

APEC First Senior Officials' Meeting (SOM 1) and Related Meetings

Committee on Trade and Investment: Business Mobility Group

BMG Plenary

Subic, Monday 2 February 2015

MINUTES

Item No.	Agreed Action/s	Responsibility	Due Date	Paragraph Reference
2	Changes to Operating Framework	Australia	Mid-February 2015	2.2
12	RMAS discussion paper	Australia, Thailand and Philippines	31 May 2015	12.5
16	Complete Thailand's Visa Regulatory Survey and Biometrics Surveys and Canada's FAQs Survey	All remaining economies	31 May 2015	16.6
17	Form on-line lodgement working group	Australia, Singapore, Thailand, China, the Philippines and Canada (adviser)	End 2015	17.4
17	Options paper on partial ABTCs	Australia	End 2015	17.4
17	Comments on draft report by Washington Core	All interested economies	16 February 2015	17.17
19	Extension of validity of ABTC to five years	All economies.	31 August 2015	19.37
20	ABTC Programme Management Assistance Project draft paper	Australia, Thailand, New Zealand, Peru	BMG 2, 2015	20.2
21	Comments on API/PNR Lessons Learned Document (US)	All interested economies	31 May 2015	21.4

Glossary of Terms

Term/Abbreviation	Description
ABAC	APEC Business Advisory Council
ABTC	APEC Business Travel Card
APEC	Asia-Pacific Economic Cooperation
API	Advanced Passenger Information
APP	Advanced Passenger Processing
ASEAN	Association of Southeast Asian Nationals
ASF	APEC Support Fund
BMG	Business Mobility Group
CTI	Committee on Trade and Investment
FTA	Free Trade Agreements
FTAAP	Free Trade Area of Asia Pacific
GPA	General Projects Account
GVC	Global Value Chains
ISA	Interconnection Security Agreement
MSG	Melanesian Spearhood Group
RMAS	Regional Movement Alert System
RTA	Regional Trade Agreements
PNG	Papua New Guinea
PNR	Passenger Name Records
SOM	Senior Officials Meeting
SME	Small and Medium enterprises
TFI	Trade Facilitation Initiative
TILF	Trade and Investment Liberalisation Fund
TTI	Trusted Traveller Initiative
WTO	World Trade Organisation

APEC Business Mobility Group

SOM 1 2015

9.00am, 2 February 2015

Venue: The Lighthouse Marina Resort (Lighthouse Drive)

Subic Bay Freeport Zone

MINUTES

- 1. Opening Remarks (Chair) (Standing item)**
 - 1.1 BMG Chair (Mr Peter Speldewinde, Assistant Secretary of Pacific, North Asia, Americas and Europe Branch in the Australian Department of Immigration and Border Protection) welcomed members and thanked the Philippines as the APEC host for 2015.
 - 1.2 The Chair thanked delegates for their valuable contributions and input at the BMG meetings held over the previous three days, they have been able to move ahead in a common direction with respect to the target of furthering travel facilitation for the benefit of business people across economies in pursuance of more efficient flow of goods, services, capital and people as recognised by APEC.
 - 1.3 The Chair confirmed that there is a growing need to improve the APEC Business Travel Card (ABTC) scheme that facilitates the movements of business people. The Chair noted that free movement of people is ensuring that border control authorities are adequately equipped to make better decisions. The Regional Movement Alert System (RMAS) plays a vital role.
 - 1.4 The Chair confirmed that the Philippines and Australia have reached an agreement for phase II of the RMAS and they will sign an MOU and Interconnection Security Agreement (ISA) in the coming days.
 - 1.5 RMAS is an important milestone in border protection initiatives coming out of APEC and for the Philippines.
 - 1.6 The Chair invited all economy representatives for a group photo.
- 2. APEC Priorities 2015 (Philippines)**
 - 2.1 The BMG Chair noted the contribution of Washington Core to the BMG Workshop and the End-to-End Review. The Chair noted that the key point was the issue of the movement to the five year validity period.
 - 2.2 The Chair noted that changes to the Operating Framework would be made in coming weeks.
 - 2.3 The Chair also noted that the average pre-clearance processing times improved from 36 days in 2013 to 19 days in 2014. The Chair noted future possibilities regarding e-lodgement and reducing human touch points through technology; which could reduce pre-clearance times even further. The Chair congratulated all economies for the improvements made.

- 2.4 The Chair noted that as at 31 December 2014, there were over 179 000 active ABTCs in circulation. There were conversations regarding ASEAN sharing a similar type of facility, which would be a medium to longer term goal.
- 2.5 The Chair invited the Undersecretary and the Vice-Chair of the SOM to report on APEC's priorities.
- 2.6 The Undersecretary welcomed the participants to the Philippines where APEC was first hosted 19 years ago and presented the APEC 2015 theme and priorities. The Undersecretary had a four part presentation. The Undersecretary recalled and quoted the 1996 Leaders' Vision for APEC which mentioned that the ultimate objective of their collective endeavour was to enrich the lives of all citizens. This vision still holds true. The 2015 theme is building inclusive economies/building a better world. The focus is on inclusive growth, in which everyone benefits and contributes to the growth process. Most of the definitions about inclusive growth tend to overemphasise the first part; however, the second is equally important. It essentially entails transforming the passive sectors and players of an economy into becoming active contributors of the growth process. Put together, that is the definition of inclusive growth.
- 2.7 Having inclusive growth for the Asia-Pacific community is at the core of this year's agenda. There are four priorities to support it, namely: enhancing the regional economic integration agenda; fostering the participation of small and medium enterprises in regional and global markets; investing in human capital development; and building resilient and sustainable communities. All four are interlinked and mutually reinforce one another in contributing towards the advancement of inclusive and resilient growth to the Asia-Pacific community.
- 2.8 Under the first, regional economic integration agenda, we view economic integration through the lenses of connectivity as well as trade facilitation. We place special emphasis on trade and services and the ease of doing business. All these shall be anchored on three elements: structural reform; financial inclusion; and good governance which all serve as enablers of connectivity and of regional economic integration.
- 2.9 On the second, small and medium enterprises (SMEs), one may ask why they are important. Statistics would show that at least 90 per cent of business entities in most APEC economies are SMEs. In the Philippine setting, it is at least 99.6 per cent. SMEs are labour intensive and they therefore generate a lot of employment. They are sources of innovation and new technologies and they serve as catalysts of inclusive growth and of long term development. They also tend to enhance social integration. The Undersecretary presented a diagram to show SMEs and markets and the barriers between them. The Undersecretary noted that a lot of BMG work entails trade and investment facilitation. How do we link up our SMEs with the global value chains and cottage level SMEs with their final markets? We aim to do this through active trade facilitation, greater access to finance, the technology and capacity building programmes among many other interventions. The objective is to empower them to penetrate most if not all of these barriers to entry, enable them to reach their final markets which will then empower them to contribute more to our economies and contribute towards greater inclusivity.
- 2.10 The third is human capital development under which we envision a skilled and adaptable APEC community manned by quality human resources. APEC has a vision of a healthy Asia-Pacific 2020 and we would like to complement that

with quality human resources that are able to meet the challenges of the 21st century and are therefore able to provide the impetus towards higher competitiveness and sustained growth. How do we intend to do this?

- 2.11 We are looking at five key areas: cross-border education; science and technology education and innovation; 21st century skills training which includes green jobs as well as jobs of the future; health; and matching with industry needs. This basically means helping ensure that what our academe and our training centres produce on the one hand match with what our industries and economies need on the other hand. All told, all five key interventions synergistically blend together to advance the cause of human capital development.
- 2.12 In building sustainable and resilient communities, we are looking at two factors that need to be flagged. First is the increasingly integrated Asia Pacific, the interlinked supply and demand of goods and services which by itself is not a red flag. However, coupled with increasing impact and frequency of natural disasters and health pandemics, both tend to result in increased vulnerability of production and supply chains across borders and also of greater challenges to food security among many other challenges. So there is a greater need and urgency for APEC regional mechanisms and contingency measures to: first, build resilient infrastructure, including energy, transport and health infrastructure; promote risk reduction and management; build SMEs' resilience to disaster; and foster business continuity. The last two points are among the most critical elements of our post-disaster management scenario, post Yolanda. In November 2013, many provinces were hit by Super Typhoon Haiyan. After that disaster, a critical element that enabled some of the communities to move forward towards normalcy and building back better was the immediate provision of livelihood opportunities. So, restoring livelihood opportunities at the earliest instance is critical to any post-disaster management scenario. At this point, may we recap the specific clause as stated by our leaders in 1996, "to improve the standards of living of all our citizens on a substantial basis". This very powerful clause captures the essence of why APEC exists as envisioned by our leaders almost 19 years ago. That vision still holds true today.
- 2.13 Given the context, we would like to aim for a relevant outcomes-oriented APEC 2015 Leaders' Declaration that is a bold goal and we would like to invite the members present to join us in this journey. We would like to invite all our leaders to sign a declaration that they can be proud of and will benefit their constituents. The question is how to get there. The answer lies within the powers of all meeting participants. We can come up with a clear, relevant and measurable set of APEC 2015 initiatives. What do we mean by this? May we offer the following elements of an outcomes-oriented APEC initiative? First, regarding relevance; initiatives ought to lead to tangible results that are beneficial to Asia-Pacific communities and its peoples. Second, there is measurability, which has three indicators: quantity; quality; and timeliness (the QQT indicators). Third is the baseline and milestone. This is what is missing in a lot of key APEC initiatives, the starting point and the annual accomplishments leading to the end result. In simple terms, using points A, B and C: point A is where we are, the starting point; point C is the intended end result; point B is the milestone leading towards the end result. All three points combined will make an outcomes-oriented APEC initiative that will have enduring results.
- 2.14 The presenter provided examples of key APEC targets compiled by the APEC Secretariat. The first is 10 per cent improvement in APEC supply chain performance by 2015 in terms of time, cost and uncertainty, using 2009 as a

base. It is quite compliant with the three measurability indicators, as well as the baseline. Ten per cent improvement in supply chain performance is the quantitative target. By 2015 is the timeline. The qualitative indicator is in terms of time, cost and uncertainty. The base year is 2009. If we were to further enhance this already good initiative, we can perhaps add a clearer baseline and milestone, points A and B. Why is the baseline not clear enough? It does not tell us where we were at the time this initiative was started. Also, there are no clear annual milestones leading to 2015. So this lacks points A and B.

2.15 The second example is the aspirational goal of increasing forest cover in the region by at least 20 million hectares of all types of forests by 2020. This is quite compliant with all three measurability indicators of quantity, quality and timeliness. Twenty million hectares is the quantitative target. All types of forest is the qualitative indicator. The timeline is by 2010. If we were to further enhance this, we would perhaps add the same, points A and B. What was the situation at the baseline or the starting point? And the annual milestones leading to the end result which is 20 million hectares by 2020. So all this would hopefully guide the work of this working group which is very important in facilitating trade and investment. These examples are just gentle reminders.

2.16 The Chair thanked the Philippines for the presentation.

3. CTI Priorities for 2015 (Chair / All Members)

3.1 The Chair welcomed John Larkin, the Chair for the Committee on Trade and Investment (CTI).

3.2 The Chair of the CTI gave a brief overview of its priorities for 2015 and how the BMG can contribute to and support those priorities and help advance APEC's work programme more generally. The CTI wants to make this a two-way dialogue and is interested in feedback from the BMG. There are four main priority areas this year. First is support for the multilateral trading system and the World Trade Organisation (WTO). Second is advancing regional economic integration. Third is strengthening connectivity and infrastructure development, in which the BMG has a very central role. Fourth is regulatory cooperation and contribution to cross-cutting mandates.

