

**Twentieth Meeting of the APEC Chemical Dialogue****Final Report**

February 25, 2018  
 Jackson Room 1&2, Gateway Hotel  
 Port Moresby, Papua New Guinea

The Twentieth Meeting of the Chemical Dialogue (“CD” or “Dialogue”) (“CD20”) was convened in Port Moresby, Papua New Guinea on February 25, 2018 and attended by representatives from 13 economies: Chile (Government); People’s Republic of China (Government); Indonesia (Government); Japan (Government and Industry); Republic of Korea (Government and Industry); Malaysia (Government); Mexico (Industry); Papua New Guinea (Government and Industry); the Republic of the Philippines (Government); the Russian Federation (Government and Industry); Singapore (Industry); Chinese Taipei (Government and Industry); and the United States (Government and Industry). CD20 was co-chaired by Mr. Kazuya Ishii, the Industry Co-Chair, and Mr. Phil Nervig on behalf of Mr. Bryant Trick as the Government Co-Chair. CD20 was preceded by an Industry Pre-Meeting (“IPM”) held on February 24, 2018 in the same venue.

<b>09:00 – 09:40</b>	<b>AGENDA ITEM 1</b>	<b>SETTING THE SCENE</b>
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**1.A. Welcome from Government Co-Chair****Government Co-Chair**

Mr. Phil Nervig from the U.S. State Department introduced himself as a representative of his colleague, Mr. Bryant Trick from the Office of the U.S. Trade Representative, who serves as the CD’s Government Co-Chair. The Government Co-Chair thanked Papua New Guinea for its efforts in hosting CD20 and for welcoming delegates to Port Moresby, a city many may be visiting for the first time. The Government Co-Chair challenged delegates to actively participate in the day’s discussions and to speak up at any opportunity. The aim of the session is to identify concrete ways that the CD could assist in removing unnecessary barriers to trade in chemicals as well as to contribute to the goals of Papua New Guinea as the host economy as well as to the Committee on Trade and Investment (“CTI”) as the CD’s parent fora.

**1.B. Welcome from Industry Co-Chair****Industry Co-Chair**

Mr. Kazuya Ishii, the Executive Director of the Japanese Chemical Industry Association (“JCIA”), introduced himself as the Industry Co-Chair. On behalf of industry representatives and the Asia-Pacific Chemical Industry Coalition (“APCIC”), the Industry Co-Chair provided a summary of the Industry Pre-Meeting (“IPM”) held the previous day, on February 24, 2018. The IPM had spent some time discussing challenges that industry is facing in the region, noting, in particular, its challenges in understanding and complying with regulatory development across the region, underscoring the importance of transparency in the regulatory process as well as efforts to promote regulatory convergence. The IPM identified several priority areas on the CD’s agenda including: (1) promoting regulatory cooperation, including through hosting of the four follow-up technical webinars on issues identified during the SOM3 2017 best practice principles in chemical regulation workshop; (2) collaboration with the APEC Subcommittee on Customs Procedures (“SCCP”) to address unnecessary delays resulting from, and divergences in, customs requirements for chemical imports; and (3) continued contributions to relevant international discussions, including those related to the implementation of the Globally Harmonized System for the

Classification and Labeling of Chemicals (“GHS”), marine debris, and sustainability. The Industry Co-Chair thanked the host for welcoming us to Papua New Guinea and indicated that he, and the industry participants, were looking forward to productive discussions.

1.C. **Presentation by the SOM Chair’s office on the Priorities for 2018 & Welcome from Papua New Guinea** **SOM Chair & Papua New Guinea Representatives**

Meeting Documents

- ❖ 2018/SOM1/CD/008 – APEC 2018 Theme and Priorities

Two representatives from Papua New Guinea provided introductions. First, a representative of the Senior Officials office thanked delegates for the privilege of hosting APEC in 2018 and welcomed delegates to the economy and provided an introduction to the APEC 2018 theme and host year. Papua New Guinea’s 2018 theme is “Harnessing Inclusive Opportunities, Embracing the Digital Future” and it seeks to (1) continue to promote the notion of quality growth and advance the APEC Leaders’ Growth Strategy and (2) harness a conversation around the digital economy, and how APEC can seize opportunities and respond to challenges associated with it. He noted that APEC has recognized the importance of the CD in development for APEC economies and that we all have a common cause to address the challenges and find solutions for the common issues facing industry and regulators within the sector.

Papua New Guinea summarized three policy priorities for the year: (1) improving digital connectivity, deepening regional economic integration; (2) promoting inclusive and sustainable growth; and (3) strengthening inclusive economic growth through structural reform. The SOM representative noted that the CD has done substantial work that can contribute to these areas including the Best Practice Principles for Chemical Regulation and contribution to the Globally Harmonized System for the Classification and Labeling of Chemicals (“GHS”). He challenged the CD to do more, however, to address broader challenges including (a) chemical safety and (b) climate change. He concluded by noting that APEC provides a framework for Papua New Guinea, as a developing economy, to address some of the financial and economic development challenges it is facing.

Mr. Duncan Dobunaba, Acting Executive Manager, Medical Standards Unit, and Acting Chief Medical Officer for the Department of Health in Papua New Guinea then provided a welcome to CD20. Mr. Dobunaba discussed specific policy initiatives within each of the policy priority areas that APEC will be undertaking and intended outputs that it would seek by the end of the year. He also provided an initial introduction to the APEC calendar for the rest of the year; of relevance to the CD, the Ministers Responsible for Trade will meet at the end of SOM2, scheduled for May 11-26 and the CD will hold its second meeting during SOM3, from August 4-26.

09:40 – 10:10	AGENDA ITEM 2	STRATEGY AND ADMINISTRATION OF THE DIALOGUE
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2.A. **Review of Alignment with CTI Priorities**

**Moderated by Co-Chairs**

Meeting Documents

- ❖ 2018/SOM1/CD/009 – Committee on Trade and Investment (CTI) 2018 Work Program
- ❖ 2018/SOM1/CD/013 – 2017 Annual Boracay Action Agenda Stocktake with Policy Support Unit and APEC Business Advisory Council Inputs (Revision 1)

Action Items: The CD:

- Welcomed the CD's contributions to the Boracay Action Agenda ("BAA") Stocktake and called on economies to continue to propose ideas for carrying forward implementation of the BAA; and
- Noted that the CD's agenda remained aligned to CTI priorities and encouraged economies to consider specific projects the CD could undertake to further contribute to those priorities.

On behalf of the CTI Chair, Mr. Justin Allen from New Zealand, who was not able to attend the CD meeting, the Government Co-Chair provided a summary of the CTI's 2018 Work Program on the basis of Document Number 2018/SOM1/CD/009. The CTI has identified four main work area priorities: (1) Support for the multilateral trading system; (2) deepening regional economic integration, including through implementation of the Lima Declaration on FTAAP; (3) Strengthening Trade Facilitation and Connectivity, including through regulatory cooperation and convergence; and Promoting innovative and inclusive responses to APEC-wide issues, including through engagement with the private sector. The CTI Chair's presentation summarized work within each of these areas including, of relevance to CD work, a priority on working with business through the joint industry/officials dialogues and regulatory cooperation work including a focus on sustainable materials management.

