



**Asia-Pacific  
Economic Cooperation**

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2021/SOM2/CTI/IS01

**Concept Note – Public-Private Dialogue on  
Promoting Transparency of Technical Barriers to  
Trade WTO Notifications: Improving Completeness  
and Clearness of Information  
(Endorsed Intersessionally on 12 March 2021)**

Purpose: Information  
Submitted by: Peru



**Second Committee on Trade and  
Investment Meeting  
25-27 May 2021**

# APEC Concept Note

<b>Project Title:</b>	<b>PPD on Promoting Transparency of TBT WTO Notifications: Improving Completeness and Clearness of Information</b>
<b>Fund Source (Select <u>one</u> only):</b>	
<input type="checkbox"/> General Project Account (GPA) <input checked="" type="checkbox"/> <b>Trade and Investment Liberalization and Facilitation Special Account (TILF)</b> <input type="checkbox"/> APEC Support Fund (ASF) – General Fund <input type="checkbox"/> APEC Support Fund (ASF) – Sub-Fund. <u>You must nominate the sub-fund here:</u> .....	
<b>APEC forum:</b>	Committee on Trade and Investment (CTI) for endorsement Sub-Committee on Standards and Conformance (SCSC) for comments Market Access Group (MAG) for comments Small, Medium Enterprises Working Group (SMEWG) for comments
<b>Proposing APEC economy:</b>	Peru
<b>Co-sponsoring economies:</b>	Australia; Canada; China; Philippines; Chinese Taipei
<b>Expected Start Date:</b>	July 2021
<b>Project Completion Date:</b> <small>See Chapter 7 Guidebook on APEC Projects</small>	December 2022
<b>Project summary:</b> <i>In 150 words -</i> <ul style="list-style-type: none"> <li>• <b>What is the issue that you will address or examine in your project?</b></li> <li>• <b>Outline the key things your project will do, in terms of what, where, when and with whom.</b></li> </ul> <i>(Summary must be no longer than the box provided. Cover sheet must fit on one page)</i>	<p>In APEC region, Technical Barriers to Trade (TBT) are one of the most employed Non-Tariffs Measures (NTMs). However, many of them are not properly notified to WTO. This situation disadvantages businesses, especially to micro, small, and medium enterprises (MSMEs), given that they perceive NTMs as a source of increasing concern since they can easily turn into non-tariff barriers (NTBs). In addition, MSMEs find a lack of transparency on TBT notifications. From business perspective, TBT imposes overly strict and complicated requirements, and procedural obstacles.</p> <p>In this context, a Public-Private Dialogue (PPD) is proposed on Promoting Transparency of TBT WTO Notifications at the margins of SOM1 2022.</p> <p>This PPD is an essential activity for the implementation of the initiative “Promoting Transparency of TBT WTO Notifications: Improving Completeness and Clearness of Information” (2020/CTI2/IS06). This PPD, based on the Study, will help to develop best practices on transparency that could complement WTO guidelines.</p>
<b>Total cost of proposal:</b> <i>(APEC funding + self-funding):</i>  <b>USD 75,000 (60,000 + 15,000)</b>	<b>Total amount being sought from APEC (USD): 60,000</b>  <b>By category:</b> <i>Travel:</i> 60,000 <i>Labor costs:</i> 5,000 <i>Hosting:</i> 10,000 <i>Publication &amp; distribution:</i> - <i>Other:</i> -  <i>(See Guidebook on APEC Projects, Ch. 9 to ensure all proposed costs are allowable.)</i>

**Project Overseer Information and Declaration:**

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As Project Overseer and on behalf of the above said Organization, I declare that this submission was prepared in accordance with the **Guidebook on APEC Projects (the Guidebook)** and any ensuing project will comply with said Guidebook. Failure to do so may result in the BMC denying or revoking funding and/or project approval. I understand that any funds approved are granted on the basis of the information in the document's budget table, in the case of any inconsistencies within the document. By submitting this APEC Concept Note to the APEC Secretariat, you (each Project Overseer or point of contact) agree that the APEC Secretariat will collect, use, disclose, and transmit the data contained in the APEC Concept Note, which you have provided to the APEC Secretariat, in accordance with the Singapore's Personal Data Protection Act 2012 and the APEC Secretariat's data protection policy (<https://www.apec.org/PrivacyPolicy>). The APEC Secretariat will transfer any data provided in this form, which may contain personal data of Project Overseer(s), to APEC member economies overseas via the APEC Secretariat.

