APEC Tourism Ministerial Meeting, Ministers welcomed the progress made in reviewing the awareness and relevance of the TWG's goals and activities in order to identify mechanism to further focus the TWG's strategic priorities and future directions. Ministers noted the resolve of the

TWG to respond to the findings of the Independent Assessment to improve the operations of the Group. Ministers also noted that the TWG reaffirmed its role as an independent APEC Forum with a strong focus on facilitating tourism as an important driver of economic and social development.

Ministers commended the work of the Tourism Working Group towards realizing the policy goals through various activities under the working group, particularly work done by the group in addressing issues such as standardizing tourism services and occupational skills, identifying new impediments to tourism, developing best practices in sustainable tourism development and sharing risk management strategies.

Ministers stressed the importance of addressing the challenges brought about by global developments, such as natural or man made disasters and health issues as well as safety and security issues. In relation to global and regional tourism issues, ministers concur on the need to send a constant and firm message on the important role of tourism in the social and economic development as well as in creating mutual understanding and trust in the grass root level of peoples' in the region.

Other agenda items discussed during the meeting centred on the implementation of the four policy goals established by the APEC Tourism Charter, including discussion on progress of capacity building projects currently underway and possible future activities under each goals. Highlights of the discussion focused on the ongoing projects developed to implement the goals of APEC Tourism Charter.

In regard to the Strategic Review Of The Tourism Charter as a Component of The Independent Assessment (IA) of The ECOTECH Implementation of The APEC Tourism Working Group - ESC Project No. 01/2006, the TWG Lead Shepherd updated the SCE members on the independent assessment. The SCE endorsed the report and requested that the TWG report back to this Committee on progress.

At the 30<sup>th</sup> meeting the group spent considerable time discussing the independent assessment of the TWG. The group was briefed on the findings of the review and agreed to the proposed implementation plan to implement the recommendations of the review. The group acknowledged the need for ongoing review of the TWG and its activities and agreed to the proposal to undertake further review of the group in 2008.

The group also gained insight from a number of guest speakers on three key issues, tourism satellite accounts and their policy and analysis applications, aviation liberalisation and development and its impacts on tourism, and destination management planning and its opportunities for tourism investment. Following the presentations the group had substantive discussion on these issues, which included the development of two project proposals for future work.

On future projects for 2008 funding, a project proposal on Training of the Application of APEC Skill Standard Concept and System and was endorsed by the meeting. Furthermore, Australia, proposed two new outline proposals on possibility of an investment project and Tourism Satellite Account

The Chair raised and discussed the issue on Climate Change as its impact toward tourism industries. The group agreed to include the issue on the agenda for the 31<sup>st</sup> meeting for further discussion and to investigate the possibility to develop a project proposal on this particular issue.

The group heard from the Chair of the APEC SMEWG and was updated on activities of the APEC TPT-WG and agreed to continue coordination with other APEC fora as appropriate in regard to project formulation and implementation, as well as on cross-cutting issues.

A number of events were held in the sidelines of the 30<sup>th</sup> TWG meeting, including:

- The launch of the tourism risk management guide for the APEC region and training materials developed by the APEC International Centre for Sustainable Tourism (AICST). This Project was an AICST initiative funded by the Australian Government, in partnership with the United Nations World Tourism Organization (UNWTO) and the Pacific Asia Travel Association (PATA). All materials are provided free of charge to APEC economies and through partners to the rest of the world.
- The APEC Tourism Forum held by the Australian Government Department of Industry, Tourism and Resources. The theme of the Forum was *The Importance of Collaboration in Times of Crisis*, and was well received by Australian and international tourism industry and government stakeholders. The Forum provided an opportunity to increase and maximise collaboration between the TWG and both government and industry tourism stakeholders.

#### Recommendation:

The TWG recommends that SCE note the outcomes of the TWG activities during the reporting period.

#### Recommendation:

The TWG recommends that SCE note the outcomes of the TWG activities during the reporting period.

## III. Summary of the Reports of APEC Task Forces submitted at SCE III

## III-1. The Anti Corruption and Transparency Experts Task Force

#### Summary of recent progress:

The 4<sup>th</sup> ACT Task Force Meeting took place in Canberra on 23 and 24 January 2007 and it held discussions in relation to the various goals for Australia's APEC year. These include the possibility to deliver of a *High Level Statement on International Legal Cooperation for endorsement by Leaders and Leaders, Draft Conduct Principles for Public Officials* and the *Draft Code of Conduct for Business*.

Member economies agreed to consider the endorsement of the ACT Chair's draft of a high level statement on international legal cooperation which is designed to act as a catalyst for breaking down barriers to effective cooperation and normalising mutual assistance, asset recovery and extradition among APEC economies.

ACT also agreed the completion by all Economies of the Strategic Matrix, setting out progress, successes and milestones in implementing the *Course of Action on Fighting Corruption and Ensuring Transparency*, as well as further progression of work on sharing information on best practices in fighting corruption and implementation of UNCAC.

Members reported during the ACT IV on the developments on implementing the UN Convention against Corruption (UNCAC) and other Initiatives related to Anti-corruption and Transparency.

ACT members welcomed non-APEC member economies and international organizations to participate in the ACT meetings, consistent with APEC rules and precedents. In this regard ACT highlights the participation of ADB-OECD Anti-corruption Initiative for Asia and the Pacific and Transparency International (TI). Acknowledging the contribution of international organization to the APEC Anticorruption works, ACT members agreed to renew the

invitation to these two organizations to ACT V as a preparation for a future ongoing participation in a more permanent status.

Economies committed to provide comments on the *Draft Conduct Principles for Public Officials* and the *Draft Code of Conduct for Business*, the Chair proposes to prepare a draft combined working document for the consideration of Economies prior to the June meeting of the ACT.

In accordance with Leaders and ABAC recommendation and as prologue of the ACT meetings, the Workshop 'Towards Transparency Principles for the Private Sector' was held on 22 January 2007 in the margins of SOM I in Australia. This ACT event developed a draft set of best practice integrity principles; building upon the recommendations made by ABAC and focused its scope in bribery.

#### Recommendations:

The ACT recommends that SCE note the progress of work by the Task force in 2006.

### III-2. The Counter Terrorism Task Force

## Summary of recent progress:

The 12<sup>th</sup> Meeting of CTTF was held on 19<sup>th</sup>- 20<sup>th</sup> in Canberra Australia. The 2007 SOM Chair, Ambassador David Spencer, gave a presentation to the CTTF on the priorities for APEC 2007, highlighting the importance of counter-terrorism and secure trade issues in APEC as outlined by Leaders and Ministers in Hanoi and previous meetings. He emphasized the need for close cooperation between SOM, the CTTF and other fora.

Singapore reported that at their meeting in Hanoi in November in 2006, APEC Leaders and Ministers endorsed the need for APEC economies to continue giving serious attention to enhancing supply chain security and welcomed Singapore's proposal to conduct a study on trade recovery following a major terrorist attack. Singapore reported that the objective of the study is to address current gaps in facilitating trade recovery and to develop a possible framework which APEC economies could consider, to facilitate the resumption of trade and commerce following a major disruption to the supply chain.

Australia briefed members on its planning for the STAR V Conference to be held in June 2007. It also informed members about the preparations for the two counter-terrorism financing workshops that it would co-host with Malaysia in Kuala Lumpur: the Information Forum on 11-13 April 2007 and the Implementation Forum on 17-19 July 2007.

The APEC Telecommunications and Information Working Group (TEL) Chair, Dr. Inuk Chung, provided an update on the progress of work done by TEL on cyber-security which was included as a priority issue in the APEC Leaders' Statement on Fighting Terrorism and Promoting Growth' in Los Cabos, Mexico, 2002.

Three new initiatives were looked at and agreed to continue discussion at next meeting: The CT protection of critical energy infrastructure, by Russia; the Technical Workshop on the Protection of Domestic Surface Transportation, by Canada; and APEC Guidelines for Effective Public-Private Partnerships in Counter-Terrorism .

Indonesia presented the "ASEAN Counter-Terrorism Convention" signed by the Heads of State at the ASEAN Summit in Cebu. It was suggested that the signing of this ASEAN Convention on Counter Terrorism will further explore many areas of cooperation that could be developed in the future, which could also be expanded in the APEC context.

China suggested a temporary restriction of the updated versions of the CTAPs submitted at this meeting. Some members supported the idea, but other members presented the view that this document represented a publicly accountable and a transparent response to public commitments made by APEC Leaders on counter-terrorism and security issues. It was agreed that this issue would be considered at the next meeting of the CTTF in the context of a broader discussion on how to improve the CTAP process.

The 13<sup>th</sup> Meeting of CTTF was held in Adelaide, Australia on the 24<sup>th</sup> April. In this meeting the Chair reported on the intersessional work undertaken since the last CTTF meeting, particularly on his exchange of letters with heads of the UN Counter Terrorism Committee, G-8 Counter Terrorism Action Group and the ADB. The Chair also informed the meeting of his participation in the Seventh Regular Session of the OAS Inter American Committee Against Terrorism (CICTE) held in Panama, and of his meeting with the Chair of CTAG, Ambassador Busso Von Alvensleben.

APEC member economies reported the activities they were undertaking to implement the Leaders' and Ministers' Statements. Ten economies updated their Counter Terrorism Action Plans (CTAPs), and suggestions on improving the CTAP process were discussed and agreed to.

Singapore reported on the APEC Trade Recovery Program and its Study Group meetings, which received broad support from APEC economies. The Study Group will submit its final report to next CTTF meeting.

CTTF members presented new initiatives: 1) Counter-Terrorism Protection of Critical Energy Infrastructure, 2) Technical Workshop on the Protection of Domestic Surface Transportation, 3) Effective Public Private Partnership in Counter-Terrorism, 4) and Technical Workshop on Protecting Cyberspace from Terrorist Attacks and 5) Seminar on securing remittance and Cross Border Payments.

Australia briefed members on the upcoming STAR V Conference, which is scheduled to be held in Sydney at the end of June. Peru also gave insights on STAR VI for 2008.

#### Recommendations:

SCE to note this report; the work plan adopted and to thank Ambassador Park for his role as new CTTF Lead Shepherd. CTTF reports directly to SOM and decision points are requested from SOM

III-3. The Electronic Commerce Steering Group;

Summary of recent progress:

ECSG14: The purpose of the meeting was to review progress on the ECSG work program and prepare for 2007.

The ECSG welcomed the outcomes of the APEC Symposium on Paperless Business Transactions, organized by Viet Nam and funded by APEC. It also welcomed the outcomes of the Informal Technical Seminar on Information Privacy.

The Data Privacy Subgroup reported its progress related to the Information Privacy IAP, which was completed by 12 economies; cooperative development of cross-border privacy rules (CBPRs) and work of the DPS Study Group; information sharing among jurisdictions and cross-border cooperation in investigation and enforcement: administrative issues such as a name-change of the Subgroup to better describe its work; completion of the Work Agenda for 2007; and proposed ministerial language for the ECSG Data Privacy Subgroup.

The Paperless Trading Subgroup reviewed progress on pathfinder initiatives; member economies and guests presented progress reports on activities and projects related to paperless trading for this year. The Subgroup also discussed the work agenda for 2007 and proposed ministerial language for this subgroup. The Subgroup agreed to approve the updated Terms of Reference of the APEC E-Commerce Business Alliance and recommend the ECSG to seek SOMs approval.

The ECSG reviewed the intersessional progress of its work plan and welcomed the reports of the Subgroups. Reports were also presented by the APEC Secretariat, member economies and guests on initiatives and projects relevant to the group.

The group agreed to continue working intersessionally to finalize the ECSG language for the 2006 AMM and AELM statements and to continue the discussion on future areas of work for the ECSG.

could consider options for putting in place a system for giving effect to Cross-Border Privacy Rules (CBPRs) within the APEC Privacy Framework. The work of the seminar was intended to provide useful input to the Data Privacy Subgroup's consideration of the challenges faced in developing a pathfinder project and moving towards implementation.

The Data Privacy Subgroup (DPS) reported the outcomes of the first technical assistance seminar and also its work on Cross-Border Privacy Rules Implementation, including intersessional work of the Cross-Border Rules Study Group, the role of trustmarks, domestic enforcement options and next steps for Cross-Border Enforcement Cooperation.

The DPS also reported that the group is working on developing a Pathfinder proposal to create and deploy implementation frameworks and cross border rules for accountable cross border information flows. It was noted in the meeting that at this stage, the following economies indicated that they may be able to support such a Pathfinder project: Australia; Canada; Hong Kong, China; Mexico; Singapore; Chinese Taipei; United States. Economies were urged to consult domestically and consider whether they could support the Pathfinder framework in the coming months.

The DPS reported on preparations for two seminars on Data Privacy to be organized by Australia at the margin of SOM III in June and by Canada in September, respectively. The DPS elected Mr. Colin Minihan from Australia as the new Chair of the DPS.

The Paperless Trading Subgroup (PTS) discussed the Subgroup's workplan for 2007. Economies reported progress on completion of Paperless Trading Individual Action Plans and agreed to submit their IAPs before the next PTS meeting. Member economies also presented progress and final reports on activities and projects related to paperless trading. UN/CEFACT briefed the meeting on its recent activities and proposed a Symposium APEC-UN/CEFACT on capacity building on paperless trading. The group expressed interest in this initiative but agreed on the need to jointly identify specific areas of collaboration relevant and beneficial for both organizations. The subgroup elected China as the new PTS Chair in 2007 and Peru as the PTS Chair in 2008.

The ECSG welcomed the reports of both Subgroups and the voluntary reports on activities by its guests, GBDe, ICC, PAA and UN/CEFACT. The ECSG considered reports on initiatives and projects self-funded and funded by APEC completed in 2006 and activities to be organized this year.

The ECSG supported the Peruvian initiative to develop an e-invoicing framework and Peru will work intersessionally to present a formal project proposal seeking funding for 2008.

The Russian Federation presented the outcomes of the first stage of the project APEC Guidance for Electronic Commerce: Using the Best Practices of e-Government Procurement Systems and presented a proposal for the second stage of this project to seek TILF special account funds for 2007. Some economies requested time to carefully analyze this proposal and the group agreed to take a decision before of by 31 January, the BMC deadline to submit new urgent project proposals.

The ECSG Chair briefed the meeting on progress regarding the APEC Fora review leaded by the SCE, including the results of the SCE-COW meeting and discussions with the CTI and EC Chairs regarding the future of the ECSG.

The Chair informed that in response to the SCE for a review recommendations and as a result of the consultation process within the group, the ECSG suggested that it be placed under the CTI, as the Subcommittee on Electronic Commerce, with its two main working elements: data privacy and paperless trading.

ECSG15: The group met to review the intercessional work and discuss the future work of the ECSG, including its work plan for 2007 and the renewal of the ECSG Executive Committee. The group also met to review progress on the implementation of ECSG projects and consider new project proposals for 2007 and 2008.

Over 100 delegates from 18 economies attended the first technical assistance seminar held on 22 and 23 January. The purpose of the seminar was to create a collaborative environment in which participants.

## Recommendations:

- Welcome progress on the implementation of the ECSG 2007 workplan.
- Endorse the ECSG proposal to be realigned as a CTI Subfora with its two main working elements: data privacy and paperless trading.

- Note the group's work on developing a Pathfinder proposal to create and deploy implementation frameworks and cross border rules for accountable cross border information flows.
- Acknowledge progress on completion of Paperless Trading Individual Action Plans and encourage other economies to complete and submit their Individual Action Plans.
- Welcome the successful outcomes of the First Technical Assistance Seminar on the International Implementation of the APEC Privacy Framework 2007 and note preparations for two seminars on Data Privacy to be organized by Australia at the margin of SOM III in June and by Canada in September, respectively.
- Note the ECSG collaboration with UN/CEFACT and approve the implementation of a join activity in 2008: APEC/UN Symposium on Paperless Trading Capacity Building: Paperless Trading Instruments for Phased Development

#### III-5. The Gender Focal Point Network;

## Summary of recent progress:

The latest GFPN annual meeting was held on13th and 14th of September 2006 in Hoi an, Vietnam. It had as main objective to review, sustain and continue the work of the network on the enhancement of gender equality and economic integration of women in the region, based on the principle that it is a cross-cutting issue.

The 2007 Work Plan and a Three Year Plan (2007-2010) were presented with the objective of providing continuity to the network and facilitating yearly transitions. The GFPN Friends of the Chair (past, present and next host economy) and the GFPN APEC Program Director will assist the Chair in its implementation.

The network discussed the possibility of organizing a 3rd Ministerial Meeting on Women. However, none of the economies present in the meeting offered to be host so the matter will continue to be discussed inter-sessionally.

Several economies gave reports on the implementation of gender integration. This leads to an intense exchange of experiences and productive discussion.

A project evaluation group was selected: Vietnam, Thailand, Philippines, New Zealand and Korea.

Members also express their concern that APEC project proposals did not adequately address the questions on gender on the face sheets and interpreted this as a lack of gender analysis skills within APEC.

Members shared the opinion that gender must become a high priority issue in APEC and that the GFPN mandate was far from having been achieved. This agreement came as a reaction to the "Discussion Paper on Review of APEC Fora" SCE document (2006/SOM3/SCE/002) which listed as "Options for Consideration" a proposal to incorporate the work of GFPN into the HRDWG. Therefore, GFPN members insisted that gender remained an overarching issue

and that the APEC mechanisms that facilitate its relationship with all APEC fora must continue.

Australia informed that it will host the 5th GFPN meeting in the margins of SOM III in 2007.

#### Recommendations

Note progress on the GFPN workplan and welcome the expected deliverables for this year.

#### III-6. The Health Task Force

## Summary of recent progress:

The Health Task Force held its fifth plenary meeting in the margins of SOM I, on the 19<sup>th</sup> and 20<sup>th</sup> of January in Canberra, Australia, under the Chairmanship of Canada, and the Vice Chair, of China.

The HTF advanced current projects and activities; updated their workplan for 2007; enhanced practical efforts with other APEC for and worked towards a consensus regarding the future of the HTF after its mandate expires at the end of December 2007.

The HTF work plan identifies three priorities areas:

- 1) Enhancing avian and human pandemic influenza preparedness and response;
- 2) Fighting against HIV/AIDS in the APEC region; and,
- 3) Improving health outcomes through advances in health information technology.

In response to Leaders instruction on prevention and mitigation of pandemic influenza, the HTF has implemented projects with objectives of business continuity, capacity building, and information sharing.

Projects include Functioning Economies in Times of Pandemic, APEC Capacity Building Seminar on Avian Influence: Compilation of Reports on Domestic Measures to Control Avian Influence, Capacity Building seminar for APEC economies: Public-private partnership for poultry industry standards and improved veterinary infrastructure to combat Highly Pathogenic Avian Influenza (HPAI), Pandemic Risk Communications: Building Capacity in International Media and Stakeholder Relations, HTF Report on the implementation of the APEC Action Plan on the Prevention and Response to Avian and Influenza Pandemics, APEC Training Workshop on Human Avian Influenza (AI) Containment.

Also, as instructed by APEC leaders HTF continue working on HIV/AIDS. The HTF has implemented projects and activities addressing the issue, which include APEC Training for Program Managers on TB/HIV for building capacity and strengthening human resources through the training of program managers of the TB and HIV programs. Another activity is to develop guidelines for creating an enabling environment for employers to implement effective workplace practices for people living with HIV/AIDS and prevention in workplace settings.

#### Recommendations:

HTF recommends that SCE note its progress on work in 2007.

### III-7. The Social Safety Net Capacity Building Network;

## Summary of recent progress:

There was no meeting of the network held in the period September 2006–May 2007. The network does not meet regularly but holds symposia, although not necessarily every year.

The SSN-CBN Symposium on Using Social Safety Nets to Meet Extreme Challenges Faced by Communities will be held in Cairns, Australia from 24-25 June 2007. The symposium is being organized by the Department of Families, Community Services and Indigenous Affairs (FaCSIA) of Australia. The symposium will focus on disaster management, capability development, and short- and long-term recovery.

This will be the last symposium to be organized by the SSN-CBN because the network is being merged with the Labor Social Protection Network (LSPN) of the Human Resources Development Working Group (HRDWG). This merger is expected to take effect after the symposium. There will also be a discussion at the symposium on the draft Terms of Reference and future activities of the newly-merged group.

#### Recommendations

SSN-CBN recommends that SCE note its progress on work in 2007 and its imminent merger with the LSPN.

### III-8. The Task Force for Emergency Preparedness.

### Summary of recent progress:

TFEP met in Da Nang, Vietnam on 14<sup>th</sup> September 200 and was co chaired by the Senior Officials from Australia and Indonesia.

This was the second TFEP ad hoc meeting. The meeting mainly discussed following issues:

- 1. The APEC Pandemic Response Exercise conducted on 7-8 June 2006,
- 2. Update on TFEP Website Strategy,
- 3. Emergency Preparedness Project Proposals,
- 4. Review of Stocktake and Related Capacity Building Work

As encouraged by Leaders, APEC members are committed to "protecting our economies by taking action to lessen the impact from future disasters and improve our collective response capability. In this end and in line with The Busan Declaration at the 2005 Leaders' Meeting the TFEP has planned to develop the project "Senior Disaster Management Coordinators Workshop and Capacity-Building Training Programme" to be held in August 2007.

### Recommendations

TEFP recommends that SCE note its progress on work in 2006.

#### **COMPLETE TEMPLATES**

Report of Agricultural Technical Cooperation Working Group
Date: 14 September 2006 Occasion: SCE III/2006
Report of Agricultural Technical Cooperation Working Group
Date: 30 June 2007 Occasion: SOM 3

**Date:** May 28-31, 2007 **Venue:** Brisbane

Chair: Mr Paul Murphy, Executive Director, Programs and Multilateral Affairs, Agriculture and Agri-Food Canada

**Attendance:** 15 economies (met quorum) and the Program Director of APEC Secretariat.

## Summary:

• Progress Reports of the sub-group priority areas were presented for 6 of the seven sub-groups, namely, Conservation and Utilization of Plant and Genetic Resources; Research, Development and Extension of Agricultural Biotechnology; Utilization of Agricultural Technology Transfer and Training Networking Systems; Plant, Animal Quarantine and Pest Management; Cooperative Development and Agricultural Finance Systems; and Sustainable Agriculture and Related Environmental Issues.

### **Independent Assessment**

• The meeting was informed of the latest status of the process for an Independent Assessment. The ATCWG agreed to align priorities and activities with the broader APEC priorities and direction, especially in respond to SCE's concern about the effectiveness of the ATCWG and the Independent Assessment of the ATCWG to be undertaken in 2007.

## **ATCWG Strategic Direction and Work Program**

- The meeting was structured to focus on the ATCWG's future strategic direction. The Meeting referred to the outcomes of the survey, undertaken by the Lead Shepherd, and discussion papers submitted by member economies, as a way of assisting the ATCWG in its consideration of current priorities and activities. The ATCWG initiate a process to identify its priorities as follows:
  - Agricultural Biotechnology and Avian Influenza continued to be issues of relevance to the broader APEC agenda and therefore remain priorities of ATCWG;
  - The ATCWG took on board new priorities such as Domestic Structural Adjustment which was the most frequently identified as a priority. Such a focus is consistent with APEC's broader focus on Structural Reform as agreed by Leaders. Sustainable Land Management was the second most

frequently identified new priority area followed by Post-harvest Losses and Bio-fuels.

- As a further response to SCE's concerns, the ATCWG agreed to the recommendation proposed by the High Level Policy Dialogue on Agricultural Biotechnology (HLPDAB) to hold back-to-back meetings with the Research, Development and Extension of Agricultural Biotechnology (RDEAB), a sub-group of the ATCWG.
- New Project Proposals: The high level of engagement of ATCWG member economies to advance the agriculture and food sector issues is reflected in 18 new project proposals, including 2 self-funded proposals, and 12 members within the Quality Assessment Framework (QAF) group to help improve the quality of new ATCWG's projects. The ATCWG endorsed the ranking of projects. The ATCWG was informed that Peru will discuss with its Senior Officials the possibility of Peru proposing to host a meeting of APEC Agriculture Ministers during 2008.
- The ATCWG welcomed Indonesia's offer to host the 12<sup>th</sup> ATCWG meeting in Bali in June 2008.

#### Recommendation:

Specify whether for consideration of decision points or for taking note.

#### Take note.

## Implementation of APEC Mandates

Tick ✓those items for which a report may not be needed;

- the item is not applicable to the forum or:
- it is premature to report as work is still in progress.

## Leaders'

Summarise progress in implementing relevant AELM instructions.

## **Regional Economic Integration**

Leaders reaffirmed their commitment to the Bogor goals requested officials to prepare a study for their consideration this year on ways to promote regional economic integration, including a Free Trade Area in the Asia Pacific as a long term prospect, and report to the 2007 APEC Economic Leaders' Meeting in Australia

• For action see Structural Reforms in ECOTECH.

## **Intellectual Property Rights (IPR)**

Leaders recognized the need for continued efforts to increase capacity building to assist economies of different levels of development to strengthen IPR protection and enforcement

• For action see IPR.

## **Natural Disasters**

Leaders took note of the importance of cooperation in developing and sharing new technologies

and adapting the existing ones, including in agriculture, to mitigate the damage caused by natural disasters.

• For action see Sustainable Land Management in ECOTECH.

#### **Energy**

APEC might further contribute to responding to these challenges through pursuing policies and technologies that promote the development of cleaner energy and the improvement of energy efficiency, thereby enabling economies to meet increasing energy needs with a lower environmental impact and to address climate change objectives.

• The Lead Shepherd would liaise closely with the Biofuels Task Force (which reports to the Energy Working Group) to ensure there is no overlap.

[] Not applicable / [] Still in-progress

## Ministers' Instructions

Summarise progress in implementing relevant AMM instructions.

## **Integration into the Global Economy**

Ministers noted the Global One Village One Product initiative (OVOP) which is intended to assist developing economies, in line with the "Aid for Trade" approach, to participate further in the multilateral free trade system by enhancing their capacity to identify and develop potential products for export.

• A project, Impact of "One Village One Product" Practice in APEC region - Lessons and Experiences, has been proposed for 2008.

#### Avian and Influenza

Ministers reaffirmed their commitment to ensuring that APEC remains prepared to respond effectively to infectious diseases throughout the entire APEC region. Ministers encouraged all APEC economies to work individually and cooperatively to implement the APEC Action Plan on Prevention and Response to Avian and Influenza Pandemics to prevent, prepare for and mitigate the impact of avian influenza and a possible influenza pandemic. Ministers highlighted the importance and understanding of enhancing regional coordination in risk communication, build risk communication capacity among APEC economies, and encourage APEC members to develop communications strategies as part of pandemic preparedness planning

• (see action in ECOTECH under Avian Influenza).

|                        | ECOTECH  |
|------------------------|--|
|                        | Ministers encouraged ongoing efforts to continue to review working arrangements and to target  |
|                        | capacity building efforts to reflect broader APEC priorities.  |
|                        | <ul> <li>An Independent Assessment of the ATCWG will be undertaken in 2007.</li> </ul>   |
|                        | <ul> <li>The ATCWG agreed that the recommendation by the High Level Policy Dialogue on<br/>Agricultural Biotechnology (HLPDAB) to hold back-to-back meetings of the Research,<br/>Development and Extension of Agricultural Biotechnology (RDEAB), a sub-group of the<br/>ATCWG, largely in response to SCE's concerns.</li> </ul> |
|                        | Agricultural Biotechnology   |
|                        | Ministers acknowledged the value of agricultural biotechnology in improving agricultural   |
|                        | productivity, enhancing food security, and protecting environmental resources.   |
|                        | Ministers also acknowledged the endorsement of the HLPDAB 2007-2009 Work Plan.   |
|                        | [] Not applicable / [] Still in-progress   |
| Sectoral<br>Ministers' | Where necessary, summarise progress in implementing relevant Sectoral Ministers' instructions  |
| Instructions           | [X ] Not applicable / [ ] Still in-progress  |
| OAA                    | Summarise progress in implementing relevant items of the OAA.  |
|                        | [] Not applicable / [] Still in-progress   |
| CAP                    | Where necessary, summarise progress in implementing relevant items of CAP.   |
|                        | [] Not applicable / [] Still in-progress   |
| Pathfinder             | Summarise progress in implementing Pathfinder Initiatives agreed at 10 <sup>th</sup> AELM.   |
| Initiatives            | [] Not applicable / [] Still in-progress   |
| APEC-wide ECOTECH      | Summarise progress in implementing the 2006 ECOTECH priorities; four APEC wide ECOTECH Priorities and six long term priorities from the Manila Framework.  |
| Priorities             | Integration into the Global Economy  |
|                        | • In the area of the plant and animal quarantine and pest management: 'APEC Trade  |
|                        | Capacity Building for the Application of SPS measures' was held on 26-28 July 2006 in Viet Nam.  |

- In the area of the Production, Processing, Marketing, Distribution and Consumption of Agricultural Products: the seminar on Market Liberalization and Its Relationship with Market Structure, Conduct and Performance of Selected Food Processing Industry of APEC Member Economies was held in Kuala Lumpur, Malaysia, between 13-14 December 2006.
- Symposium-Achieving improved quarantine treatment capability through the implementation of the AFAS approach was held in Jakarta, Indonesia, between 17-19 April 2007.

### Developing stable and efficient markets through structural reform

• Structural Reform: The ATCWG agreed that the increased FTAs and trade liberalisation within the region have required a more broaden understanding of structural adjustment issues in the agricultural sector. The ATCWG took on board new priorities such as Domestic Structural Adjustment which was the most frequently identified as a priority. The ATCWG also endorsed a project Sharing Experiences of Structural Adjustment Policies in the Agricultural Sector to be held in 2008.

## Safeguarding the quality of life through environmentally sound growth

• Sustainable Land Management (SLM) was the second most frequently identified new priority area. Along with sustainable practices and effective management of natural resources (e.g. water, both in quantity and quality), SLM will improve understanding of the impact of climate changes on agriculture. A project on Awareness and Facilitation of SLM in the Agricultural Sector has been proposed in 2008.

## **Enhancing Human Security**

- APEC Exercise Management Workshop was held in Bangkok between 30 April-4 May 2007
- Sharing Experiences with the Management of the Avian Influenza H51 threat held in Cairns between June 18-20, 2007.
- Emergency Communication Network held in Cairns between 28-29 June 2007.

## **Counter-Terrorism Capacity Building**

• Though the ATCWG activities are not directly related to Counter-Terrorism Capacity

|                         | <ul> <li>Recommendation: i (b) Build partnerships between the public and private sectors in food technical cooperation to further technology transfer, training facilities and training programs</li> <li>A Workshop on the Utilization of the Agricultural Technology Transfer and Training (ATT&amp;T) Networking System was held in 18-21 September 2006 in Medan, Indonesia.</li> <li>The ATCWG agreed to hold back-to-back meetings of the Research, Development and Extension of Agricultural Biotechnology (RDEAB) and High Level Policy Dialogue on Agricultural Biotechnology (HLPDAB) which should enhance RDEAB's activities with the private sector, given HLPDAB strong linkages with the private sector.</li> </ul>   |
|-------------------------|---|
| AFS                     | Summarise progress in implementation of the APEC Food System. Use an annex if necessary.  |
| E-commerce<br>Stocktake | (ATT&T) ( see action in AFS)  [] Not applicable / [] Still in-progress  Summarise progress in implementing the E-commerce Stocktake  [] Not applicable / [] Still in-progress   |
|                         | <ul> <li>Building, the ATCWG is seeking to contribute to the security of the region through its work on food safety (see AFS under traceability).</li> <li>Promoting the Development of Knowledge-Based Economies <ul> <li>The Workshop on Effective Genebank Management for an Integrated System on Sustainable Conservation and Utilization of Plant Genetic Resources in APEC member economies held in Suwon, Korea, in 26-29 June 2006.</li> <li>In the area of Conservation and Utilization of Plant and Animal Genetic Resources, Chinese Taipei held the 1<sup>st</sup> APEC Workshop on the Interaction of CBD and TRIPs related Issues on Plant Genetic Resources between 12-14 December 2006.</li> <li>In the area of Conservation and Utilization of Plant and Animal Genetic Resources, Chinese Taipei held the 1<sup>st</sup> APEC Workshop on the Interaction of CBD and TRIPs related Issues on Plant Genetic Resources in 12-14 December 2006.</li> <li>Workshop on the Utilization of the Agricultural Technology Transfer and Training</li> </ul> </li> </ul> |

facilitation by applying RFID technology in agriculture production has been proposed for 2008. The use of RFID technology would provide supply chain traceability and would enhance the capacity of agriculture and its related industries

## Recommendation: ii (b) Measures to improve the capacity of member economies to trade in food products.

- A workshop to Enhance capacity of SMEs in agricultural sector of APEC economies will be held in Ha Noi in October 2007.
- A study of market liberalisation and its relationship with market structures and performance of selected food processing industries of APEC economies was held in Kuala Lumpur between 13-14 December 2006.
- The workshop on APEC Trade Capacity Building for the Application of Sanitary and Phytosanitary Measures was held in Ha Noi between 26-28 July 2006.
- Two workshops on a capacity building workshop for the surveillance and diagnosis of leafminers, thrips, whiteflies and mealybug pests in developing APEC economies in order to improve market access were held in Kuala Lumpur in February and April 2007.

Recommendation: iii Maintain an awareness of, and contribute to international developments in research and policies related to genetically modified foods, and intensify science-based approaches to the introduction and use of biotechnology products.

- A Workshop on Effective Genebank Management for a Comprehensive National Framework of Plant Genetic Resources in APEC Member Economies was held in Suwon, Korea, between 26-29 June 2006.
- An APEC Conference on Biosafety Policy Options was held from 16 to 18 January 2006 in Manila, the Philippines. The conference focused on exploring policy options for biosafety regulation in the APEC region.
- The 10<sup>th</sup> ATCWG's Sub-Group on Research, Development and Extension of Agricultural Biotechnology Sub-Group (RDEAB) was held in Manila, the Philippines from 5-12 November 2006.
- A workshop to Build Capacity in APEC Economies in Agricultural Biotechnology on Emerging Research, Extension and Development Issues was held in 6-11 November in 2006.
- The Sixth APEC High Level Policy Dialogue on Agricultural Dialogue (HLPDAB) was

| Agenda                     | policy dialogue and review, facilitation of network and partnerships) set by the APEC Agenda for Science and Technology Industry Cooperation into the 21st Century  • The workshop on Utilization of Agricultural Technology Transfer and Training (ATT&T) |
|----------------------------|--|
| Science and Technology     | Summarise examples of projects which achieved objectives under 5 mechanisms (improved availability of and access to information, improved human resource development, improved business climate, enhanced  |
|                            | [] Not applicable / [] Still in-progress   |
|                            | agricultural land to be utilized in more sustainable ways.   |
| •                          | • A project on Awareness and Facilitation of Sustainable Land Management (SLM) in the Agricultural Sector has been proposed in 2008. This is to help develop strategies to enable  |
| Sustainable<br>Development | Summarise works undertaken in responding to the priority theme of Sustainable Development.   |
|                            | [] Not applicable / [] Still in-progress   |
|                            | Agricultural Sector has been proposed in 2008 (see action in sustainable development)  |
|                            | processing techniques.  • A project on Awareness and Facilitation of Sustainable Land Management (SLM) in the  |
|                            | Recommendation: iii (e) Foster the most environmentally sound food production and  |
|                            | Standards in the Management of Fresh Fruit and Vegetables in Developing APEC Economies was held in Bangkok in January 2007.  |
|                            | Workshop on the Application of New Technologies to Improve and Harmonise Training  |
|                            | Recommendation: iii (a) Promotion of food technology transfer in the region.   |
|                            | <ul> <li>The 11<sup>th</sup> ATCWG's Sub-Group on Research, Development and Extension of Agricultural<br/>Biotechnology Sub-Group (RDEAB) will be held in Peru in February 2008.</li> </ul>  |
|                            | Protocol on Biosafety implementation on Parties and non-Parties.   |
|                            | perception and understanding of agricultural biotechnology, public perception and understanding of biotechnology and continued discussion on the impacts of Cartagena  |
|                            | work in the areas of legal considerations associated with agricultural biotechnology, public   |
|                            | held in Canberra, Australia, on 19-21 January, 2007. HLPDAB serves as the policy-oriented counterpart to RDEAB. The Policy Dialogue Work Plan for 2007-2009 includes   |

|                   |  | Networking was held in Medan, Indonesia on 18-21 September 2006. The workshop was         |  |
|-------------------|--|---|--|
|                   |  | designed to exchange information and experiences on the development and the               |  |
|                   |  | implementation of the utilization of ATT&T Networking System and on how to tackle the     |  |
|                   |  | problems and difficulties encountered by the end users of this networking system in order |  |
|                   |  | to increase knowledge and skill and to encourage participation of women and youth groups  |  |
|                   |  | among APEC member economies   |  |
|                   |  | [ ] Not applicable / [ ] Still in-progress  |  |
|                   | Contribution   | Summarise activities that contributes to the WTO negotiations.                            |  |
|                   | to the WTO   | ·   |  |
|                   |  | [] Not applicable / [] Still in-progress  |  |
|                   | Invasive   | Summarise activities that contributes to the Invasive Alien Species agenda.               |  |
|                   | Alien  |   |  |
|                   | Species  |   |  |
|                   | Other APEC   | Where necessary, summarise progress in implementing other initiatives of APEC.            |  |
|                   | Initiatives  | [] Not applicable / [] Still in-progress  |  |
| Expected Annual   | Specify expected   | deliverables, TILF and ECOTECH, that the forum is targeting for the year.                 |  |
| Deliverables      |  |   |  |
|                   | The projects identified above to be completed on scheduled.  |   |  |
|                   | <ul> <li>The ATCWG will complete its strategic work plan to ensure that APEC priorities are considered one of the</li> </ul> |   |  |
|                   | main drivers in the strategic direction and work plan.   |   |  |
| Gender-Related    | Where necessary,   | , summarise progress in implementing the Framework for the integration of Women in APEC.  |  |
| Issues            |  |   |  |
| Counter-Terrorism | Summarise progre   | ess in implementing the Counter-terrorism Action Plan.                                    |  |
| Measures          |  |   |  |
| ABAC              | Summarise work   | done in response to the previous year's ABAC Recommendations.                             |  |
| Recommendations   |  |   |  |
| SME-Related       | Where necessary,   | , summarise work done in relation to Small and Medium sized Enterprises.                  |  |
| Issues            |  |   |  |
|                   | A workshop to Enhance Capacity of SMEs in Agricultural Sector of APEC economies will be held in                              |   |  |
|                   | Ha Noi in O  |   |  |
| Non-Member        | Where necessary,   | , summarise activities and/or plans that have non-member participation implications.      |  |

| Participation   | Specify any recommendation for decisions from the APEC body receiving this report.  |   |  |
|---|---|---|--|
| Cooperation with the Private Sector                                 | Where necessary, summarise activities and/or plans that have private sector participation implica   | tions.  |  |
| Cooperation with IFIs and other international organisations         | Where necessary, summarise activities and/or plans that have IFIs and other international organisation implications.  The ATCWG noted the need for the Working Group to have regard to efforts being taken in other international organisations such as FAO and OIE. It was agreed that the Lead Shepherd would approach Canada's Senior Official to initiate discussions seeking a decision on the appropriate responsibilities of each APEC fora. |   |  |
| Necessary<br>Assistance from<br>APEC Secretariat                    | Where necessary, specify expected actions of the APEC Secretariat including proposals for further improvement of Secretariat and fora cooperation.  | Follow-up: Specify such as: provision of information studies; liaison; or other activities. |  |
| Proposed<br>Cooperation from<br>Other APEC Fora                     | Where necessary, specify names of the APEC fora and their expected actions.   | Follow-up: Specify such as: sharing information meetings; other activities                  |  |
| Necessary or<br>Proposed<br>Cooperation from<br>Member<br>Economies | Where necessary, specify necessary actions to be undertaken by an APEC Member Economy (Economies).  | Follow-up: Specify such as: implementation; provision of information; other activities      |  |
| <b>Outreach Matters</b>   | Where necessary, specify the activities which will render any material to be used for media relation  | ons.  |  |

## Report of Energy Working Group (EWG)

Date: 30 June 2007 Occasion: SOM 3

| Summary of Plenary  |
|---------------------|
| Meetings Since Last |
| Report              |

**Date:** 4-5 October 2006 **Venue:** EWG 32, Yuzhno-Sakhalinsk, Russian Federation

Chair: Australia

Attendance: Australia; Brunei Darussalam; Canada; People's Republic of China; Hong Kong, China; Indonesia, Japan; Republic of Korea; New Zealand; Russian Federation; Singapore; Chinese Taipei; Thailand; the United States and Viet Nam. Representatives from the Asia Pacific Energy Research Centre (APERC); the EWG Business Network (EBN); the APEC and EWG Secretariats; and the Expert Groups on Energy Data and Analysis (EGEDA), New and Renewable Energy Technologies (EGNRET), Minerals and Energy Exploration and Development (GEMEED) and Chairs of the Biofuels and Energy Efficiency and Renewable Energy Financing Task Forces; and the International Energy Agency also participated in the meeting.

#### **Summary:**

At the 32<sup>nd</sup> Meeting of the Energy Working Group (EWG 32) held in Yuzhno-Sakhalinsk, Russian Federation on 4-5 October 2006, members noted the 6<sup>th</sup> report on Implementation of Energy Security Initiative (ESI) and the use of ESI Factsheets in the report. Members endorsed the suggestion that the Fact Sheets be complemented at EMM8 with fact sheets on the Expert Groups and Task Forces, APERC and the EBN.

Under ESI Short-term Measures, members discussed:

- 5. progress by member economies in reporting energy data to JODI;
- 6. report of the Real-time Emergency Information Sharing System, including the "chat-trial" on biofuels in August 2006 and future "chat: in November 2006 on oil stockpiling;
- 7. including a synopsis of the EGNRET project, "Evaluation of the Role of Village Power Applications in Response to the Tsunami Recovery Effort" in the Emergency Preparedness/Infrastructure document; and
- 8. combining the APEC sessions on APEC Stockpiling and New Stockpilers into one APEC session at Petrostocks 2007 (New Orleans, January 2007).

Under ESI Long-term Measures, members noted:

- 11. the report on progress of the Task Force on Energy Efficiency and Renewable Energy Financing;
- 12. Pledge and Review Reports under the first component (Information Sharing on the Implementation and Impact of Energy Efficiency Policies and Programs within Member Economies) and second components (Annual update of an economy's nominated policy/program);
- 13. two workshops on energy indicators to be held in Japan (October 2006) and Australia (November 2006) to progress data gathering, analysis and policy needs of APEC economies;
- 14. the United States presentation on energy efficiency policies in the transport sector;
- 15. the progress report by Chinese Taipei of the LNG Public Education and Communication Information Sharing Initiative, and also the development of a website;.
- 16. progress report by the APEC Biofuels Task Force;
- 17. Korea's report on participation in its Nuclear Training Program;

- 18. Members' endorsement of Australia's self-funded project, "Establishing a Regional Association of Safeguards' Authorities";
- 19. statements on notable energy developments since EWG31; and
- 20. progress reports presented by the five Expert Groups (Energy Data & Analysis, Clean Fossil Energy, Energy Efficiency & Conservation, New & Renewable Energy Technologies, and Minerals and Energy Exploration and Development)

Members also considered the EWG Terms of Reference and noted they were approved by SOM on the proviso that reference be made to minerals and energy exploration and development.

Members noted the reports from the APEC and EWG Secretariats, the Asia Pacific Energy Research Center (APERC), the APEC Energy Business Network.

The International Energy Agency, having been granted Guest Status, gave a presentation on IEA energy technology initiatives and perspectives.

**Date**: 26-30 March 2007 **Venue**: EWG 33, Auckland, New Zealand

Chair: Australia

#### Attendance:

Australia; Brunei Darussalam; Canada; People's Republic of China; Hong Kong, China; Indonesia; Japan; Republic of Korea; Malaysia; Mexico; New Zealand; Papua New Guinea; Philippines; Russian Federation; Singapore; Chinese Taipei; Thailand; United States and Viet Nam. Representatives from the Asia Pacific Energy Research Centre (APERC); Energy Business Network (EBN); APEC and EWG Secretariats; APEC Business Advisory Committee (ABAC); Pacific Islands Forum (PIF); Expert Groups on Energy Data and Analysis (EGEDA), New and Renewable Energy Technologies (EGNRET), Clean Fossil Energy (EGCFE), Energy Efficiency and Conservation (EGEEC), Minerals and Energy Exploration and Development (GEMEED); Chair of the Biofuels Task Force and the Energy Efficiency and Renewable Energy Financing Task Force; and a representative from the Renewable Energy & Energy Efficiency Partnership also participated in the meeting.

#### Summary:

The 33<sup>rd</sup> meeting of the Energy Working Group (EWG) was held in Auckland, New Zealand, from 26–30 March 2007. At this meeting, members noted the 'Seventh Report on Implementation of the Energy Security Initiative (ESI)' and Energy Security Initiative Factsheets prepared by the EWG Secretariat.

Under the Short-term Measures of the ESI:

- 1. Japan offered to provide training to member economies to enable better reporting of oil data under Joint Oil Data Initiative.
- 2. Members agreed to retitle 'Sea-Lane Security' to 'Maritime Security' to more fully encapsulate range of possible engagement.
- 3. Japan presented on progress of the Real-time Emergency Information Sharing System (RTEIS) since EWG32.
- 4. Russia proposed to establish an 'APEC Rapid Response Network/Points of Contacts for Protection of Critical Energy Infrastructure'. The meeting suggested that Russia to work with RTEIS and EGNRET to develop the proposal and identify linkages with RTEIS and other potential critical infrastructure protection networks.