3.3 The CTI noted that 2015 is a year in which the WTO is hosting a Ministerial Conference in December in Africa. APEC has always shown strong leadership in supporting the WTO. Ministers and leaders will be looking to send strong signals of support. Three key areas of focus for APEC are: encouraging economies to ratify domestically their obligations under the new WTO trade facilitation agreement; secondly, efforts to spur the information technology agreement negotiations and bring them to a swift conclusion; thirdly, our efforts to implement our commitments under the environmental goods list of 2012, which will help boost the WTO negotiations on that subject.

3.4 On regional economic integration, the CTI highlighted two areas where the BMG could play a helpful contributing role. Firstly, last year leaders agreed on actions to advance the Free Trade Area of Asia Pacific (FTAAP). There are three key areas of action there: firstly, to intensify information sharing on Free Trade Agreements/Regional Trade Agreements (FTA/RTA) outcomes, which will include a dialogue at the SOM 3. The CTI has been encouraging sub-fora to make presentations and share information on FTA/RTA outcomes in

member economies in your topic areas. The Customs Committee would look at customs, Investment Committee with investment. The BMG could play a role as the movement of natural persons is a very topical and often contentious issue in FTA negotiations. The idea of these presentations is to identify WTO plus outcomes, innovative approaches with a view to building up support for a high quality comprehensive FTAAP. Economies should be encouraged on a voluntary basis to share the outcomes of their FTAs in the BMG area. Secondly, a big piece of work is the development of a collective strategic study on issues relating to FTAAP. This will be drafted this year and next year based on terms of reference to be agreed at the trade minister's meeting. The CTI has set up a task force which includes 20 of the 21 economies. This task force will look holistically at the impediments to trade and investment and how FTAs have addressed those, what are some of the challenges and difficulties of bringing an FTA into being and of course the movement of natural persons is a key area.

- 3.5 The CTI touched on a big outcome from Beijing in 2014, which was the APEC Strategic Blueprint on Global Value Chains. The Global Value Chains (GVCs) are at the heart of the APEC region in many sectors: agribusiness, autos, textiles, ICT and electronics. The CTI is looking at impediments to facilitate the more efficient and effective functioning of GVCs. Again the movement of people is a critical area. One of the work streams is trade and investment barriers led by the United States, also trade facilitation led by Singapore. There are opportunities to feed in views and contribute to that work programme to the extent that people movement helps.
- 3.6 The CTI Chair then talked about its work on connectivity. It has a range of target and capacity building to address supply chain chokepoints. This is aimed toward trade facilitation and improving customs procedures and is informed by the APEC Alliance on Supply Chain Connectivity.
- 3.7 The CTI Chair noted that regulatory cooperation is a very important part of its work and feeds into the Connectivity Blueprint to institution connectivity. The CTI is doing a lot of work with the Economic Committee to address behind the border barriers and good regulatory practices.
- 3.8 Finally the Chair CTI discussed its contribution to APEC cost-cutting mandates. There are the Filipino priorities; investing in human capital development is an important focus for the Philippines, also SMEs and services. They are looking to develop with APEC economies a Services Cooperation Framework and again the movement of people is front and centre of services. This is something CTI will be looking to contribute to and the BMG may have views on.
- 3.9 In connectivity, the ABTC figured prominently in the Connectivity Blueprint. One of the targets is to increase the number of ABTC holders and to strengthen the efficiency and effectiveness of the scheme. The CTI is particularly interested in proposals to extend the validity period of the ABTC from three to five years and the CTI reflected the aspirational date of 31 August 2015 in the CTI Chair Annual Report of 2014. The CTI encouraged all members in their efforts to meet that target. This is a very important outcome for business. ABAC is very strongly supportive of it. It would be a great outcome to report to ministers and leaders at the end of the year. It is linked to the broader End-to-End Review and management of passport changes. It is all part of a big package. The CTI noted the BMG was a high profile committee and doing good work. The CTI noted one of the great

success stories of APEC is the ABTC. The CTI welcomed any views, feedback or concerns.

- 3.10 China thanked the CTI Chair for a very informative briefing and had a quick question. The CTI mentioned the ABTC falls into the Connectivity Blueprint. China wondered if there was anything special the CTI was expecting of the BMG at this stage.
- 3.11 The CTI has to report to senior officials at the end of the year on how the CTI and its sub-fora (the BMG) are progressing against the Connectivity Blueprint and on targets. The CTI hopes to be in a position to report through the BMG Chair or with their cooperation on any increase in the number of ABTC holders and how and what decisions have been made in terms of improving the effectiveness and efficiency of the ABTC scheme. Those are two of the specific and concrete targets mentioned. Senior officials are very interested in progress in the transitional members, Canada and the United States and how they are tracking towards full membership. As mentioned earlier, there is a lot of interest in the validity period and the aspirational date. There was mention of efforts to extend the validity period in the Minister's Statement last year in Beijing. Those are all reporting points for which the CTI is particularly interested.
- 3.12 The Chair noted that the End-to-End Report was discussed extensively in the past four days, including a very useful workshop with Washington Core. There were very fruitful series of bilateral discussions with a majority of the economies. There is a considerable amount of enthusiasm and willingness to go forward with the aspirational date. The Chair noted that the group had heard from the Australian representative that the passport changes are in hand. A number of papers have been commissioned on aspects including better use of technology to increase the efficiency of our processes and to automate them, to try to reduce the number of human touch points in the process. There is agreement to form a Technical Working Group, so the aspirations of this particular working group is that those papers will be produced and circulated widely for consideration and comment. While the Chair will make a more detailed report to the CTI, it is clear that the BMG is very engaged.

4. BMG Goals for 2015 (Australia / All Members)

- 4.1 The Chair noted that the APEC Secretariat had distributed a paper proposing the goals for 2015. The Chair then invited Australia to speak to this item.
- 4.2 Australia noted that the BMG Goals for 2015 have been circulated to all economies. The goals tie into the CTI priority of strengthening comprehensive connectivity and infrastructure development. Most importantly, Australia encouraged members to maintain the momentum for extending the validity of the ABTC from three to five years. Australia also reported that funding had recently been approved for two projects proposed by Australia. One is to provide ABTC Programme Management Assistance. The other is to enhance the ABTC system to better handle passport changes. Australia encouraged the BMG to endorse this paper.
- 4.3 The Chair thanked Australia, queried whether there was support for the BMG Goals of 2015 and invited comments from members.

- 4.4 Indonesia noted that there was a reference to RMAS in the goals, but noted that up to now, few economies have announced joining RMAS. Indonesia suggested that if RMAS was included in the goals, it should not be a priority.
- 4.5 The United States noted there was a reference to continuing to work collaboratively on projects identified under the Trade Facilitation Initiative (TFI), including the Trusted Traveller Initiative (TTI), but noted this matter was dealt with at SOM 3 Beijing 2014. If there were no further initiatives in 2015, regarding the TTI that it either be removed from the goals or Advanced Passenger Information/Passenger Name Records (API/PNR) put in its place as there was active work remaining.
- 4.6 The Chair noted there was support for the changes proposed by Indonesia and the United States and indicated the necessary changes would be made to the BMG Goals.

5. Minutes of Previous Meeting (Chair)

- 5.1 The Chair noted the Plenary's endorsement of the Minutes of the Previous Meeting from SOM 3 Beijing 2014.

6. Update from APEC Secretariat (Program Director)

- 6.1 The Chair invited Mr Pangeran Ibrani Situmorang, the Program Director, to report on developments within the APEC Secretariat.
- 6.2 The APEC Secretariat noted the 2014, APEC Leaders' Declaration, the Beijing Agenda for an Integrated, Innovative and Interconnected Asia-Pacific. One of the key points was the FTAAP and the Beijing Roadmap for APEC's Contribution to the Realisation of the FTAAP. The Leaders also noted the issue of connectivity. The Leaders encouraged all member economies to promote the mobility of business personnel, tourists, researchers, students and labourers in the region. Under the Connectivity Blueprint, endorsed in 2014, the Leaders committed to continue expanding the number of ABTC holders and to improve the efficiency and effectiveness of the ABTC scheme. The direction of Leaders is clear regarding the ABTC scheme. The Leaders envisioned more student movements; by 2020, aspire to achieve one million student exchanges. In tourism, the Leaders agreed to make efforts to achieve 800 million APEC tourist arrivals by 2025.
- 6.3 The APEC Secretariat has also been engaging with external stakeholders. Since 2012, there has been interest in the ABTC scheme from external organisations. This includes the Common Market for Eastern and Southern Africa in 2012 and the Indian Ocean Rim Association (IORA) in 2013. In 2014, there were similar inquiries from the Developing 8 Secretariat. The ABTC is becoming a model for other organisations. In late 2014, there was communication from the ASEAN Secretariat which raised questions about the ABTC. They might have plans for a similar scheme. There were also enquiries from the Melanesian Spearhead Group. The APEC Secretariat tried to approach the Convenor and the relevant member economies. The APEC Secretariat is providing publically available information.
- 6.4 The APEC Secretariat also received ABTC enquiries from applicants and holders, who are advised to contact the relevant authorities. Issues raised involve access to the ABTC lanes and establishing contacts with ABTC authorities.

- 6.5 The APEC Secretariat has been working closely with Australia which is overseeing two projects. The deadline for project submission is 27 February 2015.
- 6.6 The Chair thanked the APEC Secretariat, whose report was accepted without comment.

7. Updates on APEC Project Management (Program Director)

- 7.1 The Chair invited Mr Pangeran Ibrani Situmorang, the Program Director, to provide an update on the APEC Project Management process divided into two parts. First was the overall situation of the Project Management. There are new developments; the Operational Account was renamed the General Project Account. From this year, there will be a funding cap for projects funded by the APEC Support Fund (ASF), General Fund and Trade and Investment Liberalisation Fund (TILF). For the APEC Support and General Funds, it will be (USD) \$150 000 and for the TILF, it will be (USD) \$100 000. This cap does not include the co-funding elements from proposing economies.
- 7.2 There are new procedures for the ASF supply chain connectivity. The BMG is part of the supply chain connectivity issue. There are new requirements for tighter management such as alignment to the WTO's facilitation rules. For capacity building plans, the capacity has to be specified. What is proposed to be built with this fund? This is a fresh fund established in 2014. We are not yet able to continue with the multi-year projects. We are still reviewing from 2013 the results of our multi-year projects. Once a decision can be reached, the BMG will be notified.
- 7.3 In 2014, out of 224 proposals, 69 projects were approved. Nine million (US dollars) was granted out of over \$26.6 million requested, which is 30 per cent.
- 7.4 The overall funding available in Session One 2015 is 6.6 million (US dollars) and the deadline is 27 February 2015. For bigger projects, such as the passport management changes, we tap into the General Projects Account (GPA), which has no cap. For capacity building, normally we go to the ASF, which is intended to help build capacity especially for developing economies. The ASF has some sub-funds under which the BMG can compete for future BMG projects.
- 7.5 The APEC Secretariat can be contacted regarding preliminary ideas for projects and can provide guidance to newcomers to the project system on how to develop concept notes. The concept notes must be circulated among the BMG for comment and input before they can be further processed. Ideally, the concept notes should have been circulated by the 20 February 2015 to allow sufficient time for intersessional discussion.
- 7.6 The Program Director moved on to the second part of his presentation; the issue of concept notes prioritisation and ranking. The former process is more qualitative. The new process has more quantifiable measures for scoring to make the process more systematic and standardised. There are four criteria for scoring: the forum alignment, that is how is the project aligned to the BMG's goals; how it relates to the economic priorities of the assessor economies; how the project relates to the annual APEC host economy's priorities; and the quality of the concept notes. The priority is now based on an automatically ordered scoring system. The BMG will have a say on how

the CTI assesses the project, which is a new introduction to the system. A copy of the scoring system will be available in the APEC database.

