

**Summary Conclusions of the
Third APEC Budget and Management Committee Meeting 2010
Sendai
22 September 2010**

Introduction

1. The APEC Budget and Management Committee (BMC) held its third meeting in 2010 at the margins of SOM III in Sendai.
2. The Meeting was attended by representatives from Australia; Brunei Darussalam; Canada; Chile; China; Hong Kong, China; Indonesia; Japan; Korea; Malaysia; Mexico; New Zealand; Peru; the Philippines; Papua New Guinea, Singapore; Chinese Taipei; Thailand; the United States of America (USA), Viet Nam and the APEC Secretariat. The Russian Federation was not represented. The list of participants is in **Annex A**.
3. The Meeting was chaired by Mr. Jaya Ratnam, Director of International Economics Directorate, Ministry of Foreign Affairs of Singapore.

Agenda Item 1 : Chair's Opening Remarks

4. The Chair welcomed Members to the BMC meeting. With a substantial work plan in 2010, the Chair was thankful for members' valuable inputs to many issues throughout the year and encouraged members to make full use of the last meeting in 2010 in order to move forward the BMC's work plan.

Agenda Item 2 : Adoption of Agenda

5. The Meeting adopted the Agenda proposed by the Chair.

Agenda Item 3 : Business Arrangements and Program

6. The Meeting agreed to the business arrangements and program proposed by the Chair. In view of the heavy agenda of the meeting, the Chair appealed to members to be succinct in their interventions.

Agenda Item 4 : Financial Reports and Budgets

7. Finance Director of APEC Secretariat briefed the BMC on the financial statements and budget reports.

4.1 Administrative Account 2010 and Financial Statements for the period ended 31 August 2010

8. The BMC noted the Secretariat's spending for 2010 is in line with the approved budget. Due to operation needs and increase in fees and charges, the Secretariat proposed and BMC approved the adjusted 2010 AA budget (**Annex B**). There is no increase in the approved budget.

4.2 Budgets for 2011

9. The BMC noted that SOM II has already endorsed the 2011 AA budget as well as the membership contribution. Senior Officials will recommend the 2011 budgets for AMM approval.

Agenda Item 5 : Project Management

5.1 i. Project Management Unit Report

10. The head of the Project Management Unit (PMU) presented an update to members as outlined in paper 2010/SOM3/BMC/004. The report highlights matters that will need to be resolved intersessionally soon after BMC, in particular the *Guidebook on APEC Projects* and dates for project approval sessions in 2011.
11. Members acknowledged contributions made by the Technical Assistance and Training Facility and the Policy Support Unit to project improvement initiatives, particularly with reference to the *Guidebook on APEC Projects*. Members were pleased to hear that at least 12 BMC delegates had carried out project quality training at a domestic level, drawing on the Train the Trainer program run in April 2010. Some members were eager to receive more training, especially on how to position local interests within an APEC context.
12. The BMC welcomed Adam Hunt, the new PMU Officer, to APEC. With significant project experience, members looked forward to receiving additional support for project proposal development from Adam and the PMU as a whole.
13. Members provided approval for the following projects submitted under approval session 2:
 - EWG 04/2010: Permitting Issues Related to Carbon Capture and Storage for Coal-Based Power Plant Projects in APEC Developing Economies
 - TPT 04/2010: Energy, Transport and Environmental Benefits of Transit-Oriented Development
 - FMP02/2010: Championing Financial Inclusion Through Innovative Policies: A Policy Dialogue on Promoting Financial Inclusion in the Asia-Pacific Region
 - CTI 25/2010T: GOS - Information Exchange of APEC Environmental Services
 - CTI 26/2010T: GOS - APEC Legal Services Project
 - ATC06/10A: Workshop on Building an Efficient Agricultural Technical Transfer Platform to Enhance APEC Food Security and Food Safety
 - ATC07/10A: Risk Analysis on Cross-Border Spread of Animal Influenza in Trade Areas of Borders and Communication for Information
 - EWG07/2010A: Survey of Market Compliance Mechanisms for Energy Efficiency Programs
 - EWG 08/2010A: SOLLIA - Street and Outdoor LED Lighting Initiative - Asia
14. Members agreed to allow an additional three weeks for the following projects to reach satisfactory quality:
 - IST 04/2010: APEC International Biogas Resources Development and Utilization Science and Technology Cooperation Forum
 - IST 05/2010A: APEC Symposium on Low-Carbon Technology & Industrial Cooperation
 - TPT 03/10A: Security Monitoring Model and Network for Regional Supply Chain with a Particular Focus on Food Security
15. Members sought more information about the difference in project value for HWG01/2010A (Capacity Building in Health Emergency Preparedness and Response) between the concept note and full proposal. The BMC Chair asked the PMU to find out more and report to members before BMC would make a decision about the project.

5.1 ii. Project Monitoring and Completion Report

16. The head of the Project Management Unit presented the report to members as detailed in 2010/SOM3/BMC/005. The PMU was pleased to report that as of 21 September, only 1 of the 90 expected monitoring reports, and only 3 of the expected 170 completion reports, had not been submitted. The PMU also reported that the management information gathered through the reports were useful in alerting PDs to problem projects, and that completion reports confirmed the need to seek more information about participants to determine the beneficiaries, and benefits, of projects.
17. The BMC Chair thanked members for their balanced approach to project reporting to date, and noted the significant effort BMC delegates had made at an economy level to ensure reports were submitted.

18. Members expressed support for the new reporting framework, and noted the significant effort POs, fora and the Secretariat made to clear the backlog of projects that had not submitted the required reports. The small number of currently overdue reports was a sign that it was appropriate to keep the penalty system in place.
19. There was agreement from members that penalties for non-compliance were essential to set practices in place, and that the waiver system allowed the flexibility needed to ensure a fair system.
20. Members agreed to the report's recommendations and confirmed that unless overdue reports were received, the LSIF and ISTWG would be prevented from submitting proposals in session 3 as a result of overdue completion reports; and the National Oceanic and Atmospheric Administration of the US Department of Commerce would be prevented from submitting proposals in session 3 as a result of an overdue monitoring report.

** Post meeting note: The LSIF submitted its overdue completion report on 22 September, so is eligible to submit proposals in Session 3.*

5.2 Project Management Reform

i. Project Proposal Prioritisation : Review of Trial

21. In introducing this agenda item, the Chair thanked members for their cooperation and patience in undertaking the trial of new selection processes.
22. The head of the Project Management Unit presented the review and recommendations to members as detailed in 2010/SOM3/BMC/006. The head of the PMU communicated to members that the trial largely met BMC's key reform objectives. On this basis, the PMU recommended that members adopt the new project selection framework, separating assessment of project priority and quality. The PMU also recommended some refinements to the system.
23. The Chair thanked the trial Review Group members (Canada; Australia; the Philippines; Hong Kong, China and Japan) for their assistance and contribution to the assessment of the trial. The Chair highlighted the importance the trial had in allowing all members to understand the process and how it can be improved. Most importantly, the review showed that it was important for BMC to stay the course and adopt the new approach to selecting projects.
24. The BMC Chair noted that the review paper addresses the distribution of projects across economies. The Chair expressed a view that a continued emphasis on proposing economies was possibly not in APEC's best interests. Rather, emphasis should be on who benefits from APEC projects. The BMC Chair suggested that in the future the PMU places greater emphasis on project beneficiaries through the monitoring and completion reporting process, rather than on the distribution of projects by economies.
25. A number of members noted that this trial represented an improvement to the selection process and was on the right track. In particular, members noted that the new approach helped developing economies reach satisfactory quality, even if the process did not immediately lead to more projects proposed by developing economies being selected.
26. The Philippines suggested that BMC needed to consider more practical ways to integrate the priorities of developing economies into the projects being proposed by developed economies. Suggestions to increase participation could include requiring at least one co-sponsor from a developing economy for any ASF project, further consideration of how capacity building needs are built into the Funding Criteria and into the new growth strategy, and more rigorous assessment of the benefits to developing member economies, possibly through larger scale project evaluations. Members concurred that emphasis on the beneficiaries was one way to ensure that developing economies can gain from APEC projects.
27. Many BMC delegates expressed the need for more guidance on how to apply the Funding Criteria. While explaining the Funding Criteria domestically, Chinese Taipei shared that some

sub-fora did not think that certain projects were important to APEC because the specific topics were not represented clearly in the funding criteria. Indonesia also noted the difficulty in using the Funding Criteria, specifically, the difference between ranking and prioritisation. Canada also reported concerns about the Funding Criteria's utility, noting that the option of a single prioritisation, without rankings, was preferable to a number of domestic agencies, but not really feasible at this time.