Under the Long-term Measures of the ESI:

- 1. The APEC Biofuels Task Force reported that ethanol production from sugarcane and corn to be cost-competitive with gasoline and biodiesel production from palm to be cost-competitive with conventional diesel and if non-food feedstocks are considered, biofuels could potentially displace a substantial percentage of conventional oil use over time.
- 2. The Expert Group on New and Renewable Energy Technologies (EGNRET) reported on the progress of current projects on guidelines for the development of biodiesel standards and implementation guidelines for alternative transport fuels, as well as two joint EGNRET/APEC Biofuels Task Force meetings held since EWG32.
- The Energy Efficiency and Renewable Energy Financing Task Force reported on progress of a Workshop on Financing of Public Sector Energy Efficiency Projects, in conjunction with the Asia Development Bank, to be held on 26–27 June in Manila.

Chinese Taipei reported on progress of the LNG Public Education and Communication Information Sharing Initiative. The Expert Group on Clean Fossil Energy (EGCFE) reported on progress of the proposed LNG Public Education Campaign Information Workshop to be held 27 - 31 August 2007 in Guangzhou, PRC.

- 4. The EWG Secretariat reported on progress of the Pledge and Review Program and advised members that reports on economy policies/programs were received from Australia, Mexico, Japan, Korea, New Zealand and Chinese Taipei.
- 5. APERC reported to Members on outcomes from the workshop on 'Data Availability for Producing Energy Efficiency Indicators in the region', held in Japan, 26–27 October 2006.
- Australia reported that officials of APEC economies and representatives from the IEA has been invited to participate in a
  meeting in Sydney during the week beginning 25 June 2007 to discuss establishment of an informal Asia-Pacific nuclear
  safeguards association.
- 7. The Technical Director of the APGAS Forum recapped the eight conculsions and recommendations from the APEC 2004 study on gas trade in the Asia Pacific and announced the locations and dates of the 3<sup>rd</sup> APGAS Forum (San Diego, 17–18 September 2007).

- 8. Members also noted the reports on Renewable Energy, Clean Fossil Energy, Hydrogen, Methane Hydrates, and Petroleum Infrastructure & Crude Oil \* Refined Products.
- 9. Members endorsed the Draft Revised Type II Partnership Initiative Submission "Energy for Sustainable Development" to be submitted by Australia and Mexico to CSD15, APRIL 2007.
- 10. Members noted progress reports presented by the five Expert Groups (Energy Data & Analysis, Clean Fossil Energy, Energy Efficiency & Conservation, New & Renewable Energy Technologies, and Minerals and Energy Exploration and Development).

Australia reported on the outcomes of 2<sup>nd</sup> EMM8 Steering Committee meeting on 26 March and also the outcomes from the 3<sup>rd</sup> Ministers Responsible for Mining Meeting (MRM3) that ministers agreed to develop a proposal to establish a Mining Industry Working Group.

EWG Members endorsed the granting of Guest Status for the Renewable Energy and Energy Efficiency Partnership (REEEP). APEC Secretariat advised that a new proposal would be made to SOM to extend the arrangement for EWG to attend IEA meetings without SOM approval. The United States put forward a request to invite Brazil to future meetings of the Biofuels Task Force.

Members endorsed the 2008 EWG project proposals to be submitted to the BMC2 for approval. Hong Kong, China advised the meeting it would host EWG34 from 3-7 September 2007. Peru sent word that it would host EWG35.

Members noted the reports from the APEC and EWG Secretariats, APERC and the APEC Energy Business Network.

#### Recommendation:

EWG recommends that SCE note its progress on work in 2007.

# Implementation of APEC Mandates Tick ✓those items for

Tick ✓ those items for which a report may not be needed;

- the item is not applicable to the forum or;
- it is premature to report as work is still in progress.

## Leaders'

At the 14<sup>th</sup> AELM, Leaders urged member economies to continue to work to facilitate energy investments and cross-border energy trade, to develop new and renewable energy sources and technologies to ensure cleaner use of fossil fuels, to boost energy efficiency and conservation, to enhance emergency preparedness and to better protect critical energy infrastructure. To respond to the Leaders' instructions, the EWG 2007 Work Plans include:

- 1. Working toward facilitating energy cross-border trade and investment through the 3<sup>rd</sup> APEC Gas Forum on 17-18 September 2007.
- 2. Implementing projects through the APEC 21<sup>st</sup> Century Renewable Energy Development Initiative (REDI) to facilitate trade and investment in renewable energy technologies and services.
- 3. Implementing project, such as Lessons Learned in Upgrading and Refurbishing Older Coal-Fired Power Plants, to ensure cleaner use of fossil fuels.
- 4. Boosting energy efficiency and conservation by undertaking several projects named: Workshop on Recent Advances in Utility Based Financial Mechanisms that Support Renewable Energy and Energy Efficiency, Workshop on Best Practices in Energy Efficiency and Renewable Energy in Buildings, Survey

|     |            | of Transport Efficiency Policies in APEC Economies, etc.  5. Agreeing to establish an "APEC Rapid Response Network/Points of Contacts for Protection of Critical Energy Infrastructure".  |
|-----|------------|---|
|     | Ministers' | In 2006, Ministers encouraged the EWG to continue its work to pursue energy policies that reduce or remove market distortions, result in efficient consumption and production, and enhance energy security while mitigating the environmental effects of energy supply and use. Ministers also encouraged the EWG to continue its implementation of initiatives on liquefied natural gas (LNG) public education and communication and on financing of high-performance buildings and communities. Ministers encouraged the strengthening of cooperation on energy issues through the Energy Security Initiative. To respond to the Ministers' instructions, the EWG 2007 Work plans include:  1. Implementing the Energy Security Initiative (ESI) as the principle mechanism to address the short and longer-term policy responses to address the broader challenges facing the region's energy supply.  2. Planning to hold a Workshop on LNG Public Education in August in Guangzhou, China to support the Initiative on LNG Public Education and Communication Information Sharing Initiative.  3. Developing alternative transportation fuels to mitigate the environmental effects by implementing projects: Survey of Biomass Resource Assessments and Assessment Capabilities in APEC Economies, Guidelines for Development of Biodiesel Standards, Alternative Transport Fuels—Implementation Guidelines.  4. The work plans stated in the responses to the Leaders' Instructions. |
|     | Sectoral   | [] Not applicable / [] Still in-progress The EWG's responses to the EMM7 are included in its responses to the Leaders' and Ministers' instructions.   |
| N N | Ministers' | The EWG is planning to update its work plans according to the Energy Ministers' instructions at the EMM8:  1. Achieving oil Security by  • Facilitating investment and trade in downstream and upstream oil markets.  • Enhancing emergency preparedness.  • Improving oil data sharing.  • Promoting energy efficient transport and alternative transport fuels.  2. Promoting clean and efficient energy production and use by  • Improving energy efficiency.  • Developing and deploying cleaner and more efficient energy technologies.  • Attracting energy investment and facilitating cross-border trade.  • Developing a voluntary APEC Energy Peer Review Mechanism.  3. Promoting broader energy cooperation by:  • Advancing collaboration with other international energy fora, including the IEA.   |

|                              | <ul> <li>Welcoming the work of the Asia-Pacific Partnership on Clean Development and Climate (APP).</li> <li>Continue to report sustainable development activities to the United Nations Commission on Sustainable Development.</li> </ul>  |
|------------------------------|---|
|                              | [] Not applicable / [] Still in-progress  |
| OAA                          |   |
|                              | [✓] Not applicable / [] Still in-progress   |
| CAP                          |   |
|                              | [✓] Not applicable / [] Still in-progress   |
| Pathfinder                   |   |
| Initiatives                  | [✓] Not applicable / [] Still in-progress   |
| APEC-wide ECOTECH Priorities | Integration into the global economy The EWG undertook the following activities to promote integration into the global economy:  1. The 3 <sup>rd</sup> APEC Gas Forum will be held on 17-18 September 2007 in San Diego, United States to continue to create a competitive, open and transparent marketplace for gas and LNG in the region.  2. The Expert Group on Clean Fossil Energy (EGCFE) will hold a workshop on LNG Public Education in August 2007 in Guangzhou, China.  3. The Expert Group on Energy Data & Analysis (EGEDA) has extended its trial collection of monthly natural gas production, trade and stocks statistics from non-OECD member economies and will report to EWG34.  Counter-Terrorism Capacity Building  1. Under the Real Time Emergency Information Sharing System (RTEIS), information will continue to be shared through real-time chats and posting on a bulletin board. Topics reported to date are biofuels, oil stockpiling, and responses to the impacts of Hurricane Katrina on energy supply.  2. The EWG and the TPTWG agreed to share information on maritime security issues associated with LNG and oil tankers in port.  3. The EWG responded to Russia's proposal to establish an "APEC Rapid Response Network/Points of Contacts for Protection of Critical Energy Infrastructure" with a request that Russia work with RTEIS and the Expert Group on New and Renewable Energy Technologies to develop the proposal and identify linkages. |
|                              | [] Not applicable / [] Still in-progress  |

|                              | E-commerce<br>Stocktake   | 1. The EWG website ( <a href="www.ewg.apec.org">www.ewg.apec.org</a> ) provides information on EWG's various sub-groups, key initiatives and work program, meeting summary records, documents, etc.                                       |  |
|------------------------------|---|---|--|
|                              |   | 2. The Real Time Emergency Information Sharing System (RTEIS) is a secure web-based tool to share information in the event of energy emergencies and disruptions that may have a flow-on effect to other APEC economies.                  |  |
|                              |   | [] Not applicable / [] Still in-progress  |  |
|                              | AFS   | [✓] Not applicable / [] Still in-progress   |  |
|                              | Sustainable<br>Development                                      | The EWG will implement the Energy for Sustainable Development: Fostering Regional Energy Cooperation in APEC 2007-2010, which was endorsed by EMM8.   |  |
|                              |   | [] Not applicable / [] Still in-progress  |  |
|                              | Science and<br>Technology<br>Agenda                             | A project "Technology Status and Project Development Risks of Advanced Coal Power Generation Technologies in APEC Developing Economies" is under implementation.  |  |
|                              |   | [] Not applicable / [] Still in-progress  |  |
|                              | Contribution to the WTO   | [✓] Not applicable / [] Still in-progress   |  |
|                              | Invasive Alien<br>Species                                       | [✓] Not applicable / [] Still in-progress   |  |
|                              | Other APEC Initiatives  |   |  |
| Evposted America             | Advenserset   | [✓] Not applicable / [] Still in-progress   |  |
| Expected Annual Deliverables |   | EWG work plans will be achieved through: in Auckland, New Zealand, 26-30 March 2007.  |  |
|                              | <ol> <li>Energy for Sus<br/>Partnership In<br/>2007.</li> </ol> | Energy for Sustainable Development:Fostering Regional Energy Cooperation in APEC, 2007 – 2010: Revised Type 2 Partnership Initiative submission to the United Nations Commission on Sustainable Development, CSD15, 30 April–11 May 2007. |  |
|                              | 4. Energy Busine  | nisterial Meeting held in Darwin, Australia, 27–30 May 2007.<br>ess Forum, Darwin, Australia, 28 May 2007.  |  |
|                              | 5. EWG34, Hong  | g Kong, China, 3–7 September 2007.  |  |
|                              | 6. 3" APGAS FO  | orum, San Diego, United States, 17–18 September 2007.   |  |

|                                 | 7. Expert Group and Task Force Meetings held during the course of the year.   |    |
|---------------------------------|---|----|
|                                 | 8. EWG and APERC projects progressed/completed.   |    |
|                                 | EWG/IEA and EWG/REEEP collaboration progressed  | _  |
| Gender-Related                  | AND THE RESIDENCE OF THE PARTY |    |
| Issues                          | Women are well represented in all activities of the EWG, EWG Expert Groups, APERC and the EWG Business Network.   | _  |
| Counter-Terrorism               | Can ADEC wide ECOTECU Drievitica  |    |
| Measures                        | See APEC-wide ECOTECH Priorities.   | _  |
| ABAC<br>Recommendations         | ABAC urged APEC Leaders to show leadership in addressing the region-wide challenges posed by energy imbalance and   |    |
| Recommendations                 | volatile oil prices. Priority initiatives are needed to increase and diversify supply, improve efficiency usage, promote alternative and sustainable sources, encourage cross-border trade, identify benchmarks, and implement policies designed to reduce  |    |
|                                 | regulatory and market uncertainty in commercial investment in innovave energy technology.   |    |
|                                 | Togalatory and market anostramity in commorcial infocure and gy tocomology.   |    |
|                                 | See Leaders' instructions and Ministers' instruction.   |    |
| SME-Related Issues              | At the 14 <sup>th</sup> APEC Small and Medium Enterprise Ministerial Meeting in Hobart, Ministers encouraged SME innovation in  |    |
|                                 | developing a more energy efficient industry to assist in reducing greenhouse gas emissions.   |    |
| Non-Member                      | Colombia's guest status expired on December 31, 2006. Request for Guest Status had been received from Pakistan and for  |    |
| Participation                   | renewal of Guest Status from Colombia. Subsequently, Colombia and Pakistan were invited to address the criteria for granting  | of |
|                                 | guest status; to date, these have not been received.  |    |
|                                 | The United States put forward a request to invite Brazil to future meetings of the Biofuels Task Force, which was subsequently  |    |
|                                 | endorsed by EWG members.  |    |
| Cooperation with the            | The Energy Business Network (EBN) continues to contribute its energy business perspective to the EWG. The EBN has   |    |
| Private Sector                  | appointed a drafting committee to pull together the different streams of recommendations that have been received by the EBN   |    |
|                                 | from the Australian Energy Alliance, APGAS and EBN15.   |    |
|                                 | The APEC Gas Forum (APGAS) provides a platform for high-level discourse between suppliers, consumers and transporters in  |    |
|                                 | both government and industry to discuss and debate issues that facilitate a vibrant regional trade in gas and LNG.  |    |
| Cooperation with IFIs and other | EWG has granted guest status to the International Energy Agency (IEA) and the Renewable Energy & Energy Efficiency  |    |
| international                   | Partnership (REEEP). EWG/IEA collaborative activities include energy indicators; clean coal technology; and renewable energy technologies. EWG/REEEP collaborative activities focus on potential projects in the areas of renewable energy and energy   | ,  |
| organisations                   | efficiency.   |    |
| Necessary                       | 1. Advice and guidance as required, focusing on how to apply project proposals through PDB. Follow-up:  | =  |
| Assistance from                 | 2. Provision of information as required. Specify such as:   |    |
| APEC Secretariat                | 3. Assistance in liaison and engagement with relevant APEC fora and officials.  |    |
|                                 | • studies;  |    |
|                                 | • liaison; or   |    |
|                                 | • other activities.   |    |

| Proposed<br>Cooperation from<br>Other APEC Fora                  | <ol> <li>The EWG and the Transportation Working Group (TPTWG) have agreed to share information on maritime security issues associated with LNG and oil tankers in port. The TPTWG submitted a report on its activities to EWG 33, and it is anticipated that representatives may attend each other's meetings when appropriate.</li> <li>The APEC Task Force on Biofuels and the Agricultural Technical Cooperation Working Group (ACTWG) share common interests in enhancing production of biomass.</li> </ol> | Follow-up: Specify such as: sharing information meetings; other activities             |
|--|---|--|
| Necessary or<br>Proposed<br>Cooperation from<br>Member Economies | As required under the on-going work program of the EWG.   | Follow-up: Specify such as: implementation; provision of information; other activities |
| Outreach Matters   | N.A.  |  |

# Report of Fisheries Working Group (FWG) Date: 30 June 2007 Occasion: SOM 3

Summary of Plenary Meetings Since Last Report **Date:** 24-26 April 2007 **Venue:** Hyatt Regency Sanctuary Cove, Gold Coast, Australia

Chair: Mr. James Sha

Attendance: 49 participants from 18 economies except Mexico, Philippines and Singapore

# Summary:

This annual FWG meeting provided an opportunity for APEC member economies to review existing initiatives and prioritize future activities that support the Bali Plan of Action. Main topics of reporting included National Programs of Action (NPOAs), Illegal, Unreported and Unregulated (IUU) fishing, Monitoring, Control and Surveillance (MCS) measures, and the role of Regional Fisheries Management Organizations (RFMOs).

During the Fisheries Management session, further discussions were held on the threat posed by IUUs, and the continuing importance and need to review the performance of RFMOs. A representative from the UN Food and Agriculture Organization (FAO) also gave two presentations on current initiatives – first, on the Fisheries Resources Monitoring System (FIRMS) which is a formal partnership arrangement currently including regional fisheries bodies aimed at monitoring the state of world fishery resources and status and trends of fisheries and their management. And second, on the FAO FISHCODE-STF project which includes a structured assessment process that utilizes domestic inventories of data collection systems, marine resources and fisheries with a special focus on small scale fisheries.

In the session on Aquaculture, economies shared experiences and expressed views and particular concern in the following areas - food safety; marketing and investment; the high cost of production in certain, especially, developed economies; market access; diversification of species for aquaculture; biosecurity issues; feed issues and the potential to learn from standards used for organic aquaculture; environmental issues especially addressing concerns regarding global warming; the impacts of aquaculture on coastal regions, and the increasing costs of access to coastal areas; and finally, the role of aquaculture in poverty alleviation.

Finally, the session on trade and investment liberalization and facilitation discussed issues relating to fish and fish products trade, such as traceability and subsidies. It was also agreed that a more structured three-step approach to dealing with trade issues in future meetings would include:

- An annual overview paper prepared for the meeting detailing trade developments in other international forums (relating to trade in fisheries products) for the previous 12 months;
- That future FWG meetings focus on one or two trade issues in greater depth. Priority issues for the next FWG meeting would be determined intersessionally. This may include inviting a key speaker to address the meeting; and
- That the FWG consider proposing at least one dedicated trade related project per funding cycle.

The meeting also discussed progress reports on five ongoing projects, and heard proposals for five new projects. After a round of comments, a draft Terms of Reference will also be finalized inter-sessionally.

|  | Sha of Chinese Ta<br>The 19 <sup>th</sup> FWG me<br>MRCWG meeting<br><b>Recommendation</b><br>Specify whether for | reting will be held in Peru in 2008 (dates to be finalized), to be immediately followed by the 7 <sup>th</sup> Joint FWG and  n: or consideration of decision points or for taking note.  of this report and thank Mr. Sha for his work as Lead Shepherd and welcome the new Lead Shepherd  |
|--|---|---|
| Implementation of  | Leaders'  | Summarise progress in implementing relevant AELM instructions.  |
| APEC Mandates  Tick ✓those items for   | Instructions  | [✔] Not applicable / [] Still in-progress   |
| which a report may not   | Ministers'  | Summarise progress in implementing relevant AMM instructions.   |
| be needed;  - the item is not applicable to the forum or;  - it is premature to report as work is still in progress. | instructions  | "Ministers further recognized that the MRCWG and FWG are actively implementing the Bali Plan of Action, agreed by Ministers at the 2005 APEC Oceans-related Ministerial Meeting to serve as a blueprint for APEC-wide ocean-related activities. Ministers recognized that in order to maximize economic benefits from the oceans, efforts must be taken to facilitate and sustain trade and access to markets for fish and fishery products. Ministers also noted that illegal fishing undermines free and fair trade in fisheries products and directed the FWG to develop programs to assess the impacts of illegal fishing activities, enforce fisheries management measures, and address overcapacity in fishing fleets and report back to Ministers on their progress."  The citation from the 18th Ministerial Statement delivered in Ha Noi reflects the discussions presented in this matrix – i.e. further work based on the BPA, focus on IUU and fisheries management. |
|  |   | [ ] Not applicable / [✓] Still in-progress  |
|  | Sectoral<br>Ministers'<br>Instructions  | Where necessary, summarise progress in implementing relevant Sectoral Ministers' instructions  The convenor sought views and input on the various actions that economies have taken to implement the Bali Plan of Action (BPA). Input was sought on current domestic, regional and global initiatives. A questionnaire was circulated by the Lead Shepherd's office and completed by nine economies and it informed the discussion, however, economies were encouraged to discuss implementation of the BPA more broadly. It was recognised that the FWG needs to continue to work closely with the MRCWG and involve other fisheries related bodies and organisations to effectively implement and assess progress on all priorities in the BPA.   |

|          |             | [] Not applicable / [✓] Still in-progress  |
|----------|-------------|--|
|          | OAA         | Summarise progress in implementing relevant items of the OAA.  |
|          |             | [./] Not applicable / [] Still in progress   |
|          | CAP         | [✓] Not applicable / [] Still in-progress  Where necessary, summarise progress in implementing relevant items of CAP.  |
|          | OAI         | Whole hedessary, sammanse progress in implementing relevant terms of one.  |
|          |             | [ / ] Not applicable / [ ] Still in-progress   |
|          | Pathfinder  | Summarise progress in implementing Pathfinder Initiatives agreed at 10 <sup>th</sup> AELM.   |
|          | Initiatives | [/1 Not applicable / [1 Still in progress  |
|          | APEC-wide   | [ \sqrt{1} Not applicable / [] Still in-progress  Summarise progress in implementing the 2006 ECOTECH priorities; four APEC wide ECOTECH Priorities  |
|          | ECOTECH     | and six long term priorities from the Manila Framework.  |
|          | Priorities  | · ·  |
|          |             | The FWG continues to work on the long term priorities of - Harnessing Technologies for the Future;   |
|          |             | Safeguarding the Quality of Life Through Environmentally Sound Growth; and Developing and Strengthening the Dynamism of Small and Medium Enterprises (SMEs) - as described in activities in this matrix.       |
|          |             | the Dynamism of Small and Medium Enterprises (SMEs) - as described in activities in this matrix.   |
|          |             | There is also some aspects of – Addressing the Social Dimensions of Globalization – where FWG considers  |
|          |             | the impact of aquaculture on poverty alleviation.  |
|          |             | [ ] Not applicable / [ ✓ ] Still in-progress   |
|          | E-commerce  | Summarise progress in implementing the E-commerce Stocktake  |
|          | Stocktake   |  |
|          |             | [ v ] Not applicable / [ ] Still in-progress   |
|          | AFS         | Summarise progress in implementation of the APEC Food System. Use an annex if necessary.   |
|          |             | The FWG plays a very important role in the APEC food system as APEC economies are responsible for  |
|          |             | approximately 80% of world aquaculture production. This 18 <sup>th</sup> FWG meeting discussed several issues  |
|          |             | relating to this topic, as follows:  |
|          |             | I lada da Eiskaria waxay waxay waxay waxay waxay a sanaa da ayay ahaad IIII Eakin a addhad   |
|          |             | Under the Fisheries management session, many economies stressed concern about IUU fishing and that combating this problem continues to present a challenge for all. Despite these challenges, economies remain |
|          |             | committed to encouraging and implementing initiatives to combat IUU fishing. IUU fishing continues to  |
|          |             | threaten the sustainability and conservation of the world's fish stocks. IUU fishing affects economies at a  |
|          |             | domestic, regional and global level and thus approaches to address this problem must also be targeted at all   |
|          |             | these levels.  |
|          |             | During the session on aquaculture, it was noted that the importance of, and investment in, the aquaculture   |
| <u> </u> | l .         | Barning and deceleration adjuded material transfer and importantion of, and investment in, the adjuded ture  |

sector is increasing and that the APEC region contributes the majority of global aquaculture production. Aquaculture's contribution to APEC economies is twofold: domestic consumption and as an export earner. Some challenges faced by this rapidly growing industry include: 1) the need to expand the range of markets, trade and consumers, while at the same time bearing in mind potential environmental effects of aquaculture; 2) the need to improve management practices and address disease control, food safety, and other concerns; and 3) the continued/increasing reliance of the aquaculture industry on fish meal and fish oil. Many economies noted that aquaculture production and the related demand for feed species (e.g. small pelagic fish) have increased and that aquaculture growth is at a level where supply of fish meal and fish oil has reached its sustainable limits. This has led to sharp price increases for fish meal and fish oil and other negative outcomes. Thus, there is a pressing need to research and identify alternative feed sources and several economies noted that they were actively researching this area. In discussions that followed in relation to future FWG work on aquaculture, economies shared experiences and expressed views and particular concern in the following areas, among others: - Food safety: development of identification and tracking mechanisms for drugs used in aquaculture operations and residual chemicals, appropriate dosing, development of capacity to increase disease control and prevention, and the development of bio-sanitary standards: - Marketing and investment: developing consumer confidence and attracting financial institution investment in aquaculture production to support industry/market growth, use of regional promotion opportunities, and insurance concerns; - The high cost of production in certain, especially, developed economies; - Market access: coordination on import requirements within the APEC region to facilitate market access for aquaculture products, use of free trade agreements (FTAs) and other trade tools, and use of NACA and the Aguaculture Network of the Americas (ANA) as capacity-building resources. In the session on Trade and Investment, there was also a presentation on the 1st APEC Food Safety Cooperation Forum meeting held in the Hunter Valley, Australia, on 24 April 2007, and discussions ensued on how the FWG may benefit from work in that Forum. The issue of traceability was also discussed during this session. [] Not applicable / [ / ] Still in-progress Sustainable Summarise works undertaken in responding to the priority theme of Sustainable Development. Development As described above, the FWG is keenly aware of the need to fish sustainably in order not to deplete fish stocks. The issue of IUU fishing is one area of concern and cooperation. Discussions on regional and global fisheries management mechanisms are also high on the FWG's agenda. During the meeting, economies provided encouraging reports on the implementation of practices to ensure

|                                     | sustainable fisheries and ecosystems and minimise adverse environmental impacts of fishing. A variety of successful mechanisms were identified including the implementation of marine protected areas, marine sanctuaries, spatial management, and communication and extension services. Economies identified bilateral, domestic, regional and global initiatives and arrangements that facilitate and encourage sustainable fisheries management. Economies identified inter- and intra-governmental coordination issues and enforcement issues as very real challenges to effectively implementing and extending sustainable management practices. The collection and sharing of data and information were identified as challenges and that they provided an important contribution to many fisheries issues.  All this is also taken in context with recognition that close coordination and cooperation with the APEC Marine Resources Conservation Working Group (MRCWG) is necessary.   |
|-------------------------------------|---|
|                                     | [ ] Not applicable / [✓ ] Still in-progress   |
| Science and<br>Technology<br>Agenda | Summarise examples of projects which achieved objectives under 5 mechanisms (improved availability of and access to information, improved human resource development, improved business climate, enhanced policy dialogue and review, facilitation of network and partnerships) set by the APEC Agenda for Science and Technology Industry Cooperation into the 21st Century  |
|                                     | [✔] Not applicable / [] Still in-progress   |
| Contribution to the WTO             | Summarise activities that contributes to the WTO negotiations.  The re-introduction of an FWG session on Trade and Investment issues was implemented in the 17 <sup>th</sup> FWG meeting in 2006. This year, an interesting discussion ensued after a summary of market access and subsidies negotiations at the World Trade Organization (WTO).  Economies discussed the issue of how the FWG can deal with trade matters without duplicating the work of other fora and without acting outside the remit of its own terms of reference. The questions were raised – what are the FWG's priorities in relation to trade and what is the FWG's trade niche?  A more structured approach to dealing with trade issues in future meetings of the APEC FWG was proposed.  This three step approach to future meetings would include:  An annual overview paper is prepared for the meeting detailing trade developments in other international forums (relating to trade in fisheries products) for the previous 12 months;  That future FWG meetings focus on one or two trade issues in greater depth. Priority issues for the next FWG meeting would be determined intersessionally. This may include inviting a key speaker to address the meeting; and  That the FWG consider proposing at least one dedicated trade related project per funding cycle. |

|                              |   | [ ] Not applicable / [ ✓ ] Still in-progress  |  |
|------------------------------|---|---|--|
|                              | Invasive Alien<br>Species   | Summarise activities that contributes to the Invasive Alien Species agenda.   |  |
|                              |   | The FWG has in the past discussed and implemented projects on IAS. This discussion continued in this 18 <sup>th</sup> meeting with references during the aquaculture session to Biosecurity and addressing concerns associated with invasive species and pathogens that may be carried by introduced species (such as ornamental fish).   |  |
|                              | Other APEC Initiatives  | Where necessary, summarise progress in implementing other initiatives of APEC.  |  |
|                              |   | [✓ ] Not applicable / [] Still in-progress  |  |
| Expected Annual Deliverables | Specify expected  | deliverables, TILF and ECOTECH that the forum is targeting for the year.  |  |
| Deliverables                 | A new Terms of R  | eference for the FWG will be finalized inter-sessionally.   |  |
|                              | Aside from this, th   | e following projects are expected to progress further.  |  |
|                              | (1) FWG 03/2005 The Establishment of a Network for Deep Sea Resources and Fisheries (Peru); Peru provided an update on activities that had been undertaken on this project. The project has been extended |   |  |
|                              |   | Aquaculture Network for the Americas (ANA): Phase 1 (United States of America); of America reported that this project was progressing well. Task one of the project has now been completed rrently underway.  |  |
|                              | (3) FWG 01/20067<br>America);   | Improving the Conservation and Management of Sharks in the APEC Region (United States of  |  |
|                              | The United States   | of America reported the progress of this project and clarified that the aim of the project was to help economies manage sharks and meet the commitments for conservation measures.  |  |
|                              | Ministers' Object   |   |  |
|                              | all economies to b project which will to  | an update on the stock-take project and indicated that a high level of participation is needed and encouraged egin the stock-take process as soon as possible, in order to be ready for the formal implementation of the be done in part through a questionnaire. The RFP has been put on the APEC website and the pending e contractor will mean that this survey will be on schedule.       |  |
|                              | Canada provided a surrounded how the  | Assessment of Impacts of IUU Fishing in Asia-Pacific (Canada).  an update on the progress of this project and identified challenges that are being managed. Discussion  ne scope of the project could be managed and participation by all economies was emphasized. The Lead  ne priority attached to IUU fishing by APEC Ministers and urged full cooperation of economies with this project |  |

|                            | through submission of relevant information.  |
|----------------------------|--|
| Gender-Related             | Where necessary, summarise progress in implementing the Framework for the integration of Women in APEC.  |
| Issues                     |  |
|                            | All FWG projects consider the gender-related aspects of fisheries issues. In the area of aquaculture especially, it is often cited   |
| O                          | that women play an important role in the small and medium scale fishing industry.  |
| Counter-Terrorism Measures | Summarise progress in implementing the Counter-terrorism Action Plan.  |
| WiedSureS                  | N.A.   |
| ABAC                       | Summarise work done in response to the previous year's ABAC Recommendations.   |
| Recommendations            | Cariffication work done in reciperiod to the previous year of the recommendations.   |
|                            | N.A.   |
| SME-Related Issues         | Where necessary, summarise work done in relation to Small and Medium sized Enterprises.  |
|                            |  |
|                            | FWG discussions, especially on aquaculture, do cover the issues of SMEs – e.g. the role of aquaculture in poverty alleviation,   |
|                            | access to markets for SMEs, capacity building measures and the development of community-based aquaculture.   |
|                            | Thailand is also considering proposing a project regarding small and medium enterprises (SMEs) in fisheries in the region, and   |
|                            | the improvement of monitoring of status and trends of fisheries and fisheries resources in the region.   |
| Non-Member                 | Where necessary, summarise activities and/or plans that have non-member participation implications.  |
| Participation              | Specify any recommendation for decisions from the APEC body receiving this report.   |
|                            |  |
|                            | The FWG usually invites speakers from regional organizations to inform participants of work and developments in the wider  |
|                            | arena. At the 18 <sup>th</sup> meeting, a representative from the FAO spoke to the group.  |
| Cooperation with the       | Where necessary, summarise activities and/or plans that have private sector participation implications.  |
| Private Sector             | Chinaga Tainai continues to an energy annual colf funded projects that involve the Duainaga coster in the form of Dound Table  |
|                            | Chinese Taipei continues to sponsor annual self-funded projects that involve the Business sector in the form of Round Table meetings. The next proposed meeting will focus on the involvement of the business/private sector on the sustainability of tuna |
|                            | fisheries. The proposed two-day meeting would involve bringing together government, regulators and business/private sectors  |
|                            | involved in producing, processing, storing and marketing of tuna products to share their experiences, promote good practices   |
|                            | and inform policy.   |
| Cooperation with IFIs      | Where necessary, summarise activities and/or plans that have IFIs and other international organisation implications.   |
| and other                  |  |
| international              | The FWG formally identified Mr. Robert Day of Canada as its contact person for IFIs.   |
| organisations              |  |

| Necessary Assistance from APEC Secretariat                       | Where necessary, specify expected actions of the APEC Secretariat including proposals for further improvement of Secretariat and fora cooperation.  The Secretariat should continue to provide information and support for member economies, especially in terms of project proposals and implementation.  | Follow-up: Specify such as: provision of information studies; liaison; or other activities. |
|--|--|---|
| Proposed<br>Cooperation from<br>Other APEC Fora                  | Where necessary, specify names of the APEC fora and their expected actions.  The SCE, as part of the APEC reform process, mandated that the FWG and MRCWG work more closely together. From this year onwards, FWG and MRCWG must meet in a joint session following their separate meetings. The joint session allows the 2 working groups to coordinate and complement each others work. | Follow-up: Specify such as: sharing information meetings; other activities                  |
| Necessary or<br>Proposed<br>Cooperation from<br>Member Economies | Where necessary, specify necessary actions to be undertaken by an APEC Member Economy (Economies).  Economies will need to consult and finalize the proposed Terms of Reference for the FWG intersessionally.  | Follow-up: Specify such as: implementation; provision of information; other activities      |
| Outreach Matters   | Where necessary, specify the activities which will render any material to be used for media relation   | ns.   |

# Report of Human Resources Development Working Group (HRD) Date: 30 June 2007 Occasion: SOM 3

| Summary of Plenary                     | Date : 17-20 April Venue: Brisbane, Australia   |   |  |
|--|---|---|--|
| Meetings Since Last                    | Chair: Dr Alan Ginsburg   |   |  |
| Report                                 | Attendance: 107   | delegates from 16 economies   |  |
|  | meeting was chai<br>Workplace relation  | Resources Development Working Group meeting was held in Brisbane, Australia from 17-20 April 2007. The red by the Dr Alan Ginsburg, Lead Shepherd and co-chaired by Linda Lipp, Department of Employment and ns. The three network meetings were chaired by Nigel Haworth (Capacity Building Network Coordinator), Chris nd Social Protection Network Coordinator) and Dr Kim Young Hwan (EDNET Coordinator). |  |
|  | 107 delegates attended the meetings from sixteen economies including Australia, Brunei, Canada, Chile, China, Japan, Korea, Malaysia, New Zealand, Peru, the Philippines, Chinese Taipei, Thailand, United States and Vietnam. Secretariat staff attended the meeting, Michelle Lowe outgoing (PD) and Eduardo Menez (incoming PD). |   |  |
|  | The plenary focus<br>SCE Fora Review  | natic sessions were under the themes of 'Recognising Quality' and 'Labour and Social Protection for Growth'. sed on finding a new vision and Terms of Reference for the group and implementing recommendation 1 of the to merge the Labour and Social Protection Network and the Social Safety Nets Capacity Building Network.  |  |
|  | Members heard project proposals for seven projects seeking funds from the Operational Account, two projects seeking support and five self-funded projects.  |   |  |
|  | Recommendation:   |   |  |
|  | The HRDWG will:   | submit its new ToR to SCE3 for endorsement  |  |
| Implementation of                      | Leaders'  | Summarise progress in implementing relevant AELM instructions.  |  |
| APEC Mandates                          | Instructions  | ot .  |  |
| Tick ✓those items for                  |   | The HRDWG developed a new Strategic Vision for a 21 <sup>st</sup> Century HRD WG, a Review of Future Directions of  |  |
| which a report may not be needed;      |   | HRD WG (2007/HRDWG29/042), focusing on the increasing importance of HRD in the world today and the APEC Leaders and Ministers' 2006 call for on-going reform in WGs to ensure that activities are targeted,   |  |
| - the item is not                      |   | efficient and effective.  |  |
| applicable to the                      |   | omolone and onodevo.  |  |
| forum or;                              |   | In line with this, HRDWG will achieve its Mission to form a streamlined and focused set of three  |  |
| <ul> <li>it is premature to</li> </ul> |   | <b>objectives</b> to guide its three networks <sup>1</sup> by:  |  |
| report as work is                      |   |   |  |

<sup>&</sup>lt;sup>1</sup> These objectives were derived by applying three APEC-wide priorities as outlined in the 2006 APEC Senior Officials' Report on ECOTEC (<a href="http://www.apec.org/content/apec/publications/all-publications/ecotech-sub-committee.html">http://www.apec.org/content/apec/publications/all-publications/ecotech-sub-committee.html</a>)

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| atill in myanyaas  |              | 1. Develop 21 <sup>st</sup> Century Skills for All   |
|--------------------|--------------|--|
| still in progress. |              |  |
|                    |              | 2. Integration of HRD into the Global Economy  |
|                    |              | 3. Address the Social Dimensions of Globalization  |
|                    |              |  |
|                    |              | [] Not applicable / [] Still in-progress   |
|                    | Ministers'   | Summarise progress in implementing relevant AMM instructions.  |
|                    | Instructions |  |
|                    |              | The Labour and Social Protection Network and the Social Safety Nets- Capacity Building network have    |
|                    |              | agreed on a Terms of reference and will be fully merged by July 2007. The Network will retain the name |
|                    |              | Labour and Social Protection Network following the merger of the two networks.                         |
|                    |              | Labour and Coolar Potection Network following the merger of the two Networks.                          |
|                    |              | The HRDWG continues to work on developing a Strategic Action Plan on English and Other Languages.      |
|                    |              | The FixDwd continues to work on developing a Strategic Action Fight and Other Languages.               |
|                    |              | [] Not applicable / [] Still in-progress   |
|                    | Sectoral     | Where necessary, summarise progress in implementing relevant Sectoral Ministers' instructions.         |
|                    | Ministers'   | whole heddedary, duminaries progress in implementing relevant decidral winnessers instructions.        |
|                    | Instructions | The 15 APEC member economies in attendance at EDNET, led by the coordinator and Ms. Susan Bennett,     |
|                    | instructions |  |
|                    |              | co-chair from Australia, welcomed Peru as host of the next APEC Education Ministers Meeting (AEMM) in  |
|                    |              | June 2008. A symposium proposed by China, Peru and the US entitled Respecting the Past and Envisioning |
|                    |              | the Future will be held in China in mid-January 2008 in preparation for the 4th AEMM.                  |
|                    |              |  |
|                    |              | [] Not applicable / [] Still in-progress   |
|                    | OAA          | Summarise progress in implementing relevant items of the OAA.  |
|                    |              |  |
|                    |              | PRIORITY 1: Providing quality basic education, with a focus on increasing access by all groups to      |
|                    |              | basic education and increasing levels of educational attainment for the population as a whole.         |
|                    |              | Seminar on Best Practices and Innovations in the Teaching and Learning of Science and Mathematics at   |
|                    |              | the Secondary School Level   |
|                    |              | A Collaborative Study on Innovations for Teaching and Learning Mathematics in Different Cultures       |
|                    |              | APEC E-Language Research Consortium  |
|                    |              | APEC Future Education Consortium, Focusing on APEC Network of ICT Model Schools.                       |
|                    |              | APEC Education Hubs  |
|                    |              | Higher Education Quality Assurance and Accreditation Systems in the APEC Region.                       |
|                    |              | APEC Conference on Evaluation as a Tool in Educational Planning  |
|                    |              |  |
|                    |              | Seminar on Rating of Higher Education  |
|                    |              | APEC Learning Community for Shared Prosperity  |
|                    |              |  |
| L                  |              | PRIORITY 2: Improving labour market information and analysis to support flexible and efficient         |

labour markets which contribute to economic growth and trade and investment in the region.

Workshop cum Dialogue Session to Analyse Wage Systems Practiced, Specifically on Performance-Based Remuneration

# PRIORITY 3A: Enhancing the skills of managers, entrepreneurs, and educators/trainers in key sectors.

APEC Business Schools Network

APEC e-Learning Training Program

EDNET website and Knowledge Bank

#### APEC Training of Trainers in Problem-Based Learning (PBL) Approach

The APEC Forum on HRD 2006: Increasing Vital Role of Enterprises in HRD.

The APEC Forum on HRD 2006: Vocational Education and Training (VET) for the Youth.

APEC HRD Seminar/Training Program on the Adoption of IT

APEC Vocational Training Project in Cooperation with Enterprises.

#### PRIORITY 3B: Supporting the training needs of small-and-medium-sized-enterprises (SMEs).

Enhanced risk management system in the APEC region: towards establishing effective corporate governance The APEC-IT Training Courses (Ongoing)

Workforce Retraining Through Digital English Instruction Media for SMEs.

#### PRIORITY 3C: Supporting the management of sustainable growth and development.

Combination Programme between APEC Youth Skill Camp and World Skills Competition.

APEC vocational training project (Korea) (ongoing)

Open Distance (ODE) for Greater Equity and Access among Poor and Rural Communities, submitted by Malaysia. CBN project proposal.

PRIORITY 4: Promoting and developing lifelong learning as a means both to meet rapidly changing skills needs in the economy as well as individuals needs for adjustment and upgrading of education, vocational training, professional and technical skills, and management development.

APEC e-Learning Strategic Plan Development

APEC Learning Community for Shared Prosperity

PRIORITY 5: Increasing quality of curricula, teaching methods and instructional materials in education, training, and skills development at all levels, with a particular focus on preparing for the transition to the 21st century (ie from basic education, through vocational and technical skills training, to professional and executive development for management of change).

Enhanced Risk Management system in the APEC Region: towards establishing effective corporate governance.

