

**APEC COMMITTEE ON TRADE AND INVESTMENT (CTI)  
FIRST MEETING FOR 2014: NINGBO, CHINA  
24-25 February 2014**

**CHAIR'S SUMMARY RECORD OF DISCUSSION**

1. The First Meeting of the Committee on Trade and Investment (CTI) for 2014 was held in Ningbo, China on 24-25 February 2014. Mr. John Larkin of Australia's Department of Foreign Affairs and Trade chaired the meeting. All 21 APEC member economies, ABAC, PECC and PIF were represented. The APEC Secretariat was also present. (The list of participants is attached as Annex 1).

**CHAIR'S OPENING REMARKS AND BUSINESS ARRANGEMENTS**

2. The CTI Chair welcomed all delegates to the Committee's first meeting for the year. On behalf of the Committee, he thanked China for the hosting of the meeting, the excellent hospitality, facilities and arrangements in the dynamic city of Ningbo. He noted that the CTI had a full agenda and busy two days ahead of it. He hoped the meeting to be productive as much as possible and encouraged CTI members to approach the meeting in that spirit.
3. He also outlined the business arrangements for the two-day meeting.

**ADOPTION OF AGENDA**

4. The Committee adopted the draft annotated agenda (see 2014/SOM1/CTI/001) with some minor adjustments to the order of the discussion.

**MATTERS ARISING FROM RECORD OF THE LAST MEETING**

5. The Committee approved the Chair's Summary Record of Discussion of the CTI Meeting held on 2-3 July 2013 in Medan, Indonesia (see 2014/SOM1/CTI/002).

**APEC PRIORITIES AND CTI WORK PROGRAM FOR 2014**

6. China's Senior Official, Mr Tan Jian, briefed the CTI on the three key priorities for APEC 2014 under the overarching theme of "*Shaping the Future through Asia-Pacific Partnership*". The first priority is *Advancing Regional Economic Integration*, a standing priority for several years, under which APEC would work, amongst other things, to strengthen the multilateral trading system (MTS), contributing to the post-Bali trade agenda and advancing the DDA, embark on FTAAP process, further cooperation on Global Value Chains (GVCs) and supply chain and capacity building. The second priority is *Promoting Innovative Development, Economic Reform and Growth* where APEC would explore new areas of growth through innovation, establish an open economy through reform, and continue to maintain Asia-Pacific as the engine of growth. The third priority is *Strengthening Comprehensive Connectivity and Infrastructure Development*, a priority carried over from APEC 2013, under which a key mandated task is the development of an Asia-Pacific Connectivity Blueprint.
7. The Chair thanked Mr Tan for his clear outline of China's host year priorities. He noted the opportunities for CTI to contribute to shaping and advancing these priorities as well as interest amongst members in work for the FTAAP, GVCs, EGS and investment. He looked forward to working with China to advance the APEC 2014 priorities.

## **SUPPORT FOR THE MULTILATERAL TRADING SYSTEM**

8. The United States briefed the meeting on its proposal, “APEC Support for Implementation of the WTO Trade Facilitation Agreement” (see 2014/SOM1/CTI/003). There was broad support for a statement on this issue at the Ministers Responsible for Trade (MRT) meeting. CTI noted China’s intention, as host economy, to prepare a standalone statement in support of the MTS/WTO, covering implementing the WTO Trade Facilitation Agreement, reaching consensus on the post-Bali work plan, extending the standstill on protectionism for another two years and encouraging wider participation in negotiations on environmental goods. CTI also discussed additional elements that could be included in the standalone statement such as the expansion of the Information Technology Agreement, as reflected in a room document circulated by Canada (to be tabled at SOM1). CTI agreed to provide comments to the United States on its proposal regarding Trade Facilitation Agreement by 21 March. CTI members noted the importance of liaising closely with their representatives in Geneva on these issues.
9. The MAG Convenor reported on the outcomes of the MAG meeting held on 22 February (see 2014/SOM1/CTI/040), highlighting the group’s plans for carrying work in remanufactured products; non-tariff measures; and environment goods, amongst others, as well as his on-going discussions with the GOS Convenor on topics for a possible Joint-MAG-GOS meeting. CTI thanked the MAG Convenor for his report and endorsed the work program as outlined in the report.

