



**Asia-Pacific
Economic Cooperation**

2020/SOM1/BMC/010

Agenda Item: 9

Fora Support and Monitoring

Purpose: Consideration
Submitted by: APEC Secretariat



**First Budget and Management Committee
Meeting
Putrajaya, Malaysia
16 February 2020**

Fora Support and Monitoring

OBJECTIVE

This paper serves to highlight areas that require BMC and SOMs' attention this year:

1. Monitoring and enforcing quorum across all sub-fora.
2. Sunset clauses.
3. Recommendations for Further Governance Work as per the 2018 New Zealand paper, "Updates on Fora Governance Improvement" (2018/SOM3/BMC/005), which include:
 - Cost and resource implications for establishing new APEC fora and there being no current mechanism for assessing this;
 - Inconsistencies in chairing arrangements for APEC fora - Currently we have a variety of formula for the leadership of sub-fora which can be confusing;
 - An inconsistency across Committees where SCE cannot establish working groups under it without SOM's approval and yet SCE members themselves are Senior Officials or their representatives; while CTI, EC and BMC can do so (CTI can decide for both temporary and permanent groups; EC and BMC for defined task forces); and
 - The proliferation of APEC Centers, which some economies have expressed concerns over the organizational level capacity for oversight. It is noted that PPSTI established guidelines on the establishment, management and review of endorsed APEC Centers of the Policy Partnership on Science, Technology and Innovation (PPSTI Centers) in order to better manage their Centers. No other fora have yet done the same.

BACKGROUND

Fora support is one of the four key functions of the APEC Secretariat. In 2019, the Secretariat followed through on the following aspects of fora support: quorum, forum mechanism, governance of subsidiary bodies and leadership selection process. At CSOM, at least two economies requested that Secretariat continue its reporting on fora support to BMC, specifically to follow through on two papers presented to SOM in 2017 (by Australia, "Governance Improvements for a More Effective APEC" 2017/SOM2/002) and to BMC in 2018 (by New Zealand, "Updates on Fora Governance Improvement" 2018/SOM3/BMC/005).

FORA MONITORING

Quorum

At the conclusion of 2019, all fora and Sub-fora, except for the Agricultural Technical Cooperation Working Group (ATCWG) and the Life Sciences Innovation Forum (LSIF), met their quorum requirements.

Sunset Clauses

In 2020, the Sunset Clause for SMEWG will take effect. And in 2021, the Sunset Clause for a total of 28 Sub-fora will come into effect (Annex 1). This provides an opportunity for the streamlining of Terms of Reference (TOR) across all Fora and Sub-fora. As pointed out in the 2018 New Zealand paper, "the structures of sub-fora, including their subsidiary bodies have not been clear, and Senior Officials have not been given all relevant information on these structures to ensure they have effective oversight. In particular, there has been non-adherence to the approved *Guidelines for the Establishment of New APEC Fora* (2007), which state that Terms of Reference should include:

- A statement of goals and objectives, which reflect a clear strategic focus;
- Outline current priorities and projected outputs;

- **The structure of the group and working arrangements**, including the rotation of the Chair (every two years), meeting arrangements (meetings schedules should be minimised and well-timed to ensure relevant participation and consistency with APEC processes), and reporting requirements (annual reporting through the CTI or SCE Fora Report or as requested by SOM);
- Proposed cooperation/consultation with other APEC fora, the private sector, international financial institutions and other international organisations;
- A sunset or review clause (after two years for task forces and four years for all other fora). The sunset clause should include a review of achievements against stated objectives and outputs, and consider whether the fora should continue to operate.”

Annex 2 sets out a proposed template for the renewed TOR. If agreed by the BMC, this template will be forwarded to the SMEWG to customise, according to priorities and work plans.

Follow-up on the New Zealand paper

The concerns highlighted in the New Zealand paper, specifically the inconsistencies in chairing arrangements, and across fora, will be addressed through the review of the TORs of the Fora and Sub-fora whose Sunset Clauses come into effect this year and in 2021.

FOR DISCUSSION

BMC to discuss and provide guidance on the proposed template for the TORs, and other aspects of Fora support and monitoring.