APEC Conference on Evaluation as a Tool in Educational Planning: Best Practices in Evaluation of

| = | Pathfinder<br>nitiatives | Summarise progress in implementing Pathfinder Initiatives agreed at 10 <sup>th</sup> AELM.  [] Not applicable / [] Still in-progress   |
|---|--------------------------|--|
|   | CAP                      | Where necessary, summarise progress in implementing relevant items of CAP.  [] Not applicable / [] Still in-progress   |
|   | NA D                     | [] Not applicable / [] Still in-progress   |
|   |                          | Capacity Building for a Recycling Based Economy. Capacity Building for Investment Liberalization and Facilitation  |
|   |                          | Seminar on Bringing Research Ideas to the Market.  New Corporate Procurement Strategy under Regional Integration (FTA) – Supply Chain options with CSR prespective.  |
|   |                          | PRIORITY 8: Strengthening cooperation in education and training to support trade and investment liberalization and facilitation.  Capacity Building For the New International Architecture in Trade and Investment   |
|   |                          | Workshop cum Dialogue Session on Developing Key Performance Indicators and Productivity/Performance Benchmarks for Performance-based Remuneration Systems.  Strategies for Workforce Development: Keys to Success in the 21 <sup>st</sup> Century.   |
|   |                          | PRIORITY 7: Enhancing the quality, productivity, efficiency, and equitable development of the labour forces and work places in member economies.  APEC HRD Training Programme on the adoption of IT Increasing the Productivity of APEC Economies through High Performance Workplace Systems |
|   |                          | means for mutual recognition of skills and qualifications, and to increase opportunities for people to gain the skills required for the economic growth and development of member economies and the region as a whole.  The APEC Architect (ongoing)   |
|   |                          | Educational Programs  Collaborative Studies on Innovations for Teaching and Learning Mathematics in Different Cultures (II) - Lesson Study focusing on Mathematical Thinking -  PRIORITY 6: Facilitating mobility of qualified persons to help meet skill shortages by developing            |

|    |                                 | Among the three networks of the HRDWG, the Education Network (EDNET) has several activities in the area of Rural Education to follow up on the directives of APEC Leaders. Moreover, any work in the EDNET is expected to benefit the rural education.  Many of the on-going and new EDNET projects are on-line, providing web portals or creating web-based communities. The advantage of this for rural youth is that as Internet access expands, youth in rural areas   |
|----|---------------------------------|--|
| Al | rs                              | Summarise progress in implementation of the APEC Food System. Use an annex if necessary.  Recommendation A) Place high priority on addressing the issue of rural education   |
| St | -commerce<br>tocktake           | [] Not applicable / [] Still in-progress  Summarise progress in implementing the E-commerce Stocktake  [x] Not applicable / [] Still in-progress   |
| E  | PEC-wide<br>COTECH<br>riorities | Summarise progress in implementing the 2006 ECOTECH priorities; four APEC wide ECOTECH Priorities and six long term priorities from the Manila Framework.  The HRDWG's new focused priorities are complementary to the ECOTECH priorities:  1.Develop 21 <sup>st</sup> Century Skills for All 2.Integration of HRD into the Global Economy 3.Address the Social Dimensions of Globalization  The main areas HRDWG seeks to address are:  • Developing human capital • Developing and strengthening the dynamism of small and medium enterprises (SMEs) • Integration into the Global Economy; • Promoting the Development of Knowledge-Based Economies; and • Addressing Social Dimension of Globalization  In addition to the projects listed above, key initiatives include the development of the Strategic Action Plan on English and other Languages. |

|                               |                                     | [] Not applicable / [] Still in-progress  |
|-------------------------------|-------------------------------------|---|
|                               | Sustainable                         | The HRDWG welcomes the development of an APEC Sustainable Development Framework.  |
|                               | Development                         | Current project: UNU-APEC EDNET Invitation Programme on Education for Sustainable Development   |
|                               |                                     |   |
|                               |                                     | [ ] Not applicable / [X] Still in-progress  |
|                               | Science and<br>Technology<br>Agenda | The HRDWG completed several projects related to the teaching and learning of science and ICT technology   |
|                               |                                     | In particular, the EDNET members are implementing and participating projects like APEC e-Learning Training Program (Korea) and Collaborative Studies on Innovations for Teaching and Learning Mathematics in Different Cultures(II)-Lesson Study Focusing on Mathematical Thinking (Thailand and Japan) |
|                               |                                     | [ ] Not applicable / [X] Still in-progress  |
|                               | Contribution to the WTO             | Summarise activities that contributes to the WTO negotiations.  |
|                               |                                     | The HRDWG has two projects related to trade: Capacity Building For the New International Architecture in Trade and Investment and Capacity Building for Investment Liberalization and Facilitation  |
|                               |                                     | [] Not applicable / [] Still in-progress  |
|                               | Invasive Alien<br>Species           | Summarise activities that contributes to the Invasive Alien Species agenda.   |
|                               | Other APEC Initiatives              | Where necessary, summarise progress in implementing other initiatives of APEC.  |
|                               |                                     | [ ] Not applicable / [ ] Still in-progress  |
| Expected Annual Deliverables  | Specify expected                    | deliverables, TILF and ECOTECH, that the forum is targeting for the year.   |
|                               | The HRDWG will priorities.          | have fully merged with the SSN-CBN and redefined its ToR and key priority areas in line with key ECOTECH  |
| Gender-Related<br>Issues      | Where necessary                     | , summarise progress in implementing the Framework for the integration of Women in APEC.  |
|                               |                                     | s and practices policies that favor gender integration in its activities. The participation of women in the HRDWG orks is one of the highest within the APEC fora.  |
| Counter-Terrorism<br>Measures |                                     | ess in implementing the Counter-terrorism Action Plan.  |

| ABAC  | Summarise work done in response to the previous year's ABAC Recommendations.  |   |  |
|---|---|---|--|
| Recommendations   |   |   |  |
|   | CBN noted that it has established a close working relationship with ABAC's capacity building working group, a relationship which  |   |  |
|   | has given rise to two WG CBN projects to date (Capacity building for a recycling based economy i  |   |  |
|   | Business Schools Network (ABSN): Phase 1 – a kick-off meeting involving interested business sch   | hools in the APEC region and  |  |
|   | other parties (New Zealand). Further collaboration with ABAC is planned by CBN  |   |  |
| SME-Related Issues  | Where necessary, summarise work done in relation to Small and Medium sized Enterprises.   |   |  |
|   | In addition to general capacity building in areas such as IT, entrepeneurship and workforce develor SMEs, the HRDWG undertook a project focused on supporting SMEs: Workforce Retraining Throut Media for SMEs  | ugh Digital English Instruction   |  |
| Non-Member  | Where necessary, summarise activities and/or plans that have non-member participation implication   | ons.  |  |
| Participation   | Specify any recommendation for decisions from the APEC body receiving this report.  |   |  |
| Cooperation with the<br>Private Sector                      | Where necessary, summarise activities and/or plans that have private sector participation implicat  | ions.   |  |
| Cooperation with IFIs and other international organisations | Where necessary, summarise activities and/or plans that have IFIs and other international organis   | sation implications.  |  |
| Necessary Assistance from APEC Secretariat                  | Where necessary, specify expected actions of the APEC Secretariat including proposals for further improvement of Secretariat and fora cooperation.  | Follow-up: Specify such as: provision of information studies; liaison; or other activities. |  |
| Proposed<br>Cooperation from<br>Other APEC Fora             | Where necessary, specify names of the APEC fora and their expected actions.  In an effort to improve cooperation and coordination across APEC fora, HRDWG has submitted a project proposal to the SME and IPEG for their comments prior to SCE endorsement. Similarly, a project from TELWG has been submitted to HRDWG for its comments. | Follow-up: Specify such as: sharing information meetings; other activities                  |  |
| Necessary or  | Where necessary, specify necessary actions to be undertaken by an APEC Member Economy   | Follow-up:  |  |
| Proposed  | (Economies).  | Specify such as:  |  |
| Cooperation from  |   | <ul><li>implementation;</li></ul>   |  |
| Member Economies  | The HRDWG will be seeking support and cooperation from relevant APEC Fora and member economies in the development of the APEC Strategic Action plan for English and Other Languages   | <ul><li>provision of information;</li><li>other activities</li></ul>                        |  |
| Outreach Matters  | Where necessary, specify the activities which will render any material to be used for media relation  | ns.   |  |

# Report of Industrial Science and Technology Working Group (IST) Date: 30 June 2007 Occasion: SOM 3

| Summary of Plenary                     | Date : 15-10         |   |  |  |
|--|----------------------|---|--|--|
| Meetings Since Last                    | Chair: Dr. Yasuyı    | uki Yagi (the Lead Shepherd of the ISTWG)   |  |  |
| Report                                 | Attendance:          | · · · · · · · · · · · · · · · · · · ·   |  |  |
|  | Summary:             |   |  |  |
|  | 1. Six side meetir   | ngs took place before the plenary session, including Forum on the best practices and international networking |  |  |
|  | for greener indust   | tries, Sub-group A (Human Resources Capacity Building), Sub-group B (International Science and Technology     |  |  |
|  | Network), Sub-gr     | oup C (Connecting Research and Innovations), Sub-Group D (Technological Cooperation and Strategic             |  |  |
|  | Planning), and Fo    | orum on Public Awareness on Seismic Hazard Mitigation and Disaster Preparedness. There were twenty seven      |  |  |
|  | projects or activiti | es in total were reported and discussed in side meetings.   |  |  |
|  | 2. This was the f    | first ISTWG meeting in 2007; the purpose of this meeting was to discuss new project proposals, and review     |  |  |
|  |                      | nt ISTWG activities.  |  |  |
|  | 3. At the meeting,   | ten project proposals seeking 2008 funding (two for TILF, four for OA and ASF respectively) as well as eleven |  |  |
|  | self-funded project  | cts proposed by six member economies  |  |  |
|  | Recommendatio        | n:  |  |  |
|  | Specify whether f    | or consideration of decision points or for taking note.   |  |  |
|  |                      |   |  |  |
|  | Take note of the p   | progress of the ISTWG.  |  |  |
| Implementation of                      | Leaders'             | Summarise progress in implementing relevant AELM instructions.  |  |  |
| APEC Mandates                          | Instructions         |   |  |  |
| Tick ✓those items for                  |                      | [] Not applicable / [] Still in-progress  |  |  |
| which a report may not                 | Ministers'           | Summarise progress in implementing relevant AMM instructions.   |  |  |
| be needed;                             | Instructions         |   |  |  |
| <ul><li>the item is not</li></ul>      |                      | [] Not applicable / [] Still in-progress  |  |  |
| applicable to the                      | Sectoral             | Implementation of projects for following-up on the 4 <sup>th</sup> S & T Ministerial Meeting                  |  |  |
| forum or;                              | Ministers'           |   |  |  |
| <ul> <li>it is premature to</li> </ul> | Instructions         | Participation of Women and Ethnic Communities   |  |  |
| report as work is                      |                      | 2 Science-Industry Linkages Symposium   |  |  |
| still in progress.                     |                      | 3. APEC Centre for Technology Foresight   |  |  |
|  |                      | 4. APEC Climate Center  |  |  |
|  |                      | 5.APEC Science Centre Impact Study  |  |  |
|  |                      | [ ] Not applicable / [ √] Still in-progress   |  |  |
|  | OAA                  | Summarise progress in implementing relevant items of the OAA.   |  |  |
|  |                      | [√]] Not applicable / [ ] Still in-progress   |  |  |

| CAF | CAP Where necessary, summarise progress in implementing relevant items of CAP. |  |
|-----|--|--|
|     |  | [√] ] Not applicable / [] Still in-progress  |
|     | hfinder<br>iatives   | Summarise progress in implementing Pathfinder Initiatives agreed at 10 <sup>th</sup> AELM.   |
|     |  | [√] ] Not applicable / [] Still in-progress  |
| ECC | EC-wide<br>OTECH<br>orities  | Summarise progress in implementing the 2006 ECOTECH priorities; four APEC wide ECOTECH Priorities and six long term priorities from the Manila Framework.  |
|     | mues   | The implementation of ISTWG projects including Foresighting Future Fuel Technology, APEC Biotechnology Conference-Policy and Strategy, Implementation of APEC Climate Network for Climate Information Services have addressed wide ECOTECH priorities, such as Developing human capital, Facilitating technology flows and harnessing technologies for the future.           |
|     |  | [ ] Not applicable / [√] ] Still in-progress   |
|     | ommerce<br>cktake  | Summarise progress in implementing the E-commerce Stocktake  |
| 450 |  | [√]] Not applicable / [] Still in-progress   |
| AFS | •  | Summarise progress in implementation of the APEC Food System. Use an annex if necessary.   |
|     |  | [√] ] Not applicable / [] Still in-progress  |
|     | stainable<br>velopment   | Summarise works undertaken in responding to the priority theme of Sustainable Development.   |
|     |  | Capacity building for carbon accounting in selected APEC economies to facilitate entry into carbon trading markets"  |
|     |  | Promoting Sustainable Development through Environmentally Sound Recycling     Industry-Government-Academic Matching Seminar for Energy-saving and New Energy Technology Aimed at Preventing Global Warming   |
|     |  | Developing the Cleaner Production Approaches through Partnership Build-up for the Sustainable     Development of Electronics Sector in APEC  |
|     |  | [ ] Not applicable / [√] Still in-progress   |
| Tec | ence and<br>chnology<br>enda   | Summarise examples of projects which achieved objectives under 5 mechanisms (improved availability of and access to information, improved human resource development, improved business climate, enhanced policy dialogue and review, facilitation of network and partnerships) set by the APEC Agenda for Science and Technology Industry Cooperation into the 21st Century |
|     |  | The objective of all ISTWG projects all respond to the APEC Agenda for Science and Technology Industry   |

|  |  | Cooperation into the 21 <sup>st</sup> Century.  |
|--|--|---|
|  |  |   |
|  |  | [ ] Not applicable / √ [ ] Still in-progress  |
|  | Contribution to  | Summarise activities that contributes to the WTO negotiations.  |
|  | the WTO  |   |
|  |  | [√] Not applicable / [] Still in-progress   |
|  | Invasive Alien<br>Species  | Summarise activities that contributes to the Invasive Alien Species agenda.                             |
|  | Other APEC Initiatives   | Where necessary, summarise progress in implementing other initiatives of APEC.                          |
|  |  | [√] Not applicable / [] Still in-progress   |
| Expected Annual Deliverables           | Specify expected   | deliverables, TILF and ECOTECH, that the forum is targeting for the year.                               |
| Gender-Related                         | Where necessary, summarise progress in implementing the Framework for the integration of Women in APEC.  |   |
| Issues                                 | "Dorticipation of M  | James and Ethnia Communities" to Industrial Science and Tochnology has been identified as any of the    |
|  | "Participation of Women and Ethnic Communities" to Industrial Science and Technology has been identified as one of the important issues, and Workshop on this issue is being proposed. |   |
| Counter-Terrorism                      |  | ess in implementing the Counter-terrorism Action Plan.  |
| Measures                               | Summanse progre  | ess in implementing the Counter-terrorism Action Flan.  |
| ABAC                                   | Summarise work   | done in response to the previous year's ABAC Recommendations.   |
| Recommendations                        |  |   |
|  | No specific and di   | rect recommendations from the ABAC to the ISTWG were given. However, it will be encouraged that each    |
|  | project as well as   | the ISTWG meeting itself shall invite ABAC to participate and to share views between the ISTWG and ABAC |
| SME-Related Issues                     | ÁPEC Sci-Tech In   | novation and Small and Medium Sized Enterprises Development Forum                                       |
| Non-Member                             |  | summarise activities and/or plans that have non-member participation implications.                      |
| Participation                          | Specify any recon  | nmendation for decisions from the APEC body receiving this report.                                      |
|  | The amount at a 1 a 1  | an Manage Obigs have been proported. Manage Obigs attended the greation                                 |
| O a manati a munitir tir a             |  | or Macau, China has been granted. Macau, China attended the meeting.                                    |
| Cooperation with the<br>Private Sector | •  | summarise activities and/or plans that have private sector participation implications.                  |
| Cooperation with IFIs                  | Where necessary,   | summarise activities and/or plans that have IFIs and other international organisation implications.     |
| and other                              |  |   |
| international                          |  |   |
| organisations                          |  |   |

| Necessary<br>Assistance from<br>APEC Secretariat                 | Where necessary, specify expected actions of the APEC Secretariat including proposals for further improvement of Secretariat and fora cooperation.   | Follow-up: Specify such as: provision of information studies; liaison; or other activities. |
|--|--|---|
| Proposed<br>Cooperation from<br>Other APEC Fora                  | Where necessary, specify names of the APEC fora and their expected actions.  The implementation of the project Foresighting Future Fuel Technology has been conducted with the cooperation of EWG. | Follow-up: Specify such as: sharing information meetings; other activities                  |
| Necessary or<br>Proposed<br>Cooperation from<br>Member Economies | Where necessary, specify necessary actions to be undertaken by an APEC Member Economy (Economies).   | Follow-up: Specify such as: implementation; provision of information; other activities      |
| Outreach Matters   | Where necessary, specify the activities which will render any material to be used for media relation   | ns.   |

# Report of Marine Resource Conservation Working Group (MRC) Date: 30 June 2007 Occasion: SOM 3

| Summary of Plenary              | Date: 24 – 26 April 2007 Venue: Hyatt Regency Sanctuary Cove, Gold Coast, Australia   |   |  |
|---------------------------------|---|---|--|
| Meetings Since Last             | Chair: Dr. Soesilo  | Indroyono, Indonesia  |  |
| Report                          | Attendance: 43 participants from 15 economies, and 2 invited guests from CSIRO Australia and from UNEP COBSEA.  |   |  |
|                                 | implementation of There was also e working group i.e.  There were two primpact on marine include the review   | eting provided an opportunity for participants to update each other on key domestic efforts to advance the the Bali Plan of Action and the MRCWG Strategic Framework, as well as, present new project proposals. Attensive discussion on action to be taken on the SCE Fora Review recommendations directly affecting the a 2007 Independent Assessment, and the revision of the MRCWG Terms of Reference.  The resentations from invited guests. Dr. Alistair Hobday from CSIRO Australia spoke on Climate Change and its ecosystems, and Dr. Srisuda Jarayabhand of UNEP-COBSEA highlighted activities on marine litter, which of existing status in the COBSEA region, development of a regional plan of action and a regional workshop to |  |
|                                 | Four new projects   | y 2007 in Jakarta, Indonesia. from the MRCWG were presented and endorsed for 2008 APEC funding as follows:  |  |
|                                 | proposed     Satellite a     Agrochem Republic c  |   |  |
|                                 | <ul> <li>The Climate Change Processes and Their Effects on Coastal Ecosystems – proposed by the People's Republic of China         A self-funded project from Chinese Taipei - "The Ninth Roundtable Meeting of the Involvement of Business/Private Sector in Sustainability of the Marine Environment" was also presented and endorsed by the MRCWG.     </li> <li>The 21<sup>st</sup> MRCWG meeting will be held in Peru in 2007, to be immediately followed by the 7<sup>th</sup> Joint FWG and MRCWG meeting.</li> <li>Recommendation:</li> <li>Specify whether for consideration of decision points or for taking note.</li> </ul> |   |  |
|                                 |   |   |  |
|                                 |   |   |  |
|                                 | SCE to note this  | report and thank Dr. Soesilo Indroyono for his work as Lead Shepherd.   |  |
| Implementation of APEC Mandates | Leaders'<br>Instructions  | Summarise progress in implementing relevant AELM instructions.  |  |
| Tick ✓those items for           |   | [ V ] Not applicable / [ ] Still in-progress  |  |

|   |              | ,  |
|---|--------------|--|
| which a report may not  | Ministers'   | Summarise progress in implementing relevant AMM instructions.  |
| be needed;  | Instructions |  |
| <ul> <li>the item is not applicable to the forum or;</li> </ul> |              | "Ministers recognized the importance of sustainable development in marine and coastal resources, and the opportunities this creates for wealth and employment generation from investment and trade. The Marine Resources Conservation Working Group's (MRCWG) work on post-tsunami economic activities and natural buffer protection accounts and the company of the company o |
| <ul> <li>it is premature to</li> </ul>                          |              | buffer protection ensures greater sustainable growth for affected areas. Ministers further recognized that   |
| report as work is still in progress.                            |              | pollution threatens economic opportunity in coastal communities and instructed the MRC to intensify its work on controlling marine debris and on mapping marine resources in order to safeguard economic assets."  |
|   |              | As cited above, the 20 <sup>th</sup> MRCWG meeting saw reports presented precisely on these items i.e.   |
|   |              | - MRCWG 01/2007A – a project entitled "Tsunami Preparedness and Resilience through Research, Extension, Education and Training"  |
|   |              | <ul> <li>MRCWG 02/2007 – a project entitled "Understanding the Economic Costs and Benefits of<br/>Addressing Marine Debris"</li> </ul>   |
|   |              | - MRCWG 03/2007 entitled "Marine Ecosystem Identification and Mapping in the Asia-Pacific Region"  |
|   |              | The Lead Shepherd also encouraged MRCWG members to continue or start working on high priority areas like marine debris, marine pollution and climate change.   |
|   |              | A guest speaker from UNEP COBSEA also presented on the Regional Programme of Action for the protection of the marine environment of the East Asian Seas from land based sources. The presentation highlighted activities on marine litter, which include the review of existing status in the COBSEA region, development of a regional plan of action and holding a regional workshop.   |
|   |              | [ ] Not applicable / [✓] Still in-progress   |
|   | Sectoral     | Where necessary, summarise progress in implementing relevant Sectoral Ministers' instructions.   |
|   | Ministers'   | where necessary, summanse progress in implementing relevant sectoral will listers. Instructions.   |
|   | Instructions | The Bali Plan of Action remains the most recent policy framework to guide MRCWG activities. The 20 <sup>th</sup>   |
|   | ou double    | MRCWG meeting provided an opportunity for economies to update each other on their progress in moving   |
|   |              | the BPA forward, and also allowed APEC members to coordinate and plan future activities in this regard.  |
|   |              | ,  |
|   |              | Economy reports submitted during the meeting highlighted each economy's efforts in implementing the BPA.   |
|   |              | [] Not applicable / [✓] Still in-progress  |
|   | OAA          | Summarise progress in implementing relevant items of the OAA.  |
|   |              |  |
|   |              | [ ✓] Not applicable / [ ] Still in-progress  |

| CAP                                | Where necessary, summarise progress in implementing relevant items of CAP.   |  |
|------------------------------------|--|--|
|                                    | [✔] Not applicable / [] Still in-progress  |  |
| Pathfinder<br>Initiatives          | Summarise progress in implementing Pathfinder Initiatives agreed at 10 <sup>th</sup> AELM.   |  |
| iiilialives                        | [✔] Not applicable / [] Still in-progress  |  |
| APEC-wide<br>ECOTECH<br>Priorities | Summarise progress in implementing the 2006 ECOTECH priorities; four APEC wide ECOTECH Priorities and six long term priorities from the Manila Framework.  |  |
|                                    | The MRCWG continues to work on the long term priorities of - Harnessing Technologies for the Future; and Safeguarding the Quality of Life Through Environmentally Sound Growth - as described in activities in this matrix, in particular projects such as Chinese Taipei's Satellite Application in Knowledge-based Economies (SAKE), and projects dealing in environmental sustainability. |  |
|                                    | [ ] Not applicable / [✔] Still in-progress   |  |
| E-commerce<br>Stocktake            | Summarise progress in implementing the E-commerce Stocktake  |  |
| -                                  | [✔] Not applicable / [] Still in-progress  |  |
| AFS                                | Summarise progress in implementation of the APEC Food System. Use an annex if necessary.   |  |
|                                    | The MRCWG does some work that is related to APEC Food System issues, especially in the area of aquaculture. The following report was given by Chinese Taipei at the last meeting - outcomes of MRCWG 01/2005 - project Assessment of Environmental Capacity and Development of Risk Assessment Methodologies and Guidelines for use in sustainable marine aquaculture in APEC region.        |  |
|                                    | Furthermore, there is a pending MRCWG 06/2007 project spearheaded by Chile entitled "Development of an APEC Strategy on Sustainable Aquaculture"   |  |
|                                    | [ ] Not applicable / [✔] Still in-progress   |  |
| Sustainable<br>Development         | Summarise works undertaken in responding to the priority theme of Sustainable Development.   |  |
| •                                  | The MRCWG, by its very nature, deals with the preservation and sustainable use of the marine resource. Almost all of its activities are focused on this objective, and the BPA provides a comprehensive blueprint of policy and actions to be taken in the short to medium term.   |  |
|                                    | A short listing of MRCWG projects – approved and proposed – will reflect this concern:   |  |
|                                    | - MRC 01/2006 A and MRC 04/2007A - Capacity Building Workshops on Marine Environmental   |  |

|                   | Species  Other APEC Initiatives  | The BPA contains a separate section on Marine Invasive Species, and this work is currently being taken forward by New Zealand where it outlined their concern on biosecurity, and its intention to broaden this issue within the MRCWG.  Where necessary, summarise progress in implementing other initiatives of APEC.  [1] Not applicable / [] Still in-progress                       |  |
|-------------------|--|--|--|
| the WTO [✓] Not a |  | [ Not applicable / [] Still in-progress  Summarise activities that contributes to the Invasive Alien Species agenda.   |  |
|                   | Contribution to  | [] Not applicable / [ ] Still in-progress  Summarise activities that contributes to the WTO negotiations.  |  |
|                   |  | projects that fall under this category, as follows:  - Chinese Taipei has been pursuing a multi-year project 'Satellite Application in Knowledge-based Economies (SAKE)' - MRCWG 03/2006 and MRCWG 05/2007   |  |
|                   | Agenda  and access to information, improved human resource development, improved business climate, enhal policy dialogue and review, facilitation of network and partnerships) set by the APEC Agenda for Science Technology Industry Cooperation into the 21st Century  Although there may not be a conscious effort to address this Agenda – the MRCWG does have examp |  |  |
|                   | Science and Summarise examples of projects which achieved objectives under 5 mechanisms (in  |  |  |
|                   |  | Conservation and Sustainability for Developing Economies of APEC  - MRC 02/2007 - Understanding the Economic Benefits and Cost of Controlling Marine Debris in the APEC Region  - MRC 06/2007 - Development of an APEC Strategy on Sustainable Aquaculture  - A proposed project entitled 'Agrochemicals and environmental sustainability – capacity building workshop for APEC nations' |  |

|  | <ul> <li>as a result of coordination with the FWG on a joint stock-take project of the BPA, gaps in implementation across both working groups should be identified, as well as, preventing duplication of the work being undertaken. The role of workshops to assist in collating and validating information was raised. Indonesia offered to host a workshop, which was endorsed by the MRCWG.</li> <li>The US is implementing MRCWG 03/2007 entitled "Marine Ecosystem Identification and Mapping in the Asia-Pacific Region" and will host an upcoming workshop. This project will study large marine ecosystems within and outside national jurisdictions.</li> <li>Chinese Taipei will build upon outcomes of the MRCWG 03/2006 'Satellite Application in Knowledge-based Economies (SAKE)' through MRCWG 05/2007 which is the continuation of this project.</li> </ul> |
|--|--|
| Gender-Related                         | Where necessary, summarise progress in implementing the Framework for the integration of Women in APEC.  |
| Issues                                 | No significant progress to report.   |
| Counter-Terrorism                      | Summarise progress in implementing the Counter-terrorism Action Plan.  |
| Measures                               | durinando progreso in implementarig the counter terronom richarmania.  |
|  | N.A.   |
| ABAC                                   | Summarise work done in response to the previous year's ABAC Recommendations.   |
| Recommendations                        |  |
| 0145 D 1 4 11                          | N.A.   |
| SME-Related Issues                     | Where necessary, summarise work done in relation to Small and Medium sized Enterprises.  |
|  | No current activities directly related to SME's  |
| Non-Member                             | Where necessary, summarise activities and/or plans that have non-member participation implications.  |
| Participation                          | Specify any recommendation for decisions from the APEC body receiving this report.   |
|  | The MRCWG continues to invite guests in accordance with APEC procedure to speak on relevant topics at its meetings. At this 20 <sup>th</sup> meeting, CSIRO Australia and UNEP COBSEA sent speakers.   |
| Cooperation with the<br>Private Sector | Where necessary, summarise activities and/or plans that have private sector participation implications.  |
|  | Chinese Taipei continues to host self-funded projects under MRCWG that involve the private sector. Outcomes of the 7 <sup>th</sup> Round Table Meeting on the Involvement of Business/Private Sector in Sustainability of the Marine Environment were reported, and plans for the "The Ninth Roundtable meeting of the involvement of business/private sector in sustainability of the marine environment" were presented as well.   |
| Cooperation with IFIs and other        | Where necessary, summarise activities and/or plans that have IFIs and other international organisation implications.   |
| international                          | Dr. Tonny Wagey from the Lead Shepherd's office continues to be the IFI contact point until a new Lead Shepherd is selected  |
| organisations                          | towards the end of the year.   |

| Necessary Assistance from APEC Secretariat                       | Where necessary, specify expected actions of the APEC Secretariat including proposals for further improvement of Secretariat and fora cooperation.  The MRCWG is one working group that runs its affairs quite smoothly, however, because of the new PDB requirements, the Secretariat should provide further information and assistance to economies on how projects should be proposed and progressed through the new system. | Follow-up: Specify such as: provision of information studies; liaison; or other activities. |
|--|---|---|
| Proposed Cooperation from Other APEC Fora                        | Where necessary, specify names of the APEC fora and their expected actions.  As mandated by the SCE, the MRCWG will work closely with the FWG and will henceforth hold annual joint meetings with this working group.   | Follow-up: Specify such as: sharing information meetings; other activities                  |
| Necessary or<br>Proposed<br>Cooperation from<br>Member Economies | Where necessary, specify necessary actions to be undertaken by an APEC Member Economy (Economies).  N.A.  | Follow-up: Specify such as: implementation; provision of information; other activities      |
| Outreach Matters   | Where necessary, specify the activities which will render any material to be used for media relation  | ns.   |

## Report of Small and Medium Enterprises Working Group (SME)

Date: 30 June 2007 Occasion: SOM 3

# Summary of Plenary Meetings Since Last Report

Date: 23rd Meeting 26 - 27 September 2006 Venue: Ha Noi, Vietnam

Chair: Mr. Bui Liem, Deputy Director General, Agency for SME Development, Vietnam

Attendance: The Meeting was attended by representatives from Australia; Brunei Darussalam, Canada; Chile; People's Republic of China; Hong Kong, China; Indonesia; Japan; Korea; Malaysia; Mexico; New Zealand; Papua New Guinea; Peru; Philippines; Russia; Chinese Taipei; Singapore; Thailand; the United States and Vietnam. The APEC Secretariat and ABAC were also present. Representatives from PIF; Macao, China; OECD; WLN and the SCE also attended the Meeting as observers and guests.

Date: 24<sup>th</sup> Meeting 4-7 March Venue: Hobart, Australia

Chair: Ms. Sue Weston, Head of Division, Office of Small Business, Department of Industry, Tourism and Resources, Australia.

Attendance: The Meeting was attended by representatives from Australia; Brunei Darussalam; Canada; Chile; People's Republic of China; Hong Kong, China; Republic of Indonesia; Japan; Republic of Korea; Malaysia; Mexico; New Zealand; Papua New Guinea; Peru; Republic of the Philippines; Singapore; Chinese Taipei; Thailand; United States and Viet Nam. The APEC Secretariat was also present. A representative of the Pacific Islands Forum (PIF) attended the meeting as an observer and representatives from the Women Leaders' Network (WLN) and the Organisation for Economic Cooperation and Development (OECD) also attended the meeting as guests.

## Summary:

# Twenty-third Meeting of the APEC SMEWG

The **Chair** reported on progress made in the SMEWG 2006 Work Plan. A large number of activities were completed and new proposals were received. The Chair informed delegates that a number of member economies had contributed to the preparation of the Hanoi Declaration on SME Competitiveness for Trade and Investment prepared by Vietnam, and good progress was made on the Internship Support Systems for Learning Best Practices in the Development of Micro and Small Enterprises implemented by Chile, the Study of Existing Financial and Policy Assistance for Micro Enterprise Development undertaken by Vietnam, the USA Initiative on Intellectual Property Rights, and the APEC Seminar on SME Financial Institutions sponsored by Incombank held in Vietnam in July 2006.

**US** private sector delegate presented an informational guide on Pandemic Preparedness Planning and Implementation for Small Businesses. Member economies were invited to share their own initiatives in developing afuture, AP EC best practices/guidelines for business continuity in case of an avian influenza outbreak/pandemic.

**Australia** introduced the Pandemic Planning Checklist for Small Businesses and the related website for information of delegat es.

# Twenty-fourth Meeting of the APEC SMEWG

The Chair informed the meeting arrangements and highlighted the main changes introduced in conducting the SME meetings in line with the decision adopted in Hanoi to streamline processes leaving the routine reporting for inter-session work and the decision items for the in-session discussion.

The SMEWG 2007 Work Plan, containing the 2007 SME theme and sub-themes, was endorsed without amendment.

Theme: Driving SME Growth Through Economic Reform

#### Sub-themes:

- Making it Easy to Start and Grow a Business
- Driving SME Innovation
- Cutting Costs and Saving Time for SMEs
- Encouraging SME Innovation in Developing a More Energy Efficient Industry to Assist in
- Cutting Greenhouse Gas Emissions

#### **SMEWG Structure:**

#### -MESG

The Micro-enterprises Sub-Group (MESG) Chair, Mr Tony Greenwell, reported on the outcomes of the MESG and presented the MESG 2007 Work Plan. SMEWG's general consensus was reached that the MESG should be merged into the SMEWG, as it would streamline administrative processes and remove duplication, while ensuring M Es continue to be a high priority. This commitment to MEs would be reflected in the new SMEWG Terms of Reference and in Work Plans.

# -Standing Committee Report on Project Proposal Processes

At the September 2006 SMEWG meeting in Hanoi members agreed to establish a Standing Committee within the Working Group for facilitating the submission of high quality project proposals to the Budget Management Committee (BMC). The Chair outlined the current membership of the newly formed Committee and the activities undertaken by the group to date.

The APEC Secretariat commented on the project proposal process and encouraged economies to adhere to deadlines for submitting project proposals. The Secretariat reported that the second BMC meeting of 2007 will be held in Singapore on

31 July – 2 August and that final approved and ranked project proposals from the SMEWG should be sent to the SCE by mid June. In this regard, the Secretariat suggested that economies should submit project proposals requesting APEC funding f or 2008 by 4 May 2007 to the APEC Secretariat. This will allow enough time to the Standing Committee to assess and improve the quality of the proposals before circulating them to the group for final endorsement and ranking.

#### -Incorporation of Working Group on Trade Promotion

The SMEWG discussed the recent recommendation of the Steering Committee on ECOTECH (SCE), endorsed by Ministers on 16 November 2006 in Hanoi, that the Working Group on Trade Promotion (WGTP) be incorporated into the SMEWG. In this regard, the Chair outlined her discussions with the Lead Shepherd of the WGTP on a strategy to incorporate the WGTP, and how this strategy was presented to and endorsed by the SCE.

#### Inter-session Work:

- The United States provided the SMEWG with an update on the Intellectual Property Rights (IPR) initiative, highlighting the 'APEC SMEWG Seminar on SME Management of Intellectual Property Rights' held from 8 to 10 May 2 007 in Bangkok.
- Korea provided a report on the APEC project 'Research on the Innovation Promoting Policy for MEs in APEC' and circulated soft copies of the publication of the final report.
- Chinese Taipei provided an update on the project '2007 APEC Local Cultural Industry Virtual Exposition'.

#### Statement from Observers and Guests

The SMEWG received statements from representatives of the Women Leaders' Network and the Pacific Islands Forum on their respective activities, particularly in relation to SME-related activities. The Chair called for a volunteer to act as a representative of the SMEWG in the Gender Focal Point Network.

#### Other Business

Indonesia provided an overview of its plans for the 25<sup>th</sup> SMEWG meeting scheduled for 27-30 August in Bali, Indonesia. Indonesia also informed members on its intention to submit a project proposal inter-sessionally requesting urgent funding to organise a capacity-building seminar for policy makers in promoting international SMEs through incubation systems. This seminar is proposed to be held in the margin of the next meeting. The APEC Secretariat mentioned that there is funding available under the APEC Support Fund that could be used for this project. The Secretariat will first request comments on this project proposal from the Director of Finance to check the feasibility of this proposal of receiving urgent approval by the BMC.

|                                 | in Chinese Taipe<br>China reported<br>SMESA seek gr<br>sessionally.  |  |  |  |
|---------------------------------|--|--|--|--|
|                                 | The SMEWG agreed to the classification of documents as presented by the Secretariat  SMEWG Workshops  SMEWG members participated in two half-day workshops – one hosted by Australia on Best Practice Regulation and one jointly hosted by New Zealand and Canada on the Ease of Doing Business. |  |  |  |
|                                 | Recommendation: Specify whether for consideration of decision points or for taking note.  SCE to note the progress on the work of the SMEWG  |  |  |  |
| Implementation of APEC Mandates | Leaders'<br>Instructions   | Leaders in Ha Noi, Viet Nam in 2006, encouraged member economies to make every effort to develop and implement specific measures to improve their competitiveness, innovation and entrepreneurship in line with the 'Hanoi Declaration on Strengthening SME Competitiveness for Trade and Investment' and "the Daegu Initiative on SME Innovation Action Plan".  Leaders instructed SMEs Ministers to lead coordination efforts within APEC on the multi-year Private Sector Development Workplan designed to cut red tape and lift the quality of business regulations, which would particularly benefit small and medium-sized enterprises |  |  |
|                                 |  | [] Not applicable / [] Still in-progress   |  |  |

# Ministers' At the 13th Ministerial Meeting Ministers: Adopted the "Hanoi Declaration on Strengthening SME Competitiveness for Trade and Instructions Investment". Directed SMEWG members to ensure that they more effectively share experiences, undertake high quality research and formally communicate best practice in the areas of enhancing SME competitiveness for trade and investment. Encouraged more member economies to participate of the Daequ Initiative's innovation action Supported the APEC SME IPR Initiative and encouraged best practices in IPR laws and enforcement. At the 14th Ministerial Meeting Ministers: Instructed the SME Working Group to enhance communication between governments of member economies and their SMEs making best practice common practice and, in particular, to improve knowledge amongst SMEs of the business assistance programs that are available for them. Endorsed the 'APEC Pandemic Flu Planning Guide for SMEs' as part of the menu of material for economies to use to help their SMEs develop a plan for a pandemic. Encouraged SME innovation in developing more energy efficient industry to assist in cutting greenhouse gas emissions. Endorsed a number of measures to improve the Working Group's strategic direction and administration including the merging of the Micro-Enterprises Sub Group (MESG) into the SME Working Group and incorporation of the Working Group on Trade Promotion (WGTP). [] Not applicable / [] Still in-progress 13<sup>th</sup> APEC SME Ministerial Meeting Sectoral Ministers' Instructions The Hanoi Declaration on Strengthening SME Competitiveness for Trade and Investment Adopted the "Hanoi Declaration on Strengthening SME Competitiveness for Trade and Investment". **Private Sector Development** Based on SMEWG's leadership of the APEC Private Sector Development Agenda, the importance of a supportive business environment for SME growth and priority areas identified at the Montreal Symposium. the SMEWG agreed to hold a capacity-building workshop where member economies can share best practices and discuss how to best achieve improvements in the business climate of their respective economies (held in Hobart, Australia in March 2007).

## Intellectual Property Rights (IPR)

Supported the APEC SME IPR Initiative and encouraged best practices in IPR laws and enforcement

#### 14th APEC SME Ministerial Meeting

### Daegu Initiative and SME innovation

**Korea** briefed the SMEWG delegates on progress made in the implementation of the SME Innovation Action Plan: To date, 13 economies, consisting of Australia, Canada, Hong Kong (China), Indonesia, Japan, Korea, Malaysia, Mexico, Peru, the Philippines Singapore, Thailand and Vietnam had completed part A. These contributions may be viewed through the Daegu Initiative website <a href="https://www.apec-smeic.org">www.apec-smeic.org</a>

During the 24<sup>th</sup> SMEWG meeting, the SME Innovation Centre presented its findings which were obtained through the research on the innovation promoting policy for SMEs in APEC.

### **Pandemic Preparedness**

**USA** private sector delegate presented an informational guide on Pandemic Preparedness Planning and Implementation for Small Businesses. Member economies were invited to share their own initiatives in developing a future, APEC best practices/guidelines for business continuity in case of an avian influenza outbreak/pandemic. **Australia** shared its own Pandemic Planning Checklist for Small Businesses and provided the related website for the information of delegates.

#### **SME Coordination Framework**

In recognition of the cross-cutting nature of the APEC SME process, Ministers reaffirmed the importance of coordinating APEC efforts and activities of SMEs across all fora, as outlined in the 2004 "APEC SME Coordination Framework." The main objective of the framework is to direct related efforts and activities towards promoting the growth and competitiveness of APEC SMEs. Ministers were informed of progress made to forward the goals of the APEC SME Coordination Framework.

Ministers encouraged the SMEWG to focus its efforts and play a more proactive role in facilitating APEC members to share lessons learned in implementing business environment reforms, particularly those that enhance SME competitiveness for fair trade and investment. In doing so, the SMEWG will enhance its stature as the focal group that collaborates intensively with related APEC fora, and is responsible for identifying and disseminating APEC-wide measures and good practices towards the creation of a business

environment conducive for trade and investment, particularly for SMEs and micro-enterprises.

SME Ministers encouraged further collaboration between APEC SMEWG and the APEC Finance Ministers' Technical Working Group. Ministers noted the outcomes of the Conference on "Strengthening support and cooperation for the development of APEC SMEs", which was held on 27 July 2006, in Ha Noi, Viet Nam, under the chairmanship of Industrial and Commercial Bank of Vietnam. Ministers welcomed development of future activities to be taken by MOU signatory institutions to create better financing and enhancing further development of SMEs.

### Hanoi Declaration on SME Competitiveness for Trade and Investment

Australia presented support measures on improving the business environment for small businesses. Australian SMEs are benefiting from Free Trade Agreements with the United States, Thailand and Singapore; Austrade implements a number of export development programs to improve SME capacity to export and Export Finance and Insurance Corporation provides SMEs with export credit guarantees. Australia emphasized the importance of entrepreneurship policies in improving skills and innovations through programs for SME mentoring, incubators, small business field officers and succession planning advisory.

**Brunei Darussalam** highlighted the importance of the private sector contribution to the GDP of the economy especially in the non-oil and gas sectors. Support policies for SMEs development include tax incentives, financial assistance, human resource and entrepreneurship development programs, access to information, standard and quality training and trade and investment facilitation.

**Indonesia** presented the three pillars of SME competitiveness policies: SME promotion, strengthening SME support institutions and gender mainstreaming and broadening of the entrepreneurial base within the economy and facilitating business opportunities. Some significant programs being implemented consisted of legislative improvements affecting the investment climate, a one-stop service for business licensing in every district, entrepreneurship development, incubators and cluster development programs, development of micro finance institutions and marketing support, including through e-commerce initiatives. Indonesia proposed the SMEWG to collaborate closely with other relevant APEC fora.

Malaysia presented the Third Industrial Master Plan (IMP3), which covers the period from 2006-2020 and aims to fully place Malaysia in the developed nation status. IMP3 has a focus on enhancing competitiveness of SMEs, including those in the services sector. Promotion of research and development, improving access to finance and gauging progress through benchmarking would be given priority. ABAC congratulated Malaysia on their focus on the service sector and invited delegates to consult the service sector studies on the ABAC website. Vietnam commended Malaysia on the comprehensiveness of IMP3,

informed of the SME Development Plan 2006-2010 of Vietnam, and enquired on best practices regarding coordination of implementation IMP3 and the registries of multinational corporations (MNCs). **Malaysia** provided information on the National SME Development Council chaired by the Prime Minister and the collaboration of SMIDEC with multinational corporations to ensure SMEs to link to supply chains of MNCs.

**Singapore**'s presentation informed delegates of capacity building programs, enabling environment and market facilitation elements of Singapore's SME trade and investment competitiveness programs. SME trade and investment capacity building programs, implemented mostly through public-private partnerships, comprised of training, information and advisory services in management skills, export promotion, quality assurance, and facilitation in formation of alliances. Programs targeted instances of market failure and Enterprise Development Centers and broad based web-enabled platforms were instrumental in implementation.

**Thailand** addressed the floor on their trade policies with particular emphasis on SME exports and investments. Strategies consisted of creating an enabling environment, building SME capacities, including human resource development, SME information systems, financing opportunities for innovations, start ups and investments, trade facilitation support and improvement of logistics facilities and systems. **Chinese Taipei** requested Thailand and all the delegates to provide advice on further improving investments by SMEs.

## Independent Review of the SMEWG

At the last SME Ministerial Meeting in Hanoi, Viet Nam, Ministers asked the SMEWG to consider the outstanding recommendations of the Final Draft of the Independent Review of the SMEWG (SMEWG Review).

The 24<sup>th</sup> SMEWG considered the outstanding recommendations as follows:

The following SMEWG Review recommendations were supported:

- Ministerial Meeting (7.3) policies made by the Ministerial Meeting should take into account progress on previous policies and Joint Ministerial Statements should be aligned with the SMEWG Work Plan and Strategic Plan.
- Strategic Planning (7.4) a four-year Strategic Plan should be prepared after a review of SMEWG priorities and directions for future work.
- Youth, Women and Minority Groups (7.5) one of the strategic priorities of the four-year plan should be to support youth, women and minorities to develop and strengthen their own SMEs.
- Accountability of the Chair (5.4) at the end of his/her term the Chair should prepare a review for the SOM on progress of the SMEWG towards achieving its Strategic Plan.

 Professional Staff Members (PSMs) (5.5) – funds should be set aside for the development of PSMs to assist the Chair (supported in principle but to be pursued through the SOM in relation to their broader reforms).

The following SMEWG Review recommendations should not proceed:

- Participation (4.2.3) funding preference should be given to project proposals that incorporate participation with government bodies, SME associations and the private sector.
- Project Sustainability (4.2.4) projects should have active stakeholder involvement and benefits should continue beyond project completion. Project evaluation should be conducted and lessons learned recorded and disseminated.
- Selecting Chairs and Vice Chairs (5.2) if there are several candidates for Vice Chair, set selection criteria should be used.
- Structural Change (7.1) permanent task forces and temporary advisory groups should be created.
- Policy Simplification (7.2) policy materials should be sent via the Chair to an SME Policy Supporting Task Force for transformation into more actionable initiatives.
- Coordination (8.0) one-day meetings between Chairs of working groups that deal with SMEs should be convened annually and to facilitate joint initiatives and information exchange between the SMEWG and its participating expert organisations, the Chair or Vice Chair of the SMEWG should attend annual meetings of these organisations.

### 14th APEC SME Ministerial Meeting

14th APEC SME Ministerial Meeting with representatives responsible for 21 economies met in Hobart on 8-9 March 2007

The policy theme of the meeting was 'Driving SME Growth through Economic Reform' in line with Australia's APEC 2007 theme 'Strengthening our Community, Building a Sustainable Future'.

Ministers discussed policies and initiatives to drive SME growth through economic reform including free and open trade and investment; macro-economic stability; adherence to the rule of law; prudent fiscal management by governments; and enhancing the business operating environment for SMEs to enable them to grow and prosper throughout the APEC region.

At a practical level Ministers agreed that SME growth would be stimulated by:

reducing transaction costs and red tape imposed by governments, such as making it easier to start

| OAA                          | <ul> <li>and grow a business;</li> <li>encouraging innovation;</li> <li>saving time for SMEs, for example encouraging the use of e-commerce and online transactions with government;</li> <li>better understanding and management of intellectual property rights; and</li> <li>encouraging SMEs to consider internationalisation.</li> </ul> [X] Not applicable / [] Still in-progress Summarise progress in implementing relevant items of the OAA.   |
|------------------------------|---|
|                              | [] Not applicable / [] Still in-progress  |
| САР                          | Where necessary, summarise progress in implementing relevant items of CAP.  |
|                              | [ ] Not applicable / [ ] Still in-progress  |
| Pathfinder Initiatives       | Summarise progress in implementing Pathfinder Initiatives agreed at 10 <sup>th</sup> AELM.  |
|                              | [] Not applicable / [] Still in-progress  |
| APEC-wide ECOTECH Priorities | Private Sector Development Agenda, New Zealand and Canada conducted the first APEC Capacity-Buil ding Seminar on the Ease of Doing Business on Wednesday 7 March in Hobart. The focus of the seminar was 'Starting a Business'. This was the first seminar in this multi-year Private Sector Development Initiative.  Developing stable and efficient markets through structural reform.  Strengthening economic infrastructure  Facilitating technology flows and harnessing technologies for the future  Safeguarding the quality of life through environmentally sound growth  Developing and strengthening the dynamism of small and medium enterprises (SMEs)  The SME Innovation Centre presented its findings which were obtained through the research on the innovation promoting policy for SME in APEC. |

|             | Suggestions for APEC member economies to facilitate SME innovation:  |
|-------------|--|
|             | <ul> <li>Funding for benchmarking of innovation policies and best practices should be made available to effectively facilitate the undertaking of industry-specific collaborations among governments, industries, academia, and research institutes in the APEC region.</li> <li>It is suggested to draw a general framework for designing, deploying and assessing SME innovation policies including a template for human capacity building.</li> <li>All the participants in forums or workshops associated with SME innovation in APEC are suggested to be developed into the APEC SME Innovation Leaders Club, a community of SME innovation leaders.</li> </ul> |
|             | Integration into the Global Economy;   |
|             | Promoting the Development of Knowledge-Based Economies; and  |
|             | Addressing Social Dimension of Globalization.  |
|             | Human Security and Counter-terrorism Capacity Building The SMEWG received a presentation from the United States Center for Disease Control in relation to pandemic preparedness. An 'APEC Pandemic Flu Planning Guide for SMEs' was circulated to members for endorsement. A consensus was reached to endorse the Guide as part of the menu of material for economies to use to help their SMEs develop a plan for a pandemic.   |
| E-commerce  | [] Not applicable / [] Still in-progress  Summarise progress in implementing the E-commerce Stocktake  |
| Stocktake   | [ ] Not applicable / [ ] Still in-progress   |
| AFS         | Summarise progress in implementation of the APEC Food System. Use an annex if necessary.   |
| Sustainable | [] Not applicable / [] Still in-progress Summarise works undertaken in responding to the priority theme of Sustainable Development.  |
| Development | [] Not applicable / [] Still in-progress   |

|                              | Science and<br>Technology<br>Agenda | Summarise examples of projects which achieved objectives under 5 mechanisms (improved availability of and access to information, improved human resource development, improved business climate, enhanced policy dialogue and review, facilitation of network and partnerships) set by the APEC Agenda for Science and Technology Industry Cooperation into the 21st Century  [] Not applicable / [] Still in-progress |
|------------------------------|-------------------------------------|--|
|                              | Contribution to the WTO             | Summarise activities that contributes to the WTO negotiations.  [] Not applicable / [] Still in-progress   |
|                              | Invasive Alien<br>Species           | Summarise activities that contributes to the Invasive Alien Species agenda.  [X] Not applicable / [] Still in-progress   |
|                              | Other APEC Initiatives              | Where necessary, summarise progress in implementing other initiatives of APEC.  [] Not applicable / [] Still in-progress   |
| Expected Annual Deliverables |                                     |  |

# Gender-Related Issues

During 23rd SMEWG Meeting Vietnam informed the group on the recommendations of Women Exporters Group, consisting of Trade Facilitation Action Plan, simplification of customs procedures, and improving e-commerce and mobility of businesses in the APEC region.