## **ADVANCING REGIONAL ECONOMIC INTEGRATION**

### **Achieving the Bogor Goals**

10. The PSU updated the CTI on the preparation of the Bogor Goals Progress Report 2014 based on economies’ individual action plans (see 2014/SOM1/CTI/005). CTI took note of the update and called on those economies that have not submitted their IAPs to do so as soon as possible. CTI also noted that the PSU reports on economies will be prepared for discussion by Senior Officials at SOM2.
11. The PSU briefed the CTI on its research and analytical work, as agreed at CTI2 2013, on the use of non-tariff measures (NTMs) in the region and strategies that economies could adopt to pursue the policy objectives underlying the NTMs in more trade facilitative ways. CTI agreed that members should provide comments on the consolidated paper (see 2014/SOM1/CTI/006) prepared by the PSU by 21 March with a view to finalization of the paper for presentation at CTI2.
12. CTI discussed the proposed terms of reference (TOR) for the PSU study on promoting trade in products which contribute to sustainable development and inclusive growth through rural development and poverty alleviation. The CTI agreed on the TOR, which state, amongst other things, that “a limited, manageable and practical number of products nominated, with rationale, by each economy, in HS code (6 digits), will be discussed for the scope of the study and will be decided on a consensus basis” (see 2014/SOM1/CTI/004 rev2). CTI further agreed that economies could submit product nominations for inclusion in the study by 28 March. Indonesia will compile product nominations for consideration by CTI members ahead of CTI2.

### **Exploring an FTAAP**

13. Korea briefed CTI on the progress in implementing the Regional Economic Integration (REI) capacity building needs initiative (CBNI), highlighting the successful conclusion

of the workshops on dispute settlement proceedings (Korea); and government procurement (Viet Nam). CTI took note of forthcoming workshops covering the areas of preparation for FTA negotiations, including research and analysis (New Zealand) to be held in the margins of CTI2; safeguards (Indonesia) in June; intellectual property (Viet Nam) in the second half of the year; and non-conforming measures (United States) in the margins of CTI3.

14. Korea presented a discussion paper on a work plan to take the REI CBNI beyond 2014 (see 2014/SOM1/CTI/051) as well as a new concept note on Assessing 2012-2014 CBNI Programs and Mapping the Future (see 2014/SOM1/CTI/052). CTI agreed that economies will provide comments to Korea on (i) its discussion paper by 21 March and (ii) concept note by 7 March with a view to finalizing it for submission for 2014 BMC Session 1 funding.
15. China briefed the CTI on its proposal, APEC Framework of Strengthening Regional Economic Integration (REI) (see 2014/SOM1/CTI/007). There was broad support for work to take forward the process for the eventual realization of an FTAAP, building on previous work and on a step-by-step basis. A new CTI FoTC on Strengthening REI and Advancing FTAAP, co-led by China and the United States, was established to drive this work. CTI agreed in principle to a work plan (see Annex 2 to 2014/SOM1/037), on the understanding that further comments/inputs on the issues/questions listed in the work plan could be provided by economies by 14 March. A revised version of the work plan will be circulated by the FoTC co-leads after that date. CTI also agreed that proposals and ideas in response to the issues/questions in the current work plan should also be provided by 14 March. CTI noted China's intention to circulate separate papers on the "road-map" and "feasibility study" elements of the work plan by the end of March. CTI also agreed in-principle to an "information-sharing mechanism" on FTAs/RTAs, noting that its format and structure would be subject to further discussion. This information-sharing would commence with the Policy Dialogue on Information Sharing on RTAs/FTAs in the Asia-Pacific Region scheduled for the margins of SOM2. Economies were requested to submit inputs for the proposed Policy Dialogue by 21 March.