The Philippines then summarized Document Number 2018/SOM1/CD/013, the 2017 Annual Boracay Action Agenda Stocktake with Policy Support Unit and APEC Business Advisory Council Inputs (Revision 1). The CD had two contributions (noted on pages 1 and 2) relating to its collaboration with the Subcommittee on Customs Procedures ("SCCP") to reduce unnecessary divergences between import requirements for industrial chemicals and related to promoting consistent implementation of the GHS. The Philippines called for continued support on initiatives to implement the Boracay Action Agenda to allow Micro, Small, and Medium-Sized Enterprises ("MSMEs") to better access global markets. The Philippines noted that it would be conducting another mid-year stocktake on the BAA implementation in 2018 and invited inputs.

The CD then, in response to a standing requirement of the CTI since 2014, discussed the extent to which its agenda "remains aligned with CTI objectives and is commercially relevant." The Government Co-Chair noted that the CD's work appeared to remain aligned with the CTI's priorities including: the collaboration with the SCCP as a contribution to trade facilitation; the collaboration with the Oceans and Fisheries Working Group on marine debris as a CTI contribution to cross-cutting APEC priorities; discussions on sustainability that could support CTI priorities on innovative development; and the Best Practice Principles in chemical regulation which promote regulatory cooperation and regional economic integration. The CD agreed that its agenda remained aligned with the CTI's.

**2.B. 2018 APEC Secretariat Update****APEC Secretariat**Meeting Documents

- ❖ 2018/SOM1/CD/015 – APEC Project and Management Update

The APEC Secretariat provided a presentation (2018/SOM1/CD/015) to summarize (a) a general update on APEC resources and (b) an update on the Project Cycle. With respect to general APEC-wide updates, the Secretariat noted that Senior Officials had endorsed a governance reform paper at SOM2 2017 (2017/SOM2/002) that mandated that all sub-fora would update their terms of reference to include (a) a four-year sunset clause (from 2018) and (b) a 14 economy quorum requirement. The CD discussed these requirements in Agenda Item 2.C *infra*.

The Secretariat also provided a summary of the recent APEC efforts to move to a more paperless environment through three related databases: (a) the APEC Collaboration System (“ACS”), designed for pre-meeting documents; (b) the APEC Information Management Portal (“AIMP”) and Meeting Document DataBase (“MDDB”), for post-meeting documents and to which there is public access (for non-restricted documents); and (c) the Project DataBase (“PDB”). The Secretariat manages access to these resources and requested delegates to contact the CD’s Program Director to resolve any access-related issues.

With respect to the APEC project cycles, the Secretariat stated that in the second project session of 2017, APEC had approved 59 projects out of the 123 requesting approval (roughly 48 percent). The CD did not request project funding in 2017, but is currently managing two self-funded projects: (1) CD 01 2017S (related to sharing best practices in chemical regulation); and (2) CD 02 2017S (related to a survey for review of chemical management regulatory systems worldwide). For the first project session of 2018, concept notes must be submitted to the CD program director by March 21 and then to the Project Management Unit by March 28, 2018; final decisions will be rendered by July 23. The Secretariat then provided an extensive summary of the changes made to the APEC project approval cycle including (a) the removal of scoring requirements at the fora level, (b) the requirement for the budget holding fora to score the proposals, and (c) a re-focused prioritization of capacity building. Economies considering submitting proposals were encouraged to review the slides in detail. No questions were received on the Secretariat’s presentation.

## 2.C. Approval of the Revised CD Terms of Reference

## Co-Chairs

### Meeting Documents

- ❖ 2018/SOM1/CD/002 – Revised Chemical Dialogue Terms of Reference

### Action Items: The CD:

- Agreed, in principle, to endorse the revisions to its Terms of Reference (2018/SOM1/CD/003), as revised during the meeting;
- Agreed to circulate the as-revised version from the meeting to delegates unable to attend CD20 for comment and, if no adverse comments received, endorsement by close of business on February 27, 2018 Papua New Guinean time (GMT+10) to ensure it can be provided to the Committee on Trade and Investment (“CTI”) for endorsement at SOM1;
- Agreed that the Secretariat would convey the Terms of Reference to the CTI and post them on the CD’s website, once they are endorsed; and
- Noted that the two year term for its Government Co-Chair concludes intersessionally and put out a call for nominations for a new Government Co-Chair to be provided to the Secretariat by April 30, 2018.

The Advisor to the Co-Chairs introduced the proposed changes to the Chemical Dialogue’s Terms of Reference (“TOR”). The TORs had not been revised since 2015 and needed to be updated. A limited number of changes were proposed at CD19 related to: (1) clarifying some of the language; (2) reflecting that virtual working groups should have terms of reference and be governed by government and industry co-chairs to reflect the nature of the CD’s operations; and (3) specifying that each economy is entitled to at least one industry and government delegate. Those changes were not circulated electronically until mid-February and were therefore not yet endorsed.

In parallel, Senior Officials have instructed each sub-fora to revise its TORs to include specific provisions reflecting that (a) a quorum shall be 14 economies and if a sub-fora fails to achieve 14

economies at two meetings in a row it shall be reviewed to determine whether it should continue; and (b) a sunset provision of four years be included at which point the sub-fora would be reviewed and a recommendation made whether they should be extended. The CD had therefore included both requirements in new Articles 4.6 and 4.7 in the revised TORs.

After a discussion, the CD delegates in the room agreed to endorse the revised TORs. Because the CD did not have a quorum (13 of 21 economies), the CD agreed to circulate the revised TORs as endorsed “in principle” to other economies to give them 48 hours to review the revisions, before having them fully endorsed by the CD and transmitted to the CTI. Editorial Note: Subsequent to the meeting, the TORs were circulated and no adverse comments were received; they were therefore considered endorsed and were transmitted onward to the CTI and SOM, where they were also endorsed.

<b>10:10-10:15</b>	<b>AGENDA ITEM 3</b>	<b>SHARED GOAL 1: TO FACILITATE TRADE BY EXPANDING AND SUPPORTING REGULATORY COOPERATION AND MUTUAL RECOGNITION IN THE REGION</b>
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3.A. Regulators’ Forum

RF Chair

Action Items: The CD:

- Requested that economies provide topics for a 2018-2019 Action Plan to the Chair of the Regulators’ Forum by March 31, 2018;
- Noted the intention of the Regulators’ Forum to seek intersessional endorsement of its Action Plan from the CD; and
- Encouraged economies to send representatives to the next meeting of the Regulators’ Forum to be held on the margins of SOM3.

A representative of the Chair of the Regulators’ Forum (“RF” or “Forum”) provided a brief intervention. On behalf of the RF Chair, the representative renewed the request for CD and RF delegates to provide comments to the RF Chair regarding what items should be included on the RF’s 2018-2019 agenda; at CD19, delegates had discussed the potential of including discussions on (1) case studies on how economies collect, review, process, and incorporate public comments into the regulatory process, (2) regulatory impact assessments, and (3) information sharing related to regulatory developments. The representative of the RF Chair then encouraged all economies to ensure their regulator is able to attend the next RF meeting held on the margins of CD21 at SOM3 2018.

