



**Asia-Pacific  
Economic Cooperation**

---

**2014/SOM1/MAG/002**

Agenda Item: 3

## **Summary Report for 45<sup>th</sup> MAG Meeting**

Purpose: Consideration

Submitted by: MAG Convenor



**46<sup>th</sup> Market Access Group Meeting  
Ningbo, China  
22 February 2014**

**Summary Report for 45<sup>th</sup> MAG Meeting,  
29 June 2013  
Medan, Indonesia**

---

1. The Market Access Group (MAG) held its 45<sup>th</sup> meeting in Medan, Indonesia on 29 June 2103. The (interim) MAG Convenor, Mr. Peter Cheah of the Malaysia's Ministry of International Trade and Industry chaired the meeting. 19 APEC member economies attended the Meeting.

**A. CONVENOR'S OPENING REMARKS**

2. MAG Meeting welcomed all members to the third MAG meeting for 2013 and had briefly introduction of the interim Convenor. MAG Convenor and the member economies also recorded their appreciation to Ms. Aida Safinaz (who had left for another assignment), for her hard work, effort and contribution to the Group.
3. MAG Convenor and several member economies also congratulated the host, Indonesia for the welcoming and organising SOM3 and its related meeting in Medan, Indonesia. In addition, MAG also welcomed Guest member, the Eurasian Economic Commission (EEC) representative to MAG Meeting. MAG Convenor also recorded his appreciation to the US for conducting the Reman workshop prior to the MAG Plenary.

**B. ADOPTION OF THE FINAL ANNOTATED AGENDA**

4. MAG adopted the agenda for the Meeting (2013/SOM3/MAG/001).

**C. ADOPTION OF 44<sup>th</sup> MAG SUMMARY REPORT**

5. MAG adopted the 44<sup>th</sup> MAG Summary Report (2013/SOM1/MAG/002) without amendments. In addition, MAG also adopted the 43<sup>rd</sup> revised MAG Summary Report held in Jakarta, which has incorporated earlier comments from Mexico and the Philippines.

**D. CONVENOR'S REPORT ON ON-GOING TASKS**

6. The Convenor noted that most of the tasks in the Matrix of Action Points (2013/SOM3/MAG/003) arising from the previous meeting would be discussed over the course of the meeting under the various Agenda.
7. Russia updated the Meeting that it will be presenting on Russia's initiative to elaborate a model chapter on Trade and Environment in APEC for FTAs under Agenda 7(ii), and the proposal will replace the draft proposal on "Best Regulation Practice in respect of Environmental Policies".
8. MAG Convenor reiterated the need for MAG members to identify suitable topics to be discussed in the MAG/GOS Joint Meeting to enable the meeting to be convened. Australia and US suggested for the proposed topic to be discussed inter-sessionally.

**E. SUPPORT FOR MULTILATERAL TRADING SYSTEM**

9. MAG Convenor updated the meeting on the current status of the ITA negotiations in Geneva and indicated that a draft final list of the products is expected with further meetings to take place during the week of 15 July 2013 towards finalising negotiations of the ITA.
10. Japan reiterated its support for the on-going ITA expansion which not only promotes trade liberalisation in IT products but will also further strengthen the multilateral trading system, and promotes regional global supply chain. Japan is of the view that it would important for APEC to engage its continuing support on the ITA expansion in Geneva, playing a leading role to the expansion of IT products and scope and the expansion of members of ITA.
11. Indonesia highlighted the necessitate to reiterate MRT Statement and calling for support from member economies on the deliverables at the Leaders' Meeting to ensure the success of the 9<sup>th</sup>

WTO Ministerial Conference (MC9) in Bali. This would also mean to include the WTO Early Harvest package other than ITA including trade facilitation issue and agreement on some elements of agriculture and development. China concurred with Indonesia for the need to continue supporting the multilateral system for the conclusion of the DDA and the need to have a comprehensive and balanced coverage of the package. Members took note of comments by other members on the need for specific action to be undertaken by MAG in supporting and addressing DDA issues.

12. Malaysia briefed MAG members on the outcome of the Workshop on the Advancement of Information Technology Products which was held on 20-21 June 2013 in Kuala Lumpur, Malaysia, in supporting the ITA negotiations. The 2 day workshop also included a site visit to a remanufacturing facility. Malaysia also recorded its appreciation to the co-sponsors of the project i.e Japan, Chinese Taipei; China, Singapore and the US for their support in the success of the workshop.
13. Japan highlighted to members on how the workshop would be a great opportunity to promote trade in IT products in the APEC region and would encourage the ITA expansion negotiations at the WTO.
14. Malaysia informed that the final report and presentation materials of the workshop will be uploaded at the APEC website for reference to the APEC member economies.

