

2017/SOM1/SCE/005 Agenda Item: 5.3

Telecommunication and Information Working Group Response to Independent Assessment Recommendations

Purpose: Information Submitted by: TELWG Chair



First SOM Steering Committee on Economic and Technical Cooperation Meeting Nha Trang, Viet Nam 1 March 2017

Telecommunication and Information Working Group (TELWG) Response to Independent Assessment Recommendation

Introduction

TELWG Independent Assessment was conducted by the Statesman Institute (Si) from Australia in 2016. A questionnaire was prepared and circulated to all APEC TELWG Members and guests to collect relevant data on the APEC TELWG activities. Based on the analysis of the received feedback and the main documents issued by TELWG, as well as the previous TELWG Independent Assessment results in 2012, an Interim Report was prepared. Mr. Mark Smith represented Si at the TEL53 meeting that was held on 13-17 June, 2016 in Tacna, Peru. The Final Report included his practical observations from the meeting.

On behalf of the TELWG, the Chair would like to express his gratitude to Mr. Smith as the Project Lead, and the Si Project Team for their outstanding work and comprehensive analysis of TELWG activities through the period from 2012-2015.

TELWG discussed the main findings and recommendations of the Final Report and would like to give the views of TELWG members on possible further actions and main mechanisms of recommendations implementation.

Recommendations for consideration by the APEC Senior Officials' Meeting Steering Committee on Economic and Technical Cooperation (SCE) to provide further instruction to TELWG

1. Increased resources for TELWG Projects

Given the importance of ICT to economic activity, the SCE should prioritize TELWG projects, where possible and appropriate, to benefit all member economies.

TELWG Response:

TELWG agrees that more resources are needed for TELWG projects that are submitted for SCE consideration. Particularly, TELWG as a whole regrets to see that all its three projects submitted in 2016 were unable to receive SCE support for funding. To some extent, this has undermined the implementation of TELWG annual and short-term strategic work plan in a timely manner. TELWG members always work closely with each other starting from the initial stages of concept notes development. All projects, endorsed by TELWG, support the recent APEC initiatives and Host Economies' priorities. The three TELWG projects submitted in 2016 were:

- Earthquakes Monitoring System with the application of the Internet of Things (APEC Disaster Risk Reduction Framework);
- Improvement of the living standards of socially deprived and vulnerable people through ICTs (APEC Blueprint on Connectivity, APEC Strategy for Strengthening Quality Growth, Developing human capital priority, chosen for 2016 by the Host Economy); and

• Policies and Practices for mobile-based money services in APEC region (APEC Services Cooperation Framework, adopted in 2015 by the Leaders).

TELWG will also encourage its members to continue their joint effort in proposing project concept notes that are in alignment with its work plan and the broader policy priorities of APEC and to work closely with the industries to attract their attention to TELWG projects.

2. High-Level APEC Goal

SCE may request TELWG to propose a broader high level specific ICT goal in the top level APEC goals such as universal access to smart devices and the development of innovative Internet, Electronic and Digital economy in the APEC region.

TELWG Response:

TELWG agrees that the High-Level APEC Goal is important for TELWG, as ICT is a key driver for sustainable, inclusive and innovative economic growth in the APEC region. There are a lot of issues that can be dwelled upon with other fora in the framework of a high-level initiative. Development of a high-level APEC goal by TELWG will allow technical experts to discuss and endorse recommendations that would facilitate the establishment of trusted, efficient and interoperable ICT infrastructure, which would allow smooth operation of the facilities that are implemented for further economic innovative, inclusive and sustainable growth. TELWG members will cooperate with each other and SCE on the development of such goal.

3. Maintain a focus on Cyber Security

Encourage TELWG to continue prioritizing work to build trust in online services, in particular the privacy and security of personal and confidential information, which remains a barrier to growth for professional services and other sectors.

TELWG Response:

TELWG gives particular attention to building trust in online environments and secure ICT infrastructure. The TELWG Security and Prosperity Steering Group focuses mainly on these issues and will continue doing so.

However, the questions related to privacy and security of personal and confidential information are under the purview of the Electronic Commerce Steering Group (ECSG), particularly Data Privacy Sub-Group (DPS), so TELWG has no intention to duplicate the work of the ECSG-DPS.

