



**Asia-Pacific
Economic Cooperation**

2020/SOM1/006
Agenda Item: 5.1

SCE Chair's Report

Purpose: Consideration
Submitted by: SCE Chair



**First Senior Officials' Meeting
Putrajaya, Malaysia
20-22 February 2020**

SCE Chair's Report to SOM

The SOM Steering Committee on ECOTECH (SCE) met in Putrajaya, Malaysia, on 18 February 2020. Key outcomes of the meeting were as follows:

1. The SCE established and endorsed the 2020 SCE Work Plan (2020/SOM1/SCE/002).
2. The SCE established and endorsed the SCE Terms of Reference (2020/SOM1/SCE/003).
3. SCE noted the future meeting arrangements for SCE2 and SCE3, including plans to hold policy dialogues of relevant crosscutting issues at SCE2 and SCE3.
4. SCE noted Malaysia's host year priorities.
5. The SCE noted the project update of China's self-funded project *Inclusive Digital Economy: Alleviating Poverty and Improving Living Standards Through Increased Economic Growth*.
6. The SCE noted China's self-funded project *Final Assessment of 2020 APEC Forest Cover Goals*.
7. The SCE noted PSU's update on *APEC Case Studies on Inclusive Policies*.
8. The SCE noted New Zealand's self-funded project proposal *Understanding and Valuing Indigenous Economies within APEC: A Case Study and Guide*.
9. The SCE noted Chile's update on the self-funded project *APEC Case Studies: Best Practices of Smart Cities in the Digital Age*.
10. The SCE noted China's self-funded project proposal *APEC Guidelines on Smart Cities Development to Promote Inclusive and Sustainable Growth in Asia-Pacific*.
11. The SCE noted China's self-funded project proposal *Promoting Technology Application, Dissemination, and Commercialization for Inclusive Growth in Asia-Pacific*.
12. The SCE noted the Fora Strategic Plan update.
13. The SCE noted the Quorum Update.
14. The SCE noted the previously endorsed timeline of SCE sub-fora to be assessed in 2020.
15. The SCE noted Malaysia's briefing on scheduling of 2020 Sectoral Ministerial and High Level Policy Dialogues.

Recommendation

It is recommended that SOM:

1. Endorse SCE's new Terms of Reference
2. Endorse SCE's 2020 Work Plan
3. Endorse this report

Attachment: Summary Report – SOM Steering Committee on ECOTECH

Summary Report – SOM Steering Committee on ECOTECH

18 February 2020
Putrajaya, Malaysia

1. The first meeting of the SOM Steering Committee on ECOTECH (SCE) was held in Putrajaya, Malaysia, on 18 February 2020. Twenty APEC economies were represented, with China joining the meeting remotely.
2. The meeting was chaired by Mr Mark Talbot, Senior Official of New Zealand. Vice Chair was Ms. Asmidar Abdul Rahman, representing SOM Malaysia.

Agenda Item 1: Welcome by SCE Chair and Adoption of the Agenda

3. The SCE Chair welcomed delegates. The agenda (2020/SOM1/SCE/001) was adopted.

Agenda Item 2: 2020 SCE Work Plan

2.1 SCE to consider 2020 SCE Work Plan

4. The SCE Chair presented the 2020 SCE Work Plan (2020/SOM1/SCE/002) which was endorsed.

2.2 SCE to discuss the SCEs new Terms of Reference 2020-2024

5. The SCE Chair presented the new SCE Terms of Reference (2020/SOM1/SCE/003) which was endorsed.

2.3 Future SCE Meetings arrangements

6. The SCE Chair briefed on future meeting arrangements including holding 60-90 minute policy dialogues at SCE 2 and SCE3 on cross-cutting issues being examined by SCE sub-fora and other APEC Committees. Specifically SCE Chair noted that four SCE sub-fora (ATCWG, EWG, OFWG, and PPSTI) are currently working on various aspects of the circular economy and suggested this could be the topic at SCE2's policy dialogue. SCE noted these arrangements.

Agenda Item 3: Policy Initiatives, Project Updates, and Issues

7. On Agenda Item 3 generally, the United States raised the issue of the increase in the number of proposals being tabled for consideration at SCE without first engaging with relevant technical working groups. The US stated that projects are tabled at SCE laterally rather than percolating up through working level which detaches projects from the core oversight of technical experts. The US stated that it cannot support projects that have not been vetted to technical experts in the working groups. Russia highlighted the relevance of all the three new initiatives and favored their further deliberation at SCE. At the same time, Russia pointed out the desirability of indicating which particular forums will deal with their implementation at the technical level.
8. Several economies expressed the view that policy discussion and cross-cutting issues are a core responsibility of SCE. One economy further stressed that the SCE is the appropriate forum to introduce and advance SOM-level work and projects to implement the ECOTECH mandate of SCE.

3.1 Inclusive Digital Society: Alleviating Poverty and Improving Living Standards through Increased Economic Goals

9. China presented a brief update on its self-funded project. China plans to have a workshop, field trip, and working dinner in late May or early June, in Guizhou Province. SCE noted the update.

3.2 Final Assessment 2020 APEC Forest Cover Goal

10. China provided a brief update on its self-funded project. China indicates the project will be complete in October 2020. SCE noted the update.

3.3 APEC Case Studies on Inclusive Policies

11. PSU provided a brief update of the Korea-led project. PSU indicated they intend to provide a draft paper by SCE2 and the final report by SCE3. SCE noted the presentation and timeline.