- 7.7 The Chair thanked the Program Director and reiterated the need to submit the concept notes quickly. Some economies are considering the possibilities of projects for the coming year. The Chair urged members to use the services of the Secretariat to help develop the concept notes particularly with the new system of scoring and structuring the notes.

8. Document Classification Endorsement (Program Director)

- 8.1 The Chair then invited the Program Director to provide an update on the document classification endorsement system.
- 8.2 The Program Director invited members to have a look at the document classification endorsement system and noted there were 13 documents. The Program Director invited comments as to whether the documents should be for public release. At present, six of the documents are for public release for information purposes. The remaining documents have been restricted for members only.

9. APEC Business Advisory Council (ABAC) Report

- 9.1 The Chair invited Ms Mika Takahashi, the representative of the APEC Business Advisory Council (ABAC) to brief BMG members on key developments or intersessional work undertaken by ABAC. The Chair noted that ABAC remains one of the BMG's most critical stakeholders and that it is important that both ABAC and BMG member economies have been able to exchange views.
- 9.2 The ABAC representative noted that ABAC has been a very big supporter and major beneficiary of the ABTC scheme. The representative pointed out processes whereby the ABTC could be made more efficient and how ABAC could work towards improving ABTC processes. First, the representative outlined ABAC's recommendations in the previous year, before the agreement to extend the validity period from three to five years. The ABAC communicated with the BMG and participated in the Washington Core interviews and surveys for the End-to-End Review. The ABAC representative was pleased regarding two developments; one is the transition economy status and the other is the extension of the card validity period. The End-to-End Review highlighted three common concerns; first is the time required to receive pre-clearance approval from all 19 economies with the average processing time around three months with lengthier wait times of up to one year; the second concern was the redundant renewal process: and outdated application procedures.
- 9.3 The End-to-End Review made recommendations regarding technology and organisations. Technology issues are important in that online ABTC lodgement would help to reduce the ABTC staff workload. Although each economy must first overcome a number of technical and budgetary challenges, technological advances can modernise the ABTC. Based on feedback, ABAC has determined that both administrators and clients would welcome an online ABTC platform. Steps needed to be taken for online lodgement are feasible. Member economies first need to determine what data needs to be collected as part of a platform and the cost estimate.

- 9.4 In conclusion, while ABAC acknowledges that overcoming technological barriers will allay concerns of administrators and clients, ABAC awaits a concrete proposal regarding easily accessible online lodgement on the BMG website. This would reduce the workload and ease the renewal process. The ABAC representative thanked the volunteer Group of 5 plus 1 examining the structuring of online lodgement. At the upcoming ABAC 2 and ABAC 3 meetings this year, ABAC could make further recommendations and proposals regarding this matter.
- 9.5 The Chair thanked the speaker and invited questions or comments. A further ABAC representative made supplementary comments.
- 9.6 The BMG members were informed that as of ABAC 1, the Connectivity Working Group was newly created, structured around the APEC Connectivity Framework. One of the key parts of the Connectivity framework and the Connectivity Working Group will be people-to-people connectivity. The ABTC work and travel facilitation are key components of that.
- 9.7 The Chair thanked ABAC and noted that the Group of 5 plus 1 will be developing its thoughts in consultation with all key stakeholders, including ABAC.

10. Update on the APEC Travel Facilitation Initiative (TFI Steering Council / United States)

- 10.1 The Chair noted that the APEC TFI was endorsed by senior officials in 2011. It outlined a number of different elements for APEC sub-fora to facilitate air travel in the region. Two key interests to the BMG relate to identifying characteristics of trusted traveller programs and also advanced passenger information systems. The Chair then invited the United States to present its progress on this item.
- 10.2 The United States noted that the TFI was launched in 2011 to expedite the movement of travellers across the Asia Pacific region with the goal of making travel easier, faster and more secure. The TFI is coordinated by a steering council, represented by a coordinator and representatives from five APEC sub-fora: the Counter-Terrorism Working Group, the Tourism Working Group, the Transportation Working Group, the Sub-Committee on Customs Procedures and the Business Mobility Group. The TFI includes six pillars: the Airport Partnership Program; the ABTC; Trusted Traveller; Air Passenger Security Screening, API ; PNR; and Checked Baggage Facilitation. As the BMG is heavily involved in several of these pillars such as the Trusted Traveller, API, PNR and the ABTC, this presentation will only update the Airport Partnership Program.
- 10.3 In 2013, the Transportation Working Group conducted a survey in an effort to: identify a current sister city airport programmes; identify potential partners and stakeholders; and review the scope of such partnerships.
- 10.4 In 2014, the Tourism Working Group developed an APEC project proposal to identify a small pilot group of airports to work with experts across the APEC region to develop and showcase best practices in facilitating travel, providing a welcoming environment for travellers and building capacity on the efficient and secure processing of travellers. The project is currently seeking funding and plans to begin in the second half of 2015.

- 10.5 The United States also reported that the TFI Steering Council is looking to undertake a 2015 assessment on the TFI and would appreciate any thoughts from the BMG to ensure that the priority pillars are still being targeted for the work streams and how to improve any coordination. The United States will also be seeking a two year extension of the TFI Steering Council's mandate this year to match the mandate of the TFI itself which runs until 2017.

11. "Enhancing the ABTC" Working Group Report (Australia)

- 11.1 The Chair invited Australia to provide a report on the outcome of the "Enhancing the ABTC" Working Group meeting.
- 11.2 Australia provided a brief update on some of the items raised and key outcomes during the Working Group meeting. In relation to the Client Service Framework at the ABTC Working Group, Canada presented the final results of the 2014 Client Service Framework survey. Canada thanked economies for their contributions to the survey and noted that it would continue to accept submissions to the survey, should any remaining economies wish to contribute. Canada will provide a further update on its progress with the Client Service Framework at agenda item 15 today. In relation to Canada's intersessional work on Frequently Asked Questions, this will be distributed to economies for completion and Canada will report back the final results of the survey at SOM 3. In relation to the Visa Regulatory Survey, Thailand provided an update on its progress with this survey and it will provide a further update to the group at agenda item 17. Australia thanked Thailand for its work on this project. Thailand encourages all those economies who have not yet responded to the survey to do so by May, so that Thailand can circulate a draft intersessional report on its findings in July. This will support discussion against this item at SOM 3. Australia provided an update to the ABTC Working Group on the End-to-End Review and outlined that a further opportunity to determine next steps would be discussed at the BMG Workshop. A more comprehensive update on the End-to-End Review will be provided by Australia at agenda item 18. Australia will also outline the preliminary outcomes from the breakout groups that were held. In relation to the ABTC Handling Passport Changes project, Australia provided an update and will reiterate this update at agenda item 19. The Systems Change Project is on track and will be resolved prior to SOM 3. Regarding the extension of the validity of the ABTC, Australia provided an update on progress and the Chair will provide members with a further opportunity to consider this at agenda item 20. Regarding the ABTC Programme Management Assistance Project, Australia provided an update on progress with the project and a further comprehensive update will be provided at agenda item 21. This is aimed at improving awareness of best practice throughout the APEC region in relation to administration of the ABTC and is consistent with the objective of improving the Client Service Framework. The purpose of this item is to outline to the Plenary the items ahead so people can reflect and prepare their thoughts in advance for more substantive discussion of those items throughout the day.
- 11.3 The Chair thanked Australia for its report.

12. Regional Movement Alert System (RMAS) Management Board Report (New Zealand)

- 12.1 The Chair noted the increased level of interest in RMAS and invited New Zealand to provide a report.

- 12.2 New Zealand reported that the RMAS Management Board meeting was attended by eight economies. The main points arising from that meeting are as follows: as already noted, the Philippines has significantly progressed their application and interest to join RMAS and will be signing a Memorandum of Agreement in coming weeks. They will then be moving on to a Stage 2 development phase in the near future. New Zealand requested that it be noted that their RMAS involvement insofar as requesting to the RMAS system will be changing in the coming months. However, they will still be fully supportive of RMAS and will be responding to all requests from economies for information in relation to passport validity. Australia reported that there is strong ongoing interest from several economies, notably Malaysia and Thailand, and that they will be following up further with these economies. Other economies at the meeting expressed interest in RMAS and there will be follow up communication with those economies.
- 12.3 There has been a significant piece of work in progress which is the 'Guide to the RMAS'. This is a communication package prepared by Australia and had been circulated intersessionally with economies for feedback. Australia announced that the Guide was tabled at the RMAS Management Board and would await some final comments from members in the next month.
- 12.4 Discussion then covered the future of RMAS. It was noted RMAS has been operational for ten years. In alignment with the vision statement in the *Guide to RMAS*, it is necessary to look to the future regarding future development and use and direction. The discussion noted that RMAS is a very good application in itself and could be applied to other aspects of APEC work and in particular the movement of goods between economies. It was also noted there could be opportunities to join with other databases from RMAS and the application could possibly have a wider use than its current purpose. Australia has offered to lead by preparing a discussion document and there will be opportunities for other economies to contribute and it will be raised for discussion to look at the future of RMAS.
- 12.5 The Chair thanked New Zealand for its report and noted that Australia, the Philippines and Thailand would be preparing the discussion paper. The aim is to circulate something for consideration and comment by the end of May. The Chair then invited questions or comments.
- 12.6 Malaysia added that since the RMAS meeting, it had been having a lot of technical discussions with Australia from June to October involving teams from both countries including the vendors. Malaysia stated that it is fortunate to have a Proof of Concept (POC) arrangement that involved one immigration counter at arrival and also on departure for two weeks. Malaysia was impressed by the POC arrangement and activities. It was very easy, just a 'plug and play'. The system ran smoothly, without any problems and matched Malaysia's system. Malaysia is planning to have a conciliatory report to move to the next step. Malaysia expressed its appreciation for the support of APEC and that RMAS is a main agenda item and hoped to have RMAS as soon as possible.
- 12.7 Australia was encouraged by Malaysia's remarks and added the comment that in working with the Philippines to build this system, Australia was also impressed by how well RMAS works and how easy it is to implement.