### **Global Value Chain Cooperation**

16. China provided an update on preparations for the APEC Dialogue on GVC Collaboration scheduled to be held in the margins of SOM2, tentatively on 10 May. China also foreshadowed the circulation of an agenda for dialogue after CTI1. CTI agreed to provide comments and inputs on the draft agenda and suggested speakers to China
17. China presented its proposal to develop an APEC Strategic Blueprint for Advancing Global Value Chains Development through Asia-Pacific Partnership (see 2014/SOM1/CTI/008). CTI agreed that economies should provide comments and inputs to China by 21 March. CTI took note of China's intention to circulate a draft of the blueprint intersessionally in advance of CTI2 and its intention to seek inputs to the blueprint from all sub-fora.
18. CTI also received a presentation from China on its proposal on the establishment of a Database based on Input-Output Table for GVC and Trade in Value-Added among APEC Members (see 2014/SOM1/CTI/009). CTI agreed that economies would provide comments to China by 21 March.
19. CTI took note of Korea's intention to circulate a proposal on exploring SMEs' participation in GVCs at SOM2.

20. CTI received an update from Japan and the PSU on the “Comprehensive Analysis on Enhanced Resiliency of Cross-Border Value Chains” Study (see 2014/SOM1/CTI/010) and agreed that economies would provide comments and inputs by 21 March.

### **Next Generation Trade and Investment Issues**

21. The United States, as the FoTC on Next Generation Trade and Investment Issues (NGeTI) lead briefed the CTI on discussions in the FoTC, including updates on the progress in the previously agreed issues, two new ideas for consideration as additional next generation trade and investment issues to be addressed in 2014 as well as the development of a work plan to guide its work in 2014 in response to APEC Economic Leaders’ instructions from October 2013. The two new issues were (i) Promoting Open and Competitive Services Markets to Support the Growth of Global Value Chains (see 2014/SOM1/CTI/011) proposed by Australia (co-sponsored by Japan and United States) and (ii) Manufacturing Related Services in Supply Chains/Value Chains (see 2014/SOM1/CTI/012) proposed by Japan (co-sponsored by United States). CTI agreed that economies would submit comments to the proponents on the two proposals on 2014 NGeTI issues by 21 March and proponents will circulate revisions, along with any new proposals, by 4 April so that members would be better placed to select at CTI2 one to two issues to be addressed in 2014. Lead economies for existing NGeTI issues would also circulate any new proposals by 21 March. The Committee also adopted the agreed work plan tabled as Annex 3 to 2014/SOM1/037.

### **Environmental Goods and Services/Green Growth**

22. CTI received following updates by economies on their progress in implementing their commitments to reduce their tariffs on the 54 products in the APEC List of Environmental Goods by five percent or less by 2015:
- *Canada* - Fully implemented as of 2013.
  - *Chile* - Applies a fixed flat rate of import tariffs of 6% to all goods arriving into Chile. Internal discussions are underway with experts on the best way to implement the list.
  - *Indonesia* - Tariffs are close to meeting the commitments for a majority of the products in the EG list. Internal discussions to implement the EG list are underway.
  - *Korea* - Internal consultation on some technical issues is underway among relevant Ministries.
  - *New Zealand* - Fully implemented.
  - *Papua New Guinea* - 53 out of the list of 54 products in APEC EG list is at 0%. Only one item (HS 441872) is currently at 20%. It will be reduced to 10% under PNG’s current tariff reduction program by 2015. Further reductions will be subject to PNG Government’s policy on future reduction of tariffs.
  - *Philippines* - Public consultations have begun. Philippines currently working on a plan at inter-agency level to implement the commitments. It has also submitted possible areas for capacity building in response to China’s Capacity Building Initiative for Implementation of the EG list.

- *United States* - Reducing tariffs on products in the EG list will involve legislation. Officials have informed US Congress on the need to work with it to find the right legislative vehicle to reduce tariffs on the six national product lines within the EGs list where the U.S. has tariffs above five percent.

CTI welcomed the progress updates by economies and agreed to the Chair's proposal to develop a table intersessionally to capture such updates by economies and to have the review of progress as a standing item on the CTI's agenda.