4. Support Industry Engagement

Encourage and resource TELWG to better engage industry.

TELWG Response:

TELWG is already cooperating with the guests from international organizations, including APNIC, APTLD, INTUG, and ISOC.¹ It also traditionally engages with the TELWG

¹ APNIC: Asia Pacific Network Information Centre; APTLD: Asia Pacific Top Level Domain Association; INTUG: International Telecommunications Users Group; ISOC: Internet Society.

Host Economy's industry representatives and industries that join the meetings as members of TELWG delegations. To better leverage the technical know-how and best practices of the ICT industry, TELWG needs more support from SCE for funding its activities, such as workshops and seminars, with participation from relevant industry players.

5. Sharing Best Practice and Policy Problem Solving

Encourage TELWG to become a forum for sharing best practice and policy and regulatory problem solving.

TELWG Response:

TELWG highly appreciates this recommendation and will develop the mechanisms for policy problems discussions at the Steering Groups' meetings or during the Roundtables.

Recommendations for consideration by TELWG

A. Establish a Formal Induction for New Members

Having a more formal induction process in place will enable new members and participants to become aware of TELWG work much faster, and will allow more active participation in meetings and forums.

TELWG Response:

TELWG is now working on its Terms of Reference (ToR) revision. The new ToR is planned to be more detailed and provide all TELWG members and guests with the basic information on the principles and mechanisms of TELWG operation.

<u>B. Raise awareness of TELWG activities at Leaders and Ministers Level beyond the work of</u> AHSGIE to build on the 2014 APEC Initiative of Cooperation to Promote Internet Economy

TELWG work must contribute to Leaders and Ministerial objectives in particular TELMIN. Note that the Si review team includes former Ministerial representatives at APEC in the Foreign Affairs and Trade portfolios, including a Minster, who attended APEC during the period of this review.

Si notes with some concerns that the majority of the action and grunt work is happening at the foothill level in workshops and roundtables. However, there is a little evidence that TELWG work is percolating up to the Leaders and Ministers level beyond AHSGIE. This is disappointing given the importance of ICT to economic cooperation across the 21 APEC member economies.

There is substance occurring at the workshop and steering group level, particularly in 2015. TELWG must find a way to raise the profile and awareness of this work.

The aspects of TELWG work that is important to Ministers is not reaching them.

TELWG must acknowledge and understand that:

- Ministers don't have time to read extensive documents and attachments;
- Ministers rely on officials and advisers to finalize the details;

• Ministers are there at the start of many APEC meetings and forums, for a short time, and this serves the purpose that Ministers have "endorsed decisions."

TELWG must also recognize that there is growing scrutiny on Leaders and Ministers to justify the significant cost to travel to and participate in APEC meetings. There is considerable coverage and analysis from international media, particularly on Leaders.

TELWG must recognize that leaders are desperate for serious announcements. TELWG must find ways for the important aspects of its work to contribute to Leaders' meetings and statements TELWG, and other working groups, must produce tangible outcomes otherwise Leaders and Ministers will start to reconsider their attendance at APEC.

There is an increasingly desperate anxiety for APEC meetings to be more than talk fests. TELWG must identify ways for its work to inform and contribute to announcements for Leaders and Ministers.

TELWG need to understand their work and outputs in the broader APEC meeting context.

TELWG Response:

The next TELMIN is scheduled to be held in 2018 and TELWG will work on the Midterm review of the Strategic Action Plan 2016-2020 for the Telecommunications and Information Ministers. TELWG will also work on the TELWG initiative in cooperation with AHSGIE so that its work is noticed at Leaders and Ministers Level.

Traditionally, TELWG plenaries and sometimes workshops and roundtables are attended by the Ministers or their representatives. From the recent experience we can name Honorable Miss Amy Adams, the New Zealand Minister for Communications, who joined TEL52 meeting in Auckland, New Zealand (19-21 October 2016); Mr. Rashid Ismailov, Vice Minister of Telecom and Communications of the Russian Federation, who joined two TELWG Workshops that were held in Moscow, Russia (30 November 2016); Mr. Javier Coronado Saleh, Vice Minister of Transportation and Communications of Peru, who attended the First Plenary and the Industry Roundtable on ICT Innovation at TEL53 meeting in Tacna (13-17 June 2016), Peru; Mr. Seiji Takagi Director-General for International Affairs, Global ICT Strategy Bureau of the Ministry of Internal Affairs and Communications (MIC) joined TEL54 meetings in Kyoto Keihanna, Japan (31 October - 4 November 2016).