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*Name of Project Overseer / Date*

## Project Synopsis

1. **Relevance – Benefits to region: What problem does the project seek to address? Does it have sustained benefits for more than one economy?**

There is a proliferation of NTMs worldwide, including in the Asia-Pacific region. In APEC, Sanitary and Phytosanitary Measures (SPS), and TBT are by far the most employed NTMs. A range of these are legitimate under the terms of the WTO TBT Agreement, but many are not properly notified. According to the APEC Business Advisory Council's (ABAC) study, *Non-Tariff Barriers in Agriculture and Food Trade in APEC: Business Perspectives on Impacts and Solutions (2016)*, TBT measures are the most burdensomeness in comparison with other NTMs since they have the greatest negative impact in terms of time and cost. Inconsistency, lack of transparency, and sudden changes are the biggest problems highlighted by businesses, mostly regarding labelling, testing protocols and product classification. Since information on regulations affecting trade should be accessible and understandable to facilitate trade, this situation does not only increase transaction costs, but also makes it difficult for MSMEs to formulate efficient business decisions in order to export their products.

WTO Members are required to notify technical regulations and conformity assessment procedures in accordance to WTO Agreement on Technical Barriers to Trade. In this regard, WTO has identified that the number of TBT notifications has been growing every year since 2015<sup>1</sup>. However, there is an increasing number of Specific Trade Concerns (STC) related to TBT measures as well. As WTO TBT Enquiry Point Guide (2018) states<sup>2</sup>, there is a correlation of 44% between TBT notifications and TBT STCs. Furthermore, according to the TBT Information Management System, the main types of concerns among Members that raised STCs in the Committee are regarding further information or clarification of a TBT measure (17.52%), unnecessary barrier to trade (15.83%) and transparency (14.74%)<sup>3</sup>. These figures show that, even though WTO Members are complying with notifying technical regulations and conformity assessment procedures, the completeness of information on current TBT notifications does not seem to satisfy business' needs, and APEC economies are not strangers to this situation.

In this regard, Peru's "Self-Funded Initiative on Promoting Transparency of Technical Barriers to Trade (TBT) World Trade Organization (WTO) Notifications: Improving Completeness and Clearness of Information" (2020/CT12/IS06) includes a "Study on Transparency of TBT Notifications in the APEC region". It also contemplates holding this PPD to discuss the result of the study. These activities will be the basis for developing a set of best practices to improve the transparency and completeness of TBT notifications within APEC, in order to complement WTO guidelines on the matter (G/TBT/1/Rev.14).

**Relevance – Eligibility and Fund Priorities: How does the project a) meet the eligibility criteria and b) support the funding priorities for the nominated fund or sub-fund? Refer to the APEC website.**

The project seeks resources from the TILF fund, as it contributes to trade facilitation. The project is aligned with the General Principles of the Osaka Action Agenda, in particular the ones regarding Comprehensiveness, WTO-consistency and Transparency. Furthermore, it covers areas of the Osaka Action Agenda such as Non-Tariff Measures and Transparency by promoting the enhancement of the completeness and clearness of WTO's TBT Notifications in the APEC region.

**Relevance – Capacity Building: How will the project build the capacity of APEC member economies? For ASF projects, please identify the APEC developing member economies that will benefit from this project. (Refer to capacity building goals, objectives and principles at Appendix K of the Guidebook.)**

The PPD will focus on sharing and discussing the findings of the study and to collect contributions from stakeholders, including private sector and academia. In this sense, the PPD will be a platform for APEC members to build their capacity and have a better understanding of similarities, differences and needs in order to develop a set of possible best practices to improve clarity and completeness of TBT notifications. We expect beneficiaries to disseminate their acquired knowledge within their economies and within WTO members.

**Objective: State the overall objective of the project in 100 words or less. The objective is the overarching goal of your project, for example, "Our objective is to build the capacity of project participants through workshop and research to better support the X Roadmap, and produce recommendations as a basis for further collaboration to address the APEC-wide issue of..." In the Project Proposal, you will be required to identify a set of measurable project-level outcomes, which if collectively achieved, define whether the project has met the objective stated here. You can identify more than one objective, but avoid confusing the *objective* or goal of the project with the project's *outcomes*.**

- To discuss the results of the "Study on Transparency of TBT Notifications in the APEC region", including contributions from stakeholders.

<sup>1</sup> I-TIP Goods: Integrated analysis and retrieval of notified non-tariff measures (<http://i-tip.wto.org/goods/Default.aspx>).