23. CTI discussed a concept note from China on Capacity Building on Implementation of APEC's Environmental Goods Commitments (see 2014/SOM1/CTI/013) and agreed that economies would provide comments to China by 7 March with a view to finalizing it for submission for 2014 BMC Session 1 funding.
24. China updated CTI on the organization of the first Public-Private Partnership on EGS (PPEGS) dialogue on clean and renewable energy and its intention to circulate the agenda for the dialogue after CTI1. CTI agreed to provide comments and inputs on the draft agenda and suggested speakers to China.
25. CTI also discussed new proposals from Japan (co-sponsored by Australia and the United States) on Trade Liberalization of Environmental Services (see 2014/SOM1/CTI/018) and from China on the Establishment of APEC Cooperation Platform on Green Supply Chain (see 2014/SOM1/CTI/014). CTI agreed that economies would provide comments to Japan and China on their respective proposals by 21 March. CTI also agreed that Japan's proposal would be circulated to the Group on Services (GOS) for comment by the same deadline.
26. CTI welcomed the further information provided by the United States on "Electronic Stewardship" (see 2014/SOM1/CTI/015-2014/SOM1/CTI/017), including a compilation of economies' responses to the 2013 questionnaire and a review of existing literature on electronics stewardship. CTI also encouraged economies to circulate the information to relevant stakeholders in their economies. The United States welcomed any comments or questions from economies on the further information on "Electronics Stewardship".

## Services

27. Indonesia presented, on behalf of the GOS Convenor, the key outcomes of the GOS meeting held on 23 February (see 2014/SOM1/CTI/044rev1). C CTI endorsed the work program as outlined in the report and expressed appreciation for GOS Convenor's comprehensive report and written inputs on the recommendation of reviewing the efficiency and effectiveness of CTI sub-fora.
28. CTI welcomed the update by ABAC and PECC on their services work and initiatives and note their collaboration with China in the organization of the Public-Private Dialogue on GVCs to be held in the margins of SOM2. CTI also took note of IEG Co-Convenor's (Chile) comments on the relevance of the OECD work on trade in services.
29. CTI received a presentation by the PSU on their Policy Brief on APEC, Services and Supply Chains-Taking Stock of Services-Related Activities in APEC (see 2014/SOM1/CTI/019).

## Investment

30. CTI received a presentation from the University of Southern California's Marshall School of Business on the study commissioned by ABAC in 2013 on Foreign Direct

Investment across APEC –Impediments and Opportunities for Improvement. (see 2014/SOM1/CTI/020).

31. The IEG Co-Convenor (Chile) reported on the outcomes of the IEG meeting held on 21-22 February (see 2014/SOM1/CTI/039) focusing on the promotion and facilitation pillars of group's work plan with particular emphasis on a possible update of the IFAP Report published in 2013 and the progress in compilation of the Guidebook on PPP Framework in APEC region. CTI thanked the Co-Convenors for their report and endorsed the work plan attached to the report.
32. CTI took note of Chile's plans to hold their Workshop on Corporate Social Responsibility (CSR): International Instruments, Principles and Guidelines for APEC economies in the margins of ABAC2 on 8-9 May in Santiago, Chile.
33. On investment, CTI discussed the proposal from China which was tabled in the IEG on sustainable investment. CTI noted China's call for nominations by 21 March by economies of case studies to be included in the proposal.

### **Economic and technical cooperation**

34. China briefed the meeting on its proposal on Draft Strategic Plan on Capacity Building to Promote Trade and Investment Agenda (see 2014/SOM1/CTI/021). CTI agreed that economies would provide comments on the proposal to China by 21 March. It also agreed to share the proposal with the BMC, SCE and the APEC Secretariat for comments by the same deadline.