<b>10:15-10:45</b>	<b>FAMILY PHOTO AND COFFEE BREAK</b>	
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<b>10:45-12:30</b>	<b>AGENDA ITEM 3: Cont.</b>	<b>SHARED GOAL 1: TO FACILITATE TRADE BY EXPANDING AND SUPPORTING REGULATORY COOPERATION AND MUTUAL RECOGNITION IN THE REGION</b>
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3.B. Virtual Working Group on Regulatory Cooperation and Convergence

3.B.i. VWGRCC Work Plan

VWGRCC Co-Chairs (U.S. Industry; Government Co-Chair TBD)

Action Items: The CD:

- Sought nominations for economies willing to serve as the Government Co-Chair of the

Virtual Working Group on Regulatory Convergence and Cooperation (“VWGRCC”) by March 15, 2018.

U.S. Industry presented on behalf of the Co-Chairs for the Virtual Working Group on Regulatory Cooperation and Convergence (“VWGRCC”) which coordinates the CD’s work streams on regulatory cooperation. U.S. industry noted that the VWGRCC was seeking nominations for a Government Co-Chair for the VWGRCC as Australia had completed its term as Co-Chair. The CD therefore agreed to seek nominations for the Co-Chair position. The other items on the VWGRCC’s workplan are discussed in the subpoints below.

3.B.ii. **Sharing Best Practices in Chemical Regulation Self-Funded Project: Update**  
**The Philippines & VWG**

Action Items: The CD:

- Noted the intention of the VWGRCC to circulate a survey on potential technical webinars to follow from the Best Practices in Chemical Regulation workshop held at SOM3 2017 (“2017 Workshop”);
- Requested economies complete the circulated survey by March 31, 2018;
- Noted the intention of the VWGRCC to host four follow-up webinars prior to CD21; and
- Encouraged all CD delegates and participants in the 2017 Workshop to attend the follow-up webinars and to circulate invitations to these webinars to interested participants within their economies.

The VWGRCC Co-Chair provided an update as follow-up to the Philippines self-funded project to promote sharing of best practices in chemical regulation. The project had organized a successful workshop on the margins of CD19 (SOM3 2017) with more than 70 attendees from 16 APEC economies. To carry forward that momentum, the project had proposed a series of four follow-up technical webinars on specific issues of interest to workshop participants. The VWGRCC noted that these had not yet been scheduled and therefore invited the CD to provide potential topics, stating that some initial ideas included: (1) evaluating and incorporating comments during a public consultation; (2) the differences, costs, and benefits of an inventory versus a database; (3) the challenges associated with regional and international data sharing, including in particular with respect to risk assessments and access to exposure data; (4) protecting confidential business information (CBI) when sharing information; and (5) broad challenges associated with conducting a risk assessment which is, typically, more difficult than the hazard assessment.

The VWGRCC Co-Chair stated that the VWGRCC would be circulating a survey immediately after the CD for delegates to propose and prioritize potential webinar topics, which would then be organized intersessionally in advance of SOM3. In response to a question about how the webinars would be scheduled to insure participants in different time zones could participate, the VWGRCC Co-Chair noted that they would seek to identify a time that worked the best for the highest number of participating economies, but that the webinars would also be recorded to enable additional participants to view them at a later time. The CD agreed to circulate a survey, seek input from CD delegates, and encourage delegates to participate in the intersessional webinars.

**3.B.iii. Customs Practices for Industrial Chemicals****U.S. Industry****Meeting Documents**

- ❖ 2018/SOM1/CD/010 – Summary Reporting and Recommended Next Steps Related to the Survey of Import Requirements for Industrial Chemicals: Working Draft

**Action Items:** The CD:

- Sought comment on the Summary Report and Recommended Next Steps Related to the Survey of Import Requirements for Industrial Chemicals: Working Draft (2018/SOM1/CD/010) by March 31, 2018 and, if no adverse comments are received, endorsement of the report on that date; and
- Encouraged economies interested in contributing to the follow-up discussions (including providing case studies, brainstorming best practices, or otherwise) to identify themselves to the Secretariat.

The VWGRCC provided an update on its ongoing collaboration with the APEC Subcommittee on Customs Procedures (“SCCP”) with respect to import requirements for chemical imports. The VWGRCC Co-Chair noted that this work was begun at CD17 (SOM3 2016) and was motivated by industry’s recognition that it was facing an increasing number of at-the-border barriers to trade in chemical products across APEC economies that were having a material impact on trade in the region. This included increasing inspections by port officials, diverging documentation requests, delays in clearance, requests for composition information considered confidential business information (“CBI”), etc. The CD had therefore endorsed a workstream with four goals: (a) collaboration with the SCCP; (b) conducting a survey/stock-take on current import requirements for chemical products; (c) distilling the results of that survey into a summary that could be used to identify potential areas for divergence and steps to address them; and (d) depending on the results of the survey, to consider development of best practices and/or capacity building work to implement those best practices.

The CD conducted that survey in 2017 and tabled the complete results from the 15 responding economies at CD19 (2017/SOM3/CD/025). Now, the VWGRCC had distilled those results into an initial draft of the planned summary document (2018/SOM1/CD/010). That summary identified several areas of similarity: for example, the majority of responding economies indicated that they have an operational import single window which would include chemicals; the majority indicated they provide CBI protection, including related to imports; and a substantial plurality stated that they had specific training programs for customs officials handling chemical or hazardous imports. It also identified a number of divergences including: (a) unique economy specific requirements for the import of chemicals, (b) inconsistent coordination between agencies including allocating responsibility for chemical import assessment between customs and the primary chemical regulatory agency (*e.g.*, an environmental protection ministry), and (c) inconsistent assessment requirements ranging from full inspections to importer self-declarations.

On the basis of those findings, the summary identifies several potential next steps for CD and SCCP consideration, including: (a) further information gathering regarding the specific types of training provided to customs and regulatory officials on chemical imports; (b) hosting of case studies on particular import best practices at future CD meetings; (c) development of best practice principles for chemical import; and (d) capacity building and training to promote implementation of those best practices. The CD welcomed this update and agreed that economies should provide comments on the summary and next steps. It also encouraged economies interested in joining the working group to do so.

3.B.iv. **Safety of Chemical Products – National and International Issues****Russian Federation****Action Items: The CD:**

- Encouraged economies to provide comments on their economy-specific section of the Survey of Review of Chemical Management Regulatory Systems Worldwide by the end of April 2018 to the Russian Federation; and
- Noted the intention of the Russian Federation to draft an “Executive Summary” of the Survey results and to circulate that to CD delegates for comment with a goal of seeking endorsement of that Executive Summary by the end of December 2018.