28. Members acknowledged that the Funding Criteria document was developed to ensure that all projects were funded according to single APEC-wide priorities. Given SOM's approval of the Funding Criteria, it would be inappropriate for BMC to remove it unilaterally. Further, the matter would be best taken up by the SCE. As a result, members agreed to refer the Funding Criteria feedback to the SCE, and supported further discussion in all relevant Committees, including BMC.
29. Delegates reinforced the need for clear and well articulated processes to be communicated to APEC stakeholders, especially as the new procedures are quite complicated and can be difficult to understand. They stressed the importance of Program Directors in explaining the new processes to fora, and the need to send regular reminders about deadlines and timeframes.
30. Members sought clarification of the system that is proposed for session 3. The Secretariat explained Attachment B of paper 006 in detail. Of particular note:
 - Committee members would now be asked to undertake 2 separate tasks. Firstly, all relevant concept notes are to be prioritised from 1 – *n*. Secondly, all concept notes are to be categorised by Funding Criteria rank. It will no longer be necessary to have a correlation between the funding criteria categorisations and prioritisations.
 - For each concept note, the Secretariat will calculate both a category based on Funding Criteria rank and a priority, using a simple average of members' votes. The Secretariat will then sort all concept notes, grouping them into Funding Criteria categories by priority. Those in Funding Criteria category 1 would be the first funded, followed by those in category 2 etc.
 - The timelines for prioritisation and quality assessment would be slightly changed to offer more clarity about deadlines.
31. Given this explanation, members expressed a strong desire to use the term "categorising" or "category" when referring to the Funding Criteria rankings to avoid confusion with 'prioritisation'.
32. The BMC noted the findings of the trial review, and underscored the need for continued discussion and review at Committees' level of how best to apply the APEC-wide Funding Criteria when determining project ranking.
33. BMC also agreed on:
 - The new project cycle, as described in Attachment B, to apply from session 3 onwards.
 - The Secretariat making the necessary improvements relating to process administration and communication, and reflect these decisions when a new edition of the *Guidebook on APEC Projects* is submitted for BMC approval.
 - The Secretariat increasing efforts to communicate the new procedures and assist economies, particularly developing economies, improve the quality of proposals.
34. Finally, BMC members noted that further refinements may be needed to the procedures, and these will be addressed as and when required.

ii. Multi-year Project consultant report

35. The BMC Chair reminded members that Senior Officials asked BMC to develop guidelines for the development of longer term and more strategic projects. BMC approved Terms of Reference at BMC 2 for an independent consultant to assist members to develop policy parameters and processes to facilitate multi-year projects. The Chair thanked Australia for the use of the Effectiveness Grant to fund the consultancy. The Chair invited the consultant, Graham Rady, to speak on paper 2010/SOM3/BMC/007.

36. Graham highlighted a range of higher standards that would apply to multi-year projects over existing projects. Graham also highlighted the need for improved administrative systems, including templates and monitoring and evaluation processes, before the commencement of multi-year project approvals, proposed for session 2, 2011. Finally, Graham highlighted a selection of current APEC initiatives that have been well supported and running over a number of years. These were identified as possible models for pilot multi-year projects.
37. On behalf of all BMC delegates, the Chair thanked Graham for his work and presentation. The Chair noted the value of having a consultant who was already familiar with APEC processes and priorities work on this topic, especially given how important multi-year projects can be to achieving APEC's longer term goals.
38. Members sought clarification about the self-funding requirements of multi-year projects. In particular, how would the level of self-funding required be determined, and if this minimum level of self-funding would hinder proponents:
- On the first question, Graham confirmed that the level of self-funding required would be determined by the economy of the Project Overseer. If the PO was from a developing economy, the self-funded amount required would be 20%. If the PO was from a developed economy the self-funded amount required would be 50%. This would be regardless of the sponsoring forum or the co-sponsoring economies, but current TILF self-funding requirements will continue to apply. The PO would be responsible for mobilising the 'self-funded' amount. This could come from various sources including other economies, private sector partners and sponsorships.
 - On whether or not higher self-funding requirements would deter proponents, Graham reported that many projects are currently very well supported by proponents, but that the value of self-funding changes regularly – between economies, as well as between funding cycles. This made it hard to accurately determine a regular level of self-funding to individual proposals. However, as stated in Attachment 3 of paper 007, there is evidence that potential multi-year projects are already receiving between 25 – 50% funding from non-APEC sources.
39. Members suggested that the term "self-funding" be replaced with "co-funding" or "co-contributions" to give more clarity to the idea being suggested. Graham agreed this was a useful suggestion.
40. BMC also sought further information on the funding of multi-year projects from APEC funds, concerned that monies would be "captured" by multi-year projects so other projects could not be supported. Graham explained that the intention was to release funds to each multi-year project on an annual basis, depending on the budgeted requirements for that year. A decision would be made based on the monitoring reports filed in August whether or not the next year's funding would be released. The annual requirement of multi-year projects would take precedence, with the remainder used to fund standard projects.
41. Members supported the idea of more active co-sponsors of projects and agreed that it was an indicator of genuine priority. Members felt that the Secretariat could encourage more active co-sponsorship through involvement in project planning, reviewing the project through the QAF or when monitoring and evaluation is taking place, active participation in events, or even providing co-funding in cash or in kind. The expectation would not be for all co-sponsors to do all tasks, but that a variety of inputs would be received over the life of the project.
42. Members were hesitant to endorse the recommendation for part-time resourcing of the PMU for monitoring and evaluation. Members would prefer to see the results of more regular monitoring reports, and suggestions from the PMU on larger scale evaluations, before making a decision. This would ensure that a suitable level of funding was being allocated to the task. Australia stated their support for credible monitoring and evaluation of multi-year projects, and suggested further use of the Effectiveness Grant funds for evaluation work if suitable tasks were supported by the BMC.

43. In finalising discussions, members agreed that the concepts behind multi-year projects were now well developed and that the report provided a comprehensive platform to proceed. Further, over-thinking or over-developing the process may actually curb progress, rather than assist it. Members agreed to recommendations 1-3 and 6-9, reserving discussions on project evaluation and the resources needed for this to a later date.

Agenda Item 6 : APEC Management Issues

6.1 APEC Secretariat's Annual Training Plan

44. BMC took note of the Secretariat's plan to enhance the capability of Secretariat staff by stepping up training. BMC endorsed the funds made available from the Job Credits Scheme provided by the Singapore Government to be used for the Secretariat's annual training plan for 2011 to 2013.

6.2 APEC Secretariat's update on IT Infrastructure Activities

45. BMC took note that the Secretariat has embarked on a number of IT projects including the Web Content Management System, the MS Office Training, IT firewall solution, upgrade to the Publication Database and Accounting software, as well as external hosting of APEC fora websites. BMC considered these worthwhile initiatives better equip the Secretariat in supporting the APEC process. BMC would like to thank Singapore and the APEC Technical Assistance and Training Facility for providing funding to support some of the projects,

6.3 APEC Secretariat's IT Firewall Implementation Plan

46. BMC noted the Secretariat's IT Firewall implementation plan.

6.4 APEC Secretariat's Update on Sponsorship Guidelines

47. Members sought clarifications on how the revised Sponsorship Policy and Sponsorship Guidelines should be applied. The Secretariat made the following clarifications:
- a. The Secretariat signs the agreement with the sponsor while member economies are responsible for negotiating and managing the agreement.
 - b. The Secretariat will follow up on a possible case of logo infringement by an organization in Peru.
 - c. There is not a ceiling on sponsorships but that there are different levels of authority for whom could sign the sponsorship agreement. The Director (Communications and Public Affairs) can sign an agreement for up to US\$100,000. If the sponsorship is above US\$100,000, the proposal would be reviewed by SOM and the ED would sign agreement.
 - d. The Publications and Corporate Affairs Manager is the responsible officer in the APEC Secretariat to serve as the liaison for sponsorship agreements.
 - e. The Sponsorship Policy and Guidelines applies only to APEC projects and the Secretariat and that the host negotiates separately from this policy, although it could use it as a model should it choose.
48. BMC endorsed the revised Sponsorship Policy and Sponsorship Guidelines which include guidelines for sponsorship prospectus and templates for letters and agreements (**Annex C**). Subject to SOM approval, it will take effect from 1 January 2011.

6.5 Update on APEC Technical Assistance and Training Facility progress and work plans

49. APEC TATF provided a briefing to the BMC on its work plan as well as progress made so far. The BMC welcomed the assistance as well as training opportunities provided by the team. .
50. BMC expressed appreciation to the USA and APEC TATF for making significant contributions to the Secretariat to help build its capacity and expertise.

Agenda Item 7 : Progress of Approved Projects

7.1 Financial reports of completed projects and on-going projects

51. The meeting noted the financial statements of approved projects.

Agenda Item 8 : Chair and Vice-Chair for 2011

52. The Chair referred the meeting to the TORs of the Committee that the BMC Chair shall be a representative of the previous SOM Chair; the BMC Vice-Chair shall be a representative of the current SOM Chair. In line with this, the incumbent Chair announced that Japan would take over the chairmanship of the BMC in 2011 while the United States, the host of 2011 APEC year, would fill the position of vice-chairman.
53. Japan agreed to take up the BMC Chair and the United States the Vice-Chair in 2011.

Agenda Item 9 : Meeting Schedule in 2011

54. The BMC agreed to have a full meeting at BMC 1. In 2011, the BMC will meet three times: BMC 1 extended to Senior Officials at margin of SOM I (in USA), the second meeting in April/May (at the Secretariat in Singapore) and the third one at margin of SOM III (in USA). Incoming Chair, with the support of Secretariat, would work out with the incoming host on the meeting arrangements.

Agenda Item 10 : Other Business

i Secretariat's approach in calculating APEC-wide ranking based on inputs from Committees and SFOM

55. Director (PMU) provided an example of how the prioritization and categorization tasks would be undertaken. Members understood that funds would still be allocated by Funding Criteria category.