### **STRENGTHENING COMPREHENSIVE CONNECTIVITY AND INFRASTRUCTURE DEVELOPMENT**

35. Hong Kong, China as the FoTC on Supply-Chain Connectivity lead reported on the progress in implementing the APEC Supply-Chain Connectivity Framework and action plan (SCFAP) and the development of a work plan to progress the SCFAP. The FoTC lead also reported on the updates he received on the systematic approach to improving supply chain performance, including progress in the diagnostic reports of chokepoint leads, the coordination of diagnostic reports, work to draw up the capacity building plan as well as new proposals. He noted that SOM2/MRT would be the milestone date for a number of activities including (a) drawing up the comprehensive capacity building plan as a living document and kick-starting the capacity building activities therein; (b) launching the A2C2 for endorsement by MRT, and (c) drawing up a Statement on Supply Chain Connectivity for announcement at MRT.
36. CTI agreed to the work plan on supply-chain connectivity at Annex 4 to 2014/SOM1/037. CTI also agreed to provide inputs to China, as host economy, for a statement on supply chain connectivity to be prepared for endorsement at MRT by 15 March.
37. CTI welcomed the establishment of a new sub-fund on supply chain connectivity under the APEC Support Fund to meet capacity-building needs for economies in enhancing their supply chain performance (see 2014/SOM1/CTI/024).
38. CTI discussed the proposed Capacity Building Plan to Improve Supply Chain Performance by the United States to advance Stage 3 of the systematic approach to SCFAP (see 2014/SOM1/CTI/029). CTI noted that the United States will circulate a more detailed paper separately regarding the proposed establishment of a group of

interested experts from economies, multilateral institutions and private sector companies and associations (APEC Alliance for Supply Chain Connectivity – A2C2) to advise and assist in the capacity building. It agreed that economies would provide comments to the United States by 21 March. CTI also discussed two concept notes by the United States for possible funding under new sub-fund. These are (i) Capacity Building and Technical Assistance to Implement Programs on Pre-Arrival Processing (see 2014/SOM1/CTI/042) and (ii) Capacity Building and Technical Assistance to Implement Programs on Expedited Shipments (see 2014/SOM1/CTI/043). CTI agreed that economies would provide comments to the United States by 7 March with a view to finalizing it for submission for 2014 BMC Session 1 funding.

39. CTI also discussed a concept note from China on “Promoting Supply Chain Connectivity through a Model E-Port Initiative” (see 2014/SOM1/CTI/022) and agreed that economies would provide comments to China by 28 February.
40. CTI welcomed China's report on the APEC Workshop on New Way to Promoting Supply Chain Connectivity in the Context of Global Value Chain held on 21-22 February in Ningbo, under its Multi-year Project - Enhancing Logistics Performance through Training and Networking for APEC Local/ Regional Logistics Sub-Provider. CTI noted China's intention to circulate a summary report on the workshop, including policy recommendations, intersessionally.
41. CTI agreed to the self-funded project (see 2014/SOM1/CTI/023) by Hong Kong, China and New Zealand on the Application of Global Data Standards to Enhance Supply Chain Connectivity, which comprises (i) a one-day CTI workshop to be held in the margins of SOM2 and (ii) a half-day CTI trade policy dialogue (TPD) to be held in the margins of SOM3. CTI agreed that economies would provide comments/ inputs to the agendas as well as suggested speakers for the workshop and TPD.
42. CTI received an update from the United States on progress in the implementation of the capacity building program for the Pathfinder to Enhance Supply-Chain Connectivity by establishing a Baseline De Minimis Value and agreed to provide nominations for further case studies under the capacity building program by 21 March to the United States.
43. The Chair drew CTI members' attention to the letter from the Conference of Asia Pacific Express Carriers (CAPEC) enclosing their proposals for APEC (see 2014/SOM1/CTI/028). He requested for comments on the proposal to be sent to him by 21 March, noting that the proposal would also be sent to the SCCP and ECSG for comment by the same deadline.
44. CTI agreed to the self-funded project (see 2014/SOM1/CTI/026) by Japan on Capacity Building of Infrastructure Development and Investment in APEC and that economies would provide suggestions for speakers for the proposed seminar to Japan.
45. The SCCP Chair's Assistant reported on behalf of the SCCP Chair, the outcomes of the SCCP meeting held on 19-21 February (see 2014/SOM1/CTI/046 rev1). CTI thanked the SCCP Chair's Assistant for his comprehensive report. CTI endorsed the work program as outlined in the report and took note of the SCCP's initiative to formulate a framework paper for advancing supply chain connectivity through mutual recognition, mutual assistance and mutual sharing (see 2014/SOM1/CTI/027) and its call for comments/inputs to the framework by 21 March.
46. Australia, on behalf of the BMG Convenor, reported on the key outcomes of the BMG meeting held on 17 February (see 2014/SOM1/CTI/047), highlighting key actions