During the 11th Women Leader's Network (WLN) Meeting held September 19-22 in Hanoi. The theme of the meeting was "Towards a Dynamic Community - Enhancing the Competitiveness of Women Businesses for Sustainable Development and Prosperity." The WLN submitted recommendations in line with the theme of the meeting. The SMEWG was asked to review the WLN recommendation, and to give them due consideration in the development of work plans and objectives for 2007. On Women's Participation in the Digital Economy:

- Implement the recommendations of the APEC Forum on Digital Economy for Women 2006, including the establishment of an APEC Advisory Committee on Women's Participation in the Digital Economy.
- Include urban and rural women in each economy's ICT master plan and develop a database and research on women's contribution to the digital economy across the APEC region.

#### Legal Frameworks and Gender Analysis:

- Review existing investment, business and credit laws, regulations and practices to eliminate gender bias in their impact and enforcement.
- Encourage APEC economies to provide gender analysis training for their government trade officials and make gender analysis an ongoing part of trade policy development at both the economy and regional levels.

#### M/SME:

- Identify, fund and implement gender-responsive programs and policy models that will assist women-owned and/or women-led M/SME to expand their businesses, and to build international trade links and networks through increased participation in global supply/value chains.

#### **Human Security:**

- Promote the economic empowerment of women and safeguard APEC prosperity through encouraging APEC enterprises to adopt and implement the ILO Code of Practice on HIV/AIDS and the World of Work, and provide related capacity building programs.
- Protect the rights of migrant workers, the majority of whom are women.

The Chair of the SMEWG for 2007 (Australia) is a woman (Ms Sue Weston), as is the Assistant to the Chair (Ms Megan Watson). The Chair of the 14<sup>th</sup> SME Ministerial Meeting for 2007 was also a woman (the Hon Fran Bailey MP).

At the fora level, the SMEWG invites a representative of the WLN to every SMEWG meeting and the WLN has been granted guest status. The WLN is given the opportunity to make a statement at each of the SMEWG meetings and is able to observe all SMEWG activities. The relationship between the SMEWG and the WLN has encouraged greater consideration of gender issues within the SMEWG. The SMEWG GFPN representative will encourage SMEWG members to continue to build on this relationship.

|   | In 2007, Mrs Heather Ridout, 2007 Chair of the WLN addressed the SME Ministerial Meeting and highlighted the important role that women play in SMEs and how collaboration between the SMEWG and WLN can contribute to the SMEWG's implementation of the Framework for the Integration of Women in APEC. A representative of the 2007 GFPN Chair also attended the SMEWG meeting in Hobart and the SMEWG will continue its collaboration with the GPFN in its work.  The SMEWG is represented by a significant proportion of women, with the majority of members having one or more women involved in SMEWG activities. Approximately 40% of SMEWG contacts are women, while approximately 35% of SMEWG delegates attending the last SMEWG meeting were women.  The SMEWG GFPN representative will continue to encourage the participation of women in future SMEWG activities and meetings. |
|---|---|
| Counter-Terrorism<br>Measures                               | Summarise progress in implementing the Counter-terrorism Action Plan.   |
| ABAC<br>Recommendations                                     | Summarise work done in response to the previous year's ABAC Recommendations.  |
| SME-Related Issues  | Where necessary, summarise work done in relation to Small and Medium sized Enterprises.   |
| Non-Member<br>Participation                                 | Where necessary, summarise activities and/or plans that have non-member participation implications.  Specify any recommendation for decisions from the APEC body receiving this report.   |
| Cooperation with the<br>Private Sector                      |   |
| Cooperation with IFIs and other international organisations | SMEWG will continue to cooperate with the OECD through sharing of information and research results, including the joint APEC-OECD project and global conference held in Athens in November 2006 to identify key barriers to SME access to international markets, and the proposed follow up.  |
| 3   | The OECD provided a report to the 24 <sup>th</sup> SMEWG on two key OECD activities: the 'OECD Review of SME Issues and Policies in Mexico' and the Global Conference on 'Enhancing the Role of SMEs in Global Value Chains' to held in 31 May-1 June 2007, Tokyo, Japan. The OECD invited APEC economies to attend the conference and requested that they respond to a survey on best practice policies to assist SMEs in participating successfully in global value chains. It was agreed during the meeting that the survey will be circulated to members through the APEC Secretariat. APEC DED attended Tokyo Conference.  |
|   | Organizations such as ABAC, the ASEAN Secretariat, the OECD, the Women Leaders' Network and the Pacific Islands Forum have also and important role to advancing APEC's SME work.  |

| Necessary Assistance from APEC Secretariat      | Guidance and support on APEC procedures to facilitate the SMEWG work and to streng then the collaboration with other APEC Fora and other international organizations.  During the 24 <sup>th</sup> SMEWG meeting, the OECD invited APEC economies to attend the 'Enhancing the Role of SMEs in Global Value Chains' conference and reques ted that they respond to a survey on best practice policies to assist SMEs in participating successfully in global value chains. It was agreed during the meeting that the survey will be circulated to members through the APEC Secretariat.  | Follow-up: Specify such as: provision of information studies; liaison; or other activities. |
|---|--|---|
| Proposed<br>Cooperation from<br>Other APEC Fora | As result of the SCE Fora Review and recommendations, the SMEWG discussed a number of issues that arise in relation to the incorporation of the WGTP.  Membership  It was acknowledged that for some economies, trade promotion issues and SME / Micro Enterprise (ME) issues are the responsibility of separate Ministries. The way in which this coordination will occur will be a matter for each economy. However it was noted that there are no limits to the size of delegations, as attendance at the SMEWG meeting will be open to more than one official. Agendas should also be arranged so that, for example, trade promotion issues, will be placed together, enabling trade promotion officials to attend only for that part of the meeting if preferred.  Meeting Schedule  The issue of one meeting per year for the SMEWG incorporating the WGTP was canvassed. There was a preference to stay with meeting twice per year especially during this transitional period to the new arrangements. However reconsideration of moving to one meeting per year should occur at some point in the future.  Terms of Reference  Existing Terms of Reference for the SMEWG will need to be reviewed to incorporate Terms of Reference that relate the trade promotions (and micro enterprises – refer summary of Micro-enterprise Sub Group). The APEC Secretariat has issued draft guidelines for all APEC fora and the new Terms of Reference should follow these | Follow-up: Specify such as:   |

parameters.

#### Rotation of the Chair

The SMEWG discussed a number of options and agreed to an option where the host economy chairs the SMEWG and then in the following year co-chairs the working group, adopting a mentoring / coaching role. In this way there is a two year continuity of the chair.

#### Strategic Priorities and Work Plan

The SMEWG agreed that strategic priorities and a work plan will need to be developed that focus on all the elements of the working group – micro, small and medium enterprises and trade promotion. There was support within the SMEWG to ensure that trade promotion activities were specifically focused on SMEs.

A funding proposal to APEC to support this project in planned.

#### Project Work

In the transitional period where SMEWG is incorporating the WGTP, the SMEWG will operate under its new Standing Committee arrangements for project assessments. The WGTP will also operate its usual processes but pass its projects through the SMEWG standing committee for any comments. This has been agreed with the WGTP.

When the WGTP is incorporated into the SMEWG, the SMEWG will assess all proposals through its Standing Committee process. Standing Committee members should access relevant expertise in their home economies in assessing projects that cover all topic areas now under the SMEWG.

#### Further Action

Economies provided comments through the APEC Information Management Portal on the issues raised by the SMEWG incorporating the WGTP. Comments were incorporated into a new Terms of Reference and Work Plan and distributed again to economies. The new Terms of Reference and Work Plan will be provided to the SCE for endorsement at its meeting on 30 June 2007.

|  | TEL.  On security tools for SMEs. SMEWG and Telecommunications and Information Working Group agreed to be represented at each other's meetings.   |  |
|--|---|--|
| Necessary or<br>Proposed<br>Cooperation from<br>Member Economies | Where necessary, specify necessary actions to be undertaken by an APEC Member Economy (Economies).  | Follow-up: Specify such as: implementation; provision of information; other activities |
| Outreach Matters   | 13 <sup>th</sup> SME Ministerial Meeting recognized the importance to assist those SMEs and micro-enterprises in local cultural industries that have high potential but lack a channel to conduct export, through virtual expositions as one of effective ways to adopt e-commerce to promote international trade and enhance the capability of SMEs and micro-enterprises on exploring new business opportunities in overseas markets; and holding related seminars. |  |

#### Report of Telecommunications and Information Working Group (TEL) Date: 30 June 2007 Occasion: SOM 3

#### **Summary of Plenary Meetings Since Last** Report

**Date:** TEL 34, October 22-27, 2006 Venue: Auckland, New Zealand TEL 35, April 22-27, 2007

Quezon City, Manila, Philippines

Chair: Dr Inuk Chung (Korea)

#### Attendance:

TEL 34: Sixteen APEC member economies were in attendance, with Brunei Darussalam, Mexico, Papua New Guinea, Peru and Russia being absent. AOEMA, APCERT, APLAC, GBDe, INTUG, and Macau, China attended as guests. The APEC Secretariat, ABAC and the OECD also attended. Around 250 representatives from government and the telecommunication and information industry and academia attended the meeting.

TEL 35: Eighteen APEC member economies were in attendance, with Mexico, Peru and Russia being absent. Colombia, GBDe and INTUG attended as guests and the OECD as invited guest. Around 260 representatives from government, academia and the telecommunication and information industry attended the meeting.

#### Summary:

TEL 34: TEL met to review progress in the implementation of the APEC TEL Program of Action; new project proposals; and internal guidelines on the rotation and responsibilities of Convenors and Deputy Convenors.

This was the first TEL meeting under the new structure adopted at TEL33 and new leadership of Convenors and Deputy Convenors.

TEL approved a new urgent project proposal Deployment of GCIO Training Model and Networking for e-Government Development seeking Operational Account funds and agreed to resubmit as an urgent project proposal the project Voice over IP (VoIP) Security Guidelines not funded at BMCII.

TEL Heads of Delegation considered the Discussion Paper on review of APEC Fora and welcomed the suggestion to incorporate appropriate and relevant ECSG activities into the TEL to enhance synergy in policies and activities within sectors.

TEL agreed to seek SOM approval regarding the participation of the TEL Chair in the ITU Telecomm World 2006 held in Hong Kong, China 4-8 December 2006; and join activities with OECD and ASEAN at TEL35 in Manila.

The TEL hosted five side events: Workshop M-Opportunity for All; Telematic Workshop; Workshop on WTO GATS Domestic Regulation: Asia Pacific Information Society Vision Workshop: Industry Futures Roundtable "Evolution in the Telecommunications Ecosystem".

**TEL 35:** TEL met to review progress in the implementation of the APEC TEL Program of Action and advance its work in preparation for TELMIN7 to be held in Thailand on 20-25 April; discuss possible deliverables for the year; consider new project proposals; and elect a new Vice Chair.

As a result of the discussion held at the APEC-OECD Malware Workshop, the next course of action proposed in the collaborative work with the OECD on Malware is the APEC TEL - OECD Analytical Report on Malicious Software and the recommendations with Action Plans against Malware.

TEL and the OECD also agreed to work on Indicators for Security and Trust. The objective of the work is to develop an APEC TEL-OECD Model Survey on Indicators for Trust. It will guide the development of national surveys for indicators of security and trust targeted at governments.

TEL agreed to seek SOM's approval for the continuation of the collaborative work with the OECD on Malware and Indicators for Security and Trust.

Dr Inuk Chung from Korea concluded his two years term as TEL Chair. Dr Arnon Tubtiang, the Vice-Chair from Thailand became the TEL Chair for the period 2007-2009. Mr Liu Ziping from China was elected by consensus as the new Vice-Chair and according to TEL practice, Mr Liu will become the TEL Chair in 2009.

The TEL hosted six side events: APEC-OECD Malware Workshop; APEC-ASEAN Joint Workshop on Network Security; Implementing WTO Domestic Regulation Disciplines for ICT; Interconnection workshop; Industry Roundtable; and Regulatory Roundtable.

#### Recommendation:

Specify whether for consideration of decision points or for taking note.

#### TEL recommends that SOM:

- 1) **Note** progress in the implementation of the APEC TEL Program of Action;
- 2) Welcome preparations for TELMIN7 to be hosted by Thailand on 20-25 April, 2008
- 3) **Note** current work with the OECD on Malware and related threats and **approve** the continuation of collaborative work with this organization to: a) prepare an APEC TEL –OECD Analytical Report on Malicious Software and Recommendations with Actions Plans against Malware and related Threat; and, b) develop and APEC TEL-OECD Model Survey on Indicators for Trust.

| Implementation of               | Leaders'     | Cummarian progress in implementing relevant AELM instructions  |
|---------------------------------|--------------|--|
| APEC Mandates                   | Instructions | Summarise progress in implementing relevant AELM instructions.   |
| Tick ✓those items for           |              | Annual Leaders Meeting 2006  |
| which a report may not          |              | We calcould dred the offerte made in reaching the Prunei Coale on Internet access and instructed Ministers   |
| be needed;  – the item is not   |              | We acknowledged the efforts made in reaching the Brunei Goals on Internet access and instructed Ministers to further facilitate achievement of these goals.  |
| applicable to the               |              | to faithful facilitate active to the control of the |
| forum or;  — it is premature to |              | 1) Achieving the Brunei Goals – Moving Forward. The report includes a list of activity areas for the TEL to undertake to further assist APEC economies in achieving the Brunei goals and to be reviewed annually.  |
| report as work is               |              | and the control of th |
| still in progress.              |              | 2) Assessment Report – Progress towards the Brunei Goal of Tripling Internet Access by the end of 2006, which works to complement the updated Internet access statistics with a brief assessment of progress made, possible factors affecting various economies' internet growth, and actions for economies to consider as they continue efforts to expand access.   |
|                                 |              | We reaffirmed the importance of realizing the Asia-Pacific Information Society   |
|                                 |              | TEL approved the proposal Future Vision of the Asia Pacific Information Society to develop a simplified and understandable vision of the APIS and describe the APIS in terms of best practices or a framework. Principles of the APIS Vision have been developed and were presented at TEL35 by Japan.   |
|                                 |              | [ ] Not applicable / [ X] Still in-progress  |
|                                 | Ministers'   | Summarise progress in implementing relevant AMM instructions.  |
|                                 | motractions  | Annual Ministers Meeting 2006  |
|                                 |              | Ministers encouraged member economies to more deeply engage in building Information and Communications Technologies (ICT) infrastructure and capacity to support strong efforts made in reaching the Brunei Goals on Internet access in the region.  |
|                                 |              | Please refer to the report Achieving the Brunei Goals and the Assessment Report mentioned in the previous section.   |
|                                 |              | Ministers took note of the work begun by TEL on drafting of guidelines on the protection of information systems for essential infrastructure and services as part of an ongoing focus on online security, spam and related threats.  |
|                                 |              | The project Information Security Certifications Assessment Guide aims to raise awareness of public and private sector management in APEC economies about their information security needs and the ways that  |

they can recruit the right human resources, with the appropriate qualifications, to meet those needs.

TEL has discussed the importance of an Information Security Assessment Tool for SMEs. As SMEs have been embracing the use of ICT, there are very few ISMs solutions for organizations with limited resources. The tool complies with APEC TEL Digital Divide Blueprint for Action. A proposal was forwarded to form a SME security expert group under SPSG of APEC TEL and interested economies were urged to participate in the expert group.

Ministers highlighted the importance of cooperative activities to address and mitigate the threats posed by spam and malware through the TEL Spam and Related Threats Symposium in April 2006.

TEL is working with the OECD on Malware and related threats and agreed to continue the collaborative work with this organization to prepare: 1) an Analytical Report on Malware and related Threat; and, 2) Indicators for Trust Project.

An APEC-OECD Malware Workshop was held at TEL35. The objective of the workshop was to explore more in-depth select issues raised by malware and other related malicious activities over the network. The workshop also focused on the capabilities and counter measures for response to cyber attacks.

Ministers noted the work of TEL on developing good practice guidelines to support economies in coming up with effective domestic regulation on telecommunications and information technology sectors in line with their commitment under GATS.

TEL is implementing the Project WTO Capacity Building on Domestic Regulations to familiarize APEC members to the WTO GATS Domestic Regulation disciplines and how they are applied to the ICT Sector. Economies have discussed examples of best practices and a set of guidelines to implement domestic regulations in the ICT sector. These guidelines will assist developing economies develop or reform their policy and regulatory structures and become WTO compliant. They can also be used as reference and training material for capacity building activities.

Progress towards Adopting and Implementing the WTO Reference Paper. This paper provides updates on Pathfinder economies' progress towards adopting and implementing the WTO Basic Telecommunications Reference Paper. After discussion reflecting the value of this work TEL decided to update it on an annual basis.

Guide on Best practices in implementing the WTO reference paper. The purpose of the guide is to provide real-world examples of practices that particular APEC economies have put into place to illustrate the broad principles contained within the WTO Reference Paper on basic telecommunications. The Guide has been provided to the WTO where it is now available on their database. This is a good example of APEC TEL

undertaking work to support the multilateral trade process that would be difficult for WTO itself to do.

Ministers acknowledged that converting digital divides into opportunities is helpful for member economies in developing the digital economy. They welcomed the progressive activities and contributions made by the APEC Digital Opportunity Center (ADOC) in 2006 and encouraged member economies to enhance their cooperation in this area of work.

In 2007, several activities have been implemented by the APEC Digital Opportunity Center (ADOC). The center aims to realize the APEC blueprints for bridging the digital divide; help generate international e-Commerce Trade & Investment in the APEC region; serve as a platform for exploring digital opportunities by expanding digital capabilities among ADOC member economies; function as one of the enablers of the New by harnessing the full potential that Information & Communication Technology (ICT) brings; and create a cooperative mechanism to strengthen the friendships between APEC member economies, both in the public and private sectors.

Ministers highlighted the work of APEC TEL on developing a clearer vision of the Asia Pacific Information Society (APIS) and encouraged APEC TEL to advance the development of the APIS further.

Please refer to APIS TEL's work reported in the section of AELM instructions.

Ministers acknowledged the outcomes of the two conferences on the Development of Model Government Chief Information Officer (CIO) Councils held in June in Japan and September in the United States. Ministers supported the development of new APEC TEL activities to build on this work.

TEL approved the project Deployment of GCIO Training Model and Networking for e-Government Development. Under this project, Thailand held the GCIO Training Program Jakarta, Indonesia April 25 - 26, 2007.

### [] Not applicable / [X] Still in-progress

#### Sectoral Ministers' Instructions

Where necessary, summarise progress in implementing relevant Sectoral Ministers' instructions..

At the 6<sup>th</sup> TELMIN in Lima (June 2005), APEC TEL Ministers instructed the TEL to direct its attention towards activities under thematic areas that include: Advancing Information and Communications Infrastructure; Enabling Digital Opportunities through Effective Policy and Regulation; Strengthening Security and Prosperity through the Use of Information and Communication Technologies; Advancing the Information Society through Human Capacity Building; and Communication Networks for Disaster Mitigation and Relief Operation.

All activities undertaken by the TEL are part of its Program of Action that responds to Ministers of Telecommunications and Information Industry instructions.

|     | TEL is preparing possible issues to take forward to Ministers at TELMIN 7 to be held in Thailand on 20-25 April 2008, either as new and ongoing areas of work, or as deliverables for endorsement.   |
|-----|--|
|     | [ ] Not applicable / [X ] Still in-progress  |
| OAA | Summarise progress in implementing relevant items of the OAA.  |
|     | The TEL continues to implement the Action Program for Telecommunications contained in the Osaka Action Agenda, including activities on the following areas:  |
|     | Liberalization   |
|     | Discussion and overview of current policy and regulatory issues.   |
|     | Industry Roundtable. Focused on how industry can help APEC achieve the goal to provide universal Internet access by 2010 and presented a report for consideration by the TEL Steering Groups addressing issues such as: market developments; technology developments; finance/business models; and policy and regulatory considerations.                 |
|     | Regulatory Roundtable. It serves to engage policymakers and regulators in a dialogue by bringing senior regulators together to discuss present-day challenges and explore emerging issues where a consensus basket of regulatory approaches has yet to be formed. Participants discussed the transformative effects of wireless and mobile technologies. |
|     | Interconnection Workshop. It was agreed that there was no need to revise the APEC TEL Principles of Interconnection, adopted in 2000 at this time. However, it was concluded that there was a need to revisit the issue of interconnection due to the changes caused by technological evolution.   |
|     | WTO Capacity Building on Domestic Regulations to familiarize APEC members to the WTO GATS Domestic Regulation disciplines and how they are applied to the ICT Sector. Economies have discussed examples of best practices and a set of guidelines to implement domestic regulations in the ICT sector.   |
|     | Frameworks for Creating Policy and Regulations. TEL agreed to continue to make opportunities for presentation of regulatory developments and regulatory processes and recognizes the need to focus resources on key priorities.  |
|     | Drafting paper on assessing existing material on consumer protection in order to avoid duplication of effort. It contains a list of existing relevant documents and websites produced by APEC TEL, the APEC ECSG, ITU, OECD, and APEC member economies.  |

The group discussed papers on VoIP and fixed-mobile convergence in the APEC region; received updated report on NGN's work; the outcomes of the RFID Spectrum Survey; and progress report on Regulation of Virtual Private Networks

Progress towards Adopting and Implementing the WTO Reference Paper. This paper provides updates on Pathfinder economies' progress towards adopting and implementing the WTO Basic Telecommunications Reference Paper. It is updated annually.

Guide on Best practices in implementing the WTO reference paper. It provides real-world examples of practices that particular APEC economies have put into place to illustrate the broad principles contained within the WTO Reference Paper on basic telecommunications. The Guide has been provided to the WTO where it is now available on their database. This is a good example of APEC TEL undertaking work to support the multilateral trade process that would be difficult for WTO itself to do.

The MRA Information Management Guide is being updated. The MRA TF is considering a third phase of their Stocktake. The TEL MRA Task Force proposed a training session at TEL36 with participation of CITEL representatives.

#### **Security and Prosperity**

APEC-OECD Malware Workshop was held at TEL35. The objective of the workshop was to explore more indepth select issues raised by malware and other related malicious activities over the network. The workshop also focused on the capabilities and counter measures for response to cyber attacks.

The APEC TEL and ASEAN workshop on Network Security held at TEL35. It focused on Cyber crime Legislation: Policy and Regulatory and Enforcement Capacity Building. The workshop facilitated the experiences gained by APEC economies in the drafting of cyber crime type legislations and also the capacity building of enforcement bodies.

TEL is implementing the project Strengthening Effective Response Capabilities Among APEC Economies aimed to develop best practices. A training course was conducted in October 20006.

The project Judge and Prosecutor Cyber Crime Enforcement Capacity Building Project reported significant progress.

Voice over IP (VoIP) Security Guidelines. The project aims to develop a multilingual document that explains to businesses what they should be doing with regards to VOIP security, with a particular focus on the needs of SMEs. This project will also establish a multilingual web site that contains the information from the booklet and also provides a forum where people can go to seek help.

Information Security Certifications Assessment Guide. The project is proposed to develop an Information Security Certification Awareness Program, or "Buyer's Guide," that can be delivered to both the public and private sectors. In particular it seeks to help SMEs develop an understanding of the issues to help them choose security employees or suppliers.

International PKI and e-Authentication Training Program aims to drive PKI/e-Authentication implementation and promote PKI/e-Authentication awareness and to strengthen the capabilities of Regulators.

TEL is working with the OECD on Malware and related threats and agreed to seek SOM's approval for the continuation of collaborative work with this organization to: 1) prepare an APEC TEL –OECD Analytical Report on Malicious Software and Recommendations with Actions Plans against Malware and related Threat; and, 2) develop and APEC TEL-OECD Model Survey on Indicators for Trust.

TEL approved the Workshop on Cyber Security and Critical Information Infrastructure Protection (CIIP). It aims to address issues such as the value of exercises in establishing, testing and improving communications and cyber incident response as well as sharing best practices for successful exercises.

#### **ICT Development**

Achieving the Brunei Goals – Moving Forward. The report includes a list of activity areas for the TEL to undertake to further assist APEC economies in achieving the Brunei goals and to be reviewed annually.

Assessment Report – Progress towards the Brunei Goal of Tripling Internet Access by the end of 2006, which works to complement the updated Internet access statistics with a brief assessment of progress made, possible factors affecting various economies' internet growth, and actions for economies to consider as they continue efforts to expand access.

Economies present updates on Telematics identifying areas for consideration and current market status.

e-University Network in HRD for e-Government. The purpose of this project is: (1) to establish APEC "e-University networks" as a center of excellence in HRD for e-government through e-learning vocational courses/system by using new 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. The implementation of phase three which includes an evaluation by a technical team is now in progress.

APEC e-Government Research Center at Waseda University. It has the objectives to formulate APECTEL

| CAP | systems among Korean, Chinese and English languages. The system is scalable and is able to connect models from other languages.  Future Vision of the Asia Pacific Information Society to develop a simplified and understandable vision of the APIS and describe the APIS in terms of best practices or a framework. Principles of the APIS Vision have been developed and were presented at TEL35.  Progress has also been reported on GRID related projects, collaboration activities for the Asia-Pacific Information infrastructure,  [] Not applicable / [] Still in-progress  Where necessary, summarise progress in implementing relevant items of CAP.  |
|-----|--|
|     | establish Government CIO policy bodies in the forms of Government CIO Council and to enhance active cooperation and networking both locally and internationally among CIOs in APEC member economies. The project concluded after the workshop held in the United States in September 2006.  Deployment of GCIO Training Model and Networking for e-Government Development. The project aims to contribute to the development of e-Government and the Asia Pacific Information Society by implementing a training program to "Train the Trainer" for GCIOs and Senior IT executives from APEC member economies.  Foundation of Asian Speech Translation Research Basis. Progress was reported in setting up a translation |
|     | project of "e-University in HRD for e-Government" as Center of Excellence, to coordinate, support and network e-Government research / education / training activities in APEC region, to work on evaluation/review of e-Government related projects in member economies and to make the findings of its research widely available.  Development of Model Government CIO Councils. The project aimed to design an adaptive model to   |

#### APEC-wide ECOTECH Priorities

Summarise progress in implementing the 2006 ECOTECH priorities; four APEC wide ECOTECH Priorities and six long term priorities from the Manila Framework.

Developing human capital, Integration into the Global Economy and Promoting the Development of Knowledge-Based Economies

Building human capacity is essential in achieving the benefits and the realization of a digital society and in narrowing the digital divide. The TEL has undertaken the following activities:

- Training and development for policy makers, regulators, service providers, chief information officers and users, in the areas of policy development, NGN, e-government, promoting digital opportunities, and good regulatory practices;
- b) development and training to accelerate the TEL MRA;
- c) capacity building initiatives to continue momentum towards the Asia-Pacific Information Society;
   and
- d) human resource development, such as a e-university to assist e-government, and the use of telecenters; and continue TEL e-Learning initiatives for capacity building by utilizing ICT and emerging NGN technologies.

For detailed information refer to TEL capacity building activities on Liberalization, Security and Prosperity, and ICT Development described in previous sections.

# Developing and strengthening the dynamism of small and medium enterprises (SMEs)

Voice over IP (VoIP) Security Guidelines. The project aims to develop a multilingual document that explains to businesses what they should be doing with regards to VOIP security, with a particular focus on the needs of SMEs. This project will also establish a multilingual web site that contains the information from the booklet and also provides a forum where people can go to seek help.

Information Security Certifications Assessment Guide. The project is proposed to develop an Information Security Certification Awareness Program, or "Buyer's Guide," that can be delivered to both the public and private sectors. In particular it seeks to help SMEs develop an understanding of the issues to help them choose security employees or suppliers.

TEL has also discussed the importance of an Information Security Assessment Tool for SMEs. As SMEs

|                                     | See above reports of TEL34 and TEL35  |
|-------------------------------------|---|
| Science and<br>Technology<br>Agenda | Summarise examples of projects which achieved objectives under 5 mechanisms (improved availability of and access to information, improved human resource development, improved business climate, enhanced policy dialogue and review, facilitation of network and partnerships) set by the APEC Agenda for Science and Technology Industry Cooperation into the 21st Century  |
| Development                         | Summarise works undertaken in responding to the priority theme of Sustainable Development.  [] Not applicable / [] Still in-progress  |
| Sustainable                         | [X] Not applicable / [] Still in-progress   |
| AFS                                 | [] Not applicable / [] Still in-progress  Summarise progress in implementation of the APEC Food System. Use an annex if necessary.  |
| E-commerce<br>Stocktake             | Summarise progress in implementing the E-commerce Stocktake   |
|                                     | Over the last year progress has been reported on activities on malware and other related malicious activities, network security, strengthening effective response capabilities among APEC economies, cyber crime enforcement capacity building, cyber security and critical information infrastructure protection, development of security guidelines and information security certifications assessment guide. For more information refer to detailed activities under the Security and Prosperity section mentioned above.  [] Not applicable / [X] Still in-progress]  |
|                                     | TEL continues to undertake work to address cyber security, cyber crime and critical infrastructure issues through raising awareness of emerging security trends and malicious activity involving ICTs, promoting network security and cooperation among computer emergency response teams (CSIRT), providing assistance to economies in drafting legislation on cybercrime, reviewing issues relating to the protection of critical infrastructure, and providing for capacity building activities for cybercrime experts, law enforcement officials and legislators, and follow-up action on the APEC Strategy to Ensure Trusted and Sustainable Online Environment. |
|                                     | Counter-terrorism Capacity Building   |
|                                     | have been embracing the use of ICT, there are very few ISMs solutions for organizations with limited resources. The tool complies with APEC TEL Digital Divide Blueprint for Action. A proposal was forwarded to form a SME security expert group under SPSG of APEC TEL and interested economies were urged to participate in the expert group.  |

|                              |                           | [ ] Not applicable / [X ] Still in-progress   |
|------------------------------|---------------------------|---|
|                              | Contribution to the WTO   | Summarise activities that contributes to the WTO negotiations.  |
|                              |                           | TEL is implementing the Project WTO Capacity Building on Domestic Regulations to familiarize APEC members to the WTO GATS Domestic Regulation disciplines and how they are applied to the ICT Sector. Economies have discussed examples of best practices and a set of guidelines to implement domestic regulations in the ICT sector. These guidelines will assist developing economies develop or reform their policy and regulatory structures and become WTO compliant. They can also be used as reference and training material for capacity building activities. Under this project, the Workshop on WTO GATS Domestic Regulation was held at TEL34 and Implementing WTO Domestic Regulation Disciplines for ICT was held at TEL35. |
|                              |                           | Progress towards Adopting and Implementing the WTO Reference Paper. This paper provides updates on Pathfinder economies' progress towards adopting and implementing the WTO Basic Telecommunications Reference Paper. After discussion reflecting the value of this work TEL decided to update it on an annual basis.   |
|                              |                           | Guide on Best practices in implementing the WTO reference paper. The purpose of the guide is to provide real-world examples of practices that particular APEC economies have put into place to illustrate the broad principles contained within the WTO Reference Paper on basic telecommunications. The Guide has been provided to the WTO where it is now available on their database. This is a good example of APEC TEL undertaking work to support the multilateral trade process that would be difficult for WTO itself to do.  |
|                              |                           | [ ] Not applicable / [ ] Still in-progress  |
|                              | Invasive Alien<br>Species | Summarise activities that contributes to the Invasive Alien Species agenda.   |
|                              | Other APEC Initiatives    | [X] Not applicable / [] Still in-progress  Where necessary, summarise progress in implementing other initiatives of APEC.   |
|                              | maarvoo                   | [ ] Not applicable / [ ] Still in-progress  |
| Expected Annual Deliverables | Specify expected          | deliverables, TILF and ECOTECH, that the forum is targeting for the year.   |
|                              |                           | M-Opportunity for All;  |
|                              |                           | Workshop;<br>o on WTO GATS Domestic Regulation;   |
|                              |                           | fic Information Society Vision Workshop;  |
|                              |                           | rutures Roundtable "Evolution in the Telecommunications Ecosystem.  |
|                              |                           | CD Malware Workshop;  |

|                          | APEC-ASEAN Joint Workshop on Network Security;   |
|--------------------------|--|
|                          | Implementing WTO Domestic Regulation Disciplines for ICT;  |
|                          | Interconnection workshop; Industry Roundtable;   |
|                          | Regulatory Roundtable  |
| Gender-Related<br>Issues | Where necessary, summarise progress in implementing the Framework for the integration of Women in APEC.  |
|                          | TEL is implementing the project Voice over IP (VoIP) Security Guidelines. This project will have a positive impact on men and by specifically considering the communication channels used by women and considering women's communication styles in the development of these resources, this project will also benefit women. There are significant gender issues that this project will be addressing taking into account the involvement of women in SMEs and women's unequal access to technologies. |
|                          | Women are represented and actively participate in all TEL activities.  |
| Counter-Terrorism        | Summarise progress in implementing the Counter-terrorism Action Plan.  |
| Measures                 | The TEL Chair participated in CTTF (Counter-Terrorism Task Force) Meeting during SOM I and presented on the progress of work done by TEL on cyber-security which was included as a priority issue in the APEC Leaders' Statement on Fighting Terrorism and Promoting Growth' in Los Cabos, Mexico, 2002. He reported on the main activities of SPSG and others including training courses and workshops since 2002.  |
|                          | The APEC TEL and ASEAN workshop on Network Security took place on April 24, 2007. It focused on Cyber crime Legislation: Policy and Regulatory and Enforcement Capacity Building. The workshop facilitated the experiences gained by APEC economies in the drafting of cyber crime type legislations and also the capacity building of enforcement bodies.   |
|                          | TEL approved a project to hold a workshop on cyber security and critical information infrastructure protection (CIIP) exercises for interested APEC economies at APEC TEL 36. The workshop would take a high level approach to addressing issues such as the value of exercises in establishing, testing and improving communications and cyber incident response as well as sharing best practices for successful exercises.  |
|                          | An APEC-OECD Malware Workshop was held at TEL35. The objective of the workshop was to explore more in-depth select issues raised by malware and other related malicious activities over the network. The workshop also focused on the capabilities and counter measures for response to cyber attacks.   |
| ABAC                     | Summarise work done in response to the previous year's ABAC Recommendations.   |
| Recommendations          | ABAC has initiated a comprehensive study of the challenges to creating an information society for APEC by 2010.  |
|                          | TEL approved the proposal Future Vision of the Asia Pacific Information Society to develop a simplified and understandable vision of the APIS and describe the APIS in terms of best practices or a framework. Principles of the APIS Vision have been developed and were presented at TEL35 by Japan  |

| SME-Related Issues                     | Where necessary, summarise work done in relation to Small and Medium sized Enterprises.  |
|--|--|
|  | Voice over IP (VoIP) Security Guidelines. The project aims to develop a multilingual document that explains to businesses what they should be doing with regards to VOIP security, with a particular focus on the needs of SMEs. This project will also establish a multilingual web site that contains the information from the booklet and also provides a forum where people can go to seek help.   |
|  | Information Security Certifications Assessment Guide. The project is proposed to develop an Information Security Certification Awareness Program, or "Buyer's Guide," that can be delivered to both the public and private sectors. In particular it seeks to help SMEs develop an understanding of the issues to help them choose security employees or suppliers.  |
|  | TEL has also discussed the importance of an Information Security Assessment Tool for SMEs. As SMEs have been embracing the use of ICT, there are very few ISMs solutions for organizations with limited resources. The tool complies with APEC TEL Digital Divide Blueprint for Action. A proposal was forwarded to form a SME security expert group under SPSG of APEC TEL and interested economies were urged to participate in the expert group.          |
| Non-Member                             | Where necessary, summarise activities and/or plans that have non-member participation implications.  |
| Participation                          | Specify any recommendation for decisions from the APEC body receiving this report.   |
|  | The TEL renewed the guest status of INTUG. Macao's application to renew its guest status and Pakistan's application to be granted guest status were rejected by the group on February 2007.  |
|  | Representatives of non-APEC members participated in the following TEL activities:  |
|  | Workshop on WTO GATS Domestic Regulation (TEL 34)  |
|  | APEC-OECD Malware Workshop; (TEL35)  |
|  | APEC-ASEAN Joint Workshop on Network Security; (TEL 35) Implementing WTO Domestic Regulation Disciplines for ICT (TEL 35)  |
| Cooperation with the<br>Private Sector | Where necessary, summarise activities and/or plans that have private sector participation implications.  |
|  | Industry Futures Roundtable "Evolution in the Telecommunications Ecosystem held at TEL34   |
|  | Industry Roundtable "How industry can help achieve APEC Leaders' goal to provide universal Internet access by 2010" held at TEL35. Participants discussed how industry can help APEC achieve the goal to provide universal Internet access by 2010 and presented a report for consideration by the TEL Steering Group. The report addresses market developments; technology developments; finance/business models; and policy and regulatory considerations. |

| Cooperation with IFIs  | Where necessary, summarise activities and/or plans that have IFIs and other international organisation implications.   |   |  |
|--|--|---|--|
| and other  |  |   |  |
| international<br>organisations                                   | TEL is collaborating with the OECD on Malware and related threats and approved the continuation of collaborative work with this organization to: 1) prepare an APEC TEL –OECD Analytical Report on Malicious Software and Recommendations with Actions Plans against Malware and related Threat; and, 2) develop and APEC TEL-OECD Model Survey on Indicators for Trust.   |   |  |
|  | OECD participated and updated the APEC TEL meeting on the development of policies for the protection CII. The OECD has prepared a report, which covered risk evaluation and mechanisms to respond. The key message from study is need to enhance international cooperation on CII, and domestically between private and public.  |   |  |
|  | Activities with international organizations include: Workshop on WTO GATS Domestic Regulation (TEL 34) APEC-OECD Malware Workshop; (TEL35) APEC-ASEAN Joint Workshop on Network Security; (TEL 35) Implementing WTO Domestic Regulation Disciplines for ICT (TEL 35)   |   |  |
| Necessary Assistance from APEC Secretariat                       | Where necessary, specify expected actions of the APEC Secretariat including proposals for further improvement of Secretariat and fora cooperation.  Guidance and support on APEC procedures to facilitate the TEL work and to strengthen the collaboration with other APEC Fora and other international organizations.   | Follow-up: Specify such as: provision of information studies; liaison; or other activities. |  |
| Proposed<br>Cooperation from<br>Other APEC Fora                  | Where necessary, specify names of the APEC fora and their expected actions.  TEL agreed to strengthen the collaboration with:  • ECSG on spam, information security and malware.  • CTI on liberalization, relevant activities on TFAP 2, WTO relevant to TEL group, security issues. TEL was invited to brief CTI members on TEL work in these areas.  • SMEWG on security tools for SMEs. These groups agreed to be represented in each other meetings.  • SCE on implementation of recommendation 7 of the SCE Fora Review. | Follow-up: Specify such as: sharing information meetings; other activities                  |  |
| Necessary or<br>Proposed<br>Cooperation from<br>Member Economies | Where necessary, specify necessary actions to be undertaken by an APEC Member Economy (Economies).  All APEC member economies are encouraged to actively participate in APEC TEL activities and to provide relevant information to contribute to prepare reports, analysis, surveys and statistics.  | Follow-up: Specify such as: implementation; provision of information; other activities      |  |

| Outreach Matters | Where necessary, specify the activities which will render any material to be used for media relations. |  |  |
|------------------|--|--|--|
|                  | TEL has been represented in meetings organized by the OECD WPISP; ITU, Council of Europe.              |  |  |

# Report of Trade Promotion Working Group (TP) Date: 30 June 2007 Occasion: SOM 3

| Summary of Plenary  | y Date : 15-17 April 2007 Venue: Intercontinental Sydney Hotel, Sydney  |  |  |  |  |
|---------------------|---|--|--|--|--|
| Meetings Since Last | Chair: Ms. Helen Monroe (Deputy Lead Shepherd of WGTP)  |  |  |  |  |
| Report              | Attendance: 34 attendants from 17 economies (Australia; Canada; Chile; China; Hong Kong, China; Indonesia; Japan; Republic of Korea; Malaysia; Mexico; Papua New Guinea, Peru, Philippines; Singapore; Chinese Taipei; Thailand; Vietnam) and APEC Secretariat  |  |  |  |  |
|                     | Summary:  |  |  |  |  |
|                     | The main purpose of the meeting was to review developments since the last plenary meeting in April 2006, Singapore, and consider further steps of the group's activities in 2007. As the Lead Shepherd was unable to attend the meeting, the Deputy Lead Shepherd from Australia co-hosted the meeting. |  |  |  |  |
|                     | APEC Secretariat Report on APEC Developments.     key outcomes of SOM1  |  |  |  |  |
|                     | <ul> <li>mandatory utilization of PDB for project proposals</li> <li>two sponsoring economies required for projects submitted to BMC</li> </ul>   |  |  |  |  |
|                     | <ul> <li>Objectives for APEC 2007</li> <li>theme for APEC 2007 "Strengthening our community, building a sustainable future"</li> </ul>  |  |  |  |  |
|                     | - highest priority of Australia and APEC remains the WTO Doha Round   |  |  |  |  |
|                     | - APEC Leaders' request for further regional economic integration in the Asia-Pacific region  |  |  |  |  |
|                     | - issues on energy, economic policy, human security, reform of APEC   |  |  |  |  |
|                     | - integration with the business community   |  |  |  |  |
|                     | <ul> <li>Reports of 2005 APEC Projects</li> <li>Anthology of Trade Promotion Practices of Selected APEC Economies (Philippines)</li> </ul>  |  |  |  |  |
|                     | Objective: Produce a compendium of trade promotion practices and success stories of exporters from selected APEC member economies and to analyse the current 'public-private sector alliances.  |  |  |  |  |

- Progress of 2006 APEC Projects
  - Integrated Trade Services Models: Best Practices in eTrade Finance (Canada)

    Objective: provide a better understanding of the nature and impact of successful or emerging e-business practices associated with trade facilitation services, with a special focus on e-trade finance and SMEs.
  - APEC Brand Marketing Seminar (Korea)
     Objective: learn about brand management and to encourage knowledge sharing in the APEC region
  - Forum on International Trade in Professional Services in APEC Economies (Malaysia)
     Objective: provide networking opportunities for professional service providers from APEC economies and to promote business collaboration through better understanding of the latest practices
  - The Electronic and Information Technology Industries Survey in APEC Economies (Mexico)

    Objective: provide a specialized survey of the electronic and information technology industries within APEC economies
- Progress of 2007 APEC Projects
  - See "Expected Annual Deliverables"
- Discussions on 2008 APEC Project Proposals
  - New Generation TPO Strategies FTA Real World Application (Philippines)

    Objective: define strategies linking trade engagements to trade promotion; address disparity between trade policies and trade promotion programs; continue the flow of information on trade negotiations and engagements, tariffs and trade barriers as triggers for TPO strategies
  - Technical Workshop of Export Branding Strategy (Indonesia)
     Objective: enhancing the knowledge and skill of entrepreneurs to gain the competitiveness of products through utilizing brand strategy
  - Best Practices for Public-Private Networking for Export Development (Peru)
     Objective: share experiences and good practices of APEC Economies integrating their internal capacities from a systematic perspective
  - Experience Exchange in the Promotion of Services Exports (Peru)