Agenda Item 11 : Classification of Documents (2009/BMC3/000)

56. The meeting approved the Classification of Documents as set out in 2009/BMC3/000
57. Before the meeting adjourned, the Chair expressed appreciation to all BMC delegates for their constructive engagement on BMC's work in 2010 and the Secretariat for their strong and professional support.
58. The meeting adjourned at 1:10pm on 22 September 2010.

Delegates to BMC - Attendance at BMC 3
Sendai, 22 September 2010

Economy: Australia				
	Name	Designation/ Position	Department/ Division	Ministry/ Organization
1.	Alan Sweetman	Director	APEC Reform Security and Economic and Technical Cooperation Section APEC Branch	Department of Foreign Affairs and Trade Australia
2.	Susan Wilson	Director, East Asia Regional Section	Asia Regional Branch	Australian Agency for International Development
3.	Sarah Coleman	Executive Officer	APEC Reform Security and Economic and Technical Cooperation Section APEC Branch	Department of Foreign Affairs and Trade Australia
Economy: Brunei				
1	Md Hakashah A Samad		Department of Economic Cooperation	Ministry of Foreign Affairs and Trade
Economy: Canada				
	Name	Designation/ Position	Department/ Division	Ministry/ Organization
1.	Tara Preston	Deputy Director		Foreign Affairs and International Trade Canada
2.	Florian Leuprecht	Policy Officer (APEC)		Foreign Affairs and International Trade Canada
Economy: Chile				
	Name	Designation/ Position	Department/ Division	Ministry/ Organization
1	Myriam Duran	Assistant APEC Dept	General Directorate of International Economic Affairs	Ministry of Foreign Affairs
Economy: China				
	Name	Designation/ Position	Department/ Division	Ministry/ Organization
1.	Feng Jun	Third Secretary	Department of International Organizations and Conferences	Ministry of Foreign Affairs

Economy: Hong Kong, China				
	Name	Designation/ Position	Department/ Division	Ministry/ Organization
1.	Ms Diana Lee	Trade Officer	Trade and Industry Department	
Economy: Indonesia				
	Name	Designation/ Position	Department/ Division	Ministry/ Organization
1.	Sidharto Suryodipuro	Director		Ministry of Foreign Affairs
2.	Dewi Justicia Meidiwaty	Staff of APEC Desk		Ministry of Foreign Affairs
Economy: Japan				
	Name	Designation/ Position	Department/ Division	Ministry/ Organization
1.	Minori Ishii	Official	APEC Division	Ministry of Foreign Affairs
2.	Rica Tokai	Assistant Director	Office of Regional Customs	Ministry of Finance
3.	Yoshifumi Fukunaga	Principal Deputy Director	APEC Office	Ministry of Economy, Trade and Industry
Economy: Korea				
	Name	Designation/ Position	Department/ Division	Ministry/ Organization
1.	Che, Dong-hwan	First Secretary	Regional Cooperation Division	Ministry of Foreign Affairs and Trade
2.	Koo, Kyo-young	Deputy Director	Regional Cooperation Division	Ministry of Foreign Affairs and Trade
Economy: Malaysia				
	Name	Designation/ Position	Department/ Division	Ministry/ Organization
1.	Faezaton Azirah Yahaya	Assistant Director	APEC Division	Ministry of International Trade and Industry, Malaysia

Economy: Mexico				
	Name	Designation/ Position	Department/ Division	Ministry/ Organization
1.	Jason Martinez	Deputy Director	Multilateral and Regional Negotiations	Ministry of the Economy
Economy : New Zealand				
	Name	Designation/ Position	Department Division	Ministry/ Organization
1	Stephen Payton	NZ APEC Senior Official	APEC Unit	Ministry of Foreign Affairs and Trade
3	Jennifer Wilton	Policy Officer	APEC Unit	Ministry of Foreign Affairs and Trade
Economy: Papua New Guinea				
	Name	Designation/ Position	Department Division	Ministry/ Organization
1	Lahui AKO	Director	Multilateral Economic Affairs Branch	Department of Foreign Affairs and Trade
2	Ernest Mona ABEL	Executive Manager	Policy and Projects Management	National Fisheries Authority
Economy: Peru				
	Name	Designation/ Position	Department/ Division	Ministry/ Organization
1.	Luis Quaseda	Senior Official		Ministry of Foreign Affairs
2.	Pedro R. Reátegui	Director for APEC Affairs		Ministry of Foreign Affairs
Economy: Philippines				
	Name	Designation/ Position	Department/ Division	Ministry/ Organization
1.	Ryan Francis D Gener	Special Assistant	Office of the Undersecretary for International Economic Relations	Department of Foreign Affairs

2.	Maria Lumen B. Isleta	Executive Director	Office of the Undersecretary for International Economic Relations	Department of Foreign Affairs
Economy: Russia				
	Name	Designation/ Position	Department/ Division	Ministry/ Organization
1				
Economy: Singapore				
	Name	Designation/ Position	Department/ Division	Ministry/ Organization
1.	Jaya Ratnam (Chair)	Director	International Economics Directorate	Ministry of Foreign Affairs
2.	Darrell Leong	Desk Officer	International Economics Directorate	Ministry of Foreign Affairs
Economy: Chinese Taipei				
	Name	Designation/ Position	Department/ Division	Ministry/ Organization
1.	Chen, Chiung-Yu		APEC Task Force, Department of International Organizations	Ministry of Foreign Affairs
2.	Ho, Chen-Sheng	Associate Research Fellow		Chinese Taipei APEC Study Centre
Economy: Thailand				
	Name	Designation/ Position	Department/ Division	Ministry/ Organization
1	Khemrutai Khemmarat	Second Secretary		Ministry of Foreign Affairs
Economy: USA				
	Name	Designation/ Position	Department/ Division	Ministry/ Organization
1	James Steele	Director	Office of Economic Policy, Bureau of East Asian	Department of State

			and Pacific Affairs, U.S. Department of State	
2	Robert T. Koepcke	Deputy Director	Office of Economic Policy, Bureau of East Asian and Pacific Affairs, U.S. Department of State	Department of State
3	Ryan MacFarlane	Foreign Affairs Officer	Office of Economic Policy, Bureau of East Asian and Asia Pacific Affairs, U.S. Department of State	Department of State
Economy: Vietnam				
1	Pham Quynh Mai	Official		Ministry of Industry and Trade
APEC Secretariat				
1.	Winsome Au	Director (Finance)		APEC Secretariat
2.	Evelyn Loh	Program Director		APEC Secretariat
3.	Michael Chapnick	Director (Comms & PA)		APEC Secretariat
4.	Adam Hunt	Project Management Officer		APEC Secretariat
5.	Lucy Phua	Program Executive		APEC Secretariat
Non-member participation				
6.	Graham Rady	Independent Consultant	Quality Adviser	AusAID
7.	David Katz	Chief of Party		APEC Technical Assistance and Training Facility

Adjusted 2010 Administrative Account

	Approved Budget as at 31 Aug 2010 US\$	Actual Exp as at 31 Aug 2010 US\$	%	Adjustment US\$	Adjusted 2010 Budget US\$
(1) TRAINING/ SEMINARS					
1.1 Course fees, Registration Fees and Related Items	12,000	7,444.47	62.04	-	12,000
(2) PUBLISHING/COMMUNICATIONS					
2.1 <u>Publishing</u>					
2.1.1 Publication of APEC Literature (e.g. APEC Brochure)	20,000	3,940.04		22,600	42,600
2.1.2 Publication of APEC Committee Reports	10,000	-		-	10,000
	30,000	3,940.04		22,600	52,600
2.2 <u>Communication</u>					
2.2.1 Website Redevelopment and Electronic Publishing	55,000	-		-	55,000
2.2.2 Support for Media and Outreach Programs	35,000	7,472.55		-	35,000
2.2.3 External Hosting for Pubn DB/Server Administration	30,000	678.78		(22,600)	7,400
	120,000	8,151.33		(22,600)	97,400
2.3 <u>Salaries and Bonus</u>	442,000	251,469.69		-	442,000
Total for Publishing/Communications Expenditure	592,000	263,561.06	44.52	-	592,000
(3) LIBRARY					
3.1 Subscriptions (e.g. Newspapers, Journals, etc)	2,750	2,490.95		-	2,750
3.2 General reference Books/Encyclopedia	750	189.42		-	750
3.3 Databases (Electronic Information)	15,000	11,819.75		-	15,000
	18,500	14,500.12	78.38	-	18,500
(4) PUBLIC RELATIONS					
4.1 Official Functions/ Receptions	14,000	1,193.96		-	14,000
4.2 Exhibitions/ APEC Promotional Items	5,000	2,092.55		-	5,000
	19,000	3,286.51	17.30	-	19,000
(5) MEETINGS SUPPORT					
5.1 Meetings at the Secretariat	5,000	707.44		-	5,000
	5,000	707.44	14.15	-	5,000
(6) EQUIPMENT					
6.1 Office Furniture and Equipment	42,100	16,099.98		-	42,100
6.2 Computer	14,900	-		-	14,900
	57,000	16,099.98	28.25	-	57,000
(7) TRAVEL					
7.1 <u>Exec-Director/Deputy Exec-Director</u>					
7.1.1 SOM & Related Meetings, AMM, AELM	49,900	14,180.27		-	49,900
7.1.1 Ministerials, FMP and WGs	55,200	14,958.88		-	55,200
7.1.2 Outreach	33,100	10,679.81		-	33,100
	138,200	39,818.96		-	138,200
7.2 <u>Professional and Support Staff</u>					
7.2.1 SOM & Related Meetings, AMM, AELM	482,000	146,914.20		-	482,000
7.2.1 Ministerials, FMP and WGs	167,400	74,772.24		(23,500)	143,900
7.2.2 Outreach	24,600	9,210.75		-	24,600
	674,000	230,897.19		(23,500)	650,500
Total for Travel Expenditure	812,200	270,716.15	33.33	(23,500)	788,700
(8) PERSONNEL -SUPPORT STAFF					
8.1 Recruitment Costs	1,500	4,718.86		3,300	4,800
8.2 Insurance	28,600	28,711.93		3,000	31,600
	30,100	33,430.79	111.07	6,300	36,400

