

**OAA ISSUE AREA: BUSINESS MOBILITY
CONVENOR'S SOMIII SUMMARY REPORT TO CTI**

1. INTRODUCTION

The APEC Business Mobility Group is responsible for building the capacity of economies to facilitate the streamlined, secure movement of business people through enhanced immigration, border facilitation and security arrangements.

2. IMPLEMENTATION OF 2008 WORK PROGRAMS/PLANS, WITH PARTICULAR REFERENCE TO THE AGREED ACTIONS IN THE STRENGTHENING REGIONAL ECONOMIC INTEGRATION REPORT AND THE FOLLOWING PRIORITIES:

A) SUPPORT FOR THE MULTILATERAL TRADING SYSTEM

The BMG continues to work towards expanding the membership to include all member economies in the ABTC scheme to facilitate business travel and hence trade and investment in the APEC Region. At SOMIII 2008, the BMG agreed to the participation of Canada as a transitional member of the scheme, making a total of 20 member economies.

The BMG continued to cooperate to share information and best practice on immigration legislation including temporary entry provisions in economy trade agreements, as well as immigration policy, procedures and technologies.

B) RTAS/FTAS

NOT APPLICABLE TO BMG

C) TRADE FACILITATION AND TRANSPARENCY

TFAPII REPORT

In accordance with CTI directives, the BMG agreed on a set of KPIs and a methodology in 2008 and has submitted its TFAPII Report to the CTI Taskforce. The Report indicates progress has been made in most of the agreed eight Action areas including the ABTC, with a 169% increase in the number of active cardholders since end 2006 and a 79% increase in the year 31 July 2007 - 31 July 2008.

Progress is also evident against other Actions including the implementation of immigration standards (at least 10 economies have implemented all standards); 15 economies have already implemented or are committed to implement an API system (with one becoming operational in May 2008); and 20 economies now maintain comprehensive, up to date information in the APEC Business Travel Handbook and other official economy and related websites.

The BMG agreed to review the TFAPII internal reporting process in an effort to attain a higher response rate in future years; 16 economies submitted reports for the TFAPII Report.

Progress against other trade facilitation-related initiatives (Security Initiatives) are reported below under (F).

ABTC WORKING GROUPS

At SOMI 2008, the BMG formed two working groups to examine the options for managing the rapid growth of the ABTC scheme and to look at ways to enhance the ABTC, including ABAC's

suggestion to look at the viability of enhancing the card with biometrics. Work has continued throughout the year by both working groups, culminating in agreements by the BMG at SOMIII to two proposals: to undertake priority processing of applications to provide faster card issue; and the second is to explore the viability of a biometric ABTC card.

The BMG has submitted a TILF proposal to the CTI for funding to undertake the development of the necessary business processes and address the legal, policy, operational and technical issues associated with introducing a biometric ABTC.

PARTICIPATION BY CANADA IN ABTC

As indicated above, the BMG welcomed Canada at SOMIII as a transitional member to the ABTC scheme.

In addition to the TFAPII Actions, members continued to share information and best practice on immigration legislation, free trade and other trade agreements, relevant policies and procedures and technologies.

D) DIGITAL ECONOMY AND STRENGTHENING INTELLECTUAL PROPERTY RIGHTS

NOT APPLICABLE

E) INVESTMENT

NOT APPLICABLE

F) OTHER AREAS, INCLUDING APEC-WIDE INITIATIVES ON SECURITY, STRUCTURAL REFORM AND GENDER

The BMG continued to actively progress its Security work program in 2008.

Biometric Applications at the Border

Peru hosted a successful BMG Frequent Passenger Programs Workshop on 12-14 August 2008 in Lima, Peru. Some 18 economies attended and presentations were given by experts from seven economies, ICAO and IATA and two leading private sector companies in the field of biometric applications. The Workshop was valuable in providing an opportunity for economies to share information about the forms of biometric applications available to facilitate the safe movement of increasing volumes of passengers across borders and the benefits of the different approaches. The Workshop also provided ideas for the BMG to explore for possible capacity building projects in the future.

Regional Movement Alert List (RMAS)

In addition, the BMG continued to progress the expansion of the functionality of the Regional Movement Alert System (RMAS), and discussions continued with economies on ways to address technical capability and other participation issues.