3.4 Indigenous Economies

12. New Zealand presented its self-funded project proposal *Understanding and Valuing Indigenous Economies within APEC: A Case Study and Guide*. Economies requested additional time for internal consultation. Discussions will continue intersessionally. SCE noted the presentation.

3.5 Smart Cities

13. Chile updated on its self-funded project (co-proposed by China) *APEC Case Studies: Best Practices of Smart Cities in the Digital Age*. Chile is currently in the process of agreeing to the Terms of Reference with Universidad de la Frontera who will conduct the case study of Chile. SCE noted the update.
14. China presented its concept paper *APEC Guidelines on Smart Cities Development to Promote Inclusive and Sustainable Growth in Asia-Pacific*.
15. Some economies expressed support for the proposal. Other economies requested that the APEC Case Studies, which this project builds on, be completed prior to beginning this project. The US requested that this concept paper be provided to members using the appropriate self-funded project proposal cover sheet to enable the project to be included on the APEC Projects Database. Discussions will continue intersessionally. SCE noted the concept paper.

3.6 Promoting Technology Application, Dissemination and Commercialization for Inclusive Growth in Asia-Pacific.

16. China presented on this concept paper.
17. The US requested that this paper be provided to members on the APEC Self-Funded Project Proposal cover sheet, which would allow members to find linkages and locate the outcomes on the APEC Project Database. The US mentioned that very similar work was conducted in PPSTI in 2018 and suggested this work could also be carried out in PPSTI. SCE noted the concept paper.

18. SCE Chair noted the disagreement between economies on SCE's core functions and responsibilities. SCE Chair suggested members could compromise by agreeing to socialize project proposals to the relevant working group(s) or provide a justification why that was not possible/appropriate when submitting proposals to SCE. Some economies expressed concern at this proposal with one economy stating it was not an agenda item and could not be discussed.

Agenda Item 4: Fora Operation and Policies

4.1 Fora Strategic Plan

19. The APEC Secretariat Program Director shared a short presentation outlining those fora operating with current strategic plans and those fora operating with expired strategic plans. It was noted that the two fora with expired strategic plans are currently in the process of drafting new strategic plans. SCE noted the presentation.

4.2 Quorum Update

20. The APEC Secretariat Program Director shared a short presentation on the quorum of SCE sub-fora that convened between SCE3 2019 and SCE 1 in 2020. It was noted that all sub-fora met quorum with the exception of CTWG, which had members from 11 economies. SCE Chair remarked that the availability of remote participation has been important to sub-fora meeting quorum requirements. SCE noted the presentation.

Agenda Item 5: Standardized Fora Assessment Program

21. The APEC Secretariat Program Director provided a brief update on the fora scheduled for assessment as part of the Standardized Fora Assessment Program with ATCWG, ACTWG, PPWE, TELWG, and TPTWG scheduled for assessment in 2020.
22. The SCE Chair thanked the 2019 Assessment Team members (Canada; Chile; China; Malaysia; New Zealand; and Chinese Taipei) – for their work. The SCE Chair noted that the 2020 Assessment Team will be comprised of Australia; Canada; China; Malaysia; New Zealand; Chinese Taipei; Thailand; and the United States. SCE Chair thanked Australia and Canada for volunteering to lead the Assessment Team. The Assessment Team intends to draft a report on the current pilot program and circulate it to members intersessionally. SCE noted the presentation and 2020 arrangements.
23. Korea asked if SCE has the authority to make recommendations to SOMs on the renewal mandates of SCE sub-fora. The APEC Secretariat Program Director responded that SCE has the authority to make recommendations to SOMs on the renewal of mandates for SCE sub-fora.
24. Korea then asked if the Fora Assessment reports can be used to inform SCE when they are taking their decisions on renew of mandates for SCE sub-fora. The APEC Secretariat Program Director responded that the program was designed for this purpose.
25. The United States asked if all of the historical documents on the Standardized Fora Assessment Program as well as previously drafted reports were available to members. The APEC Secretariat Program Director responded that there is a Fora Assessment Program folder on the SCE ACS

page, which contains the background documents on the development of the current program, as well as all fora assessment reports compiled to date.

26. Korea asked if there is currently a process SCE would be following to develop the recommendations to SOMs on the renewal of mandates and suggested if there was not a process one should be developed. The APEC Secretariat Program Director responded that there is not currently a process. The APEC Executive Director stated that any process should be transparent and consistent. Korea responded that there is a case for having the discussion in SCE.

Agenda 6: Scheduling and Discussion of Ministerial Meetings and High Level Policy Dialogues in 2020

27. Malaysia provided a brief update on arrangements for various sectoral ministerial meetings and high-level policy dialogues.

20-21 Apr	Ministers Responsible for Trade, Kota Kinabalu
12-16 Apr	APEC Tourism Ministerial Meeting and Related Meetings, Langkawi
23-25 Jun	Senior Finance Officials Meeting, Penang
5-6 Aug	High Level Meeting on Health and the Economy and APEC Policy Dialogue, Penang
8-9 Aug	High Level Policy Dialogue on Food Security, Penang
17-18 Aug	Structural Reform Ministerial, Selangor
21-24 Sept	APEC SME Ministerial and Related Meetings, Kuala Lumpur
6-9 Oct	High Level Policy Dialogue on Women and the Economy, Kuala Lumpur
26-28 Oct	Finance Ministers including Senior Finance Officials Meeting & Central Bank Deputies, Kuala Lumpur/Putrajaya

Agenda Item 7: Other Business

28. No other business

Agenda item 8: Document Classification

29. The document classification list (2020/SOM1/SCE/000) was endorsed without changes