The Russian Federation provided an update on its self-funded project (CD 02 2017S), which had been endorsed at SOM1 2017. As previously summarized, the goal of the project was to produce a “Survey for Review of Chemical Management Regulatory Systems Worldwide” (“Survey”). The Russian Federation had circulated a draft of this Survey to economies intersessionally for comment. In response to requests for more time to provide feedback, at CD19 the Russian Federation had agreed to extend the self-funded project until December 2018 and to seek comments on the Survey by April 2018. The Russian Federation would then incorporate these comments into the Survey and develop a distilled “Executive Summary” based on the revised Survey results for circulation to the CD for comment and ultimately endorsement by December 2018. The Russian Federation renewed its request for comments to be provided on the Survey by April 2018 and stated that it welcomed thoughts on how to leverage the Survey results once they were completed, for example by having the Virtual Working Group on Data Exchange disseminate them.

3.B.v. **Economic Importance of the Chemical Industry in APEC Economies****U.S. Industry****Meeting Documents**

- ❖ 2018/SOM1/CD/011 - Chemical Trade: Paper A: Chemical Trade Data – Regional Flows: Revised
- ❖ 2018/SOM1/CD/012 – Revised Version: The Economic Importance of the Chemical Industry in the APEC Economies (U.S. Industry)

**Action Items: The CD:**

- Agreed, in principle, to endorse the “Revised Version: The Economic Importance of the Chemical Industry in the APEC Economies” (2018/SOM1/CD/012);
- Agreed to seek comments on, and if no adverse comments received, endorsement by close of business (Singapore time) on February 28, 2018 of Document Number 012 by economies not in attendance at CD20;
- Agreed, in principle, to endorse the “Chemical Trade: Paper A: Chemical Trade Data – Regional Flows: Revised” (2018/SOM1/CD/011);
- Agreed to seek comments on, and if no adverse comments received, endorsement by close of business (Singapore time) on February 28, 2018 of Document Number 011 by economies not in attendance at CD20;
- Agreed that the VWGRCC would develop a short letter to the CTI and to the APEC Business Advisory Council (“ABAC”), leveraging the two economic reports to underscore the value of the CD within APEC, and seeking support from both groups for further work within the CD; and
- Agreed that the Secretariat would post the endorsed documents to the CD’s public



website.

U.S. industry introduced slightly revised versions of two previously tabled documents. First, U.S. industry summarized the intersessional changes to the ‘Economic Importance of the Chemical Industry in the APEC Economies’ (2018/SOM1/CD/012) report which had been tabled at both CD18 and CD19. Intersessionally, a limited number of changes had been received—primarily related to ensuring the terminology conformed to APEC naming convention requirements. Second, on behalf of Australian industry, U.S. industry tabled a revised version of the ‘Chemical Trade: Paper A: Chemical Trade Data – Regional Flows: Revised’ (2018/SOM1/CD/011), reflecting small amendments to particular data points based on comments received intersessionally.

The CD agreed to provisionally endorse these documents and to put them to the full CD for full endorsement immediately subsequent to the meeting. Once endorsed, the CD agreed to carry forward the CD19 Action Items by (a) seeking to post the endorsed documents to the CD website and (b) conveying them to the CTI in coordination with a short cover letter underscoring the value of the CD within APEC. One delegation noted that the reports should also be submitted to the ABAC Business Advisory Council (“ABAC”), given its role as the coordinator of industry input into APEC; the CD agreed to the suggestion.

### 3.C. Virtual Working Group on GHS

#### 3.C.i. Implementation of VWG Workplan

#### VWG Co-Chairs

Action Items: The CD:

- Noted the intersessional endorsement of the Virtual Working Group on the Globally Harmonized System of the Classification and Labelling of Chemicals (“GHS”) (“VWGGHS”) revised Terms of Reference (2017/SOM3/CD/014), 2018 Workplan (2017/SOM3/CD/013), and study on the “Comparison of Implementing [GHS] Regulations Amongst the APEC Economies (2017/SOM3/CD/012);
- Agreed to post the VWGGHS’s endorsed Terms of Reference and Workplan to the CD’s website; and
- Agreed that economies should submit responses to the GHS Implementation Rationale Questions (2017/SOM3/CD/024) by April 15, 2018 to enable the VWGGHS to use the responses to develop actionable projects for discussion at SOM3 (CD21)

U.S. Industry, as Industry Co-Chair of the VWG on the Globally Harmonized System for the Classification and Labeling of Chemicals (“GHS”) (“VWGGHS”), provided an update on the VWG’s work. The VWGGHS was developed to coordinate the CD’s GHS-related efforts, which the CD has maintained since the GHS was first established in the early 2000s. In recent years, the VWGGHS’s efforts have focused on identifying the scope of the divergence in the implementation of the GHS and then seeking ways to address that divergence. Those efforts have been consistently recognized by APEC, including in 2017 when APEC Ministers “note[d]” the CD’s efforts to “address divergences in the Globally Harmonized System for the Classification and Labeling of Chemicals to facilitate trade.”

Intersessionally, the CD had endorsed the VWGGHS’s workplan (2017/SOM3/CD/013) and revised Terms of Reference (2017/SOM3/CD/014), as well as the Updated Survey of Divergences in GHS implementation across APEC (2017/SOM3/CD/012), and the GHS Implementation Rationale Questions (2017/SOM3/CD/024). The latter document was developed as a follow-up action from the CD’s 2017 workshop and was intended to help address lingering economy questions regarding how other

economies had chosen particular GHS building blocks. The VWGGHS sought economy completion of the now endorsed survey (2017/SOM3/CD/024).

In response to a question regarding how the VWGGHS proposed to promote convergence once it had identified the scope of the divergence in GHS implementation, the VWGGHS Industry Co-Chair noted that recommendations to address these divergences had previously been submitted to Ministers and are still available to be implemented. The Survey is intended to address one aspect of that—namely divergence on which building blocks are selected—by helping economies better understand the decision-making of other economies to facilitate potential alignment of (or reduction in unnecessary divergence in) the building blocks chosen by each economy. The CD welcomed this update, noted that the endorsed documents should be publicly posted, and encouraged economies to complete the survey.

### 3.C.ii. Annual GHS Implementation Report

### Australian Industry

#### Meeting Documents

- ❖ 2018/SOM1/CD/005 – 9<sup>th</sup> Progress Report on the Implementation of Globally Harmonized System of Classification and Labelling of Chemicals (GHS) in APEC Economies
- ❖ 2018/SOM1/CD/005a – 9<sup>th</sup> Progress Report on the Implementation of Globally Harmonized System of Classification and Labelling of Chemicals (GHS) in APEC Economies

#### Action Items: The CD:

- Agreed to provide comments on the 9<sup>th</sup> Progress Report on the Implementation of the Globally Harmonized System of Classification and Labelling of Chemicals (GHS) in APEC Economies (2018/SOM1/CD005) by March 15, 2018;
- Noted the intention of Australian industry to submit a final version of the GHS report to Ministers Responsible for Trade (“MRT”) to the CD for intersessional endorsement and transmission to the CTI, SOM, and MRT; and
- Noted the additional action items identified in the 9<sup>th</sup> Progress Report and recommended that the VWGGHS consider how to carry them forward.