Other Ongoing Initiatives

Progress was made on other major human security initiatives including:

- An increase in the number of economies adopting machine readable travel documents, and with biometrics. The BMG Workshop on Frequent Passenger Programs on 12-14 August also reinforced and complemented earlier work by the BMG in 2006-07 on the benefits of introducing biometric travel documents;
- At SOMIII 2008, China confirmed that it had implemented an API system on 1 May 2008. To date, a total of 12 economies have either implemented or have announced their commitment to implementing an API system, including: Australia, Canada, China, Hong Kong (China), Korea, Japan, Malaysia (implemented for sea arrivals and planned for air arrivals), Mexico, New Zealand, Chinese Taipei, Thailand and the United States. A further three economies have plans

to implement API in the future, making a total of 15 economies committed to API, and one other economy is to trial an API system this year;

- At SOMIII, Singapore advised that it will be conducting a workshop on the margins of SOMII 2009 to explore the options for accessing lost, stolen and fraudulent passport data systems; and
- The BMG's Working Group on Identity Assurance, formed at SOMI 2008, is progressing its work to draft an Identity Assurance Framework. The Framework will guide economies in implementing best practice arrangements to ensure integrity in their enrolment processes for biometric travel and other identity documents. The working group provided its second progress report to SOMIII and it is hoped that work on a final draft Framework will be completed over the next 2-3 months. The final draft will be circulated intersessionally for BMG consideration and agreement or otherwise will be considered at SOMI 2009.

3. NEW COLLECTIVE ACTIONS AGREED/PLANNED FOR 2009

In addition to its ongoing work program, the BMG agreed at SOMIII 2008 to a proposed TILF project to develop the business processes for the introduction of an e-ABTC in 2009, ahead of a possible pilot to test the concept (submitted for CTI3 consideration).

4. TILF OUTCOMES/DELIVERABLES FOR 2008

In 2008, the BMG delivered several outcomes and achievements including:

- The successful conduct of a TILF funded (CTI27/2008T) Workshop on Frequent Passenger Programs on 12-14 August 2008, which extended the work undertaken in the past two years to encourage economies to adopt biometric passports and related infrastructure, including at the border. Some 18 economies attended the workshop and seven economies gave presentations on their biometric and/or border facilitation/security programs. All participants noted the value of being able to share experiences and to learn about the latest biometric technologies and global developments;
- In addition, substantial progress has been made towards the development of a unique APEC Identity Assurance Framework, which will assist economies on the process required for assurance of the integrity of identity enrolment processes;
- Agreement to Canada's proposal to join the ABTC scheme as a transitional member (SOMIII), making a total of 20 economy participants in the scheme;
- The BMG improved its ABTC application rate: there was a 169% increase in the number of active ABTC cardholders since end 2006; and a 79% increase in the past year (total of 44,931 cardholders);
- As an outcome of the work undertaken by the ABTC Working Group on Managing Growth this year, agreement has been reached on a processing approach whereby economies nominated as a priority by ABTC applicants, will process those requests first, to facilitate early card issue for travel to their key destinations; and
- as an outcome of the work undertaken by the ABTC Working Group on Enhancing the ABTC in 2008, agreement has reached to work towards the introduction of a biometric ABTC, subject to the availability of TILF funding.

5. BUDGET PROPOSALS FOR THE 3rd BMC MEETING OF THE YEAR (22-23 October 2008)

e-ABTC Governance Framework Development', US\$ required from APEC, Total budget is US\$.

6. DECISION POINTS NEEDED FROM CTI

Approval of the BMG TILF project proposal. APEC funds of \$34,873 (self funded component is \$56, 370). The total project cost is \$91,243.

BUSINESS MOBILITY GROUP CONSOLIDATED REPORT TO THE CTI 2008

General Comments

The BMG Report is based on the responses of 16 economies. This is considered a good response rate, given that the process and its requirements is new to members. It is expected that the response rate will improve as members become familiar with the reporting process in future years. However, it is proposed that the BMG review the process and endeavour to address any perceived shortfalls in terms of base data, to ensure a more comprehensive, consolidated report in 2009, reflecting all 21 economies' progress against the KPIs.