    Objective: exchange experiences among APEC members about management, tools and instruments to promote the exports of services, as well as set up a network to facilitate services exports in the APEC Region

|  |   | corporation of WGTP into SMEWG (Deputy Lead Shepherd and SMEWG Chair)                                     |  |  |
|--|---|---|--|--|
|  |   | raft Discussion Paper   |  |  |
|  | Key Areas :   | membership; meeting schedule; terms of reference; strategic priorities and work plan; project work        |  |  |
|  | - Review outc   | omes of merger discussions in SMEWG meeting, March 2007   |  |  |
|  |   | p : meeting participants decided by each economy, no limit to size of delegation                          |  |  |
|  |   | hedule : once or twice a year, twice preferred during transitional period                                 |  |  |
|  |   | TOR: Established a small group including WGTP dedicated to forming the new TOR                            |  |  |
|  |   | · Strategic Priorities and Work Plan : focus trade promotion activities on SMEs                           |  |  |
|  |   | · Project Work : establish a Standing Committee to encourage high quality projects                        |  |  |
|  |   |   |  |  |
|  |   | on the Incorporation  |  |  |
|  |   | uilding, an important aspect of WGTP, should be included in the TOR                                       |  |  |
|  |   | y updates, such as 'trade promotion' to 'international business development'                              |  |  |
|  |   | e new group should reflect trade promotion aspects  |  |  |
|  |   | tor representation could be fortified with closer relationship with ABAC                                  |  |  |
|  | · Increase flexibility in Chairing arrangements   |   |  |  |
|  | · Schedule, duration and agenda of the newly merged SMEWG meeting<br>· Additional comments should be registered to the AIMP by 15 <sup>th</sup> May |   |  |  |
|  | Additional C  | onlinents should be registered to the Alivir by 15 liviay   |  |  |
|  |   |   |  |  |
|  | Recommendatio   | n:  |  |  |
|  | SCE to note the e   | fforts taken in the incorporation of WGTP into the SMEWG, and to ensure that the major aspects of WGTP be |  |  |
|  | carried into the ne   |   |  |  |
| Implementation of                      | Leaders'  | [X ] Not applicable   |  |  |
| APEC Mandates                          | Instructions  |   |  |  |
| Tick ✓those items for                  | Ministers'  | [X ] Not applicable   |  |  |
| which a report may not                 |   |   |  |  |
| be needed;                             | Sectoral  | [X ] Not applicable   |  |  |
| <ul><li>the item is not</li></ul>      | Ministers'  |   |  |  |
| applicable to the                      | Instructions  |   |  |  |
| forum or;                              | OAA   | [X ] Not applicable   |  |  |
| <ul> <li>it is premature to</li> </ul> | CAP   | [X ] Not applicable   |  |  |
| report as work is                      | Pathfinder  | [X ] Not applicable   |  |  |
| still in progress.                     | Initiatives   |   |  |  |

| E | APEC-wide<br>ECOTECH<br>Priorities  | All projects of WGTP are directly relative to the APEC-wide ECOTECH priorities, specifically 'Integration into the Global Economy' and 'Promoting the Development of Knowledge-Based Economies.'  • Integration into the Global Economy  While tending to APEC-wide ECOTECH priorities, WGTP projects are in alignment with the six priority themes of the Manila Declaration. Projects like "Forum on International Trade in Professional Services in APEC Economies(Malaysia 2006)," involved the business sector, TPOs and government officials in efforts to encourage trade in services. "Integrated Trade Services Models: Best Practices in eTrade Finance (Canada 2006)" aimed to assist development of efficient capital markets. "Pilot Multimedia Case Studies of Entrepreneurial SME Businesses(Australia 2007)" contribute to strengthening the dynamism of SMEs. |
|---|-------------------------------------|--|
|   |                                     | <ul> <li>Promoting the Development of Knowledge-Based Economies</li> <li>Projects like "APEC Brand Marketing Seminar(Korea 2006)" and "Best Practices for SME</li> <li>Internationalisation(Chile 2007)" are dedicated to sharing experiences and accumulated knowledge with APEC economies.</li> </ul>  |
|   | E-commerce<br>Stocktake             | [X ] Not applicable  |
| 1 | AFS                                 | [X ] Not applicable  |
|   | Sustainable<br>Development          | [X ] Not applicable  |
|   | Science and<br>Technology<br>Agenda | [X ] Not applicable  |
|   | Contribution to the WTO             | [X ] Not applicable  |
| Ī | Invasive Alien<br>Species           | [X ] Not applicable  |
|   | Other APEC<br>Initiatives           | [X ] Not applicable  |

| Expected Annual               | Ongoing projects of WGTP in 2007 are as follows :   |
|-------------------------------|---|
| Deliverables                  | <ul> <li>Pilot multi media case studies of entrepreneurial SME businesses (Australia)</li> <li>Objective: Build economic capacity in developing APEC economies by providing teaching resources to assist with export and international business education.</li> <li>Deliverables: DVD and teaching resources books</li> </ul>   |
|                               | <ul> <li>Best practices for SMEs Internationalisation (Chile)</li> <li>Objective: enhance the capacity of APEC developing economies through the promotion of SMEs export potential; to generate information</li> <li>Deliverables: Seminar on free trade and market access, access to finance and IT, trade barriers for SMEs, access to support programs and best practices in export promotion programs for SMEs.</li> </ul>  |
|                               | <ul> <li>Specialised capacity building for APEC Trade Commissioners (Malaysia)</li> <li>Objective: Enhance the knowledge and skills of APEC trade commissioners or trade representatives and create a networking experience on cultures, business and trade practices.</li> <li>Deliverables: seminars, panel discussions and a site visit. Discussion topics will include trends in international trade, skills for effective trade commissioners, leveraging technology, effective overseas office management and tools for trade promotion.</li> </ul> |
|                               | Seminar on Meeting, Incentive travel, Conventions/congress, Exhibition/event (MICE) Opportunities in APEC economies (Chinese Taipei)     Objective: Advance international trade developments in the Asia Pacific region; strengthen cooperation to build the region into the leading global MICE destination; reduce regional economic disparities; and, realise shared prosperity.     Deliverables: Seminar   |
| Gender-Related<br>Issues      | -   |
| Counter-Terrorism<br>Measures |   |
| ABAC<br>Recommendations       | Support the Growth of SMEs     WGTP projects correspond to number 7 recommendation in ABAC's 2006 Report to APEC Economic Leaders. 2 out of 4 projects in WGTP 2007 projects directly deal with SME issues.   |
|                               | • Foster Closer APEC-ABAC Relations In regard to recommendation 13, Closer relations with ABAC has been mentioned as a means to reinforce private sector representation in the newly merged group, and possible developments of this idea may be anticipated in the upcoming events   |

| SME-Related Issues   | Many WGTP projects directly involve SMEs. This year, the key issue in WGTP's plenary meeting is finding the optimal way to be incorporated into the SMEWG. Discussions on how to represent trade promotion issues in the SMEWG is still in progress. At the end of the incorporation we hope to be able to deal with SME-related issues more efficiently.   |   |  |
|--|---|---|--|
| Non-Member Participation   | All guest status applications for the WGTP in 2006 have been rejected, for the reason that it will be incorporated into the SMEWG by August. Further guest status applications should be directed to the SMEWG.   |   |  |
| Cooperation with the Private Sector                              | Project proposals like "Technical Workshop of Export Branding Strategy (Indonesia, 2008)" may involve participants from the private sector in their educational program.  "Seminar on MICE Opportunities in APEC Economies (Chinese Taipei, 2007)" plans to involve guest speakers from the private sector.   |   |  |
| Cooperation with IFIs and other international organisations      | -   |   |  |
| Necessary<br>Assistance from<br>APEC Secretariat                 | -   | Follow-up: Specify such as: provision of information studies; liaison; or other activities. |  |
| Proposed<br>Cooperation from<br>Other APEC Fora                  | • <b>SMEWG</b> SMEWG will cooperate with the WGTP in merging the two groups. Each group will share contact lists and discuss about the merger using the AIMP. A small group established to create the new TOR consists of SMEWG members and also a representative from the WGTP.  | Follow-up: Specify such as: sharing information meetings; other activities                  |  |
| Necessary or<br>Proposed<br>Cooperation from<br>Member Economies | Australia, as the was-to-be Lead Shepherd of WGTP as of April 2007, has volunteered to act as representative of the WGTP in the TOR small group, and is responsible for reflecting the WGTP members' opinions in the course of developing a new TOR.  Numerous economies are involved in the implementation of WGTP projects. Overseeing economies are in charge of proposing and implementing projects. For each overseeing economy, 2 to 3 economies are acting as co-sponsoring economies, which also take the role of evaluating economies. | Follow-up: Specify such as: implementation; provision of information; other activities      |  |
| Outreach Matters   | <del>-</del>  |   |  |

# Report of Transportation Working Group (TPT)

Date: 30 June 2007 Occasion: SOM 3

#### Summary of Plenary Meetings Since Last Report

Date: 5-8 SEPTEMBER 2006 Venue: VANCOUVER, CANADA

Chair: John Doherty, Lead Shepherd

Attendance: 169 delegates from eighteen APEC economies and seven guest organizations

#### Summary:

Meeting endorsed the appointment of Mr Michael Daniel (USA) as Deputy Chair of the Aviation Experts Group, taking over from Mr John Doherty (Australia) who took up the position of Lead Shepherd from 1 July 2006.

Recommendation from the Philippines was endorsed that, rather than appointing a special HRD adviser, each Modal Expert Group include a special section summarizing HRD issues and activities in its report to the Closing Plenary. This would allow Heads of Delegations (HODs) to monitor HRD activities and consider areas of common concern and opportunities for coordinated action. The reporting template for Modal Expert Groups was amended accordingly and the new arrangements were brought into effect for TPT-WG 28.

All Modal Groups finalized proposed terms of reference in a consistent format based on the template agreed at TPT-WG 27 (May 2006 in Ha Noi, Viet Nam). It was agreed that the documents would be given a final check to ensure they comply with APEC requirements, with the Lead Shepherd to notify final endorsement.

HODs agreed to the updated papers (New Structure; Management) which outline the working arrangements for the TPT-WG since the restructure. It was agreed that in accordance with recent practice in TPT-WG, the final report (Chair's Report) on each TPT-WG meeting will be the responsibility of the Lead Shepherd rather than the host economy.

It was confirmed in the discussion that the role of the Intermodal/ITS Experts Group is broad, encompassing the whole supply chain. Technology and ITS are important elements of this, but the Group's focus is wider.

Delegates noted the transfer of responsibility for the TPT-WG website to China from Chinese Taipei and expressed appreciation to both economies.

China, in consultation with Australia, agreed to further update the website to reflect the TPT-WG new structure and to examine implications of the proposed APEC Portal for the next TPT-WG29.

A revised reporting template was endorsed to assist with consistency and to ensure that the reports cover the full range of significant issues addressed by the Groups.

Modal Groups Chairs should ensure sufficient details on projects and initiatives are provided in their meeting reports to allow HODs to assess the projects and their relative priority.

The following projects were approved by HODs for submission for BMC funding consideration in October 2006:

- Intermodal Skills Seminar: Developing Core Competencies and Leadership Skills in Planning and Managing Intermodal Systems and Technology (Viet Nam) for \$US49,000 (TILF):
- Facilitation of International Shipping Competition Policy Related to Liner Shipping (Canada) for \$US130,000 (TILF).

HODs accepted the offer by Chinese Taipei to host TPT-WG 29 in May or June 2007 in accordance with established APEC working arrangements.

The Lead Shepherd thanked Chinese Taipei for the offer and asked other economies to consider hosting TPT-WG30, especially those who have not recently hosted a meeting.

Singapore presented the outcomes of Stage 2 of the Roadmap Survey – Economy Reports.

Australia presented a proposal for six directions for recommendations arising from the Roadmap report, representing Stage 3 of the exercise. The TPT-WG28 thanked the taskforce for its work on the report.

The papers on Roadmap Stages 2 and 3 (2006/TPT-WG-28/hod/008\_v2; and 2006/TPT-WG-28/HOD/005) were also discussed and it was noted that the Roadmap arose from an express directive from the APEC Transportation Ministerial Meeting in Bali, and that some agreed recommendations should be developed for the Ministerial Meeting.

#### It was agreed to:

- Economies to provide comments on the Stage 2 report and Stage 3 recommendations:
- The thrust of the Stage 2 outcomes and interim recommendations to be included in the draft papers for the Ministerial Meeting, in particular the discussion paper on Liberalisation and the report on the work of the TPT-WG:
- A further discussion of the Roadmap recommendations could be conducted at the TPT-WG29 in conjunction with the discussion of directions from the Ministerial Meeting.

Korea gave a presentation on the 3rd UNESCAP Ministerial Conference and associated events to be held from 6-11 November 2006. All economies were encouraged to participate, if possible.

Mr Bob Lange, Executive Director – Structure and Safety Integration, General Motors Corporation, made a short presentation on the proposal by the Automotive Dialogue to stage a summit on road safety in Adelaide, Australia immediately before the Ministerial Meeting in March 2007. The proposal received support from HODs in their consideration of the Ministerial Meeting.

Singapore presented the outcomes of a major APEC symposium on supply chain security held in Singapore in July 2006 and advised that a report was to be provided to SOMIII in light of the implications for the APEC Counter Terrorism Task Force as well as the TPT-WG. The TPT-WG28 agreed that:

· Lead Shepherd monitor the outcomes of the SOM III report and implications for future work that might be undertaken by the

#### TPT-WG:

Modal Expert Groups and relevant Sub-groups take the findings into account in their work.

The Lead Shepherd advised that a letter had been received from Mr Jack Short, Secretary-General of the European Conference of Ministers for Transport (ECMT). The letter outlined recent work in ECMT, including the proposal to open the proceedings of ECMT to a broader International Transport Forum from 2007, and invited ongoing cooperation with the TPT-WG.

Presentation was provided by Thailand on the new international airport near Bangkok – Suvarnabhumi to be opened on 28 September 2006.

Canada made a presentation on the present situation on maritime transport in Canada;

Russia presented a paper on developments in Trans-Siberian Landbridge and container terminal in Vostochny Port; Australia made a presentation on a recent study by the Australasian Rail Association on the attraction and retention of employees in the Australian rail industry developed in response to impending skills shortages;

More presentations were made by:

- Malaysia: the Integrated Transport Information System (covering 243 square kms of Malaysia's capital city Kuala Lumpur) that enables public transport operators and road users to obtain real-time information from the ITS website, ITS Call Centre, visual display boards and radio;
- Japan: the newly established Aviation Safety Promotion Office, oversighting air operators;
- New Zealand: the national aviation security training program and confidential reporting system;
- Hong Kong, China: the adaptation of ICAO model legislation on unruly passengers; in the context of promoting liberalization of trade and facilitation, one-stop security concept for transfer passenger and baggage;
- USA: the new cargo security requirements in the USA; and the latest security requirements for US-bound flights as a result of the recent security event in the UK and the latest security screening technology;
- · Korea: Towards better safety of national highways;
- A number of economies provided reports on progress of vehicle standards harmonization: Australia; Japan; Korea; Philippines; Singapore; Chinese Taipei; and the USA.

HODs agreed that the Lead Shepherd prepare an initial draft in consultation with Kevin Sample (USA), as former Lead Shepherd, with a draft to be circulated by November 2006.

- 1. HODs agreed to a process which involved two additional meetings in the lead-up to the Ministerial Meeting:
  - A drafting meeting of interested economies (not more than two delegates per economy are envisaged) in December 2006;
  - A special HODs meeting in February 2007 for a final briefing on the organisational arrangements and to finalise the TPT-WG position on papers for the meeting. This would allow the papers to be finalized some 6 weeks before the meeting as a basis for properly prepared briefing for Ministers.

## Recommendation: The following projects were approved by HODs for submission for BMC funding consideration in October 2006: Intermodal Skills Seminar: Developing Core Competencies and Leadership Skills in Planning and Managing Intermodal Systems and Technology (Viet Nam) for \$US49,000 (TILF): Facilitation of International Shipping – Competition Policy Related to Liner Shipping (Canada) for \$US130,000 (TILF). The Plenary recommended the SCE-3 to take note the outcomes of the TPTWG activities during the reporting period. The principal aims of the Working Group relate to trade liberalisation and facilitation, economic and technical Implementation of Leaders' **APEC Mandates** Instructions assistance, and capacity building. The Working Group is committed to continuing progress towards free and open trade and investment; ensuring the safe and secure movement of people and goods throughout the region; and assisting with capacity building in developing economies to contribute to efficient, safe, secure and sustainable transport in the APEC region. Human security issues have also taken an important role in the Working Group's programme, with continued focus on transport security issues across the transport modes. The Working Group provides a valued forum for information exchange among transport officials, and has achieved successful outcomes on a number of fronts through many important initiatives. Greater engagement with industry: While a key objective generally for APEC, maintaining industry engagement presents a challenge given the absence of short term commercial outcomes for industry participants. Industry's participation is seen as critical in understanding trends and issues in the transport sector and identifying areas for cooperative effort. Greater visibility to APEC Leaders; While the Working Group and its modal sub-groups provide valuable forums for exchange of views on transport issues, there is scope for the Working Group's activities to be more closely connected to the broader economic and policy issues addressed in APEC Leaders' meetings. Given the importance of the transport sector to efficient trade and movement between economies, there is scope for the work of the Working Group to have a greater role and recognition in the Leaders' meeting agenda. A recent restructure of the Working Group offers opportunity for more guidance and high level policy direction from Heads of Delegations. Roadmap of progress towards the Bogor Goals: As one of the outcomes of the Transportation Ministers' meeting in Bali, the Working Group with assistance from a Taskforce comprising Singapore, Brunei Darussalam and Australia, and in consultation with ABAC and relevant economies, undertook an analysis of the extent of progress in transport toward the Bogor Goals, and identified areas requiring continued work. The Roadmap report comprises an Industry Report:

Report from Economies; and a List of Recommendations. The recommendations have not been finalised and

will be the subject of further consideration in the Working Group.

Ministerial Directive: Implement our Leaders' directives with regard to sustainable development.

Considerable work on capacity building measures in all modes of transport has been put in place to empower developing economies to work towards the safe, secure and efficient sustainable transport systems.

Measures include training and information sharing to integrate security and safety in the work on transport facilitation and efficient supply chains. Much progress has been achieved in road safety initiatives in a number of developing economies and work continues to remove non-technical barriers to trade among APEC economies through acceptance of common vehicle technical standards and mutual recognition of vehicle certification approval through the multilateral arrangements provided by the 1958 Agreement on Wheeled Vehicles (The 1958 Agreement) and The 1998 Agreement on Global Technical Regulations (The 1998 Agreement).

Ministerial Directive: within the next 12 months, to take stock of the organization, activities and business practices of the Working Group to identify approaches and actionsthat will further support its ability to provide concrete and productive advice to Ministersin support of the Leaders' Declarations.

The TPT-WG has undergone a process of reform and restructure to enhance the efficiency of the Group. The arrangement sees greater guidance and direction being provided by Heads of Delegation to ensure the efforts of the Modal Expert Groups are clearly focused on Leaders' and Ministers' directives and concrete outcomes. Experts Groups have been established along modal lines to streamline the focus of the work and cover Aviation; Land; Maritime; and Intermodal and Intelligent Transport Systems. The Terms of Reference developed by each of the Modal Expert Groups have been endorsed by Heads of Delegations and human resource development responsibilities have been incorporated into each group with activities being monitored by the Deputy Lead Shepherd. The existence of sub groups has been rationalised.

#### [] Not applicable / [] Still in-progress

#### Ministers' Instructions

In response to Ministers' directives, the TPT-WG in 2006 has undertaken the following activities:

- Followed up on the Leaders' Statement on Counter Terrorism, including efforts to curb terrorist threats against all modes of transportation;
- Implementing the Secure Trade in the APEC Region (STAR) and other security related initiatives consistent with international law ("Secure Trade Project: Phases 3-5"; Seminar on Port Security, Kuala-Lumpur, June 2006, etc.).
- "Progress on Liberalization of Air Services Arrangements in the APEC Region 1995-2005";
- Supporting the proposed Symposium on Total Supply Chain Security proposed by Singapore (July

# 2006, Singapore).

- Endorsed the work program proposal for the 5<sup>th</sup> APEC Transportation Ministerial Meeting (March 2007, Adelaide);
- Welcomed the voluntary Report from the Russian Federation on the "Russian Transport Services Market and the Bogor Goals";
- Considered the developments in restructuring the work of the TPTWG to ensure efficiency, more focused efforts and streamline reporting requirements;

## [] Not applicable / [] Still in-progress

#### Sectoral Ministers' Instructions

The TPT-WG has undertaken a series of initiatives in response to the Bali Ministerial (2004) directives and priorities.

The TPT-WG continues to assist member economies in their work to remove barriers to market access and other constraints on the growth of increasingly competitive transport services. The Group has undertaken a Roadmap analysis to identify the remaining work required for achieving the Bogor Goals of trade and investment liberalisation and facilitation as well as economic and technical cooperation in all modes of transport.

Roadmap Phase One (Industry Report) and Phase Two (Economies Report) have identified progress to date and the remaining barriers to the Bogor Goals; emerging trends in the transport sector; and suggested initiatives that might further progress work towards trade liberalisation and facilitation. Based on outcomes of Phase One and Phase Two, a draft Set of Recommendations (Phase Three and Final) reflects suggested directions identified by business and economies. These documents are Annexed to this Report.

In line with this Ministerial direction the TPT-WG also commissioned a study on the progress of Liberalisation of Air Services in the APEC Region 1995-2005 undertaken by the Centre for Asia Pacific Aviation (November 2006). While the draft report has only recently been finalised and is yet to be considered in detail by the TPT-WG, it offers some important observations that may be considered. While there is strong evidence of reasonable levels of market growth in largely adverse circumstances, particularly over the last five years, this growth has taken place with different degrees of liberalisation.

The study was somewhat constrained by the limited available data. However, based on the data available, the study found that in general APEC economies are moving toward more liberal provisions in the 310 air service agreements they have with each other, but with different speeds and priorities.

The draft report could facilitate APEC economies to consider practical ways to monitor progress and keep moving forward liberalisation of air services, taking into account their own priorities and level of development, building on the important work done in the Eight Options as steps towards the liberalisation of air services

and the recently developed Aviation Action Plan.

Considerable progress has been made on the USA initiative on data collection of road accident and evaluation capabilities in developing economies, producing outcomes to support funding justification for road safety improvement programs. The initiative was piloted in Thailand with subsequent application in Indonesia, the Philippines, Republic of Korea, Malaysia and Peru.

Ministerial Directive: Support the continuing implementation of maritime and aviation security measures, with emphasis on

- the implementation of the IMO International Ship and Port Facility Security Code (ISPS Code, effective from July 2004):
- working to support international efforts, including those by multilateral agencies, to control access to MANPADS and other potential threats to civil aviation.

A series of workshops have been held under the ISPS Code\* Implementation Assistance Program involving port security plans, access controls and Code compliance, in the Philippines, Thailand, Indonesia, Vietnam, Peru, Papua New Guinea and Malaysia. Phase Two workshops involving drills and exercises, audits and 'train-the-trainers' initiatives will be conducted in the above economies in the coming year. Relevant standards and procedures for practical implementation have also been established including Guidelines and a Procedures Manual for the ICIAP; a Catalogue of available Maritime Security Training, Capacity Building and Technical Outreach initiatives was developed; and a Maritime Security Point of Contact Network established to identify subject matter experts for capacity building needs. The Aviation Security sub group continues to share expertise and experience in the application of screening passengers, baggage and cargo to mitigate security risk and it completed the development of a training capacity data base to enhance security personnel training. The TPT-WG monitored progress in relation to MANPADS, a new threat to aviation, noting the strategies set by the APEC Counter-Terrorism Task Force in dealing with the proliferation and transfer of the weapons and the ICAO guidelines on vulnerabilities assessment and the risk assessment service to be provided by the United States.

\* The IMO ISPS Code outlines a series of measures agreed following the 11 September 2001 attacks in the USA The Code introduces a standardized framework for the evaluation of risk to ships and ports to maximize maritime security.

In addition, a series of successful workshops was conducted on ICAO 100% passenger aircraft hold-baggage screening requirements in Hong Kong, China and Bangkok, Thailand. The workshops were designed to enable APEC economies to comply with the requirements from 1 January 2006.

Ministerial Directive: Implement an intermodal supply chain security initiative over the next two years. In addition to the successful ISPS Code Implementation Program, Working Group members participated in the

| Total Supply Chain Security Symposium hosted by Singapore in July 2006. |   |
|---|---|
|   | [] Not applicable / [] Still in-progress  |
| OAA   | While implementing its activities the TPT WG attaches high priority to the following:   |
|   | <ul> <li>Implementing the Bogor Goals on free and open trade and investment;</li> <li>Harnessing new technologies and best practices to facilitate travel and trade;</li> <li>Improving transport safety in the region;</li> <li>Improving human capacity and institutional development, with a particular focus on developing concrete results-oriented actions of economic and technical assistance and capacity building to ensure the balanced advancement between economic and technical cooperation and trade and investment liberalization and facilitation;</li> <li>Close cooperation with the International Civil Aviation Organization (ICAO), the International Maritime Organization (IMO) and the International Labor Organization (ILO) without duplication of the work undertaken by those organizations; and</li> <li>Supporting the World Trade Organization (WTO) through trade facilitation measures.</li> <li>The TPT-WG continues to assist member economies in their work to remove barriers to market access and other constraints on the growth of increasingly competitive transport services. The Group has undertaken a Roadmap analysis to identify the remaining work required for achieving the Bogor Goals of trade and investment liberalisation and facilitation as well as economic and technical cooperation in all modes of</li> </ul> |
|   | Roadmap Phase One (Industry Report) and Phase Two (Economies Report) have identified progress to date and the remaining barriers to the Bogor Goals; emerging trends in the transport sector; and suggested initiatives that might further progress work towards trade liberalisation and facilitation. Based on outcomes of Phase One and Phase Two, a draft Set of Recommendations (Phase Three and Final) reflects suggested directions identified by business and economies. For more details please refer to the Annex.  |
| CAP   | [] Not applicable / [] Still in-progress Implementation of APEC Regional Test Bed Project, Implementation of Eight Options for More Competitive   |
|   | Air Services, implementing nine policy elements of the Facilitation of International Shipping Project, Work Programme- Cutting Cost and Time on Maritime Container Transport.   |
|   | [] Not applicable / [] Still in-progress  |
| Pathfinder<br>Initiatives   | [√] Not applicable / [] Still in-progress   |

# APEC-wide ECOTECH Priorities

Ministerial Directive: Develop a proposal to support the secure transport of dangerous goods that would include an inventory of economies' regimes pertaining to transportation of dangerous goods and other appropriate actions.

A five-economy taskforce developed an inventory of economy arrangements on the secure transport of dangerous goods which identifies the international codes and agreements pertaining to Dangerous Goods, and current arrangements in each APEC economy relating to these requirements. Economies are collaborating through relevant Experts' Groups to share information on the transport of dangerous goods; to implement transport security plans across modes; and to address any gaps in the regulatory systems between modes.

Ministerial Directive: Develop concrete and specific action plans to carry forward economic and technical cooperation between APEC developed economies and developing economies to assist in establishing an efficient, safe, secure and environmentally sustainable transportation system.

Air Transport: A list of actions has been developed to supplement the Eight Options previously established as steps towards the liberalisation of air services. Training workshops relating to air services negotiations and aviation law were provided to a number of developing economies. The Aviation Experts' Group is finalising an Action Plan for the pathway to liberalisation of air services in the region and options for further progress towards the Bogor Goals. Aviation security and safety-related training will be conducted in 2007, in collaboration with ICAO and other international bodies. Economies continue to share information and expertise regarding suitable screening equipment for passengers, baggage and cargo.

Maritime Transport: APEC Common Principles for Shipping Policy, including nine policy elements was adopted at TPT -WG24 in Bangkok, August 2004, with the aim to identify maritime policy alternatives to promote the development of efficient international shipping. Member economies have been collaborating to adopt those elements to fully implement the Bogor Goals and have progressed their commitment to liberalisation by removing non-tariff barriers and by sharing and exchanging views and information on WTO negotiations on Maritime Transport Services. Economies have shared achievements through projects to improve efficiency of ports and related activities including: 'Electronic Port Manifests'; 'Port and Inter-Modal Interface'; 'Port Investment'; 'Technical Standards of Ports in the APEC Region'; and 'Study on Container Throughput Forecasting for Shipping and Port Development Strategies in the APEC Region'.

Land Transport: In addition to considerable progress on road safety information sharing, developing economies are encouraged to develop action plans to incorporate UNECE Regulations and global technical regulations for motor vehicles into their domestic legislation. The Land Transport Experts' Group is taking steps to assist in capacity building to support efforts of economies in harmonising regulations and developing certification and regulatory systems. Action Plans on road safety are also a key focus of the 5th Transportation Ministerial meeting.

|                         | Intermodalism: The Intermodal and ITS Experts' Group have amalgamated and developed an action plan  |
|-------------------------|---|
|                         | integrating the work of both areas. The Experts' Group continues to promote and facilitate Electronic Commerce and Intelligent Transport Systems (ITS) and has successfully implemented the GNSS Test Bed. Major progress has been made on the establishment of international ITS standards and the Group is developing a World ITS Standards Report to identify and address the gaps. The Group has initiated the evaluation phase of the Secure Trade Evaluation project, which will provide information on the costs and benefits of utilising ITS and eCommerce technologies for securing trade and increasing efficiency in the APEC region. |
|                         | The Group has also successfully completed the Mutual Recognition of Transport Professionals project and the work related to Intermodal Skills Development. Highly successful workshops on the improvement of intermodal management skills have been conducted in Indonesia and the Philippines with further plans for the model to be used in other developing economies. The Group is also pursuing Short Sea Shipping and Inland and Coastal Waterways projects to help integrate under utilised ports in the APEC region.  |
|                         | [] Not applicable / [] Still in-progress  |
| E-commerce<br>Stocktake | [√] Not applicable / [] Still in-progress   |
|                         | [ ]   |
| AFS                     |   |
| Sustainable             | [\forall ] Not applicable / [] Still in-progress  All activities undertaken by the TPTWG are in line with the priority theme of Sustainable Development   |
|                         | [√] Not applicable / [] Still in-progress   |
| Sustainable             | [] Not applicable / [] Still in-progress  All activities undertaken by the TPTWG are in line with the priority theme of Sustainable Development   |

#### Science and Technology Agenda

Ministerial Directive: Establish a web-based learning and technical information exchange system; and establish a professional exchange program to assist training and education and the mobility of transport professionals.

The TPT-WG web site <a href="http://www.apec-tptwg.org.cn/">http://www.apec-tptwg.org.cn/</a> has been used as a web based information exchange system. Administered by China and recently restructured, the site is the main vehicle for communications and documentation in relation to TPTWG matters. Dedicated web pages have been established for information sharing including a Page for 'Completed Projects and Outcomes' which provides a snapshot of all project outcomes and recommendations for future reference.

In May 2006, a website (www.apecgit.org) was established for the Global Navigation Satellite System Implementation initiative. The TPT-WG is also working closely with the APEC Secretariat on the proposed APEC Information Management Portal which will enable economies to share project work with other Working Groups.

A project was undertaken to improve information exchange within two APEC port communities. A web-based pilot intra port discussion group involving the Port of Saigon and the Callao port of Peru was established involving key port stakeholders such as port authorities, stevedores, container terminal operators, freight forwarders and customs agencies. The project provided a generic website tailored to suit each of the two selected port communities to enable the interactive exchange and dissemination of information to improve efficiency in an end-to-end supply chain context. The Port Administration of Peru has drawn on the model for its recent reorganisation of port activities.

Ministerial Directive: Implement a Global Navigation Satellite System test bed in all areas of the APEC region.

Since October 2004, the TPT-WG's Experts Group on Global Navigation Satellite Systems (GNSS) Implementation has held a series of meetings for promoting the implementation of GNSS for all transport modes in the APEC region, with emphasis on the implementation of satellite-based augmentation system and ground-based augmentation including the regional augmentation systems.

In 2005, a US-funded Regional APEC GNSS test bed project\* was initially conducted in Thailand, followed by Indonesia, Malaysia, the Philippines, and Viet Nam. Australia and Chinese Taipei later participated in the test. A final report for the test bed analysis, including recommendations, will be available on the website for the Experts' Group on GNSS Implementation at: www.apecgit.org for participating economies to note the test outcomes.

Ministerial Directive: Implement arrangements for the structured exchange of information among member economies on safety and security best practices and measures.

In September 2005, the Aviation Safety Experts' Group conducted a workshop in Singapore to discuss new aviation safety technologies relating to APEC performance based navigation; implementation of Area Navigation in APEC; Automatic Dependent Surveillance – Broadcast; and Extended Twin Engine Operations. The workshop was attended by 17 economies and the next workshop on emerging aviation technologies is planned for mid 2007. Economies continue to share experiences and guidance material on developing safety management systems in response to ICAO's requirements for: audits and safety oversight; Foreign Air Operator Licensing/Validation; English language proficiency for air traffic controllers and air operators; and to identify flight training resources to alleviate pilot, flight engineer and dispatcher shortages.

The Intermodal and ITS Experts' Group is undertaking an evaluation which will provide information on the costs and benefits of using ITS and eCommerce technologies for securing trade and increasing efficiency in the region. The Maritime Security Experts Group is currently working on enhancing collaborative and cooperative working relations with international and regional organisations, such as the IMO and OAS, to coordinate efforts on maritime security capacity building in the APEC region.

\* The test bed project provided an operational demonstration of GNSS to the participating economies and to analyse empirical GNSS data that influences GNSS air navigation performance in the APEC region.

# Contribution to the WTO

Please see the OAA part of the Report above.

#### Summary:

#### Roadmap Phase I – Industry Report

Industry representatives were asked to identify progress and remaining barriers to the Bogor Goals, emerging trends in the transport sector and suggest initiatives that might further progress work towards trade liberalisation and facilitation.

There was wide recognition by industry respondents that microeconomic reforms pursued by may APEC economies had played a significant role in trade liberalisation and facilitation. Deregulation of the aviation market, introduction of competition regimes and privatisation/corporatisation of transport infrastructure, especially sea- and airports were mentioned as important components of this development. Technological advances were also identified as greatly contributing to the facilitation of trade, primarily by making transport modes more fuel efficient and faster. Speed was also acknowledged as one of the advantages with the introduction of Information and Communication Technologies (ICT) along with efficiencies and safety benefits.

Identified as a barrier was the need for suitable investment in infrastructure in order to meet the increased pressure on transport services that has occurred as a result of the growth in trade. Lack of transparency in regulations and their application was another area distinguished as a barrier to trade facilitation. Other hindrances mentioned included different restrictions to free competition such as cargo reservation schemes

and conferences in liner shipping. Respondents also named increasing security requirements as alternative forms of trade protection. There was general consensus about emerging trends in the transport sector. Most respondents named 'up-sizing', mergers of service providers, ICT reliance and increasing security requirements as definite developments. While these factors all have great potential to provide efficiency gains to private enterprise their implementation also pose difficulties, such as infrastructure investments to cope with larger vessels and airplanes and market power pressures brought about through globalisation of service providers.

Skills shortage is another emerging trend across all transport sectors and of serious concern to the maritime industry. It will require a concerted effort by governments and industry to find sustainable solutions to this challenge.

Most respondents saw harmonisation of government regulations as the single most important way to improve the facilitation of trade. Other suggestions included ensuring competition regimes are in place as well as full market access for foreign investors for carriers and logistics companies.

#### Roadmap Phase II - Economy Report

In the economy survey, economies were asked to identify the progress towards the Bogor Goals and the remaining barriers to trade and other emerging trends that might either help or hinder work towards trade liberalisation.

The responses received indicated that that there has been gradual liberalisation of the transport sectors in and among APEC member economies. Common liberalisation measures adopted by member economies include liberalisation of air services, relaxation of regulatory regimes, corporatisation/privatisation of previously state-owned infrastructure like ports and container terminals, and relaxation of ownership rules on transport-related companies and infrastructure. There has also been progress in the harmonisation of standards and the development of safety and security regulations among economies.

Key trends in transportation identified by economies include the rapid growth in international traffic, upsizing of vessels for maritime and air transport, and increased use of technology to facilitate efficient, safe and secure transport. The September 11 attack and subsequent terrorist attacks which have targeted public transportations have also given rise to a greater focus on transportation security. Other key trends identified include increasing concerns on environmental sustainability and the consolidation of service providers. These trends will provide opportunity for further growth and development while also requiring ingenuity and close cooperation between governments and industry in meeting the challenges and ensuring a balance between regulation and trade facilitation. Another key emerging trend is the shortage of skilled labour. This trend is seen across all transport sectors, and is particularly apparent in the maritime sector. With the expansion of aviation and maritime fleet size, the effect of this shortage of skilled manpower will be exacerbated in the

future

#### Roadmap Phase III- Draft Set of Recommendations

#### **RECOMMENDATIONS:**

## 1. Continue to make liberalisation of transport services and infrastructure key policy items in APEC economies

Liberalisation of transport services and infrastructure continues to be an important aim for APEC economies. Considerable progress has been made in a number of areas, however barriers, particularly those behind the border, remain. A number of suggestions for future policy focus within APEC economies (in no particular order of importance) include:

- confidence building through development of supporting structure such as competition guidelines and safety oversight according to best international practice for a more liberalised global industry
- where possible, make deregulation of transport infrastructure, transport services and service providers a priority. This can be achieved through initiatives that would assist with:
- abolishing cargo reservation regimes
- letting price and capacity be determined by market conditions and limiting government control on price and capacity while ensuring measures to counter anticompetitive behaviour
- make safety, security and environmental standards the basis for issuing licenses
- encouraging public private partnerships in the provision of transport infrastructure
- privatising/corporatising infrastructure and transport service providers
- $\bullet \ assist \ efficiency \ gains \ through \ making \ supply \ chains \ more \ effective, \ focusing \ in \ particular \ on$
- airports
- seaports
- intermodal distribution centres
- introduce/enforce strong competition regulations
- work towards more open competition in the transport sector
- development of competition policies directed towards efficiency gains
- open landside operations to competition
- improve market access for foreign transport service providers where it is deemed appropriate
- exchange views and information on WTO/GATS negotiations within the areas of aviation, maritime and logistics services

Continue facilitation of trade by improving the efficiency of transport services and infrastructure in the following areas:

#### 2. Address capacity building issues

The transport industry is facing a serious skills shortage globally due to difficulties with attracting sufficient numbers of new recruits in many sectors. A priority area for the TPT-WG continues to be Human Resource

Development and it is important that this issue is addressed in a concerted effort by both governments and industry. The efforts of the TPT-WG should concentrate on identifying areas of greatest need and highest priority and develop a strategy for targeting those areas with capacity building initiatives.

- · measures to address skills shortages include:
- retaining more members of the current workforce
- trying to attract new types of recruits, such as women, people with alternative abilities, local recruits
- working with industry to improve image of transport workers
- improve working conditions for transport workers
- design targeted courses and training addressing specific needs particularly in the areas of:
- building safety and security capabilities
- reinforcing the capabilities for new technology
- enhanced understanding of the importance of transparency and consistency in the application of regulations
- building capabilities to increase efficiency measures
- improving the educational standard of officials, especially regarding the rules the officials are administering
- continue information sharing and cooperation

#### 3. Promote technological advances

The technological advances of the transport industry generally have contributed considerably to the facilitation of trade, mainly by making the transport industry more efficient, safe and secure. It is an area of great potential for continued efficiency gains and improved productivity. It is therefore important that government and industry work together to further enhance the possibilities for promoting technological advances potentially through:

- sharing information on new and proven technology
- assisting developing economies to acquire new technology
- ensuring technological assistance for developing economies is supported by training and ongoing maintenance strategies
- assisting with advice on investment opportunities/possibilities
- use of communication systems to undertake more effective risk assessment, which would help a larger number of goods to move across borders with minimal intervention
- develop electronic data transmission between exporting and importing administrations

#### 4. Work towards harmonisation of regulatory practices and mutual recognition

Harmonisation and transparency of regulatory practices and mutual recognition are some of the areas most frequently identified by industry and economies as in need of government attention. Mutual recognition of product and process standards, where applicable, will assist with trade liberalisation while mutual recognition of professional and technical qualifications can assist with addressing the skills shortages facing many APEC economies.

The TPT-WG has already prepared the ground for progress within the vehicle standards area but a more

concerted effort is essential. As part of the harmonisation process it is also important to promote transparency in regulations across the APEC economies. Areas where progress could be made include:

- relevant economies to progress their commitment to working within the framework of the UN/ECE 1958 Agreement and 1998 Agreement for vehicles
- economies agreeing to a set of core regulations for motorcycles
- information sharing on recent developments and best practices
- mutual recognition of certification, products and qualifications, where applicable
- introduction of electronic and standard document requirements. where appropriate
- making transparency in regulations a priority, including publication of all laws, regulations and administrative rulings
- ensuring that new regulations and standards do not inadvertently inhibit trade through a trade impact assessment
- greater uniformity in the application of laws, regulations, administrative guidelines and procedures

Further work could be done in relation to areas of greatest need for capacity building through initiatives that progress mutual recognition of professional and technical qualifications in the logistics area and seafarer manning area.

#### 5. Promote effective safety and security measures

Effective safety and security measures are important for asset and human capital protection and to prevent unnecessary loss of life and serious injury as well as to maintain confidence in transport systems. Focusing on effective safety and security measures has the added benefit of making trade facilitation more efficient. Progress in these areas could be pursued through:

- · data collection and monitoring to assist with investment decisions and improved infrastructure standards
- integrating safety and security standards in legislative requirements
- making safety and security requirements a focus in mass transit systems
- implementing road safety action plans
- implementing security action plans

#### 6. Promote environmentally friendly and sustainable transport

Environmental sustainability has not been a major focus area for initiatives within the TPT-WG over recent years but remains a key objective. With the continued growth in the transport of people and freight task facing the APEC region, the Group must remain responsive to pressing environmental issues.

Fuel is a substantial issue for the transport industry from both the cost and security perspective. The TPT-WG has a role to play in APEC's response to rising fuel prices and concerns about the environmental impact of the various transport modes. Working Group efforts could focus on:

- sharing information on successful developments and initiatives
- encouraging the uptake of new technology

|                               |  | assisting with development of new technology   |
|-------------------------------|--|--|
|                               |  | <ul><li>exploring alternative sources of fuel</li><li>making environmental and sustainability issues part of regulations.</li></ul>  |
|                               |  | [] Not applicable / [] Still in-progress   |
|                               | Invasive Alien<br>Species  | N/A  |
|                               | Other APEC Initiatives   | Where necessary, summarise progress in implementing other initiatives of APEC.  [√] Not applicable / [] Still in-progress  |
| Expected Annual Deliverables  | <ul> <li>29<sup>th</sup> meeting of</li> </ul>   | sportation Ministerial Meeting (28-30 March, Adelaide, Australia);<br>If the Transportation Working Group (9-13 July, Taipei, Chinese Taipei).   |
| Gender-Related<br>Issues      | Gender Project Team (Lead Economy: Philippines) is implementing within the TPT-WG the Framework for Integration of Women in APEC   |  |
|                               | transition period e  | 7, it was agreed that the Gender Project Team would continue to exist for the duration of the 24-month stablished by the Framework to ensure that the TPT-WG remains fully aware of the implications of the successful in implementing it. |
| Counter-Terrorism<br>Measures | Summarise progre   | ess in implementing the Counter-terrorism Action Plan.   |
|                               | Please see above   | the Leaders', Mpnisters and Sectoral Ministers' Instructions sections of the Report  |
| ABAC<br>Recommendations       | As one of the outcomes of the Transportation Ministers' meeting in Bali, the Working Group with assistance from a Taskforce comprising Singapore, Brunei Darussalam and Australia, and in consultation with ABAC and relevant economies, undertook an analysis of the extent of progress in transport toward the Bogor Goals, and identified areas requiring continued work. The Roadmap report comprises an Industry Report; Report from Economies; and a List of Recommendations. The recommendations have not been finalised and will be the subject of further consideration in the Working Group. |  |
| SME-Related Issues            | N/A  |  |
| Non-Member<br>Participation   |  | , summarise activities and/or plans that have non-member participation implications.<br>nmendation for decisions from the APEC body receiving this report.   |
|                               | Macao, China and   | d a representative of the International Motorcycle Manufacturers Association (IMMA) attended as guests   |
|                               |  | sed a decision to invite the Chairman of the Airport Authority of India and EU as Guests to participate in future lementation Team (GIT) meetings  |
|                               |  | TPT-WG Lead Shepherd's invitation, Lead Shepherd of the APEC Human Resources Development Working attend the TPT-WG28 in Vancouver, 4-8 September 2006.   |

| Cooperation with the Private Sector                              | While a key objective generally for APEC, maintaining industry engagement presents a challenge given the absence of short term commercial outcomes for industry participants. Industry's participation is seen as critical in understanding trends and issues in the transport sector and identifying areas for cooperative effort Please also refer to the section on the <i>ABAC</i> recommendations above                                |  |  |
|--|---|--|--|
| Cooperation with IFIs and other international organisations      | Ministerial Directive: Enhance cooperation with the World Bank and the Asian Development Bank, through appropriate APEC channels, to improve member economies' transport infrastructure and the capabilities of their transport professionals, including in the area of international security commitments. We note the existence of the APEC-Asian Development Bank (ADB) Regional Trade and Financial Security Initiative in this regard. |  |  |
|  | A draft Memorandum of Cooperation with the Asian Development Bank has been passed to the APEC Secretariat and is now under consideration within the framework of establishing/strengthening overall cooperation with International Financial Institutions.  |  |  |
| Necessary<br>Assistance from<br>APEC Secretariat                 | Assisting in convening regular TPTWG sessions, preparing for Transportation Ministerial Meeting in 2007 and project management process  | <ul> <li>Follow-up:</li> <li>To keep the Lead Shepherd and TPT-WG informed of Statements or initiatives from Ministers and Leaders and the APEC Secretariat that will impact on the TPT-WG.</li> <li>To assist the Deputy Lead Shepherd in the preparation of a guide for TPT-WG delegates on project process.</li> <li>To assist Chairs with access to additional information about the APEC Portal, as necessary.</li> </ul> |  |
| Proposed<br>Cooperation from<br>Other APEC Fora                  | Counter-Terrorism Task Force, APEC Sub-Committee on Customs Procedures and the Human Resources Development (HRD) Working Group.   | Follow-up:  TPT-WG will liaise with the CTTF on APEC joint counter- terrorism programs; with the SCCP on Customs Procedures relating to transport-related Customs matters, especially impacts of Customs regulations on air services. TPT-WG will liaise with the HRD Working Group on transport related HRD matters in TPT-WG Modal Experts Groups.   |  |
| Necessary or<br>Proposed<br>Cooperation from<br>Member Economies | Where necessary, specify necessary actions to be undertaken by an APEC Member Economy (Economies).  Provide necessary inputs for timely preparation of the 5 <sup>th</sup> Transportation Ministerial meeting in 2007 in Australia  | Follow-up: Specify such as: implementation; provision of information; other activities   |  |

| Outreach Matters | Where necessary, specify the activities which will render any material to be used for media relations.  |  |  |
|------------------|---|--|--|
|                  | The forthcoming Ministerial will emphasise on three priority themes: transport safety; transport security; and transport facilitation and liberalisation. A Report on progress against the Ministerial Directives from the last Ministerial meeting in Bali, 2004 will be prepared. |  |  |

### Report of Tourism Working Group (TWG) Date: 30 June 2007 Occasion: SOM 3

| Summary of the 29 <sup>th</sup> |
|---------------------------------|
| and 30 <sup>th</sup> TWG        |
| Meeting                         |

Date: 13-14 October 2006, and 16-17 May 2007 Venue: Hoi An and Gold Coast

Chair: Mr. Pham Quang Hung. (29th TWG) and Ms. Patricia Kelly (30th TWG)

#### Attendance:

29<sup>th</sup> TWG: 16 APEC economies, 3 guests (Macao, China; WTTC-World Travel and Tourism Council and PATA- Pacific Asia Travel Association), 1 permanent guests (AICST-APEC International Centre for Sustainable Tourism), and the APEC Secretariat.