On behalf of Australian industry, U.S. industry introduced the 9<sup>th</sup> Progress Report on the Implementation of the Globally Harmonized System of Classification and Labelling of Chemicals (GHS) in APEC Economies (2018/SOM1/CD/005; and 2018/SOM1/CD/005a). By way of background, the CD has provided an annual report to the APEC Ministers Responsible for Trade (“MRT”) since the Seventh Chemical Dialogue in 2008 at the instructions of the MRT to promote GHS implementation. In 2017, the CD agreed to revise the schedule by which it collects GHS implementation information from economies to ensure that it could prepare the report in a timely fashion for MRT.

The 9<sup>th</sup> Progress Report therefore summarizes the status reports received from the 11 APEC economies that had submitted them. The progress report noted that GHS implementation continues to be more widely utilized in the industrial workplace sector (rather than consumer products or agriculture), but that there remain a substantial number of divergences, all of which are summarized in the report. The Progress Report further notes that the CD’s previous recommendations, as well as its current effort related to the GHS building block survey, could help to address some of these divergences if more fully implemented.

The CD noted the recommendation that each economy identify a single “contact” point or

“coordinator” for GHS report submission to minimize some of the unnecessary duplication when numerous reports are received from the same economy. One economy commented that this would also be a useful recommendation with respect to each economy’s SAICM reporting templates (discussed *infra* in Agenda Item 5.B). The CD encouraged economies to provide comments on the Progress Report, noted the intention to develop a draft report to the MRT for intersessional consideration, and recommended that the VWGGHS consider how to carry forward the action items identified in the Progress Report.

### 3.C.iv. Extensions and Status of the G.R.E.A.T. Project

Chinese Taipei

#### Meeting Documents

- ❖ 2018/SOM1/CD/003 – Update on the Globally Harmonized System of Classification and Labelling of Chemicals (GHS) Reference Exchange and Tool (G.R.E.A.T.) Project

#### Action Items: The CD:

- Thanked Chinese Taipei for its continued support for the GREAT website; and
- Encouraged economies to provide updated GHS related information to Chinese Taipei for inclusion on the website.

Chinese Taipei provided an update on developments related to the GHS Reference Exchange and Tool (“G.R.E.A.T.”) project that it has hosted for a number of years. Chinese Taipei stated that there had been more than 146,000 hits to the website since it was established in 2010. It currently provides (a) all GHS implementation reports submitted to the CD through 2016; (b) GHS labeling elements in 37 languages including 11 APEC languages; (c) an update to the template version to GHS Rev. 4 (2011); and (d) links to other GHS-related websites (*e.g.*, UNSCEGHS webpage, OECD eChemPortal, Japan’s CHRIP, and NITE GHS information). Chinese Taipei encouraged economies to continue to provide updates on GHS developments within their economies, including implementation status, timelines, and resource links. The CD thanked Chinese Taipei for its continued financial and personnel support for the G.R.E.A.T. project and encouraged economies to make use of the resource and offer suggestions for improvement.

### 3.D. Virtual Working Group on Data Exchange

Russian Federation

#### Meeting Documents

- ❖ 2018/SOM1/CD/016 – Progress Report on the Activities of the Virtual Working Group on Data Exchange – Presentation
- ❖ 2018/SOM1/CD/016a – Progress Report on the Activities of the Virtual Working Group on Data Exchange – Paper

#### Action Items: The CD:

- Sought nominations for the Industry Co-Chair for the Virtual Working Group on Data Exchange (“VWGDE”) to be submitted by March 15, 2018;
- Agreed that economies should provide comments on the VWGDE’s Terms of Reference (Appendix to 2018/SOM1/CD/016) by March 7, 2018;
- Welcomed the VWGDE’s development of a 2018 work plan and noted the VWGDE’s intention to submit that workplan to the CD for review and endorsement intersessionally;
- Agreed that the VWGDE would work with the Secretariat to ensure its information sharing platform aligns with APEC website guidelines.

The Russian Federation presented on several items as Chair of the Virtual Working Group on Data Exchange (“VWGDE”). First, the Russian Federation noted several organizational matters for the VWGDE. Taking into consideration a suggestion made during CD19, the VWGDE is now soliciting nominations for an Industry Co-Chair for the group to align its co-chair structure with that of the CD and the other VWGs. Additionally, the VWGDE is preparing a revision of its terms of reference to insure that they align to any revisions made to the CD’s TORs (discussed above). Once the CD TOR revisions are completed, the VWGDE will immediately seek comment on its proposed revisions, to hopefully have its TORs endorsed by the end of March 2018.

The VWGDE noted that it maintained an “information platform” for the VWG’s activity: <http://vwgde.cdapec.ru>. The platform includes copies of working documents as well as updates about the VWGDE’s activity. In response to a question from the Secretariat, the Russian Federation noted that the website had been established for some time, but had not been actively utilized. The Russian Federation therefore agreed to work with the Secretariat to ensure that the website aligns to APEC’s recently developed website guidelines.

The Russian Federation identified three primary work areas for the VWGDE in 2018:

- Cooperation with International Fora: The VWGDE is continuing its engagement with the UN Subcommittee of Experts on the GHS (“UNSCEGHS”). For 2018, the VWGDE is considering (a) potential revisions to the reporting format to more closely align to the format used by the UNSCEGHS; and (b) potential contributions to an Australian proposal related to incorporation of risk-management into GHS, a system known for being primarily hazard based, implementation, given the CD’s focus on risk management.
- Voluntary Initiatives: The VWGDE noted that there had not been consensus support for the eco-labeling proposal and it therefore would no longer be pursued.
- Information Sharing between APEC Members: This is closely related to the parallel project the Russian Federation is pursuing on the Survey of chemical regulations (discussed in Agenda Item 3.b.iv *supra*). Once that self-funded project is completed, the VWGDE can facilitate sharing of the lessons learned, including through potential development of a ‘smart form’ related to “Chemical Management Regulatory Systems Worldwide”.

The VWGDE welcomed comments on its potential work plan intersessionally. It sought to send a draft TOR and proposed workstreams to VWGDE members by March 7 to hopefully have an endorsed plan for circulation to the CD for consideration and endorsement by March 30, 2018. The CD welcomed the update from the VWGDE and noted the proposed timelines. One nomination of a U.S. industry representative as VWGDE Industry Co-Chair was made during the discussions and additional nominations were welcomed.

12:30-13:30	LUNCH
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13:30-14:00	AGENDA ITEM 4	<b>SHARED GOAL 2: TO PROMOTE UNDERSTANDING OF THE CHEMICAL INDUSTRY'S ROLE AS A PROVIDER OF INNOVATIVE SOLUTIONS FOR SUSTAINABLE ECONOMIC, ENVIRONMENTAL, AND SOCIAL DEVELOPMENT</b>
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4.A. VWG on Marine DebrisRepresentative of the Marine Debris VWGMeeting Documents

- ❖ 2018/SOM1/CD/014 – APEC Virtual Working Group on Marine Debris: Update

Action Items: The CD:

- Welcomed the update from the Virtual Working Group on Marine Debris (“VWGMD”) (2018/SOM1/CD/014), particularly related to further efforts to build capacity to implement the Policy and Practice Recommendations that were endorsed by APEC Ministers in 2016;
- Encouraged economies interested in joining the VWGMD’s work to indicate their interest to the Secretariat; and
- Noted the intention of the VWGMD to submit a concept note to the APEC Oceans and Fisheries Working Group (“OFWG”) and encouraged interested economies to express their support to OFWG delegates.