13. Transitional Members' Reports (Canada, United States)

- 13.1 The Chair then moved to transitional members' reports and noted that under the ABTC Operating Framework, the opportunity is there for transitional members to report on their progress towards full membership of the ABTC scheme BMG. The Chair then invited Canada and the United States to present their reports.
- 13.2 On behalf of the Canada Border Services Agency, which administers the issuing of the cards, Canada updated that since the last BMG in Beijing, where it was announced that the pilot had been launched in June 2014, that Canada has received nearly 300 applications, and at last count, has approved 187 cards with an additional 80 that were awaiting final approval. Only three had been denied since the beginning of the pilot project. Canada is pleased with these developments. Canada has been working to have proper information on its website for Canadians who are seeking the card. There have been some referrals to individuals overseas who had access through its site. Canada referred them to either the main ABTC website or to other sources of information. This also applied to certain dual citizens living abroad wanting to apply. Since the launch of the pilot, Canada continues to receive these enquiries and continues to offer expedited processing for foreign ABTC holders at its eight major international airports across the country. As a transitional member, Canada does not participate in the pre-clearance process and therefore does not have any economies listed on the reverse side of its card. To date, Canada has not received any issues or concerns from its members. Canada continues to appreciate and seek cooperation from other economies.
- 13.3 Canada's representative from its immigration agency announced that on 1 January 2015, Canada lodged express entry, something that Canada had been working on for some time. It is an active recruitment model for economic immigration, based in some part on Australia's long running Skill Select. Express entry is Canada's new electronic system for managing the intake of economic immigration applications submitted on or after 1 January 2015 for the following programs: the Federal Skilled Worker Program, the Federal Skilled Trades Program, the Canadian Experience Class and a portion of our Provincial Nominee Program. This new system will be a required first step for foreign nationals looking to immigrate to Canada under these programs. Canada sees Express Entry as a major step forward in the transformation of Canada's immigration system into one that is fast, flexible and focused on meeting Canada's economic and labour needs.
- 13.4 The Chair thanked Canada and invited the United States to speak.
- 13.5 The United States stated that it had been accepting applications since June 2014, averaging approximately 1 000 applications per month. At present, there are over 6 200 cards in circulation. Another 1 700 applications have been conditionally approved. Conditionally approved applications only require an interview and the acceptance of a signature for the production of the card. The United States is very happy to be a part of this program.
- 13.6 The United States noted some points previously brought up by Indonesia regarding the quality of the card, the three to five year validity period if it is raised and the durability of the card. The United States is also concerned about these matters. The United States stated there might be an opportunity to address the issue of updating the card, whether with enhanced security

features, better card security stock or an RFID chip. This might be of value to all economies for security and integrity of the card.

- 13.7 The United States provides ABTC holders the possibility of expedited visa interviews at all embassies and consulates around the world. The United States also provides access to the expedited lanes. Right now, the United States has had some concerns from some cardholders that they are not being allowed the opportunity to use the APEC lanes in all economies. The United States thanks those economies who have provided that opportunity and is slightly concerned that some of the economies have not notified all of their frontline people that these are valid cards for entry into the APEC fast lane. The United States once again thanked those economies who had provided that information and would encourage those other economies that may not have to go ahead and advise them pursuant to the ABTC Operating Framework that all cardholders should be able to access those APEC fast lanes. The United States noted that Thailand had a report noting the same issues.
- 13.8 The Chair endorsed the comments initially made by Indonesia and now by the United States. The Chair noted that in moving forward, we need to maintain a balance between facilitation and the integrity and security of the economies and the people who travel between them. The Chair urged all economies to ensure that the front line border personnel are kept fully aware of developments particularly around eligibility of cardholders for access to the fast lanes. It is important that all border posts be kept up-to-date.
- 13.9 The United States added that all of its business travellers had been very happy with and excited about this program. While these issues have arisen, they have been minor to a great extent. However, applicants pay for these cards and expect to get the benefits. Since the United States does not participate in the pre-clearance process, the only real benefit is the fast lanes. The United States realises that the back of the card is different from that of fully participating members. However, the business community at large is very excited about the program and the United States is happy to continue with it.
- 13.10 The Chair thanked the United States and invited questions or comments.
- 13.11 The ABAC noted a general point about the card regarding the importance of being clear and consistent. ABAC anticipated that under the Connectivity Framework that there will be requests for new types of cards coming quite soon. Clearly the one template from which we have to work is the ABTC. There will be differences between, for example, an Overseas Worker Card or a Student Card, both of which are being discussed, but the ABTC template will be used as a reference. Second, a practical question is in relation to the thousands of Americans or Canadians living in Hong Kong or Singapore and other cities in the Asian part of the Pacific, who are anxious to have cards. Would they have access to the process or do they have to physically reside in the United States or Canada?
- 13.12 The United States stated that American applicants do not necessarily have to be residents of the United States to apply for the card and there have been some outreach projects, such as in Singapore which have mobile enrolment programs for the trusted traveller for global entry and they are given the opportunity to apply for the ABTC as well.
- 13.13 Canada indicated that it is the same process and Canadians abroad may apply. Canada is not aware of the details, but has to check to confirm whether

they have to come to Canada for the final signature and approval. Canada believes that is the case but will check and confirm.

- 13.14 The United States indicated that it is the same for them. They have to return to the United States for the final enrolment process for the ABTC.

14. Economy Reports (all members)

- 14.1 **Chile** proposed to discuss the topic of Border Management. A Chilean government department is in charge of the control of all the borders, that is to say the immigration counter. To do this duty, police officers use many different systems which are constantly updated. One of them is the Biometric system which is online with another database called National Identification Civilian History Department where one can find information about Chilean citizens and foreigners who reside in Chile. The other one is called *Residentes*, in Spanish, which is a database with information on foreigners residing in Chile, including personal information, job information, relatives' addresses and so on. Also, there is an institutional system called Hippo, which contains information on foreigner arrest orders pending or if they have been jailed in Chile, as well as for Chilean people. As police officers, we constantly receive training in different matters in relation to immigration, for example training in document examination techniques. Finally, Chile has not implemented the Advanced Passenger Information System yet. Chile will instruct the person in charge of this matter to send the information required.
- 14.2 The **People's Republic of China** noted that the Ministry of Foreign Affairs is in charge of processing applications from China as well as other economies. Meanwhile, the Ministry of Public Security is in charge of the border control service. By the end of 31 December 2014, China has processed 322 000 applications from other economies. China noted that, as at two days ago, all applications had been processed within 21 days, which is required by the ABTC Operating Framework. That is an increase of 20 per cent over the year 2014. Domestic applications amount to 42 000 by the end of 2014, which is a nine per cent increase from 2013. The past year saw two major changes in China. One was the interim ABTC, a measure of publicity for the ABTC. China took advantage of the APEC meetings in the country in 2014 and had a lot of publicity through television as well as WeChat which is now very popular in China. China has seen the success, especially with interviews by CCTV; it gained a lot of popularity along with ABTC. Another major event which happened regarding the ABTC in China was the completion of the implementation of Chinese based e-lodgement. This really increased efficiency. However, China is not satisfied yet. China is hoping that with a new platform, it could provide better services to cardholders and applicants. China invited colleagues from the Ministry of Public Security to report on some new measures.
- 14.3 The People's Republic of China's Ministry of Public Security introduced the facilitations done in fast gate entry for ABTC holders. In 2014, 219 000 ABTC holders entered China. This was an increase of 15 per cent compared to 2013. In order to facilitate the cardholders to enter the country, China has introduced three new measures. The first is that all ABTC holders can go through special channels for immigration inspection, including with cards issued by the United States and Canada. The cardholders can go through the special channel without the issuance of pre-clearance 'letters' on the back of the card. The second measure is that if an ABTC holder enters China and loses the ABTC in China, they can leave China with just a valid passport for the border clearance and they do not need to apply for a visa or have extra

procedures. The third is that if a cardholder enters China and has to stay in the country more than 60 days, due to medical or emergency business reasons, the Ministry of Public Security can issue a 30 day stay permit.

- 14.4 There is further enhanced application of the e-channels. In recent years, China's immigration inspection department has sped up to build the e-channels. There are already 572 e-channels in 31 ports. By 2014, the e-channels inspected 177 million people. China's e-channel has two gates, which adopts face and fingerprint recognition techniques. It takes each passenger 10 seconds to go through an e-channel.
- 14.5 On 22-23 May 2014, China held the first international immigration inspection forum, which was attended by 76 delegates from 31 countries, regions and international organisations. In this forum, all the participants reached agreement and approved the immigration inspection service standards which were raised by China. It proposed 13 standards in the service environment, service image, professional qualities and border clearance service aspects. China will endeavour to provide a more professional, efficient and friendly border clearance service for all economies.
- 14.6 Hong Kong China indicated the Immigration Department of the **Hong Kong Special Administrative Region** is responsible to process ABTC applications. The ABTC scheme has been implemented in Hong Kong China since May 1998, to enhance the mobility of business travellers among APEC economies and to promote business within the region. The ABTC is normally available for three years and good for multiple visits of 60 days without need for a visa if preclearance has been granted. Cardholders, regardless of whether Hong Kong has granted preclearance, may use Hong Kong resident counters with appropriate signage on arrival and departure at control points. Where preclearance has been granted by Hong Kong, cardholders will also enjoy streamlined immigration clearance. At the point of immigration examination in Hong Kong, the cardholder should present their ABTC and passport in order to enjoy the facilitations. On behalf of Hong Kong China, in the year 2014, 9 063 home applications and 46 240 requests for foreign preclearance were processed. The majority of these applications had been processed within timeframes set out in the ABTC Operating Framework. Hong Kong China will remain supportive and participative of further development of the ABTC scheme as well as BMG objectives as a whole.
- 14.7 **Indonesia** congratulated the Philippines government on hosting SOM 1 in APEC 2015. Indonesia reported the latest development of its passport program which started in 2011 which initiated the use of the e-passport as its travel document. The e-passport was introduced in accordance with the policy of enhancing travel documents. Compared to 2013 and 2015, there is an increase of 96.8 per cent in the use of e-passports for Indonesian citizens. Additionally, Indonesia recently issued a new template for non-e-passport travel documents which is considerably different from former templates which are no longer used. Indonesia further reported that during 2013, 1 181 Indonesian ABTC applicants were received. During 2014, Indonesia received 1 192 Indonesian ABTC applicants. This shows enthusiasm for business travel using the ABTC is increasing.
- 14.8 In relation to initiatives in border control management, automated gates have been deployed in two major airports, in Soekarno-Hatta Airport, Jakarta and Bali Ngurah Rahi Airport, Bali. Now it has been added in Surabaya International Airport, Surabaya, Batam Centre seaport and Kuala Namu Airport in Medan, Batan. For training in document examination,

Indonesia continues to conduct several joint training activities with neighbouring APEC economies regarding advanced passenger information. Indonesia is currently working together with Indonesian Customs to develop advanced passenger information and a passenger name recognition program. Additionally, regarding border control management systems, Indonesia reports that during 2012-2013, it installed border control management systems in 70 immigration checkpoints; with 31 border control management systems and 39 mobile units. This border control management installation has covered 95 per cent of the entry points and immigration flows to and from Indonesia, understanding Indonesia is an archipelago state and covers 205 checkpoints, traditional seaports and airports.