	Approved Budget as at 31 Aug 2010 US\$	Actual Exp as at 31 Aug 2010 US\$	%	Adjustment US\$	Adjusted 2010 Budget US\$
(9) RESEARCH AND ANALYSIS					
9.1 Research	2,000	-		-	2,000
(10) ADMINISTRATIVE SUPPORT					
10.1 <u>Communications</u>					
10.1.1 Fax Charges	3,500	652.43		-	3,500
10.1.2 Telephone	28,000	7,883.40		(6,300)	21,700
	31,500	8,535.83		(6,300)	25,200
10.2 <u>Professional Fees</u>					
10.2.1 Audit fee	15,300	15,187.40		-	15,300
10.2.2 Legal & Professional fees	5,000	1,913.61		-	5,000
	20,300	17,101.01		-	20,300
10.3 <u>Maintenance/Insurance of Vehicles</u>					
10.3.1 Insurance	4,000	3,618.70		-	4,000
10.3.2 Vehicle Running Expenses	9,000	2,886.07		-	9,000
	13,000	6,504.77		-	13,000
10.4 <u>Stationery</u>					
10.4.1 Photocopying Charges and Paper	6,500	3,295.10		-	6,500
10.4.2 Printed Stationery and Others	9,000	5,139.25		-	9,000
	15,500	8,434.35		-	15,500
10.5 <u>Postage and courier charges</u>	30,000	4,997.96		-	30,000
10.6 <u>Office and Building maintenance</u>					
10.6.1 Office Supplies	1,500	211.38		-	1,500
10.6.2 Office Maintenance	18,000	7,349.64		-	18,000
10.6.3 Utilities	95,000	76,605.09		20,000	115,000
10.6.4 Insurance	5,000	789.69		-	5,000
10.6.5 Building Maintenance	78,000	52,554.02		3,500	81,500
10.6.6 Security	42,000	25,675.76		-	42,000
	239,500	163,185.58		23,500	263,000
10.7 <u>Others</u>					
10.7.1 Local Transport, Overtime Meals, etc.	7,000	1,724.57		-	7,000
10.7.2 Bank Charges	1,500	506.23		-	1,500
10.7.3 Other Expenses	700	440.69		-	700
10.7.4 Staff Welfare	5,000	1,616.81		-	5,000
	14,200	4,288.30		-	14,200
10.8 <u>Salaries and Bonus</u>					
10.8.1 FT-ED and Staff Officer	505,800	271,695.31		-	505,800
10.8.2 Administration	560,300	304,125.24		-	560,300
10.8.3 Project Management	473,900	256,891.34		-	473,900
	1,540,000	832,711.89		-	1,540,000
Total for Administrative Support Expenditure	1,904,000	1,045,759.69	54.92	17,200	1,921,200

	Approved Budget as at 31 Aug 2010 US\$	Actual Exp as at 31 Aug 2010 US\$	%	Adjustment US\$	Adjusted 2010 Budget US\$
(11) <u>INFORMATION TECHNOLOGY</u>					
11.1 <u>Operational Costs</u>					
11.1.1 Telecommunications Lines and Service Charges	46,500	30,081.79		-	46,500
11.1.2 <i>Maintenance of Hardware</i>	46,500	13,556.44		(20,000)	26,500
11.1.3 <i>Maintenance of Software</i>	55,500	3,693.03		20,000	75,500
11.1.4 <i>Others</i>	20,000	-		-	20,000
	<u>168,500</u>	<u>47,331.26</u>		-	168,500
11.2 <u>Development Costs</u>					
11.2.1 <i>New Projects</i>	25,000	-		-	25,000
11.2.2 Upgrading	25,000	25,815.99		-	25,000
	<u>50,000</u>	<u>25,815.99</u>		-	50,000
11.3 <u>Miscellaneous Expenses</u>					
11.3.1 Computer Accessories, CD Rom, etc.	5,500	470.14		-	5,500
11.4 <u>Salaries and Bonus</u>	211,300	121,259.56		-	211,300
Total for IT expenditure	<u>435,300</u>	<u>194,876.95</u>	44.77	<u>-</u>	<u>435,300</u>
Grand Total :	<u>3,887,100</u>	<u>1,850,383.16</u>	47.60	<u>0.00</u>	<u>3,887,100</u>



**Asia-Pacific
Economic Cooperation**

APEC Policy: **APEC SPONSORSHIP (Includes Sponsorship Policy and Guidelines)**
Published: September 2010 (Endorsed by BMC, xxxx and Approved by SOM, xxx)
Contact: APEC Secretariat
Related Policies: *APEC Logo Guidelines and APEC Publication Guidelines (Approved APEC Nomenclature)*
http://www.apec.org/apec/about_apec/apec_trade_marks.html.

APEC SPONSORSHIP POLICY

What is Sponsorship?

Sponsorship is the purchase of the right to associate the sponsor's name, products and services with the sponsored organisation's service, product or activity in return for negotiated benefits.

Sponsorship rights can be purchased through financial contributions or the provision of in-kind goods or services.

Sponsorship is not a grant, nor a donation.

Sponsorship is a business relationship in which both the Sponsor as well as APEC should benefit.

When this Policy applies: Sponsorship of APEC

This document sets out APEC's policy relating to the receipt of sponsorship by APEC.

This Policy applies only when:

1. the APEC Secretariat will receive the sponsorship, and
2. a project funded by APEC receives sponsorship

In both cases, the APEC Secretariat will sign the Sponsorship Agreement, or Sponsorship Letter with the Sponsor.

Sponsorship of Host Economy

This document does not regulate the receipt of sponsorship by a Host Economy.

Where a Host Economy proposes to receive Sponsorship, this is wholly a matter for the Host Economy to determine. The Host Economy determines:

1. whether to accept Sponsorship
2. the identity of the Sponsor
3. its own risk assessment relating to the Sponsorship
4. the negotiation of the Sponsorship terms and conditions
5. the contents of the Sponsorship Agreement between the Host Economy and the Sponsor.

A Host Economy may, if it chooses to do so, have regard to this Policy, and the Sponsorship Guidelines, in relation to its own receipt of Sponsorship.

A Host Economy may employ the template Sponsorship Agreement, and template Sponsorship Letter, if it chooses.

A Host Economy must decide for itself the appropriateness or otherwise, of this Policy, the Sponsorship Guidelines, and the template Sponsorship Agreement and template Sponsorship Letter.

APEC accepts no liability for the use by a Host Economy of this Policy, the Sponsorship Guidelines, and the template Sponsorship Agreement and template Sponsorship Letter.

Determining whether to have Sponsorship for an APEC event ('Event')

Any form of sponsorship for an APEC Event ('Event') will be beneficial.

Benefit may be realised from assistance in defraying the cost of an Event, where the Sponsorship involves sponsorship monies, or in kind services which would otherwise have had to be paid for.

Benefit may also be realised by participants at an Event receiving products or services that are useful to them.

Nevertheless, a determination must be made on each occasion about:

1. whether or not to have Sponsorship
2. the form of any Sponsorship
3. the identity of any Sponsor
4. the benefits of the Sponsorship
5. the obligations upon APEC arising from the Sponsorship
6. any risks associated with the Sponsorship.

That determination will be made by the responsible APEC officer, taking into account the recommendations of the Event's Lead Shepherd / Chair.

Principles for making a Determination

In making a recommendation to APEC, and in APEC making a determination, regard will be had to the following Principles.

Principle 1: Identity of Sponsor

The Sponsor must be a responsible and reputable organisation whose name and identity would enhance the Sponsored Event.

Principle 2: APEC's reputation and standing

The Sponsorship should enhance the public image of APEC, and its reputation and standing. There should not be any risk to APEC's reputation and standing arising from the Sponsor's identity, the identity of its affiliates, or the Sponsorship.

Principle 3: No conflict of interest

There should not be any conflict of interest, nor any perceived conflict of interest between the Sponsor and APEC.

Principle 4: Benefit of Sponsorship.

The specific sponsorship that is proposed, including monies, in kind services etc, should benefit APEC and the Sponsored Event.

Principle 5: Appropriateness of Obligations

The specific obligations that APEC will have as a result of the Sponsorship need to be assessed, including by reference to the following:

1. is it within APEC's power and capability to carry out those obligations ?
2. will APEC have the resources to carry out those obligations ?
3. what are the risks, if any, to APEC in relation to those obligations, and how are they assessed ?

Principle 6: No favouritism

APEC must not favour a Sponsor in a particular industry sector to the exclusion of its competitors, but will use reasonable efforts to offer the opportunity to sponsor fairly without favouritism.