agreed in the group to help reduce transaction costs of doing business in the APEC region, BMG's contributions to the APEC Travel Facilitation Initiative and BMG's in-principle agreement to seek multi-year funding to enable the sharing of expertise and to build capacity in the region for the ABTC Scheme. CTI endorsed the BMG's work program as outlined in the report.

47. CTI noted that while there will be work in CTI and its sub-fora that could contribute to the proposed blueprint under the APEC Framework on Connectivity in 2014, it would wait further tasking from SOM after their FoTC meeting.

## **EXPANDING REGULATORY COOPERATION AND ADVANCING REGULATORY CONVERGENCE**

48. CTI discussed and agreed to the actions set out in proposal from the United States on the APEC Regulatory Cooperation Advancement Mechanism (ARCAM) Dialogue on Electric Vehicle Standards, as well as the self-funded concept note to organize the dialogue in the margins of CTI2 (see 2014/SOM1/CTI/030). CTI also agreed that economies should provide comments/inputs to the "roadmap" referred to in the proposal and the draft agenda for the dialogue by 21 March.
49. The PSU provided a presentation on its study on Voluntary Advertising Standards and Regulatory Approaches in Advertising in APEC economies (see 2014/SOM1/CTI/014). CTI welcomed the study, taking note of the recommendations contained therein.
50. CTI discussed a concept note on APEC Advertising Regulatory Capacity Building Mentoring Program by China and Australia (see 2014/SOM1/CTI/033) and agreed that economies would provide comments to the proponents by 7 March with a view of finalizing it for submission for 2014 BMC Session 1 funding. CTI also agreed that the concept note would be sent to the SCSC for comments by the same deadline.
51. The CTI Chair drew members' attention to the letter from the International Chamber of Commerce (ICC) to him on APEC Advertising Regulatory Capacity Building Mentoring Program (see 2014/SOM1/CTI/031) and requested their comments by 21 March with a view to coordinating a reply to the ICC, where appropriate.
52. The SCSC Chair's Assistant reported on behalf of the SCSC Chair, the outcomes of the SCSC meeting held on 18-19 February (see 2014/SOM1/CTI/035). CTI thanked the Assistant to the SCSC Convenor for her comprehensive report. CTI endorsed the work program as outlined in the report, noting the following expected deliverables identified for 2014.

## **PROMOTING INNOVATIVE DEVELOPMENT, ECONOMIC REFORM AND GROWTH; CONTRIBUTIONS TO OTHER CROSS-CUTTING INITIATIVES**

53. In terms of new proposals in implementing the initiatives to address the top barriers (identified in 2011) facing SMEs in trading in the region, CTI took note of the Philippines' Concept Note in the SCCP for a Regional Study on APEC Customs Business Initiatives for SMEs (2014/SOM1/CTI/041) and her call for co-sponsors.
54. CTI took note of Japan's foreshadowed activities in the cross-cutting initiatives of women and the economy, food security and ocean-related issues.
55. The IPEG Chair provided a verbal report on the outcomes of the IPEG meeting held on 17-18 February as well as a Workshop on Technological Protection Measures held after the IPEG meeting. He conveyed the group's commitment to implement the



recommendations of the CTI's Streamlining of CTI sub-fora paper when they are endorsed by the SOM. He also highlighted presentations made by economies in IPEG activities related to strategic IP utilization for sustainable development; promoting effective utilization of IPRs through the concept of open innovation; innovation and SMEs management; creation and dissemination of creative content in the digital environment and protection of geographical indications. CTI thanked the IPEG Chair for his report and leadership in the steering the group's diverse range of activities. CTI adopted the verbal report pending the receipt of the written report.