- 14.9 Indonesia then briefly described its movement records. In 2014, there was an increase of 5.86 per cent in arrivals, an increase of 6.3 per cent in departures, to 11 625 095 arrivals and 17 147 835 departures. Indonesia wished to encourage all member economies to work together towards our original cooperation in immigration management. By having strong regional cooperation among member economies, effective migration management can be promoted, with secure travel facilitation for travellers and protect member economies from transnational crime.
- 14.10 **Japan** is now consulting to change its internal requirements for Japanese ABTC applicants. Japan would like to have advice in the future in relation to other member economies' requirements. In addition to that, Japan presented a short report about the Japanese immigration administration in recent times. In relation to the Passenger Name Record, the Japanese government amended its immigration control act last year. Since 1 January 2015, Japanese immigration inspectors can request the PNRs be reported before the plane arrives in Japan. Regarding management of foreign nationals working in Japan, the amendment of the Japanese immigration control role is that foreign nationals will be able to engage in the management and operation of Japanese-owned companies after 1 April 2015.
- 14.11 **Korea** stated that it issued 10 000 ABTCs for Korean nationals and pre-cleared around roughly 61 000 overseas applications in 2014. The number of cards issued in Korea has been increasing every year by about 20 per cent. The average time for Korea to pre-clear foreign applications is seven working days. It takes Korean foreign nationals about three months to get their ABTCs including the procedure for pre-clearance by other economies. Korea developed an online ABTC application system in October 2014 with the investment of 100 000 US dollars. Now it is being run as a pilot program. In addition, Incheon International Airport, Seoul constructed new additional passenger tracks for transit passengers in October 2014, so ABTC holders will be able to use new fast track counters from the second quarter of 2015. The time needed to go through security checks and passenger control will be expected to be cut down by 50 per cent. Other than ABTC, Korea made a visa waiver agreement with China for diplomatic official passport holders and also agreed with the Entry Bureau of China to study visibility for the co-use of immigration gates at the airport.
- 14.12 **Malaysia** stated that for 2014, it could see significant increase in ABTCs. Malaysia foresees this will bring a huge challenge in the near future. In 2015, Malaysia will focus on having more databases; of suspect lists, lost and stolen passport databases to promote shorter enrolment and lodgement processes of ABTC and to facilitate movement at the entry and exit. Among the efforts are the Interpol lost and stolen data. Malaysia has already launched movement to ensure that citizens report their lost or stolen passport within 24

hours. Within that 24 hour period, Malaysia will provide the information to Interpol. On RMAS, Malaysia already conducted a Proof of Concept that lasted for two weeks, to be followed by a planned conciliatory report with Australia. Malaysia is planning to have an APSS scoping workshop and RMAS implementation workshop in March 2015. The government of Malaysia also supports the End-to-End Review findings on exploring technologies that can be used to assist the movement and mobility of APEC business travellers, provided it is easy to be implemented, safe, secure and cost effective.

- 14.13 **New Zealand** congratulated Korea for being able to process pre-clearance requests in seven days, which is outstanding. New Zealand has about 10 000 active ABTC holders and is expecting about 3 500 thousand new applications this year which is a number that is holding steady in the past two years, with no significant increases. New Zealand processes 60 000 pre-clearances a year, which is a five per cent increase. New Zealand has a 14 to 21 day processing period for pre-clearances. In terms of the next 12 months, the Organisation for Immigration, New Zealand has a significant business transformation program, which New Zealand has been embarking upon for the past two years. It is the New Zealand government's biggest IT project. This year is a big year for delivery and New Zealand hopes that by the end of 2015 the majority of visa applicants can submit their applications online. New Zealand also has an APP enhancement program currently underway with the carriers, SITA, to be concluded very soon.
- 14.14 In terms of APEC, New Zealand's key focus area is to clarify and make explicit the issue regarding ABTC holders wanting to enter New Zealand for leisure purposes. New Zealand also wants to examine the information material made available to current and prospective cardholders to make that more explicit and informative for them. New Zealand will be looking at other economies' websites for information available and taking the best from there to provide to its own citizens. Thirdly, New Zealand is considering practical steps to simplify the renewal process, taking into account the sentiments of the End-to-End Review.
- 14.15 **Papua New Guinea's (PNG's)** report covers the period of 2014. On the home front, processing, there was a 26 per cent increase of 99 cards. There are 112 active cards. The processing turnaround period for the whole year for its nationals is five days because of the low intake. For foreign nationals, for the whole year, it took about 79 days. For the number of foreign applications received during that period, PNG approved about 34 138, which is not a good turnaround compared to previous years. On average, PNG's processing applications for foreign economies is about 26 days. There is room to improve. For the border movement records, a total of 5 038 ABTC holders entered the country. The five top nationalities are Australia with over 3 000, followed by New Zealand, Singapore, Malaysia and China. Administering the ABTC scheme for foreign economies, internal characteristics are checked based on the data obtained from the ABTC system. This information is extracted from the ABTC system and uploaded to PNG's border management system which is done manually to check for any advance records of the individual applicants. Movements of valid ABTC holders from foreign economies are recorded on PNG's internal system on arrival at the airport and the system automatically issues a visa number every time a holder enters the country. The conditions of pre-approved ABTC is tied to PNG's short term multiple entry business visa which has a stay period of sixty days only and it cannot be extended except for emergency purposes. Hence the holder is required to depart the country on or

before the expiry date of the stay period. Local applicants are required to provide a full and certified police report that includes fingerprints for any criminal or advanced records, certified business registration certificate, evidence of business entity, incorporation in the PNG under the Companies Act which is administered by the Investment Promotion Authority. Applicants must be a member of a business association in the PNG.

- 14.16 For biometrics, recent initiatives include engagement of a consultant regarding introducing biometrics into PNG travel documents. The consultants' report was completed and recommendations were contained in a report that is currently being discussed internally.
- 14.17 Regarding document examination, PNG thanked Australia and New Zealand for accepting its officers to undergo training in document examination techniques in their countries in 2014. Reporting of lost and stolen documents is still done manually, as PNG's current system cannot cater for that. PNG does not have API and ADP, in place yet; it is still in discussion. PNG is in the trial stage in the use of ABTC holders' biometrics through automated border control. PNG and other Melanesian Spearhead countries, which include Fiji, Solomon Islands, and Vanuatu, have a facility in place called the skill movement scheme which promotes labour mobility amongst its member economies on a long term basis as well as enhancing business and employment for citizens. Earlier the APEC Secretariat mentioned the Melanesian Spearhead Group (MSG) approaching APEC for the ABTC scheme. PNG will be in touch regarding this issue. PNG has introduced a PNG designated special events visa to cater for all its international meetings including APEC 2018 which PNG will be hosting. There are a couple of events commencing in 2015, so PNG is working towards that new visa to cater for these events. The PNG Immigration and Citizenship Service Authority is the organisation dealing with all ABTC applications both for nationals and foreigners. PNG will be introducing this visa class type to cater for designated events. The visa will be known as the special events visa. It is hoped to get that process in place by March 2015. These means that those invited to attend a designated event will be accorded this facility including those attending the APEC meetings and related activities.
- 14.18 **Peru** stated that the Ministry of Foreign Affairs is responsible for the processing of ABTC cards for all nationals and for applications from all other economies. From the time Peru entered the scheme to 2014, it processed about 4 300 cards for its nationals. Last year, Peru received and successfully processed 566 applications. In addition, the approval for foreign applications in 2014 was around 71 578 cases. This number confirms a growing trend in the use of the card compared to 2013, where the approvals were for 65 172 foreign applications. Peru is willing to move forward in development facilitation of enterprise mobility. Issues such as biometric capabilities are now part of the national agenda. It is hoped that this technology can be incorporated in all passports in the short term to improve customer servicing arrangements and incorporate new technologies for issuing passports and immigration control. The Ministry of Foreign Affairs and Immigration Superintendent are the immigration authorities in Peru. Currently both institutions are reviewing the immigration law to facilitate tourist and business travel.
- 14.19 Peru is also strongly interested in the exchange of best practices and experiences for business mobility facilitation within the Asia Pacific region through the provision of workshops and seminars. The objective is to build capacity based on existing expertise of participating economies. In relation to

this, Peru expects to submit a draft proposal in the next weeks hoping it would be performed during 2016 with others' support. Peru thanks in advance the support offered by some economies. Finally, Peru kindly asks the economies not only to express their support but also send intersessionally any suggestions for improvement since Peru's main interest is to design something useful for all APEC economies.

- 14.20 **The Philippines** stated that the Department of Foreign Affairs processes the ABTC scheme. The Immigration Service is only for the implementation of policy.
- 14.21 The Philippines stated that the Visa division of the Office of Consular Affairs administers ABTC processing after applicants have been endorsed by three domestic business organisations. The Philippines is looking to revamp the present ABTC scheme administration to better screen applicants and apply a very objective evaluation process through clear criteria patterned after best practices from other economies. The Philippines may also consider printing its own ABTCs in the near future subject to information on the hardware cost and the cost of consumable items and the corresponding budget approval for the next fiscal year or two, while awaiting the outcome of the online lodgement initiative as espoused in this workshop. For 2014, the Philippines issued a total of 894 cards making a double digit increase of 24 per cent compared to issuances in 2013. As of 31 December 2014, a total of 1 046 active cards are in circulation, putting the Philippines at rank 15 in terms of economies with the highest number of active cards as of 2014.
- 14.22 In the area of border management initiatives, the Philippines is very keen on developments that will come out in phase two of the RMAS implementation. The Philippines takes this opportunity to express its gratitude to Australia for making this possible.
- 14.23 **Russia** noted that the Ministry of Foreign Affairs began implementing pre-clearances since 1 June 2013. Until the present, Russia has received 110 000 foreign applications. Among them, 108 000 have been approved with the remainder under consideration. Among economies, in first place is the People's Republic of China with 24 000 applications. Second place is Korea and Singapore with more than 14 000 each. Then there is Hong Kong with close to 13 000. In fourth place is Australia with close to 9 000. As for domestic cards, Russia issued 126 cards until now and 46 are under consideration. Compared to 2013, Russia issued five times more last year. Besides the important idea of extension of the card validity period, the main idea is to implement Russia's main regulations from the Operating Framework.
- 14.24 In 2014, **Singapore** issued almost 17 000 ABTCs. This was a huge increase of 56 per cent over the previous year. In terms of travel facilitation, Singapore and the United States signed a joint statement on the Trusted Traveller Programme in December 2014. Singapore will continue to work with the United States towards the implementation of the Trusted Traveller Programme between the two economies.
- 14.25 In **Chinese Taipei**, the Bureau of Consular Affairs, Ministry of Foreign Affairs is in charge of the issuance of ABTCs. In 2014, 1 900 cards were issued. Currently there is a total of 5 000 active cards. In 2014, foreign pre-clearances were up to 47 000. Chinese Taipei also has 300 cases pending for more than five months. Therefore, Chinese Taipei suggests that delegates report back to

their offices, review this matter and resolve long term pending cases at their earliest convenience.

- 14.26 Chinese Taipei then provided new passport inspection information. As from 2015, non-citizens are required to have their fingerprints and facial images taken during departure and arrival passports inspection at all international airports and sea ports.
- 14.27 **Thailand** has seen an increase in numbers for home economy processing. The number of cards issued during the reporting period is 1 745. At present, the number of active cardholders is 10 837. The average processing time for home economy applications is eight days. For foreign economy processing, the number of requests for pre-clearances during the reporting period is 29 162, which is a 74 per cent increase from the previous year. The number of requests for pre-clearances that had been approved is 26 745. The average processing time for foreign applications is two days. The active cards at the end of the reporting period are mainly from China, followed by Singapore and Korea.
- 14.28 Thailand also provided two updates regarding developments for border control. With the sponsorship of Thai airports, Thailand is adding additional automatic gates for processing of passengers at the other airport in Bangkok, the Don Mueang Airport, which is now used for low cost carriers for point to point flights. Initially, the gates will be accessible only to Thai citizens and then it will be extended to the foreign residents in Thailand. Eventually, it will be extended to other frequent visitors including ABTC holders. The other development is on APP. Thailand started the procurement process earlier last year. By law, Airports of Thailand, the airport operator needs to provide a system for immigration and customs to use. As part of the procurement process, Thailand has gone through a technical evaluation of the two providers. However, due to the changes in government in the latter half of last year, everything was pending, subject to the review. A week ago, it was announced that Airports of Thailand has been given a green light to proceed with the procurement process. Once the procurement process is finalised, Thailand might be in a position to get APP up and running by SOM 3. However, if the existing bidding process is not completed, Thailand will need to have a re-bid which will take another six months.
- 14.29 In **Vietnam**, the Ministry of Public Security is responsible for pre-clearances and card issuances. From the beginning of June 2014, Vietnam has issued 2 604 cards to domestic holders and responded to 41 623 foreign pre-clearance requests from participating economies. During processing pre-clearance requests, Vietnam has been trying to meet the processing standards of the ABTC Operating Framework. Vietnam suggests that other economies comply with the processing timeframe. Regarding the ABTC validity extension, after Vietnam receives formal notification in writing, it will do the domestic preparation work for implementation. Regarding border management, after a trial period of the API system, from December 2014, the API system has been put into use in Vietnam's three biggest international airports.
- 14.30 In the 2014 calendar year, **Australia** issued 11 880 cards. As of the 31 December 2014, the current number of active Australian ABTC holders is 17 152. The average processing time for domestic applicants is 19 days. While this is a slight increase from the 2013-2014 programme, which was 17 days, this can be attributed to the over 10 per cent increase in the overall number of cards issued. Australia's foreign preclearance processing time for

2014 improved to 18 days. Australia hopes to maintain and improve these times in the 2014-2015 year.