30<sup>th</sup> TWG: 17 APEC economies, 2 guests (Macao, China; WTTC and PATA), 1 permanent guests (AICST-APEC International Centre for Sustainable Tourism), and the APEC Secretariat.

## Summary: 29<sup>th</sup> TWG

#### Implementation of the APEC Tourism Charter

The APEC Tourism Charter reflects a collective commitment to improve the economic, cultural, social and environmental well being of APEC Member Economies through tourism. The Charter recognizes the significant contribution tourism makes to APEC economies. It establishes four key policy goals and an agreed process for realizing these aims –

Goal No.1: removal of impediments to tourism business and investment (chair: Thailand);

Goal No.2:increase mobility of visitors and demand for tourism goods and services (chair: Indonesia),

Goal No.3: sustainable management of tourism outcomes and impacts (chair: new Zealand), and

<u>Goal No.4</u>: enhance recognition and understanding of tourism as a vehicle for economic and social development (chair: Australia).

At its plenary 29<sup>th</sup> TWG meeting, led by the respective policy goal chairs discussed progress in implementation of the four policy goals, which included discussion on <u>progress of capacity building projects currently underway and possible future</u> activities under each goals. Highlights of the discussion are as follows:

#### TWG Policy Goal No. 1 - "Removal Of Impediments To Tourism Business And Investment"

- 1. Thailand as chair of this policy goal updated on its on-going project, TWG 01/2006T Tourism Impediments Study stage 3. Members noted the updated report.
- 2. Thailand invited members to propose future activity under this policy goal for consideration at this meeting. Members mentioned some activities that could be conducted in the future such as, activities with regard to dissemination of the project's outcomes through a workshop participated by relevant fora to address the cross cutting nature of the

impediments in tourism. Thailand would coordinate further with members on future activity inter-sessionally.

#### Policy Goal No. 2 – "Increase Mobility Of Visitors And Demand For Tourism Goods And Services"

- 3. Indonesia now officially chair this policy goal and presented progress of TWG 01/2005 APEC Tourism Occupational Skills Standards Stage (TOSS) stage 4.
- 4. Indonesia invited Malaysia to brief on progress of TWG 01/2006 Strengthening Safety and Security Best Practices Against Terrorism for Sustainable Tourism Development. The project aims at up-dating security and safety best practices for tourist based on the previous study done in 2003/2004. Malaysia encouraged members to participate in this endeavor since the act of terrorism and its modus operandi has evolved since the previous study. Malaysia also informed that a consultant has been appointed and currently in negotiating the contract with the APEC Secretariat.
- 5. Members were invited to propose and suggest future activity under this policy goal. However, at this meeting no new activity was proposed and members are encouraged to collaborate further on possible new activity inter-sessionally.

#### Policy Goal No. 3 – "Sustainably Manage Tourism Outcomes And Impacts" (Chair: New Zealand)

- 6. In the absence of New Zealand, Malaysia chaired this policy goal and reported that the project TWG 02/2005 Best Practices in Sustainable Tourism Management Initiatives for APEC Economies has been finalized and final report has been circulated to members and posted on the publications page of the TWG webpage on the APEC website. The group thanked Malaysia for the successful conclusion of the project and noted the concluding oral progress report.
- 7. As there is no other new proposed activity under this policy goal, Malaysia reminded that should one emerge in the near future it may be communicated amongst members inter-sessionally.

# Policy Goal No. 4 – "Enhance Recognition And Understanding Of Tourism As A Vehicle For Economic And Social Development" (Chair: Australia)

- 8. As no particular project is reported under this policy, members lead by Australia engaged in the sharing of experience and discussion on the importance, obstacles as well as usefulness of developing a Tourism Satellite Account (TSA). The WTTC as the forerunner in developing TSAs across the region was also sought for inputs. Members find such discussion useful in their planning and efforts to develop their own TSA.
- 9. Likewise, Australia proposed that should members come up with new proposal under this policy goal it can be communicated to members inter-sessionally.

Strategic Review Of The Tourism Charter As A Component Of The Independent Assessment (IA) Of The ECOTECH Implementation Of The APEC Tourism Working Group - Esc Project No. 01/2006.

- 10. The group invited the assigned consultant, Prof. **Dae-Kwan Kim**, Ph.D, to brief on progress on this project. The consultant presented the preliminary findings of the survey which appeared in document No.2006/TWG29/003. The current findings were based on 13 member economies' responses to the questionnaire, which covers the review of the 2000 Tourism Charter as well as the TWG operating framework.
- 11. Australia as the lead economy on this project, handed over questionnaires to members who have not responded and requested them to complete it while attending this meeting. Another 5 responses were received and provided to the consultant for his further analysis. Australia supported by members instructed the consultant to prepare the draft final report of the entire project in narrative form before the end of the year for consideration by the TWG intersessionally.
- 12. In discussing the response of the TWG in regard to the SCE fora review paper, the group agreed to organize and conduct a workshop in the afternoon of 14<sup>th</sup> October 2006, with the theme "The Way ahead for the TWG". The group agreed that outcomes of the workshop will form input and response to the concern of the SCE as referred to in the latter's latest draft of the review on APEC fora discussion paper. The group tasked TWG-Australia to draft the response letter on behalf of the the Lead Shepherd based on outcomes of the workshop.
- 13. Main points in the workshop included:
  - The general feeling from members that the TWG shall maintain as an independent fora due to the unique nature of the tourism industry which addresses and underpin issues with regard to the economic, social, cultural and environmental well-being of peoples in the region;
  - Tourism is also considered as an issue under the services negotiations of the WTO (World Trade Organization)
    which in the APEC process is included in part one of the Osaka Action Agenda as a sub-chapter of services;
  - Tourism is reported individually by members in their respective Individual Action Plans reporting, and is subject to being peer reviewed;
  - Tourism cross cut a vast area of issues but not limited to SMTE's, skills and manpower development, travel, air linkages, security in a the broader sense, customs, immigration, environment/sustainable development and mobility of people. Only by being a stand alone fora the Tourism industry in the region can ensure that messages and deliberations on these issues based on the tourism perspective get across and acquire the attention of other concerned government agencies;
  - In continuing as an independent APEC fora, however, the TWG will resolve and respond to the findings of the Independent Assessment project to improve the operations of the group.

The group also discussed the review work done, further/ complete work in progress and refine priority issues in preparation for the 4<sup>th</sup> Tourism Ministerial meeting to be held on 16-17 October 2006. Recommend to the Tourism Ministers for endorsement a paragraph in the Hoi An Declaration on the TWG's way ahead taking into account outcomes of the independent assessment. The Declaration includes the main concept of further promoting tourism cooperation in the APEC region for endorsement by the Tourism ministers.

- > The main concept of further Promoting Tourism Cooperation in the APEC region for endorsement by the Tourism ministers covers:
  - Holding on voluntary basis an APEC Tourism Fair in conjunction with a major APEC event;
  - Hosting on voluntary basis an APEC Tourism Investment Forum on the sidelines of Tourism Ministerial meeting;
  - Forging travel facilitation measures for tourists by possibly developing tour packages and direct air-linkages to APEC cultural heritage sites and tourism destinations; and
  - Organize for the promotion of tourism, joint activities for youth and sister cities exchange to nurture mutual
    understanding and appreciation to cultural values as well as customs and traditions.

#### **Tourism Ministerial Meeting**

- Ministers also welcomed the progress aimed at reviewing the awareness and relevance of TWG's goals and activities; and identify mechanism to focus TWG's strategic priorities and future directions. Ministers noted the resolve of the TWG to respond to the findings of the Independent Assessment to improve the operations of the Group. Ministers also noted that the TWG reaffirmed its role as an independent APEC Forum with a strong focus on facilitating tourism as an important driver of economic and social development.
- Ministers commended the work of the Tourism Working Group towards realizing the policy goals through various activities under the working group. Worth noting is that ministers appreciated the working group for addressing issues such as standardizing tourism services and occupational skills, identifying new impediments to tourism, developing best practices in sustainable tourism development and sharing risk management strategies.
- Ministers stressed the importance of addressing the challenges brought about by global developments, such as natural or man made disasters, health issues as well as safety and security issues. In response on global and regional tourism issues, ministers concur on the need to send a constant and firm message a cross on the important role of tourism in the social and economic development as well as in creating mutual understanding and trust in the grass root level of peoples' in the region. Therefore establishing a creative, sound and sustainable tourism policies in response to the global challenges are crucial.
- Other agenda items that discussed in the meeting in the implementation of the four policy goals established by the APEC Tourism Charter, which included discussion on progress of capacity building projects currently underway and possible future activities under each goals. Highlights of the discussion focused on the ongoing projects developed to implement the goals of APEC Tourism Charter.

#### 30<sup>th</sup> TWG

 $\succ$  In the sideline of the  ${f 30}^{th}$  TWG meeting, several events conducted as follows:

- the launching of tourism risk management guide and training materials which was held by AICST. This Project was an AICST initiative in partnership with the United Nations World Tourism Organization (UNWTO) and the Pacific Asia Travel Association (PATA). All materials are provided free of charge to APEC Economies in the Asia Pacific region and through partners to the rest of the world.
- APEC Tourism Forum held by the Australian Department of Industry, Tourism and Resources. This Forum was held as a
  preliminary meeting that could be use as substantial input and identify future works for the TWG. The theme and
  program for the Forum was, *The Importance of Collaboration in Times of Crisis*, and has been developed to increase
  and maximise collaboration between the TWG and both government and industry tourism stakeholders.
- On future Project for 2008 funding, a project proposal on Training of the Application of APEC Skill Standard Concept and System and was endorsed by the meeting. Furthermore, Australia, proposed two new outline proposals on possibility of an investment project and Tourism Satellite Account
- > The Chair raised and discussed the issue on Climate Change as its impact toward tourism industries. It was proposed to members for discuss it further on this issue in depth, and seek the possibility to develop a project proposal on this particular issue.
- > The Chair of the Small and Medium Enterprises Working Group, Ms Sue Weston, Head of Division, Office of Small Business, DITR, will report briefly on the outcomes of the SME Ministerial meeting held on 4-9 March 2007 in Hobart.
- > TWG agreed to continue coordination with other APEC fora as appropriate in regard to project formulation and implementation, as well as on cross-cutting issues.

#### **CLIMATE CHANGE PRESENTATION**

- 14. A short presentation on Climate Change Impacts, Adaption And Mitigation by Mr. Drew Clarke, Head of Division, Energy and Environment Division, DITR. Comments and supports were raised on the importance of climate change issue in particular the affect on tourism industries to disseminate it to the stakeholders. Thailand informed that they are conducting a research on the impact that could be caused by climate change on i.e. water consumption, and her conditions. It was also mentioned the importance to trained people to cope this kind of situation. Therefore to propose the issue on climate change as a project proposal, it is best to identify the precise measure, the goal, the concrete project dialog partner for this project.
- 15. Comments also raised that this issue could be developed as a project which focused on potential impacts on tourism and adaptation strategies that economies could implement. In this regard, the Chair mentioned the difficulty to meet the limited timeframe to develop this issue as an APEC Project Proposal. Nevertheless, it was agreed to form a small group consist of Australia, Japan, Korea, Thailand, New Zealand, and USA to identify and really focus what kind of project could be valuable for the group need a working group to work on this issue and what should be done on this issue as a project

#### **DISCUSSION ON FUTURE TWG ACTIVITIES**

- 16. The Lead Shepherd proposed the draft TWG work plan of 2007-2008 which highlighted that TWG will take a more strategic approach to TWG operations and projects and focused on four key priorities: Structural reform, Greater collaboration with other APEC fora; Greater focus on impediments to tourism growth; Greater collaboration with private sector stakeholders. Comments and inputs were provided by members particularly on the issue of aviation development and liberalization. On this particular issue, Japan came forward with a amendment to the Work Plan. Members agreed to work on it further intersessionally and to be endorsed in the next 31<sup>st</sup> TWG meeting.
- 17. Indonesia presented its project proposal on Training on the application of APEC Skill Standard concept and system for 2008 APEC funding, Indonesia presented its project proposal on Training on the application of APEC Skill Standard concept and system APEC TOSS Concept has been promoted, spread, and well accepted in 7 APEC member economies. To ensure sustainability of the project's benefits and future implementation and application of the system by tourism industry within APEC Member Economies, continuous promotion and introductory training sessions should be scheduled. The proposal was approved by the meeting. Three economies PNG, Philippines and Korea volunteered to complete the Quality Assessment framework (QAF).
- 18. Furthermore, Australia, proposed two new outline proposals on possibility of an Investment Project and Tourism Satellite Account. Members noted these 2 documents and requested Australia to develop the Project Proposal based on the outlines
- 19. Presentations and discussion were held on Aviation Development and Liberalisation, the Policy and Analysis applications of Tourism Satellite Accounts (TSA) and Destination Management Planning

#### 20. TWG Project Updates

• TWG 01/2006T – Tourism Impediments Study Stage III (PO Thailand)

The report was on the status of the study summary report, the problems occurs of the project and the solution. The study (workshop) had been done in Papua New Guinea. Viet Nam was requested to hold the next workshop for this project, in this regard Vietnam consult first with the capital. The study was based on legal analysis first progressive report which focused on sustainable tourism impediments analytical findings which 6 months can be completed, hold the workshop between the mid of June in between the second of June to follow-up intersessionally.

• TWG 01/2006 – Strengthening of Safety and Security Best Practices Against Terrorism for Sustainable Tourism Management (PO Malaysia)

In studying the threat of terrorism to tourism in safety and security the Consultant are still in the process collecting information. The next progress will be reported in September 2007 the scope of work after this will be analysis and completion will be done shortly depth research 1,5 months ahead.

AICST (APEC International Centre for Sustainable Tourism) activities in 2005/2006

AICST self-funded activities in 2005/2006 and completed in various APEC economies, are as follows:

- 1. Leading and managing an APEC regional project entitled "Risk Management and SME Training & Development Project for APEC Region". The project will update an AICST 2004 report "Tourism Risk Management in the Asia Pacific Region An Authoritative Guide to Managing Crises and Disasters" in the wake of the Indian Ocean tsunami and hurricane Rita in the Gulf of Mexico. Three risk management training modules will also be produced dealing with: An Introduction to Risk Management in Tourism; How to Develop a Risk Management Strategy for a Tourism Related SME; and How to Develop A Risk Management Strategy for a Tourism Destination". All of the materials are published in English, Chinese, Indonesian (Bahasa), Thai and Vietnamese, and are provided free of charge to APEC Economies in the Asia Pacific region and through partners to the rest of the world
- 2. AICST Leading and managing a project in Thailand to develop and implement a Tourism Risk Management Strategy for the Province of Phuket. This project resulted from a request from the Thai Ministry of Tourism for assistance and guidance to improve the tourism industry's preparedness and capability of responding and recovering from any form of crises or disaster. The project will be used as a model by the Thai government to develop similar strategies in other tourism destinations in the Kingdom and by AICST as a model for application elsewhere in the APEC region. This project concluded recently with the official launch of the Phuket Tourism Risk Management Strategy on Monday 30th April 2007. The project was conducted over one year and involved a team of Thai government and private sector representatives participating in four workshops to plan and develop the strategy. AICST's role was assistance and guidance. We also provided background information and the methodology for the strategy development. The Strategy includes the identification and analysis of all potential risks to Phuket tourism both natural and man-made. It prioritises these risks based on their likelihood of occurrence and the severity of their consequences. It links with general disaster management plans by government and individual government agency plans for events such as terrorism, health pandemics, crime, etc.

The Phuket strategy outlines how the tourism industry (a partnership of government tourism agencies and private sector tourism organisations) will organise itself and plan for possible crises and be prepared to deal with any crises that may occur. The strategy document is currently undergoing final editing and will be translated prior to release in the near future. The Thai government are currently considering further strategy developments in other provinces and conducting tourism risk management training workshops.

#### > TWG coordination with other APEC fora

The TWG shall continue coordination with other APEC fora as appropriate in regard to project formulation and implementation, as well as on cross-cutting issues.

#### Future TWG Meetings

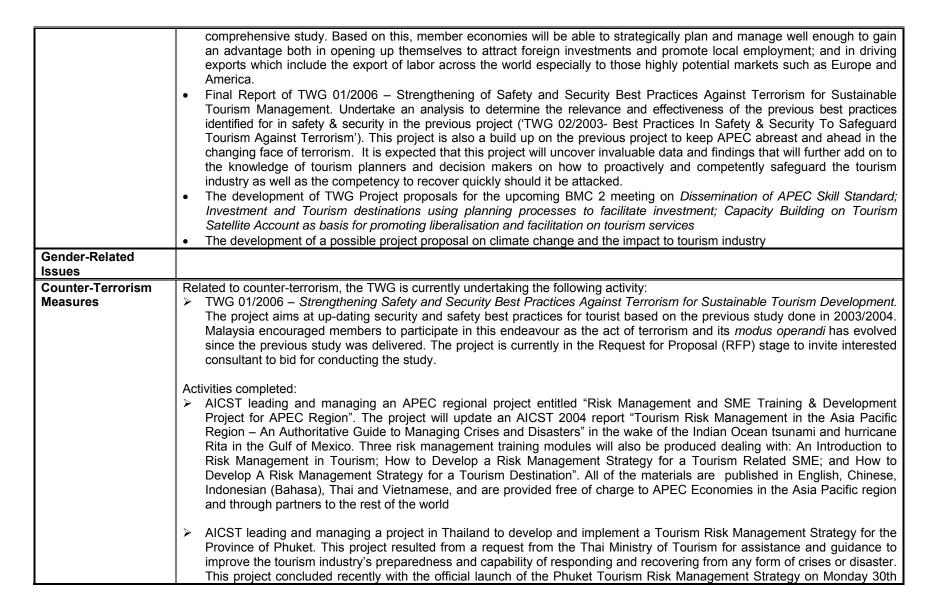
• The 31st TWG meeting in 29 October-1 November 2007 will be held in Bandung, Indonesia, respectively.

|  | Recommendation   | n:   |  |
|--|--|--|--|
|  | SOM to note:   |  |  |
|  | APEC Priority APEC Econom The outcomes Assessment of of the 2000 To the final report continuation of Committees, of the final report research project tourism manage Expected outcomes Expected outcomes and the continuation of Committees, of the final report research project tourism manage Expected outcomes Expected ou | the deliverables of the 4 <sup>th</sup> Tourism Ministerial Meeting held on 16-17 October 2006, in Hoi Ann, Viet Nam, on the <b>2006 APEC Priority on the Promotion of Tourism Exchange</b> as a deliverable for the 18 <sup>th</sup> APEC Ministerial Meeting and 14 <sup>th</sup> APEC Economic Leaders Meeting 2006.  The outcomes and recommendations which will be contained in the final report of ESC 01/2006 -the Independent Assessment of the ECOTECH implementation of the APEC TWG- undertaken by the SCE which includes a strategic review of the 2000 Tourism Charter.  The final report of the TWG 01/2005 APEC Tourism Occupational Skills Standards Stage (TOSS) stage 4, which is a continuation of the previous stage with current coverage on developing network of skills standardization institutions, Committees, Certification and Accreditation in the tourism industry.  The final report of TWG 02/2005 Best Practices in Sustainable Tourism Management Initiatives for APEC Economies, a research project aimed to examine and identify exemplary/successful practices covering various major aspects of sustainable tourism management from both the public and private sectors, in the APEC economies.  Expected outcomes of TWG 01/2006T – Tourism Impediments Study Stage III |  |
| Implementation of  | Leaders'   | ent of a possible project proposal on climate change and the impact to tourism industry  |  |
| APEC Mandates  | Instructions   | [X] Not applicable   |  |
| Tick ✓those items for which a report may not be needed;  — the item is not | Ministers'<br>Instructions   | Undertake an Independent Assessment of the TWG which is currently underway as an ESC project No.01/2006, and is aimed to assess the implementation of the ECOTECH priorities in the TWG. This project responds to the call of the 16 <sup>th</sup> APEC Ministers Meeting held in November, 2004.  |  |
| applicable to the  |  | [ ] Not applicable / [X] Still in-progress   |  |
| forum or;  it is premature to report as work is still in progress.         | Sectoral<br>Ministers'<br>Instructions   | Conduct a strategic review of the 2000 APEC Tourism Charter as instructed by the 2004 Tourism Ministers' Patagonia Declaration. This endeavour form part of the overall Independent Assessment of the TWG (ESC 01/2006), and will be delivered in conjunction with the 4 <sup>th</sup> TMM in October 2006.  |  |
| suii iii progress.   |  | Progress of the 2000 Tourism Charter goals:  |  |
|  |  | > TWG Policy Goal No.1: Removal of impediments to tourism business and investment;   |  |

- Launch, undertake, complete and deliver TWG 01/2006T Tourism Impediments Study Stage 3.
- Develop investment initiative initiated by Australia as a possible future TWG project proposal under this goal
- > TWG Policy Goal No.2:Increase mobility of visitors and demand for tourism goods and services:
  - Deliver TWG 01/2005 Tourism Occupational Skills Standards (TOSS) in the APEC region stage IV;
  - Launch, undertake, complete and deliver TWG 01/2006 Strengthening Safety and Security Best Practices Against Terrorism for Sustainable Tourism Development
  - Develop the possible project proposal on Dissemination of APEC Skill Standards as a continuation of the APEC TOSS Concept which has been promoted, spread, and well accepted in 7 APEC member economies: Singapore, Thailand, Philippines, Viet Nam, Malaysia, Indonesia and Australia. To ensure sustainability of the project's benefits and to ensure future implementation and application of the system by tourism industry within APEC Member Economies, continuous promotion and introductory training sessions should be scheduled.
- > TWG Policy Goal No. 3: Sustainable management of tourism outcomes and impacts:
  - Deliver TWG 02/2005 Best Practices in Sustainable Tourism Management Initiatives for APEC Economies:
  - Develop APEC Sustainable Tourism Monitoring Initiative initiated by New Zealand as a possible future TWG project proposal under this goal.
- > TWG Policy Goal No.4: Enhance recognition and understanding of tourism as a vehicle for economic and social development:
  - Develop a tourism satellite account initiated by Australia as a possible future project proposal
  - Currently there is no APEC funded activity under this policy goal, however, AICST, a cooperative and collaborative centre founded under this policy goal, draw the attention of the TWG on the importance to constantly and continuously enhance the profile of tourism in respective economies by highlighting and informing correctly all stakeholders on: (i) the capacity of tourism to contribute to socio economic and social development; and (ii) the need for respective economies to quantify the contribution of tourism to ones economy earnings. Members engaged in the sharing of experience and discussion on the importance, obstacles as well as usefulness of developing a Tourism Satellite Account (TSA). The WTTC as the forerunner in developing TSAs across the region was also sought for inputs. Members find such discussion useful in their planning and efforts to develop their own TSA. Also under this policy goal, members are reminded to continuously provide up-date to their respective

|     | economies' information on the APEC Tourism Information Network (TIN) website at <a href="http://www.apec-tourism.org/tin.php">http://www.apec-tourism.org/tin.php</a> . Members' up-dates can be provided to AICST as the administrator for up-loading onto the TIN website.   |
|-----|--|
|     | [ ] Not applicable / [X] Still in-progress   |
| OAA | TWG will continue:   |
|     | <ul> <li>to work on addressing impediments to tourism business and investment;</li> <li>to promote economic and technical cooperation to achieve sustainable growth and equitable development in the Asia-Pacific region, through Projects, self and/or APEC funded, as well as other activities that can forge the overall improvement and development of the tourism industry.</li> </ul>  |
|     | [ ] Not applicable / [X] Still in-progress   |
| CAP | Conduct a strategic review of the 2000 APEC Tourism Charter as instructed by the 2004 Tourism Ministers' Patagonia Declaration. This endeavour form part of the overall Independent Assessment of the TWG (ESC 01/2006), and will be delivered in conjunction with the 4 <sup>th</sup> TMM in October 2006.  |
|     | Progress of CAP implementation:  |
|     | > TWG Policy Goal No.1: Removal of impediments to tourism business and investment;   |
|     | <ul> <li>Launch, undertake, complete and deliver TWG 01/2006T Tourism Impediments Study Stage 3.</li> <li>Develop investment initiative initiated by Australia as a possible future TWG project proposal under this goal</li> </ul>  |
|     | > TWG Policy Goal No.2:Increase mobility of visitors and demand for tourism goods and services:  |
|     | <ul> <li>Deliver TWG 01/2005 Tourism Occupational Skills Standards (TOSS) in the APEC region stage IV;</li> <li>Launch, undertake, complete and deliver TWG 01/2006 – Strengthening Safety and Security Best Practices Against Terrorism for Sustainable Tourism Development</li> <li>Develop the possible project proposal on Dissemination of APEC Skill Standards as a continuation of the APEC TOSS Concept which has been promoted, spread, and well accepted in 7 APEC member economies: Singapore, Thailand, Philippines, Viet Nam, Malaysia, Indonesia and Australia. To ensure sustainability of the project's benefits and to ensure future implementation and application of the system by tourism industry within APEC Member Economies, continuous promotion and introductory training sessions should be scheduled.</li> </ul> |
|     | > TWG Policy Goal No. 3: Sustainable management of tourism outcomes and impacts:   |

|                              |                                      | <ul> <li>Develop the possible project proposal on Dissemination of APEC Skill Standards as a continuation of<br/>the APEC TOSS Concept</li> </ul>   |
|------------------------------|--------------------------------------|---|
|                              |                                      | [ ] Not applicable / [X] Still in-progress  |
|                              | E-commerce                           |   |
|                              | Stocktake                            | [X] Not applicable  |
|                              | AFS                                  | [X] Not applicable  |
|                              | Sustainable<br>Development           | [ X] Not applicable / [] Still in-progress  |
|                              | Science and                          | [X] Not applicable / [] othir in-progress   |
|                              | Technology<br>Agenda                 | [X] Not applicable  |
|                              | Contribution to the WTO              | There are two TWG activities that may provide indirect contribution to the WTO negotiations on trade in services, as follows:   |
|                              |                                      | • The on-going project, TWG 01/2006T Tourism Impediments Study stage 3 The project is aimed to: 1) identify, update, analyze and prioritize impediments/measures to tourism development especially those identified and published by the OECD in 1990 in "Inventory of obstacles to international tourism in the OECD area" and those in the commitments submitted by members of the World Trade Organization (WTO) including relevant domestic rules and regulations; 2) thoroughly investigate, analyze and summarize other related issues and aspects including risks and new challenges to tourism industry of the APEC region especially to those participating member economies; 3) propose measures to remove or reduce those impediments to tourism business and investment to encourage liberalization of services trade related to tourism business under GATS. Thailand informed that the project will provide opportunity for another 2 (two) member economies who have not participated in the previous two stages to participate in the study. Viet Nam has confirmed its willingness to participate in this stage. Thailand as the Project Overseer has appointed a consultant for the project, and a contract has been signed with the consultant to undertake the project immediately. |
|                              |                                      | [ ] Not applicable / [X] Still in-progress  |
|                              | Invasive Alien<br>Species            |   |
|                              | Other APEC                           |   |
|                              | Initiatives                          | [X] Not applicable  |
| Expected Annual Deliverables | Outcomes and implementation Charter. | d recommendations contained in the final report of ESC 01/2006 -Independent Assessment of the ECOTECH n of the APEC TWG undertaken by the SCE which includes a strategic review of the 2000 APEC Tourism  |
|                              | Final Report of                      | of TWG 01/2006T – Tourism Impediments Study Stage III expected to have significant, substantive and   |



|   | April 2007. The project was conducted over one year and involved a team of Thai government and private sector representatives participating in four workshops to plan and develop the strategy. AICST's role was assistance and guidance. We also provided background information and the methodology for the strategy development. The Strategy includes the identification and analysis of all potential risks to Phuket tourism – both natural and man-made. It prioritises these risks based on their likelihood of occurrence and the severity of their consequences. It links with general disaster management plans by government and individual government agency plans for events such as terrorism, health pandemics, crime, etc.  The Phuket strategy outlines how the tourism industry (a partnership of government tourism agencies and private sector tourism organisations) will organise itself and plan for possible crises and be prepared to deal with any crises that may occur. The strategy document is currently undergoing final editing and will be translated prior to release in the near future. The Thai government are currently considering further strategy developments in other provinces and conducting tourism risk management training workshops. |
|---|--|
| ABAC<br>Becommendations                                     | N.A  |
| Recommendations SME-Related Issues                          | ALCOT leading and group sing an ADEO regional gratient autitled "Diels Management and CME T. 1.1. A. D   |
|   | <ul> <li>AICST leading and managing an APEC regional project entitled "Risk Management and SME Training &amp; Development Project for APEC Region". The project will update an AICST 2004 report "Tourism Risk Management in the Asia Pacific Region – An Authoritative Guide to Managing Crises and Disasters" in the wake of the Indian Ocean tsunami and hurricane Rita in the Gulf of Mexico. Three risk management training modules will also be produced dealing with: An Introduction to Risk Management in Tourism; How to Develop a Risk Management Strategy for a Tourism Related SME; and How to Develop A Risk Management Strategy for a Tourism Destination". All of the materials are published in English, Chinese, Indonesian (Bahasa), Thai and Vietnamese, and are provided free of charge to APEC Economies in the Asia Pacific region and through partners to the rest of the world</li> </ul>   |
| Non-Member Participation                                    | <ul> <li>Macao, China's guest status in the TWG was renewed in May 2007 and will be expired end of December 2009; and</li> <li>PATA, WTO and WTTC guest status in the TWG has been renewed in May 2005 and will be expired end of December 2007.</li> </ul>  |
| Cooperation with the Private Sector                         | The TWG has developed a cooperative and collaborative working relationship with private sectors' organization in tourism such as PATA, WTO (World Tourism Organization) and WTTC for mutual benefit. Collaboration extends from sharing of information on various issues affecting the tourism industry up to jointly undertaking projects in the region, whereby the TWG is represented by AICST. Currently the TWG is actively engaged with the WTTC, seeking its experience and expertise on the importance, obstacles as well as usefulness of developing a Tourism Satellite Account (TSA) or the climate change issue.   |
| Cooperation with IFIs and other international organisations | N.A.   |

| Necessary Assistance from APEC Secretariat                       | The TWG continues to seek assistance and advice from the APEC Secretariat on various issues such as on key developments within APEC, APEC policies and procedures, as well as matters arising from formulation, approval, implementation of and reporting on APEC-funded projects. | Follow-up: Specify such as: Matters arising from the outcomes of the 19 <sup>th</sup> AMM/ 13 <sup>th</sup> AELM in November 2007, and from Sectoral Ministers' that the TWG may need to respond or that have implications to the activity of the TWG. |
|--|--|--|
| Proposed<br>Cooperation from<br>Other APEC Fora                  | The TWG has responded to several collaborative requests from other APEC fora, such: the TFEP, CTTF, SME-WG, GFPN, TPTWG and is open and will respond to future requests for closer collaboration within the APEC process.  | Follow-up: Specify such as: sharing information meetings; other activities   |
| Necessary or<br>Proposed<br>Cooperation from<br>Member Economies |  | Follow-up: Specify such as: implementation; provision of information; other activities   |
| Outreach Matters   | The TWG will continue to seek the services of the APEC Secretariat's communication and media t activities.   | eam to help promote its  |

### Report of Anti-Corruption and Transparency Experts Task Force (ACT) Date: 30 June 2007 Occasion: SOM 3

| Summary of Plenary         |  |  |  |  |
|----------------------------|--|--|--|--|
| <b>Meetings Since Last</b> |  |  |  |  |
| Report                     |  |  |  |  |

Date: 23-24 January Venue: Canberra

**Chair: Miles Jordana** 

**Attendance:** 21 APEC member economies all sent delegations to the meeting. Participating in this meeting were also the representatives from the OECD/ADB Anticorruption Initiatives Secretariat, World Bank, and Transparency International (TI). Around 49 delegates attended this one-and-half day meeting.

#### Summary:

APEC Anti-Corruption and Transparency Experts Task Force (ACT) were set up during SOMI in March this year in accordance with the APEC Leaders' instruction made in Santiago last November. The 1<sup>st</sup> meeting of ACT was held on 5-6 September 2005 in Gyeongiu. Republic of Korea.

The first ACT meeting elected Chile to serve as the remaining one of the two Vice-Chairs, as by TOR of the Task Force the other Vice-Chair of the group will come from the following year's APEC host economy. The meeting also decided that the elected Vice-Chair will serve for a term of two years to retain institutional memory and continuity of group's activities, at the same time to comply with SOM's decision of reviewing each of the APEC for a once every three years.

ACT Task Force Meeting in Canberra on 23 and 24 January 2007 held discussions in relation to the various goals for the remainder of Australia's APEC year. These include the delivery of a High Level Statement on International Legal Cooperation for endorsement by Leaders, the completion by all Economies of the Strategic Matrix, setting out progress, successes and milestones in implementing the *Course of Action on Fighting Corruption and Ensuring Transparency*, as well as further progression of work on sharing information on best practices in fighting corruption and implementation of UNCAC.

Members reported during the ACT IV on the developments on implementing the UN Convention against Corruption (UNCAC) and other Initiatives related to Anti-corruption and Transparency.

Member economies consider endorse the ACT Chair's draft of a high level statement on international legal cooperation designed to act as a catalyst for breaking down barriers to effective cooperation and normalising mutual assistance, asset recovery and extradition among APEC economies.

ACT members welcomed non-APEC member economies and international organizations to participate in the ACT meetings, consistent with APEC rules and precedents. In this regard ACT highlights the participation of ADB-OECD Anti-corruption Initiative for Asia and the Pacific and Transparency International (TI). Acknowledging the contribution of international organization to the APEC Anticorruption works, ACT members agreed to renew the invitation to these two organizations to ACT V as a preparation for a future ongoing participation in a more permanent status.

Economies committed to provide comments on the Draft Conduct Principles for Public Officials and the Draft Code of Conduct

for Business, the Chair proposes to prepare a draft combined working document for the consideration of Economies prior to the June meeting of the ACT. Any comments in relation to the *Draft Conduct Principles for Public Officials* should also be conveyed to Chile and the United States.

In accordance with Leaders and ABAC recommendation and as prologue of the ACT meetings, the Workshop 'Towards Transparency Principles for the Private Sector' was held on 22 January 2007 in the margins of SOM I in Australia. This ACT event developed a draft set of best practice integrity principles building upon the recommendations made by ABAC and focused its scope in bribery.

#### Recommendation:

Specify whether for consideration of decision points or for taking note.

ACT recommends that SCE and SOM endorse the expected deliverables and forward them to Ministers and Leaders.

#### Implementation of APEC Mandates

Tick ✓those items for which a report may not be needed;

- the item is not applicable to the forum or:
- it is premature to report as work is still in progress.

# Leaders' Instructions

Summarise progress in implementing relevant AELM instructions.

In the 2006 statement by the Economic Leaders of Member Economies of APEC, Economic Leaders identified corruption as one of the greatest obstacles to economic and social development. Further, they agreed to fight corruption and usher in a community of integrity by effectively implementing ACT's initiatives through enforcement of **anti-bribery law, prosecution, and denial of safe haven.** They instructed Senior Officials to work with ABAC and other business leaders to strengthen corporate governance to assure greater economic opportunities and prosperity.

In response to the directions of 14<sup>th</sup> APEC Economic Leaders Meeting, taking into account the priority areas set for 2007 by SOM, ACT Chair prepared the draft ACT 2007 Work Plan and circulated it to ACT

After the 4<sup>th</sup> ACT meeting, work progressed significantly on documents relative to these goals, being the drafted as follows:

- 1. ACT High Level Statement: Fighting Corruption Through Improved International Legal Cooperation
- 2. Draft Conduct Principles for Public Officials
- 3. ACT Workshop Towards Transparency Principles for the Private Sector Record, that advanced in the Draft Code of Conduct for Business

[] Not applicable / [] Still in-progress

# Ministers' Instructions

Summarise progress in implementing relevant AMM instructions.

At the 18th APEC Ministerial Meeting in 2006, Ministers appreciated the progress made by APEC members in 2006 in fighting corruption and ensuring transparency.

Ministers endorsed APEC 2006 key deliverables on Prosecuting Corruption, Strengthening Governance and Promoting Market Integrity and encouraged member economies to take actions to realize their commitments.

As step forward, ACT committed in 2007 to develop and endorse a high level statement on international legal cooperation designed to act as a catalyst for breaking down barriers to effective cooperation and normalizing mutual assistance, asset recovery and extradition among APEC economies.

The APEC Anti-corruption and Transparency Task Force (ACT) reiterate the 2004 APEC Santiago Commitment and the APEC Course of Action on Fighting Corruption and Ensuring Transparency (COA) and in this line, Ministers also encouraged all economies to complete their progress reports on the implementation of ACT commitments by 2007.

As stated, ACT IV encouraged the members to make the United Nation Convention Against Corruption a major priority requested all the members to report back to the Plenary and submit brief progress reports of the ratification and implementation of the UNCAC (being this the first action of the progress report template to be submitted by all members).

Acknowledging the valuable information and experience that multilateral organizations can share with APEC in the area of anti-corruption, Ministers encouraged the ACT to strengthen cooperation with other international and regional organizations on their anti-corruption initiatives in the Asia-Pacific region as appropriate, particularly with the United Nations, the World Bank, the Asian Development Bank (ADB), OECD, INTERPOL, Financial Action Task Force and the Asia-Pacific Group on Money Laundering (APG).

In this regard, ACT has made substantive efforts in developing stronger linkages with the international organizations being the two more active synergies along 2007 with ABD-OECD Anticorruption Initiative for the Asia Pacific and the Transparency International. Basis on the acknowledgment of the outstanding role in the Anticorruption field, the ACT members decided to consecutively invite these two institutions to the workshops and IV and V plenary meetings during 2007.

Ministers emphasized the significance of public-private coordination on anti-corruption and ensuring transparency and welcomed the results of the Public and Private Dialogue on Anti-Corruption and Ensuring Transparency in Business held on the margins of SOM III in Viet Nam. Ministers agreed to deepen public-private partnerships by working with ABAC and business leaders to strengthen corporate governance with innovative strategies that assure greater economic opportunities and prosperity

|  |                                    | As follow up action the APEC Anti-Corruption and Transparency Experts Task Force, organized and sponsored Australia held its 'Towards Transparency Principles for the Private Sector' Workshop in Canberra, Australia on 22 January 2007, in the margins of SOMI. The Workshop was chaired by Maggie Jackson, First Assistant Secretary, International Crime Cooperation Division of the Australian Attorney-General's Department. |
|--|------------------------------------|--|
|  |                                    | The Workshop was attended by Member Economies of the ACT, experts from international institutions, representatives of several major Australian business organisations and representatives of Commonwealth Departments.   |
|  |                                    | [] Not applicable / [] Still in-progress   |
|  | Sectoral<br>Ministers'             | Where necessary, summarise progress in implementing relevant Sectoral Ministers' instructions.   |
|  | Instructions                       | [X ] Not applicable / [] Still in-progress   |
|  | OAA                                | Summarise progress in implementing relevant items of the OAA.  [] Not applicable / [] Still in-progress  |
|  | CAP                                | Where necessary, summarise progress in implementing relevant items of CAP.  [] Not applicable / [] Still in-progress   |
|  | Pathfinder<br>Initiatives          | Summarise progress in implementing Pathfinder Initiatives agreed at 10 <sup>th</sup> AELM.  [] Not applicable / [] Still in-progress   |
|  | APEC-wide<br>ECOTECH<br>Priorities | Summarise progress in implementing the 2006 ECOTECH priorities; four APEC wide ECOTECH Priorities and six long term priorities from the Manila Framework.  |
|  |                                    | Being Anti Corruption one the factors included in the concept of Human Security and which is also regards by the SCE as one of priorities for 2007, ATF has stated its commitment in the following related areas:  |
|  |                                    | 1. Implementing the UN Convention against Corruption (UNCAC)  1. Implementing the UN Convention against Corruption (UNCAC)   |
|  |                                    | Members reported during the ACT IV on the developments on implementing the UN Convention against Corruption (UNCAC) and other Initiatives related to Anti-corruption and Transparency.   |
|  |                                    | The Thai Government has also developed corruption indicators for the Thai bureaucratic system, and based on those indicators strategies for combating corruption will be formulated.   |

- Korea reported that the purview of the Anti-Corruption Act of Korea of 2005, which encompasses
  institutional improvements, handling of reports of corruption, and protection for whistle-blowers, is limited
  to the public sector. Therefore, a new mechanism to clamp down on corruption in the private sector was
  required.
- On March 9, 2005, the K-PACT, or the Korean Pact on Anti-Corruption and Transparency, came into
  effect with a scope that covered the public sector, political and business communities, and civil society.
  Since then, the pact has expanded into other areas and regions. The K-PACT is a non-binding, voluntary
  commitment between the public sector, political and business communities, and civil society. The specific
  contents of the pact are decided by mutual consultation between the concerned parties.
- Viet Nam reported that on December 9th 2003, the Vietnam Government Inspector General, as authorized by the Prime Minister of Vietnam, signed the United Nations Convention against Corruption at its signing ceremony at Merida, Mexico, which expressed the strong determination to prevent and fight against corruption in Viet Nam. By signing UNCAC, the Vietnamese Government also shows its willingness to cooperate with international communities in this field. By January 2007, Vietnam has completed the final procedures for the Convention's ratification and it is expected that the Convention will be ratified in the first half of 2007.
- Chile reported that last year at the Da Nang ACT Meeting Chile informed this forum that Chile was about to conclude the ratification of the UNCAC at that time. On September 13<sup>th</sup> of 2006 Chile deposited the corresponding ratifying instrument of the United Nations Convention Against Corruption at the United Nations Headquarters. Consequently, on becoming a party to the Convention Chile was represented by a high-level delegation in the First Conference of the States Parties to the United Convention Against Corruption, held in The Kingdom of Jordan between the 10<sup>th</sup> and 14<sup>th</sup> of December of last year.
- 2. Implementation of Santiago Course of Action

Member economies consider endorse the ACT Chair's draft of a high level statement on international legal cooperation designed to act as a catalyst for breaking down barriers to effective cooperation and normalising mutual assistance, asset recovery and extradition among APEC economies.

3. Collaboration and co-ordination with International Anti-Corruption and Transparency Fora.

ACT members welcomed non-APEC member economies and international organizations to participate in the ACT meetings, consistent with APEC rules and precedents.

The Secretariat of ADB-OECD Anti-corruption Initiative for Asia and the Pacific and Transparency

International (TI) expressed at the meeting their strong interest in acquiring guest status in ACT, which will enable them to regularly participate in ACT activities. This issue is meant to be considered for the Task Force basis on the coming exchange and sustained participation.

ACT members agreed to renew the invitation to these two organizations to ACT V as a preparation for a future ongoing participation in a more permanent status.

#### 4. Capacity Building Framework for Year 2008

ACT members have developed a capacity building framework (matrix) since 2005 right after the establishment of the Task Force. The matrix is designed to stocktake recently-completed, on-going and future activities of anticorruption-related capacity building work undertaken by the ACT members. This template will help the task force to better address the future anti-corruption activities would be catered to the need of each economy.

5. Preparations for a high level statement on fighting corruption through improved international cooperation

The ACT Chair prepared a draft high level statement on fighting corruption through improved international legal cooperation before ACT4. It is expected that the high level statement would be ACT deliverables to APEC Leaders this year.

The high level statement recognizes that the emergence of new technologies and the growth of international travel have facilitated economic growth, cooperation, trade and investment in the Asia-Pacific region. Unfortunately, improved technology has also made it easier to plan crimes and commit them across borders. This stresses the acknowledgment of the need to develop stronger linkages and new responses to address new issues.

#### [] Not applicable / [] Still in-progress

# E-commerce Stocktake

Summarise progress in implementing the E-commerce Stocktake

As part of the content of the draft of the a high level statement on fighting corruption through improved international cooperation, ACT emphasises the necessity to address corruption matter related to the development of new technologies.