Main Findings

In summary, the BMG has achieved improvements since 1 January 2007 until 31 July 2008 against most Actions including:

- Almost half of all BMG member economies (10 of those that reported) have implemented all agreed standards across all four areas in Travel Document Examination; Professional Service (revised in 2007); Travel Document Security; and Immigration Legal Infrastructure;
- Two additional economies have joined the ABTC scheme (one as a full member; the other as a transitional member), making a total of 19 member economies (a 12% increase). Next year, it is expected that at least one other economy will be included as a transitional member in the BMG's report;
- In terms of the number of active cards or cardholders, there has been a 169% increase in the number of cards since end 2006 until end July 2008 (44,931 cards compared with 16,684 cards);
- For the period from end 2006 until end July 2007 there was a 51% increase in the number of cards (from 16,684 cards to 25,129 cards) and a 79% increase for the year from 31 July 2007 to 31 July 2008 (25,129 to 44,931 cards);
- Based on the 16 economy responses received, three economies are known to have implemented e-lodgement facilities for temporary residency applicants; making a total of four economies to date. An additional 10 economies (nearly half of all members) reported having plans underway and two others are considering the options;
- There has been a 24% increase in the number of economies (or 4 additional economies) that have reported they have introduced or are progressing towards implementation of an API system by 2010. A total of 15 economies have committed to the API Pathfinder Initiative, while at least one other economy is trialling API;
- All 16 economies reported they have introduced MRTDs (as have vast majority of economies), and of that 16, 10 have introduced biometric MRTDs. A further four economies reported they intend to introduce e-passports within the next 3/4 years and the remaining 3 respondents are planning for introduction;
- One other economy has made available comprehensive information on the BMG and other official websites on their temporary entry business visitor and temporary residence visa arrangements, making a total of 20 economies to date; and
- since 1 January 2007, four additional economies now contribute data to the Interpol ICPO database, making a total of 14 economies, up from 10 at end 2006.

Conclusion

The BMG will endeavour to improve on its performance both in terms of the economy response rate and against its agreed Actions. The BMG Convenor would appreciate any suggestions or feedback on the report, or on the BMG's reporting methodology, in due course.

Report on the Implementation of the Second Trade Facilitation Action Plan (TFAP II)

(Contribution from Business Mobility Group (based on 16 economy reports))

(Reporting Period : 1 Jan 2007 - 31 Jul 2008)

Areas	Actions	Key Performance Indicator(s)	Position as at 31 Dec 2006 (a)	Improvements Made between 1 Jan 2007 - 31 Jul 2007 and 1 Aug 2007 - 31 Jul 2008 (b)	Cumulative Improvements Since 1 Jan 2007 (c)	Percentage Change Since 1 Jan 2007 (d) (i.e. [(c)-(a)]/(a) x 100%)
Streamline and Standardize Procedures	a) Implement standards for i) travel documentation examination; ii) professional services; iii) travel document security (and issuance systems); and iv) immigration legislation.	The number of economies that have fully implemented the standards for a) travel documentation examination; b) professional service; c) travel document security (and issuance systems); d) immigration legislation.	Position not known in some economies. (The majority of economies reported to SOM in 2006 they met majority of standards.)	Responses not broken down into periods given the number of standards and resultant complexity of the task for some economies (over 200 standards involved).	Ten of the 16 economies report full implementation of all standards.	Percentage not possible to calculate but progress evident as nearly half of all economies (10 of those that reported) have fully implemented all standards.
	b) Streamline arrangements for intra-company transferees in accordance with the agreed APEC 30 day processing standard.	The number of economies which fully meet the agreed 30 day processing standard for visa applications, where complete, of intra company transferees.	19 economies reported at SOM in 2006 they met the standard.	Total of 19 economies reported met the standard over whole period.	All 16 respondents (included in the 19 in previous periods) meet the standard.	No increase, based on 19 economies.
	c) Implement and promote the APEC Business Travel Card (ABTC) and/or visa free or visa waver arrangements or at least 3 year multiple entry visas for short term business visitors such as those engaged in the negotiation of the sale of services or goods, establishing an investment or participating in business-related conferences, seminars or workshops.	Percentage increase in the number of APEC Business Travel Cards issued in this reporting year compared to the number issued in the previous reporting year.	At end December 2006, there were 16,684 active cards.	At 31 July 2007, there was a 51% increase and at 31 July 2008, there was a 79% increase over the previous period.	169% increase	