14.31 The Chair noted that the country reports were concluded and there were no questions or comments for any of the economies.

14.32 Canada wished to thank all economies for their input to the survey.

Client Service Framework (Canada)

15. Advance Passenger Information (API) (United States)

15.1 The Chair handed over to the United States for an update on API.

15.2 The United States stated that under the TFI pillar on API, the BMG began leading the work several years ago. Per the TFI, the pillar builds on the past work of the BMG and seeks to develop a lessons learned document on the challenges economies face on implementing API and PNR. In past meetings, the BMG endorsed the project proposal and responded to the corresponding questionnaire. During this most recent intersessional period, the United States is pleased to present an initial draft of the lessons learned document. The document covers the various steps and considerations that could be undertaken when developing an API or PNR programme and these were pulled from the responses received in the questionnaire. The United States welcomes further feedback and if any specific issues regarding API or PNR implementation are absent from the document and would be useful to be included, please comment accordingly. The United States then invited questions or comments.

15.3 Japan welcomed this survey and the draft document which includes not only API but also PNR. From the viewpoint of counter-terrorism, traveller facilitation and border control enforcement of dangerous drugs, PNR and API are very important. Japan thinks it is necessary for us to collaborate with other working groups under these initiatives.

15.4 Canada thanked the United States for leading this initiative over the past few years. As mentioned earlier, Canada is currently implementing a number of initiatives which rely on the collection of API, including our interactive API programme and the lessons learned in this paper have been helpful as Canada looks forward to implementing this programme.

16. Visa Regulatory Survey (Thailand)

16.1 The Chair then invited Thailand to provide an update on the Visa Regulatory Survey.

16.2 Thailand focused on the findings of the Visa Regulatory Survey. To recap, Thailand was tasked with two surveys during 2013. The surveys were circulated in 2014. The first is the ABTC Preclearance Survey (formerly called the Visa Regulatory Survey). The other survey was on the use of mandatory biometrics at the border control as well as at other border control activities such as alien registration at the backend. In relation to the first survey, at present, there are 13 responses out of 21 economies. Thailand also thanked Canada and the United States for providing responses noting they are transitional members. For the mandatory biometric survey, Thailand has responses from eight economies. Thailand requests that the remaining economies provide responses to both surveys.

- 16.3 Thailand then discussed the initial observations to the first survey, regarding the 13 responses. The first question was 'What is the ABTC pre-clearance?' The ABTC pre-clearances come in many forms. Certain economies use visas as a mechanism for pre-clearing ABTC holders, while other economies just issue a special permit to allow ABTC holders to enter the respective economy multiple times. Certain economies use a visa exemption status facility to accommodate the travel of ABTC holders. These result in differences in the treatment of ABTC holders when they are processed at the border. The requirement to present a physical card at the border on arrival is required by most economies. Australia is possibly the only economy that does not require it due to their electronic processing. Thailand is not sure about New Zealand.
- 16.4 The use of the ABTC for a short term leisure/tourist visit is allowed by some economies and not by others. This causes confusion for ABTC holders. For certain economies which require one visa per individual, if the ABTC is not used for a leisure visit and a client applies for a leisure/tourist visa, the ABTC pre-clearance may be cancelled. Many economies do not require the physical card be presented on departure, since everything is already tied to the passport. However, certain economies do require it and without the physical card itself, the departure may be denied by the host economies. The United States raised a point on the facilitation of the fast track immigration lanes. In all cases, physical ABTCs need to be shown in order to access the lanes. However, who can and cannot use it is interesting. Certain economies indicated that the ABTC holder can use the fast track lanes only when the economies respective pre-clearance is listed on the card. The United States raised this point and it needs to be looked into. Some economies allow access to the fast track lanes with or without the pre-clearance of the economy that the cardholder is visiting. However, the purpose of the visit must state clearly that it is a business visit. A person with pre-clearance, but visiting for leisure, will not be able to access the fast track lanes. There are other facilitations provided by certain economies. The cancellation of ABTCs by home economies would be reflected in the pre-clearance being cancelled especially by foreign economies. However, this may not automatically result in the cancellation of the visa granted in association with the pre-clearance by some economies. This has been discussed for those economies that have a one-visa policy. The application for a different type of visa while the ABTC pre-clearance is valid may result in the cancellation of the ABTC pre-clearance due to it being superseded by the new visa. Overstaying mostly results in fines. However, certain economies indicate this could also result in the cancellation of the pre-clearance. Certain economies are looking at how biometrics may be collected from foreign applicants if and when the visa application requires the collection of biometrics. As a way forward, Thailand would like to have responses from particular pre-clearance surveys as soon as possible. Ideally, Thailand would like to have responses from all economies so it can list the variations on the handling of the pre-clearances. Thailand would welcome responses by the end of May 2015. Thailand will then compile a draft formal report for circulation for consideration of member economies by the end of July in preparation for a workshop to be conducted in SOM 3 this year. The main workshop objective is to understand the current practices of different economies. This will help facilitate the development of FAQs for clients. Thailand may also be able to draw up some recommended best practice models for handling ABTC pre-clearances and other associated activities including facilitation.

- 16.5 As for the other biometrics survey, Thailand will update the progress of the survey at SOM 3. Hopefully it will have more responses and can provide some initial findings at SOM 3.
- 16.6 The Chair thanked Thailand for its update and echoed its request that those economies that had not completed the surveys do so before the end of May 2015 to provide a comprehensive picture.
- 16.7 Singapore observed that for access to the fast track immigration lanes, some economies require their pre-clearance to be listed on the back of the card. Singapore brought attention to the ABTC Operating Framework, particularly paragraph 1.3.5 where economies agreed in 2007 to extend the border facilitation benefits by allowing cardholders to use the priority lanes in all participating economies as soon as cardholders were granted home economy pre-clearance. Singapore further commented that for economies that are rejecting ABTC cardholders from using fast track lanes without their pre-clearance might be contravening the Operating Framework. Secondly, if circumstances have changed since 2007, the BMG might consider reviewing the Operating Framework. The third comment is in relation to the comment by the United States. For the United States, when you issue an ABTC, no economy, including the United States, is printed behind the card. For immigration officers, it means that the United States did not grant pre-clearance to its own national and this causes problems when card holders try to use the fast track immigration lane.
- 16.8 Australia pointed out that paragraph 1.3.5 also noted that the BMG agreed to the creation of a transitional membership category to facilitate the inclusion of non-participating economies that are not able to fully comply with the Operating Framework where the economy meets a majority of the core framework principles or expects to do so and where progress to meeting the principles is expected within three years. Australia noted there was a caveat that it is not mandatory that they be fully compliant with the Operating Framework.
- 16.9 China noted that the survey could be more helpful if we could compile all the information from individual economies into a handbook, electronically or a printed version. It could be supplied to the cardholders and economies. As for China, it is not aware of how other economies are managing their policies. It would provide a better understanding of what other economies are doing and useful for the cardholder to be aware of the policies before they enter certain economies. China's recommendation is to compile the information into a handbook to be supplied to the cardholder and also operators like China.
- 16.10 Australia noted that one of the programme management assistance initiatives could be used to produce such a handbook. With reference to the fast lanes, in paragraph 1.3.6 of the Operating Framework, the time limitation related to three years around compliance. It says at the BMG meeting in Jakarta on 30 January 2013, it was agreed that any time limitation to transitional membership compliance would be removed.
- 16.11 The Chair invited comments from the Plenary as to whether using programme management funds to produce a handbook would be a useful initiative and whether economies are prepared to sign up to it. The Chair asked for a show of hands for those economies prepared to support the suggestion of China for the creation of a handbook and possible use of some of the resources provided for the programme management initiative.

- 16.12 Australia noted that one of the suggestions put forward by Australia in the ABTC Framework was an online guide which would not be dissimilar to a handbook, so Australia would support it as well.
- 16.13 The Chair noted that a majority of economies are in favour of the production of a handbook, which puts a greater onus on all economies to comply with the survey in order to produce the handbook. This is really important as it cuts to the utility that our clients will actually derive from the card.
- 16.14 Thailand noted that it is happy to follow China's advice on production of the handbook. Thailand will do its best to compile a detailed report to be used as a basis for the handbook production.
- 16.15 The United States noted that China's suggestion and the route to be followed will be very useful to gain transparency on different domestic procedures and policies in place surrounding this scheme. The United States also appreciated Singapore's intervention regarding the ABTC Operating Framework, which provides some clarity and explanation regarding some reports from their card holders. The United States noted that a section cited from the Framework is regarding a card trial suggestion or portion and discussion about pre-clearing your own citizens is not discussed in section 5 of the card itself. The United States also highlighted that paragraph 4.4.2 is very clear that foreign pre-clearance is not required to access a priority immigration APEC lane.

17. End-to-End Review of the ABTC Scheme (Australia)

- 17.1 The Chair invited Australia to provide an update on the outcomes of the End-to-End Review in the context of the Working Group Meeting and also on the outcomes in some detail from Saturday's BMG Workshop with Washington Core.
- 17.2 Australia has overseen the APEC-funded project of the End-to-End Review of the ABTC scheme conducted by Washington Core. On Saturday, Washington Core conducted the BMG Workshop which was full of useful and robust discussion. The outcome of the project included a range of recommendations and initiatives and these were workshopped in the breakout groups. Washington Core will prepare a formal outcomes document from the BMG Workshop which will be provided to the Office of the Convenor for clearance and distribution. The document will be circulated to all economies as soon as it is made available by Washington Core. We are advised that it will be available in two weeks.
- 17.3 In the interim, Australia provided a brief summary of the issues that were raised. Washington Core was consulted and concurred with this summary of points. They provided a document that summarised how the BMG Workshop worked on Saturday. This was printed and circulated to all economies this morning. The Washington Core project team helped to organise the breakout groups on five of the key recommendations from the End-to-End report. These were: the extension of the validity of the ABTC card from three to five years; the technical assistance and programme management assistance project; improving pre-clearance times; simplifying the renewal process; and online lodgement systems either shared or by individual economies. Washington Core's summary of points, which was provided to member economies also summarises the key views and suggested actions arising from the breakout groups. These are outlined in the table contained in the summary document circulated this morning.