The U.S. Government, on behalf of the Co-Chairs of the Virtual Working Group on Marine Debris (“VWGMD”)—currently the U.S. as the Government Co-Chair and the Philippines as the Industry Co-Chair—provided an update on the VWGMD’s activities since SOM3. In 2017, the VWGMD engaged in a robust work program including: (1) promoting implementation of the Policy and Practice Recommendations for Overcoming Barriers to Financing Waste Management Systems and Reducing Marine Litter (2016/CSOM/010) (“Policy and Practice Recommendations”); (2) conducting, through the CTI’s APEC Regional Cooperation Advancement Mechanism (“ARCAM”), a survey to catalogue how APEC economies defined key terms related to sustainable materials management, and barriers these created to investment; (3) hosting the first Asia Pacific Infrastructure Partnership meeting on waste management in Indonesia in March 2017; (4) presenting to several other APEC events including the SOM FoTC on Urbanization, the High-Level Policy Dialogue on Sustainable Tourism, and the Marine Debris Prevention and Management Training Course; and (5) hosting an APEC High-Level Meeting on Accelerating Waste Management Solutions To Reduce Marine Litter.

To carry the work forward, in 2018, the VWGMD aims to continue to promote implementation of the Policy and Practice Recommendations and to promote efforts to improve the investment environment for solid waste management infrastructure. Specifically, it plans to: (a) submit a concept note to the OFWG to update a 2009 study on the costs of marine debris to APEC economies; (b) host additional Asia-Pacific Infrastructure Partnership meetings in Indonesia, Viet Nam, and the Philippines, including hosting training for municipal officials on waste management; and (c) contribute to the World Bank and IMF joint meetings on oceans if marine litter is added to the agenda.

In response to the presentation, several economies including Chile, Papua New Guinea, and the Russian Federation expressed interest in joining the VWGMD’s work and the representative welcomed the participation of additional economies.

**4.B. Industry Approach for Marine Debris in Japan****Japan Industry****Meeting Documents**

## ❖ 2018/SOM1/CD/006 – Industry Approach for Marine Debris in Japan

Japanese industry provided a presentation on its two-pronged approach to addressing marine debris: (1) efforts to prevent leakage of plastic waste into the marine environment; and (2) efforts related to addressing plastic waste already in the marine environment. Japanese industry noted that the first part of its effort has been related to research and information sharing including: (a) building knowledge through a long-range research initiative (“LRI”) related to both the effects of persistent organic pollutants (“POPs”) on aquatic organisms as well as better measures of the quantity of leaked plastic into rivers, (b) promoting information sharing through APEC, industry organizations (e.g., the International Council of Chemical Associations (“ICCA”)), and intergovernmental organizations (e.g., the UN Environment Assembly (“UNEA”)), and (c) building grass roots efforts including building relationships with local non-governmental organizations (“NGOs”). Building on that, Japanese industry has undertaken four activities within Japan: (1) conducting an industry survey to determine measures being taken to prevent leakage of plastic pellets into rivers; (2) participating in clean-up efforts at symbolic rivers; (3) efforts related to quantifying and recovering microfiber waste; and (4) reaching out to end-users to raise awareness of the need for appropriate management of products through their life cycle.

Going forward, Japanese industry stated it was seeking to build stronger waste management systems in emerging economies to seek to replicate Japan’s success in ensuring 83 percent of its plastic is re-used and only 7 percent is sent to landfills. These efforts could include training for key government personnel on the importance of waste management efforts in preventing marine debris, as well as leveraging “Landed Japan Operations” for further local advocacy. Additionally, Japanese industry has established a “Council of Marine Plastic” to coordinate activities amongst five chemical industry associations.

Papua New Guinea asked whether Japanese industry had funding available to promote these capacity building efforts and Japanese industry noted it would check and respond directly to Papua New Guinea.

**4.C. Options for Potential CD Work on Sustainable Chemistry****U.S. Industry****Action Items: The CD:**

- Agreed that a small working group would draft a discussion paper for CD21 (SOM3 2018) regarding how the CD could contribute to ongoing international discussions related to sustainable chemistry, including how sound chemicals management creates the enabling environment for the innovation necessary to lead to a circular economy and the accomplishment of the United Nations’ Sustainable Development Goals.

U.S. industry provided an update on this agenda item that had been initiated at CD17. The goal of the agenda item had been to determine if the CD could identify ways that it might be able to meaningfully contribute to ongoing international discussions related to sustainable chemistry, including potentially ways it could support implementation of the United Nations Sustainable Development Goals (“SDGs”). The CD had continued to agree to the importance of maintaining this agenda item, but had not yet identified potential concrete work to carry the issue forward. As a result, U.S. industry proposed that a small working group be created to draft a discussion paper on the topic for discussion at SOM3 2018, particularly focused on how promoting sound chemicals management can create the enabling

environment for the innovation necessary to lead to a circular economy and contribute to achievement of the SDGs. The CD agreed to the proposal and several economies, including Japan and Singapore, agreed to be part of the working group. U.S. industry indicated that it welcomed additional economies to participate and encouraged them to express interest to the Secretariat or U.S. industry directly.

14:00-14:30	AGENDA ITEM 5	<b>SHARED GOAL 3: TO ENABLE EFFECTIVE COOPERATION BETWEEN INDUSTRY AND GOVERNMENTS TO IMPROVE CHEMICAL PRODUCT STEWARDSHIP AND SAFE USE</b>
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5.A. **Challenges to Risk-Based Chemical Management Systems**

**U.S. Industry**

Action Items: The CD:

- Requested that the Regulators' Forum undertake capacity building work related to addressing the challenges in implementing risk-based approaches to chemicals management; and
- Encouraged economies to prepare case studies for presentation at SOM3 2018 regarding their experiences in implementing risk-based systems and how they have addressed some of the challenges thereto.

U.S. industry introduced this item, which was first introduced to the CD agenda at CD17 (SOM3 2016) with a goal of promoting discussion in the CD regarding challenges to the implementation of risk-based approaches to chemical management to which the CD had historically agreed in its Best Practice Principles (Principle 2 reads: "chemical regulations should adopt a risk management approach to developing and administering regulation"). At CD19, the CD built on its pre-CD19 workshop to discuss ways to address some of the challenges identified in that workshop (e.g., difficulty in acquiring necessary exposure data to conduct a risk assessment, particularly for older chemicals; challenges in communicating between parties focused on risk v. hazard; etc.). The CD had agreed to seek presentations from economies at future meetings about their experiences implementing risk based approaches as well as to encourage the Regulators' Forum to discuss the item at its 2018 meeting.

The CD held a brief discussion during which several economies reiterated the importance of this item and expressed their interest in participating in future work. The CD therefore agreed to seek further presentations at SOM3 as well as to renew the call for the Regulators' Forum to conduct capacity building related to the issue at SOM3 2018.

5.B. **SAICM**

**Singapore & U.S. Industry**

Action Items: The CD:

- Encouraged economies to complete the SAICM Reporting Template (2017/SOM3/CD/026), which had been endorsed intersessionally, by April 30, 2018 to enable the development of a draft CD report for discussion at CD21 (SOM3 2018).