Moreover, not only the national authority representative, but also a local administration representative attended TELWG meetings. Thus, Mr. Akimasa Yamashita, Vice Governor of Kyoto Prefectural Government attended TEL54 meeting in Kyoto Keihanna, Japan (31 October - 4 November 2016).

TELWG will consider the discussion and proposal of TELWG initiatives that can be developed into the Leaders' and Ministers' APEC Goal, possibly in cooperation with AHSGIE and other fora, such as the Counter-Terrorism Working Group (CTWG), Emergency Preparedness Working Group (EPWG), Group on Services (GOS), Human Resources Development Working Group (HRDWG), APEC's Policy Partnership on Science, Technology and Innovation (PPSTI), Policy Partnership on Women and the Economy (PPWE), and Small and Medium Enterprise Working Group (SMEWG), as all of them discuss ICT implementation in the spheres upon which they are focusing. TELWG members and guests can develop the actual mechanisms of ICT implementation for solving the issues upon which they are focusing.

The last TELWG High Level Initiative was proposed in the 2010 TEL Okinawa Declaration, which set the ambitious goal of access to next generation high speed broadband by 2020, to further enhance the growth of knowledge-based economies in the APEC region.

TELWG will also contribute into recent Initiatives, which have been developed by APEC recently, namely:

- i) Boracay Action Agenda to Globalize MSME;
- ii) APEC Emergency Preparedness Group on APEC Disaster Risk Reduction (DRR) Framework;
- iii)APEC Services Cooperation Framework;
- iv)APEC Education Initiative.

TELWG will also work on special publication for the APEC website at the end of each meeting, so that the APEC community could see the recent development of the TELWG agenda and achievements.

C. Develop and execute an external engagement strategy

TELWG should develop a more effective external communications plan to reduce financial reliance on APEC to fund projects by encouraging and fostering more industry partnerships.

TELWG is actively engaged with industry and other international organizations. Many TELWG projects have been initiated and driven solely by the private sector, and others are joint private-public sector initiatives in collaboration with international organizations such as the Organization for Economic Cooperation and Development (OECD), the Global Business Dialogue on e-Society (GBDe), the Asia Pacific Network Information Centre (APNIC), the Internet Society (ISOC) and the International Telecommunications Users Group (INTUG). This is a positive start however, much more can be done.

TELWG must tap into the expertise, which resides with key industry leaders. TELWG must engage these companies and seek their involvement and possible sponsorship or co-investment in TELWG projects.

An external engagement strategy should:

- Target major multi-national companies such as Google, Microsoft, Cisco, Tesla and PayPal;
- Engage major telecommunication providers;
- Engage smaller technology companies directly and through industry and interest groups;
- Bring in external people to challenge existing ideas;
- Include in the next TELWG a day devoted to addressing these challenges Perhaps have 10 industry leaders come in to present on the key areas of progress in ICT.

TELWG Response:

TELWG always considers possible ways for external engagement with both APEC fora and international organizations. The Strategic Action Plan 2016-2020 (SAP) already includes the Priority Area 5: Strengthen cooperation with APEC fora (CTI, AHSGIE, ECSG, EPWG, HWG, GOF, GOS, FMP and SMEWG) and external organizations. In addition, APEC TELWG has developed a special table to monitor the SAP implementation, which is called "Other fora & AHSGIE collaboration." In this table, TELWG members note the projects that may require cross-fora collaboration.

TELWG already cooperates with the major multi-national companies, major telecommunication providers and smaller technology companies from the TELWG Meetings Host Economies. They actively participate not only in the plenary meetings, but in the roundtables and workshops, organized by the Host Economy and other TELWG members.

TELWG is working on the document on cross-fora collaboration for the internal use by the TELWG members, so that they have a short description of possible mechanisms for cooperation with other APEC fora. TELWG will consider including Si recommendations into the document on external engagement as well. This document will come as the attachment to the revised TELWG ToR.

TELWG will also consider developing special guidance on TELWG meeting hosting in addition to the existing APEC Host Economy Guidelines, which will reflect ideas on possible recommendations to the Roundtables' organization.