## **I. SUPPORT FOR REGIONAL ECONOMIC INTEGRATION**

### **i. Remanufactured Products**

#### **a. Pathfinder on Facilitating Trade in Remanufactured Goods**

15. The US recorded its appreciation to all those who attended the APEC Market Access Group (MAG) Workshop: Customer Perspectives on Remanufacturing held prior to the MAG Plenary Meeting.
16. The US also updated that the Malaysia has volunteered to participate in the case study on remanufacturing funded by the US. In addition, other MAG Members are welcomed to express their interest to participate in the self-funded study. Meeting was updated by Malaysia the case study is still at the preliminary stage of which several meetings had been conducted with the appointed consultant.

#### **b. Remanufacturing Resource Handbook**

17. Following the discussion in MAG2, the US reiterated that the Remanufacturing Resource Guide is for the purpose of information sharing and hopes that this document would a living and working document with member economies contributing inputs from time to time.
18. The US thanked economies for the comments received inter-sessionally and indicated that a revised version will be circulated for additional comments. MAG members were invited to provide comments particularly on the usefulness and the content and which can be uploaded at the MAG Website for information.
19. The Philippines highlighted that is still consulting its relevant agencies on the proposed handbook. Nevertheless, shared initials comments which include the need to adopt the different concept of remanufacturing adopted by economies or applicable as there is no consensus to date on the definition of remanufacturing. This would reflect the wide range of policies in place right now among economies. It was also suggested that Section 4 of the Handbook to include detailed remanufacturing processes by companies including the product remanufactured. Meeting took note of the comments by the Philippines on the usefulness of the presentation by GMMCO at the earlier workshop on the process flow of remanufacturing. Other comments include to include information on carbon impact studies in the Handbook. Comments provided at the meeting will be provided in writing to the US.

20. Meeting took note of Indonesia's comments on the need for further deliberation on the way forward for the deliverable and reiterated the usefulness of the Handbook. Indonesia also reiterated that the Handbook should be considered for information purposes only. It also requested clarifications on the information in Chapter 5 (Environmental and Economic Benefits) of which information can be extended and be shared with member economies to understand the inter-play between remanufacturing and environment i.e. lifespan of a reman good which could be shorter than a new product.
21. MAG Convenor reminded the Meeting that Handbook is supporting Pathfinder initiative under MAG. Malaysia highlighted that although Malaysia is yet to be part of the pathfinder initiatives, it does support the the draft Remanufacturing Resource Handbook. China reiterated that the submission should be "for information" purposes at the CTI level.
22. MAG agreed to consider the handbook for a potential "deliverable", an Information Living Document of the draft Remanufacturing Resource Handbook. Member economies are invited to submit additional comments by deadline of 1 August 2013 and the revised version to be recirculated by 15 August 2013 and endorsed inter-sessionally, tentatively by 15 September 2013 – to consider this as a deliverable for 2013. This would also be updated to the CTI for information purpose.
23. The final version of the Remanufacturing Resource Handbook will then be uploaded at the MAG webpage for informational purposes, upon endorsement of the MAG.

c. Compilation of tariff and non-tariff measures

24. MAG Convenor and the US encouraged member economies to submit the tariff and non -tariff measures on remanufacturing and reiterated that this compilation is a good initiative by MAG. MAG Convenor also suggested for the compilation initiative to considered as a deliverable, as this could also complement Remanufacturing Resource Handbook initiative.
25. Australia suggested that the compiled information could be uploaded at the website as per the STAR Database initiative which was undertaken by GOS. China reiterated should this compilation be considered as a deliverable for MAG, CTI to decide if it was to be considered as a deliverable at a higher level.
26. MAG agreed for members to submit their NTMs of remanufacturing to the Secretariat by of 1 August 2013. The revised version to be circulated and endorsed inter-sessionally by 15 August 2013. The final "living" compilation document of the NTMs would be proposed to CTI as a MAG deliverable and would then be uploaded on the MAG webpage. The U.S. has volunteered to provide a draft chapeau for the page and the proposed language will be circulated to members for their consideration.
27. US highlighted that as a way forward on reman, it would like to consider for a survey of potential issues faced by economies on joining the pathfinder initiative. China suggested that the potential survey to be discussed at MAG1 next year as there could be a potential difficulties for economies to provide feedback on the challenges faced to the pathfinders.
28. MAG took note of the proposal to include on the 2014 MAG agenda further discussion of or a survey on economies to include on the 2014 MAG agenda further discussion of or a survey on economies views on joining the Pathfinder on Trade on Remanufactured Goods and potential needs for further capacity-building activities.

ii. WebTR (Enhancing Regional Connectivity and Promoting Trade Facilitation)

29. MAG Convenor updated members of the utilisation of the WebTR, of which number of visitors have reduced in 2012 compared to 2011. Thus, MAG Convenor encouraged members to promote the WebTR considering it would help facilitate businesses getting information easily. Possible factor of the decline in the number of visitors to the website could be due to the lack of

promotion on the website. MAG agreed that there is a need to promote the WebTR to the communities within the economies.

