



**Asia-Pacific  
Economic Cooperation**

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2014/SOM1/037anx1

Agenda Item: 2

**Annex 1 - Terms of Reference for the PSU Study on  
Promoting Trade in Products Which Contribute to  
Sustainable Development and Inclusive Growth  
Through Rural Development and Poverty Alleviation**

Purpose: Consideration

Submitted by: CTI Chair

Forum Doc. No.: 2014/SOM1/CTI/004rev2



**First Senior Officials' Meeting  
Ningbo, China  
27-28 February 2014**

## **Terms of Reference for the APEC Policy Support Unit Study**

Submitted by Indonesia

(co-sponsored by China, Malaysia and Papua New Guinea)

### **1. Title**

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Study on promoting products which contribute to sustainable and inclusive growth through rural development and poverty alleviation.

### **2. Aims and Objectives**

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- To build an APEC understanding on products which contribute to sustainable and inclusive growth through rural development and poverty alleviation, based on evidence that is objective and credible.
- To explore how liberalizing and facilitating trade in particular goods could help achieve sustainable and inclusive growth in a way that enhances rural development and poverty alleviation, including those that encourage growth of SMEs.
- To provide recommendations on possible future ways to promote products and/or sectors that will contribute to sustainable and inclusive growth through rural development and poverty alleviation.

### **3. Background**

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At the APEC Ministers' meeting in Bali on 4-5 October 2013, Ministers recognised the importance of additional work to explore trade in goods, which contribute to sustainable and inclusive growth through rural development and poverty alleviation and instructed officials to carry out a PSU study on this topic. The results of the study will serve as references for APEC economies. This followed an Indonesian proposal which was endorsed at CSOM in Bali (2013/CSOM/025rev4) and APEC Ministerial Meeting (2013/AMM/010). Further background is contained in the proposal paper.

### **4. Scope of the Project**

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In line with 2013 Concluding SOM Summary Conclusion and CTI 2013 Annual Report to Ministers, the terms of reference of this study will be finalised by CTI-1 2014 based on the recommendations and specific nominations of interested economies. 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. These Products will be selected only for the purpose of this PSU study and will not prejudice to economies' position in the further work at the CTI.

### **5. Structure of Study**

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Phase I: To analyse products nominated by economies for their characteristics and credentials in contributing to sustainable and inclusive growth through rural development and poverty alleviation in the context of green growth.

Phase II: The products analysed in Phase I agreed by economies will be tested against market conditions in the APEC region. The study will describe current production and consumption patterns and trends, trade flows and market structures for trade in the nominated products as well as factors that impact on the trade supply and demand for the products. The study also describes positive and negative externalities of the product.

Phase III: The exercise conducted in Phase II will be used to formulate recommendations to APEC economies for references. These recommendations will assist in the promotion of products which contribute to sustainable and inclusive growth through rural development and poverty alleviation.

### **Planned Schedule:**

#### **[Phase I]**

##### **Tasks**

The PSU will analyse the products under coverage of the study for their contribution to sustainable and inclusive growth through rural development and poverty alleviation in the context of green growth. The analysis should be based on objective and credible methodology supported by obvious evidence and/or scholarly works/research findings. APEC economies will be given an opportunity to review, comment and challenge the findings of the PSU.

#### **[Phase II]**

##### **Tasks**

The PSU will look into production and consumption patterns, market structure, and factors that impact supply and demand of these products and rural economies. It will analyse the economic and commercial impacts to APEC economies of these products. The study also describes positive and negative externalities of the products. The PSU will make available its methodology for the study.

#### **[Phase III]**

##### **Tasks**

The PSU will provide recommendations for promoting these products

## **6. Key Deliverables**

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The project deliverables shall include:

1. Progress Report – APEC PSU will provide progress report at CTI-2 2014.
2. Final Report – the PSU will aim at delivering final report which comprise elements of reports in line with the tasks described above at CTI-3 2014 .

## **7. Project Management /Administration**

The project will be managed by the PSU.

**8. Timeline**

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<b>Tasks</b>	<b>Delivery Date</b>
Developing Terms of Reference (ToR)	November-January 2013
Finalizing ToR	CTI-12014
Progress Report: Phase 1	CTI-2 2014
Final Report: Phases 2 and 3 included.	APEC CTI-3 2014 (or CTI1 2015 at the latest)

Please note that the above schedule is indicative only. The timeline will be adopted to the ability of the PSU in carrying out the study.

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