56. The Philippines, on behalf of the ECSG Convenor, reported on the key outcomes of the ECSG and its two sub-group meetings held from 16-20 February, highlighting their contributions to key APEC priorities and CTI's work (see 2014/SOM1/CTI/037). CTI expressed appreciation of the group's good work and endorsed its work program as outlined in the report. CTI also agreed to submit the APEC/EU Referential for the Structure of the EU Binding Corporate Rules and APEC Cross Border Privacy Rules System (see Annex 7 to 2014/SOM1/037) to SOM for approval.
57. The EC Chair, Mr Rory McLeod addressed the CTI on the EC's work for 2014 and the outcomes of the EC meeting including its State of the Region Policy Dialogue on 23-24 February.

## **INDUSTRY DIALOGUES**

58. The Chemical Dialogue Steering Group (CDSG) Chair briefed the CTI on the outcome of the CDSG meeting on 17 February (see 2014/SOM1/CTI/038). The CDSG continued its important role in information sharing regarding ongoing developments in the chemical sector including through (1) economy updates on their chemicals regulations; (2) updates on regional free trade agreements (i.e. TPP, TTIP, and EU-Japan) and (3) updates on developments in international bodies such as the UN, UNEP and SAICM. The CDSG discussed several new areas of potential work including: (1) a proposal to begin collaborative work with the Oceans and Fisheries Working Group to address marine debris; (2) a proposal from the Regulator's Forum on training/capacity building for metals risk assessment; and (3) potential new work related to tools for SMEs to better understand and comply with economy's chemicals regulations. In terms of decision points, the CDSG sought CTI's approval of the CD's ongoing efforts to advance regulatory cooperation in the chemicals sector; and requested CTI to note (i) the CD's intention to initiate collaboration with the OFWG on marine debris; and (ii) the CD's efforts to align its Strategic Framework and Action Plan to the priorities of the CTI.
59. The LSIF Planning Group Chair reported on the outcomes of the planning group meeting on 22 February preceded by 4 days of meetings of the LSIF's Regulatory Harmonization Steering Committee (LSIF RHSC) (see 2014/SOM1/CTI/045). The LSIF continues to implement its 2004 Strategic Plan, which calls on the LSIF to examine policies that will contribute to the development of the medical life sciences sector and ultimately the improvement of public health in the APEC region, with a special focus on vulnerable populations. The LSIF RHSC discussed preparations for the LSIF RHSC activities being planned for SOM2/CTI2 in Qingdao, viz: Workshops on Global Medical Product Quality Supply Chain Integrity; and Multi-Regional Clinical Trials and Good Clinical Practices. The LSIF endorsed a proposal to launch the APEC Bio-medical Technology Commercialization Center hosted jointly by Korea and Thailand. With the Association of University Technology Managers (AUTM) as a content and training partner, the center will train trainers on technology transfer and thus build the capacity of SME innovators and institutes in APEC economies to commercialize innovations and reap the value of their own IP. In addition, the LSIF

RHSC provided an update on the March 17-19 pilot for a first-of-its-kind Multi-Regional Clinical Trials Regulatory Sciences Center of Excellence (CoE), hosted by Singapore's Health Sciences Authority and the Duke-National University of Singapore. The pilot, funded by APEC, will: include world-class trainers from regulatory authorities, industry, and academia; incorporate virtual and in-person elements; and is expected to include nearly 50 regulators from APEC economies. If deemed successful, the LSIF RHSC will move to conduct a competitive search for world-class academic institutions to host the CoE and begin to seek seed funding and in-kind contributions to support its launch.