Principle 7: A Business Approach

APEC will apply a business approach to offering sponsorship opportunities, and to the negotiation of the commercial terms of sponsorship.

The sponsorship benefits to be received by the Sponsor should correspond with the level of benefit which is received by APEC from the Sponsor.

Principle 8: No license of APEC Trade Mark and logo

A sponsorship being an arrangement by which a Sponsor sponsors APEC, the Sponsor usually licenses APEC to use the Sponsor's trade mark in association with the sponsored Event. APEC does not grant a license of APEC's own trade mark and logo to a Sponsor.

Sponsorship Guidelines

The Sponsorship Guidelines provide guidance in relation to:

1. legal documentation for a sponsorship agreement
2. the types and extent of sponsorship that may be considered.

APEC SPONSORSHIP GUIDELINES

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1. SPONSORSHIP AGREEMENT

1.1 Introduction

APEC uses two alternative forms of agreements to record the terms and conditions of sponsorship with a Sponsor:

1. a short form of agreement in the form of a letter of offer that is countersigned by the Sponsor, and
2. a long form Sponsorship Agreement.

It is not a matter of choice as to which agreement is employed.

The two agreements have been prepared having regard to two categories of risk.

Depending upon which category of risk applies on a specific occasion, either the short form letter of offer format agreement must be used, or the long form Sponsorship Agreement must be used.

1.2 Short form letter of offer

A template of the short form letter of offer appears at [Appendix 1](#).

This template is appropriate to record the terms and conditions of the Sponsorship if all three of the following conditions are met:

1. the Sponsorship to be given is money only, and no other right or benefit will be provided
2. the amount of sponsorship money is US\$20,000 or less
3. having regard to the Principles in the Sponsorship Policy, it is not otherwise more prudent to use the long form Sponsorship Agreement.

The short form letter of offer template is inappropriate to use if any of the following questions have a "Yes" response:

1. Is the Sponsor providing sponsorship money greater than US\$20,000?
2. Is the Sponsor providing any type of service?

Examples of services include:

Hosting a dinner
Providing a barista
Providing access to computers, printers, or other equipment
Providing free professional services that APEC would otherwise have had to pay for

3. Will the Sponsor be providing giveaway products to attendees at the Event?
4. Will the Sponsor have an exhibition booth?
5. Will the Sponsor be permitted to hyperlink to the Event's web site, from the Sponsor's web site?
6. Will the Sponsor be providing written materials for distribution at the Event?

APEC Sponsorship

Kindly verify for the current and complete document at http://www.apec.org/apec/about_apec/policies_and_procedures.html

The short form letter of offer document provides to APEC only the minimum of legal protection.

Accordingly, if any of the three conditions mentioned above are not met, or there is a “Yes” response to any of the questions set out above, the long form Sponsorship Agreement must be used.

1.3 Long form Sponsorship Agreement

A template of the long short Sponsorship Agreement appears at [Appendix 2](#).

This form of Sponsorship Agreement must be used whenever, having regard to paragraph 1.2, it is inappropriate to use the short form letter of offer template.

For sponsorship in excess of US\$100,000, the forum must seek the approval of APEC Senior Officials.

2. PROCEDURE FOR ENTERING INTO AGREEMENT

2.1 Party to agreement is APEC Secretariat

The APEC Secretariat is the legal entity that will be the party to the Sponsorship Agreement whether it follows the short form, or long term templates.

2.2 Authorised signatories

Employees of a Host Economy do not have authority to enter into any legal agreement to which APEC is a party, including Sponsorship Agreements or Sponsorship Letters.

The authorised signatory, with the authority to bind APEC to a legal agreement is the APEC Secretariat’s Executive Director for Sponsorship Agreements valued above US\$100,000 and its Director (Communications and Public Affairs) for Sponsorship Agreements and Letters up to US\$100,000.

2.3 Recommendation to enter into agreement

The Lead Shepherd / Chair responsible for the Event must make a written recommendation to APEC to sign the Sponsorship Agreement whether it follows the short form, or long term templates.

2.4 Negotiation of Sponsorship Agreement

The Lead Shepherd / Chair responsible for the Event is also responsible for negotiating the terms of the Sponsorship Agreement whether it follows the short form, or long term templates.

The completion of the Reference Schedule in each template is in the discretion of the Lead Shepherd / Chair.

However, no change may be made to the substantive terms of the Sponsorship Agreement whether it follows the short form, or long term templates (that is the contents of either document other than the Reference Schedule), without APEC’s approval.

3. SPONSORSHIP PROSPECTUS

3.1 What is a Sponsorship Prospectus?

A Sponsorship Prospectus is a document that invites sponsorship proposals to be submitted to APEC for consideration.

A Sponsorship Prospectus is therefore largely a marketing document. It needs to persuade a potential sponsor what the benefits of sponsorship are, and what the cost of sponsorship will be.

3.2 Who prepares the Sponsorship Prospectus?

The Lead Shepherd / Chair responsible for the Event is also responsible for the preparation of the Sponsorship Prospectus.

3.3 Approval of Sponsorship Prospectus?

A Sponsorship Prospectus will be a public document, which is identified as an APEC document.

That being so, APEC will be exposed to certain legal risks by the contents of the Sponsorship Prospectus.

And that being so, a Sponsorship Prospectus must not be disseminated without APEC prior approval.

A draft Sponsorship Prospectus must be provided to APEC for its approval.

3.4 What are these legal risks?

Some of the legal risks that APEC will consider when considering approving a Sponsorship Prospectus, and which therefore should be borne in mind in the preparation of the Sponsorship Prospectus relate to the following questions:

1. is all the information in the Sponsorship Prospectus factually accurate and correct
2. are there any predictive statements or forecasts in the Sponsorship Prospectus which cannot be supported ?
3. are any statements in the Sponsorship Prospectus at risk of being perceived to be misleading or deceptive ?
4. are promises made in the Sponsorship Prospectus made which APEC cannot perform ?
5. has copyright been breached in relation to any of the contents of the Sponsorship Prospectus, and if applicable, have any copyright consents or permissions been obtained to reproduce any copyright works, including photographs ?
6. are any trade marks or logos included in the Sponsorship Prospectus, and if so, have all licenses, consents or permissions been obtained to use that trade mark or logo ?
7. is any Host Economy, organisation, or person being mentioned in the Sponsorship Prospectus, and if so, have they consented to being named in the Sponsorship Prospectus ?

APEC Sponsorship

Kindly verify for the current and complete document at http://www.apec.org/apec/about_apec/policies_and_procedures.html

8. do the sponsorship benefits offered in the Sponsorship Prospectus conform with the requirements in these Guidelines (see below).

3.5 Legal statements to be included in a Sponsorship Prospectus?

Every Sponsorship Prospectus must contain the following paragraph in a reasonably prominent location:

“This Sponsorship Prospectus is an invitation to consider sponsoring the Events described. It is not an offer, nor an agreement. No contract shall be formed or legal relations arise between APEC and another person unless in writing and signed by APEC.”

4. SPONSORSHIP BENEFITS

4.1 Sponsorship benefits not permitted

The following sponsorship benefits must not be offered to a Sponsor:

1. naming rights for an Event, including an APEC Forum, (although naming rights for a part of an Event, or Forum are permissible)
2. political activities
3. religious activities
4. greater prominence of the Sponsor's trade mark, name or logo, compared to the prominence of APEC's trade mark, name and logo
5. greater prominence of the Sponsor's trade mark, name or logo, compared to the prominence of other sponsors, having regard to the comparative sponsorship monies and other consideration paid
6. providing the names of registrants at an Event, with or without their contact details (unless in the registration document the registrant consents to this)
7. a Sponsor's trade mark, name or logo appearing inside official meeting rooms, or upon official papers.

4.2 Sponsorship benefits that are permitted

The following sponsorship benefits are permitted to be offered:

1. naming rights for a part of an Event, such as a particular hospitality or network or other activity
2. signage rights
3. a Sponsor's trade mark, name or logo appearing on event banners, posters, approved printed material, displays, souvenirs, websites and direct marketing material, in a design approved by APEC
4. registration at an Event
5. making presentations at an Event

6. distributing appropriate products at an Event
7. distributing appropriate materials at an Event
8. making products and services available at the Event such as internet access, or access to computers, printers and other equipment
9. naming rights of products or services such as a barista service
10. exclusivity of a category of sponsorship (that is, with no other sponsor in that category – see below)
11. providing the names of registrants at an Event, with or without their contact details, but only if in the registration document the registrant consents to this.

4.3 Categories of sponsorship and exclusivity

If appropriate it is permissible to have categories of sponsorship, with appropriate different sponsorship fees payable in relation to each category, and with exclusivity amongst those categories, or a maximum number of sponsors in those categories.

An example of this structure appears in the following Table.

Category of Sponsorship	Maximum Number of Sponsors	Sponsorship Fee Applicable
Platinum Sponsor	1	\$*
Gold Sponsor	2	\$*
Silver Sponsor	3	\$*
Dinner Sponsor	3	\$*
Welcome Function	1	\$*
etc		



[date]

[addressee]

[address]

Dear *

Sponsorship of [Name of Event]

Thank you for agreeing to Sponsor this APEC Event.