- 17.4 Two key action items arising from the breakout groups worth highlighting included the creation of an online lodgement working group, which would include the production and circulation of an online lodgement scoping paper. This paper will be developed by Australia, Singapore, Thailand, China and the Philippines with input from Canada. An options paper exploring applicants pre-selecting certain economies as a mechanism to reduce waiting periods for an ABTC card was also proposed. These papers are to be developed by Australia and will be circulated by the end of 2015.
- 17.5 The breakout groups were also asked to prioritise or rank the five breakout group topics in order of importance or priority. The extension of the ABTC card from three to five years was identified to be one of the foremost priorities. Taking into account that the funding assistance being provided for the programme management assistance project is only available for 12 months, in the 2015 calendar year, it was identified as a priority to take this project forward. The medium term priorities included improving pre-clearance times, simplifying the renewal process and exploring options for online lodgement. In the time available Washington Core have had to prepare the summary of points raised by the breakout groups, Australia would propose that in the interim, pending the formal report on the outcomes from Washington Core in two weeks, the document that was circulated be accepted by the Plenary as an accurate summary of the points raised in the BMG Workshop breakout groups.
- 17.6 The Chair asked whether there were any questions, comments or objections in particular to the proposal by Australia that the summary document be accepted as a reasonable outcome of the workshop.
- 17.7 The United States noted that Washington Core did a great job in the time given and it seems to be a good report so far. The United States did have several comments which it proposed to provide intersessionally prior to Washington Core's final report.
- 17.8 The Chair noted that Washington Core was expecting to provide the full document in the week commencing 13 February 2015 and thus, comments would need to be received fairly quickly.
- 17.9 Japan commented on the extension of validity through breakout group observations. Japan suggested that it may need one year to implement the extension of validity of the ABTC, specifically to allow it to grant foreign pre-clearances for five years. Japan would like to change its ABTC operations including the extension of the period of validity, the requirements of Japanese applicants and perhaps outsourcing its process. If Japan does this and implements at the same time, more time is needed. Only extending the period of validity of the ABTC does not require a long time, so Japan may be able to do it by the end of August 2015. However, Japan does not want to promise to implement the extension of validity by 1 September 2015.
- 17.10 The United States stated that in addition to requesting time to submit comments on the draft intersessionally before picking up Australia's proposal to accept this as the interim report, the United States requested that it be marked "draft – pending receipt of comments".
- 17.11 The Chair noted this was a very sensible and prudent course of action, noted the group's agreement to this proposal by the United States and stated this paper would be marked as a draft. The Chair requested that amendments

or comments on the interim paper be provided by the end of February 2015. Very shortly afterwards, members would be provided with a completed document for endorsement and adoption out of session.

- 17.12 Japan sought clarification that the comments were on the results of the workshop.
- 17.13 The Chair agreed.
- 17.14 The APEC Secretariat stated from the aspect of managing the project, this interim report will be the base for the final report. The Secretariat wondered whether the members want to finalise the interim report so that Washington Core can move to the next stage. There is already a deadline for February in terms of delivering the project. There is a need to stick to the project proposal as already agreed.
- 17.15 The Chair queried what the Secretariat would suggest as a deadline.
- 17.16 The Secretariat noted that since this draft is very short, only three pages, perhaps one or two weeks would be feasible.
- 17.17 The Chair invited comments to the Secretariat's suggestion for a two week deadline for comments on the interim report. As there were no comments, the Chair then requested that comments be submitted to the Secretariat no later than two weeks from today, which is the 16th February. If members are late, it is possible that their comments would not be considered. This is a firm line.
- 17.18 Thailand requested that the electronic version of the paper be provided for editing changes with comments. Thailand sought clarification as to whether the comments should be submitted to the Secretariat or Australia.
- 17.19 The Chair indicated that the members should deal through the Secretariat to ensure that the efforts receive immediate focus.

18. ABTC System – Handling Passport Changes Project (Australia)

- 18.1 The Chair invited Australia to provide an update.
- 18.2 Australia noted that some economies had provided their in-principle support to extend the validity of the ABTC, provided that the passport changes can be better handled in the ABTC system. Australia is pleased to remind members that the Handling Passport Changes Project was approved in December. Australia advised that following preliminary advice from its system administrators that all of the necessary system changes can be implemented prior to the BMG meeting at SOM 3 in August 2015. Australia will keep members updated on progress in this space. Once the changes are implemented, members will be well placed to proceed with other priorities identified at SOM 1, namely the extension of the card.

19. Extending the Validity of the ABTC (Australia / All)

- 19.1 The Chair then moved to the topic of extending the validity of the ABTC and reminded the Plenary that in-principle agreement to extend the ABTC from three to five years was an important breakthrough at SOM 3 in Beijing. The Chair also reminded the plenary that the Framework document has talked about five year validity since 1997. The Chair also reminded the Plenary that in-principle agreement was announced during the APEC Leaders' Week in

November. We are now three months down the track from that announcement by the leaders. There is very strong support and praise from the business community in the region. The Chair noted that Washington Core identified this particular initiative as a critical piece of work to ensure that the BMG is able to manage growth of the ABTC scheme into the future. This has been discussed extensively in the past few days in various fora. There is a wide array of views from the ten bi-laterals formally conducted a day earlier and three other bi-laterals conducted informally. There does appear to be broad support for this. The Chair invited Australia to provide an update.

- 19.2 Australia thanked members for the broad support to extend the validity of the ABTC from three to five years. The extension of validity was mentioned in the ministerial statement from SOM 3 and was published as an APEC media release in November 2014. This morning, John Larkin also indicated that the CTI was supportive of the change and the Committee is keen to hear the outcomes of the BMG meetings over the past days. Australia encouraged the group to maintain the momentum behind this landmark agreement. Given that the End-to-End Review is now complete and the passport changes project is on track, Australia suggests that members turn their attention to this issue discussed extensively in the BMG Workshop and over bilaterals in the past few days. Australia notes that members agreed to the aspirational implementation date for extension of validity as 31 August 2015.
- 19.3 Drawing on this broad support, the discussions at the BMG Workshop, the bilaterals and all of the discussions that have taken place in previous SOMs, Australia proposes that the BMG Convenor sends formal notification to economies requesting implementation of the extension of the ABTC from three to five years by the 31 August 2015. To support the implementation, the notification would include a proposed revised wording of the ABTC Operating Framework, supporting the extension from three to five years. In making this proposal, Australia notes that there may be a very small number of economies that may not be in a position to immediately either grant pre-clearances for five years or for internal domestic regulatory impediments and may be delayed in issuing a five year card from 1 September 2015 or for a short period afterwards. As a small number of economies may not be able to immediately implement from 1 September, Australia proposes that any remedial change would be small and that those economies would be in a position to issue five year cards soon after that period. To summarise, Australia believes that combined with the formal notification and the updated and revised wording for the ABTC Operating Framework, this would provide the necessary trigger for those particular economies to commence any internal domestic regulatory adjustments that might be required in order to implement the extension of the card from three to five years.
- 19.4 The Chair noted there was a proposal from Australia and opened the matter to the Plenary for comments and further discussion with a view to coming up with a recommendation as to when we are going to change.
- 19.5 Malaysia registered their full support on the move from three to five years. Malaysia needs to change a few circulars and regulations, however believes that it can implement the new changes on 31 August 2015. Malaysia encouraged other members to also focus on particular next steps or checklists that need to be done so that the implementation can run smoothly. Although Malaysia is ready, it is waiting for any other requirements or concerns of other members. The 31 August 2015 seems to be a good date, as it is the Independence Day of Malaysia and thus can be an independence day for the ABTC.

- 19.6 China joins Malaysia to support Australia's proposal for the implementation of the validity extension at 31 August. China notes it has been a long wait and they already have the authority from their leaders. The implementation is now the key issue, however with six months to go China firmly believes there is enough time to clean up any barriers and they are ready. China strongly recommends that other economies could join Malaysia and Australia.
- 19.7 Peru thanked Australia for its useful and successful initiative. Regarding the deadline for the implementation, Peru is one of the economies which will probably need more time to implement amendments to its laws. Peru wants to seek confirmation with its authorities before committing to this timeframe. Peru needs a few days to confirm with its authorities.
- 19.8 Singapore fully supports the extension of the validity from three to five years and will work towards the 31 August 2015 timeline. However, Singapore wished to raise a point of clarification as to whether the first ABTC with a five year validity would be issued on the 31 August 2015.
- 19.9 The Chair stated that is correct, if we go ahead with this proposal.
- 19.10 Thailand strongly and fully supports the extension of validity from three to five years. As for the registration arrangements, Thailand is ready and confident to be able to issue these pre-clearances as well as the five year validity cards on 31 August 2015.
- 19.11 Japan also strongly supports the extension of the validity of the ABTC. Japan may or may not be ready on time, depending on its change. Japan welcomes the formal notification and the draft revised ABTC Operating Framework as long as the delay from the 31 August 2015 is acceptable. Japan wishes to work as quickly as possible to issue five year ABTCs.
- 19.12 The Chair also stated he will do his best to provide the draft changes to the Operating Framework by the end of this week or early the following week.
- 19.13 PNG expressed its gratitude to Australia for a very comprehensive report, including Washington Core, which collectively set the views from all economies. PNG joined other economies in supporting and looking forward to 31 August. PNG stands ready to implement the initiative and the work being progressed in this meeting.
- 19.14 Hong Kong China advised that its immigration department had officially informed the BMG of its support of the initiative to extend the validity of the ABTC from three to five years in March 2014. Hong Kong China stands ready to follow this new initiative and the deadline by 31 August 2015.
- 19.15 The Philippines noted that Australia prints the ABTC cards for the Philippines, so it understands that it is a simple matter to place the digit "five" to get the five year validity card printed. However, the Philippines will have some consultations regarding this matter with their counterparts from the Bureau of Immigration to confirm some of the regulations. Adding to this, the Philippines is also hosting APEC 2015, so the Philippines is anticipating that it may not be able to meet the 31 August deadline as it has to prepare for APEC meetings this year. The Philippines will try to get there as soon as possible.

- 19.16 The ABAC thanked members for their great support for the commitment of the extension of validity from three to five years.
- 19.17 New Zealand expressed its strong support and would make it happen on the 31 August.
- 19.18 Indonesia also strongly supports the extension from three to five years, however yesterday there was discussion of the transitional programme for those who apply before the 31 August. Indonesia queried whether they would receive three or five year cards.
- 19.19 The Chair invited comments from the group on this query in terms of the mechanics of the transition.
- 19.20 Malaysia stated that if the ABTC holder applied before 31 August 2015, they would only be given a three year card. Malaysia is examining possibilities but notes that it depends on PNG. On 31 August, provided the passport validity is moved from three years to five years, they can actually renew it again with the new card. However, it depends on the renewal process; is it a simple process or is it a similar renewal process to how it currently is.
- 19.21 Indonesia stated that for those countries that already have regulations for the validity of passports of more than five years, there will no problems. However, in some countries, including Indonesia, the passport validity is five years. When the issuance is at the beginning of the passport validity, there is no problem, but when the issuance is in the middle of the passport validity, it is really related to the changes of the passport. That is why Indonesia has proposed that economies print the cards by themselves. It is a major concern if cards have to be sent to Australia as there will be a delay.
- 19.22 Australia noted that in relation to printing, it is supportive of any economies that would prefer to print the cards themselves. Australia can put those economies in touch with the relevant suppliers of the equipment in Australia or they can identify suppliers of compatible equipment that can be sourced overseas. Australia further noted that around transitional arrangements, if economies have a regulatory restriction about the length of pre-clearance, they can issue cards from 31 August 2015 with pre-clearances for three years in respect to foreign requests. That gives them three years to get their house in order to extend the validity of preclearance requests. That only leaves the issue of those economies with domestic or internal restrictions in relation to the validity of the actual card itself. That limits any transitional impacts for clients to a fairly small number, noting only a very small number of economies may not be in a position to issue five year cards from 31 August. Once those internal restrictions are addressed, any remedial action in relation to cards that were issued from 31 August to the point where the legislative or internal restrictions were addressed would be fairly limited in terms of remedial action.
- 19.23 Malaysia noted that it also has two types of passports; a two-year passport and a five-year passport. To ensure that this program can run smoothly, beginning on 15 January 2015, Malaysia will abolish its two-year passport and will only have one type of passport, the five-year passport. When running its local survey, for most of the ABTC applications, clients were renewing their passports within a week of submitting their ABTC application. That's why, when looking at the passport changes project, Malaysia decided to have local arrangements in that the ABTC validity should accord with the passport validity. The issue of why five-year passports are required can be eliminated.