60. The LSIF continued work in cooperation with the Health Working Group (HWG) to address non-communicable disease and mental health challenges. The LSIF planning group met with the HWG in joint session on 23 February. A joint workshop on mental health is currently planned for September 2014. The LSIF supported developing a framework for health in APEC together with the HWG, titled "Healthy Asia-Pacific 2020". The group also discussed the prospect of mainstreaming health in APEC to improve coordination among all APEC working groups to address issues that touch or have an impact on health, health related innovations, and/or sustained development of the health sector. CTI was requested to endorse the representation from the APEC LSIF Regulatory Harmonization Steering Committee to the International Medical Device Regulators Forum (IMDRF).
61. The CTI thanked the Convenor of both CDSG and LSIF Planning Group for his work and comprehensive reports on the developments in the CD and LSIF and endorsed the work programs as well as the decision points outlined in the two reports. The CTI also expressed its appreciation to Ms Barbara Norton, the former Convenor of the two groups for her hard work and leadership steering the groups' activities. The Chair informed the meeting that following from his briefing to the LSIF Planning Group, he had accepted a proposal from the LSIF for it to present at CTI3, the forum's work and its linkages to CTI priorities and work program.
62. The Automotive Dialogue (AD) Vice-Chair, on behalf of the AD Chair, gave a brief introduction of the AD work plan for 2014 under its theme of *Green Ambition, Win-Win Cooperation*. He noted that the AD work for 2014 would focus on promoting the development and demonstration of green vehicle technology. The 20<sup>th</sup> AD meeting will be held in Beijing from 22-25 April, back to back with the 13<sup>th</sup> International Beijing Automotive Show. The 21<sup>st</sup> AD meeting will take place in Shanghai on 16-19 September where China also plan to hold a IEGT (Integration of EVs, Grid and Transportation) Seminar. The AD Vice-Chair took the opportunity to call on CTI members to encourage and support their AD representatives' participation in the AD meetings.

#### **STREAMLINING CTI SUB-FORA**

63. CTI discussed the draft review paper on efficiency and effectiveness of CTI sub-fora (see 2014/SOM1/CTI/034). The discussions took into account feedback on the draft paper from CTI sub-fora set out in the respective sub-fora convenor reports. Members raised several issues including the need for more coordination between sub-fora to avoid duplication and overlap; the benefits of closer collaboration between sub-fora through joint meetings on particular topics; the importance of effective and frequent communication between CTI representatives and sub-fora representatives, including on CTI meeting outcomes; the importance of substantive sub-fora agendas and the responsibilities of economies to contribute to those agendas; alignment between those agendas and the APEC Tasking Statement, host economy priorities and APEC goals; and the scope for more referral of tasks by the CTI to sub-fora. CTI agreed to submit its recommendations from the review to Senior Officials for their consideration (see

## **PRIVATE SECTOR ENGAGEMENT**

64. There was no discussion under this item.

## **OTHER ISSUES**

### **APEC Economic Trends Analysis Report**

65. The CTI received a presentation from the PSU on its March 2014 edition of the APEC Economic Trends Analysis report (see 2014/SOM1/CTI/036).

### **Budgetary/Administrative Matters**

66. The APEC Secretariat drew the Committee's attention to document no. 2014/SOM1/CTI/050 relating to an update on project management issues as well as the dates and deadlines for the BMC Session 1 project approval process.

### **Outreach**

67. The APEC Secretariat's Media Manager shared with the Committee, the tools that can be used to promote fora's work as well as some recent projects that Secretariat was working on.

## **OTHER BUSINESS AND FUTURE MEETINGS**

68. The CTI Chair noted that while there will no CTI sub-fora meetings, a suite of CTI-related activities are being scheduled for CTI representatives in the margins of CTI2 in Qingdao.

## **MEETING DOCUMENTS**

69. The Committee considered the public release of documents tabled at the meeting and agreed by consensus that with the exception of draft documents and preliminary work plans, all documents would be accessible to the public. The list of documents was tabled as 2014/SOM1/CTI/000.

## **SUMMARY AND CONCLUSION**

70. The CTI Chair concluded the meeting by thanking CTI members for their efforts and engagement in constructive discussions over the last 2 days. He highlighted the need for intersessional work as well as encouraged economies to remain engaged to carry forward the GVC, supply-chain connectivity and FTAAP agenda with a view to producing credible and meaningful outcomes for 2014.