The purpose of this letter is to confirm the sponsorship arrangements, which are set out below, employing the terms with the meanings in the attached Reference Schedule.

1. The Sponsor will pay the Sponsorship Amount to APEC within 30 days of the date of APEC's invoice for the Sponsorship Amount.
2. The Sponsorship Amount is net of any taxes, which if due, will be paid by the Sponsor, or if paid by APEC, will be reimbursed to APEC by the Sponsor.
3. APEC must provide the Sponsorship Benefits to the Sponsor in relation to the Event.
4. The Sponsor must deliver the Sponsor Materials to APEC, in the manner described in the Reference Schedule, and by the due date or dates referred to in the Reference Schedule.
5. The Sponsor grants to APEC a non exclusive license to use the Sponsor Trade Mark in the APEC Economies, but only for the purpose of conferring the Sponsorship Benefits in relation to the Event.
6. APEC must use the Sponsor Trade Mark in the colours and font type appearing in the Reference Schedule.
7. APEC will duplicate the Sponsor Trade Mark in such size and prominence as APEC reasonably decides, having regard to
 - (a) the size of the location where it will be used,
 - (b) the relative size of the trade marks of other sponsors,
 - (c) the Sponsor's and other sponsor's comparative level of sponsorship.
8. The Sponsor warrants that
 - (a) it is the owner of the Trade Marks, and
 - (b) it is entitled to grant a license of those registered trade marks in accordance with this Agreement.
9. The Sponsor warrants that the Sponsor Trade Marks do not infringe the rights of another person in an APEC Economy.
10. The Sponsor indemnifies APEC from and against all actions claims proceedings and demands arising from any claim that a Trade Mark infringes the rights of another person.
11. Neither party may assign or sub-contract this Agreement, or any rights or obligations in this Agreement without the other's prior written consent.
12. This agreement is governed by the laws of the Republic of Singapore, and the parties agree to submit to the non exclusive jurisdiction of the Republic of Singapore.

Would you please confirm your acceptance of these terms by countersigning this letter below and returning it to me.

Yours etc

[Name of Sponsor] accepts the terms set out above and agrees to sponsor the Event in accordance with the above terms.

Signature of Authorised Person

Date

Name of Authorised Person

REFERENCE SCHEDULE

Sponsor	[insert full name and address]
APEC Event(s)	
Sponsor Materials	[describe fully, including type of electronic files to be provided]
Sponsor Trade Mark(s)	[duplicate in correct colours, font type etc]
Sponsorship	[describe monies to be paid, when payable, and if applicable, instalments etc. if services are to be provided, describe fully, including when due to be provided]
Sponsorship Benefits	[describe fully the sponsorship benefits that the Sponsor is to receive. Refer to Sponsorship Policy and Sponsorship Guidelines, and template Sponsorship Prospectus for assistance]

ASIA-PACIFIC ECONOMIC COOPERATION SECRETARIAT (“APEC”)

SPONSORSHIP AGREEMENT

THIS AGREEMENT is made on the _____ day of _____ two thousand and ten

BETWEEN **ASIA-PACIFIC ECONOMIC COOPERATION SECRETARIAT** of 35 Heng Mui Keng Terrace, Singapore a body corporate established under the laws of the Republic of Singapore pursuant to the International Organisations (Immunities and Privileges) (APEC Secretariat) Order of 1993

(“APEC”)

AND *****

(“the Sponsor”)

BACKGROUND

- A. APEC is organising the Event.
- B. The Sponsor wishes to sponsor the Event.
- C. APEC and the Sponsor have agreed upon the Sponsor’s sponsorship of the Event in accordance with the terms of this Agreement.

THIS AGREEMENT PROVIDES

- 1. The Sponsor will provide the Sponsorship to APEC in accordance with the Sponsorship General Conditions.
- 2. APEC will provide the Sponsorship Benefits to the Sponsor in accordance with the Sponsorship General Conditions.
- 3. The parties’ agreement is recorded in the following documents, all of which are attached to this Agreement, and which will be interpreted in the following order of precedence:
 - (a) APEC’s Standard Form Sponsorship General Conditions
 - (b) the Reference Schedule, which defines certain terms used in APEC’s Standard Form Sponsorship General Conditions.

SIGNATURES OF PARTIES

SIGNED on behalf of
Asia-Pacific Economic Cooperation Secretariat

SIGNED on behalf of
*

Signature of Authorised Officer

Signature of Authorised Officer

Signature of Witness

Signature of Witness

ASIA-PACIFIC ECONOMIC COOPERATION SECRETARIAT

SPONSORSHIP GENERAL CONDITIONS

1. PRELIMINARY

1.1 In these General Conditions:

Agreement means the agreement signed by the parties, these Sponsorship General Conditions, and the Reference Schedule

APEC Economies means members of Asia-Pacific Economic Cooperation pursuant to the Seoul Declaration

Event means the event or events described in the Reference Schedule

Reference Schedule means the document so described that accompanies these Sponsorship General Conditions

Sponsor Materials means electronic files of the Sponsor Trade Mark and other things (if any) so described in the Reference Schedule

Sponsor Trade Mark means the trade marks and logos so described in the Reference Schedule

Sponsorship means the monies (if any), and the services (if any) so described in the Reference Schedule

Sponsorship Benefits means the benefits so described in the Reference Schedule

Taxes means such of the following as may be applicable: any goods or services tax, value added tax, consumption tax, or any similar tax, excise duty or payment, customs duty or payment, but excludes income tax

Term means the period commencing on the date of this agreement, and ending upon the conclusion of the Event, or if there is more than one Event, upon the conclusion of the last Event.

1.2 Single words include plural words, and vice versa.

1.3 Liaison between APEC and the Sponsor shall occur between the APEC Representative and the Sponsor Representative.

1.4 APEC and the Sponsor may change its respective representative by written notice to the other.

1.5 The official version of this Agreement is written in the English language. No version of this Agreement written in any other language shall be binding upon the parties.

2. SPONSORSHIP

2.1 The Sponsor will pay or provide (as applicable) the Sponsorship to APEC.

2.2 If the Sponsorship includes the payment of monies:

(a) APEC shall provide to the Sponsor an invoice for those monies, or each instalment of the monies, and

(b) the Sponsor shall pay each invoice:

(i) within 30 days of the date of the invoice, or

(ii) the due date referred to in the Reference Schedule

whichever is the earlier.

2.3 If the Sponsorship includes the provision of services the Sponsor must:

(a) provide those services diligently and competently, expeditiously; in accordance with all laws and requirements of any government or government agency; and to the professional standard of skill and care to be reasonably expected from a person engaged in providing those services

(b) provide the services by any due dates referred to in the Reference Schedule

(c) inform itself of APEC's requirements in relation to those services

(d) not vary the services without APEC's prior written consent

(e) if the services require anything to be delivered to APEC, deliver those things to APEC before the due date referred to in the Reference Schedule

(f) have all such insurance policies as would be prudent to have having regard to the nature of the services, and

(g) produce to APEC a copy of those policies, or a certificate of currency of those policies, promptly on APEC's written request.

2.4 The Sponsorship monies (if applicable) and services (if applicable) are net of any Taxes.

2.5 If any Taxes are applicable the Sponsor will pay those Taxes.

2.6 If APEC is liable for any Taxes as a result of this Agreement or its performance, the Sponsor will reimburse those Taxes to APEC.

3. SPONSORSHIP BENEFITS

3.1 APEC must provide the Sponsorship Benefits to the Sponsor during the Term.

3.2 The Sponsor must deliver the Sponsor Materials to APEC, in the manner described in the Reference Schedule, and by the due date or dates referred to in the Reference Schedule.

3.3 To the extent that the Sponsor does not deliver the Sponsor Materials to APEC in a suitable form, or by any due date, APEC is relieved from its obligations in clause 3.1, and no part of the Sponsorship will be refunded or repaid in those circumstances.

- 3.4 If the Reference Schedule indicates that a particular Sponsorship Benefit requires assembly of banners, posters, exhibition booth or the like and that that assembly must be undertaken by the Sponsor, the Sponsor will undertake that assembly and disassembly at its own expense, and in compliance with APEC's directions, and the directions of any organiser of the Event, and the persons in charge of the premises from which the Event takes place.
- 3.5 If the Reference Schedule indicates that a particular Sponsorship Benefit requires assembly of banners, posters, exhibition booth or the like and that that assembly must be undertaken by APEC, APEC will undertake that assembly and disassembly at its expense, in a proper and workmanlike manner.
- 3.6 If the Reference Schedule indicates that a particular Sponsorship Benefit is a hyperlink on a web site relating to the Event, to the Sponsor's web site:
- (a) the Sponsor grants to APEC a non exclusive license for the Term to include a hyperlink of the Sponsor's urls to that Event's website, and
 - (b) the hyperlink referred to in paragraph (a) must be either an url, or the Sponsor's full name, or the Sponsor Trade Mark, or a form of words that are suitable for the context of the hyperlink, as are specified in the Reference Schedule.
- 3.7 If the Reference Schedule indicates that a particular Sponsorship Benefit is to permit the Sponsor to distribute products at the Event, either free of charge, or for a charge, those products:
- (a) must be only those that are specifically described in the Reference Schedule, and must not be any other products
 - (b) must be of a nature and description that is consistent with APEC's reputation and standing
 - (c) must not bring APEC or the Event into disrepute
 - (d) may have the Sponsor's name and or the Sponsor Trade Mark
 - (e) must not have the name or trade mark of any other person (other than a manufacturer's usual discreet marking) without APEC's prior written consent.
- 3.8 If the Reference Schedule indicates that a particular Sponsorship Benefit is to permit the Sponsor to distribute written materials or any media containing materials, those materials:
- (a) must be of a nature and description that is consistent with APEC's reputation and standing
 - (b) must not bring APEC or the Event into disrepute
 - (c) may have the Sponsor's name and or the Sponsor Trade Mark
 - (d) must not have the name or trade mark of any other person (other than a printer's usual discreet marking) without APEC's prior written consent.