<sup>2</sup> WTO TBT Enquiry Point Guide ([https://www.wto.org/english/tratop\\_e/tbt\\_e/tbt\\_enquiry\\_point\\_guide\\_e.pdf](https://www.wto.org/english/tratop_e/tbt_e/tbt_enquiry_point_guide_e.pdf)).

<sup>3</sup> Technical Barriers to Trade Information Management System (<http://tbtime.wto.org/>).

- To discuss possible best practices to improve the quality of the information submitted in the TBT notifications, based on the results of the study.

2. **Alignment – APEC: Describe specific APEC priorities, goals, strategies and/or statements that the project supports, and explain how the project will contribute to their achievement.**

This project is aligned with the APEC Putrajaya Vision 2040 as it pursues the “importance of [...] a free, open, fair, non-discriminatory, transparent and predictable trade and investment environment”<sup>4</sup>. It is also aligned with the MRT’s 2020 Joint Statement and the COVID-19 Declaration in which ministers “affirm the importance of transparent and non-discriminatory, agreed upon rules in the WTO, which enhance market”<sup>5</sup> and to “ensure that trade and investment continue to flow in these trying times”<sup>6</sup>. It also responds to the 2018 Ministerial Cross Cutting Principles on NTMs, as they stated: “The processes to develop non-tariff measures should be transparent, consultative and timely, resulting in predictable, coherent, and non-discriminatory application; and information about non-tariff measures should be publicly available”<sup>7</sup>.

**Alignment – Forum: How does the project align with your forum’s work plan/strategic plan?**

This project is aligned with CTI’s work program since it supports the multilateral trading system, by discussing and proposing an improvement of the information shared by APEC members at WTO. It also seeks to strengthen trade facilitation, since the results of the project will help reducing time and costs related to trade caused by NTBs, especially to MSMEs. In addition, the project engages the private sector by considering ABAC’s study on NTBs and their specific points of view included in the Study. Finally, this project will be the basis for develop best practices and capacity building on TBT transparency in the APEC region. Overall, the project contributes to improve the quality of information presented in WTO’s TBT notifications and thus, to enable private sector to adapt their activities to those requirements, avoid barriers generated by the lack of transparency, and increase trade.

3. **Methodology: How do you plan to implement the project? Briefly address the following:**

- **Work plan: In a simple table, outline the project from start to end. Show key project outputs and activities and associated dates or timelines.**

Activity	Date
Arrangements for Logistics Issues of PPD: Agenda, Speakers, “Save the date” notifications.	September – December 2021
Circulate invitation to nominate participants	December 2021 – January 2022
Hold the PPD	SOM1 2022 – February 2022
Disseminate a draft of possible best practices on improving transparency for TBT notifications in the APEC region	April 2022

- **Beneficiaries: Selection criteria for participants, beneficiary profiles (e.g. participants, end users, policy makers, researchers/ analysts, gender) and how they will be engaged.**

Direct beneficiaries of the project are government officials and/or regulators. Indirect beneficiaries will be the private sector and TBT experts. Participants will be high and working level officials in their own fields who can influence and be actively involved in the TBT notification process, and high-level business representatives directly involved with complying TBT measures.

- **Evaluation: Outline the indicators which will be used to measure progress towards the project outcomes. Where possible provide indicators which could assess impacts on women.**

The main indicators of the success of the project are:

- The number of participants/economies attending the PPD.
- The number of female speakers/participants in this project.
- The number of best practices to improve transparency for TBT notifications in the APEC region.

- **Linkages: Information on other APEC and non-APEC stakeholders and how they will be engaged. If and how this proposal builds on (but does not duplicate) the work of other projects. How will this activity promote cross fora collaboration?**

The project will be circulated among CTI, SCSC, MAG and SMEWG members for comments and will be invited to participate at the PPD. International organizations such as WTO might be also interested in collaborating with experts in the PPD. This project builds on “Study of APEC Economies’ Sanitary and Phytosanitary (SPS) Notifications on Quality and Completeness of Information” as it is based on a similar methodology to collect information as well as its ensuing PPD. It also complements the “Study of APEC Economies’ TBT and SPS Specific Trade Concerns: An Analysis from the APEC Cross Cutting Principles on Non-Tariff Measures” since it concluded that one of the main concerns of Members is the lack of transparency in TBT notifications.

<sup>4</sup> 2020/AELM/DEC/1

<sup>5</sup> 2020/MRT/JMS

<sup>6</sup> 2020/MRT/COVID-19/JMS

<sup>7</sup> 2018/AMM/STMT/AnnA