Singapore noted that the SAICM Reporting Template had been endorsed intersessionally (2017/SOM3/CD/026) and therefore encouraged economies to complete the template. Singapore noted that the template was intended to facilitate the CD's ability to compile information regarding each economy's implementation of measures to meet the SAICM objectives to enable the CD to prepare a "regional" submission by the CD in advance of the Fifth International Conference on Chemicals Management ("ICCM5") to be held in 2020. Singapore encouraged completion of the template by the

end of April 2018 to enable the CD to begin preparing a draft report for discussion at CD21 (SOM3 2018).

Several economies, including the Russian Federation, Chinese Taipei, and Japan, noted their support for this work. Chinese Taipei stated that its completed template had been submitted as part of the meeting documents (Appendix to 2018/SOM1/CD/004) and that it would continue to work with other agencies to update the draft. In response to question, Singapore noted that completion of the template was voluntary but that the more economies that responded, the better data the CD would have to prepare a more useful regional report for use in the ICCM5 preparations and the more influence the CD may have on the SAICM beyond 2020 discussions.

#### 5.C. SAICM Update from Asia-Pacific Regional Meeting

Japan

##### Meeting Documents

- ❖ 2018/SOM1/CD/007 – Strategic Approach to International Chemicals Management (SAICM) Update from Asia-Pacific Regional Meeting

Japanese industry provided an update from the SAICM Asia Pacific regional meeting held in Bangkok from Jan. 23 to 25, 2018. Following the ICCM4 meeting in Brazil in 2015, SAICM is holding a series of meetings in preparation for ICCM5 in 2020 including Open-Ended Working Group meetings in 2017 (in Brazil), 2018 (in Sweden), and 2019 (to be determined). In advance of the 2<sup>nd</sup> Open-Ended Working Group meeting, to be held in March 2018, regional meetings are being convened in each of the SAICM regions: the Asia-Pacific regional meeting in January in Thailand, the Latin American (GRULAC) regional meeting in Panama on January 29-31, the African regional meeting in Cote d'Ivoire on February 6-8, the EU-JUSCANNZ meeting on February 9 in Paris, and the Central and Eastern Europe meeting in Poland on February 19-21.

The 5<sup>th</sup> Asia-Pacific Regional meeting was attended by roughly 100 participants from 26 governments and 27 non-governmental organizations (including industry). In principal part, the agenda focused on (a) a progress review on the implementation of SAICM within the region, (b) a discussion on SAICM and the sound management of chemicals and waste beyond 2020, (c) perspectives on future regional priorities beyond 2020, (d) future plans for regional outreach, and (e) preparation for the third Open-Ended Working Group. Of particular note, the meeting discussed several elements of the SAICM process that were felt to have “worked” (multi-stakeholder, multi-sectoral, periodic stakeholder engagement, economy-specific implementation plans, industry engagement including in domestic policy development, dedicated budgets for lead in paint) and those that did not work (lack of political support because it was not legally binding, lack of government prioritization, lack of capacity, lack of finance, and ineffective focal points).

A summary of the beyond 2020 discussion is included in 2018/SOM1/CD/007, including identification of potential priorities, new principles, a revised vision, and the need to include several additional stakeholders. The regional meeting noted that there remains a debate within SAICM about whether it should remain voluntary or legally binding. Several CD economies noted their support for the SAICM process remaining voluntary.

<b>14:30-15:00</b>	<b>COFFEE BREAK</b>
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15:00-16:30	AGENDA ITEM 6	INFORMATION EXCHANGE ON REGIONAL AND INDIVIDUAL ECONOMY REGULATORY DEVELOPMENTS
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#### Meeting Documents

- ❖ 2018/SOM1/CD/004 – The Chemical Management Scheme and the Update in Chinese Taipei

Economies were invited to provide an informational update on regulatory developments in their economies since CD19. These updates are summarized below, but economies who wish to provide additional detail or to revise the descriptions provided, are encouraged to provide that content in writing to the Secretariat:

- Chinese Taipei: Chinese Taipei presented on the basis of 2018/SOM1/CD/004. With respect to GHS, Chinese Taipei noted that it had fully implemented the Fourth Edition of the GHS for the workplace on January 1, 2016, with a one-year transition period. Currently, Chinese Taipei is revising its Regulation for the Labeling and Hazard Communication of Hazardous Chemicals to clarify its provisions on scope, CBI, and timelines and is expected to publish a draft in mid-2018. Chinese Taipei also provided a written update related to a 2017 notification to the WTO's Technical Barriers to Trade ("TBT") committee to update provisions in its Registration Regulation, to developments in its Chemical Commodity Importation Pre-Confirmation ("CCIP"), as well as related to several other aspects of the Occupational Safety and Health Act ("OSHA") overseen by the Ministry of Labor. Chinese Taipei also provided a completed version of its GHS reporting template as an Annex to 2018/SOM1/CD/004.
- United States: U.S. industry provided an update on two U.S. developments. First, as summarized at previous CD meetings, the United States substantially reformed its Toxic Substances Control Act ("TSCA") in 2016 and the U.S. Environmental Protection Agency is in the process of implementing these revisions. In particular, EPA is undertaking an inventory "reset"; under TSCA, there were roughly 90,000 chemicals on the inventory, but most industry participants estimate there are only roughly 15,000-20,000 chemicals in commerce today. EPA has therefore asked industry to identify which chemicals are actually in commerce; the original deadline was February 7, 2018, but EPA has indicated a willingness to accept late submissions if made through the online portal. U.S. industry noted this as an example of regulatory "flexibility", a key aspect of the CD's Best Practice Principles. Second, the United States is in process of renegotiating and/or modernizing the North American Free Trade Agreement ("NAFTA") that it struck with Canada and Mexico in the mid-1990s. Of particular note to the CD, (i) the chemical industries from all three economies were encouraged to work together to develop an aligned approach (similar to that undertaken in T-TIP) and (ii) the parties are currently negotiating a chemical sector specific commitment as part of the regulatory cooperation chapter, which re-affirms the importance of a risk-based approach to chemical regulation from all three economies.
- Russia: Russia stated that the Eurasian Economic Union ("EEU"), comprising Russia, Belarus, and Kazakhstan, had agreed to fully implement the GHS by June 2, 2021. In advance of that deadline, the EEU has developed a working group that is working on a

second draft of technical regulations which will be issued in the next few months for comment.