D. Establish a TELWG Industry Advisory Board

15 representatives of multi-nationals:

- Must have very specific tasks;
- *Identify sources of external finance;*
- Encourage "buy in' from big corporates pay an amount into a pool, which then goes towards funding projects.

TELWG Response:

TELWG will consider the establishment of the TELWG Industry Advisory Board (TIAB) and in case of reached consensus TELWG will formulate the Terms of Reference for TIAB for submission to SCE.

<u>E. Target Audience</u>

Identify the target audience in every TELWG document:

Indicate who it is intended for? (Internal/External)

- APEC Leaders & Ministers;
- Other APEC Working Groups;
- Industry Leaders
- Academics;
- Other international organizations (OECD, ASEAN);
- Government Agencies in Member Economies (Officials, Policy Makers);
- Elected Government Representatives in Member Economies (Ministers, Decision Makers).

TELWG Response:

TELWG welcomes this idea. TELWG will add this requirement into the revised ToR.

F. Revisit the idea of Friends of the Chair

This idea was raised at TELWG 49 (Chair's Report).

- This advisory panel concept designed to retain the knowledge of outgoing Steering Group Convenors, seems to be a worthwhile concept.
- If working effectively it will retain the knowledge of outgoing Steering Group convenors, at least for the period of the two forthcoming TELWG meetings.

TELWG Response:

TELWG will consider the idea on the mechanisms to retain the knowledge of TELWG activities. Friends of the Chair Group can collect and analyze the information on TELWG activities from its establishment and prepare the convenient report to TELWG, keeping in mind that these reports should be updated every meeting afterwards. The establishment of such FoTC will help maintain continuation of the TELWG activities, which would dwell on the achievements of the TELWG projects and meetings of the past. This reports will be a good source of reference to the projects, activities, initiatives and the outcomes that have been received for all TELWG members. This will be useful, taking into consideration the long history of TELWG. If TELWG agrees on this idea by consensus, it will be included into the new ToR.

G. Penetration Survey

Si recommends that there would be merit in undertaking a further and deeper penetration survey given that only 11 of the 21 member economies responded to this survey. Perhaps a more extensive penetration survey should form part of the external engagement strategy and pose questions to:

- 5-6 key government representatives in relevant government agencies in a selection of member economies (mix of developed, less-developed);
- 5-6 key government representatives in relevant companies/industries (mix of developed, less-developed);
- NGOs;
- ICT Providers Universities.

The report on the survey should assess the responses and inform the external engagement strategy.

TELWG response:

TELWG came to the agreement that it is the responsibility of the SCE and the Independent Assessment Agency, so this recommendation will be useful for their consideration.

<u>H. Projects</u>

Si would like to member economies to submit more self-funded project proposals. Every effort to improve concept notes and overall project quality should be encouraged. Delivering high quality projects is important. The concept note process should be an opportunity for member economies to provide feedback on proposed projects and this feedback should be considered seriously.

TELWG response:

TELWG welcomes the idea of having self-funded projects on the regular basis, keeping in mind that sometimes it is difficult to receive APEC funding for very specific ICT- infrastructure related projects. While these projects fall into one of the main TELWG priorities. TELWG Chair, Executive Convenors and the APEC Secretariat always encourages TELWG Members to propose and conduct more self-funded projects, especially those projects that are managed by two or more member economies. TELWG will continue working on the improvement of the projects concept notes and proposals, with the help of the APEC Secretariat.

I. Develop TELWG as a forum to solve policy and regulatory challenges

TELWG is a very useful forum for sharing best practices and regulatory updates between member economies. TELWG may consider taking this one step further. Rather than just presenting recent experiences member economies could put forward issues or challenges that they are facing and allow other economies to assist and provide solutions and advice to solve problems.

TELWG Response:

TELWG indeed provides member economies with the opportunity to share their best policy and regulatory practices. Almost all member economies provide regulatory and policy updates on the regular basis. Policy and regulatory practices are also included in the projects' activities, policy/regulatory and industry roundtables and Steering Groups agendas. TELWG will reflect this recommendation at the revised ToR, so that member economies could give more attention to the regulatory challenges and measures for their settlement in the agendas mentioned above.

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