4. GRANT OF TRADE MARK LICENSE

- 4.1 The Sponsor grants to APEC a non exclusive license to use the Sponsor Trade Mark in the APEC Economies, but only for the purpose of conferring the Sponsorship Benefits, and only for the Term, subject to clauses 4.4 to 4.11.
- 4.2 APEC must use the Sponsor Trade Mark in the colours and font type appearing in the Reference Schedule.
- 4.3 APEC will duplicate the Sponsor Trade Mark in such size and prominence as APEC reasonably decides, having regard to
- (a) the size of the location where it will be used,
 - (b) the relative size of the trade marks of other sponsors,
 - (c) the Sponsor's and other sponsor's comparative level of sponsorship.
- 4.4 APEC must not grant a license to any other person to use the Sponsor Trade Mark without the prior written consent of the Sponsor.
- 4.5 If the Sponsor Trade Mark is registered in an APEC Economy, the license for that Sponsor Trade Mark in that APEC Economy is for the registered trade mark in the classes in which it is registered, and for all other general law rights, if any, relating to that trade mark, in that APEC Economy.
- 4.6 If a Sponsor Trade Mark is not registered in an APEC Economy, the license for that Sponsor Trade Mark in that APEC Economy is for the general law rights, if any, relating to that trade mark, in that APEC Economy.
- 4.7 If a Sponsor Trade Mark is not registered in an APEC Economy, and there are no general law rights in relation to that Sponsor Trade Mark in that APEC Economy, then the licenses in this Agreement do not extend to that trade mark in that APEC Economy.
- 4.8 If a country or area becomes an APEC Economy during the Term, from that time, this Agreement shall apply in that country or area.
- 4.9 If a country or area ceases to be an APEC Economy during the Term, from that time, this Agreement shall cease to apply in that country or area.
- 4.10 If a Sponsor Trade Mark is not registered in a particular country, the Sponsor shall decide whether to register that trade mark, and in what classes, and shall do so at its own expense.
- 4.11 If the registration of APEC's use of the Sponsor Trade Mark is required or permitted in any country that is an APEC Economy to enable APEC to use the Sponsor Trade Mark under this Agreement, the Sponsor will at its expense register that use, and APEC will sign any document and otherwise provide any assistance to the Sponsor that the Sponsor may reasonably require to do so.

5. USE OF APEC NAME AND EVENT DESCRIPTION

- 5.1 The Sponsor may, without APEC's prior written consent, for the Term, disseminate the following statements on its web site, and promotional material:
- “[Name of Sponsor] is proud to sponsor [Name of Event]”
- 5.2 The Sponsor must not use any other words or description to describe APEC, the Event, or the Sponsor's sponsorship of the Event, without APEC's prior written consent.

- 5.3 The Sponsor must not in any manner claim or imply or leave a person with the impression that the Sponsor, its related entities, and its or their products and services, are used by, endorsed by, or affiliated with APEC or the Event, without APEC's prior written consent.
- 5.4 The Sponsor must not refer to APEC or the Event in any misleading or deceptive manner.

6. WARRANTIES

- 6.1 APEC warrants that it is a legal entity existing under the laws of Singapore, and that it has the legal capacity to enter into this Agreement.
- 6.2 The Sponsor warrants that it is a legal entity existing under the laws of its country of registration, and that it has the legal capacity to enter into this Agreement.
- 6.3 The Sponsor at all times remains the absolute owner of the Sponsor Trade Mark.
- 6.4 In relation to such of the Sponsor Trade Marks as are registered in an APEC Economy, the Sponsor warrants that
- (a) it is the owner of those registered trade marks, and
 - (b) is entitled to grant a license of those registered trade marks in accordance with this Agreement.
- 6.5 In relation to such of the Sponsor Trade Marks as are not registered in an APEC Economy, the Sponsor warrants that to the best of its actual knowledge and belief, but without having made any enquiry, it is entitled to grant a license of those unregistered trade marks in accordance with this Agreement
- 6.6 The Sponsor warrants that the Sponsor Trade Marks do not infringe the rights of another person in an APEC Economy.
- 6.7 The Sponsor indemnifies APEC from and against all actions claims proceedings and demands arising from any claim that a Trade Mark infringes the rights of another person.

7. TERMINATION

- 7.1 If this Agreement relates to a single Event which is cancelled:
- (a) either party may terminate this Agreement by written notice to the other, and
 - (b) APEC shall refund to the Sponsor any monies included in the Sponsorship which the Sponsor paid to APEC prior to the termination.
- 7.2 If this Agreement relates to two or more Events where some proceed and some are cancelled:
- (a) either party may terminate this Agreement by written notice to the other, so far as it relates to the cancelled Events, leaving this Agreement to operate in relation to the Events which are not cancelled, and
 - (b) APEC shall refund to the Sponsor a reasonable proportionate part of the monies included in the Sponsorship which the Sponsor paid to APEC prior to the termination, which relates to the cancelled Events.
- 7.3 If APEC should believe that that the Sponsor Trade Mark infringes the rights of another person:

- (a) APEC may immediately terminate this Agreement, and
- (b) in the event of termination by APEC under this clause, APEC shall refund to the Sponsor any monies included in the Sponsorship which the Sponsor paid to APEC prior to the termination.

7.4 If APEC should receive notice of an assertion that the Sponsor Trade Mark infringes the rights of another person:

- (a) APEC may immediately terminate this Agreement, and
- (b) in the event of termination under this clause:
 - (i) APEC shall refund to the Sponsor any monies included in the Sponsorship which the Sponsor paid to APEC prior to the termination, and which APEC has not spent prior to the termination, but
 - (i) APEC shall not refund to the Sponsor any monies included in the Sponsorship which the Sponsor paid to APEC prior to the termination, and which APEC has spent prior to the termination.

7.5 If the Sponsor has contravened clause 5.2, clause 5.3, or clause 5.4:

- (a) APEC may immediately terminate this Agreement, and
- (b) in the event of termination under this clause:
 - (i) APEC shall refund to the Sponsor any monies included in the Sponsorship which the Sponsor paid to APEC prior to the termination, and which APEC has not spent prior to the termination, but
 - (i) APEC shall not refund to the Sponsor any monies included in the Sponsorship which the Sponsor paid to APEC prior to the termination, and which APEC has spent prior to the termination.

7.6 If:

- (a) one party is in default of any obligation contained in this Agreement;
- (b) that default has continued for not less than 14 days;
- (c) the non defaulting party serves upon the defaulting party notice in writing requiring the default to be remedied within 30 days of the date of such notice, or such greater number of days as the non defaulting party may in its discretion allow; and
- (d) the defaulting party shall have failed to comply with the notice referred to in paragraph (c).

then:

- (e) the non defaulting party may immediately terminate this Agreement by notice in writing to the defaulting party, and
- (f) if APEC was the defaulting party, APEC shall refund to the Sponsor any monies included in the Sponsorship which the Sponsor paid to APEC prior to the termination, or
- (g) if the Sponsor was the defaulting party, APEC shall not refund to the Sponsor any monies included in the

Sponsorship which the Sponsor paid to APEC prior to the termination.

8. EXCLUSION AND LIMITATION OF LIABILITY

- 8.1 If an Event shall be cancelled, the Sponsor's only remedy shall be the refund of any monies included in the Sponsorship, to the extent expressly provided for in clause 7.
- 8.2 Subject to clause 8.1, the Sponsor releases APEC, its officers and employees, from and against any claim, action, loss or damages which the Sponsor may suffer, howsoever arising, in relation to the Event, this Agreement, or its performance.
- 8.3 Without limiting the generality of clause 8.2, APEC its officers and employees will not be liable to the Sponsor for any special, indirect or consequential damages, including consequential financial loss arising out of the Event, this Agreement, or its performance.

9. NO INTELLECTUAL PROPERTY RIGHTS

- 9.1 The Sponsor is not granted any right or license to any intellectual property of any description disclosed in, or arising in the course of the Event.
- 9.2 Without limiting the generality of clause 9.1, the Sponsor is not granted any right or license to publish or copy or distribute the proceedings of the Event or any papers presented at the Event.

10. EXPIRATION

This Agreement expires upon the expiration of the Term.

11. ASSIGNMENT AND SUB-LICENSING

Neither party may

- (a) assign this Agreement, or any rights or obligations in this Agreement, or
- (b) sub-contract any part of this Agreement, or any rights or obligations in this Agreement

without the other's prior written consent.

12. SERVICE OF NOTICES

Any notice may be served by delivery to, or sending it by post or facsimile to the party to be served. A notice that is posted shall be deemed received seven days after the date of posting.