		Number of economies that have joined the APEC Business Travel Card scheme (either as a transitional or as a full member) (measures commitment to expansion of scheme).	17 full economy members in ABTC scheme.	In 01/01/07-31/07/08 17 full members plus one transitional economy member. After 1 /08/07, 18 full members plus one transitional member.	Additional one full member (Mexico) plus one transitional member (USA) - total membership is 19	12% increase
		Number of APEC Business Travel Cards issued since the end of the last reporting period until the end of this reporting period (measures success of card promotion).	At end December 2006, there were 16,684 active cards.	At 31 July 2007, there were 25,129 active cards and at 31 July 2008, there were 44,927 active cards.	Additional 36,688 cards issued from 1 January 2007	
		Number of economies that have implemented either visa free/ visa waiver arrangements or 3 year multiple entry visas for business visitors (agreed CAP collective) or have joined the ABTC scheme.	17 economies were members of ABTC; or had either visa free/waiver arrangements in place and/or multiple entry arrangements.	15 economies have visa free/waiver arrangements and of those economies 5 also have 3-year multiple entry visa arrangements. Two economies have 3-year multiple visa arrangements. By 1 August, 19 economies were ABTC members (18 full; 1 transitional member).	As reported in (b)	12% increase (based on ABTC increase)
Enhance the Use of Information and Communications Technology	a) Introduce e-lodgement arrangements for temporary residency applications.	Number of economies that have introduced e-lodgement arrangements for temporary residency applications (economies with online application facilities).	One economy had full e-lodgement facilities. Several economies had plans for e-lodgement and several had applications available online.	Not broken down by period. Of 16 respondents, 4 have implemented e-lodgement; 10 have plans underway and 2 are considering.	as at (b)	400% increase (up from 1 to 4 economies)
	b) Introduce an advanced passenger information system which pre-clears passengers to ensure faster clearance on arrival.	Number of economies that have introduced, or plan to introduce, an API system by 2010 to enhance border security and the safety of travellers (measures progress on API Pathfinder Initiative).	11 economies	15 economies (see footnote on API)	15 economies either implemented or progressing towards implementation including one having implemented in 2008. (Plus one is currently trialling without commitment).	24% increase (additional 4 economies)

c) Introduce machine readable travel documents (MRTDs), if possible with biometrics, by end 2008.	Number of economies that have introduced machine readable travel documents (MRTDs) (measures progress by BMG against this agreement).	Majority of economies had introduced MRTDs and were seeking to phase out old non-MRTDs.	All 16 respondents have introduced MRTDs.		
	Number of economies that have MRTDs with biometrics (measures progress by BMG to implement this agreement).	Of 17 respondents to a survey in 2005-06, 3 economies indicated that they have begun issuing e-passports. (Four economies indicated they planned to begin issuing e-passports within 6 -12 months).	Of 16 respondents, 10 respondents reported introduction of biometric MRTDs.	10 economies have introduced biometric MRTDs. (Further four will introduce in next 4 years and remaining 3 are planned.)	233% increase (additional 7 economies)
d) Make available comprehensive information and application forms for short-stay and temporary residence business visas, including through the APEC Business Travel Handbook and official Immigration/Consular affairs websites, in accordance with Business Mobility Group agreements.	Number of economies that make available comprehensive information through the BMG's APEC Business Travel Handbook and official websites.	19 economies	20 in 2007.	20	5% increase (95% compliance)
e) Contribute information on lost and stolen travel document, on a best endeavours basis, to the database of the International Criminal and Police (ICPO).	Number of economies that contribute information on lost and stolen travel documents to the International Police and Criminal Organisation (Interpol ICPO).	Total of 10 of 21 economies	In 2007, 6 economies reported agreements/or systems being developed with Interpol; in 2007-08, four economies confirmed now provide data (one from July 2008)	Total of 14 economies provide data to ICPO	40% increase (additional 4 economies)