30. Indonesia proposed that this issue could be addressed that the next MAG Meeting in China. MAG Convenor welcomed ideas from members on how to address improvements to the number of visitors to the website.

iv. Presentation by PSU on Non Tariff Measures (NTMs) – Literature review

31. APEC PSU, presented a paper in the Non-Tariff Measures (Literature Review). Among highlights include definition of NTMs, classifications and the use of NTMs. Meeting took note of the presentation including the highlights :

- a. APEC include 5 categories in the NTM section of the IAP updates: 1) quantitative import restrictions/prohibitions; 2) import licensing; 3) import levies; 4) export subsidies; and 5) other NTMs maintained.
- b. APEC members have reported as other NTMs maintained: SPS measures, export licensing, antidumping and countervailing measures; safeguards; technical standards and labeling requirements; and voluntary export restraints.
- c. Legitimacy of NTMs – GATT/WTO legal text that provides framework
- d. Economic Impacts on NTMs – e.g. restrictiveness NTMs add to trade is significant

v. Presentation on Global Data Standards

32. Meeting took note of the presentation by ABAC/GS1 on the Global Data Standards. The presentation highlighted the benefits of using Global Product Data Standards to address Supply Chain Connectivity & Complexity Challenges. GS1 elaborated on the fact that the Global (Product) Data Standards (GDS) are voluntary, consensus driven standards in the public domain that are widely used by industry – and more increasingly by governments. It provides a framework that allows products, services, and information about them to move efficiently and securely for the benefit of businesses and government and the improvement of livelihood.
33. MAG members to contact MAG Convenor or representatives of GS1 should there be any clarifications required.

**J. APEC GROWTH STRATEGY**

**i. Environmental Goods and Services (Green Growth)**

34. MAG Convenor reiterated that CTI had tasked the Market Access Group (MAG) to conduct a Mapping Exercise, which identified the work streams relevant to the EGS Framework currently underway across APEC fora and sub-fora. Mapping Matrix presented includes activities and projects initiated since 2009. MAG to continue updating the projects undertaken and continuous reporting to CTI.

**ii. Russia's Proposal : The state of play with environmental protection issues in APEC RTAs and proposal for a model chapter under FTA.**

35. Russia presented its new proposal on “the state of play with environmental protection issues in APEC RTAs and proposal for a model chapter under FTA”. Meeting took note that the revised proposal is to replace the previously discussed “Best Regulation Practice in respect of Environmental Policies” at the previous MAG meetings. Russia thanked economies that had provided comments on the previous proposal and reiterated that the new proposal has incorporated comments made previously.

36. Russia highlighted that the purpose of the model chapter on Trade and Environment in APEC RTAs to build best practices for RTA in the area of environmental policy transparency standards. Several member economies including China and Mexico highlighted that they

require time to consult capital this new proposal. China also highlighted that such initiative may have taken place in 2007 but was disbanded due to the sensitivity and complexity of the issue. The US also requested for the proposal to be circulated to members for comments.

37. The Russian draft proposal will be circulated to MAG members for comments and consideration by Members inter-sessionally. A deadline will be provided to MAG Members by Russia.

**K. OTHER INITIATIVES**

i. MAG/GOS Joint Meeting

38. MAG Chair invited MAG members to provide suggestions on possible topics that can be discussed at the MAG/GOS Joint Meeting, inter-sessionally.

ii. Project Proposals

39. Malaysia briefed MAG members on its proposal to organise an APEC Conference on Facilitating Trade in a Secure Trading Environment, scheduled from 28-29 October 2013 in Kuala Lumpur, Malaysia. The draft programme of the Conference and speakers are still being finalised and will be circulated to MAG members soonest.

40. Japan reiterated the support for this project and the importance for a secured trading environment and volunteered to provide potential speakers to share its experience at the conference in Malaysia.

iii. Election of MAG Convenor 2014/2015

41. Considering the next post by the former MAG Convenor, MAG to continue with the election of a new MAG Convenor for 2014/2015. Members to provide suitable nomination and a MAG Convenor will be elected inter-sessionally.

iv. Guest – Eurasian Economic Commission (EEC)

42. The representative from the EEC, thanked MAG Members for the approval of its participation at the MAG Meeting in Medan. In addition the EEC briefed the MAG on the support the Bogor Goals, Multilateral Trading System and the ITA.

**L. UPDATE FROM THE APEC SECRETARIAT**

43. The APEC Secretariat provided an update on Session 1 of APEC Funding request. Secretariat reminded MAG Members interested to submit Concept Notes for Session 3 to do so by 4 September 2013. APEC Secretariat also updated on the latest development taking place within the Secretariat.

**M. MEETING DOCUMENTS**

44. The meeting agreed to the Document Classification List (2013/SOM3/MAG/000).

**N. NEXT MEETING**

45. The meeting noted that MAG 2014 would be held in China, with the final date to be advised in due course.

**O. CONVENOR'S CLOSING REMARKS**

46. MAG Convenor thanked all members for their contribution to the MAG3 Meeting. The draft MAG Convenor Report will be drafted and circulated to members for comments before submitting to CTI.