13. WHOLE AGREEMENT

The whole of the agreement between the parties is contained in this Agreement. There are no agreements, understandings, other terms whether express or implied, or collateral agreements in force or effect between the parties that are not contained in this Agreement.

14. VARIATIONS

No variation to this Agreement, and no variation to the Reference Schedule shall be binding upon the parties unless that variation is in writing, and is signed by the parties.

15. JURISDICTION

This agreement is governed by the laws of the Republic of Singapore, and the parties agree to submit to the non exclusive jurisdiction of the Republic of Singapore.

REFERENCE SCHEDULE

APEC Representative	Name	
	Position	
	Address	
	Telephone	
	Facsimile	
	Email	
Sponsor Representative	Name	
	Position	
	Address	
	Telephone	
	Facsimile	
	Email	
Event(s)		
Sponsor Materials	[describe fully, including type of electronic files to be provided]	
Sponsor Trade Mark(s)	[duplicate in correct colours, font type etc]	
Sponsorship	[describe monies to be paid, when payable, and if applicable, instalments etc. if services are to be provided, describe fully, including when due to be provided]	
Sponsorship Benefits	[describe fully the sponsorship benefits that the Sponsor is to receive. Refer to Sponsorship Policy and Sponsorship Guidelines, and template Sponsorship Prospectus for assistance]	



APEC Policy: **APEC SPONSORSHIP ASSESSMENT – INTERNAL GUIDE**
Published: September 2010 (Internal Use)
Contact: APEC Secretariat
Related Policies: *APEC Logo Guidelines and APEC Publication Guidelines*

APEC Sponsorship Assessment – Internal Guide

This is an internal document for APEC to support the APEC Sponsorship Policy and Guidelines.

1. Below are the different conditions applies to different types and levels of sponsorship:

1.1 Sponsorship negotiated with host economy of APEC events

The host economy has the discretion to negotiate sponsorship agreements on their own terms and to permit sponsors to use any logos developed by the host, provided that the host logo does not incorporate any elements of the APEC logo. The APEC acronym and logo are trademarks owned by the APEC Secretariat on behalf of all APEC member economies. Hence, if the APEC name or logo is to be used in association with the sponsored activity, the host must comply with the terms of the standard Intellectual Property Agreement that is signed by the APEC Secretariat and the host at the commencement of each year. The APEC name and logo must also be used in compliance with APEC's trademark usage policies available on the APEC website at http://www.apec.org/apec/about_apec/apec_trade_marks.html.

1.2 Contribution to APEC TILF or ASF funds

Interested parties are advised to speak with the APEC Secretariat Director (Finance) for further details about the rules governing contributions to the TILF and ASF consolidated project funds.

1.3 Sponsorship of an APEC forum and/or work plan

The APEC Sponsorship Guidelines applies all sponsorship received and must be taken into account.

For sponsorship up to US\$20,000, an exchange letters of agreement between the forum and the sponsor is required. The forum should refer to the letter (Appendix 1) provided in the Sponsorship Guidelines) should be drafted by the forum and recommended by the Chair for APEC approval. A copy is to be submitted to the Publishing and Corporate Affairs Manager at the APEC Secretariat for approval.

For sponsorship in excess of US\$20,000, a Sponsorship Agreement should be drawn up between the relevant forum and the sponsor. The forum should refer to the Sponsorship Agreement (Appendix 2) provided in the Sponsorship Guidelines. A copy of the Sponsorship Agreement must be submitted to the Publishing and Corporate Affairs Manager at the APEC Secretariat.

For sponsorship in excess of US\$100,000 the forum must seek the approval of Senior Officials.

1.4 Sponsorship of APEC-funded projects

The APEC Sponsorship Guidelines applies all sponsorship received and must be taken into account.

For sponsorship up to US\$20,000, an exchange letters of agreement between the forum and the sponsor is required. The forum should refer to the letter (Appendix 1) provided in the Sponsorship Guidelines) should be drafted by the forum and recommended by the Chair/Lead Shepherd for APEC

approval. A copy is to be submitted to the Publishing and Corporate Affairs Manager at the APEC Secretariat for approval.

For sponsorship in excess of US\$20,000, a Sponsorship Agreement should be drawn up between the relevant forum and the sponsor. The forum should refer to the Sponsorship Agreement (Appendix 2) provided in the Sponsorship Guidelines. A copy of the Sponsorship Agreement must be submitted to the Publishing and Corporate Affairs Manager at the APEC Secretariat.

For sponsorship in excess of US\$100,000 the forum must seek the approval of Senior Officials.

1.5 Sponsorship of self-funded projects

Sponsorship is at the discretion of the relevant forum. If the APEC name and logo are to be used in association with the sponsored activity the forum must ensure that they are used in compliance with APEC's general nomenclature and logo usage guidelines available on the APEC website at http://www.apec.org/apec/about_apec/apec_trade_marks.html.

2. Guiding principles

- 2.1. The APEC Sponsorship Guidelines are designed to help APEC fora manage sponsorship opportunities particularly those in excess of US\$20,000. Some flexibility in their application is expected given the diverse nature and range of sponsorship opportunities within APEC.
- 2.2. Sponsorship arrangements should support APEC's mission and key objectives and enhance the public image of APEC.
- 2.3. Potential sponsors should be informed that their sponsorship can in no way influence the agenda, content, conduct or outcomes of fora work plans or APEC activities.
- 2.4. Real or perceived conflicts of interest should be avoided.
- 2.5. A risk assessment should be undertaken to ensure that the arrangement will not adversely affect APEC. Risks that may need to be assessed include, but are not limited to:
 - the financial integrity of the sponsor;
 - possible reputational risks created by the establishment of a relationship with the sponsor;
 - acceptance of benefits which may place the recipient under an obligation to the sponsor; and
 - potential misuse of APEC's intellectual property.
- 2.6. The level of sponsorship provided should correspond with the level of benefit given to the sponsor.
- 2.7. Both direct financial and in-kind sponsorship is permitted. Benefits that may be given to the sponsors include, but are not limited to:
 - access to APEC meetings, including opportunities to present
 - hospitality and networking opportunities
 - signage and display opportunities outside official meeting rooms (note: sponsors logos cannot appear inside official meeting rooms)
- 2.8. Types of sponsorship that are NOT considered suitable include:
 - naming rights for an APEC forum
 - exclusive naming rights for an APEC activity
 - political or religious activities
- 2.9. APEC should not be named as a sponsor of any organisation or event that is unrelated to APEC. APEC does not lend its name to support private organisations for promotional purposes. The APEC logo cannot be used in advertisements, on websites or in promotional materials produced by private organisations.

3. Sponsorship Agreement

- 3.1. Fora seeking or engaging in sponsorship arrangements in excess of US\$20,000 should draft an appropriate Sponsorship Agreement ('agreement') to be entered into with the sponsor.
- 3.2. The agreement should be recommended by the Lead Shepherd/Chair and signed by authorised APEC signatory.
- 3.3. A template Sponsorship Agreement is provided for reference purposes in the public document, *APEC Sponsorship in Appendix 2*.
- 3.4. The agreement should state:

- the aims of the sponsorship and how it supports APEC's mission and key objectives;
 - all parties' rights and benefits;
 - who in the forum will be responsible for the management of the agreement;
 - the exact nature and value of the sponsorship and timeframes for completion;
 - payment terms including timing, how payment is to be made and how direct financial contributions are to be handled;
 - the duration of the agreement, including options and conditions for renewal;
 - the grounds on which the agreement can be terminated and the provisions that apply to unspent funds or contributions not yet paid up; and
 - procedures for dispute resolution.
- 3.5. The agreement should include declarations that APEC will not endorse the sponsor's products or services and that the sponsor shall not interfere or try to influence the APEC process.
- 3.6. All agreements should contain information about the ownership and use of APEC's trademarks (the APEC acronym and logo).
- Sponsors should be informed that the use of APEC's trademarks must be in compliance with APEC's policies available on the APEC website at http://www.apec.org/apec/about_apec/apec_trade_marks.html.
 - Any communications by sponsors involving the use of the APEC trademarks should be cleared by the Publishing and Corporate Affairs Manager in the APEC Secretariat prior to distribution.
 - Sponsor's logos cannot appear inside official meeting rooms or on official papers, but event banners, posters, approved printed material, displays, souvenirs, websites and direct marketing material may carry a sponsor logo. Designs for these items should be cleared by the APEC Secretariat.
- 3.7. The agreement should state who will own the intellectual property in the outputs of the sponsored activity. APEC should retain the right to at least part ownership.
- 3.8. There should be a provision in the agreement exempting APEC from liability in the case of accidents, negligence, financial loss, misrepresentation and defamation associated with sponsored activities.
- 3.9. The signatory for all sponsorship letters and agreements up to US\$100,000 is the APEC Secretariat's Director (Communications and Public Affairs). The signatory for all sponsorship letters and agreements above US\$100,000 is the APEC Secretariat's Executive Director.
- 3.10. A copy of the agreement is to be kept by the Publishing and Corporate Affairs Manager in the APEC Secretariat after it has been signed.

4. Role of the APEC Secretariat

The APEC Secretariat maintains the APEC Sponsorship Guidelines, the pro-forma sponsorship agreement and the model sponsorship programme. It also provides guidance on policies and processes concerning APEC intellectual property and APEC trademarks. All queries relating to the Guidelines should be directed to the Publishing and Corporate Affairs Manager in the APEC Secretariat.