The drafted high level statement recognizes that the emergence of new technologies and the growth of international travel have facilitated economic growth, cooperation, trade and investment in the Asia-Pacific region. Unfortunately, improved technology has also made it easier to plan crimes and commit them across borders. This stresses the acknowledgment of the need to develop stronger linkages and new responses to address new issues.

|                 |   | [ ] Not applicable / [ ] Still in-progress  |  |  |
|-----------------|---|---|--|--|
|                 | AFS   | Summarise progress in implementation of the APEC Food System. Use an annex if necessary.  |  |  |
|                 |   | [ ] Not applicable / [ ] Still in-progress  |  |  |
|                 | Sustainable   | Summarise works undertaken in responding to the priority theme of Sustainable Development.  |  |  |
|                 | Development   | F1Net annila del / F10till in manura  |  |  |
|                 | Science and   | [] Not applicable / [] Still in-progress  Summarise examples of projects which achieved objectives under 5 mechanisms (improved availability of |  |  |
|                 | Technology  | and access to information, improved human resource development, improved business climate, enhanced   |  |  |
|                 | Agenda  | policy dialogue and review, facilitation of network and partnerships) set by the APEC Agenda for Science and                                    |  |  |
|                 |   | Technology Industry Cooperation into the 21st Century   |  |  |
|                 |   | [ ] Not applicable / [ ] Still in-progress  |  |  |
|                 | Contribution to   | Summarise activities that contributes to the WTO negotiations.  |  |  |
|                 | the WTO   |   |  |  |
|                 | Invasive Alien  | [] Not applicable / [] Still in-progress  Summarise activities that contributes to the Invasive Alien Species agenda.                           |  |  |
|                 | Species   | Summanse activities that contributes to the invasive Allen Species agenda.  |  |  |
|                 | Other APEC  | Where necessary, summarise progress in implementing other initiatives of APEC.  |  |  |
|                 | Initiatives   | [ ] Not applicable / [ ] Still in-progress  |  |  |
| Expected Annual | Specify expected  | deliverables, TILF and ECOTECH, that the forum is targeting for the year.   |  |  |
| Deliverables    | , , ,   |   |  |  |
|                 | In the 2006 statement by the Economic Leaders of Member Economies of APEC, Economic Leaders identified corruption as one of the greatest obstacles to economic and social development. Further, they agreed to fight corruption and usher in a community of integrity by effectively implementing ACT's initiatives through enforcement of anti-bribery law, prosecution, and denial of safe haven. They instructed Senior Officials to work with ABAC and other business leaders to strengthen corporate governance to assure greater economic opportunities and prosperity. |   |  |  |
|                 |   |   |  |  |
|                 |   |   |  |  |
|                 |   |   |  |  |
|                 |   |   |  |  |
|                 | Acknowledging the importance of fighting corruption and the assurances of transparency as main factors to create a business In implementation of the 2007 ECOTECH priorities regarding Human security, the ACT expects to deliver:  |   |  |  |
|                 |   |   |  |  |
|                 |   | 1. ACT High Level Statement: Fighting Corruption through Improved International Legal Cooperation [expected to be                               |  |  |
|                 | forwarded to AMM and AELM] [final draft TBC after the ACT plenary meeting no the 24 <sup>th</sup> and 25th]  2. Draft Conduct Principles for Public Officials [to be delivered to AMM and AELM] [final draft TBC after the ACT plenary  |   |  |  |
|                 |   |   |  |  |
|                 | meeting n   | o the 24 <sup>th</sup> and 25th]  |  |  |

|   | <ol> <li>Draft Code of Conduct for Business [which is expected to be combined document with number 2. TBC after the ACT plenary meeting no the 24<sup>th</sup> and 25th]</li> </ol>   |
|---|---|
| Gender-Related<br>Issues                    | Where necessary, summarise progress in implementing the Framework for the integration of Women in APEC.   |
| Counter-Terrorism<br>Measures               | Summarise progress in implementing the Counter-terrorism Action Plan.   |
| ABAC<br>Recommendations  SME-Related Issues | Summarise work done in response to the previous year's ABAC Recommendations.  In 2004, ABAC acknowledged that efforts by government to end corruption were largely futile without the active support of business. Thus the 2004 ABAC Report to APEC Economic Leaders contains a number of principles designed to facilitate the participation of the private sector in the fight against corruption. These principles constituted ABAC's recommendations on what is considered good commercial practice in the matters to which they relate, however they are without direct legal effect. Australia suggested that ACT members develop a set of best practice principles for the private sector, which can follow the models of OECD, ABAC, ICC and WEF.  ACT members were of the view that promulgation of codes of conduct for private sector and improve corporate governance were something promoted by ABAC. Taking it over and injecting into it government law-enforcement backing should be the major activity of ACT this year. It is also the objective of putting forward the high level ACT statement.  In accordance with this, the Workshop 'Towards Transparency Principles for the Private Sector' held on 22 January 2007 in the margins of SOM I in Australia developed a draft set of best practice integrity principles building upon the recommendations made |
|   | by ABAC. The Workshop noted that good corporate governance is a key tool in addressing private sector corruption.  The stress in bribery ascertained that this is offering, promising or giving, as well as demanding or accepting any pecuniary or other advantage, whether directly or indirectly, in order to obtain, retain or direct business to a particular enterprise or to secure any other improper advantage in the conduct of business.   |
|   | Where necessary, summarise work done in relation to Small and Medium sized Enterprises.  The Workshop 'Towards Transparency Principles for the Private Sector' held on 22 January 2007 in the margins of SOM I in Australia regarded the Ministers "Hanoi Declaration on Strengthening SME Competitiveness for Trade and Investment" (adopted by APEC SME Ministerial Meeting which was held in Ha Noi on 28-29 September 2006). The Workshop recommended to ACT that economies and/or APEC develop ancillary and supporting documentation to assist businesses in APEC economies, particularly SMEs, to implement the principles.  |
|   | Such ancillary information should include:  |

|  | receiving bribes or engaging in other corrupt behaviour, and  |   |  |  |  |
|--|---|---|--|--|--|
|  | a compliance checklist based on Transparency International's Corruption Fighter's Tool  |   |  |  |  |
| Non-Member                                       | Where necessary, summarise activities and/or plans that have non-member participation implica   | tions.  |  |  |  |
| Participation                                    | Specify any recommendation for decisions from the APEC body receiving this report.  |   |  |  |  |
|  | ADB-OECD Anti-corruption Initiative for Asia and the Pacific and Transparency International (TI) immediately eath ACT meeting their strong interest in acquiring guest status in ACT, which will enable them to regularly paractivities.  |   |  |  |  |
|  | The participation will further considered by members and in the meantime invitation is been issued to the 5 <sup>th</sup> ACT.  |   |  |  |  |
| Cooperation with the<br>Private Sector           |   |   |  |  |  |
|  | See ABAC recommendations.   |   |  |  |  |
| Cooperation with IFIs and other                  | Where necessary, summarise activities and/or plans that have IFIs and other international organisation implications.  |   |  |  |  |
| international organisations                      | As lead up activity The Workshop 'Towards Transparency Principles for the Private Sector' held on 22 January 2007 in margins of SOM I in Australia regarded to the following institutions:  |   |  |  |  |
|  | <ul> <li>World bank Institute of the Word Bank</li> <li>Transparency International (TI)</li> <li>ADB-OECD Anti-Corruption Initiative.</li> <li>In this line, also main references and models for the work undertaken were:</li> <li>International Chamber of Commerce – Rules of Conduct and Recommendations to Combat Extortion and Bribery</li> <li>World Economic Forum Partnership Against Corruption Initiative (PACI) – Principles for Countering Bribery</li> <li>Transparency International (TI) – Business Principles for Countering Bribery</li> <li>The OECD Convention and 1997 Revised Recommendation on Combating Bribery of Foreign Public Office</li> </ul> |   |  |  |  |
|  | <ul> <li>International Business Transactions and Principles of Corporate Governance, and</li> <li>ADB-OECD Anti-Corruption Initiative – Anti-Corruption Action Plan for Asia- Pacific.</li> </ul>   |   |  |  |  |
| Necessary<br>Assistance from<br>APEC Secretariat | Where necessary, specify expected actions of the APEC Secretariat including proposals for further improvement of Secretariat and fora cooperation.  | Follow-up: Specify such as: provision of information studies; liaison; or other activities. |  |  |  |

| Proposed<br>Cooperation from<br>Other APEC Fora                  | Where necessary, specify names of the APEC fora and their expected actions.                            | Follow-up: Specify such as: sharing information meetings; other activities             |
|--|--|--|
| Necessary or<br>Proposed<br>Cooperation from<br>Member Economies | Where necessary, specify necessary actions to be undertaken by an APEC Member Economy (Economies).     | Follow-up: Specify such as: implementation; provision of information; other activities |
| Outreach Matters   | Where necessary, specify the activities which will render any material to be used for media relations. |  |

### Report of Counter Terorism Task Force (CTTF)

Date: 30 June 2007 Occasion: SOM 3

| Summary of               |
|--------------------------|
| <b>Plenary Meetings</b>  |
| <b>Since Last Report</b> |

Date: 19<sup>th</sup> and 20<sup>th</sup> January 2007 Venue: Canberra

Chair: Ambassador Park Sang-ki of the Republic of Korea

#### Attendance:

Sixty-five participants from the twenty-one member economies attended. The APEC Secretariat was also present. Ambassador David Spencer, APEC SOM Chair, gave a presentation on APEC's priorities for 2007.

Dr. Inuk Chung, Chair of the Telecommunications and Information Working Group (TEL) presented on TEL's work on cyber-security.

Date: 24<sup>th</sup> April 2007 Venue: Adelaide

Chair: Ambassador Park Sang-ki of the Republic of Korea

#### Attendance:

Fifty-four participants from twenty member economies and the APEC Secretariat attended. Mr. John Doherty, Lead Shepherd of the Transportation Working Group (TPTWG) reported on TPTWG's work on transportation security.

### Summary of 12th Meeting of CTTF

The CTTF Chair leaded discussion on CTTF's 2007 work program.

SOM Chair, Ambassador David Spencer, gave a presentation to the CTTF on the priorities for APEC 2007, highlighting the importance of counter-terrorism and secure trade issues in APEC as outlined by Leaders and Ministers in Hanoi and previous meetings. He emphasized the need for close cooperation between SOM, the CTTF and other fora.

Singapore reported that at their meeting in Hanoi in November in 2006, APEC Leaders and Ministers endorsed the need for APEC economies to continue giving serious attention to enhancing supply chain security and welcomed Singapore's proposal to conduct a study on trade recovery following a major terrorist attack.

Singapore reported that the objective of the study is to address current gaps in facilitating trade recovery and to develop a possible framework which APEC economies could consider, to facilitate the resumption of trade and commerce following a major disruption to the supply chain.

Australia briefed members on its planning for the STAR V Conference to be held in June 2007. It also informed members about the preparations for the two counter-terrorism financing workshops that it would co-host with Malaysia in Kuala Lumpur: the Information Forum on 11-13 April 2007 and the Implementation Forum on 17-19 July

2007.

The APEC Telecommunications and Information Working Group (TEL) Chair, Dr. Inuk Chung, provided an update on the progress of work done by TEL on cyber-security which was included as a priority issue in the APEC Leaders' Statement on Fighting Terrorism and Promoting Growth' in Los Cabos, Mexico, 2002.

Three new initiatives were looked at and agreed to continue discussion at next meeting: The CT protection of critical energy infrastructure, by Russia; the Technical Workshop on the Protection of Domestic Surface Transportation, by Canada; and APEC Guidelines for Effective Public-Private Partnerships in Counter-Terrorism.

Indonesia presented the "ASEAN Counter-Terrorism Convention" signed by the Heads of State at the ASEAN Summit in Cebu. It was suggested that the signing of this ASEAN Convention on Counter Terrorism will further explore many areas of cooperation that could be developed in the future, which could also be expanded in the APEC context.

China suggested a temporary restriction of the updated versions of the CTAPs submitted at this meeting. Some members supported the idea, but other members presented the view that this document represented a publicly accountable and a transparent response to public commitments made by APEC Leaders on counter-terrorism and security issues. It was agreed that this issue would be considered at the next meeting of the CTTF in the context of a broader discussion on how to improve the CTAP process.

### Summary of 13th Meeting of CTTF

The Chair reported on the intersessional work undertaken since the last CTTF meeting, particularly on his exchange of letters with heads of the UN Counter Terrorism Committee, G-8 Counter Terrorism Action Group and the ADB. The Chair also informed the meeting of his participation in the Seventh Regular Session of the OAS Inter American Committee Against Terrorism (CICTE) held in Panama, and of his meeting with the Chair of CTAG, Ambassador Busso Von Alvensleben.

APEC member economies reported the activities they were undertaking to implement the Leaders' and Ministers' Statements. Ten economies updated their Counter Terrorism Action Plans (CTAPs), and suggestions on improving the CTAP process were discussed and agreed to.

Singapore reported on the APEC Trade Recovery Program and its Study Group meetings, which received broad support from APEC economies. The Study Group will submit its final report to next CTTF meeting.

|  | Five new Initiatives were presented: Counter-Terrorism Protection of Critical Energy Infrastructure, Technical Workshop on the Protection of Domestic Surface Transportation, Effective Public Private Partnership in Counter-Terrorism, and Technical Workshop on Protecting Cyberspace from Terrorist Attacks.  Australia briefed members on the upcoming STAR V Conference, which was to be held in Sydney at the end of June. Peru gave insights on STAR VI for 2008.  Recommendation:  Specify whether for consideration of decision points or for taking note.  To Note this report, the Work Plan adopted and to thank Ambassador Park for his role as new CTTF Lead Shepherd. CTTF reports directly to SOM and decision points are requested from SOM |   |
|--|---|---|
| Implementation of APEC Mandates  | Leaders'  | Summarise progress in implementing relevant AELM instructions.  |
| Tick ✓those items for which a report may not be needed;  | manuchona   | CTTF members incorporated the 2006 Leaders' and Ministers' instructions into the 2007 CTTF Work Plan.   |
| <ul> <li>the item is not applicable to the forum or;</li> <li>it is premature to report as work is still in progress.</li> </ul> |   | Economies provided updates on how their economies were implementing the commitments made by Leaders and Ministers in Bangkok, Santiago and Busan and were planning to implement new instructions as contained in the Hanoi Declaration. Specifically, work was undertaken in the customs area, safe handling of radioactive substances, and effective export control systems were just a few of the areas noted. A number of economies also related that they had completed the MANPADS Vulnerability Assessment, and were conducting awareness training for relevant personnel |
|  |   | In Hanoi in November in 2006, APEC Leaders and Ministers endorsed the need for APEC economies to continue giving serious attention to enhancing supply chain security. A Study Group, led by Singapore, would submit a report with recommendations to CTTF, SOM III and subsequently to Leaders.  |
|  |   | [] Not applicable / [] Still in-progress  |
|  | Ministers' Instructions   | Summarise progress in implementing relevant AMM instructions. N.A.  |
|  | Sectoral<br>Ministers'  | Where necessary, summarise progress in implementing relevant Sectoral Ministers' instructions.  N.A.  [X] Not applicable / [] Still in-progress   |

| Instructions                       |   |
|------------------------------------|---|
| OAA                                | Summarise progress in implementing relevant items of the OAA.  N.A.  [] Not applicable / [] Still in-progress   |
| САР                                | Where necessary, summarise progress in implementing relevant items of CAP.  N.A.  [] Not applicable / [] Still in-progress  |
| Pathfinder<br>Initiatives          | Summarise progress in implementing Pathfinder Initiatives agreed at 10 <sup>th</sup> AELM.  N.A.  [] Not applicable / [] Still in-progress  |
| APEC-wide<br>ECOTECH<br>Priorities | Summarise progress in implementing the 2006 ECOTECH priorities; four APEC wide ECOTECH Priorities and six long term priorities from the Manila Framework.  The Fifth STAR Conference, that will be held in Sydney on the 27 <sup>th</sup> and 28 <sup>th</sup> of June 2007, constitutes an important initiative enhancing public – private partnership in order to ensure secure trade in an effective way and reducing any adverse impacts of anti-terrorism activities on trade and investment. This way it is also helping to develop and to improve human Security and |
|                                    | counter-terrorism in the APEC region. Discussions at the STAR Conference have in fact focused on policies and procedures to enhance security and efficiency in the region's seaports, airports and other access points, including port and airport security; shipping container security; coastal patrol; capacity building; financial assistance.  |
|                                    | The Trade Recovery programme (TRP) is a set of recommendations that will set the framework for future work in APEC on total supply chain security, improving this way <i>economies' capacity building in human security and counter-terrorism.</i>  |
|                                    | TRP provides a framework to map out key approaches and a suggested set of model guidelines which APEC economies can adopt. One of the key components of the TRP is the need to reestablish assurance in the aftermath of a terrorist attack on the global supply chain. In this regard, APEC economies may have a higher level of confidence with each other when faced with the common situation of a major disruption to trade if they chose to adopt the TRP approach. These guidelines would leverage on existing international guidelines.                             |
|                                    | [ ] Not applicable / [ ] Still in-progress  |

| E-commerce<br>Stocktake             | Summarise progress in implementing the E-commerce Stocktake N.A  [] Not applicable / [] Still in-progress   |
|-------------------------------------|---|
| AFS                                 | Summarise progress in implementation of the APEC Food System. Use an annex if necessary.  N.A.  [] Not applicable / [] Still in-progress  |
| Sustainable Development             | Summarise works undertaken in responding to the priority theme of Sustainable Development.  N.A.  [] Not applicable / [] Still in-progress  |
| Science and<br>Technology<br>Agenda | Summarise examples of projects which achieved objectives under 5 mechanisms (improved availability of and access to information, improved human resource development, improved business climate, enhanced policy dialogue and review, facilitation of network and partnerships) set by the APEC Agenda for Science and Technology Industry Cooperation into the 21st Century N.A.  [] Not applicable / [] Still in-progress |
| Contribution to the WTO             |   |
| Invasive Alien<br>Species           | Summarise activities that contributes to the Invasive Alien Species agenda. N.A.  |
| Other APEC Initiatives              | Where necessary, summarise progress in implementing other initiatives of APEC.  N.A.  [] Not applicable / [] Still in-progress  |

| Expected Annual Deliverables  | <ul> <li>Specify expected deliverables, TILF and ECOTECH, that the forum is targeting for the year.</li> <li>To assist economies to identify and assess their Counter-Terrorism needs and review and update individual economy Counter-Terrorism Action Plans.</li> <li>APEC food defense workshops and development of best practices under the 'Mitigating the Terrorist Threat to the APEC Food Supply'.</li> <li>Terrorism financing workshops</li> <li>STAR V Project</li> <li>An APEC Trade Recovery Programme (TRP), resulting from a study to look at ways to facilitate the recovery of trade and confidence in case of major disruptions to the global supply chain in the event of a terrorist attack.</li> <li>To implement programs on Aviation Security Quality control.</li> <li>To incorporate the business resumption points of contact and the aviation security points of contact into the</li> </ul> |
|-------------------------------|---|
|                               | APEC Register of Pandemic and Disaster Management coordinators and support testing of the aviation security points of contact.  |
| Gender-Related<br>Issues      | Where necessary, summarise progress in implementing the Framework for the integration of Women in APEC.  N.A.   |
| Counter-Terrorism<br>Measures | Summarise progress in implementing the Counter-terrorism Action Plan.  The importance of improving the CTAP process to ensure better public accountability and to help identify capacity building gaps and needs was noted and underlined by the CTTF.  The CTTF Secretariat is to consolidate a summary of expressed capacity building needs for consideration at annual CTTF3 meetings trough a cross analysis of CTAPs.  China recommends using recent improvements to the AIMP website to give APEC member economies the option of restricting public access to CTAPs.  The CTTF agrees that individual APEC economies would inform the APEC Secretariat if their CTAPs included sensitive information, and that this information would not be included in CTAPs available for public access.   |

| ABAC   | Summarise work done in response to the previous year's ABAC Recommendations.   |  |
|--|--|--|
| Recommendations                                  | Private sector participation in security initiatives and public - private sector partnership in c the core of the STAR V Conference and were outlined by the Chair during CTTF meetings  |  |
|  | The study on TRP takes a total supply chain security approach. It emphasizes the need to of ensuring the security of trade across the various nodes of the supply chain between pub  |  |
| SME-Related<br>Issues                            | Where necessary, summarise work done in relation to Small and Medium sized Enterprises.  N.A.  |  |
| Non-Member<br>Participation                      | Where necessary, summarise activities and/or plans that have non-member participation implications.  Specify any recommendation for decisions from the APEC body receiving this report.  |  |
|  | N.A.   |  |
| Cooperation with the Private Sector              | Where necessary, summarise activities and/or plans that have private sector participation implications.  |  |
|  | Representatives from the private sectors of the 21 economies are expected to attend and STAR V Conference, in Sydney, Australia.   | •  |
| Cooperation with                                 | Where necessary, summarise activities and/or plans that have IFIs and other international  | organisation implications.                           |
| IFIs and other                                   | An aconomy's critical infractructure is an attractive target for terrorist attacks and given the   | ao intordonondonov within                            |
| international<br>organisations                   | An economy's critical infrastructure is an attractive target for terrorist attacks and given the interdependency within these systems and networks, an attack on a single node of a critical infrastructure has an impact far beyond the direct target. Therefore, it is necessary for the whole CT international system to be involved and closely interact or the issue of protection of critical infrastructure (PCI).                |  |
|  | The Chair attended the OAS Inter-American Committee against Terrorism (CICTE), outlining APEC's activities in this area; including STAR, Total Supply Chain Security and other transportation-related work. His participation in the OAS meeting reinforced the important and challenging nature of the work of the CTTF and served as a reminder of how the work of the CTTF is being benchmarked by other international organizations. |  |
|  | The Chair has also been in contact with the UN Counter-Terrorism Committee, G-8 Counter-Terrorism Action Group (CTAG) and the Asian Development Bank.  |  |
| Necessary<br>Assistance from<br>APEC Secretariat | Where necessary, specify expected actions of the APEC Secretariat including proposals for further improvement of Secretariat and fora cooperation.   | Follow-up: Specify such as: provision of information |

|   | On Business Resumption and Aviation Point of Contact, the CTTF PD would cooperate with the TFEP PD in keeping data updated in the APEC Emergency Response Network Template The Secretariat (IT) would develop a technical proposal for the most efficient means to be developed and maintained.  On Australia's recommendation, the Secretariat to summarise the main capacity building needs expressed by economies in their CTAPs into a consolidated document for consideration at each CTTF3 annually. This document could then be used by economies to assist in identifying suitable projects at the start of each APEC year. The United States further recommended that efforts be made to limit the overall length of CTAPS. | <ul><li>studies;</li><li>liaison; or</li><li>other activities.</li></ul>               |
|---|--|--|
| Proposed<br>Cooperation from<br>Other APEC Fora                     | Where necessary, specify names of the APEC fora and their expected actions.  TFEP: Agreement on that Aviation Security and Business Resumption POCs would be updated annually through the CTAPs, and propose that all TFEP registered POCs might also be updated through this process.  BMG: The Regional Movement Alert System (RMAS) as a counterterrorism initiative.  The Sub-Committee on Standard and Conformance (SCSC): Close coordination with in order to identify critical areas of vulnerability in the food supply and how to mitigate the terrorist threat and develop best practices.   | Follow-up: Specify such as: sharing information meetings; other activities             |
| Necessary or<br>Proposed<br>Cooperation from<br>Member<br>Economies | Where necessary, specify necessary actions to be undertaken by an APEC Member Economy (Economies).  Australia, Japan, and the U.S. have contributed to the Asian Development Bank (ADB) Cooperation Fund which has approved projects on countering money laundering, strengthening border controls, and port, and aviation safety and security.  | Follow-up: Specify such as: implementation; provision of information; other activities |
| Outreach Matters  | Where necessary, specify the activities which will render any material to be used for media  N.A   | n relations.   |

### Report of Electronic Commerce Steering Group (ECSG)

Date: 30 June 2007 Occasion: SOM 3

#### Summary of Plenary Meetings Since Last Report

**Date:** ECSG14 Meeting, September 5-8, , 2006. **Venue:** Da Nang, Viet nam **Date:** ECSG15 Meeting, 22-25 January, , 2007. **Venue:** Canberra, Australia

Chair: Jesus Orta (Mexico)

#### Attendance:

**ECSG14:** Representatives of Australia, Canada, Chile, China, Indonesia, Japan, Korea, Malaysia, Mexico, Papua New Guinea, Peru, Russian Federation, Philippines, Singapore, Chinese Taipei, Thailand, United States and Viet Nam. The Global Business Dialogue on Electronic Commerce (GBDe), the Pan Asian e-Commerce Alliance, the International Chamber of Commerce (ICC) and the APEC Secretariat also attended the meeting.

**ECSG15**: Representatives of Australia, Canada, Chile, China, Hong, Kong China, Indonesia, Japan, Korea, Malaysia, Mexico, Peru, Philippines, Russian Federation, Singapore, Chinese Taipei, Thailand, United States and Viet Nam attended the meeting. The Global Business Dialogue on Electronic Commerce (GBDe), the Pan Asian e-Commerce Alliance (PAA), the International Chamber of Commerce (ICC), the UN/CEFACT and the APEC Secretariat also attended the meeting.

#### Summary:

**ECSG14:** The purpose of the meeting was to review progress on the ECSG work program and prepare for 2007.

The ECSG welcomed the outcomes of the APEC Symposium on Paperless Business Transactions, organized by Viet Nam and funded by APEC. It also welcomed the outcomes of the Informal Technical Seminar on Information Privacy.

The Data Privacy Subgroup reported its progress related to the Information Privacy IAP, which was completed by 12 economies; cooperative development of cross-border privacy rules (CBPRs) and work of the DPS Study Group; information sharing among jurisdictions and cross-border cooperation in investigation and enforcement: administrative issues such as a name-change of the Subgroup to better describe its work; completion of the Work Agenda for 2007; and proposed ministerial language for the ECSG Data Privacy Subgroup.

The Paperless Trading Subgroup reviewed progress on pathfinder initiatives; member economies and guests presented progress reports on activities and projects related to paperless trading for this year. The Subgroup also discussed the work agenda for 2007 and proposed ministerial language for this subgroup. The Subgroup agreed to approve the updated Terms of Reference of the APEC E-Commerce Business Alliance and recommend the ECSG to seek SOMs approval.

The ECSG reviewed the intersessional progress of its work plan and welcomed the reports of the Subgroups. Reports were also presented by the APEC Secretariat, member economies and guests on initiatives and projects relevant to the group.

The group agreed to continue working intersessionally to finalize the ECSG language for the 2006 AMM and AELM statements and to continue the discussion on future areas of work for the ECSG.

**ECSG15:** The group met to review the intercessional work and discuss the future work of the ECSG, including its work plan for 2007 and the renewal of the ECSG Executive Committee. The group also met to review progress on the implementation of ECSG projects and consider new project proposals for 2007 and 2008.

Over 100 delegates from 18 economies attended the first technical assistance seminar held on 22 and 23 January. The purpose of the seminar was to create a collaborative environment in which participants could consider options for putting in place a system for giving effect to Cross-Border Privacy Rules (CBPRs) within the APEC Privacy Framework. The work of the seminar was intended to provide useful input to the Data Privacy Subgroup's consideration of the challenges faced in developing a pathfinder project and moving towards implementation.

The Data Privacy Subgroup (DPS) reported the outcomes of the first technical assistance seminar and also its work on Cross-Border Privacy Rules Implementation, including intersessional work of the Cross-Border Rules Study Group, the role of trustmarks, domestic enforcement options and next steps for Cross-Border Enforcement Cooperation.

The DPS also reported that the group is working on developing a Pathfinder proposal to create and deploy implementation frameworks and cross border rules for accountable cross border information flows. It was noted in the meeting that at this stage, the following economies indicated that they may be able to support such a Pathfinder project: Australia; Canada; Hong Kong, China; Mexico; Singapore; Chinese Taipei; United States. Economies were urged to consult domestically and consider whether they could support the Pathfinder framework in the coming months.

The DPS reported on preparations for two seminars on Data Privacy to be organized by Australia at the margin of SOM III in June and by Canada in September, respectively. The DPS elected Mr. Colin Minihan from Australia as the new Chair of the DPS.

The Paperless Trading Subgroup (PTS) discussed the Subgroup's workplan for 2007. Economies reported progress on completion of Paperless Trading Individual Action Plans and agreed to submit their IAPs before the next PTS meeting. Member economies also presented progress and final reports on activities and projects related to paperless trading. UN/CEFACT briefed the meeting on its recent activities and proposed a Symposium APEC-UN/CEFACT on capacity building on paperless trading. The group expressed interest in this initiative but agreed on the need to jointly identify specific areas of collaboration relevant and beneficial for both organizations. The subgroup elected China as the new PTS Chair in 2007 and Peru as the PTS Chair in 2008.

The ECSG welcomed the reports of both Subgroups and the voluntary reports on activities by its guests, GBDe, ICC, PAA and UN/CEFACT. The ECSG considered reports on initiatives and projects self-funded and funded by APEC completed in 2006 and activities to be organized this year.

The ECSG supported the Peruvian initiative to develop an e-invoicing framework and Peru will work intersessionally to present a formal project proposal seeking funding for 2008.

The Russian Federation presented the outcomes of the first stage of the project APEC Guidance for Electronic Commerce: Using the Best Practices of e-Government Procurement Systems and presented a proposal for the second stage of this project to seek TILF special account funds for 2007. Some economies requested time to carefully analyze this proposal and the group agreed to take a decision before of by 31 January, the BMC deadline to submit new urgent project proposals.

The ECSG Chair briefed the meeting on progress regarding the APEC Fora review leaded by the SCE, including the results of the SCE-COW meeting and discussions with the CTI and EC Chairs regarding the future of the ECSG.

The Chair informed that in response to the SCE for review recommendations and as a result of the consultation process within the group, the ECSG suggested that it be placed under the CTI, as the Subcommittee on Electronic Commerce, with its two main working elements: data privacy and paperless trading.

#### Recommendation:

Specify whether for consideration of decision points or for taking note.

**Welcome** progress on the implementation of the ECSG 2007 workplan.

**Endorse** the ECSG proposal to be realigned as a CTI Subfora with its two main working elements: data privacy and paperless trading.

**Note** the group's work on developing a Pathfinder proposal to create and deploy implementation frameworks and cross border rules for accountable cross border information flows.

**Acknowledge** progress on completion of Paperless Trading Individual Action Plans and **encourage** other economies to complete and submit their Individual Action Plans.

**Welcome** the successful outcomes of the First Technical Assistance Seminar on the International Implementation of the APEC Privacy Framework 2007 and **note** preparations for two seminars on Data Privacy to be organized by Australia at the margin of SOM III in June and by Canada in September, respectively.

**Note** the ECSG collaboration with UN/CEFACT and **approve** the implementation of a join activity in 2008: APEC/UN Symposium on Paperless Trading Capacity Building: Paperless Trading Instruments for Phased Development

| Implementation of                    | Leaders'     | Summarise progress in implementing relevant AELM instructions.  |
|--------------------------------------|--------------|---|
| APEC Mandates                        | Instructions | μ το το <b>σ</b> το το σ το το σ το το σ το το το σ το το το σ το   |
| Tick ✓those items for                |              | AELM, November 2006   |
| which a report may not               |              |   |
| be needed;                           |              | We recognized the significance of the cross-border privacy rules concept in ensuring responsible and  |
| - the item is not                    |              | accountable cross-border information flows without creating unnecessary barriers  |
| applicable to the forum or;          |              | ECSG is working on developing a Pathfinder proposal to create and deploy implementation frameworks and  |
| <ul><li>it is premature to</li></ul> |              | cross border rules for accountable cross border information flows.  |
| report as work is                    |              |   |
| still in progress.                   |              | Successful implementation of the first technical assistance seminar and progress on work on Cross-Border  |
| , ,                                  |              | Privacy Rules Implementation, including intersessional work of the Cross-Border Rules Study Group, the role   |
|                                      |              | of trustmarks, domestic enforcement options and next steps for Cross-Border Enforcement Cooperation.  |
|                                      |              | The group supported a new project seeking 2008 APEC funding: Capacity Building Workshops on the   |
|                                      |              | International Implementation of the APEC Privacy Framework: Using Trustmarks and Enforcement  |
|                                      |              | Mechanisms for a Cross-Border Privacy Rules (CBPR)  |
|                                      |              | ,   |
|                                      |              | [ ] Not applicable / [ X] Still in-progress   |
|                                      | Ministers'   | Summarise progress in implementing relevant AMM instructions.   |
|                                      | Instructions | AMM, November 2006  |
|                                      |              | Allini, November 2000   |
|                                      |              | Ministers reaffirmed the importance of developing policies and capacity building projects conducive to  |
|                                      |              | realizing the benefits of electronic commerce.  |
|                                      |              | On animal and any ECCC project proposals are towarded conneits building activities on Data Drivery and  |
|                                      |              | On-going and new ECSG project proposals are targeted capacity building activities on Data Privacy and Paperless Trading. Projects are capacity building oriented that provide training programs and technical |
|                                      |              | assistance to member economies to support specific objectives of ECSG initiatives.  |
|                                      |              | addictation to morning to cappoint opposite disjourned of 2000 militarion.  |
|                                      |              | Ministers acknowledged the cross border rules concept with a view to ensuring responsible and accountable   |
|                                      |              | cross-border information flows and effective privacy protection without creating unnecessary barriers.  |
|                                      |              | Ministers encouraged Officials to facilitate this goal by developing and disseminating implementation   |
|                                      |              | frameworks such as best practices for cross-border rules.   |
|                                      |              | ECSG is working on developing a Pathfinder proposal to create and deploy implementation frameworks and  |
|                                      |              | cross border rules for accountable cross border information flows.  |
|                                      |              |   |
|                                      |              | Successful implementation of the first technical assistance seminar and progress on work on Cross-Border  |

|                        | Privacy Rules Implementation, including intersessional work of the Cross-Border Rules Study Group, the role of trustmarks, domestic enforcement options and next steps for Cross-Border Enforcement Cooperation.   |
|------------------------|--|
|                        | The group supported a new project seeking 2008 APEC funding: Capacity Building Workshops on the International Implementation of the APEC Privacy Framework: Using Trustmarks and Enforcement Mechanisms for a Cross-Border Privacy Rules (CBPR)  |
|                        | Ministers also noted the importance of creating the Information Privacy Individual Action Plans (IAPs) in developing compatible approaches in privacy protection and ensuring the free flow of information in the APEC region.   |
|                        | 12 economies have completed the Information Privacy Individual Action Plan. Other economies are encouraged to complete and submit their Individual Action Plan.  |
|                        | Ministers acknowledged the need to expand collaboration with international organizations in paperless trade.   |
|                        | ECSG supported the initiative to hold a join activity with UN/CEFACT on paperless trading in 2008. ECSG will seek SOM's approval to implement the APEC-UN Joint Symposium on Paperless Trading Capacity Building: Paperless Trading Instruments for Phased Development.  Ministers welcomed the convening of the 2nd APEC E-commerce Business Alliance Forum and commended a number of APEC E-Trade and Supply Chain Management Training Courses held in China in 2006.  The Second APEC E-Trade and Supply Chain Management Training course has successfully held in Sanya, in March 2007. The ECSG supported the new initiative APEC Financial Supply Chain Training Course to be implemented in 2008. |
|                        | [ ] Not applicable / [X ] Still in-progress  |
| Sectoral<br>Ministers' | Where necessary, summarise progress in implementing relevant Sectoral Ministers' instructions  |
| Instructions OAA       | [X] Not applicable / [] Still in-progress  Summarise progress in implementing relevant items of the OAA.   |
| J OAA                  | outilitianse progress in implementing relevant items of the OAA.   |
|                        | Progress on the implementation of the APEC Privacy Framework. 12 Economies have submitted  |
|                        | their Information Privacy Individual Action Plans (IAP's).  Agreement to develop the concept of a "Cross Border Rules Implementation and Operating System"   |
|                        | (CBRIOS)".   |
|                        | Overview and Outcomes of the First Technical Assistance Seminar on International Implementation<br>of the APEC Privacy Framework   |
|                        | ➤ Completion of 12 Individual Action Plan template for implementation of the APEC Privacy  |

|    |                      | Framework  |
|----|----------------------|--|
|    |                      | Framework.  Monthly teleconference meetings of the Cross-Border Rules Study Group to analyse and identify best practices and the role of trustmarks in promoting the cross-border flow of information.  Preparation for the Second Technical Assistance Seminar on International Implementation of the APEC Privacy Framework: "Cooperation and Cross-Border Privacy Rules: building confidence in an accountable system for personal information moving between economies" to be held in Cairns, Australia inn June 2007.  Preparation for the Seminar to Advance and Promote APEC Work on Cross-Border Privacy Rules (CBPRs) and Cooperation in Investigation and Enforcement be held in Vancouver, Canada in September 2007  Outcomes of the APEC Symposium on Paperless Business Transactions – Matching Benefits of Private and Public Sectors, organized and hosted by Viet Nam, under APEC funding  APEC member economies agreed to complete the revised Paperless Trading Individual Action Plan this year.  Outcomes of the First and Second training APEC Training Program on e-Trade and Supply Chain Management held in China in October 2006 and March 2007.  Preparations for the APEC Project on Paperless Trading Capacity Building and IPR Protection to be held in Beijing on 14-16 August 2007  Outcomes of the project Development of APEC Guidance for Electronic Commerce Using the Best Practices of E-Government Procurement Systems. Conference held in Moscow, December 2006.  Report on APEC Women's Participation in the Digital Economy  Update on the status of the ICT Enabled Growth Initiative and collaboration with the private sector in this initiative |
|    |                      |  |
|    |                      | [ ] Not applicable / [ X] Still in-progress  |
| CA | AP .                 | Where necessary, summarise progress in implementing relevant items of CAP.   |
|    |                      | [ ] Not applicable / [X ] Still in-progress  |
|    | thfinder<br>tiatives | Summarise progress in implementing Pathfinder Initiatives agreed at 10 <sup>th</sup> AELM.  Chinese Taipei reported progress on the Electronic Certificate of Origin pathfinder initiative.  The ECSG incorporated in its 2007 workplan a review of ECSG related pathfinder using the Framework for  |
|    |                      | Evaluating Pathfinders.  1) E-Cert SPS (Australia 2002) and, 2) Electronic Certificate of Origin (Singapore 2002).  [] Not applicable / [X] Still in-progress  |

#### APEC-wide Summarise progress in implementing the 2006 ECOTECH priorities; four APEC wide ECOTECH Priorities and six long term priorities from the Manila Framework. **ECOTECH Priorities** > Progress on the implementation of the APEC Privacy Framework. 12 Economies have submitted their Information Privacy Individual Action Plans (IAP's). > Agreement to develop the concept of a "Cross Border Rules Implementation and Operating System (CBRIOS)". > Overview and Outcomes of the First Technical Assistance Seminar on International Implementation of the APEC Privacy Framework > Completion of 12 Individual Action Plan template for implementation of the APEC Privacy Framework. > Monthly teleconference meetings of the Cross-Border Rules Study Group to analyse and identify best practices and the role of trustmarks in promoting the cross-border flow of information. > Preparation for the Second Technical Assistance Seminar on International Implementation of the APEC Privacy Framework: "Cooperation and Cross-Border Privacy Rules: building confidence in an accountable system for personal information moving between economies" to be held in Cairns, Australia inn June 2007. > Preparation for the Seminar to Advance and Promote APEC Work on Cross-Border Privacy Rules (CBPRs) and Cooperation in Investigation and Enforcement be held in Vancouver, Canada in September 2007 > Outcomes of the APEC Symposium on Paperless Business Transactions – Matching Benefits of Private and Public Sectors, organized and hosted by Viet Nam, under APEC funding > APEC member economies agreed to complete the revised Paperless Trading Individual Action Plan this year. > Outcomes of the First and Second training APEC Training Program on e-Trade and Supply Chain Management held in China in October 2006 and March 2007. > Preparations for the APEC Project on Paperless Trading Capacity Building and IPR Protection to be held in Beijing on 14-16 August 2007 > Outcomes of the project Development of APEC Guidance for Electronic Commerce Using the Best Practices of E-Government Procurement Systems. Conference held in Moscow, December 2006. Report on APEC Women's Participation in the Digital Economy > Update on the status of the ICT Enabled Growth Initiative and collaboration with the private sector in this initiative > On-going and new ECSG project proposals are targeted capacity building activities on Data Privacy and Paperless Trading. Projects are capacity building oriented and aim to provide training and technical assistance to member economies to support specific objectives of ECSG initiatives

[] Not applicable / [] Still in-progress

| E-commerce                          | Summarise progress in implementing the E-commerce Stocktake  |
|-------------------------------------|--|
| Stocktake                           | As requested by APEC Ministers in 2000, the ECSG will continue updating the Stocktake annually. The APEC Secretariat prepared the draft 2007 Stocktake of Electronic Commerce Activities in APEC and the ECSG will considered at ECSG16 in Cairns.   |
|                                     | [ ] Not applicable / [ X] Still in-progress  |
| AFS                                 | Summarise progress in implementation of the APEC Food System. Use an annex if necessary.   |
|                                     | [X] Not applicable / [] Still in-progress  |
| Sustainable Development             | Summarise works undertaken in responding to the priority theme of Sustainable Development.   |
|                                     | [] Not applicable / [] Still in-progress   |
| Science and<br>Technology<br>Agenda | Summarise examples of projects which achieved objectives under 5 mechanisms (improved availability of and access to information, improved human resource development, improved business climate, enhanced policy dialogue and review, facilitation of network and partnerships) set by the APEC Agenda for Science and Technology Industry Cooperation into the 21st Century |
|                                     | [] Not applicable / [] Still in-progress   |
| Contribution to the WTO             | Summarise activities that contributes to the WTO negotiations.   |
| Invasive Alien                      | [] Not applicable / [] Still in-progress  Summarise activities that contributes to the Invasive Alien Species agenda.  |
| Species                             | [X] Not applicable / [] Still in-progress  |
| Other APEC                          | Where necessary, summarise progress in implementing other initiatives of APEC.   |
| Initiatives                         | Single Window Initiatives. Representatives of ECSG and SCCP attended each others meetings or seminar to brief participants on progress and possible collaboration in this initiative. The ECSG approved the project APEC Data Harmonizations towards Single Window Paperless Environment.  |
|                                     | Trade Facilitation Action Plan II. CTI: TFAP2. Contribution to the e-commerce component of the Second Trade Facilitation Action Plan.  |
|                                     | Contribution to the current CTI's work on developing the e-commerce chapter of Model Measures for RTAs/FTAs.   |
|                                     | [ ] Not applicable / [X] Still in-progress   |

| Expected Annual Deliverables  | Specify expected deliverables, TILF and ECOTECH, that the forum is targeting for the year.   |
|-------------------------------|--|
|                               | <ol> <li>Adoption of the Pathfinder Initiative on cross-border privacy protection related to the international implementation of the<br/>APEC Privacy Framework.</li> </ol>  |
|                               | <ol> <li>Implementation of Seminars on the International Implementation of the APEC Privacy Framework: Cross-Border Privacy<br/>Rules (CBPRs) and Cooperation in Investigation and Enforcement.</li> </ol>   |
|                               | <ol> <li>Submission of completed Paperless Trading Individual Action Plans and identification of possible collective actions<br/>regarding Paperless Trading.</li> </ol>   |
|                               | 4) Completion of APEC E-Trade and Supply Chain Management Training Program   |
|                               | 5) Implementation of APEC Project on Paperless Trading Capacity Building and Intellectual Property Protection  |
|                               | 6) Meaningful progress in implementing the ICT Enabled-Growth Initiative; development of policy checklists for commerce-policy makers; and identification of best practice and guideline documents as a reference to commerce policy makers.   |
|                               | 7) 2007 Stocktake of Electronic Commerce Activities in APEC.   |
| Gender-Related<br>Issues      | Where necessary, summarise progress in implementing the Framework for the integration of Women in APEC.  |
| 133063                        | Korea has presented progress on the "Initiative for APEC Women's Participation in the Digital Economy". This project jointly endorsed by the ECSG and the GFPN aims to promote the use of electronic means and generate e-business opportunities for women entrepreneurs. The initiative comprises four collaborating components that will be carried annually from 2005 to 2009: 1) research, 2) capacity building, 3) e-community building, and 4) policy forum. |
|                               | Results from the 2006 working program include the realization of the Roadmap of e-Business for Women Enterprises in Korea; the APEC Women's e-Biz Training 2006; the Customized training program for Viet Nam, Philippines, and Indonesia; and the APEC Forum on Digital Economy for Women 2006.   |
|                               | ECSG sought comments from GFPN members regarding the gender criteria in new project proposals to be submitted to BMC II for consideration. The ECSG new project proposals were revised to incorporate the GFPN advice. ECSG is committed to properly address the gender criteria on new project proposals.   |
| Counter-Terrorism<br>Measures | Summarise progress in implementing the Counter-terrorism Action Plan.  |

| ABAC                                   | Summarise work done in response to the previous year's ABAC Recommendations.   |
|--|--|
| Recommendations                        | On Data Privacy Issues, ABAC recommends that APEC:   |
|  | 1) promote continued work on implementation between ECSG and the business community in the APEC region;  |
|  | 2) seek to identify uniform, streamlined and cost effective methods of trans-border data flows; and  |
|  | 3) support efforts to have economies participate in pathfinder projects to framework implementation,   |
|  | as appropriate.  |
|  | The group continues the close consultation with the business sector to develop a Pathfinder Initiative on cross-border privacy protection for international data flows.  |
|  |  |
|  | It has progressed work related to the Information Privacy IAP, which was completed by 12 economies; cooperative development of cross-border privacy rules (CBPRs) and work of the DPS Study Group; information sharing among jurisdictions and cross-border cooperation in investigation and enforcement.                              |
|  | ECSG is developing a Pathfinder proposal to create and deploy implementation frameworks and cross border rules for   |
|  | accountable cross border information flows   |
| SME-Related Issues                     | Where necessary, summarise work done in relation to Small and Medium sized Enterprises.  |
| Non-Member                             | Where necessary, summarise activities and/or plans that have non-member participation implications.  |
| Participation                          | Specify any recommendation for decisions from the APEC body receiving this report.   |
|  | <ul> <li>ECSG decided to renew Pan Asian E-Commerce Alliance's guest status in ECSG for another term till December 2008.</li> <li>ECSG renewed GBDe's guest status in ECSG for another term till December 2008</li> <li>International Privacy's application to be granted guest status at ECSG was not approved (June 2007)</li> </ul> |
|  | ECSG is considering the OECD's request to be granted guest status in ECSG.   |
| Cooperation with the<br>Private Sector | Where necessary, summarise activities and/or plans that have private sector participation implications.  |
|  | ECSG encourages the active participation of business representatives. Members of the APEC E-Commerce Business Alliance, GBDe, PAA and ICC participate actively in ECSG meetings as guests.   |
|  | The group continues the close consultation with the business sector to develop a Pathfinder Initiative on cross-border privacy protection for international data flows.  |
|  | The ECSG is consulting with the private sector (via ABAC/ICC) on the development of work on the proposal ICT Enabled Growth in APEC.   |
|  | The Public Private Partnership Dialogue on Paperless Trading and activities organized by the APEC E-Commerce Business Alliance are samples of activities that have private sector participation implications. Business representatives from member   |

|   | economies participated in recent ECSG meetings and seminars on Data Privacy and Paperless Tr  | rading Issues.   |
|---|---|--|
| Cooperation with IFIs and other                 | Where necessary, summarise activities and/or plans that have IFIs and other international organis   |  |
| international<br>organisations                  | Information sharing with OECD Working Party on Information Security and Privacy and the Asia Pacific Privacy Authorities transborder data flow issues, as well as continue stakeholder consultation with consumer organisations.  |  |
|   | The ECSG and UN/CEFACT have agreed to undertake work pursuant to enhance trade facilitation and knowledge sharing, specifically in electronic standards for paperless trade. The ECSG support a join activity in 2008: APEC/UN Symposium on Paperless Trading Capacity Building: Paperless Tolevelopment  | orted the initiative to implement  |
|   | Mr Jesus Orta, the ECSG Chair is the contact point with IFI's.  |  |
| Necessary Assistance from APEC Secretariat      | Where necessary, specify expected actions of the APEC Secretariat including proposals for further improvement of Secretariat and fora cooperation.  | Follow-up: Specify such as: provision of information                       |
|   | Guidance and support on APEC procedures to facilitate the ECSG work and to strengthen the collaboration with other APEC Fora and other international organizations.   | <ul><li>studies;</li><li>liaison; or</li><li>other activities.</li></ul>   |
| Proposed<br>Cooperation from<br>Other APEC Fora | <ul> <li>Where necessary, specify names of the APEC fora and their expected actions.</li> <li>TEL: Spam, technical standards, electronic authentication, information security, malware. ECSG and TEL to agree on an effective collaborative scheme for information sharing aimed to prevent duplication of efforts or initiatives and to identify synergies.</li> <li>SCCP: Single Window Initiative ECSG to support the leading role of the SCCP in this initiative by providing expertise on e-commerce processes.</li> <li>CTI: TFAP2. Provide expertise on the area of e-commerce to the CTI's work on developing a second Trade Facilitation Action Plan for endorsement by Ministers Responsible for Trade at their meeting in July. Contribute to identify possible Collective Actions and Pathfinders on e-commerce for consideration and possible inclusion in the final TFAP2.</li> <li>Contribute to the current CTI's work on developing the e-commerce chapter of Model Measures for RTAs/FTAs; identify and undertake activities to support the implementation of the APEC Policies on Trade and Digital Economy and the new pathfinder on the APEC Technology Choice Principles.</li> <li>APEC Fora. Make use of the Stocktake of Electronic Commerce Activities in APEC to</li> </ul> | Follow-up: Specify such as: sharing information meetings; other activities |

|  | pursue synergies with other initiatives on e-commerce being implemented by other Fora.  - Sharing information with other APEC Fora. Develop a paper on the importance of the use of electronic documents and web-based platforms in the process of international trade. The document will be prepared primarily for sharing relevant outcomes of ECSG activities on Paperless Trading to APEC working groups and committees which have interest in this matter such as the SMEWG, SCSC, SCCP and CTI.  - APEC Reform. Undertake consultation with other APEC Fora regarding the |  |
|--|---|--|
|  | implementation of SCE recommendations relating to the ECSG.  - Recognising that effective data privacy protection is a trade facilitation measure, ensure other relevant APEC fora are kept informed of the domestic and international implementation of the APEC Privacy Framework, including through reporting to the CTI.  |  |
| Necessary or<br>Proposed<br>Cooperation from<br>Member Economies | Where necessary, specify necessary actions to be undertaken by an APEC Member Economy (Economies).  Economies are encouraged to actively participate in ECSG activities and to share and provide relevant information to contribute to prepare reports, analysis, surveys and statistics.   | Follow-up: Specify such as: implementation; provision of information; other activities |
| Outreach Matters   | Where necessary, specify the activities which will render any material to be used for media relation  |  |