LIST OF EXPIRING MANDATES

FORA	SUBFORA		MANDATE EXPIRY
SOM	1	Policy Partnership on Food Security (PPFS)	2021
	2	High Level Policy Dialogue on Agricultural Biotechnology	2021
CTI	1	Business Mobility Group (BMG)	2021
	2	Electronic Commerce Steering Group (ECSG)	2021
	3	Group on Services (GOS)	2021
	4	Intellectual Property Rights Experts Group (IPEG)	2022 (July)
	5	Investment Experts' Group (IEG)	2021
	6	Market Access Group (MAG)	2021
	7	Sub-Committee on Standards and Conformance (SCSC)	2021
	8	Sub-Committee on Customs Procedures (SCCP)	2021
	9	Automotive Dialogue (AD)	2021
	10	Chemical Dialogue (CD)	2022 (SOM1)
	11	Life Sciences Innovation Forum (LSIF)	2022 (March)
EC	1	Competition Policy and Law Group (CPLG)	2021
SCE	1	Agricultural Technical Cooperation Working Group (ATCWG)	2021
	2	Anti-Corruption and Transparency Experts' Working Group (ACTWG)	2021
	3	Counter-Terrorism Working Group (CTWG)	2021
	4	Emergency Preparedness Working Group (EPWG)	2021
	5	Energy Working Group (EWG)	2021
	6	Experts Group on Illegal Logging and Associated Trade (EGILAT)	2021
	7	Health Working Group (HWG)	2021
	8	Human Resource Development Working Group (HRDWG)	2021
	9	Oceans and Fisheries Working Group (OFWG)	2021
	10	Policy Partnership on Science, Technology and Innovation (PPSTI)	2021
	11	Policy Partnership for Women and the Economy (PPWE)	2021
	12	Small and Medium Enterprises Working Group (SMEWG)	2020*
	13	Telecommunications and Information Working Group (TELWG)	2021
	14	Tourism Working Group (TWG)	2021
	15	Transportation Working Group (TPTWG)	2021

[TEMPLATE] WORKING GROUP TERMS OF REFERENCE

Background

Short introduction about the origins of the group and mandates from Senior Officials, Ministers, Leaders if any.

Goals

2-3 goals of the group. Should be short realistic statements of goals.

Objectives

- 3-6 realistic objectives that align with goals and outline the responsibilities of the group

Priorities

What is the groups' main guiding document? Strategic plan, RAASR, Osaka Action Agenda, BOGOR, Boracay, etc.

What are the priorities or work streams being undertaken during this terms of reference that advance above?

Collaboration or reporting The Group responds to other APEC reform or review processes as required.

Membership

Each economy determines the composition of its delegation to the [Group].

Leadership

Committee level (BMC, CTI, EC, SCE) – Chair nominated by economy and selected by consensus or rotating basis (please describe ie. SCE Chair is the incoming host economy and BMC is the previous host economy)

Working Group level - Lead Shepherd - nominated by economy and selected by consensus [if rotating basis please describe arrangements]

Sub-group(s) – Convenor – nominated by economy and selected by consensus

Term of [Chair or LS or Convenor] – with few exceptions (BMC and SCE) will have a two-year term (be specific regarding months and years). The CTI and EC Chair, LS or Convenor may not serve more than two consecutive terms.

Deputy [Chair, LS, or Convenor] – one or more. Will have a two-year term staggered with the [Chair, LS, Convenor]. Nominated by economy and selected by consensus.

If [Chair, LS or Convenor] resigns prior to their end of their term, the economy of the [Chair, LS, or Convenor] can name an [Interim Chair, LS, or Convenor] to serve out the remainder of the term. If the economy of the [Chair, LS, or Convenor] chooses not to name an interim [Chair, LS, or Convenor] the Deputy [Chair, LS, or Convenor] will become the [Interim Chair, LS, or Convenor] for the remainder of the term.

Meeting arrangements

How often will the group meet?

Where does the group meet?

At SOM? If yes, which SOM(s)?

Outside SOM? If outside SOM, how is the host selected? If no volunteer host by (time frame) then that meeting will not take place. Is there an associated ministerial? If so, how often? How is the Ministerial host selected?

Sub-Groups

Are there any sub-groups, networks?

If so, list them here along with any chairing arrangements and meeting arrangements for sub groups. All sub-groups should be included in the sub-fora ToR (not an individual ToR).

Friends of the [Chair, Lead Shepherd, Convenor]

From time to time, [Group] may form a Friends of the [Chair, LS, Convenor] to study a narrow topic of concern. Friends of the [Chair, LS, or Convenor] arrangement cease to exist at the end of the [Chair, LS, or Convenor] current term and can only be reestablished on a consensus basis.

Reporting Structure

The [Group] reports to [relevant Committee] via [report, verbal report, etc].? [Group reports to SOM/Ministers/etc on [name of work stream] at [name which meeting(s)]].

Engagement

Explain engagement with stakeholders (including private enterprise, multi-nationals, etc), officials, and civil society. How will the group engage? Reporting or engagement?

Fora Review

The [relevant Committee] will conduct an assessment of achievements against stated objectives and outputs of the [Group] every four years. The findings and recommendations from the assessment will be taken into account when the new four-year Strategic Plan is developed.

The Terms of Reference shall be reviewed when necessary upon the consensus of all member economies.

Quorum

Quorum for [Group] meetings constitutes attendees from 14 economies. Should the [Group] fail to meet quorum for one meeting, the [Group] group must notify (parent committee chair/pd). Should the [Group] fail to meet quorum for two consecutive meetings it will be referred to Senior Officials for a decision on whether it should continue to exist.

Sunset Clause

The [Group's] term is 1 January [202x] to 31 December [202x]. At the expiration of this and any subsequent term, the mandate of [Group] and its Terms of Reference shall be reviewed by the [Group] and the [relevant Committee]. [Relevant Committee] may make a recommendation on continuation of its mandate to be put forward for Senior Officials' approval. The [Group] will cease to exist upon the expiration of this Terms of Reference unless renewal is explicitly approved by Senior Officials.