They can use one passport, one number and one ABTC. Most of the time, when a passport is renewed, they can only get the ABTC approved mostly within two or three weeks or up to five months at most, depending on the countries chosen. Some might have interim cards, and may not need several countries that do not approve them. Malaysia can issue a card which expires when the passport expires. This is more secure and easy to manage and the ABTC is a check and balance to the passport. This is what Malaysia is planning administratively on the 31 August.

- 19.24 Korea fully supports the extension of the card from three to five years. Fortunately the Korean immigration law and visa regulation works well with the service framework of the ABTC. If the decision is made tomorrow, Korea can accept it.
- 19.25 Chile was not able to provide its opinion about this topic and would provide this information as soon as possible.
- 19.26 Russia also supports this idea and hopes the technical situation will be solved with minimum problems.
- 19.27 Chinese Taipei is fully supportive of the extension of validity from three to five years. Chinese Taipei has a practical question. If the change is done on the 31 August, what about the cardholder whose card was issued on the 30 August. How can they be given a satisfactory answer regarding the cut-off point? There has to be a conversation about this.
- 19.28 Vietnam supports this change and will try its best to start implementing the new card on 31 August.
- 19.29 Singapore noted that there appeared to have been operational issues leading up to 31 August. The first card will be issued on 31 August as the pre-clearances issued by foreign economies would have been done beforehand. This linked back to Australia's point that it did not appear logical if there was a five year validity card with only three year pre-clearance. These were some issues, amongst others, that must be worked out.
- 19.30 Australia clarified its previous proposal that for those economies where the validity of a foreign preclearance request is restricted to three years, the requesting economy would still issue a five-year card but the economy that provided a three year preclearance would have a lot of time to top up the extra two years. The other point about transitional arrangement is that it could be applications made from 31 August which would result in a five-year card. It is just a thought.
- 19.31 The Chair invited a response to Australia's final comment.
- 19.32 Singapore noted that Australia's proposal was very practical. It means that the first card will not be issued on 31 August.
- 19.33 New Zealand noted it should be in a position that on 1 September that any card issued should be a five-year card. In terms of transition, some of those processes take three to five months, so in November, December, January, three-year cards could still be issued. It is tidier around applications but if we are able to issue the cards, the question remains what to do in the weeks leading up to the change; what about cards issued on 30 August? Would it be a three-year card? On 31 August, we should be issuing five-year cards.

- 19.34 Australia noted that upon reflection, it is tidier to go with the 31 August issue date. It is unfortunate that there are cut-off dates. The change can always be advertised through the APEC Secretariat, noting the change is coming so people are forewarned. It is unavoidable that some people may be disappointed; however, members should persist with having a tidy arrangement as New Zealand has proposed, in which members would start issuing cards from the 31 August with a five-year validity period and from that date onwards.
- 19.35 Indonesia wanted to remind the group that there is also the International Standards for the Partial Card validity when going overseas for a six month validity. Indonesia noted the suggestion from Malaysia that the card can be in line when the passport is issued.
- 19.36 Thailand noted that it may not be able to make a decision at this time in terms of the cut-off date. There is the important date of 31 August; however, there are two options. One would be cleaner procedurally, namely to announce that any applications received from 31 August onwards would be considered for the pre-clearance and the card validity of five years. An announcement could be made a few months prior to that and everyone would know and would have a choice in relation to whether they need a card more urgently or whether they will wait to 31 August. Everyone will understand that any applications submitted to the ABTC system from 31 August onwards would be for a five-year validity period and accordingly there would be a five-year preclearance, without the need to come back and top up later on. This approach would delay the cards being received by clients for a few more weeks. The second approach would be trying to get the card with a five-year validity period issued on 31 August. We do have things to sort out, including the cut-off date for applications, which could be different for individual economies or it could be one date agreeable to all economies. This is something that needs to be considered if the five-year card is to be issued from 31 August, to reflect earlier points made by Singapore and Indonesia.
- 19.37 The Chair noted that regardless of which approach is taken, if there is a pre-announcement, there will either be a spike in applications or a flat spot in applications followed by a spike. That is unavoidable. The Chair suggested that members consider the options over the next few weeks and that there are really only two options. That matter would be dealt with intersessionally but we need to say that we are going ahead. The Chair proposed that this group endorse the plan to go ahead with the change to five-year validity ABTCs from 31 August. The fine detail around how we manage the cut-off will be agreed intersessionally over the next several weeks. With the agreement of the group, there is no reason to hold back. The Chair queried whether this was the view of the group.
- 19.38 The United States fully supports a five-year validity period. For the United States, there can be a rather lengthy rule-making process. It may not be able to make a 31 August deadline for five-year validity in terms of actually issuing its cards in that manner. However, it is different for the United States, as it is a transitional member and does not have all of the other changes and timing that full members will have. The United States wanted to note that perhaps the announcement should show which economies will be ready on 31 August and which will not be ready so that there is no confusion amongst the public and be very clear that it is staggered beginning with 31 August.

19.39 The Chair noted the United States made a fine point and there is no issue with this. The Chair then noted that the group was agreed. The Chair then acknowledged that all economies have internal procedures that would have to be worked through. There would be issues and hopefully economies would be able to help and learn from each other. There would be some economies that do not make the 31 August.

20. ABTC Programme Management Assistance Project (Australia / All)

20.1 The Chair noted that the ABTC Programme Management Assistance Project was updated by Australia during the ABTC Working Group. The Budget Management Committee has approved funding for this project. The Chair then invited Australia to provide the group with further details regarding its implementation.

20.2 Australia, as per the Chair's comments, was very pleased to remind members that the Programme Management Assistance Project was approved in December and is being overseen by Australia. Australia notes that the formation of a technical support group was a key recommendation from Washington Core and the Programme Management Assistance Project could initiate such a group. As agreed at the ABTC Working Group, Australia, Thailand, New Zealand and Peru will provide a draft paper that proposes a way forward including terms of reference. This draft paper will be circulated intersessionally to economies to facilitate discussion at SOM 3. Recognising the ongoing importance of the ABTC scheme to the APEC region, the ABTC Programme Management Assistance Project seeks to build on the existing expertise of participating economies to continue to improve what is the world's leading travel facilitation scheme for business travellers. Through the provision of support and guidance, the ABTC Programme Management Assistance Project will work closely with all participating economies to strengthen administration of the scheme through the provision of workshops, training seminars and guidance material.

20.3 The Chair thanked Australia and queried whether there was support for what Australia was proposing.

20.4 China, the United States and Peru expressed their support for Australia's proposal for the project.

20.5 The Chair asked for comments from economies that did not support Australia's proposal. The Chair took the silence as acceptance.

21. Other Business (Chair)

21.1 Before moving to other business, the Chair asked the Programme Director to present the document checking document for members' endorsement.

21.2 The Programme Director noted the meeting documents would be available on the APEC website. There were no changes in terms of classification and if members are happy, the Secretariat would process the documents accordingly.

21.3 The Chair invited members to make comments regarding other business.

21.4 The United States recalled a past agenda item. The United States neglected to request a comment period regarding the API-PNR lessons learned

document. The United States suggested the setting of a deadline intersessionally for comments to keep the item progressing.

- 21.5 The Chair apologised for the oversight and queried whether there was a suggested date. The United States suggested 31st May 2015.
- 21.7 The Chair asked members to provide comments to the Lessons Learned paper from the United States by the end of May 2015 and invited other business.
- 21.8 Australia reminded everyone that the vast majority of intersessional communications are done by email and unfortunately both the APEC Secretariat and Australia continue to receive a very large number of delivery errors from email contacts on the BMG Distribution List. Examples include mailbox full, message undeliverable, address not found and so on. It is important to avoid instances where BMG members do not have the opportunity to comment on significant pieces of work or miss other opportunities within the group because of these communication issues. This has been a particularly productive BMG in which a lot of work has been outlined intersessionally between now and SOM 3; therefore, Australia requested that economy delegates contact the APEC Secretariat or the Office of the BMG Convenor to ensure that email contacts for their economy are correct and up-to-date.
- 21.9 The Philippines suggested that given the number of tasks with various dates leading up to SOM 3, the APEC Secretariat circulate via email a summary calendar of deliverable and specific dates, so everyone could have a common schedule.
- 21.10 The Chair agreed to the suggestion of the Philippines. The Chair invited the APEC Secretariat to comment on amendments to the APEC goals and how the members' suggestions had been incorporated.
- 21.11 The APEC Secretariat noted that based on inputs raised earlier that day, two paragraphs need to be amended. The first one is regarding TFI issues. As mentioned by the United States, since the Trusted Traveller Programme finished last year, the paragraph needed amending. That paragraph will now read, "The BMG will continue to work collaboratively on projects identified in the APEC travel facilitation initiative (TFI), working closely with the TFI Steering Council and relevant APEC groups to enable more efficient, more secure travel, including work related to advanced passenger information/ passenger name records." The other amendment relates to the suggestion by Indonesia regarding RMAS. The amendment now reads, "Enhancing the ABTC system to better handle passport changes as per the approved APEC funded project to provide support and inputs to the development of future strategic directions for the Regional Movement Alert System (RMAS) which provides real time travel document validation service between the economies which will contribute to the APEC Consolidated Counter-Terrorism and Security Trade Strategy." We have done background consultation with the relevant economy members and hopefully this new draft could be adopted and endorsed by the members.
- 21.12 The Chair noted that members had a copy of the amendments; however, they would also be circulated electronically. The Chair invited further comments and suggestions.

21.13 China expressed its heartfelt appreciation to the Philippines for hosting the event and its wonderful service. China also noted that all economies and stakeholders made a good contribution to the BMG meetings, including Australia and New Zealand, Thailand, the United States and Canada. With the support of other members these members have carried out some important projects and surveys. China also thanked everyone for reaching consensus on extension of validity from three to five years on 31 August.

22. Dates of Next Meeting (Chair)

22.1 The Chair suggested that the BMG part of SOM 3 either commence on 31 August 2015 or the next day and sought endorsement from the group for that proposal. The Chair noted the endorsement of this date by the members present.

22.2 The APEC Secretariat stated that the date to be proposed to the Philippine members for consideration for SOM 3 was sometime after September.

23. Closing Remarks

23.1 The Chair thanked everyone for their contribution and patience. The agenda was very full and it was a credit to everyone that a way forward could be agreed upon. The Chair wished everyone a safe trip home.