# Report of Gender Focal Point Network (GFPN) Date: 30 June 2007 Occasion: SOM 3

| Summary of Plenary                   | <b>Date</b> : 13 <sup>th</sup> and 14   | t <sup>th</sup> of September 2006 <b>Venue:</b> Hoi An, Vietnam  |  |
|--------------------------------------|---|--|--|
| Meetings Since Last                  |   | hi Mai Huong (Viet Nam)  |  |
| Report                               | Attendance:   |  |  |
|                                      | 32 delegates from   | 16 economies were present. Brunei, China, PNG, Peru and Russia were not represented at this meeting.   |  |
|                                      | Summary:  |  |  |
|                                      |   | ng had as main objective to review, sustain and continue the work of the network on the enhancement of ad economic integration of women in the region, based on the principle that it is a cross-cutting issue.  |  |
|                                      | network a<br>Program [  | Work Plan and a Three Year Plan (2007-2010) were presented with the objective of providing continuity to the nd facilitating yearly transitions. The GFPN Friends of the Chair (past, present and next host economy) and the Director will assist the Chair in its implementation. |  |
|                                      | economie  | ork discussed the possibility of organizing a 3 <sup>rd</sup> Ministerial Meeting on Women. However, none of the s present in the meeting offered to be host so the matter will continue to be discussed inter-sessionally.  |  |
|                                      | experience  | conomies gave reports on the implementation of gender integration. This lead to an intense exchange of es and productive discussion.   |  |
|                                      |   | evaluation group was selected: Vietnam, Thailand, Philippines, New Zealand and Korea.  |  |
|                                      |   | also express their concern that APEC project proposals did not adequately address the questions on gender e sheets and interpreted this as a lack of gender analysis skills within APEC.   |  |
|                                      | <ul> <li>Members</li> </ul>   | shared the opinion that gender must become a high priority issue in APEC and that the GFPN mandate was   |  |
|                                      |   | aving been achieved. This agreement came as a reaction to the "Discussion Paper on Review of APEC Fora" ment (2006/SOM3/SCE/002) which listed as "Options for Consideration" a proposal to incorporate the work of   |  |
|                                      |   | the HRDWG. Therefore, GFPN members insisted that gender remained an overarching issue and that the   |  |
|                                      |   | chanisms that facilitates its relationship with all APEC fora must continue (ML, LR).  |  |
|                                      |   | nformed that it will host the 5 <sup>th</sup> GFPN meeting in the margins of SOM III in 2007.  |  |
|                                      | Recommendation:   |  |  |
|                                      | Specify whether for consideration of decision points or for taking note.  GFPN recommends that SOM: |  |  |
|                                      |   |  |  |
|                                      | Note progress on  | the GFPN workplan and <b>welcome</b> the expected deliverables for this year   |  |
| Implementation of                    | Leaders'  | Summarise progress in implementing relevant AELM instructions.   |  |
| APEC Mandates  Tick ✓those items for | Instructions  | [ X] Not applicable / [ ] Still in-progress  |  |

## which a report may not be needed:

- the item is not applicable to the forum or;
- it is premature to report as work is still in progress.

#### Ministers' Instructions

Summarise progress in implementing relevant AMM instructions.

#### Eighteenth Annual Ministerial Meeting, 15-16 November 2006.

Ministers reconfirmed that the integration of gender in all APEC policies and projects was a cross-cutting theme in APEC and that promoting the increased involvement of women in APEC is an effective measure which will contribute significantly to the goal of achieving a dynamic community for sustainable development and prosperity.

GFPN is discussing how it can be more effective and efficient in offering assistance with APEC projects.

GFPN is considering a mechanism to ensure that the GFPN's task of providing advice on APEC Project Proposals can be met. It is also updating *A practical guide on gender criteria for APEC project proposals and evaluation forms* to assist APEC fora to complete the gender criteria in project proposals.

Ministers recognized the benefits and need to further facilitate the implementation of the Framework for the Integration of Women in APEC and encouraged economies to periodically review its implementation in order to highlight issues for consideration at ministerial level.

In September 2006 the GFPN successfully conducted the "Gender Analysis Training" workshop in Danang. Training was provided to APEC officials on the use of gender analysis as a tool for applying the Framework to APEC policies, project designs, implementation, monitoring and evaluation. A second Analysis Training workshop will be held in Cairns on 26-27 June.

GFPN has supported the "APEC Workshop on Gender Analysis Training" as a new project proposal seeking APEC funding in 2008.

GFPN developed the "Guidance to Economies and Fora on Reporting Implementation of the Framework" to assist GFPN to coordinate with economies and fora on the implementation of the "Framework for the Integration of Women in APEC".

Ministers requested economies and fora to allocate necessary funds and resources for gendermainstreaming activities in their work and to encourage women to participate in decision- making processes, projects/programs implementation as well as in workshops/conferences or other activities.

As part of its 2007 workplan, the GFPN included developing a research database that will assist both gender and trade experts in building their knowledge and capacity to address gender concerns in trade agreements and trade-related policies and programs.

|                        | Minister welcomed the results of the 11th Women Leaders' Network on 19-22 September 2006 in Ha Noi, Viet Nam under the theme "Towards a Dynamic Community: Enhancing the Competitiveness of Women's Business for Sustainable Development and Prosperity". Ministers encouraged economies to work individually and collectively on ways to promote women's participation in the digital economy and women empowerment, first of all, in micro and small & medium enterprises.  As part of the initiative "Women's participation in the digital economy", the GFPN is organizing "The APEC Digital Economy Forum for Women 2007: Building a Sustainable e-Future" to be held in Port Douglas Australia on 22-23 June, 2007.  Ministers welcomed the recommendations from the second CTI Seminar on Supporting and Enhancing Capacity for Women Exporters. Recognizing the importance of women in the global markets and supply chain, Ministers recognized the need for further research on the differential impact of RTAs/FTAs as well as the DDA on women, and supported undertaking research to ensure the full participation of women in the global economy.  The GFPN organized the Seminar on "Supporting and Enhancing Capacity for Women Exporters" in Ha Noi, Viet Nam on 22-23 September. |
|------------------------|--|
|                        | [ ] Not applicable / [ X] Still in-progress  |
| Sectoral<br>Ministers' | Where necessary, summarise progress in implementing relevant Sectoral Ministers' instructions.   |
| Instructions           | [X ] Not applicable / [ ] Still in-progress  |
| OAA                    | Summarise progress in implementing relevant items of the OAA.  |
|                        | The GFPN recognizes the importance of women in the global markets and supply chain, and the need for further research on the differential impact of RTAs/FTAs as well as the DDA on women. It supports undertaking research to ensure the full participation of women in the global economy.   |
|                        | The GFPN organized the Seminar on "Supporting and Enhancing Capacity for Women Exporters" in Ha Noi, Viet Nam on 22-23 September.  |
|                        | As part of its 2007 workplan, the GFPN included developing a research database that will assist both gender and trade experts in building their knowledge and capacity to address gender concerns in trade agreements and trade-related policies and programs.   |
|                        | [] Not applicable / [] Still in-progress   |

| CAP                                | Where necessary, summarise progress in implementing relevant items of CAP.  |
|------------------------------------|---|
|                                    | [X ] Not applicable / [ ] Still in-progress   |
| Pathfinder<br>Initiatives          | Summarise progress in implementing Pathfinder Initiatives agreed at 10 <sup>th</sup> AELM.  |
| iiillatives                        | [X ] Not applicable / [ ] Still in-progress   |
| APEC-wide<br>ECOTECH<br>Priorities | Summarise progress in implementing the 2006 ECOTECH priorities; four APEC wide ECOTECH Priorities and six long term priorities from the Manila Framework.   |
| 1.161.116                          | Developing human capital  |
|                                    | GFPN recognizes that continuous training for APEC Officials on the use of gender analysis as a tool for applying the Framework to APEC policies, project designs, implementation, monitoring and evaluation is needed.                      |
|                                    | In September 2006 the GFPN successfully conducted the "Gender Analysis Training" workshop in Danang. A second "Gender Analysis Training" workshop will be held in Cairns on 26-27 June.   |
|                                    | GFPN has supported the "APEC Workshop on Gender Analysis Training" as a new project proposal seeking APEC funding in 2008.  |
|                                    | Human Security Capacity Building  |
|                                    | GFPN supported a new project proposal seeking APEC funding: "APEC Workshop on Women in Times of Disaster".  |
|                                    | Integration into the Global Economy and Promoting the Development of Knowledge-Based Economies  |
|                                    | The GFPN organized the Seminar on "Supporting and Enhancing Capacity for Women Exporters" in Ha Noi, Viet Nam on 22-23 September  |
|                                    | As part of the initiative "Women's participation in the digital economy", the GFPN is organizing "The APEC Digital Economy Forum for Women 2007: Building a Sustainable e-Future" to be held in Port Douglas Australia on 22-23 June, 2007. |
|                                    | [ ] Not applicable / [X ] Still in-progress   |

| E-commerce                          | Summarise progress in implementing the E-commerce Stocktake  |
|-------------------------------------|--|
| Stocktake                           | Canimarios progress in implementing the E commerce stocktarte  |
|                                     | Korea has presented progress on the "Initiative for APEC Women's Participation in the Digital Economy". This project jointly endorsed by the GFPN and ECSG aims to promote the use of electronic means and generate e-business opportunities for women entrepreneurs. The initiative comprises four collaborating components that will be carried annually from 2005 to 2009: 1) research, 2) capacity building, 3) e-community building, and 4) policy forum. |
|                                     | Under this initiative a Joint ECSG/GFPN APEC Digital Economy Forum will be held in Port Douglas on 22 and 23 June 2007 and the International Entrepreneurship Training for Women: APEC Women's e-Biz Training 2007 in July.  |
|                                     | [ ] Not applicable / [ X] Still in-progress  |
| AFS                                 | Summarise progress in implementation of the APEC Food System. Use an annex if necessary.   |
|                                     | [X ] Not applicable / [ ] Still in-progress  |
| Sustainable<br>Development          | Summarise works undertaken in responding to the priority theme of Sustainable Development.   |
|                                     | [] Not applicable / [] Still in-progress   |
| Science and<br>Technology<br>Agenda | Summarise examples of projects which achieved objectives under 5 mechanisms (improved availability of and access to information, improved human resource development, improved business climate, enhanced policy dialogue and review, facilitation of network and partnerships) set by the APEC Agenda for Science and Technology Industry Cooperation into the 21st Century   |
|                                     | [] Not applicable / [] Still in-progress   |
| Contribution to the WTO             | Summarise activities that contributes to the WTO negotiations.   |
|                                     | [ X] Not applicable / [ ] Still in-progress  |
| Invasive Alien Species              | Summarise activities that contributes to the Invasive Alien Species agenda.  |
|                                     | [X] Not applicable / [] Still in-progress  |
| Other APEC Initiatives              | Where necessary, summarise progress in implementing other initiatives of APEC.   |
|                                     | [] Not applicable / [] Still in-progress   |

| Expected Annual Specify expected deliverables, TILF and ECOTECH, that the forum is targeting for the year.                           |                   |
|--|-------------------|
|  |                   |
| Deliverables   |                   |
| <ol> <li>Conduct the two-day workshops on Gender Analysis Training for APEC officials on 26 and 27 Jur</li> </ol>                    |                   |
| <ol><li>Joint ECSG/GFPN APEC Digital Economy Forum in Port Douglas on 22 and 23 June 2007 and the</li></ol>                          | ne International  |
| Entrepreneurship Training for Women: APEC Women's e-Biz Training 2007 to be held in July.  |                   |
| 3. Update the GFPN's three-year work plan.   |                   |
| <ol> <li>Develop recommendation on the agenda and proposed discussion papers for the Women's Minis</li> </ol>                        |                   |
| <ol><li>Receive, analyse and disseminate reports from Fora and Economies on their yearly activities to ir</li></ol>                  | mplement the      |
| Framework for the Integration of Women in APEC.  |                   |
| <ol><li>Implementation of the outcomes of the SCE Fora Review relevant to the GPFN.</li></ol>  |                   |
| <ol><li>Planning and support for the 2008 meeting of the GPFN in Peru.</li></ol>   |                   |
| Gender-Related Where necessary, summarise progress in implementing the Framework for the integration of Women in APE                 | C.                |
| Issues   |                   |
| All activities being implemented by GFPN are gender related.   |                   |
| Counter-Terrorism Summarise progress in implementing the Counter-terrorism Action Plan.  |                   |
| Measures   |                   |
| ABAC Summarise work done in response to the previous year's ABAC Recommendations.  |                   |
| Recommendations  |                   |
| SME-Related Issues Where necessary, summarise work done in relation to Small and Medium sized Enterprises.                           |                   |
| The GFPN organized the Seminar on "Supporting and Enhancing Capacity for Women Exporters" in Ha Noi,                                 | Viet Nam on 22-23 |
| September  |                   |
| As part of the initiative "Women's participation in the digital economy", the GFPN is organizing "The APEC D                         | igital Economy    |
| Forum for Women 2007: Building a Sustainable e-Future" to be held in Port Douglas Australia on 22-23 June                            |                   |
|  |                   |
| Both GFPN projects have strong linkage with SME activities.  |                   |
| Non-Member Where necessary, summarise activities and/or plans that have non-member participation implications.                       |                   |
| Participation Specify any recommendation for decisions from the APEC body receiving this report.                                     |                   |
| Cooperation with the Where necessary, summarise activities and/or plans that have private sector participation implications.         |                   |
| Private Sector   |                   |
| The GFPN continue developing a close working relationship with and support the Women Leaders' Network                                | which includes    |
| women leaders from the business sector, academia, civil society and government from the APEC community                               |                   |
| Cooperation with IFIs Where necessary, summarise activities and/or plans that have IFIs and other international organisation implies | cations.          |
| and other  |                   |
| international  |                   |
| memational   |                   |

| Necessary             | Where necessary, specify expected actions of the APEC Secretariat including proposals for  | Follow-up:                                   |
|-----------------------|--|--|
| Assistance from       | further improvement of Secretariat and fora cooperation.   | Specify such as:                             |
| APEC Secretariat      |  | <ul> <li>provision of information</li> </ul> |
|                       | Guidance on APEC procedures and support to facilitate the GFPN work and to strengthen the  | • studies:                                   |
|                       | collaboration with other APEC Fora.  | <ul><li>liaison; or</li></ul>                |
|                       |  | <ul><li>other activities.</li></ul>          |
| Proposed              | Where necessary, specify names of the APEC fora and their expected actions.  | Follow-up:                                   |
| Cooperation from      | where necessary, specify harnes of the AFEC fora and their expected actions.   | Specify such as:                             |
| Other APEC Fora       | Work with the APEC Secretariat and Fora in providing guidance to Fora on the inclusion of  |  |
| Other AFEC Fora       | gender considerations in Project Proposals and Evaluations.  | sharing information                          |
|                       | gender considerations in Project Proposals and Evaluations.  | meetings;                                    |
|                       | Continue the process of streamlining the reporting process for Economies and Fora on the   | other activities                             |
|                       | implementation of the <i>Framework for the Integration of Women in APEC</i> that will help GFPN to   |  |
|                       | make more relevant and comparative conclusions.  |  |
|                       | I make more relevant and comparative conclusions.  |  |
|                       | Collaboration with the ECSG on the project "Initiative for APEC's Women's Participation in the   |  |
|                       | Digital Economy" project.  |  |
|                       | Digital Economy project.   |  |
|                       | Continue and strengthen collaborative work undertaken with the SME Working Group and the   |  |
|                       | CTI to improve the business environment faced by women-led small, medium and micro-  |  |
|                       | enterprises (SMEs) in the region, to assist in fulfilling APEC's private sector development  |  |
|                       | agenda.  |  |
|                       | agonda.  |  |
|                       | Improve and streamline the mechanism for the GFPN to work with Gender Fora Focal Points  |  |
|                       | and Fora to assist them to identify and address gender issues in their work.   |  |
| Necessary or          | Where necessary, specify necessary actions to be undertaken by an APEC Member Economy  | Follow-up:                                   |
| Proposed              | (Economies).   | Specify such as:                             |
| Cooperation from      |  | <ul><li>implementation;</li></ul>            |
| Member Economies      | Economies are encouraged to actively participate in GFPN activities and to share and provide   | <ul><li>provision of information;</li></ul>  |
| liioniboi Edonioniles | relevant information to contribute to prepare reports, analysis, surveys and statistics.   |  |
|                       | Tolovani information to contribute to proper o reporte, analysis, surveys and statistics.  | other activities                             |
|                       | Improve and streamline the mechanism for the GFPN to work with Economies to assist them to   |  |
|                       | identify and address gender issues in their work.  |  |
|                       | The state of the s |  |
| Outreach Matters      | Where necessary, specify the activities which will render any material to be used for media relation   | ns.  |

# Report of Health Task Force (HTF) Date: 30 June 2007 Occasion: SOM 3

| Summary of Plenary                     | Date: 19-20                         | 0 January 2007 Venue: Canberra, Australia  |
|--|-------------------------------------|--|
| Meetings Since Last                    | Chair: Ms. Bersabel Ephrem (Canada) |  |
| Report                                 | Attendance: Twe                     | enty member economies with Russia absent. UNSIC, APEC Secretariat  |
|  | Summary:                            |  |
|  | The 5th APEC He                     | ealth Task Force (HTF) meeting was held on 19-20 January 2007 in Canberra, Australia Under the Chair,                                    |
|  |                                     | of Canada, and the Vice Chair, Dr. Li Shichuo of China, the HTF advanced current projects and activities;                                |
|  |                                     | kplan for 2007; enhanced practical efforts with other APEC fora and worked towards a consensus regarding                                 |
|  |                                     | ITF after its mandate expires at the end of December 2007. The work plan identify three priorities for the HTF.                          |
|  |                                     | nancing avian and human pandemic influenza preparedness and response; (2) fighting against HIV/AIDS in the                               |
|  |                                     | d, (3) improving health outcomes through advances in health information technology.  |
|  | Recommendation                      |  |
|  | Specify whether for                 | or consideration of decision points or for taking note.  |
| Implementation of                      | Leaders'                            | In response to Leaders instruction on prevention and mitigation of pandemic influenza, the HTF has                                       |
| APEC Mandates                          | Instructions                        | implemented projects with objectives of business continuity, capacity building, and information sharing.                                 |
| Tick ✓those items for                  |                                     | Projects include Functioning Economies in Times of Pandemic, APEC Capacity Building Seminar on Al:                                       |
| which a report may not                 |                                     | Compilation of Reports on Domestic Measures to Control AI, Capacity Building seminar for APEC  |
| be needed;                             |                                     | economies: Public-private partnership for poultry industry standards and improved veterinary infrastructure to                           |
| <ul> <li>the item is not</li> </ul>    |                                     | combat Highly Pathogenic Avian Influenza (HPAI), Pandemic Risk Communications: Building Capacity in                                      |
| applicable to the                      |                                     | International Media and Stakeholder Relations, HTF Report on the implementation of the APEC Action Plan                                  |
| forum or;                              |                                     | on the Prevention and Response to Avian and Influenza Pandemics, APEC Training Workshop on Human   |
| <ul> <li>it is premature to</li> </ul> |                                     | Avian Influenza (AI) Containment.  |
| report as work is                      |                                     |  |
| still in progress.                     |                                     | In response to Leaders instruction on the issue of HIV/AIDS, the HTF has implemented projects and activities                             |
|  |                                     | addressing the issue, which include APEC Training for Program Managers on TB/HIV for building capacity                                   |
|  |                                     | and strengthening human resources through the training of program managers of the TB and HIV programs.                                   |
|  |                                     | Another activity is to develop guidelines for creating an enabling environment for employers to implement                                |
|  |                                     | effective workplace practices for people living with HIV/AIDS and prevention in workplace settings                                       |
|  |                                     |  |
|  | Ministers                           | [] Not applicable / [] Still in-progress   |
|  | Ministers'                          | As a Task Force, the work of HTF in general is to deal with infectious diseases, which has been the concern                              |
|  | Instructions                        | of Leaders and Ministers. The activities carried out by the HTF not only to respond to Leaders' instruction but also Ministers' as well. |
|  |                                     | aiso iviii iisteis as weii.  |
|  |                                     | [ ] Not applicable / [√] Still in-progress   |
| 1                                      | <u> </u>                            | 11   |

| Sectoral<br>Ministers'<br>Instructions | Action Plan on the Prevention and Response to Avian and Influenza Pandemics is the result of the Ministerial Meeting on Avian and Influenza Pandemics. The HTF 2007 workplan has been developed and adjusted for following the Action Plan. The project "Implementation of APEC Action Plan on the Prevention and Response to Avian and Influenza Pandemics: Progress review and building capacity for future work" is to follow up the result of ministerial meeting. |
|--|--|
|  | [ ] Not applicable / [ √] Still in-progress  |
| OAA                                    | Summarise progress in implementing relevant items of the OAA.  |
|  | [√] Not applicable / [] Still in-progress  |
| CAP                                    | Where necessary, summarise progress in implementing relevant items of CAP.   |
|  | [√] Not applicable / [] Still in-progress  |
| Pathfinder<br>Initiatives              | Summarise progress in implementing Pathfinder Initiatives agreed at 10 <sup>th</sup> AELM.   |
|  | [√] Not applicable / [ ] Still in-progress   |
| APEC-wide ECOTECH                      | Most projects implemented by the HTF are to build capacity for dealing with infectious diseases.   |
| Priorities                             | [ ] Not applicable / [√] Still in-progress   |
| E-commerce<br>Stocktake                | Summarise progress in implementing the E-commerce Stocktake  |
|  | [√] Not applicable / [] Still in-progress  |
| AFS                                    | Summarise progress in implementation of the APEC Food System. Use an annex if necessary.   |
|  | [√] Not applicable / [ ] Still in-progress   |
| Sustainable<br>Development             | Summarise works undertaken in responding to the priority theme of Sustainable Development.   |
|  | [√] Not applicable / [] Still in-progress  |
| Science and<br>Technology<br>Agenda    | Some projects and activities carried out by the HTF are science and technology related, which include e-health initiative, Enhanced APEC Health Communications: Collaborative Preparedness in Asia Pacific Region, Establishing standardized traveler's EHR Templates for Asia Pacific. The objective of these projects  |
|  | is mainly to improve availability of and access to information, improve human resource development.  |
|  | [ ] Not applicable / [ √] Still in-progress  |
| Contribution to the WTO                | Summarise activities that contributes to the WTO negotiations.   |
|  | [√] Not applicable / [ ] Still in-progress   |

|   | Invasive Alien Species  | Summarise activities that contributes to the Invasive Alien Species agenda.   |   |
|---|---|---|---|
|   | Other APEC Initiatives  | Where necessary, summarise progress in implementing other initiatives of AP   |   |
|   |   |   | pplicable / [] Still in-progress  |
| Expected Annual Deliverables                                | Specify expected deliverables, TILF and ECOTECH, that the forum is targeting for the year.  |   |   |
| Gender-Related Issues                                       | Where necessary, summarise progress in implementing the Framework for the integration of Women in APEC.   |   |   |
| Counter-Terrorism<br>Measures                               | Summarise progress in implementing the Counter-terrorism Action Plan.   |   |   |
| ABAC<br>Recommendations                                     | Summarise work done in response to the previous year's ABAC Recommendations.  |   |   |
| SME-Related Issues  | At the SME Ministerial Meeting, in Hanoi in September 2006, Ministers supported the development of an APEC Pandemic Preparedness for Small Business Checklist and encouraged close collaboration with ABAC and APEC fora and the on-going work in the private sector to prepare for and mitigate an influenza pandemic. Drafted by the U.S., the "Checklist" is seen as a business continuity tool for Small and Medium-sized Enterprises (SMEs). At the last HTF meeting, the HTF was asked to take the draft Guide into consideration when developing regional operational preparedness plans as the Guide underscores the cross-cutting nature of AI and its potential impact on SMEs. |   |   |
| Non-Member<br>Participation                                 | United Nations System Influenza Coordination (UNSIC) was invited to attend HTF meeting as a guest   |   |   |
| Cooperation with the<br>Private Sector                      | Where necessary, summarise activities and/or plans that have private sector participation implications.   |   |   |
| Cooperation with IFIs and other international organisations | For the purpose of information sharing and coordination, the UNSIC has been invited to attended HTF activities. The UNSIC provided an overview of the UN system activities through its coordination system; and provided updates on the UN system Action Plans and Progress Reports.  |   |   |
| Necessary<br>Assistance from<br>APEC Secretariat            |   | , specify expected actions of the APEC Secretariat including proposals for ent of Secretariat and fora cooperation. | Follow-up: Specify such as: provision of information studies; liaison; or other activities. |

| Proposed<br>Cooperation from<br>Other APEC Fora                  | Cooperation with TFEP, SMEWG, LSIF, ATCWG, ABAC has been conducted for addressing Al issues.           | Follow-up: Specify such as: sharing information meetings; other activities             |  |
|--|--|--|--|
| Necessary or<br>Proposed<br>Cooperation from<br>Member Economies | Where necessary, specify necessary actions to be undertaken by an APEC Member Economy (Economies).     | Follow-up: Specify such as: implementation; provision of information; other activities |  |
| Outreach Matters   | Where necessary, specify the activities which will render any material to be used for media relations. |  |  |

# Report of Social Safety Net Capacity-Building Network (SSN CBN) Date: 30 June 2007 Occasion: SOM 3

| Summary of Plenary  | Date: - Venue: -   |   |  |
|---|--|---|--|
| Meetings Since Last   | Chair: Dr Seokpyo Hong (Korea)   |   |  |
| Report  | Attendance: -  |   |  |
|   | Summary:   |   |  |
|   |  | e network has been held in the period September 2006–May 2007. The network does not meet regularly but although not necessarily every year.   |  |
|   | The SSN-CBN S  | symposium on Using Social Safety Nets to Meet Extreme Challenges Faced by Communities will be held in   |  |
|   | Cairns, Australia  | from 24-25 June 2007. The symposium is being organized by the Department of Families, Community   |  |
|   | Services and Indigenous Affairs (FaCSIA) of Australia. The symposium will focus on disaster management, capability |   |  |
|   | development, an  | d short- and long-term recovery.  |  |
|   | Protection Netwo   | ast symposium to be organized by the SSN-CBN because the network is being merged with the Labor Social ork (LSPN) of the Human Resources Development Working Group (HRDWG). This merger is expected to take ymposium. There will also be a discussion at the symposium on the draft Terms of Reference and future newly-merged group. |  |
|   | Recommendation   | on: Immends that SCE note its progress on work in 2007 and its imminent merger with the LSPN.   |  |
| Implementation of Leaders' Summarise progress in implementing relevant AELM instructions. |  |   |  |
| APEC Mandates   | Instructions   | Gammando progress in implementing relevant ALEIM mediadiene.  |  |
| Tick ✓those items for   |  | [ Not applicable / [] Still in-progress   |  |
| which a report may not  | Ministers'   | Summarise progress in implementing relevant AMM instructions.   |  |
| be needed;  | Instructions   |   |  |
| <ul> <li>the item is not</li> </ul>   |  | [ /] Not applicable / [ ] Still in-progress   |  |
| applicable to the   | Sectoral   | Where necessary, summarise progress in implementing relevant Sectoral Ministers' instructions.  |  |
| forum or;   | Ministers'   |   |  |
| <ul> <li>it is premature to</li> </ul>  | Instructions   | [ Not applicable / [] Still in-progress   |  |
| report as work is   | OAA  | Summarise progress in implementing relevant items of the OAA.   |  |
| still in progress.  |  | [✓] Not applicable / [ ] Still in-progress  |  |
|   | CAP  | Where necessary, summarise progress in implementing relevant items of CAP.  |  |
|   |  | [✓] Not applicable / [ ] Still in-progress  |  |

|                              | Pathfinder<br>Initiatives           | Summarise progress in implementing Pathfinder Initiatives agreed at 10 <sup>th</sup> AELM.   |  |
|------------------------------|-------------------------------------|--|--|
|                              | APEC-wide<br>ECOTECH<br>Priorities  | [✓] Not applicable / [] Still in-progress  Summarise progress in implementing the 2006 ECOTECH priorities; four APEC wide ECOTECH Priorities and six long term priorities from the Manila Framework.  [✓] Not applicable / [] Still in-progress  |  |
|                              | E-commerce<br>Stocktake             | Summarise progress in implementing the E-commerce Stocktake  [1] Not applicable / [] Still in-progress   |  |
|                              | AFS                                 | Summarise progress in implementation of the APEC Food System. Use an annex if necessary.  [1] Not applicable / [] Still in-progress  |  |
|                              | Sustainable<br>Development          | Summarise works undertaken in responding to the priority theme of Sustainable Development.  [1] Not applicable / [] Still in-progress  |  |
|                              | Science and<br>Technology<br>Agenda | Summarise examples of projects which achieved objectives under 5 mechanisms (improved availability of and access to information, improved human resource development, improved business climate, enhanced policy dialogue and review, facilitation of network and partnerships) set by the APEC Agenda for Science and Technology Industry Cooperation into the 21st Century |  |
|                              | Contribution to the WTO             | [✓] Not applicable / [] Still in-progress  Summarise activities that contributes to the WTO negotiations.  [✓] Not applicable / [] Still in-progress   |  |
|                              | Invasive Alien<br>Species           | Summarise activities that contributes to the Invasive Alien Species agenda.  [1] Not applicable / [] Still in-progress   |  |
|                              | Other APEC Initiatives              | Where necessary, summarise progress in implementing other initiatives of APEC.  [✓] Not applicable / [] Still in-progress  |  |
| Expected Annual Deliverables | Specify expected N/A                | Specify expected deliverables, TILF and ECOTECH, that the forum is targeting for the year.   |  |
| Gender-Related<br>Issues     | Where necessary N/A                 | , summarise progress in implementing the Framework for the integration of Women in APEC.   |  |

| Counter-Terrorism                      | Summarise progress in implementing the Counter-terrorism Action Plan.                                   |  |  |
|--|---|--|--|
| Measures                               | N/A   |  |  |
| ABAC                                   | Summarise work done in response to the previous year's ABAC Recommendations.                            |  |  |
| Recommendations                        | ountinarise work done in response to the previous years ADAO Neconimendations.                          |  |  |
|  | N/A   |  |  |
| SME-Related Issues                     | Where necessary, summarise work done in relation to Small and Medium sized Enterprises.                 |  |  |
|  | N/A   |  |  |
| Non-Member                             | Where necessary, summarise activities and/or plans that have non-member participation implicati         | ons.   |  |
| Participation                          | Specify any recommendation for decisions from the APEC body receiving this report.                      |  |  |
|  |   |  |  |
| 0 " " "                                | N/A   |  |  |
| Cooperation with the<br>Private Sector | Where necessary, summarise activities and/or plans that have private sector participation implications. |  |  |
| 1 Tivate dector                        | N/A   |  |  |
| Cooperation with IFIs                  |   |  |  |
| and other                              |   |  |  |
| international                          | N/A   |  |  |
| organisations Necessary                | Where necessary, specify expected actions of the APEC Secretariat including proposals for               | Follow-up:   |  |
| Assistance from                        | further improvement of Secretariat and fora cooperation.  | Specify such as:   |  |
| APEC Secretariat                       |   | <ul><li>provision of information</li></ul>                           |  |
|  | N/A   | • studies;   |  |
|  |   | <ul><li>liaison; or</li></ul>  |  |
|  |   | other activities.  |  |
| Proposed Cooperation from              | Where necessary, specify names of the APEC fora and their expected actions.                             | Follow-up:   |  |
| Other APEC Fora                        | N/A   | Specify such as: <ul><li>sharing information</li></ul>               |  |
|  |   | <ul><li>meetings;</li></ul>  |  |
|  |   | other activities   |  |
| Necessary or                           | Where necessary, specify necessary actions to be undertaken by an APEC Member Economy                   | Follow-up:   |  |
| Proposed                               | (Economies).  | Specify such as:   |  |
| Cooperation from<br>Member Economies   | N/A   | implementation;     provision of information;                        |  |
| Meniber Economiles                     |   | <ul><li>provision of information;</li><li>other activities</li></ul> |  |
|  |   | • บนาษา สบแขนเบอง  |  |

| Outreach Matters | Where necessary, specify the activities which will render any material to be used for media relations. |  |  |  |
|------------------|--|--|--|--|
|                  | N/A  |  |  |  |

# Report of Task Force on Emergency Preparedness (TFEP) Date: 30 June 2007 Occasion: SOM 3

| Summary of Plenary                   | Date: 14 Sept  | tember 2006 Venue: Da Nang, Vietnam  |  |  |
|--------------------------------------|--|--|--|--|
| Meetings Since Last                  | Chair: Ambassador David Spencer, Australian Senior Official for APEC, and Ambassador Primo Alui Joelianto, Indonesian  |  |  |  |
| Report                               | Senior Official for APEC, co-chaired the meeting.  |  |  |  |
|                                      | Attendance:  | Attendance:  |  |  |
|                                      | Thirty-six representatives from 16 member economies attended. Brunei; Chile; Hong Kong, China; Malaysia, Peru were abs |  |  |  |
|                                      | Summary:   |  |  |  |
|                                      |  |  |  |  |
|                                      | This is the second TFEP ad hoc meeting. The meeting mainly discussed following issues:                                 |  |  |  |
|                                      |  |  |  |  |
|                                      | 1. The APEC Pandemic Response Exercise conducted on 7-8 June 2006, 2. Update on TFEP Website Strategy, 3. Emergency    |  |  |  |
|                                      | Preparedness Project Proposals, 4. Review of Stocktake and Related Capacity Building Work                              |  |  |  |
|                                      | Recommendatio  |  |  |  |
|                                      | Specify whether for consideration of decision points or for taking note.   |  |  |  |
|                                      |  |  |  |  |
|                                      | Note the progress  |  |  |  |
| Implementation of                    | Leaders'   | Summarise progress in implementing relevant AELM instructions.   |  |  |
| APEC Mandates                        | Instructions   | The grain of "Oracian Director Management Oraclin day Wallaham and Oraclin Daylein Tarinian Daylein Daylein and "Oraclin Daylein Dayle |  |  |
| Tick ✓those items for                |  | The project "Senior Disaster Management Coordinators Workshop and Capacity-Building Training Programme"  |  |  |
| which a report may not               |  | to be held in August 2007 is to respond to The Busan Declaration at the 2005 Leaders' Meeting committed  |  |  |
| be needed;                           |  | APEC members to "protecting our economies by taking action to lessen the impact from future disasters and  |  |  |
| - the item is not                    |  | improve our collective response capability   |  |  |
| applicable to the forum or;          |  | [ ] Not applicable / [ √] Still in-progress  |  |  |
| <ul><li>it is premature to</li></ul> | Ministers'   | Summarise progress in implementing relevant AMM instructions.  |  |  |
| report as work is                    | Instructions   | Cummance progress in impromenting relevants metraciones.   |  |  |
| still in progress.                   |  | [] Not applicable / [] Still in-progress   |  |  |
| om myregrees                         | Sectoral   | Where necessary, summarise progress in implementing relevant Sectoral Ministers' instructions.   |  |  |
|                                      | Ministers'   |  |  |  |
|                                      | Instructions   | [X ] Not applicable / [] Still in-progress   |  |  |
|                                      | OAA  | Summarise progress in implementing relevant items of the OAA.  |  |  |
|                                      |  |  |  |  |
|                                      |  | [X ] Not applicable / [ ] Still in-progress  |  |  |
|                                      | CAP  | Where necessary, summarise progress in implementing relevant items of CAP.   |  |  |
|                                      |  | DV1 Not applied by 121 Office and applied  |  |  |
| <u>L</u>                             |  | [X ] Not applicable / [ ] Still in-progress  |  |  |

|                              | Pathfinder                         | Summarise progress in implementing Pathfinder Initiatives agreed at 10 <sup>th</sup> AELM.   |
|------------------------------|------------------------------------|--|
|                              | Initiatives                        | [X ] Not applicable / [ ] Still in-progress  |
|                              | APEC-wide<br>ECOTECH<br>Priorities | Summarise progress in implementing the 2006 ECOTECH priorities; four APEC wide ECOTECH Priorities and six long term priorities from the Manila Framework.  |
|                              | T Heritage                         | The activities conducted by the TFEP including the APEC Pandemic Response Exercise in 2006 and the Senior Disaster Management Coordinators Workshop and Capacity-Building Training Programme to be held in August 2008 have address most ECOTECH Priorities, such as development human capital, human security capacity building, etc. |
|                              |                                    | [ ] Not applicable / [X ] Still in-progress  |
|                              | E-commerce<br>Stocktake            | Summarise progress in implementing the E-commerce Stocktake  |
|                              |                                    | [X] Not applicable / [] Still in-progress  |
|                              | AFS                                | Summarise progress in implementation of the APEC Food System. Use an annex if necessary.   |
|                              |                                    | [X] Not applicable / [ ] Still in-progress   |
|                              | Sustainable<br>Development         | Summarise works undertaken in responding to the priority theme of Sustainable Development.   |
|                              | Science and                        | [X] Not applicable / [] Still in-progress  Summarise examples of projects which achieved objectives under 5 mechanisms (improved availability of   |
|                              | Technology<br>Agenda               | and access to information, improved human resource development, improved business climate, enhanced policy dialogue and review, facilitation of network and partnerships) set by the APEC Agenda for Science and Technology Industry Cooperation into the 21st Century   |
|                              |                                    | [X ] Not applicable / [ ] Still in-progress  |
|                              | Contribution to the WTO            | Summarise activities that contributes to the WTO negotiations.   |
|                              |                                    | [X ] Not applicable / [ ] Still in-progress  |
|                              | Invasive Alien<br>Species          | Summarise activities that contributes to the Invasive Alien Species agenda.  |
|                              | Other APEC Initiatives             | Where necessary, summarise progress in implementing other initiatives of APEC.   |
|                              |                                    | [X ] Not applicable / [ ] Still in-progress  |
| Expected Annual Deliverables | Specify expected                   | deliverables, TILF and ECOTECH, that the forum is targeting for the year.  |

| Gender-Related                      | Where necessary, summarise progress in implementing the Framework for the integration of Women in APEC.                                 |  |  |
|-------------------------------------|---|--|--|
| Issues                              |   |  |  |
| Counter-Terrorism                   | Summarise progress in implementing the Counter-terrorism Action Plan.   |  |  |
| Measures                            |   |  |  |
| ABAC                                | Summarise work done in response to the previous year's ABAC Recommendations.  |  |  |
| Recommendations                     |   |  |  |
| SME-Related Issues                  | Where necessary, summarise work done in relation to Small and Medium sized Enterprises.   |  |  |
| Non-Member                          | Where necessary, summarise activities and/or plans that have non-member participation implicati   | ions.  |  |
| Participation                       | Specify any recommendation for decisions from the APEC body receiving this report.  |  |  |
| Cooperation with the                | Where necessary, summarise activities and/or plans that have private sector participation implica-                                      | tions.   |  |
| Private Sector                      |   |  |  |
| Cooperation with IFIs               | Where necessary, summarise activities and/or plans that have IFIs and other international organisation implications.                    |  |  |
| and other                           |   |  |  |
| international                       |   |  |  |
| organisations                       |   | 1  |  |
| Necessary                           | Where necessary, specify expected actions of the APEC Secretariat including proposals for   | Follow-up:   |  |
| Assistance from                     | further improvement of Secretariat and fora cooperation.  | Specify such as:   |  |
| APEC Secretariat                    |   | • provision of information   |  |
|                                     |   | • studies;   |  |
|                                     |   | • liaison; or  |  |
| <u> </u>                            | 140 4050 6 4 4 4 5 5 6 4 4 4 4 4 4 4 4 4 4 4 4 4  | • other activities.  |  |
| Proposed                            | Where necessary, specify names of the APEC fora and their expected actions.   | Follow-up:   |  |
| Cooperation from<br>Other APEC Fora | The TFEP has been invited to attend HTF Meeting for information sharing and collaboration on the issue of avian and influenza pandemics | Specify such as:   |  |
| Other APEC Fora                     | the issue of avian and inhideriza paridernics   | sharing information     mostings:                                    |  |
|                                     |   | meetings;     other activities.                                      |  |
| Necessary                           | When a second and it is a consequent to be undertaken by an ADEO March of Economic  | other activities   |  |
| Necessary or<br>Proposed            | Where necessary, specify necessary actions to be undertaken by an APEC Member Economy (Economies).                                      | Follow-up : Specify such as:   |  |
| Cooperation from                    | (LCOHOHIIGS).   | <ul><li>implementation;</li></ul>                                    |  |
| Member Economies                    |   | <ul><li>implementation,</li><li>provision of information;</li></ul>  |  |
| monibor Economics                   |   | <ul><li>provision of information,</li><li>other activities</li></ul> |  |
| Outreach Matters                    | Whore necessary appoints the activities which will render any material to be used for media relation                                    |  |  |
| Outreach Matters                    | Where necessary, specify the activities which will render any material to be used for media relation                                    | 110.   |  |