- Papua New Guinea: Papua New Guinea stated that the Environment Act 2000 is its principle environmental protection act and that it currently maintains regulations under the Act related to imported pesticides and ozone depleting substances. Papua New Guinea does not currently maintain regulations related to other hazardous substances, including mercury. Papua New Guinea's Conservation and Environment Protection Authority ("CEPA") is currently seeking to amend its regulations to cover some hazardous chemicals and is seeking effective stakeholder consultation to ensure the regulations are consistent with international and regional standards while incorporating stakeholder feedback in line with the CD's Best Practice Principles. In addition to the Act, Papua New Guinea maintains several other pieces of legislation which affect the chemical sector including the Public Health Act of 1972, the Food Sanitary Act, the industrial standards Act, and its participation in the Basel, and Waigani Conventions. Papua New Guinea noted that some of the challenges it faced included (a) updating legislation to address gaps, (b) building capacity with industry and government stakeholders on new legislation, (c) building public and industry awareness on emerging legislation, and (d) promoting research and development on chemical legislation. Papua New Guinea noted that it would benefit from CD and APEC assistance in seeking technical and financial support for revision and updating of its legislation.
- Mexico: Mexico added several comments to the U.S. comments on NAFTA, including that that the modernized text seeks to move away from the older "tariff shift" basis for rules of origin to focus more on chemical processes (e.g. blending, reactions, etc.). Mexico noted it was seeking a similar provision in some of its future free-trade agreements outside the NAFTA context. Mexico also discussed legislation related to global warming to implement Mexico's commitment under the Paris Protocol. This will include reports to the Mexican government in 2018 for companies with emissions in excess of 1,000,000 tons per year, in 2019 for companies with emissions in excess of 500,000 tons, and in 2020 for companies with emissions in excess of 250,000 tons. Mexico's Ministry of Environment is also seeking to develop a voluntary carbon emission market over the next three year period. Finally, Mexico noted that there are currently several draft bills of relevance in the Senate including, *inter alia*, three pieces of legislation aimed at banning the use of plastic bags.
- Malaysia: Malaysia stated that it had adopted the third edition of the GHS and implemented the regulation to make it compulsory for industry. Additionally, Malaysia was seeking to implement a risk-based system and therefore seeking to undertake risk assessments related to the use of hazardous chemicals. The new regulation required standard operating procedures and/or guidelines for industry using hazardous chemicals in the workplace.
- Indonesia: Indonesia provided an intervention to note that it had implemented GHS and that it was continuing implementation of several regulatory developments mentioned at the SOM3 2017 meetings.
- China: China noted that it had provided a comprehensive update on its chemical

regulation to the Asia-Pacific SAICM regional meeting. In particular, China noted the implementation of its regulation related to “severely restricted chemicals” for which one or more uses has been prohibited, but where one or more uses may remain permitted. There were nine categories of such chemicals.

- Chile: Chile stated that its Ministry of Health had submitted a notification to the WTO TBT committee regarding its proposed implementation of the GHS. It had received comments from several trading partners and was in the process of preparing answers to those inquiries.

<b>16:30-17:00</b>	<b>AGENDA ITEM 7</b>	<b>RECOMMENDATIONS AND CONCLUSIONS</b>
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7.A. **Summary of the Day and Action Items**

**APCIC**

Action Items: The CD

- Agreed that the Government and Industry Co-Chairs would circulate (1) a draft of the CD action items as soon as possible after the meeting for comment and (2) a draft report from the meeting for comment and endorsement in the weeks following the meeting.

A representative from the APCIC provided a verbal summary of the key items discussed during CD20, including an identification of the agreed upon action items. No additional comments were made in response to the summary and the CD agreed that the action items would be circulated as soon as possible after the meeting for comment and then a more detailed summary report would be circulated several weeks after the meeting and/or when completed.

7.B. **APEC Ministers Responsible for Trade (MRT) Statement**

**Government Co-Chair**

Action Items: The CD:

- Agreed that the Government Co-Chair would prioritize seeking recognition from the CTI, SOM, and Ministers Responsible for Trade, as appropriate, for the CD’s recent efforts related to (a) regulatory cooperation, (b) reducing divergence in the import requirements for industrial chemicals, and (c) efforts to promote innovative solutions to marine debris.

The Government Co-Chair noted that the CD’s work had been recognized on several occasions in 2017. Specifically:

- The MRT welcomed the “efforts of the Chemical Dialogue to encourage the use of good regulatory practices, to address divergences in classification and labeling in industrial chemicals in order to facilitate trade” as well as “efforts to improve the investment environment for waste management infrastructure.”<sup>1</sup>
- APEC Ministers (“AMM”) recognized the CD’s work, “noting the importance of risk-based chemicals management”, the AMM “note[d] the efforts of the APEC Chemical Dialogue to encourage the use of good regulatory practices and address divergences in the Globally Harmonized System of Classification and Labeling of Chemicals (GHS) to facilitate trade” and “encourage[d] all economies and stakeholders, particularly the

<sup>1</sup> See [https://www.apec.org/Meeting-Papers/Sectoral-Ministerial-Meetings/Trade/2017\\_trade](https://www.apec.org/Meeting-Papers/Sectoral-Ministerial-Meetings/Trade/2017_trade).

private sector, to engage in ocean-related cooperation including investment in sustainable materials management and waste management infrastructure, to reduce land based sources of marine debris in APEC.”<sup>2</sup>

The Government Co-Chair proposed to carry forward this momentum by providing a summary of the CD’s annual completed actions to the CTI, SOM, and if appropriate, to the 2018 MRT, including those activities related to (a) promoting good regulatory practices, (b) reducing divergence in the import requirements for industrial chemicals, and (c) promoting investment in sustainable materials management and waste management infrastructure. The CD agreed to the Government co-Chair’s recommendations.

### 7.C. Document Classification List

APEC Secretariat

#### Meeting Documents

- ❖ 2018/SOM1/CD/000 – Document Classification List (APEC Secretariat)

#### Action Items: The CD

- Endorsed the Document Classification List (2018/SOM1/CD/000) after revising it to reflect that document 2018/SOM1/CD/002 would remain “Restricted” until its intersessional endorsement and Documents 2018/SOM1/CD/011 and 2018/SOM1/CD/012 would become “Public” based on their in-meeting endorsement.

The Secretariat reviewed Document Number 2018/SOM1/CD/000. The CD noted that 2018/SOM1/CD/002, its Terms of Reference, would remain restricted until the planned intersessional endorsement, while 2018/SOM1/CD/011 and 2018/SOM1/CD/012 were endorsed and could therefore be made public. The CD endorsed the Document Classification List as revised.

### 7.D. SOM3 Preparations

Papua New Guinea

#### Action Items: The CD:

- Thanked Papua New Guinea for its efforts in hosting CD20 and encouraged delegates to attend the CD’s next meeting in August in Port Moresby, Papua New Guinea.

A representative from Papua New Guinea thanked CD delegates for the honor of hosting, noting that the opportunity had provided an opportunity for it to unite a group of inter-agency stakeholders for the first time, which will hopefully provide a basis for future collaboration. Papua New Guinea invited CD delegates to a reception immediately after the CD and requested that all delegates plan to return to Port Moresby to attend the 21<sup>st</sup> Chemical Dialogue to be held during SOM3.

The Co-Chairs concluded the meeting by extending their thanks to Papua New Guinea for hosting, to the Secretariat for its work in organizing the meeting, and to CD delegates for their active participation throughout the day’s discussion.

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<sup>2</sup> See [https://www.apec.org/Meeting-Papers/Annual-Ministerial-Meetings/2017/2017\\_amm](https://www.apec.org/Meeting-Papers/Annual-Ministerial-Meetings/2017/2017_amm).